



Business Practice
(IOM)

Sample Questions
and Answers

propertymark
QUALIFICATIONS

BUSINESS PRACTICE (IOM) SAMPLE QUESTIONS AND ANSWERS

This unit introduces the concepts of Business Practice, including methods and processes followed by a business to manage information, company and personal performance and promote the business.

Questions, and answers where provided, are correct as at time of publishing.

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ASSESSMENT INFORMATION

Assessment Method	Short essay style exams 2 hours
Availability of assessment	Set times of the year as identified within the qualification page on the Propertymark Qualifications website

Examinations are manually marked by an examiner and moderated by an experienced and qualified moderator.

The pass mark for each unit is **45%**.

The successful achievement of all units will result in either a final certificate showing a Pass or Distinction Grade.

In order to obtain an overall grade of Distinction, you need to achieve an **overall average mark of 70% across all examinations**.

SCENARIO 1

You have been brought into a well established small company as a manager and soon realise that it is very inefficient due to its lack of record keeping.

Question 1

Using examples of different kinds of records, explain why they are important.

Answers may include:

- Customer- contact details, complaints, transactions
- Personnel - name, salary details, length of service
- Financial- client accounts, sales ledger, purchase ledger, cash book etc.
- Transactional records -property contracts, offers, property details
- Health and safety – accidents, risk assessment, inspection, maintenance records
- Employee performance- appraisal, bonuses, targets
- Customer feedback and complaints
- Absence records monitoring absence
- Work and scheduling records diaries
- Communication records- meetings emails etc.

Credit can be given by markers for any other valid answer(s).

SCENARIO 1 (CONTD.)

Question 2

You decide to write a report to give to the directors to demonstrate your findings. Identify the principal headings you would use, their purpose and discuss the process of writing the report.

Answers may include:

- Identifying principal headings and their purpose when used in report writing:
 - Title of the report, author's name and any other details required in the brief
 - Contents page - listing all the main sections including appendices and page numbers
 - Executive summary - a brief summary or overview of a report which can be read independently of the main report
 - Introduction, a brief description of what the report is about, what it will cover, methodologies used, any background information or any limitations on the contents or coverage of the report
 - Main section - findings, present results. Explain the methodology used in compiling and analysing the information i.e., what, how, where, when info was collected
 - Conclusions - summarising of key points from the main section of the report and relates these back to introduction. This section should not introduce any new material.
 - Recommendations/proposals - this section provides you with an opportunity to suggest changes and improvements based on your conclusions
 - References - should detail all sources used in report
 - Appendices, bibliography, tables, detailed documents such as questionnaires
- Explaining the process of report writing i.e., prepare for and write your report:
 - Identify the purpose of the report i.e., the problem you wish to report on and to who (audience)
 - Collect the required material (facts) for the report
 - Study and examine the facts gathered
 - Plan the facts for the report - use of diagrams, tables etc.
 - Prepare an outline of the report - identify headings
 - Draft report including references, appendices
 - Obtain feedback
 - Final report
- Presentation and layout
 - Concise, clear and objective as possible
 - Use correct spelling, punctuation
 - Logically flowing with simple concepts preceding complex ones
 - Jargon and buzz words should be avoided
 - Report content is non-patronising, non-sexist and non-racist
 - Repetition is avoided

Credit can be given by markers for any other valid answer(s).

SCENARIO 2

Your organisation has discovered that its profit is below previous years and has not met this year's target which is of concern to you and your line manager.

Question 1

Using appropriate examples, explain what you understand by the term 'Key Performance Indicators (KPIs)' and discuss how they are used and may have impacted on the profitability.

Answers may include:

- Explanation of understanding of KPIs:
Definition - A quantifiable measure used to evaluate the success of an organisation, employee, etc in meeting objectives for performance.
- Examples to demonstrate understanding:
 - Profitability figures and ratios
 - Targets versus actual sales
 - Productivity levels
 - Absence levels
 - Accident levels
 - Labour turnover figures
 - Complaint/satisfaction levels
 - Employee appraisals
 - Conversion rates
 - Market appraisals to instructions
 - Viewings to offers
 - Offers to sales/lets etc
- Discussion of examples and how these may have impacted on profitability e.g., of conversion rates

Credit can be given by markers for any other valid answer(s).

SCENARIO 2 (CONTD.)

Question 2

You are asked to deliver training to staff, as business reports are badly constructed and fail to meet the needs of the organisation for clarity of expression, structure and recommendations made. Describe five key features and contents of formal business reports and explain how your training will help staff to meet the needs of the organisation.

Answers may include:

- Description of key features/contents of formal business report i.e.:
 - Written in formal language
 - Main and sub headings
 - Factual and referenced
 - Personal opinion offered, if necessary
 - Grammatically correct
 - Bullet points highlighting important information
 - Include justified recommendations
- Explain how training will help meet the needs of the organisation:
 - This will help to make the organisation's need for clarity of expression
 - The clear structure of the report will need to be practised because it is essential to get information across to the reader
 - Staff will be helped to understand the use and format of recommendations when they are requested
 - Staff will need to understand why recommendations need to be justified and why personal opinion is not offered
 - Staff will need to understand why organisational procedures should be followed

Credit can be given by markers for any other valid answer(s).

SCENARIO 3

The company you manage is experiencing many changes; staff about to go onto maternity leave, another coming up for retirement, another has moved out of the area and is unreliable; frequently calling in sick.

Question 1

You decide that the role performed by the person who is retiring can be filled from within the company by providing extra training and development. Explain the benefits to your organisation of increasing training and development.

Answers may include:

- Saving staff costs
- Staff promotion
- With training will come improved profitability
- Improved techniques
- Recognition of opportunities
- Improving service quality
- Save recruitment costs
- Reduced wastage
- Keeping/promoting key employees
- Greater productivity

Credit can be given by markers for any other valid answer(s).

SCENARIO 3 (CONTD.)

Question 2

As the manager, explain how the changes in the scenario are stress factors, how they might affect you and what might help you to cope better under this pressure.

Answers may include:

Identification of stress factors and explanation of how these could be a stress factors and how they would affect a manager:

- Increased workload
- Overloading
- Loss of energy
- Poor judgements
- Increased need for delegation

Description of coping mechanisms and explanation of how these can help under pressure:

- Help from other team members
- Better planning
- Work life balance
- Scheduling
- Prioritising
- Eliminating time wasters (self, organisational and other)
- Delegating
- Being assertive

Recognition that stress can be a cause of good performance; short term pressure resulting in exceeding personal expectations or project performance.

Credit can be given by markers for any other valid answer(s).

SCENARIO 4

A new manager, Barbara, has been under a great deal of stress because of office refurbishments which will take about six months to complete. Feedback from her line manager has indicated that she needs to improve her time management skills.

Question 1

Give examples to explain how appraisal feedback can help Barbara to improve the situation and analyse the type of time management skills that will help her to cope with temporary, but stressful, situations.

Answers may include:

Examples explaining how appraisal feedback can improve situation:

- Highlight any areas of weakness
- Set target(s) for action
- Can indicate any improvements made
- Address how management can help
- Empowerment to make decisions in job role

Examples of how analysis of time management skills could help:

- Diary management
- Time for unexpected and non-routine tasks
- Delegation if/as appropriate
- Prioritising/managing telephone calls and emails
- Flexible working

Credit can be given by markers for any other valid answer(s).

SCENARIO 4 (CONTD.)

Question 2

Barbara has recognised that part of her problems with stress relate to her team not working productively or co-operatively. Describe the steps she can take to remedy this situation and explain the impact it will have on the team.

Answers may include:

Steps to be taken to remedy team productivity:

- Assess team skills against the company objectives
- If/as necessary, identify training or mentoring
- Look at work distribution
- Staff personal circumstances
- Conflict resolution
- Communication within the team
- Rewards

The impact of these remedies:

- Empowerment
- Greater trust
- Greater resource use
- Gives clear direction to the team.
- Improved confidence of team members
- More harmonious team working

Credit can be given by markers for any other valid answer(s).

SCENARIO 5

Customers have criticised your premises as being tired and old fashioned. You feel that this image is possibly affecting your business.

Question 1

Summarise the routine and non-routine maintenance you will target to improve the kerb appeal of your office given the adverse comments and give examples of how they would improve kerb appeal.

Answers may include:

Routine and non-routine maintenance, examples and explanations of how each would improve office kerb appeal:

- The look of the premises and vehicles
- Role of PR and advertising
- Value of maintenance
- Good housekeeping and equipment maintenance
- Routine and non-routine maintenance for keeping interiors up to standard, décor, and company image/style
- Good office layout
- Colour schemes
- Good lighting and lighting systems
- Office furniture
- Ambience
- Images/photos/window displays
- Signage

Credit can be given by markers for any other valid answer(s).

SCENARIO 5 (CONTD.)

Question 2

Sponsorship and in-house magazines are two initiatives that could be used to enhance and modernise your company's image. Give five alternative examples of PR initiatives and explain how they could be of benefit.

Answers may include:

Examples of alternative PR initiatives and how they could be of benefit to a company:

- Corporate identity giveaways – e.g., company umbrellas, key rings etc
- Signs including boards
- Newsletters/social media
- Called upon as the “local expert”
- Local TV and radio, articles, and editorials
- Speeches and presentations in the local community
- Schools/job fairs
- Social media presence

Credit can be given by markers for any other valid answer(s).