



Extra Reading Time: 15 Minutes

Time Allowed: 01 Hour 45 Minutes

Maximum Marks: 70

Roll No.:

**INSTRUCTIONS TO THE EXAMINEES:**

- (i) Attempt all sections of the question paper.
- (ii) Write your Roll No. in the space provided above.
- (iii) Answers must be ticked/ submitted in online CBE Application, for Section-A – Multiple Choice Questions (MCQs), and typed in provided solution file(s) available on desktop of allocated PC, for Section-B – Short Cases and Section-C – Report Writing, and should be relevant and brief. It is not necessary to maintain the sequence.
- (iv) Use of non-programmable scientific calculators is allowed.
- (v) Read the instructions printed on the Top Cover Sheet CAREFULLY before attempting the paper.
- (vi) In marking the question paper, the examiners take into account clarity of exposition, logic of arguments, effective presentation, language and use of diagram/ chart, where appropriate.
- (vii) DO NOT write your Name, Reg. No. or Roll No., or any irrelevant information inside the answers/ solutions.
- (viii) Question No. 1 – “Section-A – MCQs” available separately through CBE Application and “Section-D – Presentation” administered separately, are integral parts of this question paper.
- (ix) Question Paper, along with Working Sheet(s), must be attached with the provided Top Cover Sheet before leaving the examination hall.

**DURING EXTRA READING TIME, WRITING/ TYPING IS STRICTLY PROHIBITED**

**SECTION-A – MULTIPLE CHOICE QUESTIONS (MCQs)**

[Hint: Examinees are supposed to attempt the given MCQs, using online CBE Application through Exam Supervisor's Password and submit the answers before quitting exam session.]

Question No. 1

Suggested Time : 10 Min. | Total Marks : 20

**Multiple Choice Questions [MCQs]**

Attempt all MCQs, choosing most appropriate answers as appear on computer screen [illustrated below for understanding]:

1. Mr. Shahid is working in a multinational company. Owing to his poor attendance, the Director of the company has asked his Secretary to send him a final warning notice. Which type of approach for writing such a letter must be used by the management?
  - Indirect approach
  - Direct approach
  - Neutral approach
  - General approach
2. A document that instructed you to produce a report is called a \_\_\_\_\_.
  - letter of transmittal
  - letter of acceptance
  - letter of authorization
  - cover letter

3.

4.

5.

15. \_\_\_\_\_ approach is the art of convincing people to adopt your point of view.

- Positive
- Persuasive
- I-attitude
- You-attitude

### SECTION-B – SHORT CASES

[Hint: Examinees are supposed to attempt the given cases, using MS Word and/ or Excel Template(s) through the given Password <\*\*\*\*\*> and attach the printouts of solutions with provided Top Cover Sheet, duly signed by the Invigilator, before leaving the exam lab.]

**Question No. 2**

**Suggested Time : 10 Min. | Total Marks : 10**

You have received a letter from your bank, asking you to acknowledge receipt of a new bank card. However, the card was missing from the envelope. Write a letter to the bank's head office. Your letter should cover the following:

- Explain why you are writing
- Express concern about the missing card
- Ask them what they intend to do

**Question No. 3**

**Suggested Time : 10 Min. | Total Marks : 10**

Assume that you are an HR Manager in a large company. You have long felt that employees' services are suffering from lack of commitment. Now you want to create new department in the HR Division devoted entirely to employee services such as counselling, recreation, and training. Write a memo to your boss requesting permission to take this step.

### SECTION-C – REPORT WRITING

[Hint: Examinees are supposed to attempt the given cases, using MS Word and/ or Excel Template(s) through the given Password <\*\*\*\*\*> and attach the printouts of solutions with provided Top Cover Sheet, duly signed by the Invigilator, before leaving the exam lab.]

**Question No. 4**

**Suggested Time : 75 Min. | Total Marks : 30**

**The Beginning:**

Haider Confectionery (HC) is a privately owned company based in Country 'X'. It produces a wide range of sweets and chocolates. The company is owned and controlled by the Khan family that established the business 25 years ago. Although HC is still a profitable business, sales have not increased for the past two years and profits have fallen [Table-1]. Lack of sales growth has led to declining market share and this is a real worry for the directors of the company.

**Chocolate Products:**

The company has a reputation for high quality chocolates. These are produced in small batches to meet seasonal demand patterns. Chocolates are mainly purchased in Country 'X' during the three main festival periods each year as gifts. HC sells 50% of their total chocolate output during these three festival periods.

The most expensive chocolate products are hand finished – this means that skilled workers use old fashioned methods to decorate and shape the chocolate gifts. Sometimes, customers order unusual shapes and sizes and these goods are then produced individually.

### **Other Sweet Products:**

Other sweets made by HC do not contain chocolate. These sweets are demanded regularly throughout the year. They are relatively cheap and usually consumed by children. There are four main ranges of sweets. Each range is produced in 25 different flavours using semi-automatic equipment. Each sweet range and flavour is produced in a large batch before the machinery is switched to making another range or flavour. This system of production results in a substantial build-up of stocks.

### **Market Trends for Sweets in Country 'X':**

Total sales of sweets and other confectionery products in Country 'X' have increased by 5% a year for the last three years. This sales growth is mainly due to the following two factors:

- A high birth rate in recent years has increased the population under 10-year old.
- The great success of the foreign confectionery company 'Sweets4All' in promoting their new range of sweets in the country has led to this company increasing its sales greatly. It is now market leader.

The growth in sales of sweets in Country 'X' has been widely reported. It has also led to the National Dentists Association (NDA) asking the government to put taxes on sweets to prevent a tooth decay crisis resulting from increased sweet consumption. A pressure group known as Action Against Advertising to Children (AAAC) has also organised protests outside the main offices of both HC and Sweets4 All to try to force both companies to stop advertising sweets to children. A member of AAAC told a leading newspaper that "It is unethical for sweet manufacturers to advertise, directly to children, products that can damage their health".

### **The Future for Haider Confectionery:**

The Board of Directors is determined to make the company more competitive and profitable. The directors are divided on how these aims should be achieved. Following are the views of three of the directors, expressed at the last board meeting:

- **Director Marketing:**

Our objective should be sales growth. The 2019 and 2020 sales forecasts for two of our four main product ranges are disappointing [Table-2]. These sweets should be discontinued and production staff be switched to other products, if there are vacancies. I believe that we need innovative products to make us more competitive. As you know, our Research & Development team have created a new style of chocolate bar that contains both rich chocolate and juicy fruit pieces. When extra sugar was added to the first trial batch, the market research results with a focus group of children seemed very positive. I am certain that, if we invest heavily in promoting this product, we can achieve high annual sales. However, if there is an economic recession, and economists forecast a 60% chance of this, a loss might be made. I have estimated annual cost and revenue figures for this product, which would be called 'Chocolate Cheers' [Table-3].

- **Manager Operations:**

We should focus on reducing our revenue expenditure to become more competitive and to increase profit margins. One option would be to sub-contract production to another country which has no laws to protect the rights of workers. This would reduce our costs considerably. We would need to keep this decision secret until the last minute to avoid industrial action from our existing workers. Alternatively, if we invest in the latest automatic and computer controlled manufacturing machines, we could lower stock holding and labour costs as well as reduce the time taken to switch production from one product to another. These machines are much more flexible than our existing ones. They can even make chocolate products that look just like handmade ones. The company must become fitter even though there will be a capital cost.

- **Chief Executive Officer (CEO):**

In response to increased competition, our objective should be to survive as a private limited company and satisfy the needs of all our stakeholders. Whatever decisions we take, we must agree on our objectives for the company. However, one thing is clear, if we do nothing, we will continue to lose market share and profits will continue to fall.

Table-1

## Sales, Costs and Profit Summary

	Rs. in million	
	2017	2018
Sales revenue	65	65
Cost of sales	41	43
Promotion costs	1	3
Management expenses	3	4
Other expenses/ overheads	10	10
	55	60
Net profit	10	5
Accounting Ratios:		
Gross profit margin	36.9%	33.8%
Net profit margin	15.4%	7.70%

Table-2

## Forecasted Market Position of the Products

Sweet Ranges	Market Share Percentage (%)		Market Share	Market Size
	2019	2020		
Fruit chews	5	5	Small	Shrinking
Mints	52	55	Large	Stable
Fruit bars	40	40	Large	Growing
Candy bars	8	5	Small	Growing

Table-3

## Expected Annual Costs and Revenues from Chocolate Cheers

	Rs. in million	
	With Economic Recession	Without Economic Recession
Annual revenue	6	18
Annual costs including promotion	9	7

Economists predict that the chance of an economic recession in any one year is 60%.

The Board of Directors are keen to assess the usefulness of the market research method and product portfolio techniques such as Boston Matrix that could be used to decide the feasibility for launching new product 'Chocolate Cheers' and the market standing for sweet range. On the other hand, Director Finance is concerned about the declining profitability and sales of the business, therefore, wants to ascertain the likely reasons for such change over the period 2017-18 by utilizing the data present in the form of the ratios.

The Board of HC is of the opinion that stakeholders' management plays a crucial role in the management of the affairs of business and the interests of all stakeholders groups especially when taking major decisions and among all of the stakeholders the involvement of employees and their cooperation could play an important role to solve the problems faced by the company.

**Required:**

Considering yourself as a Corporate Advisor of Haider Confectionary (HC), you are required to prepare a formal report to the Board addressing the issues, covering the following:

- Executive Summary
- Table of contents
- Introduction
- Findings and discussion
- Conclusions

THE END



### PRESENTATION EXAMINATION – SECTION-D

Time Allowed: 15 Minutes

Maximum Marks: 30

- (i) Computer Based Sections of Multiple Choice Questions (MCQs) – Section-A, Short Cases – Section-B, and Report Writing – Section-C administered separately are integral parts of this [PM6] Communication Skills – Practical Corporate Training Level-2 Examination.
- (ii) Presentation Evaluators will distribute the presentation evaluation top cover sheet to the candidates before the start of the presentation.

#### SELECT ANY ONE SITUATION FROM THE FOLLOWING FOR YOUR PRESENTATION

##### SITUATION # 1

A futures exchange or futures market is a central financial exchange where people can trade standardized futures contracts; that is, a contract to buy specific quantities of a commodity or financial instrument at a specified price with delivery set at a specified time in the future. These types of contracts fall into the category of derivatives. The opposite of the futures market is the spots market, where trades will occur immediately after a transaction agreement has been made, rather than at a predetermined time in the future. Futures instruments are priced according to the movement of the underlying asset (stock, physical commodity, index, etc.). The aforementioned category is named derivatives because the value of these instruments are derived from another asset class.

##### Required:

You being the Management Accountant are required to give a presentation for further understanding of futures exchange covering following:

- Licensing requirement
- Eligibility for licensing
- Grant of license
- Duties of futures exchange
- Regulations of futures exchanges
- Fixing of position and trading limits in futures contracts
- Accounts and audit
- Annual report
- Conclusion

##### SITUATION # 2

Today, Human Resource (HR) plays a role of the important business partner, which has a significant impact on the business performance. The HR is not just about hiring talent, this is about keeping people and helping them grow and stay committed over the long-term. It does not only support business functions but also take over the ownership and leadership of change management projects.

##### Required:

You, as a professional trainer, are required to deliver a presentation on 'how better Human Resource (HR) planning can affect organisation's success'. Your presentation should cover the following aspects but not necessarily limited to these:

- Objectives of HR planning
- Strengthen employee-employer relationship
- Avoids inevitable workplace conflicts
- Increased employee commitment
- Develop competitive advantages
- Reduced company's cost
- Conclusion

— x —

## **INSTRUCTIONS:**

- (a) The students are advised to express their original thoughts/ insight using tools of creativity and imagination.
- (b) The examinees are required to make an oral presentation of 15 minutes before audience including examiners and some students. The awarded marks will depend on the oral presentation combined with the use of visual aids like charts, graphs, transparencies, etc. The time spent by each examinee in positioning charts and visual aids will be excluded from the allowed time i.e. 15 minutes for each presentation.
- (c) The presentation is only acceptable, if made on multimedia/ projectors.
- (d) The examinees shall arrange their own devices/ USBs etc. for presentation.
- (e) The examinees must ensure the version of operating system or software installed at their centres one week before the presentation examinations.
- (f) The examinees should be well prepared for their presentation and shall make their presentation professionally rather than mere reading their slides/ transparencies.

**Total marks of the test is 30 that would be allocated as follows:**

Y = YES = 1 Mark

N = No = 0

S = Sometimes = ½ Marks

1.	Was he/she dressed well for the presentation?	Y / N
2.	Did he/she capture audience attention with the complimentary paras in the beginning?	YY / NN
3.	Was the topic clearly focused upon?	YY / NN
4.	Did he/she present brief structure (plan) of presentation?	YY / NN
5.	Did he/she settle himself/herself soon?	Y / N
6.	Did he/she use transitions when required?	YY / NN / SS
7.	Did he/she give specific examples/ facts and details in the presentation?	Y / N
8.	Did he/she generate interest in the presentation through his/her tone?	YY / NN / SS
9.	Were his/her movements natural and was he/she confident with proper eye contact and other gestures?	YY / NN / SS
10.	Did he/she have well designed, well thought out visuals for the presentation?	Y / N / S
11.	Did he/she use visual aids, intelligently?	YY / NN / SS
12.	Was his/her pitch of sound, fair and audible?	Y / N
13.	Did he/she maintain good pacing (medium, fast or slow)?	Y / N / S
14.	Did he/she use positive phrasing (clarity of language)?	YY / NN
15.	Did he/she conclude the presentation in a complimentary way?	YY / NN
16.	Did he/she offer any concrete recommendations/ suggestions?	Y / N
17.	Did he/she invite questions from the audience?	YY / NN
18.	Did he/she handle the questions with ease and comfort?	YY / NN
19.	Did he/she stay back and participate in presentations of other students (same group)?	Y / N