

# Student Guidance Notes

## Guide 11

### P10 Test of Professional Competence in Management Accounting (TOPCIMA) – An Introduction

#### Why a case study?

Case study is the most appropriate method of testing higher level skills (such as communication, analysis, reasoning and recommendation) within the constraints of a conventional exam. It re-creates typical workplace problem solving.

Case study exams can be difficult to pass if you rely on conventional, memory-driven, learning styles. The TOPCIMA case study requires deeper understanding and a more confident application of knowledge, rather than the mechanical repetition of rote-learned theory.

***“The Test of Professional Competence in Management Accounting (TOPCIMA) comprises a case study that requires students to primarily apply strategic management accounting techniques to make and support decisions within a simulated business context.”***

The TOPCIMA case study does not have its own syllabus. It is designed to test your ability to use what you have learnt throughout your management accounting studies. Many of the issues covered by each case study will, however, focus on material covered by the three Strategic level papers. The TOPCIMA will always look at the strategic problems of a business organisation.

# Learning Aims

The aim of the Test of Professional Competence in Management Accounting (TOPCIMA) is to test the capabilities and competence of students, to ensure that they:

- A. have a sound technical knowledge of the specific subjects within the curriculum;
- B. can apply technical knowledge in an analytical and practical manner;
- C. can extract, from various subjects, the knowledge required to solve many-sided or complex problems;
- D. can solve a particular problem by distinguishing the relevant information from the irrelevant, in a given body of data;
- E. can, in multi-problem situations, identify the problems and rank them in the order in which they need to be addressed;
- F. appreciate that there can be alternative solutions and understand the role of judgement in dealing with them;
- G. can integrate diverse areas of knowledge and skills;
- H. can communicate effectively with users, by formulating realistic recommendations, in a concise and logical fashion;
- I. can identify, advise on and/or resolve ethical dilemmas.

## Learning outcomes

Students will be required to go through the following stages to prepare for, and to answer, the requirement of the case, set within the TOPCIMA:

### **A - Preparatory to the TOPCIMA exam:**

- ◆ analyse and identify the current position of the organisation;
- ◆ analyse and identify the relevant problems facing the organisation.

Note: Activities undertaken using published 'pre-seen' case study materials.

### **B - TOPCIMA exam:**

- ◆ appraise possible feasible courses of action available;
- ◆ evaluate and then choose specific proposals;
- ◆ identify and evaluate priorities related to the proposals;
- ◆ recommend a course of action;
- ◆ prepare and present information in a format suitable for presentation to senior management.

# How the TOPCIMA case study works

## (a) Before the exam - the pre-seen material

Approximately six weeks before each TOPCIMA exam we will make about 15-20 sides of A4 material available on the website. This is the 'pre-seen' material and will consist of:

- ◆ a list of contents;
- ◆ an introductory scenario, to 'set the scene' for the case study;
- ◆ a series of 'exhibits' (documents) that are relevant to the scenario.

Each exhibit may be one of the following types of document (though this list is not comprehensive):

- ◆ Letter
- ◆ Memorandum
- ◆ Minutes of a meeting
- ◆ Notes made by a colleague
- ◆ Published accounts
- ◆ Management accounts
- ◆ Brochure
- ◆ Press article
- ◆ Academic or professional journal article
- ◆ Report

The purpose of giving you access to this information in advance of the exam is to enable you to study, analyse and become very familiar with the organisation(s) and industry described. It is your responsibility to access the website and download the material – if you don't have Internet access we can send or email it to you.

The TOPCIMA assessment matrix will also be published on the website (see below).

Please note, however, that you will not be able to bring your own version of the pre-seen material into the exam.

## (b) In the exam - the unseen material

The TOPCIMA case study exam is based on an extended scenario, much of which you will have already seen and read about in the pre-seen material. In the exam itself, we will provide you with a 'clean' (unmarked) set of the pre-seen material. In addition you will be presented with additional 'unseen' material as well as the questions. This unseen material will be a continuation of the pre-seen material but will provide a new angle on the organisation(s) described.

The pack given to you at the start of the exam will consist of the following:

- ◆ A clean copy of all of the pre-seen material;
- ◆ Some additional material (up to 6 A4 sides);
- ◆ A requirement, which will describe one or more tasks that you must complete during the exam;
- ◆ A blank main answer booklet;
- ◆ A blank supplementary booklet;
- ◆ A copy of the assessment matrix.

You will have three hours to analyse the 'unseen' material and produce an answer to the question(s) set. You will be required to produce your answers in the answer booklets provided. The supplementary booklet may be used to submit plans and/or appendices. Exhibits cannot be submitted as part of your answer.

Please note that you will not be allowed to bring textbooks or other materials into the exam room. Nor will you be able to take out any documents or papers from the exam. All other normal exam conditions (for example total silence) will apply.

## **The marking process**

You must achieve a minimum of 50 marks in order to pass the TOPCIMA exam. Your answer will be assessed by the examiner using an assessment matrix similar to that shown at the end of this guide.

After reading through your answer, the examiner will select, for each criterion, the description that best applies to your work. The appropriate mark (from the box chosen) will then be transferred into the 'Awarded' column on the matrix. When all criteria have been assessed, the total mark will be calculated.

You are recommended to read Student Guide S12 – 'TOPCIMA understanding the assessment matrix'. This guide gives additional detail of the assessment criteria and the skills required satisfying them.

## **How to prepare for the TOPCIMA case study**

Like any exam, your chances of success will be greatly increased if you prepare effectively. We recommend that you adopt the following approach:

- ◆ Carefully read guidance for the TOPCIMA exam, and use the available resources which are published on our website at [www.cimaglobal.com](http://www.cimaglobal.com)
- ◆ Study any relevant articles published in the student magazine.
- ◆ Get hold of some targeted study material, such as the CIMA Study System (visit [www.cimapublishing.com](http://www.cimapublishing.com)), and work through all the exercises.

- ◆ Attend, if possible, a taught classroom course where a tutor will help you to prepare.
- ◆ Concentrate on developing the skills described in the assessment matrix, aiming at the 'Clear Pass' level. You should study the matrix in detail since it indicates the elements that the examiner is looking for within your answer. See Guide 12 for further advice.
- ◆ Practise by completing at least three case studies under simulated exam conditions and review your answers carefully using the assessment matrix. If possible, get your work marked by a tutor and ask for feedback on your performance.

## How to pass

To pass the TOPCIMA case study it is necessary to do ALL of the following things:

- ◆ Answer the question(s) by applying your knowledge;
- ◆ Answer within the context defined by the scenario, making sure that all parts of your answer, including any examples, are relevant to the organisation described;
- ◆ Use those parts of the supplied information that you feel are relevant to the question(s).

Your ability and skills in doing these things will be examined using the assessment matrix, but the following suggestions will improve your approach:

- ◆ Develop a plan, before the exam, of how you are going to use the time in the exam room. There are lots of things to do in the three hours - reading, thinking, planning, writing - so allocating your time is critical if you are to produce a good and complete answer.
- ◆ Take a broad view of problems and issues presented, using all of your management accounting knowledge. Real business problems are complex and, unlike conventional exams, do not come in little packages marked 'financial accounting' or 'business strategy'.
- ◆ Look at your communication skills. In the exam you will need to communicate effectively, in writing, with members of the organisations' business team. Remember, accountants never write 'essays', so you must learn how to produce clear, concise, well-structured professional communication documents.
- ◆ Familiarise yourself with the industry in which the TOPCIMA case study is set. Research information on the business sector and its major companies, using the internet, published annual reports, economic surveys, sector specific magazines, journals and so on. If you can show that you understand the nature of the business, its problems and its terminology, your answer is likely to be more realistic and professional.
- ◆ Recognise your own limitations, and that of the theory you have studied. If you don't know, say so, but go on to recommend what action would be necessary to resolve the problem. If you are applying a theoretical approach or model, mention its weaknesses and limitations in the specific context of the case study. In real life things don't often work the way the textbooks suggest that they should.
- ◆ Prepare a position audit that identifies the Strengths, Weaknesses, Opportunities and Threats currently facing the organisation. Also, you should start to prepare ideas for developing or changing the current strategy to ensure that weaknesses are overcome.

## **The assessment matrix**

The generic TOPCIMA assessment matrix is used as the basis for deciding how marks will be awarded. An example of the generic assessment matrix is shown at the end of this guide. However, the mark allocation may be changed slightly for each specific exam. In this way the distribution of marks can be adjusted to suit the nature of a specific case study - for example one involving a greater or lesser knowledge content. However, you should assume that a typical case study would have mark allocations similar to those shown. Assessment matrices from previous Case Study exams are available on the website, but you should note that the assessment criteria and mark allocations are different from the new TOPCIMA.

You will notice that a lot of the marks are awarded for 'higher level skills'. We are trying to assess your ability to deal with a complex business situation, so we are looking for evidence as to how you performed the tasks covered by the matrix. Some of the marks are awarded for 'knowledge', but most of these are for how you've used your knowledge rather than the specific content of your answer. We recommend that you carefully study the assessment matrix so that you have a good understanding of how marks will be given

## **Further work**

You are advised to read articles in the student magazine relevant to the TOPCIMA case, and the student support material and case reviews that appear on the CIMA website. Please bear in mind that some support material may relate to case study exams under the previous syllabus, where a different assessment matrix was used

| Criterion             | Marks      | Clear Pass  | Pass   | Marginal Pass   | Marginal Fail  | Fail   | Clear Fail   |                       |
|-----------------------|------------|---|--|---|--|--|--|-----------------------|
| <b>Technical</b>      | <b>10</b>  | Thorough display of relevant technical knowledge.<br><b>9-10</b>                              | Good display of relevant knowledge.<br><b>6-8</b>  | Some display of relevant technical knowledge.<br><b>5</b>                                       | Identification of some relevant knowledge, but lacking in depth.<br><b>3-4</b>                       | Little knowledge displayed, or some misconceptions.<br><b>1-2</b>                                    | No evidence of knowledge displayed, or fundamental misconceptions.<br><b>0</b>     |                       |
| <b>Application</b>    | <b>10</b>  | Knowledge clearly applied in an analytical and practical manner.<br><b>9-10</b>               | Knowledge applied to the context of the case.<br><b>6-8</b>                                | Identification of some relevant knowledge, but not well applied.<br><b>5</b>                    | Knowledge occasionally displayed without clear application.<br><b>3-4</b>                            | Little attempt to apply knowledge to the context.<br><b>1-2</b>                                      | No application of knowledge displayed.<br><b>0</b>                                 |                       |
| <b>Diversity</b>      | <b>10</b>  | Most knowledge areas identified, covering a wide range of views.<br><b>9-10</b>               | Some knowledge areas identified, covering a range of views.<br><b>6-8</b>                  | A few knowledge areas identified, expressing a fairly limited scope.<br><b>5</b>                | Several important knowledge aspects omitted.<br><b>3-4</b>   | Many important knowledge aspects omitted.<br><b>1-2</b>  | Very few knowledge aspects considered.<br><b>0</b>                                 |                       |
| <b>Focus</b>          | <b>10</b>  | Clearly distinguishes between relevant and irrelevant information.<br><b>9-10</b>             | Information used is mostly relevant.<br><b>6-8</b>   | Some relevant information ignored, or some less relevant information used.<br><b>5</b>          | Information used is sometimes irrelevant.<br><b>3-4</b>  | Little ability to distinguish between relevant and irrelevant information.<br><b>1-2</b>             | No ability to distinguish between relevant and irrelevant information.<br><b>0</b> |                       |
| <b>Prioritisation</b> | <b>10</b>  | Issues clearly prioritised in a logical order and based on a clear rationale.<br><b>9-10</b>  | Issues prioritised with justification.<br><b>6-8</b>                                       | Evidence of issues being listed in order of importance, but rationale unclear.<br><b>5</b>      | Issues apparently in priority order, but without a logical justification or rationale.<br><b>3-4</b> | Little attempt at prioritisation or justification or rationale.<br><b>1-2</b>                        | No attempt at prioritisation or justification.<br><b>0</b>                         |                       |
| <b>Judgement</b>      | <b>10</b>  | Clearly recognises alternative solutions. Judgement exercised professionally.<br><b>9-10</b>  | Alternative solutions or options considered. Some judgement exercised.<br><b>6-8</b>       | A slightly limited range of solutions considered. Judgement occasionally weak.<br><b>5</b>      | A limited range of solutions considered. Judgement sometimes weak.<br><b>3-4</b>                     | Few alternative solutions considered. Judgement often weak.<br><b>1-2</b>                            | No alternative solutions considered. Judgement weak or absent.<br><b>0</b>         |                       |
| <b>Integration</b>    | <b>10</b>  | Diverse areas of knowledge and skills integrated effectively.<br><b>9-10</b>                  | Diverse areas of knowledge and skills integrated.<br><b>6-8</b>                            | Knowledge areas and skills occasionally not integrated.<br><b>5</b>                             | Knowledge areas and skills sometimes not integrated.<br><b>3-4</b>                                   | Knowledge areas and skills often not integrated.<br><b>1-2</b>                                       | Knowledge areas and skills not integrated.<br><b>0</b>                             |                       |
| <b>Logic</b>          | <b>20</b>  | Communication effective, recommendations realistic, concise and logical.<br><b>16-20</b>      | Communication mainly clear and logical. Recommendations occasionally weak.<br><b>11-15</b> | Communication occasionally unclear, and/or recommendations occasionally illogical.<br><b>10</b> | Communication sometimes weak. Some recommendations slightly unrealistic.<br><b>5-9</b>               | Communication weak. Some unclear or illogical recommendations, or few recommendations.<br><b>1-4</b> | Very poor communication, and/or no recommendations offered.<br><b>0</b>            |                       |
| <b>Ethics</b>         | <b>10</b>  | Excellent evaluation of ethical aspects. Clear and appropriate advice offered.<br><b>9-10</b> | Good evaluation of ethical aspects. Some appropriate advice offered.<br><b>6-8</b>         | Some evaluation of ethical aspects. Advice offered.<br><b>5</b>                                 | Weak evaluation of ethical aspects. Little advice offered.<br><b>3-4</b>                             | Poor evaluation of ethical aspects. No advice offered.<br><b>1-2</b>                                 | No evaluation of ethical aspects. Unethical, or no, advice offered.<br><b>0</b>    |                       |
| <b>TOTAL</b>          | <b>100</b> |   |  |   |  |  |  | © CIMA – January 2005 |