

# ACCA



Examiner reviewed content

## PAPER P3

商务分析

## BUSINESS ANALYSIS

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课 本

STUDY TEXT

FOR EXAMS IN 2012



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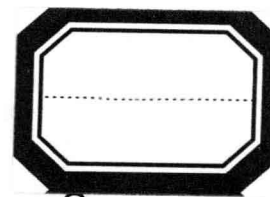
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BPP Learning Media is the **sole ACCA Platinum Approved Learning Partner** – content for the ACCA qualification. In this, **the only Paper P3 Study Text to be reviewed by the examiner:**

- We **discuss** the **best strategies** for studying for ACCA exams
- We **highlight** the **most important elements** in the syllabus and the **key skills** you will need
- We **signpost** how each chapter links to the syllabus and the study guide
- We **provide** lots of **exam focus points** demonstrating what the examiner will want you to do
- We **emphasise key points** in regular **fast forward summaries**
- We **test your knowledge** of what you've studied in **quick quizzes**
- We **examine your understanding** in our **exam question bank**
- We **reference all the important topics** in our **full index**

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**FOR EXAMS IN 2012**



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## P3 商务分析 课本

## P3 Business Analysis Studytext

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- 金融营销和市场调查
- 银行业 IT
- 金融英语

## P3（课本）简介

本课本教你运用从以前课本中学到的相关知识和技能来评估并实施商业战略。我们的课本设计注重大纲中最重要方面，包括：

- 组织的战略地位
- 组织的战略选择
- 战略行动
- 商业程序的模型化和重新设计
- 信息技术解决方案
- 主动实施质量检查，支持组织的战略
- 项目管理
- 商业战略制定和实施中的财务职能
- 商业战略制定和实施中的领导和人员管理的作用

P3 课本是基于官方大纲参考书目中的权威资料编制的，并有范围广泛的其他材料作为支持，这些材料拓宽、扩展并且在某些情况下澄清了基础材料的内容。课本以简单易用的方式呈现精选的内容，并经由考官审核。大纲强调的是课题的完整性，而课本指出了不同知识点之间的联系。具备辨别并利用这些联系的能力对于考试是至关重要的。

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### 基础阶段课程

#### Knowledge Module

##### 知识课程

FAB/F1 Accountant in Business

FAB/F1 会计师与企业

FMA/F2 Management Accounting

FMA/F2 管理会计

FFA/F3 Financial Accounting

FFA/F3 财务会计

#### Skills Module

##### 技能课程

F4 Corporate and Business Law (ENG)

F4 公司法与商法 (英国版)

F4 Corporate and Business Law (CHN)

F4 公司法与商法 (中国版)

F5 Performance Management

F5 业绩管理

F6 Taxation (UK)

F6 税务 (英国版)

F6 Taxation (CHN)

F6 税务 (中国版)

F7 Financial Reporting (INT&UK)

F7 财务报告 (国际版和英国版)

F8 Audit and Assurance (INT)

F8 审计与认证业务 (国际版)

F9 Financial Management

F9 财务管理

### 专业阶段课程

#### Essentials Module

##### 核心课程

P1 Governance, Risk and Ethics

P1 公司治理、风险管理及职业操守

P2 Corporate Reporting (INT&UK)

P2 公司报告 (国际版和英国版)

**P3 Business Analysis**

**P3 商务分析**

#### Options Module

##### 选修课程

P4 Advanced Financial Management

P4 高级财务管理

P5 Advanced Performance Management

P5 高级业绩管理

P6 Advanced Taxation (UK)

P6 高级税务 (英国版)

P7 Advanced Audit and Assurance (INT)

P7 高级审计与认证业务 (国际版)

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# Helping you to pass – the **ONLY P3 Study Text** reviewed by the examiner!

## BPP Learning Media – the sole Platinum Approved Learning Partner - content

As ACCA's sole **Platinum Approved Learning Partner – content**, BPP Learning Media gives you the **unique opportunity** to use **examiner-reviewed** study materials for the 2012 exams. By incorporating the examiner's comments and suggestions regarding the depth and breadth of syllabus coverage, the BPP Learning Media Study Text provides excellent, **ACCA-approved** support for your studies.

## The PER alert

Before you can qualify as an ACCA member, you do not only have to pass all your exams but also fulfil a three year **practical experience requirement** (PER). To help you to recognise areas of the syllabus that you might be able to apply in the workplace to achieve different performance objectives, we have introduced the '**PER alert**' feature. You will find this feature throughout the Study Text to remind you that what you are **learning to pass** your ACCA exams is **equally useful to the fulfilment of the PER requirement**.

## Tackling studying

Studying can be a daunting prospect, particularly when you have lots of other commitments. The **different features** of the text, the **purposes** of which are explained fully on the **Chapter features** page, will help you whilst studying and improve your chances of **exam success**.

## Developing exam awareness

Our Texts are completely **focused** on helping you pass your exam.

Our advice on **Studying P3** outlines the **content** of the paper, the **necessary skills** the examiner expects you to demonstrate and any **brought forward knowledge** you are expected to have.

**Exam focus points** are included within the chapters to highlight when and how specific topics were examined, or how they might be examined in the future.

## Using the Syllabus and Study Guide

You can find the syllabus and Study Guide on page (xiv) of this Study Text

## Testing what you can do

Testing yourself helps you develop the skills you need to pass the exam and also confirms that you can recall what you have learnt.

We include **Questions** – lots of them - both within chapters and in the **Exam Question Bank**, as well as **Quick Quizzes** at the end of each chapter to test your knowledge of the chapter content.

# Chapter features

Each chapter contains a number of helpful features to guide you through each topic.

## Topic list

Topic list	Syllabus reference

## Introduction

## Study Guide

## Exam Guide

Knowledge brought forward from earlier studies

FAST FORWARD

## Examples

### Key terms

### Exam focus points

### Formula to learn



Question



Case Study

## Chapter Roundup

## Quick Quiz

## Exam Question Bank

What you will be studying in this chapter and the relevant section numbers, together with the ACCA syllabus references.

Puts the chapter content in the context of the syllabus as a whole.

Links the chapter content with ACCA guidance.

Highlights how examinable the chapter content is likely to be and the ways in which it could be examined.

What you are assumed to know from previous studies/exams.

Summarises the content of main chapter headings, allowing you to preview and review each section easily.

Demonstrate how to apply key knowledge and techniques.

Definitions of important concepts that can often earn you easy marks in exams.

When and how specific topics were examined, or how they may be examined in the future.

Formulae that are not given in the exam but which have to be learnt.

Gives you a useful indication of syllabus areas that closely relate to performance objectives in your Practical Experience Requirement (PER).

Gives you essential practice of techniques covered in the chapter.

Real world examples of theories and techniques.

A full list of the Fast Forwards included in the chapter, providing an easy source of review.

A quick test of your knowledge of the main topics in the chapter.

Found at the back of the Study Text with more comprehensive chapter questions. Cross referenced for easy navigation.



# Studying P3

Much of the P3 exam is concerned with business strategy. As a Chartered Certified Accountant you are likely to find yourself dealing with matters that are of strategic importance to your organisation. It is important, therefore, that you have an understanding of the way business strategy is conducted so that your input is appropriate and properly considered.

However, the name of P3 is Business **Analysis**, not Business Strategy. Business Analysis is wider than simply strategy and this paper will also draw from your financial and business skills gained during your studies so far. It brings these concepts together and encourages you to take a wider view of the organisations you are presented with in order to give your analysis of those organisations as a whole.

## The P3 examiner

The examiner for this paper is **Steve Skidmore**, a very experienced examiner. He expects you to demonstrate a highly **professional approach** to all questions – not just presenting information in a professional manner, but also **integrating knowledge and understanding** of topics from across the syllabus.

The nature of business analysis means that this exam is **not simply about models and procedures** which can be learnt by heart, but about applying those theories to practical problems to generate sensible suggestions and conclusions. In this respect, P3 is a very practical exam. The examiner is very keen for students to demonstrate that they can apply their knowledge to the scenarios described in the questions. There are relatively few marks available for simply describing theory.

Note the examiner's comments from his review of candidates' performance in the June 2008 exam:

'Many candidates had a problem **applying** the theoretical knowledge they had learned to the context of the scenario. At this level, there are relatively few marks available for describing a model. The vast majority of the marks are for [recognising and applying the model] in the context of the case study scenario. Many of the answers seemed to suggest that candidates had very little practice in the application of models.'

## Syllabus update

The P3 syllabus has been updated for the June 2011 sitting onwards. The full syllabus and study guide can be found in this Study Text on pages (xiv) to (xxiii). The main changes are the omissions of 'Quality', 'Performance Management' and 'Reward management', the inclusion of cost and management accounting concepts and the extension of the project management area of the syllabus. Changes to the P3 syllabus is given below:

## NOTE OF SIGNIFICANT CHANGES TO STUDY GUIDE PAPER P3

### RATIONALE FOR CHANGES:

ACCA periodically reviews its qualification syllabuses so that they fully meet the needs of stakeholders such as employers, students, regulatory and advisory bodies and learning providers. As a result of the latest review, ACCA is making changes to the ACCA Qualification, effective from June 2011. With each syllabus is included a specific rationale for these changes as far as each examination syllabus and study guide is concerned.

To meet regulatory requirements that management accounting, including forecasting budgeting, cost accounting and decision-making are included in the mandatory (non exempted) part of the ACCA syllabus, P3 has now been amended to include these areas as applicable in business analysis. In addition, as part of the periodic review of the ACCA Qualification syllabus, areas of overlap with P5 were identified which needed to be removed.

The main areas to be added or deleted from the syllabus from that date are shown in Tables 1 and 2 below:

Table 1 – Additions to P3

Section and subject area	Syllabus content
A2 – Environmental issues affecting the strategic position of an organisation	e) Evaluate methods of business forecasting used when quantitatively assessing the likely outcome of different business strategies
A3 – Competitive forces affecting the organisation	d) Assess the contribution of the lifecycle model, the cycle of competition and <b>associated costing implications</b> to understanding competitive behaviour.
A5 – The internal resources, capabilities and competences of an organisation	b) Discuss from a strategic perspective the continuing need for effective cost management and control systems within organisations
E3 – E-business application: downstream supply chain management	e) Describe a process for establishing a pricing strategy for products and services that recognises both economic and non-economic factors
F2 – Building the business case	a) – f) Whole section added including project costs and benefits planning, evaluation, delivery and realisation
F4 – Planning, monitoring and controlling projects	d) Formulate responses for dealing with project risks, issues slippage and changes. e) Discuss the role of benefits management and project gateways in project monitoring
F5 – Concluding projects	a) – e) Re-assigned from areas from the old G3 syllabus area and new outcomes: b) Discuss the relative meaning and benefits of a post-impelmentation and post-project review c) Discuss the meaning and value of benefits realisation e) Apply 'lessons learned' to future business case validation and to capital allocation decisions
G3 – The role of cost and management accounting in strategic planning and decision-making	a) Explain the role, advantages and possible limitations of a budgetary process <sup>[2]</sup> b) Explain the principles of standard costing, its role in variance analysis and suggest possible reasons for identified variances <sup>[3]</sup> c) Evaluate strategic and operational decisions taking

	into account risk and uncertainty using decision trees <sup>[3]</sup> d) Evaluate the following strategic options using marginal and relevant costing techniques <sup>[3]</sup> (i) Make or buy decisions (ii) Accepting or declining special contracts (iii) Closure or continuation decisions (iv) Effective use of scarce resources
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The areas to be removed from the syllabus are shown in Table 2 below:

**Table 2 – Deletions to P3**

Section where deletions arise	Subject areas where deletions are proposed
F, Quality Issues	ALL
I, People	2. Strategy and people: performance management
	3. Reward Management

In addition the following new books will be listed to support additional areas:

**Primary texts:**

Atrill, P, McInaney, E, Management Accounting for Decision Makers, Prentice Hall, (2007)

**Secondary texts:**

Ward J and Daniel E, Benefits Management, Wiley (2006)

# 1 What P3 is about

The aim of the syllabus is to develop students' ability to **apply relevant knowledge and skills**, and exercise the **professional judgement** in assessing strategic **position**, determining strategic **choice**, and implementing strategic **action** through beneficial business process and structural change that involve people, finance and information technology.

This is an **advanced level** paper which builds on a number of the topics covered in Paper F1 Accountant in Business as well as topics you will have seen in Paper F5 Performance Management. However, as an advanced paper it tests much more than just your ability to recall models and theories. You must be able to **evaluate** data, **assess** the strategic consequences of decisions and **advise** on alternative courses of action.

The syllabus is divided into eight main sections, (although the Examiner is keen that you view them as an integrated whole, rather than as a series of unrelated sections).

## (a) Strategic position

The syllabus begins by considering the impact of the **external environment** on an organisation, and looks at the competitive forces organisations face. It then also looks at an organisation's **internal capabilities** and expectations, to see how an organisation can position itself to get the most value out of its resources.

However, an organisation also needs to consider its responsibilities to differing **stakeholder groups**, and how the expectations of stakeholders, alongside ethics and culture, help shape organisational purpose.

## (b) Strategic choice

Once an organisation has established its current strategic position it can start thinking about the direction it wants to take in the future. This section looks at the decisions which have to be made about an organisation's future and the way an organisation can respond to the influences and pressures which it identified while assessing its strategic position.

## (c) Strategic action

This section deals with the **implementation of strategic choices**, and the transformation of these choices into organisational action. This action takes place in a context of operational **processes** and **relationships**, which need to be managed in line with the intended strategy, and involves the effective coordination of business processes, information technology, people and finance.

You will be expected to identify problems and issues in an organisation which prevent it from achieving its strategies, and make recommendations about how these problems can be resolved.

## (d) Business process change

This section is the first considering how organisational elements support business strategy, and it highlights that business process redesign can lead to significant organisational improvements. Again, you will be expected to identify problems or inefficiencies with existing processes and make recommendations as to how they can be made more effective.

## (e) Information technology

The application of information technology is often one of the ways that business processes can be redesigned. This reflects the fact that many existing processes are less efficient than they could be, and that new technology and the **application of e-business models** make it possible to design those processes more efficiently.

## (f) Project management

In (c) above we noted that effective strategic action requires the coordination of a number of operational processes. This coordination can be facilitated through effective project management.

(g) **Financial analysis**

Strategic planning and strategic implementation should be subject to financial benchmarks. Financial analysis explicitly recognises this, reminding you of the importance of focusing on key ratios and measures that can be used to assess the **viability** of a strategy and to monitor or **measure its success**.

(h) **People**

**Human resource management** plays a vital role in underpinning strategy. Successful strategic planning and implementation require the effective recruitment, training, and organisation of people, coupled with strong leadership.

As with so many other areas of the syllabus, it is crucial that an organisation's personnel resources are appropriate for the strategy it is pursuing.

## 2 What skills are required?

- An ability to **integrate** knowledge and understanding from across the syllabus
- Application of your knowledge to the specific circumstances described by the question
- An ability to make **reasoned judgements** and give **practical, commercial advice** based on the facts presented in the question scenario
- Careful reading and analysis of the question scenarios, and the question requirements
- If you read the main capabilities listed by ACCA that students are expected to have on completion of P3, you will find continued reference to the verbs '**evaluate**', '**assess**', '**advise**' and '**explain**' – make sure you can do **all of these** in relation to the different aspects of the syllabus.

## 3 How to improve your chances of passing

- Study the **entire** syllabus – questions may span a number of syllabus areas and you must be prepared for anything!
- **Practise** as many questions as you can under **timed conditions**. This is the best way of developing good exam technique. Make use of the **Question Bank** at the back of this study text, and, more importantly, **BPP's Practice and Revision Kit**. The Kit contains numerous exam standard questions (many of them taken from past exam papers) as well as three mock exams for you to try.
- P3 questions will be scenario-based and all the information given in the scenarios will be relevant to the questions set. Make sure you relate your answers to the scenario rather than letting them become generic. Answers that are simply regurgitated from texts are unlikely to score well.
- Present your answers in a **professional** manner – there are marks available for coherent, well structured arguments and for making recommendations when required. You should be aiming to achieve all of these marks.
- Manage your time in the exam hall carefully. **Answer plans** will help you to focus on the requirements of the question and enable you to manage your time effectively. Also, **do not waffle**. Make your answers complete, but brief.
- Answer the question that you are most comfortable with first – it will help to settle you down if you feel you have answered the first question well.
- **Answer all parts** of the question – leaving out a five mark discursive element for example may mean the difference between a pass and a fail.



- Read the financial press and relevant web sites (for example, the BBC business website) for real life examples. The examiner is specifically looking for evidence of **wider reading**. He has repeatedly stressed the importance of reading the finance section of a **good quality newspaper** so that you can draw on real-life situations to help inform your answers.

This does not, of course, mean you should simply quote real life examples in your exam just to show you have read widely. Instead you should use the real life examples to help inform your answers to the questions set.

- Read Student Accountant (the ACCA's student magazine) regularly – it often contains technical articles written either by, or on the recommendation of, the examiner which can be invaluable for future exams.

## 4 Brought forward knowledge

As mentioned previously, this paper builds on knowledge brought forward from Paper F1, Accountant in Business and F5 Performance Management. If you have not studied F1 or F5, or were exempt, you should spend some time considering the syllabus and study guide to identify any gaps in your knowledge. You must ensure you cover any areas you are unsure of before your exam, so that you would be comfortable referring to them as necessary.

The syllabus information is available on the ACCA web site, [www.accaglobal.com](http://www.accaglobal.com).

# The exam paper

## Format of the paper

		<i>Number of marks</i>
Section A:	One compulsory case study	50
Section B:	Choice of two from three questions, 25 marks each	50
		<u>100</u>

Time allowed: 3 hours (plus fifteen minutes reading and planning time)

**Section A** will be a compulsory case study question with several requirements relating to the same scenario information. The question will usually assess and link several subject areas from across the syllabus, and will require you to demonstrate high-level capabilities to evaluate, relate and apply the information in the scenario to the question requirements. There will always be some financial or numerical data in the scenario and marks will be available for numerical analysis which supports your written argument.

**The compulsory Section A question can draw on ALL areas of the syllabus, making it imperative that you cover all areas of the syllabus in your studies.**

**Section B** questions are more likely to examine discrete subject areas. They will be based on short scenarios, and you will be expected to apply information from the scenarios to the question requirements. Again the questions can be drawn from all area of the syllabus, and the limited extent of the choice (two from three) reinforces the importance of covering all areas of the syllabus.

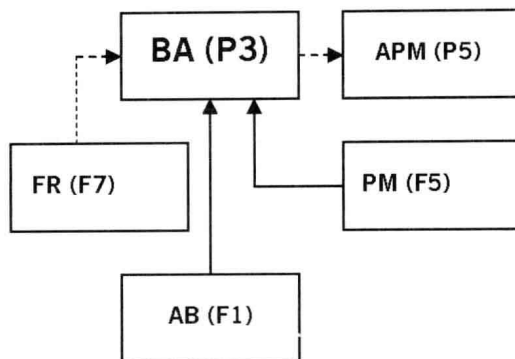
P3 is designed to be a global paper, meaning that the case studies and the scenarios will focus on an **industry of global significance**, and which should be known to candidates wherever they live or work. Although a lot of the examples in this text are based on the UK, they are designed to illustrate points which could apply equally in other countries. The exam will not focus specifically on UK industries, nor the UK business environment.

Questions in this exam will not require specialist knowledge of any particular industries, nor the business environment of any particular country. However, an awareness of current business issues overall will be useful in providing real-life examples to support your answers – hence the examiner's instruction that candidates should read the financial sections a good quality newspaper or other business material regularly.

## Syllabus and Study Guide

The P3 syllabus and study guide can be found below.

# Syllabus



## AIM

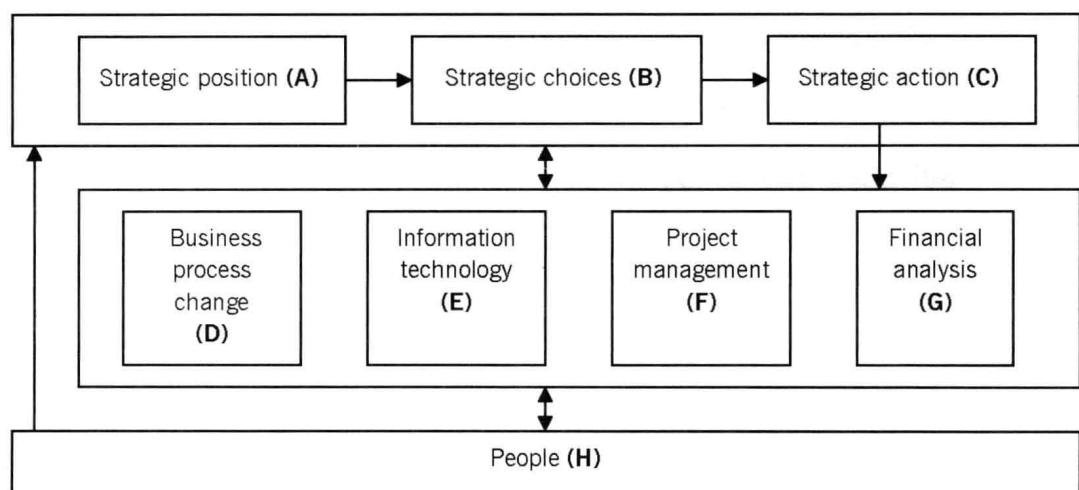
To apply relevant knowledge, skills, and exercise professional judgement in assessing strategic position, determining strategic choice, and implementing strategic action through beneficial business process and structural change; coordinating knowledge systems and information technology and by effectively managing processes, projects, and people within financial and other resource constraints.

## MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- A** Assess the strategic position of an organisation
- B** Evaluate the strategic choices available to an organisation
- C** Discuss how an organisation might go about its strategic implementation
- D** Evaluate and redesign business processes and structures to implement and support the organisation's strategy taking account of customer and other major stakeholder requirements
- E** Integrate appropriate information technology solutions to support the organisation's strategy
- F** Advise on the principles of project management to enable the implementation of aspects of the organisation's strategy with the twin objectives of managing risk and ensuring benefits realisation
- G** Analyse and evaluate the effectiveness of a company's strategy and the financial consequences of implementing strategic decisions
- H** Assess the role of leadership and people management in formulating and implementing business strategy.

## RELATIONAL DIAGRAM OF MAIN CAPABILITIES



## RATIONALE

The syllabus for Paper P3, *Business Analysis*, is primarily concerned with two issues. The first is the external forces (the behaviour of customers, the initiatives of competitors, the emergence of new laws and regulations) that shape the environment of an organisation. The second is the internal ambitions and concerns (desire for growth, the design of processes, the competences of employees, the financial resources) that exist within an organisation. This syllabus looks at both of these perspectives, from assessing strategic position and choice to identifying and formulating strategy and strategic action. It identifies opportunities for beneficial change that involve people, finance and information technology. It examines how these opportunities may be implemented through the appropriate management of programmes and projects.

The syllabus begins with the assessment of strategic position in the present and in the future using relevant forecasting techniques, and is primarily concerned with the impact of the external environment on the business, its internal capabilities and expectations and how the organisation positions itself under these constraints. It examines how factors such as culture, leadership and stakeholder expectations shape organisational purpose. Strategic choice is concerned with decisions which have to be made about an organisation's future and the way in which it can respond to the influences and pressures identified in the assessment of its current and future strategic position.

Strategic action concerns the implementation of strategic choices and the transformation of these choices into organisational action. Such action takes place in day-to-day processes and organisational relationships and these processes and relationships need to be managed in line with the intended strategy, involving the effective coordination of information technology, people, finance and other business resources.

Companies that undertake successful business process redesign claim significant organisational improvements. This simply reflects the fact that many existing processes are less efficient than they could be and that new technology makes it possible to design more efficient processes. Strategic

planning and strategy implementation has to be subject to financial benchmarks. Financial analysis explicitly recognises this, reminding candidates of the importance of focusing on the key management accounting techniques that help to determine strategic action and the financial ratios and measures that may be used to assess the viability of a strategy and to monitor and measure its success.

Throughout, the syllabus recognises that successful strategic planning and implementation requires the effective recruitment, leadership, organisation and training and development of people.

## DETAILED SYLLABUS

### A Strategic position

1. The need for, and purpose of, strategic and business analysis
2. Environmental issues affecting the strategic position of an organisation
3. Competitive forces affecting an organisation
4. Marketing and the value of goods and services
5. The internal resources, capabilities and competences of an organisation
6. The expectations of stakeholders and the influence of ethics and culture

### B Strategic choices

1. The influence of corporate strategy on an organisation
2. Alternative approaches to achieving competitive advantage
3. Alternative directions and methods of development

### C Strategic action

1. Organising and enabling success
2. Managing strategic change
3. Understanding strategy development