Valid for September 2025,
December 2025, March 2026 and June 2026

ACCA

Advanced Performance Management (APM)

Study Text

ISDC
International Skill Development Corporation
Skills for Tomorrow

KAPLAN PUBLISHING

ACCA

Strategic Professional – Options

Advanced Performance Management (APM)

Study Text

KAPLAN PUBLISHING'S STATEMENT OF PRINCIPLES

LINGUISTIC DIVERSITY, EQUALITY AND INCLUSION

We are committed to diversity, equality and inclusion and strive to deliver content that all users can relate to.

We are here to make a difference to the success of every learner.

Clarity, accessibility and ease of use for our learners are key to our approach.

We will use contemporary examples that are rich, engaging and representative of a diverse workplace.

We will include a representative mix of race and gender at the various levels of seniority within the businesses in our examples to support all our learners in aspiring to achieve their potential within their chosen careers.

Roles played by characters in our examples will demonstrate richness and diversity by the use of different names, backgrounds, ethnicity and gender, with a mix of sexuality, relationships and beliefs where these are relevant to the syllabus.

It must always be obvious who is being referred to in each stage of any example so that we do not detract from clarity and ease of use for each of our learners.

We will actively seek feedback from our learners on our approach and keep our policy under continuous review. If you would like to provide any feedback on our linguistic approach, please use this form (you will need to enter the link below into your browser).

https://docs.google.com/forms/d/1Vc4mltBPrfViy8AhfyKcJMHQKBmLaLPoa_WPqFNf4MI/edit

We will seek to devise simple measures that can be used by independent assessors to randomly check our success in the implementation of our Linguistic Equality, Diversity and Inclusion Policy.

British library cataloguing-in-publication data

A catalogue record for this book is available from the British Library.

Published by:

Kaplan Publishing UK
Unit 2 The Business Centre
Molly Millars Lane
Wokingham
Berkshire
RG41 2QZ

ISBN 978-1-83996-230-1

Acknowledgements

We are grateful to the Association of Chartered Certified Accountants and the Chartered Institute of Management Accountants for permission to reproduce past examination questions. The answers have been prepared by Kaplan Publishing.

This product contains material that is ©Financial Reporting Council Ltd (FRC). Adapted and reproduced with the kind permission of the Financial Reporting Council. All rights reserved. For further information, please visit www.frc.org.uk or call +44 (0)20 7492 2300.

The coverage of the United Nations' Sustainable Development Goals (SDGs) in Chapter 2 is based on content retrieved on 22 March 2022 from www.un.org/sustainabledevelopment
© 2022 United Nations. Used with the permission of the United Nations.

Contents

Introduction

How to Use the Materials

These Kaplan Publishing learning materials have been carefully designed to make your learning experience as easy as possible and to give you the best chances of success in your examinations.

The product range contains a number of features to help you in the study process. They include:

1 Detailed study guide and syllabus objectives

2 Description of the examination

3 Study skills and revision guidance

4 Study text

5 Question practice

The sections on the study guide, the syllabus objectives, the examination and study skills should all be read before you commence your studies. They are designed to familiarise you with the nature and content of the examination and give you tips on how to best to approach your learning.

The **Study Text** comprises the main learning materials and gives guidance as to the importance of topics and where other related resources can be found. Each chapter includes:

- The **learning objectives** contained in each chapter, which have been carefully mapped to the examining body's own syllabus learning objectives or outcomes. You should use these to check you have a clear understanding of all the topics on which you might be assessed in the examination.
- The **chapter diagram** provides a visual reference for the content in the chapter, giving an overview of the topics and how they link together.
- The **content** for each topic area commences with a brief explanation or definition to put the topic into context before covering the topic in detail. You should follow your studying of the content with a review of the illustration/s. These are worked examples which will help you to understand better how to apply the content for the topic.
- **Test your understanding** sections provide an opportunity to assess your understanding of the key topics by applying what you have learned to short questions. Answers can be found at the back of each chapter.
- **Summary diagrams** complete each chapter to show the important links between topics and the overall content of the syllabus. These diagrams should be used to check that you have covered and understood the core topics before moving on.

Quality and accuracy are of the utmost importance to us so if you spot an error in any of our products, please send an email to mykaplanreporting@kaplan.com with full details, or follow the link to the feedback form in MyKaplan.

Our Quality Co-ordinator will work with our technical team to verify the error and take action to ensure it is corrected in future editions.

Icon Explanations

Definition – Key definitions that you will need to learn from the core content.

Supplementary reading – These sections will help to provide a deeper understanding of core areas. The supplementary reading is **NOT** optional reading. It is vital to provide you with the breadth of knowledge you will need to address the wide range of topics within your syllabus that could feature in an exam question. **Reference to this text is vital when self studying**

Test your understanding – Exercises for you to complete to ensure that you have understood the topics just learned.

Some of the test your understandings in this material are shorter or more straightforward than questions in the Advanced Performance Management (APM) exam. They are contained in the material for learning purposes and will help you to build your knowledge and confidence so that you are ready to tackle past exam questions during the revision phase.

Illustration – Worked examples help you understand the core content better.

On-line subscribers

Our on-line resources are designed to increase the flexibility of your learning materials and provide you with immediate feedback on how your studies are progressing.

If you are subscribed to our on-line resources you will find:

1 On-line reference ware: reproduces your Study Text on-line, giving you anytime, anywhere access.

2 On-line testing: provides you with additional on-line objective testing so you can practice what you have learned further.

3 On-line performance management: immediate access to your on-line testing results. Review your performance by key topics and chart your achievement through the course relative to your peer group.

Syllabus

Introduction to the syllabus

The aim of ACCA **Advanced Performance Management (APM)** is to apply relevant knowledge, skills and exercise professional judgement in selecting and applying strategic management accounting techniques in different business contexts, to contribute to the planning, control and evaluation of the performance of an organisation and its strategic and operational development.

Main capabilities

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

A Use strategic planning and control models to plan and monitor organisational performance

B Identify and evaluate the design features of effective performance management information and monitoring systems and recognise the impact of developments in technology on performance measurement and management systems

C Apply appropriate strategic performance measurement techniques in evaluating and improving organisational performance

D Advise clients and senior management on strategic business performance evaluation

E Apply a range of professional skills in addressing requirements within the Advanced Performance Management exam, and in preparation for, or to support, current work experience

F Employability and technology skills

ACCA Performance Objectives

In order to become a member of the ACCA, as a trainee accountant you will need to demonstrate that you have achieved nine performance objectives. Performance objectives are indicators of effective performance and set the minimum standard of work that trainees are expected to achieve and demonstrate in the workplace. They are divided into key areas of knowledge which are closely linked to the exam syllabus.

There are five Essential performance objectives, all of which must be achieved.

There is a choice of seventeen Technical performance objectives, grouped under seven headings. Four of these objectives will need to be achieved.

The performance objectives which link to this exam are:

PO1 – Ethics and professionalism (Essential)

PO3 – Strategy and innovation (Essential)

PO5 – Leadership and management (Essential)

PO12 – Evaluating management accounting systems (Technical)

PO13 – Plan and control performance (Technical)

PO14 – Monitor performance (Technical)

PO21 – Business advisory (Technical)

PO22 – Data analysis and decision support (Technical)

The following link provides an in depth insight into all of the performance objectives:

https://www.accaglobal.com/content/dam/ACCA_Global/Students/per/PER-Performance-objectives-achieve.pdf

Progression

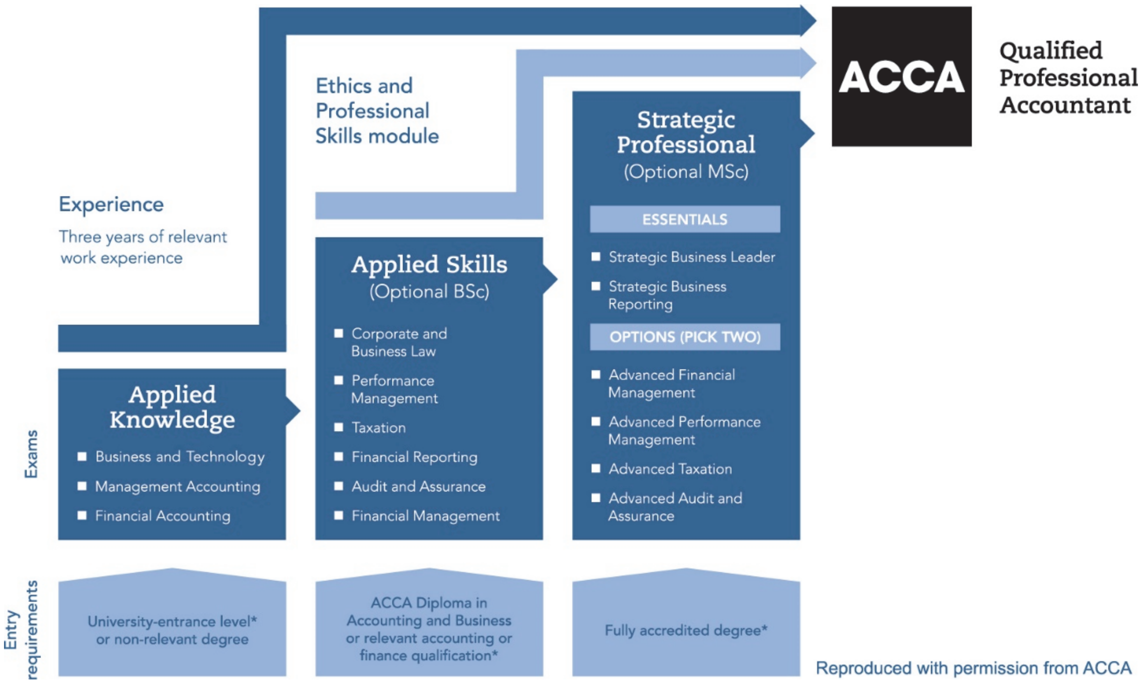
There are two elements of progression that we can measure: first how quickly students move through individual topics within a subject; and second how quickly they move from one course to the next. We know that there is an optimum for both, but it can vary from subject to subject and from student to student. However, using data and our experience of student performance over many years, we can make some generalisations.

A fixed period of study set out at the start of a course with key milestones is important. This can be within a subject, for example 'I will finish this topic by 30 June', or for overall achievement, such as 'I want to be qualified by the end of next year'.

Your qualification is cumulative, as earlier exams provide a foundation for your subsequent studies, so do not allow there to be too big a gap between one subject and another. We know that exams encourage techniques that lead to some degree of short-term retention, the result being that you will simply forget much of what you have already learned unless it is refreshed (look up Ebbinghaus Forgetting Curve for more details on this). This makes it more difficult as you move from one subject to another: not only will you have to learn the new subject, you will also have to relearn all the underpinning knowledge as well. This is very inefficient and slows down your overall progression which makes it more likely you may not succeed at all.

In addition, delaying your studies slows your path to qualification which can have negative impacts on your career, postponing the opportunity to apply for higher level positions and therefore higher pay.

You can use the following diagram showing the whole structure of your qualification to help you keep track of your progress.



Reproduced with permission from ACCA

Syllabus objectives

We have reproduced the ACCA's syllabus below, showing where the objectives are explored within this book. Within the chapters, we have broken down the extensive information found in the syllabus into easily digestible and relevant sections, called Content Objectives. These correspond to the objectives at the beginning of each chapter.

The superscript numbers in square brackets indicate the intellectual depth at which the subject area could be assessed within the examination. Level 1 (knowledge and comprehension) broadly equates with the Applied Knowledge module, Level 2 (application and analysis) with the Applied Skills module and Level 3 (synthesis and evaluation) to the Strategic Professional level. However, lower level skills can continue to be assessed as you progress through each module and level.

Syllabus learning objective			Chapter reference
A	**STRATEGIC PLANNING AND CONTROL**		
1	**Strategic management accounting**		
	(a)	Explain the role of strategic performance management in strategic planning and control.[2]	1
	(b)	Discuss the role of performance measurement in checking progress towards the corporate objectives.[2]	1
	(c)	Compare planning and control between the strategic and operational levels within a business entity.[2]	1
	(d)	Discuss the scope for potential conflict between strategic business plans and short-term localised decisions.[2]	1
	(e)	Evaluate how models such as SWOT analysis, PEST, Boston Consulting Group, balanced scorecard, Porter's generic strategies and 5 Forces may assist in the performance management process.[3]	2 & 13
	(f)	Apply and evaluate the methods of benchmarking performance.[3]	1
	(g)	Evaluate how risk and uncertainty play an important role in planning, decision-making and reporting of performance at all levels of an organisation, including the impact of the different risk appetites of stakeholders.[3]	3
2	**Performance hierarchy**		
	(a)	Discuss how the purpose, structure and content of a mission statement impacts on performance measurement and management.[2]	1
	(b)	Discuss how strategic objectives are cascaded down the organisation via the formulation of subsidiary performance objectives.[2]	1
	(c)	Apply critical success factor analysis in developing performance metrics from business objectives.[3]	1
	(d)	Identify and discuss the characteristics of operational performance.[2]	1
	(e)	Discuss the relative significance of planning as against controlling activities at different levels in the performance hierarchy.[3]	1
	(f)	Explain the performance 'planning gap' and evaluate alternative strategies to fill the gap.[3]	2

3	**Performance management and control of the organisation**		
	(a)	Evaluate the strengths and weaknesses of alternative budgeting models and compare such techniques as fixed and flexible, rolling, activity based, zero based and incremental.[3]	5
	(b)	Evaluate different types of budget variances and how these relate to issues in planning and controlling organisations.[3]	5
	(c)	Evaluate the increased use of non-traditional profit-based performance measures in controlling organisations (e.g. beyond budgeting).[3]	5
4	**Changes in business structure and management accounting**		
	(a)	Identify and discuss the particular information needs of organisations adopting a functional, divisional or network form and the implications for performance management.[2]	6
	(b)	Assess the changes to management accounting systems to reflect the needs of modern service orientated businesses compared with the needs of a traditional manufacturing industry.[3]	6
	(c)	Assess the influence of Business Process Re-engineering on systems development and improvements in organisational performance.[3]	6
	(d)	Analyse the role that performance management systems play in business integration using models such as the value chain and McKinsey's 7S's.[3]	6
	(e)	Discuss how changing an organisation's structure, culture and strategy will influence the adoption of new performance measurement methods and techniques.[3]	6
	(f)	Assess the need for businesses to continually refine and develop their management accounting and information systems if they are to maintain or improve their performance in an increasingly competitive and global market.[3]	7
5	**Environmental, social and governance factors**		
	(a)	Discuss the ways in which stakeholder groups operate and how they influence an organisation and its performance measurement and performance management systems (e.g. using Mendelow's matrix).[3]	4

	(b)	Discuss the social and ethical issues that may impact on strategy formulation and evaluate the role of the management accountant in the collection of data, measurement and reporting of social and environmental factors, such as are used to demonstrate a wider view of performance in reporting, for example, sustainability.[3]	4
	(c)	Discuss, evaluate and apply environmental management accounting using for example lifecycle costing, input-output analysis and activity-based costing.[3]	4
B	**PERFORMANCE MANAGEMENT INFORMATION SYSTEMS AND DEVELOPMENTS IN TECHNOLOGY**		
1	**Performance management information systems**		
	(a)	Discuss, with reference to performance management, ways in which the information requirements of a management structure are affected by the features of the structure.[2]	7
	(b)	Evaluate the compatibility of management accounting objectives and the management accounting information systems.[3]	7
	(c)	Discuss the issue of data silos and the problems they present for the accounting function.[2]	7
	(d)	Discuss the integration of management accounting information within an overall information system, for example the use of enterprise resource planning systems.[2]	7
	(e)	Evaluate whether the management information systems are lean and the value of the information that they provide (e.g. using the 5 Ss).[3]	7 & 14
	(f)	Evaluate the external and internal factors (e.g. anticipated human behaviour) which will influence the design and use of a management accounting system.[3]	7
2	**Sources of management information**		
	(a)	Discuss the principal internal and external sources of management accounting information, their costs and limitations.[2]	7
	(b)	Demonstrate how the information might be used in planning and controlling activities, e.g. benchmarking against similar activities.[3]	7

3 Recording and processing systems and technologies

(a) Demonstrate how the type of business entity will influence the recording and processing methods.[2] 7

(b) Discuss how IT developments may influence management accounting systems (e.g. unified corporate databases, process automation, the internet of things, RFIDs, cloud and network technology).[3] 7

(c) Explain how information systems provide instant access to previously unavailable data that can be used for benchmarking and control purposes and help improve business performance (e.g. through the use of artificial intelligence (AI), enterprise resource planning, knowledge management and customer relationship management systems and also, data warehouses).[3] 7

(d) Discuss the difficulties associated with recording and processing data of a qualitative nature.[2] 8

4 Data analytics

(a) Discuss the development of big data and its impact on performance measurement and management, including the risks and challenges it presents.[3] 7

(b) Discuss the impact of big data and big data analytics on the role of the management accountant.[3] 7

(c) Demonstrate and evaluate different methods of data analysis (e.g. descriptive, diagnostic, predictive and prescriptive analytics).[3] 7

(d) Discuss the use of alternative methods of data analytics (e.g. text, image, video and voice analytics and sentiment analysis) .[2] 7

(e) Discuss the ethical issues associated with information collection and processing (e.g. the use of 'black box' algorithms and large-scale data collection and mining).[2] 7

5 Management reports

(a) Evaluate the output reports of an information system in the light of. [3] 8

(i) best practice in presentation

(ii) the objectives of the report/organisation

(iii) the needs of the readers of the report; and

(iv) avoiding the problem of information overload

(v) the use of presentation techniques such as data visualisation

	(b)	Advise on common mistakes and misconceptions in the use of numerical data used for performance measurement.[3]	8
	(c)	Explore the role of the management accountant in providing key performance information for integrated reporting to stakeholders.[2]	8
C	**STRATEGIC PERFORMANCE MEASUREMENT**		
1	**Strategic performance measures in private sector**		
	(a)	Demonstrate why the primary objective of financial performance should be primarily concerned with the benefits to shareholders.[2]	10
	(b)	Discuss the appropriateness of, and apply different measures of performance, including:[3]	10 & 11
		(i) Gross profit and operating profit	
		(ii) Return on Capital Employed (ROCE)	
		(iii) Return on Investment (ROI)	
		(iv) Earnings Per Share (EPS)	
		(v) Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	
		(vi) Residual Income (RI)	
		(vii) Net Present Value (NPV)	
		(viii) Internal Rate of Return and Modified Internal Rate of Return (IRR, MIRR)	
		(ix) Economic Value Added (EVA^{TM})	
	(c)	Discuss why indicators of liquidity and gearing need to considered in conjunction with profitability and apply the concepts of financial and operational gearing within the context of a scenario.[3]	10
	(d)	Compare and contrast short and long run financial performance and the resulting management issues.[3]	10
	(e)	Assess the appropriate benchmarks to use in assessing performance.[3]	10
2	**Divisional performance and transfer pricing issues**		
	(a)	Describe, compute and evaluate performance measures relevant in a divisionalised organisation structure including ROI, RI and Economic Value Added (EVA^{TM}).[3]	11
	(b)	Discuss the need for separate measures in respect of managerial and divisional performance.[2]	11

	(c)	Discuss the circumstances in which a transfer pricing policy may be needed and discuss the necessary criteria for its design.[2]	11
	(d)	Demonstrate and evaluate the use of alternative bases for transfer pricing.[3]	11
	(e)	Explain and demonstrate issues that require consideration when setting transfer prices in multinational companies.[2]	11
3	**Strategic performance measures in not-for-profit organisations**		
	(a)	Highlight and discuss the potential for diversity in objectives depending on organisation type.[3]	12
	(b)	Discuss the difficulties in measuring outputs when performance is not judged in terms of money or an easily quantifiable objective.[2]	12
	(c)	Discuss the use of benchmarking in public sector performance (league tables) and its effects on operational and strategic management and client behaviour.[3]	12
	(d)	Discuss how the combination of politics and the desire to measure public sector performance may result in undesirable service outcomes e.g. the use of targets.[3]	12
	(e)	Assess 'value for money' service provision as a measure of performance in not-for-profit organisations and the public sector.[3]	12
4	**Non-financial performance indicators**		
	(a)	Discuss the interaction of non-financial performance indicators with financial performance indicators.[3]	13
	(b)	Identify and discuss the significance of non-financial performance indicators in relation to employees and product/service quality e.g. customer satisfaction reports, repeat business ratings, customer loyalty, access and availability.[3]	13
	(c)	Discuss the issues in interpreting data on qualitative issues.[2]	8 & 13
	(d)	Discuss the significance of brand awareness, brand loyalty and company profile and their potential impact on business performance.[3]	13

5	**The role of quality in management information and performance measurement systems**		
	(a)	Discuss and evaluate the application of Japanese business practices and management accounting techniques, including: [3] Kaizen costing, Target costing, Just-in-time, and Total Quality Management.	14
	(b)	Assess the relationship of quality management to the performance management strategy of an organisation including the costs of quality.[3]	14
	(c)	Justify the need and assess the characteristics of quality in management information systems.[3]	7
	(d)	Discuss and apply Six Sigma as a quality improvement method using tools such as DMAIC for implementation.[2]	14
6	**Performance measurement and strategic Human Resource Management issues**		
	(a)	Advise on the relationship of HR management to performance measurement (performance rating) and suitable remuneration methods.[3]	9
	(b)	Advise on the link between achievement of the corporate strategy and the management of human resources (e.g. through the Building Block model).[2]	9 &13
	(c)	Discuss and evaluate different methods of reward practices, including the potential beneficial and adverse consequences of linking reward to performance measurement.[3]	9

7	**Other behavioural aspects of performance measurement**		
	(a)	Discuss the accountability issues that might arise from performance measurement systems.[3]	9
	(b)	Assess the statement; 'What gets measured, gets done' in the context of performance management and apply it in the context of a performance management scenario.[3]	1 & 9
	(c)	Demonstrate how management style needs to be considered when designing an effective performance measurement system (e.g. Hopwood's management styles).[3]	9
D	**PERFORMANCE EVALUATION**		
1	**Alternative views of performance measurement and management**		
	(a)	Apply and evaluate the 'balanced scorecard' approach as a way in which to improve the range and linkage between performance measures.[3]	13
	(b)	Apply and evaluate the 'performance pyramid' as a way in which to link strategy, operations and performance.[3]	13
	(c)	Apply and evaluate the work of Fitzgerald and Moon that considers performance measurement in business services using building blocks for dimensions, standards and rewards.[3]	13
	(d)	Discuss and evaluate the application of activity-based management.[3]	5
	(e)	Evaluate and apply the value-based management approaches to performance management.[3]	11
2	**Strategic performance issues in complex business structures**		
	(a)	Discuss the problems encountered in planning, controlling and measuring performance levels, e.g. productivity, profitability, quality and service levels, in complex business structures.[3]	6 & 11
	(b)	Discuss the impact on performance management of the use of business models involving strategic alliances, joint ventures and complex supply chain structures.[3]	6

E PROFESSIONAL SKILLS

1 Communication

(a)	Inform concisely, objectively and unambiguously, adopting a suitable style and format, using appropriate technology.[3]	15
(b)	Advise using compelling and logical arguments, demonstrating the ability to counter argue where appropriate.[3]	15
(c)	Clarify and simplify complex issues to convey relevant information in a way that adopts an appropriate tone and is easily understood and reflects the requirements of the intended audience.[3]	15

2 Analysis and evaluation

(a)	Investigate relevant information from a range of sources, using appropriate analytical techniques to establish reasons and causes of issues, assist in decision-making and to identify opportunities or solutions.[3]	15
(b)	Consider information, evidence and findings carefully, reflecting on their implications and how they can be used in the interests of the individual, business function, division and the wider organisational goals.[3]	15
(c)	Assess and apply appropriate judgement when considering organisational plans, initiatives or issues when making decisions; taking into account the implications of such decisions on the organisation and those affected.[3]	15
(d)	Appraise information objectively with a view to balancing costs, risks, benefits and opportunities, before advising on or recommending appropriate solutions or decisions.[3]	15

3 Scepticism

(a)	Explore the underlying reasons for key organisational plans, issues and decisions, applying the attitude of an enquiring mind, beyond what is immediately apparent.[3]	15
(b)	Question opinions, assertions and assumptions, by seeking justifications and obtaining sufficient evidence for either their support and acceptance or rejection.[3]	15

	(c)	Challenge and critically assess the information presented or decisions made, where this is clearly justified, in the wider professional, ethical, organisational, or public interest. [3]	15
4	**Commercial acumen**		
	(a)	Demonstrate awareness of organisational and external factors, which will affect the measurement and management of an organisation's strategic objectives and operational activities.[3]	15
	(b)	Recognise key issues in determining how to address or resolve problems and use judgment in proposing and recommending commercially viable solutions.[3]	15
	(c)	Show insight and perception in understanding behavioural responses, process and system-related issues and wider organisational matters, demonstrating acumen in offering advice and arriving at appropriate recommendations.[3]	15
F	**EMPLOYABILITY AND TECHNOLOGY SKILLS**		
1	Use computer technology to efficiently access and manipulate relevant information.		16
2	Work on relevant response options, using available functions and technology, as would be required in the workplace.		16
3	Navigate windows and computer screens to create and amend responses to exam requirements, using appropriate tools.		16
4	Present data and information effectively, using the appropriate tools.		16

The examination

Approach to examining the syllabus

The Advanced Performance Management (APM) exam builds upon the skills and knowledge examined in the Performance Management (PM) exam. At this stage candidates will be expected to demonstrate an integrated knowledge of the subject and an ability to relate their technical understanding of the subject to issues of strategic importance to the organisation. The study guide specifies the wide range of contextual understanding that is required to achieve a satisfactory standard at this level.

The examination will also focus on the following professional skills and behaviours:

- Communication
- Analysis and Evaluation
- Scepticism
- Commercial Acumen

Examination structure

- The syllabus is assessed by **a 3 hour 15 minutes computer based examination (CBE)**.
- **Total 100 marks.**
- The **pass mark is 50%**.
- Dates will be in the format 20XX, e.g. 20X5. This will make the dates for each exam session generic.
- Candidates will receive a present value table and an annuity table.

Section A

Section A of the exam will always be a single **50-mark case study**, based on an organisation in a particular business context. The 50 marks will **comprise 40 technical marks and 10 professional skills marks** (syllabus section E). **All the professional skills will be examined** in Section A.

It is likely to include the organisation's mission statement and strategic objectives and candidates will be expected to be able to assess the methods by which the organisation is controlling, managing, and measuring performance in order to achieve its objectives. This assessment could include an evaluation of the organisation's performance report, its information systems, new strategies or projects and its performance management and measurement systems. Candidates should understand that they will be expected to undertake calculations, draw comparison against relevant information where appropriate and be prepared to offer alternative recommendations as needed.

Management accountants are required to look across a range of issues which will affect organisational performance, the achievement of objectives and impact on operations and so candidates should expect to see Section A of the exam focus on a **range of issues across technical syllabus sections A, B and C**. These will vary depending of the business context the case study in Section A is based on.

Section A questions will ask candidates to produce a response in a report format, for example a report to the Board of Directors.

Section B

Candidates will be required to answer a further **two 25-mark questions** in Section B of the exam, which will comprise of scenario-based questions. The 25 marks will **comprise 20 technical marks and 5 professional skills marks**. Section B questions will examine a **combination of professional skills appropriate to the question** (syllabus section E). **Each question will examine a minimum of two professional skills from Analysis and Evaluation, Scepticism and Commercial Acumen**. **Analysis and Evaluation will be included in all questions.**

One of the Section B questions will include technical marks mainly from syllabus section D. The **other section B question will include technical marks from any other technical syllabus section(s)**.

Section B questions will also require candidates to address a range of issues influencing performance of organisations in specific business situations.

Strategic Professional CBE

It is essential that students become familiar with the CBE environment as part of their exam preparation. For additional support, please refer to the Practice Platform on the ACCA Global Website.

Examination tips

In addition to reading the tips contained here, we recommend that you review Chapter 16 of the Study Text and the resources available on the ACCA Global Website before sitting the CBE. Here you will find guidance documents, videos and a link to the CBE question practice platform.

Before the exam starts – You will be given 10 minutes to read the introductory page and the four pages of instructions. These will be the same for each APM exam and therefore it is important that you familiarise yourself with these (using the ACCA practice exams) during your revision. The exam time (3 hours and 15 minutes) will start automatically at the end of the 10 minutes or earlier if actioned by you.

Time allocation – The time allowed for this exam is 3 hours and 15 minutes/ 195 minutes.

Read each question carefully, reviewing the format and content of the requirements so that you understand what you need to do.

There are 80 technical marks and 20 professional skills marks. **Professional skills marks should be achieved as you work through the technical marks**.

If 15 minutes are spent reading the examination requirements (it may be sensible to allocate time to this), your time allocation should be 2.25 minutes per mark (180/80). This gives 90 minutes for section A and 45 minutes for each section B question.

If you do not allow a specific amount of time for reading and planning (a more straightforward approach but the risk is that you run out of time) your time allocation will be 2.4 minutes per mark (195/80). This gives 97 minutes for section A and 49 minutes for each section B question.

If you plan to spend more or less time on reading and planning, your time allocation per mark will be different.

Planning your answers – When the exam starts spend a few minutes skimming through each question to get a feel for what is included.

Once you have done this carry out an initial review of Section A. This will include a number of **exhibits** breaking down the scenario into relevant sections and including the detailed requirement. It will also include a list of the summarised **requirements** and an option to complete your answer in a **word processing** document and/or a **spreadsheet** document.

You can move around and resize the windows that you open to lay the screen out in a format that suits you.

Now copy and paste the specifics of the requirement into your answer document, perhaps highlighting in bold the different parts of the requirement and the verb used. Once complete review the exhibits in detail, highlighting and making notes as you do so and copy and pasting any relevant information to your answer document. These steps will help with your planning and structure but will also enable you to minimise the number of windows you have open.

The procedure will be similar for Section B.

Completing your answers – Start by revisiting the relevant exhibits for each requirement. Remember that the aim is to produce a professional and easy to read answer. For calculations and numerical work, use a logical and well laid out structure in a spreadsheet. Calculations should be labelled and referenced in to any relevant discussion in the word processor. For discursive answers, the word processing format should be used and answers should include bold headings and sub-headings and professional language. Ensure all aspects of the requirement are addressed in a sensible and balanced way. It is vital that you relate your answer to the specific circumstances given. In Section A you will usually be required to produce a report. Head up your answer as a report and use the requirements as a basis for your introduction.

If you get completely stuck with a question return to it later.

If you do not understand what a question is asking, state your assumptions. Even if you do not answer in precisely the way the examiner hoped, you should be given some credit, if your assumptions are reasonable.

Finally, leave enough time to read through the answers, ensuring they are clear and organised, and to make any necessary changes.

Study skills and revision guidance

This section aims to give guidance on how to study for your ACCA exams and to give ideas on how to improve your existing study techniques.

Preparing to study

Set your objectives

Before starting to study decide what you want to achieve – the type of pass you wish to obtain. This will decide the level of commitment and time you need to dedicate to your studies.

Devise a study plan

Determine which times of the week you will study.

Split these times into sessions of at least one hour for study of new material. Any shorter periods could be used for revision or practice.

Put the times you plan to study onto a study plan for the weeks from now until the exam and set yourself targets for each period of study – in your sessions make sure you cover the course, course assignments and revision.

If you are studying for more than one exam at a time, try to vary your subjects as this can help you to keep interested and see subjects as part of wider knowledge.

When working through your course, compare your progress with your plan and, if necessary, re-plan your work (perhaps including extra sessions) or, if you are ahead, do some extra revision/practice questions.

Effective studying

Active reading

You are not expected to learn the text by rote, rather, you must understand what you are reading and be able to use it to pass the exam and develop good practice. A good technique to use is SQ3Rs – Survey, Question, Read, Recall, Review:

1 **Survey the chapter** – look at the headings and read the introduction, summary and objectives, so as to get an overview of what the chapter deals with.

2 **Question** – whilst undertaking the survey, ask yourself the questions that you hope the chapter will answer for you.

3 **Read** through the chapter thoroughly, answering the questions and making sure you can meet the objectives. Attempt the exercises and activities in the text, and work through all the examples.

4 **Recall** – at the end of each section and at the end of the chapter, try to recall the main ideas of the section/chapter without referring to the text. This is best done after a short break of a couple of minutes after the reading stage.

5 **Review** – check that your recall notes are correct.

You may also find it helpful to re-read the chapter to try to see the topic(s) it deals with as a whole.

Note-taking

Taking notes is a useful way of learning, but do not simply copy out the text. The notes must:

- be in your own words
- be concise
- cover the key points
- be well-organised
- be modified as you study further chapters in this text or in related ones.

Trying to summarise a chapter without referring to the text can be a useful way of determining which areas you know and which you don't.

Three ways of taking notes:

Summarise the key points of a chapter.

Make linear notes – a list of headings, divided up with subheadings listing the key points. If you use linear notes, you can use different colours to highlight key points and keep topic areas together. Use plenty of space to make your notes easy to use.

Try a diagrammatic form – the most common of which is a mind-map. To make a mind-map, put the main heading in the centre of the paper and put a circle around it. Then draw short lines radiating from this to the main sub-headings, which again have circles around them. Then continue the process from the sub-headings to sub-sub-headings, advantages, disadvantages, etc.

Highlighting and underlining

You may find it useful to underline or highlight key points in your study text – but do be selective. You may also wish to make notes in the margins.

Revision

The best approach to revision is to revise the course as you work through it. Also try to leave four to six weeks before the exam for final revision. Make sure you cover the whole syllabus and pay special attention to those areas where your knowledge is weak. Here are some recommendations:

Read through the text and your notes again and condense your notes into key phrases. It may help to put key revision points onto index cards to look at when you have a few minutes to spare.

Review any assignments you have completed and look at where you lost marks – put more work into those areas where you were weak.

Practise exam standard questions under timed conditions and in the CBE correct format. If you are short of time, list the points that you would cover in your answer and then read the model answer, but do try to complete at least a few questions under exam conditions.

Also practise producing answer plans and comparing them to the model answer.

If you are stuck on a topic find somebody (e.g. your tutor or, where appropriate, a member of Kaplan's Academic Support team) to explain it to you.

Read good newspapers and professional journals, especially ACCA's Student Accountant – this can give you an advantage in the exam.

Ensure you **know the structure of the exam** – how many questions and of what type you will be expected to answer. During your revision attempt all the different styles of questions you may be asked.

Further reading

The following publication may also support your studies for this, and other, ACCA examinations:

A Student's Guide to Writing Business Reports by Zoe Robinson and Stuart Pedley-Smith.

You can find further reading and technical articles under the student section of ACCA's website.

Technical update

This text has been updated to reflect Examinable Documents September 2023 to June 2024 issued by ACCA.