



**ASSOCIATION OF ACCOUNTING TECHNICIANS OF SRI LANKA**  
**LEVEL II EXAMINATION MODEL PAPER - AUGUST 2023**  
**(204) Business Management**

- Instruction to candidates (Please Read Carefully):

(1) **Time Allowed:** Reading : 15 minutes.

Writing : 03 Hours.

No. of Pages : 04

No. of Questions : 07

(2) **All questions should be answered.**

(3) **Answers** should be in the **medium** applied for, in the **booklets** provided

(4) State clearly assumptions made by you, if any

(5) **Action Verb Check List** with definitions is attached. Each question will begin with **an action verb** excluding OTQ's. Candidates should answer the questions based on the **definition** of the verb given in the Action Verb Check List.

(6) 100 Marks.

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## Section A

### Question 01

Select the most correct answer for question number 1.1 to 1.5. Write the number of the selected answer booklet with the number of assign to the question.

1.1 What is the correct management process?

(1) Organizing - planning - Controlling - Leading

(2) Leading - Controlling - Planning - Organizing

(3) Planning - Organizing - Reading – Controlling

(4) Planning - Controlling - Organizing – Leading

1.2 What is not a Primary activity of Porter's value chain?

- (1) Inbound logistic
- (2) Firms Infrastructure
- (3) Sales and marketing
- (4) Operations.

1.3 Partnering with raw material supplier is,

- (1) Forward integration
- (2) Diver certificate
- (3) Conglomerate integration
- (4) Backward integration

1.4 What is correctly representing SMART objectives?

- (1) Specific, Measurable, Achievable Realistic Time blued.
- (2) Sustainability, Maturity, Acceptability, Relevancy, Task oriented
- (3) Specific, Maturity, Achievability, Realistic, Time bound.
- (4) Sustainability Measurability, Achievably Realistic, Time bound.

1.5. Analyzing real position of a company related with its competitors is known as,

- (1) SWOT Analysis
- (2) PESTEL Analyzer
- (3) Bench mocking
- (4) Gap analysis

Select the correct word/words from those given within brackets to fill in the blanks of question number 1.6 to 1.10.

1.6 The process of formally introducing an employee to the organization is known.....  
(Recruitment / Induction)

17 ..... (Clarity/ Industry) is a requirement for a successful brand.

1.8 Breaking entire market into different sections based on criteria such as geography and demography is known as ..... (Positioning / Segmentation)

1.9 ..... (Democratic/ Autocratic) leaders are always considering opinions of team members.

1.10 Quality of product was the main concern ..... (Product / Production) orientation.

Write answers for questions number 1.11 to 1.15 in your booklet with the number assign do the question.

1.11 List down resistances for effective Communication.

1.12 List two tasks performed by manager as,

1.13 List two Advantages of direct distribution.

1.14 List two social needs identified in hierarchy of needs.

1.15 List down two factors effect to Successful demand forecasting

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## **Section B**

### **Question 02**

Business environment is highly dynamic. To face this dynamism skilled and innovative contribution of management is required part. Factors from external environment are uncontrollable. Management supposed to adapt these changes in order for ensure the long term existence in the industry.

(i) Explain 3 skills required by manager (3 Marks)

(ii) Explain 3 challenges to managers in modern era (3 Marks)

(iii) Plan two ways that management can respond to social pandemic situation Life COVID

### **Question 03**

A.B.C is a Supermarket network in Colombo, Kandy and Kurunegala. Senior management of ABC is looking forward to expand their market to other areas of island too.

(i) Explain 3 reasons why planning is important for a company like ABC. (3 Marks)

(ii) Explain the way that ABC can use STP, Marketing when they expecting their market to other areas of the country. (3 Marks)

(iii) List down 4 characteristics good information in the context of decision making.

### **Question 04**

Proper management, of business operation is very important do an organization in order to ensure productivity and efficiency. Power delegation is another required fact when organization become larger.

(i) Explain 3 advantages of power delegation.

(ii) Explain strategies of capacity management. (4 Marks)

### **Question 05**

Factors of business environment can be considered as triggers to change of organization. Managing of Change is crucial part do any business. Some changes are planned and some are uploaded.

- (i) Explain the difference between planned and emergent changes.
- (ii) Explain the concept of force field analyses. (3 Marks)
- (iii) List down main 3 strategies of porters strategies. (3 Marks)

### **Question 06**

Marketing plays a key role in an organization qualities of chosen marketing strategies and tactics will decide the success or failure of the organization.

- (i) Explain 3 variables of extended marketing. (5 Marks)
- (ii) Explain the meaning of brand loyalty. (2 Marks)
- (iii) State 4 methods of digital marketing.

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## **Section C**

### **Question 07**

“Crowns Ltd” is a company operates last 15 years in the field of tourism. Originally it was a private limited company started as a tour operator. Within last 10 years they could start an air ticketing company as a subsidiary company of Crowns Pvt Ltd. They Started 2 five star hotels in Habarana and Hikaduwa. Directors of Crown Ltd 11 looking forward buy shores of leading airline. Due to the Easter Sunday attack, Covid 19 Pandemic and economic and political Crises occurred in 2022, Clown Ltd reported huge loss. After economic crises foreign interest to invest in tourism industries.

- (i) Identity and explain diversification Strategy followed by Crowns Ltd. (5 Marks)
- (ii) Identify and explain one opportunity and one threat related to “Crown Ltd”. (4 Marks)
- (iii) Explain the way our importance of us geographical Segmentation on the context of Crowns Ltd. (3 Marks.)
- (iv) Advice about 4 ways how Crowns Ltd can use digital marketing. (6 Marks.)
- (V) Explain what is meant by PESTEL analysis and identify such factors from the case above. (4 Marks)
- (vi) What is meant by SWOT analysis and identify the main weakness of Crowns Ltd Caused to report huge loss. (3 Marks)