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

ACCA

Strategic Business Leader (SBL)

Study Text

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International Skill Development Corporation
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SBL

Strategic Business Leader

Study Text

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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 978-1-83996-283-7

Printed and bound in Great Britain

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.

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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 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**, 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 paper. 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 Coordinator 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.

Key point – Identifies topics that are key to success and are often examined.

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

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

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.**

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.

Ask your local customer services staff if you are not already a subscriber and wish to join.

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 and a choice of fifteen Technical performance objectives which are divided into five areas.

The performance objectives which link to this exam are:

PO1 Ethics and professionalism (Essential)

PO2 Stakeholder relationship management (Essential)

PO3 Strategy and innovation (Essential)

PO4 Governance risk and control (Essential)

PO5 Leadership and management (Essential)

PO6 Evaluate investment and financing decisions (Technical)

PO7 Identify and manage financial risk (Technical)

PO8 Evaluate management accounting systems (Technical)

PO9 Plan and control performance (Technical)

PO10 Review and report on the finding of an audit (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

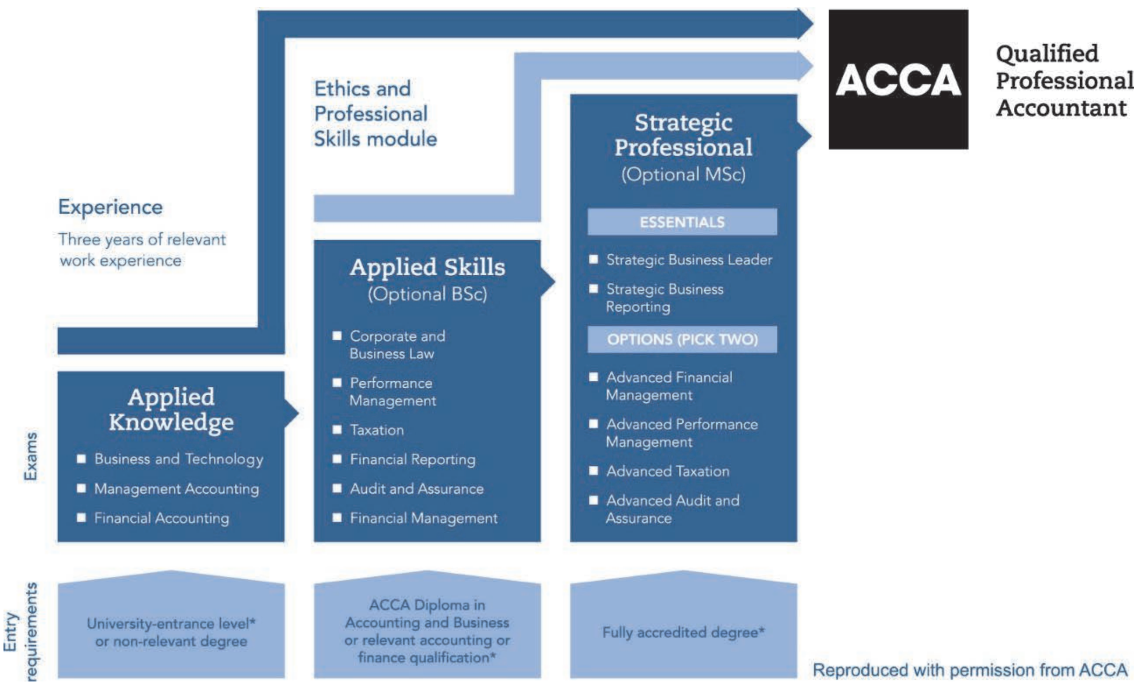
There are two elements of progression that we can measure: first how quickly students move through individual topics within a subject; and second how quickly they move from one course to the next. We know that there is an optimum for both, but it can vary from subject to subject and from student to student. 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 papers 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.



Syllabus

AIM

To demonstrate organisational leadership and senior consultancy or advisory capabilities and relevant professional skills, through the context of an integrated case study.

MAIN CAPABILITIES

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

A Apply excellent leadership and ethical skills to set the 'tone from the top' and promote a positive culture within the organisation, adopting a whole organisation perspective in managing performance and value creation.

B Evaluate the effectiveness of the governance and agency system of an organisation and recognise the responsibility of the board or other agents towards their stakeholders, including the organisation's social responsibilities and the reporting implications.

C Evaluate the strategic position of the organisation against the external environment and the availability of internal resources, to identify feasible strategic options.

D Analyse the risk profile of the organisation and of any strategic options identified, within a culture of responsible risk management.

E Select and apply appropriate information technologies and data analytics, to analyse factors affecting the organisation's value chain to identify strategic opportunities and implement strategic options within a framework of robust IT security controls.

F Evaluate management reporting and internal control and audit systems to ensure compliance and the achievement of organisation's objectives and the safeguarding of organisational assets.

G Apply high level financial techniques from the Applied Skills exams in the planning, implementation and evaluation of strategic options and actions.

H Enable success through innovative thinking, applying best in class strategies and disruptive technologies in the management of change; initiating, leading and organising projects, while effectively managing talent and other business resources.

I Apply a range of Professional Skills in addressing requirements within the Strategic Business Leader examination and in preparation for, or to support, current work experience.

J Demonstrate other employability and digital skills in preparing for and taking SBL examinations

DETAILED SYLLABUS AND STUDY GUIDE

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.

Syllabus learning objective and Chapter references

A LEADERSHIP

1 Qualities of leadership

(a) Explain the role of effective leadership and identify the key leadership traits effective in the successful formulation and implementation of strategy and change management.[3] **Ch.10**

(b) Apply the concepts of entrepreneurship and 'intrapreneurship' to exploit strategic opportunities and to innovate successfully.[3] **Ch.10**

(c) Apply in the context of organisation governance and leadership qualities, the key ethical and professional values underpinning governance.[3] **Ch.10 and 15**

2 Leadership and organisational culture

(a) Discuss the importance of leadership in defining and managing organisational culture.[3] **Ch.10 and 21**

(b) Advise on the style of leadership appropriate to manage strategic change.[2] **Ch.21**

(c) Analyse the culture of an organisation, to recommend suitable changes, using appropriate models such as the cultural web.[3] **Ch. 21**

(d) Assess the impact of culture on organisational purpose and strategy.[3] **Ch.21**

3 Professionalism, ethical codes and the public interest

(a) Critically evaluate the concept of responsible leadership and the creation of public value by acting in the public interest.[3] **Ch.15**

(b) Assess management behaviour against the codes of ethics relevant to accounting professionals including the IESBA (IFAC) or professional body codes.[3] **Ch.15**

(c) Analyse the reasons for and resolve conflicts of interest and ethical conflicts in organisation.[3] **Ch.15**

(d) Assess the nature and impacts of different ethical threats and recommend appropriate safeguards to prevent or mitigate such threats.[3] **Ch.15**

(e) Recommend best practice for reducing and combating fraud, bribery and corruption to create greater public confidence and trust in organisations.[3] **Ch.15**

B GOVERNANCE AND SUSTAINABILITY

1 Agency

(a) Discuss the nature of the principal-agent relationship in the context of governance.[3] **Ch.7**

(b) Analyse the issues connected with the separation of ownership of an organisation and control over its activities.[3] **Ch.7**

2 Stakeholder analysis and social responsibility

(a) Discuss and critically assess the concept of stakeholder power and interest using the Mendelow model and apply this to strategy and governance.[3] **Ch.9**

(b) Evaluate the stakeholders' roles, claims and interests in an organisation and how they may conflict and be resolved.[3] **Ch.9**

(c) Explain social responsibility in the context of governance and sustainability for the public good.[2] **Ch.9**

3 Governance scope and approaches

(a) Analyse and discuss the role and influence of institutional investors in governance systems and structures.[2] **Ch.7 and 11**

(b) Compare rules- versus principles-based approaches to governance and when they may be appropriate.[3] **Ch.7**

(c) Discuss different models of organisational ownership that influence different governance regimes (family firms versus joint stock company-based models) and how they work in practice.[2] **Ch.7**

(d) Apply general principles of International corporate governance network (of ICGN) codes to organisations' corporate governance.[2] **Ch.7**

4 Reporting to stakeholders

(a) Discuss the factors that determine organisational policies on reporting to stakeholders, including stakeholder power and interests.[3] **Ch.11**

(b) Assess the role and value of integrated reporting and evaluate the issues concerning accounting for sustainability.[2] **Ch.11**

(c) Advise on the guiding principles, the typical content elements and the six capitals of an integrated report, and discuss the usefulness of this information to stakeholders.[3] **Ch.11**

(d) Describe and assess the social and environmental impacts that economic activity can have (in terms of social and environmental 'footprints' and environmental reporting).[3] **Ch.11**

(e) Describe the main features of internal management systems for underpinning environmental and sustainability accounting including EMAS and ISO 14000.[2] **Ch.11**

(f) Examine how the audit of integrated reports can provide adequate assurance of the relevance and reliability of organisation reports to stakeholders.[2] **Ch.11**

5 The board of directors

(a) Assess the duties and roles of directors and functions of the board (including setting a responsible 'tone' from the top and being accountable for the performance and impact of the organisation).[3] **Ch.8**

(b) Evaluate the case for and against, unitary and two-tier board structures. [3] **Ch.8**

(c) Describe and assess the purposes, responsibilities and performance of Non-Executive Directors (NEDs). [3] **Ch.8**

(d) Describe and assess the importance of, induction performance appraisal and the continuing professional development of directors on boards of directors.[3] **Ch.8**

(e) Explain the meanings of diversity and critically evaluate issues of diversity on boards of directors.[3] **Ch.8**

(f) Assess the importance, roles purposes and accountabilities of the main committees within the effective governance.[3] **Ch.8, 13 and 14**

(g) Describe and assess the general principles of remunerating directors and how to modify directors behaviour to align with stakeholder interests.[3] **Ch.8**

(h) Explain and analyse the regulatory, strategic and labour market issues associated with determining directors remuneration.[3] **Ch.8**

6 Public sector governance

(a) Discuss public sector, private sector, charitable status and non-governmental (NGO and quasi- NGOs) forms of organisation, including agency relationships, stakeholders aims and objectives and performance criteria.[2] **Ch.7**

(b) Assess and evaluate the strategic objectives, leadership and governance arrangements specific to public sector organisations as contrasted with private sector.[3] **Ch.7**

(c) Explain democratic control, political influence and policy implementation in public sector organisations.[3] **Ch.7**

(d) Discuss obligations of the public sector organisations to meet the economy, effectiveness, efficiency (3'E's) criteria and promote public value.[3] **Ch.7**

C STRATEGY

1 Concepts of strategy

(a) Explain the fundamental importance of strategy and strategic decisions within different organisational contexts.[2] **Ch.2**

(b) Apply the Johnson, Scholes and Whittington of strategic management – the strategic analysis, strategic choices and strategic implementation.[3] **Ch.2**

2 Environmental issues

(a) Assess the macro-environment of an organisation using appropriate models such as PESTEL.[3] **Ch.3**

(b) Assess the implications of strategic drift.[3] **Ch.2**

(c) Evaluate the external key drivers of change likely to affect the structure of a sector or market.[3] **Ch.3**

(d) Apply Porter's Diamond to explore the influence of national competitiveness on the strategic position of an organisation.[3] **Ch.3**

(e) Assess scenarios reflecting different assumptions about the future environment of an organisation.[2] **Ch.3**

3 Competitive forces

(a) Evaluate the sources of competition in an industry or sector using Porter's five forces framework.[3] **Ch.3**

(b) Analyse customers and markets including market segmentation.[2] **Ch.18**

(c) Apply Porter's value chain to assist organisations to identify value adding activities in order to create and sustain competitive advantage.[2] **Ch.3**

(d) Advise on the role and influence of value networks.[3] **Ch.3**

(e) Evaluate the opportunities and threats posed by the competitive environment of an organisation.[2] **Ch.3**

4 The internal resources, capabilities and competences of an organisation

(a) Identify and evaluate an organisations strategic capability, threshold resources, threshold competences, unique resources and core competences.[3] **Ch.3**

(b) Discuss the capabilities required to sustain competitive advantage.[2] **Ch.5**

(c) Discuss the contribution of organisational knowledge to the strategic capability of an organisation.[2] **Ch.3 and 5**

(d) Identify and evaluate the strengths and weaknesses of an organisation and formulate an appropriate SWOT analysis.[2] **Ch.3**

5 Strategic choices

(a) Assess and advise on the different strategic options to an organisation.[3] **Ch.5**

(b) Assess the opportunities and potential problems of pursuing different strategies of product/market diversification from a national, multinational and global perspective.[3] **Ch.5**

(c) Advise on how the 7 'P's, including price-based strategies, differentiation and lock-in can help an organisation sustain its competitive advantage.[3] **Ch.5 and 18**

(d) Apply the Boston Consulting Group (BCG) and public sector matrix portfolio models to assist organisations in managing their portfolios.[3] **Ch.6**

(e) Recommend generic development directions using the Ansoff growth vector matrix.[2] **Ch.5**

(f) Assess how internal development, or business combinations, strategic alliances and partnering can be used to achieve business growth.[3] **Ch.6**

D RISK

1 Identification, assessment and measurement of risk

(a) Discuss the relationship between organisational strategy and risk management strategy.[3] **Ch.14**

(b) Apply the enterprise risk management (ERM) approach to risk management and for establishing risk management systems.[2] **Ch.14**

(c) Identify and evaluate the key risks including environmental and climate related risks and their impact on organisations and projects.[3] **Ch.14**

(d) Distinguish between strategic and operational risks.[2] **Ch.14**

(e) Assess attitudes towards risk and risk appetite and how this can affect risk policy.[2] **Ch.14**

(f) Discuss the dynamic nature of risk and the ways in which risk varies in relation to the size, structure and development of an organisation.[2] **Ch.14**

(g) Assess the severity and probability of risk events. [2] **Ch.14**

(h) Explain and evaluate the concepts of related and correlated risk factors.[3] **Ch.14**

2 Managing, monitoring and mitigating risk

(a) Explain and assess the role of a risk manager.[2] **Ch.14**

(b) Evaluate a risk register and use heat maps when identifying or monitoring risk.[3] **Ch.14**

(c) Evaluate the concept of embedding risk in an organisation's culture and values.[3] **Ch.14**

(d) Explain and analyse the concept of diversifying risk and when this would be appropriate.[2] **Ch.14**

(e) Advise on risk management strategies, including the use of the TARA model. [3] **Ch.14**

(f) Explain and assess the benefits of incurring or accepting some risk as part of competitively managing an organisation referring to the 'as low as reasonably practicable' (ALARP) principle.[2] **Ch.14**

(g) Apply the concept of assurance mapping to modern risk management using the 'four lines of defence'.[3] **Ch.14**

E TECHNOLOGY AND DATA ANALYTICS

1 Cloud and mobile technology

(a) Discuss from a strategic perspective the need to explore opportunities for adopting new technologies such as cloud, mobile and smart technology within an organisation.[3] **Ch.17**

(b) Discuss key benefits and risks of cloud, mobile and smart technology [2] **Ch.17**

(c) Assess and advise on using the cloud as an alternative to owned hardware and software technology to support organisation information system needs.[3] **Ch.17**

2 Big data and data analytics

(a) Discuss how information technology and data analysis can effectively be used to inform and implement organisation strategy.[3] **Ch.17**

(b) Describe big data and discuss the opportunities and threats big data presents to organisations.[2] **Ch.17**

(c) Identify and analyse relevant data for strategic decisions about new product developments, marketing and pricing.[3] **Ch.17 and 18**

3 Machine learning, AI and robotics

(a) Explain the potential benefits of using artificial intelligence (AI), robotics and other forms of machine learning to support strategic decisions and the pursuit of corporate objectives.[2] **Ch.17**

(b) Assess the risk, control and ethical implications of using (AI), robotics and other forms of machine learning.[3] **Ch.17**

4 E- business: value chain

(a) Assess the organisation's approach to delivering e-business. [3] **Ch.17**

(b) Assess and advise on the potential application of information technology to support e-business.[3] **Ch.17**

(c) Explore the characteristics of the media of e-marketing using the 6 'I's of Interactivity, Intelligence, Individualisation, Integration, Industry structure and Independence of location.[2] **Ch.18**

(d) Assess the importance of on-line branding in e-marketing and compare it with traditional branding.[2] **Ch.18**

(e) Explore different methods of acquiring and managing suppliers and customers through exploiting e-business technologies.[2] **Ch.17 and 18**

5 IT systems security and control

(a) Discuss from a strategic perspective the continuing need for effective information systems control within an organisation.[3] **Ch.17**

(b) Assess and advise on the adequacy of information technology and systems security controls for an organisation.[3] **Ch.17**

(c) Evaluate and recommend ways to promote cyber security.[3] **Ch.17**

(d) Evaluate, and if necessary, recommend improvements or changes to controls over the safeguard of information technology assets, to ensure the organisation's ability to meet business objectives.[3] **Ch.17**

F ORGANISATIONAL CONTROL AND AUDIT

1 Management and internal control systems

(a) Evaluate the key components or features of effective internal control systems such as those included under the COSO framework.[3] **Ch.12**

(b) Assess whether information flows to management are adequate for the purposes of managing internal control and risk.[3] **Ch.12**

(c) Evaluate the effectiveness and potential weaknesses of internal control systems.[3] **Ch.12**

(d) Discuss and advise on the importance of sound internal control and compliance with legal and regulatory requirements and the consequences to an organisation of poor control and non-compliance.[2] **Ch.12**

(e) Recommend new internal control systems or changes to the components of existing systems to help prevent fraud, error, waste or harmful environmental impacts. [2] **Ch.12**

2 Audit and compliance

(a) Examine the need for an internal audit function in the light of regulatory and organisational requirements.[3] **Ch.13**

(b) Justify the importance of auditor independence in all client-auditor situations (including internal audit) and the role of internal audit in compliance.[3] **Ch.13**

(c) Justify the importance of having an effective internal audit committee overseeing the internal audit function.[2] **Ch.13**

(d) Assess the appropriate responses to auditors' recommendations.[3] **Ch.13**

3 Internal control and management reporting

(a) Justify the need for reports on internal controls to shareholders.[3] **Ch.12**

(b) Discuss the typical contents of a report on internal control and audit including the environmental and sustainability audit.[2] **Ch.12**

(c) Assess how internal controls underpin and provide information for reliable financial and sustainability reporting.[3] **Ch.12**

G FINANCE IN PLANNING AND DECISON MAKING

1 Finance transformation

(a) Discuss how advances in information technology is transforming the finance sector and the role and structure of the finance function within organisations [2] **Ch.20**

(b) Evaluate alternative structures for the finance function using business partnering, outsourcing and shared or global business services.[3] **Ch.20**

2 Financial analysis and decision – making techniques

(a) Determine the overall investment requirements of the organisation.[2] **Ch.20**

(b) Assess and advise on alternative sources of short and long-term finance available to the organisation to support strategy and operations. [3] **Ch.20**

(c) Review and justify on decisions to select or abandon competing investments or projects applying suitable investment appraisal techniques.[3] **Ch.20**

(d) Justify strategic and operational decisions taking into account risk and uncertainty.[3] **Ch.20**

(e) Assess the broad financial reporting and tax implications of taking alternative strategic or investment decisions.[2] **Ch.20**

(f) Assess organisation performance and position using appropriate performance management techniques, key performance indicators (KPIs) and ratios.[3] **Ch.4**

3 Cost and management accounting

(a) Discuss from a strategic perspective, the continuing need for effective cost management and control systems within organisations.[3] **Ch.20**

(b) Evaluate methods of forecasting, budgeting, standard costing and variance analysis in support of strategic planning and decision making.[3] **Ch.20**

H ENABLING SUCCESS, MANAGING CHANGE AND PROJECT MANAGEMENT

1 Enabling success: organising

(a) Advise on how an organisation structure and internal relationships can be re-organised to deliver a selected strategy.[3] **Ch.16**

(b) Advise on the implications of collaborative working and partnering such as franchising, organisation process outsourcing, shared services and global business services.[3] **Ch.16**

2 Enabling success: disruptive technology

(a) Identify and assess the potential impact of disruptive technologies such as Fintech, including cryptocurrencies.[3] **Ch.17**

(b) Assess the impact of new product, process, and service developments and innovation in supporting organisation strategy.[2] **Ch.5**

3 Enabling success: talent management

(a) Discuss how talent management can contribute to supporting organisation strategy.[3] **Ch.21**

(b) Analyse opportunities for organisational improvement using the four view POPIT (people, organisation, processes and information technology) model.[3] **Ch.21**

4 Enabling success: performance excellence

(a) Apply the Baldrige model for world class organisations to achieve and maintain business performance excellence.[3] **Ch.4**

(b) Assess and advise on how an organisation can be empowered to reach its strategic goals, improve its results and be more competitive focusing on its critical success factors.[3] **Ch.4**

5 Managing strategic change

(a) Evaluate the effectiveness of current organisational processes.[2] **Ch.16**

(b) Evaluate different types of strategic change and their implications.[2] **Ch.21**

(c) Establish an appropriate scope and focus for organisation process change using Harmon's process-strategy matrix.[3] **Ch.16**

(d) Assess and advise on possible redesign options for improving the current processes of an organisation. [2] **Ch.16**

(e) Recommend an organisation process redesign methodology for an organisation.[2] **Ch.16**

(f) Manage change in the organisation using Lewin's three stage model.[2] **Ch.21**

(g) Assess the implications of change in an organisation using Balogun and Hope Hailey's contextual features.[3] **Ch.21**

6 Leading and managing projects

(a) Determine the distinguishing features of projects and the constraints they operate in.[2] **Ch.19**

(b) Discuss the implications of the triple constraint of scope, time and cost.[2] **Ch.19**

(c) Prepare a business case document and project initiation document.[2] **Ch.19**

(d) Analyse, assess and classify the costs and benefits of a project investment.[3] **Ch.19**

(e) Establish the role and responsibilities of the project manager and the project sponsor.[2] **Ch.19**

(f) Assess the importance of developing a project plan and its key elements.[3] **Ch.19**

(g) Monitor and control project risks and slippages recommending improvements [2] **Ch.19**

(h) Discuss the benefits of a post- implementation and a post-project review.[2] **Ch.19**

I PROFESSIONAL SKILLS

1 Communication

(a) **Inform** concisely, objectively, and unambiguously, while being sensitive to cultural differences, using appropriate media and technology.[3]

(b) **Persuade** using compelling and logical arguments demonstrating the ability to counter argue when appropriate.[3]

(c) **Clarify** and simplify complex issues to convey relevant information in a way that adopts an appropriate tone and is easily understood by the intended audience.[3]

2 Commercial acumen

(a) **Demonstrate awareness** of organisational and wider external factors affecting the work of an individual or a team in contributing to the wider organisational objectives.[3]

(b) **Use judgement** to identify key issues in determining how to address or resolve problems and in proposing and recommending the solutions to be implemented.[3]

(c) **Show insight** and perception in understanding work-related and organisational issues, including the management of conflict, demonstrating acumen in arriving at appropriate solutions or outcomes.[3]

3 Analysis

(a) **Investigate** relevant information from a wide range of sources, using a variety of analytical techniques to establish the reasons and causes of problems, or to identify opportunities or solutions.[3]

(b) **Enquire** of individuals or analyse appropriate data sources to obtain suitable evidence to corroborate or dispute existing beliefs or opinion and come to appropriate conclusions.[3]

(c) **Consider** information, evidence and findings carefully, reflecting on their implications and how they can be used in the interests of the department and wider organisational goals.[3]

4 Scepticism

(a) **Probe** deeply into the underlying reasons for issues and problems, beyond what is immediately apparent from the usual sources and opinions available.[3]

(b) **Question** facts, opinions and assertions, by seeking justifications and obtaining sufficient evidence for their support and acceptance.[3]

(c) **Challenge** information presented or decisions made, where this is clearly justified, in a professional and courteous manner; in the wider professional, ethical, organisational, or public interest.[3]

5 Evaluation

(a) **Assess** and use professional judgement when considering organisational issues, problems or when making decisions; taking into account the implications of such decisions on the organisation and those affected.[3]

(b) **Estimate** trends or make reasoned forecasts of the implications of external and internal factors on the organisation, or of the outcomes of decisions available to the organisation.[3]

(c) **Appraise** facts, opinions and findings objectively, with a view to balancing the costs, risks, benefits and opportunities, before making or recommending solutions or decisions.[3]

J OTHER EMPLOYABILITY AND DIGITAL SKILLS

(a) Use computer technology to efficiently access and manipulate relevant information.**Ch.22**

(b) Work on relevant response options, using available functions and technology, as would be required in the workplace.**Ch.22**

(c) Navigate windows and computer screens to create and amend responses to exam requirements, using the appropriate tools**.Ch.22**

(d) Present data and information effectively, using the appropriate tools. **Ch.22**

The examination

The SBL exam will be based around an organisation detailed in pre-seen information. ACCA will release the pre-seen information two weeks in advance of the SBL exam session.

The purpose of the pre-seen is to reflect real business life, where appropriate advice and recommendations are offered in the workplace only after a broader understanding of the industry and the organisation has been established.

Additionally, the pre-seen will help support those students who have English as a second language, have limited business experience, or have had minimal exposure to the industry on which the SBL exam is based.

The SBL exam duration is 3 hours and 15 minutes.

Format of the SBL exam

The SBL exam will contain further new information in the form of exhibits, which students should focus on in answering the requirements.

The exhibits in the exam may take a variety of forms including memos, emails, briefing notes, interview extracts, web pages, financial reports etc.

The SBL exam will have three compulsory tasks, with each task having a varying numbers of parts and total marks.

There are some details from the ACCA examiner as detailed below:

Key points:

1. Pre-seen information

The primary aim of the pre-seen is to enable students to become familiar with the business activities of the case study organisation and the industry in which it operates. Familiarity with this important contextual information will help students to better understand and apply the further information that will be provided via exhibits in the SBL exam.

The pre-seen is designed to provide background and context only and will purposefully not signal areas of the syllabus or tasks to be assessed in the exam.

*Students **<u>will not be allowed</u>** to take into the exam their own annotated copy of the pre-seen, since SBL will remain a closed book exam. A copy of the pre-seen will be available to students for reference purposes during the exam.*

2. Duration of the SBL exam

The SBL exam time will be 3 hours and 15 minutes to reflect the fact that students will already be familiar with the background information and the context of the case study through the pre-seen.

3. Format of the SBL exam

The SBL exam will contain further new information in the form of exhibits, which students should focus on in answering the requirements.

The exhibits in the exam may take a variety of forms including memos, emails, briefing notes, interview extracts, web pages, financial reports etc.

The SBL exam will now have three compulsory tasks, with each task having a varying numbers of parts and total marks.

All five professional skills will be tested and will be worth 20 marks in total. Each professional skill will be tested only once and will be worth four marks.

Each task (or part of the task requirement, where appropriate) will be completed as a separate requirement in a separate response option or options.

As a result, the exam workspace area will look slightly different in that only one task will be shown at a time, and it will not be possible to view all tasks together.

The examination will continue to be based on an integrated case study containing a number of assignments which will vary at each examination.

These assignments or tasks may require the candidate to take on different roles, depending on the situation. The number of marks allocated to all these assignments or the sub-parts of these will add up to 100 in total.

Within the total marks available, there are 20 Professional Skills marks. Usually each task will contain some professional skills marks which may vary by examination, depending on the requirements. All tasks must be completed.

As previously stated, the examination is of 3 hours and 15 minutes duration, which includes Reading, Planning and Reflection time (RPRT). This time can be used flexibly at any time during the exam.

	Number of marks
Three tasks with multiple parts	**100**
Total time allowed: 3 hours 15 minutes	

Examination tips

Note: make sure you read the ACCA's Strategic Business Leader – Examiner Approach Article.

The SBL exam is different from any other exam that you have sat before and good exam technique is vital for success. In particular you should use this time to ensure that you understand the requirements, highlight key verbs, consider which parts of the syllabus are relevant and plan key calculations.

Time management

You will have 3 hours and 15 minutes (195 minutes) to read and analyse the case study and requirements, plan your approach to answering each of the tasks, and produce full answers to them all.

A recommended approach is that you allocate at least **35 minutes to RPRT** – reading, annotating and planning your answers to the requirements, leaving approximately **160** minutes for writing up your answers.

Given the 20 professional marks are earned how you write your answers (rather than writing anything extra), this means 160 minutes for 80 technical marks, or 2.0 minutes per technical mark.

Using the reading time effectively

Your objective here is to read and understand the scenario and requirements fully within 35 minutes. This may take longer than you first think so be prepared to spend a maximum of 45 minutes

Start by reading the requirements, so that when you read through the pages of exhibits, you can evaluate the information and link all pieces of relevant information to the requirements. As you do this, start thinking about the implications of what you are reading, and mentally compile a big picture of the organisation and the issues it is currently facing.

The exam you will be sitting is computer – based so you should highlight and annotate those areas of text that you consider useful to answering the questions, linking them to the different requirements.

Note: be sure to read the ACCA's Strategic Business Leader – SBL CBE Introduction article.

Weaker candidates annotate far too much, so try to be selective and prioritise issues as you go along.

Planning answers

Start by analysing the requirement itself:

- What role are you adopting?
- Who is the task addressed to and what do they want?
- What verbs have been used to express the requirement?
- Are there any limitations of scope highlighted?
- Are there any key issues mentioned that need addressing?
- Which professional skill(s) is being explicitly tested?

Next you could assess what approach you will take:

- Are any calculations, ratios or other quantitative analysis required?
- Does the question lend itself to the use of a specific theoretical model?

  The SBL syllabus has many frameworks and models that were developed to make analysis more focussed and effective, and to help develop strategic responses. The exam task will not specify which model to use (if any), so you need to decide which is/are the most useful. It is also perfectly reasonable to use parts of models if some aspects are less relevant – it is not an "all or nothing" decision.

  NB – detailed knowledge of these models is not required, you need to be able to apply the key concepts.

Given the above, you are now in a position to start writing up a plan:

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

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.

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.

You may be required to produce a report, briefing note, presentation slides or any form of business communication. Head up your answer as appropriate and use the requirements as a basis for your introduction.

NB Some students write too much detail on their plans, wasting time, whereas others do not have sufficient information in order to take the plan and write up an answer. You will only find this balance through practice and experimentation.

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

Earning professional skills marks as you write up your answers

To demonstrate professionalism and earn skills marks you need to do the following:

- Address the requirements as written, taking particular notice (again!) of the verbs used.
- Make sure you include the most important, relevant and crucial points relating to the requirement.
- Only make relevant points and try not to include superfluous information or make unsupported points.
- Show deep/clear understanding of underlying or causal issues and integrate or link different sources of information from various parts of the scenario or different exhibits to make points.
- Avoid repeating points already made.
- Show your ability to prioritise and make points in a logical and progressive way, building arguments rather than using a random or 'scattergun' approach to answering the question.
- Structure and present your answers in a professional manner through faithfully simulating the task as would be expected of the person being asked to carry it out and always have a clear stakeholder focus in mind when constructing the answer.
- Demonstrate evidence of your knowledge from previous learning or wider reading and apply this knowledge appropriately to strengthen arguments and make points more convincing.
- In addition to being clear, factual and concise, you should express yourself convincingly, persuasively and with credibility.

Note: be sure to watch the ACCA Strategic Business Leader – short videos on professional skills for SBL.

The use of theories or models in the Strategic Business Leader exam

The Strategic Business Leader exam set by the ACCA Examining Team is a practical exam and, unlike other exams, will **not** test individual theories or models in isolation or require for these theories or models to be quoted in answers to exam questions.

However, understanding the technical theories, models and knowledge is essential as these provide a framework for students to help them approach the practical tasks that they will need to complete in the Strategic Business Leader exam.