201	9 Paper I	201	9 Paper II
•	Main features of MNC	•	Steps of HR manpower planning process
•	Disadvantages of joining a Franchise	•	Differentiate between primary and secondary data
•	Factors affecting a personal credit	•	Sampling techniques and primary data
	record	•	Non-insurable risks
•	SMART goal	•	Insurance to cover insurable risks
•	T-accounts	•	Inventory turnover
•	Real account vs nominal account	•	Objective of inventory management
•	Gross Profit ratio	•	Forms of performance-based pay
•	Net profit ratio	•	Q5
•	Return on capital employed	•	IRR method
•	Comment on the profitability of a	•	Reasons not borrow more money
	firm	•	Long-term financing (disadvantages)
•	Principal of Effective management	•	Reasons why electronic marketing system could
•	Advantages for production dept for		increase sales in the cinemas
	adopting principal of effective mgt	•	Pricing strategy for movie tickets
•	Prepare a statement of financial		
	position	•	Q6
•	Comment on the liquidity of a firm	•	Promotion mix to boost its sales
•	Violated effective management	•	Unfavourable sales-volume variance
•	Adv of applying effective mgt	•	Remedial action of promotional mix to cope with competition
		•	Herzberg's Dual-factor Theory
		•	Reasons of not motivated by attractive remuneration
			and comfortable working environment
		•	Ways to motivate staff
		•	On-the-job training method for newly-recruited sales trainees
		•	On vs off-the-job training
		•	Q7
		•	Differences between business and consumer's market
			of a computer company hardware and software
		•	Adv of different external recruitment channels
		•	Q8
		•	Market segments for a company manufacturing and
			selling furniture
		•	Limitations of different capital investment appraisal
			methods
			1

2018 Paper I	2018 Paper II
Technological factor/online store	Risk management strategies
• Lower production cost: globalization	 Three product strategies/travel agency
Characteristics of SME	 Internal communication programs:
• Contributions of entrepreneurship	mentorship/induction/regular staff meetings/ social
• Factors affecting share price	gatherings
 Dividend policy/govt policy 	Trade receivables turnover
• Going concern/non-current assets	Credit policy elements
• Statement of financial position	• Q5
Autocratic Leadership style	 Operating cycle of a food truck
• T-accounts	 Reasons of a short cash conversion cycle
• Effective mgt: unity of direction	 Limitations of using a budgetary control
• reasons	 Marketing concept (MC)
	 How to apply MC to Food Truck
	 Market segmentation
	• Q6
	• Disadvantages of changing the remuneration system
	 McGregor's Theory X and Theory Y
	 ARR (accounting rate of return)
	 Non-financial factors for installing robotic arms
	• Q7
	EOQ/inventory cost
	Distribution channel: middlemen
	• Q8
	• Data collection methods (language learning center)
	• Steps in conducting a performance appraisal

2017 Paper I	2017 Paper II	
Joint Venture	 Define pure vs speculative risk 	
 Adv of Joint venture 	• Types of liability insurance: public liability insurance	
 Financial needs after retirement 	vs employees' compensation insurance	
 Responsibilities of an investor 	• 5Cs	
 Forms of departmentalization 	 Objectives of training 	
 Wider span of control 	 PLC: (decline stage) marketing mix 	
• Role of Risk management department	 Types of finance and its' limitations 	
to claim insurance	 Hierarchy of needs theory 	
 Accrual concept 	• CRM:	
 Revenues and expenses 	 Limitation of internal promotion 	
 Trial balance 	 Characteristics of services: service quality 	
 Business ethics 	• Limitations of sending questionnaires to members of	
 Stakeholders 	membership scheme	
 Income statement 	 Payback period 	
 Management function: setting goal 	 NPV / ARR / Internal rate of return 	
	 Accounting ratio to evaluate company's performance 	
	 Purpose of providing fringe benefits 	
	 Steps in formulating a marketing plan 	
	 Consumer's buying decision: psychological & 	
	socio-cultural factors	

2016 Paper I	2016 Paper II
Journal entry	SQ
 Business entity concept 	 limitations of using accounting ratio
• Reasons for share price increase	 Herzberg's dual factory
• investment decisions for investors	 direct distribution channel
• Reasons for franchising	 objective of performance appraisal
 legal and cultural 	 important of financial functions.
 Gross Profit ration/net profit 	 Purposes of budgeting
ratio/return on capital employed	 two causes of favorable sales variance
• Comment on profitability	
 Management by Objectives (MBO) 	Cases
 working capital/current 	● EOQ
ratio/liquid ratio	 Inventory costs
 comment on liquidity 	 cash management: cope with liquidity problems
 purpose of controlling 	 Reasons to use Payback method
 steps of controlling process 	• Three non-financial problems: online shopping project
	 secondary data
	 limitations of using secondary data
	 PLC: maturity stage
	 off-the-job training modes: personal selling
	 non-insurable risk
	 risk management strategies
	Essay
	 Internal recruitment
	 Functions of HR: support measures for mild mental
	and physical disabilities
	p
	 setting prices for new products
	 purchase decision-process

2015 Paper I	2015 Paper II
Functions of Accounting	• <u>Ratios</u> : (Functions and limitations)
recording/classifying/	Profitability ratios
summarizing/communicating	Liquidity ratios
• Limitations of financial statements	solvency ratios
• Business entity concept	Management efficiency ratios
• Functions of <u>Trial Balances</u>	• Sources of financing:
• Limitations of Trial Balances	Long term vs short term
• <u>Personal</u> accounts (a/c receivable and	debt vs equity
payable accountsdo not need to be	internal vs external
closed off)	Capital Investment Appraisal
• <u>Impersonal</u> accounts:	NPV vs Payback (strengths and weakness)
real accounts (asset/liability) X closed	financial vs non-financial factors
Nominal accounts (revenue and	Working capital management
expense accounts)closed	cash/account receivable and payable and inventory
• Accrual concept/Consistency concept	Risk Management
• Nominal vs effective rates of return	pure vs speculative risk
• Consumer credit	Risk management strategies
revolving vs non-revolving	Risk avoidance/assumption/reduction/transfer
Instalment vs non-instalment	insurable vs non-insurable risks
Bank Overdrafts	Types of insurance
• Types of credit card:	
standard/premium/affinity credit card	Def of Marketing concept
• Personal credit records	• SWOT analysis
Credit score and credit rating	Marketing strategies:
• Forms of investment	leader/challenger/follower/Nicher
saving and term deposits	• Market research: Primary vs secondary data
Deposit Protection Scheme	Data collection methods:
Bonds: face value/coupon rate	survey/experimental/qualitative/observational
Stock: voting rights/dividend	• Factors affecting consumer decisions
• MPF (\$7,100-25,000)	socio-cultural/psychological(maslow's)
Employee Choice Arrangement	Market Segmentation
	(BY Geographic/demographic/psychographic/
	behavioural/ multiple-base)
• HSI Hang Seng Index	• Strategies in selecting target markets
(50 constituent co)	undifferentiated/differentiated/concentrated
• Bull vs bear market	• Positioning (competitive advantages of a P/S)
	product/service/people/channel/image
	• <u>criteria of the right positioning or competitive ad</u>

		r	BAFS DSE Analysis Paper ! & 2
•	Characteristics of HK economy		(distinctive/important/superior/communicable
•	CEPA/WTO/APEC		/preemptive/affordable/profitable)
•	Joint Venture/Govt dept vs public	•	Individual Product strategies
	corporations/Private vs Public		Product attributes/branding/packaging/
	Limited co		labelling/support services)
•	Types of partnerships:	•	Product line level strategies
	General vs limited		line stretching vs filling
			Product mix width/length/depth
•	management skills:	•	Pricing strategies
	conceptual/Interpersonal/Technical		Marketing objectives(survival/profit/share/quality) costs
•	Mgt functions:		nature of market: perfectly / monopolistically
	Planning(SMART goals)		competitive/ pure monopoly / oligopoly
	Organizaing : Tall vs short structure		consumer demand/competitors' strategies
	Span of control/communication/	•	Placing strategies:
	Line vs staff authority		(Direct/indirect distribution)
	forming dept: functions/product/geog		(Intensive/exclusive/selective distribution)
	Leading:	•	Promotion strategies:
	autocratic/participative/laissez-faire		advertising/sales promotion/public relations
	Controlling : monitoring vs corrective		personal selling / direct marketing
	measures	•	Product life cycle:
			(Introduction/maturity/decline)
•	Division of labour	•	Service marketing
	unity of command		(intangibility/inseparability/variability/perishability)
	unity of direction	•	Traditional vs e-marketing
•	authority vs responsibility/delegation	•	CRM strategies
•	SME vs MNC	•	Manpower planning
		•	labour demand vs labour supply
Inc	ome statement		(permanent / temporary hire or outsourcing)
Cor	nsistency principle in accounting		(Natural attrition/layoff/termination/early
For	ms of business ownership		retirement/voluntary resignation inducements
		•	recruitment
Inv	estor compensation fund		Internal candidates: intranet and email
			External candidates: ad in the mass media/internet
			employment agency/employee referral/ professional
			institutions/trade unions/job fairs
		•	selection: aptitude tests/ physical abilities/ mental
			abilities/ personality test
		•	Work sampling technique/interview(group vs stress)
		•	Appraising methods:

	BAFS DSE Analysis Paper ! & 2
	Graphic rating/simple ranking/MBO
•	Peer/self appraisal, evaluation by subordinates/
	360 degree
•	Factors affect accuracy of performance appraisal
	unclear evaluation standards/central tendency
	Halo effect/ personal preferences or biases
	different degree of leniency or strictness of
	evaluators
•	Direct compensation: time- vs performance-based
	salaries vs piece rate/commission/bonus/merit pay
•	Indirect compensation: insurance/retirement
	benefits/pay for time not work(holiday/paid
	leave/sick leave/maternity/severance pay), personal
	services and family-friendly benefits
•	On-the job training: coaching/job rotation
•	off-the job training:
•	Apprenticeship training/classroom training
•	ICT (programmed learning)training
•	simulated training/role play
•	Labour union
•	employment ordinance:(p133)
•	employee's compensation ordinance p134
•	orientation training
•	Motivational theory: Maslow's Hierarchy of needs,
	Herzberg's Two Factor, MxGregor Theory X and Y
	Expectancy/Equity
•	

2014 Paper I		2014 Paper II		
•	nominal partner (partnership)	Section A		
		• <u>Types of insurance restaurant:</u>		
•	Management skills	Public liability insurance/ employees'		
	functions of marketing department	compensations/comprehensive		
		• Economic Order Quantity (EOQ)		
•	Book of original entry	• re-order level		
		 Vroom's Expectancy Theory 		
•	real account / nominal account	• <u>Sampling techniques (marketing research)</u>		
•	financial statement / income	(Random, Convenience, Stratified)		
	statement	• <u>New product pricing</u> : Differences: skimming vs		
		penetration pricing strategy		
•	present value / government bonds	Section B		
		• <u>Performance appraisal methods</u> : critical incident		
•	effective management: unity of	MBO (management by objective)		
	command	Graphic rating scale		
•	Problems	Ranking		
		• <u>Good relationships with retailers</u> : better credit terms,		
		monetary incentives, advertising and promotional		
		allowance, alliance with store chains		
		• <u>Steps in designing training programs</u>		
		• <u>Working capital management:</u> improve cash flows		
		• Buying behaviour:		
		Consumer market vs business market		
		• <u>e-marketing strategies</u>		
		• sources of finances		
		• risk to airline: macro-environmental		
		Section C		
		Human resources functions		
		**manpower planning / **recruitment		
		**performance management		
		**training and development / **employee relations		
		• Investment appraisal methods:		
		NPV vs payback vs IRR vs ARR		
		• Consumer buying process		
		• Consumer rights		

201	3 Paper I	201	3 Paper II
•	Benefit of using credit cards	Sec	tion A
•	Personal credit records	•	Functions (uses) of performance appraisal
		•	Factors of granting credit to consumer (5Cs)
•	External factors affect business		Character, capacity, capital, collateral, conditions
	decisions: technological, social,	•	Customer relationship management (CRM)
	economic, legal, physical, political	•	Progressive disciplinary actions
		•	adv: divisional departmentalization by
•	Business entity concept		geographical location
•	Historical cost principle	•	Importance of contracts
			Section B
•	Functions of information	•	Risk management strategies
	management		(avoidance/reduction/transfer/assumption)
		•	Data collection methods:
•	2-column cash book		(survey, qualitative, observational, experiments)
		•	Criteria for evaluating a market segment
•	division of work		(purchasing power of target, growth of segment,
			competitions, distinctiveness)
•	MBO	•	sources of capital(shares, LT bond, LT loan,
•	Advantages of MBO		Joint-venture)
		•	ways of promotions(advertising, sales promotion,
			public relations, personal selling)
		•	McGregor's <u>Theory X and Theory Y</u>
		•	Types of monetary compensation: (commission,
			bonus, merit pay, profit sharing, stock option)
		•	How training due with Characteristics of
			services(intangibility, heterogeneity, inseparability,
			perishability)
		•	Payback period vs NPV
			Section C
		•	Accounting ratio(liquidity, debt mgt/solvency,
			activity, profitabilty ratio)
		•	Causes of budget variance
			(sales/inventories/labour/rental)
		•	Product life cycle (PLC): Growth stage
		•	internal promotion

2012

2012 2012 Paper I	2012 Paper II
 limitations of using financial 	Section A
statements	• <u>Indirect compensation</u> (benefits other than normal
	wages and salaries)
• Functions of operations	• purpose
management (inventory	 elements of a sales and purchases contract
mgt/design of production process/	(offer/acceptance/consideration)
quality control)	• <u>Collective bargaining</u> (improve communication.
	enhance efficiency, facilitate discussion and mutual
• mutual fund (risk diversified/	understanding, systemic)
simplified assets mgt)	• <u>Three management functions: planning, organizing,</u>
	leading, controlling)
• low risk financial instruments:	• <u>e-marketing: distribution functions)</u>
(fixed time deposit, govt bonds,	cost-saving/wide coverage/convenience/extended
exchange fund bills)	service hours)
	Section B
• 2 principles of effective	• EOQ: reduce inventory cost
communication: courtesy,	• Hedge(Euro) exchange rate risk: buy and deposit
concreteness, completeness)	Euro, buy forward contracts on Euro, buy call options
	of Euro, buy futures on Euro
• Financial statement	• <u>Marketing concept:</u> Satisfy customers' needs & wants
• Gross profit ratio	• Steps of <u>customer decision-making process</u>
	• Marketing Mix: 4Ps
• Going concern	• <u>low morale:</u> (high absenteeism/labour turnover, lower
	job satisfaction, poor performance)
• stakeholders	• Herzberg's Dual-Factor theory
	• <u>Uninsurable risk:</u> (difficult to measure the
• sole proprietor vs partnership	probability of financial loss, loss is not accidental, risk
	is speculative, law of large number is not easily
• Good business goals:	applied)
(SMART)	• <u>Elements of credit policies: (collection policy, credit</u>
	term, credit standard)
	• Sources of funding for takeover: (shares, debenture,
	LT bank loans, liquidation on fixed assets)
	Section C
	• Steps in designing a Training program
	• NPV
	• Market segmentation of a new hotel
	• CRM (customer relationship management)

2011 Sample Paper

	2011 Sample Paper					
2011 Paper I		2011 Paper II				
•	Element of business plan	Section A				
	(mission/business objectives)	• CRM help increase sales: (identify valuable				
	form of ownership	customers, provide customized products or services,				
	operation mgt,marketing mgt	offer cross-selling/up-selling, establish long-term				
	financial mgt, HR mgt	relationship with customers-LT sales)				
	contingency actions	 <u>Right of consumers</u>:(right to informed/safety/heard choose) 				
•	External factors affect business	 <u>Hedge</u> against foreign exchange risk 				
	decisions: technological, social,	 <u>manage accounts receivable effectively:</u> establish a 				
	economic, legal, physical, political	workable credit policy, written policy with valid				
	economie, legal, physical, pontical	credit terms, sending invoices for payment promptly,				
	Criteria for accessing Franchise	immediate follow-up measures for overdue payment				
	<u>(franchisor's reputation, restrictions</u>	 Disadvantages of interview: 				
	and obligations, initial joining fee	 bisadvantages of interview. staff disciplinary system: 				
	and royalty, support and assistance	Section B				
	offered, e.g. promotion, training,	 Low staff morale: Herzberg's dual factor/McGregor's 				
	franchisor's positioning and	theory X and Y				
	strategies match own expectation	 Benefits of training and development programs 				
	and desire)	 Benefits of training and development programs Steps in Training process 				
	and desire)	 Steps in framing process NPV 				
	Types of financial products	 Financial and non financial factors 				
		Financial and non mancial factors				
	(shares, bonds, commercial papers	Disk Management Strategies				
	or other notes, derivatives., e.g.	 Risk Management Strategies Characteristics of complex uppetinfectory occurrency. 				
	futures, warrants and options,	• Characteristics of service: unsatisfactory occupancy				
	funds)	rate Marketing plan of membership schemet, SWOT				
	Fostor considered to incretin	• Marketing plan of membership scheme: SWOT				
-	Factors considered to invest in	analysis, target market and positioning, 4Ps,				
	certain financial products:	implementation and evaluation				
	(expected return, risk bearing	• ways to increase sales during off-peak hours				
	ability, liquidity of the financial	Section C				
	product, time and effort involved	 Government assistance of SMEs Difference SME as Lower constraint 				
	in monitoring the investment)	 Differences: SME vs Large corporation 				
		Buying decision-making process				
	NPV	• marketing mix strategies: business vs individual				
	Gross profit /net profit ratio	consumers				
•	liquidity					
•	Measures to minimize workers'					
	dissatisfaction with layoffs					

201	0 Paper I	201	0 Paper II	
•	Stakeholders of a construction	Section A		
	company(employees, customers,	•	Advantages of debt financing	
	suppliers, creditors, government)	•	Activity ratios: Inventory turnover, collection	
•	Social responsibilities		periods, total asset turnover	
•	Current ratio / quick ratio	•	Channels of external recruitment: job advertisements	
			job fairs/walk-in days/ employment	
•	Monthly instalment		agencies/headhunters/employees' referrals/labour dept	
•	Third-liner vs blue-chips	•	Consumer protection measures: legislation,	
•	Financial vs market risk		consumer education, product research and testing,	
•	Reasons to prepare financial		handling consumer complaints	
	statements	•	Consumer vs business market	
•	Income statement	•	Conciliation vs arbitration	
		Section B		
•	Tall vs flat organizational structure	•	Authoritarian leadership: make decisions all by	
•	Span of control		herself	
		•	Employees Dissatisfactions:	
•	Internal communication:		Maslow's Hierarchy of needs / McGregors' Theory	
	(electronic means)		X and Y	
		•	Improve coordination's among employees:	
			formal and regular meetings/ written rules and	
			procedures/informal mechanisms (social gathering)	
		•	Steps in Manpower planning	
		•	Sources of funding: (invite friends/relatives as	
			partners/delay payments to creditors/speed up	
			collections from debtors/bank loans/borrow money	
			from others	
		•	PLC	
		•	payback period vs NPV	
		•	Marketing mix: 4Ps	
		•	Budget variance	
			ction C	
		-	os in conducting market research	
			c management strategies	
		Hun	nan resources functions	

Financial Management

2012

Q6 EOQ model to reduce inventory cost Calculate the EOQ Ways to hedge against exchange rate risk

Q7

Why 'risk of economic fluctuation' is uninsurable Elements of credit policies to reduce delays in payment Sources of funding for takeover

Q8

Identify the variables of NPV formula

Marketing Management

2012

Q2 Elements of a sales and purchase contract of a product

Q5 Benefits of a bookstore using e-marketing to perform distribution function

Q6

c) Meaning of Marketing concept

- d) Steps of customer decision making process
- e) Marketing mix to enhance competitiveness

Q9:

a) Bases of market segmentation

b) Importance of CRM to a hotel

Human Resources Management

2012

Q7 Adverse consequences of Low moral Herzberg's Dual-Factor to motivate staff

Q8 Steps in implementing a 'training program'