



ACCA

Strategic Business Leader (SBL)

Speedy Note

(DEMO)

Contents

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Introduction to the SBL Exam



Exam Introduction

- **Exam duration** – 195 min including reading, planning and reflective time
- **Total marks** – 100 marks (80 technical marks and 20 professional marks)
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Exam format

- Preseen case background and unseen tasks.
- Usually 4-6 exhibits (Meeting minutes/ transcripts, website homepage, risk register (showing likelihood, impact and mitigating actions), newspaper articles, spreadsheets, industry research articles, Chairman’s Statement or other extracts from a company’s Annual Report.)
-

Writing style

- Although ACCA publishes detailed requirements for each professional skill, according to our experience, if you use the CORRECT style in writing, you will score most of them.
-

Formats

1. **Letters, emails and memos, briefing notes or briefing papers and working notes:**

To:
From:
Date:
Subject:

Dear
...
Sincerely
(Name of Author)

.....

.....

.....

Chapter 1 Strategy

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Session 1 Introduction to Strategy

- Strategy ≠ To-Do List; Focus: Win; Stages: Analysis, Choice, Implementation.

Session 2 Internal Analysis (Strength and Weakness)

- Strategic Capability; Competitive Advantage; Strategy Clock; Value Chain Analysis; Value Network (Beyond the Company).

Session 3 External Environment (Opportunities and Threats)

- Micro-Environment – Porter’s 5 Forces (industry profitability)
- Macro-Environment – PESTEL Analysis
- Overseas/Place – Porter’s Diamond Model - Evaluates factors influencing national competitive advantage
- Strategic Drift

Session 4 Position Audit (should be with Scenario Planning and Knowledge Management)

- Scenario Planning - Prepare for uncertain futures by anticipating risks.
- Knowledge Management

Session 5 Corporate Strategy

- HQ Value Addition (Roles)
- BCG Matrix
- Performance Excellence (Baldrige Model)

Session 6 Customers

- Segmentation Approaches; Target Market Strategies; Marketing Mix (7 Ps); E-Marketing (6 Is)

Session 7 Supply Chain Management (SCM)

- Customer Management; E-Procurement (Supplier Management)

Session 8 Strategic Choices Overview:

- Strategic Choices – Ansoff Matrix (Growth Strategies); Diversification; Methods of Growth; International Market

Session 9 Evaluate Strategic Options (SFA Test)

Session 1 Introduction to Strategy

1.1 Strategy ≠ To-Do List:

- Not just tasks – it's about long-term direction and decisions.

1.2 Focus: Win

- Achieving a clear and measurable objective.

1.3 Stages:

- **Stage 1 - Analysis** – SWOT analysis and Corporate Strategy.
- **Stage 2 - Choice** – Select the best course of action.
- **Stage 3 - Implementation** – Execute the plan effectively.

ACCA SBL Exam Focus:

Although there are no direct questions about the meaning of strategy, students must understand that creating a strategy affects many areas of a business, including:

- Resources – financial and non-financial.
- Activities – like marketing, after-sales, and R&D.
- Organisational structure.
- Business model design – for example, the 'no-frills strategy' used by budget airlines and McDonald's.

A holistic approach is needed when considering strategy.

End of Session Prediction Questions (Adjusted Past Exam Qs from SBL exam)

Q1: Competitive advantage (VRIN with resources and competencies) - **Safi Hospital**

Q2: Competitive advantage – VRIN with strategies - **The Swift Courier Group**

Q3: Porter's Value Chain Analysis - **Swift Mobility Solutions (SMS)**

Session 2 Internal Analysis (Strength and Weakness)

2.1 Strategic Capability (Process)

Strategic Capability = Resource + Competency

- **(What) Resources:** Cash, Plants, Patents, Workforce, Customer databases.
- **(How Well) Competency:** Skills and expertise in delivering value (ie ability to innovate).
- **Strategic Capability** is the *process*, ie if it works well, it will become the **Competitive Advantage (outcome)**.

2.2 Competitive Advantage (Outcome)

Sustainable Competitive Advantage (VRIN Model):

1. **Value** – Does it create value for customers?
2. **Rarity** – Is it rare or unique in the market?
3. **Inimitability** – Can competitors easily copy it?
4. **Non-substitutability** – Can it be replaced by alternatives?

To Sustain Competitive Advantage:

1. **Price (Cost Leadership):** Compete by being the lowest-cost producer.
2. **Differentiation:**
 - **Product** – Unique features or quality.
 - **Process** – Innovative or efficient production methods.
 - **Service** – Exceptional after-sales or support services.
3. **Lock-in Strategies: First Mover** – Set industry standards, making it harder for others to catch up.

2.3 Strategy Clock

- The idea of this model is to look at the selling price, ie if the price is set at this level, whether the competitive advantage can be sustained.
- The general rule is that the increase in selling price should be with the increase in perceived value, otherwise, the strategy is likely to fail.

ACCA SBL Exam Focus – Competitive Advantage (Outcome):

Exam questions tend to ask students:

1. Assess sources of competitive advantages – ‘combine resource and competencies, with VRIN principle’. However, you are not required to separate resource with competencies in most cases.
2. Evaluate how each strategy (cost leadership, differentiation and lock-in strategies) can help achieve competitive advantage.

Writing style:

The writing style should be referring back to the case, ie with key facts, and explain whether this is the competitive advantage, ie referring back to one of the principles in VRIN, to support your conclusion.

Marking scheme:

We usually award TWO MARKS per point, basing on ‘facts from the case, and your conclusion of whether this is a competitive advantage’.

2.4 Value Chain Analysis (Strategic Capability is used in Activities)

- A business can use resource and competency (strategic capability) in an activity to create value. If the value creation is sustainable, this is the 'competitive advantage'.

Primary Activities (Direct Value Creation)		Secondary Activities (Support the Primary)	
Materials (Inbound Logistics)	<p>Output: Reliable suppliers ensure smooth input flow.</p> <p>Input: Transportation and bulk discounts lower costs.</p>	HRM (Human Resource Management)	Recruitment and training for better performance.
Products (Operations)	<p>Output: Quality as per agreed standards.</p> <p>Input: Standard processes, reducing energy consumption.</p>	Infrastructure	Funding; Planning and quality control to ensure efficiency.
Sell (Marketing, Sales & Outbound Logistics)	<p>Output: Conversion, boosting asset turnover.</p> <p>Input: Advertising drives sales.</p>	Procurement	On-time payments maintain supplier relationships.
Service (After-Sales Service)	<p>Output: Proactive customer engagement.</p> <p>Input: AI tools and dedicated teams solve issues quickly.</p>	Technology	Systems that enhance productivity and streamline operations.

2.5 Value Network (Beyond the Company)

- Suppliers and Customers:** Partnering with suppliers and customers may be chosen, if this can help build competitive advantage of the business in the long term.

ACCA SBL Exam Focus – Porter's Value Chain:

Common exam questions:

Evaluate the current value chain activities, or to evaluate the changes to the current value chain activities, or how to improve the value chain activities.

Writing style:

The following writing style focuses on 'HOW' rather than 'WHAT', broken down into three parts:

- Facts from the case – what the activity contains, relating to the case.
- What is the problem – clues from the case.
- How to improve/benefits of improvement.

Marking scheme:

We usually expect students to include THREE sentences in each activity. Marks are awarded if the above approach is followed, full marks will be ready if case information is closely referred to.

Competitive advantage - Coffee Shop Example

There is a small coffee shop on the corner. It is always busy. The large café across the street is not. Many people prefer the small shop.

Strategic Capability: Success = Resources + Skills

What They Have: (Resources): They have enough money to keep the shop simple but attractive. They have many plants.....

What They Are Good At: (Skills/Competency): They offer new things often. They make different drinks and snacks. People like their ideas.

Can They Keep It Going? – Whether the competitive advantage is sustainable? (VRIN Test)

- **Value:** Yes. Their drinks and atmosphere keep customers returning.
- **Rare:** Yes. Other shops do not have the same drinks or the same friendly feeling..... can offer similar combination of products and services.

How They Stay Ahead? – To sustain competitive advantage:

1. **Low Prices:** No. Their prices are normal, but people are happy to pay for better service.
2. **Differentiation/Standing Out:**
 - in small batches. Staff greet customers by name.

Strategy Clock – is the selling price reasonable?

The coffee shop balances price charged, and the value offered to customers, ie the price is not the lowest, value such as unique drinks, warm atmosphere and personal service), making customers choose this coffee shop.

Porter's Value Chain – How strategic capability is used in activities, to generate into value?

The coffee

Porter's Value Network:

Value can be

Session 3 External Environment (Opportunities and Threats)

3.1 Micro-Environment – Porter’s 5 Forces (industry profitability)

1. Competitors (New Entrants)	<p>New players entering the market can offer better products, or they are keen/enthusiastic in advertising them, ie lowering prices. When the threat is high, companies may need to lower prices or spend more to stay competitive.</p> <p>Barriers to entry such as capital requirement, government policies, number of distribution channels for firms, will affect the number of new entrants.</p>
2. Competitors (Existing)	<p>.....</p>
3. Customers (Buyers)	<p>.....</p>
4. Suppliers: (There are three types of suppliers: Money provider, Labour, Material provider)	<p>.....</p>
5. Substitutes	<p>.....</p>
Conclusion (Profitability Check)	<p>.....</p>

ACCA SBL Exam Focus – Porter’s Five Forces:

We expect students to spread the answer evenly over FIVE forces, with a conclusion about whether the industry is profitable in the end.

Each point should contain **'HOW', rather than 'WHAT'**, ie if you believe customer power is HIGH, don't just say, 'Customer power is high because customer is large', but say 'Customer power is high, because that single customer accounts for 80% of ABC company's revenue (evidence from the case), therefore, receivables days increased.

3.2 Macro-Environment – PESTEL Analysis

Political:

1. Stability: Changes in laws/regulations affect business predictability.

2. Infrastructure:

- Investment in transport and education boosts efficiency.
- Expansion leads to increased capacity.

Economic:

1. Economic Cycle: In recession – Capacity decreases, focus on preserving cash flows.

2. Interest Rates:

- Higher interest - Increased financing costs for businesses.
- Customers reduce spending.

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Legal:

Regulatory frameworks shape product lifecycle and costs.

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ACCA SBL Exam Focus – PESTEL:

We expect students to **focus on** `.....`

3.3 Overseas/Place – Porter’s Diamond Model - Evaluates factors influencing national competitive advantage:

- This model explains why some countries/areas are more competitive and helps businesses decide where to operate.

Factor Conditions:

- 1. Key Factors:** Critical resources (e.g., skilled labor, technology).
- 2. General Factors:** Basic, widely available resources (e.g., land, unskilled labor).
- 3. Continuous Innovation** – Drives long-term competitiveness.

Demand Conditions:

- 1. Size of Market:** Large demand leads to **economies of scale** and **higher investment**.
- 2. Needs (Quality):** Demand for **high quality** or **value for money** drives innovation.

Related Industries:

Industries that **compete or complement** the core business. **Examples: CFA, CIMA** – Certification bodies for finance professionals that enhance industry standards.

Supporting Industries:

Provide the necessary services or infrastructure to boost competitiveness.

Examples:

- **Training platforms** – Deliver educational courses.
- **Tutors** – Individual guidance and mentoring.
- **Materials** – Study resources and publications.
- **Exam Centers** – Facilities to conduct assessments.

External Factors Influencing Competitiveness:

- 1. Government Action:** Policies, subsidies, and regulations shaping the market environment.
- 2. Random Factors:** Events like **COVID-19** or natural disasters that disrupt industries.

ACCA SBL Exam Focus – Porter’s Diamond Model:

We expect students to **foc.....**

End of Session Prediction Questions (Adjusted Past Exam Qs from SBL exam)

- Q1:** Porter's Five Forces Analysis - Precision Robotics Solutions (PRS)
- Q2:** PESTEL Analysis - Global Marine Conservation (GMC)
- Q3:** Porter's Diamond Model - Precision Power Tools (PPT)

..... **The rest of the content is included in the official package.**

Chapter 3 Human Related Issues

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Session 14 Leadership

- Leadership (General Steps) (Mnemonics: LEADER, Decision, Task, Benefits)
- New Ideas – Entrepreneurship vs Intrapreneurship

Session 15 Culture

- Cultural web analysis

Session 16 Talent Management

- Select
- Advance
- Match
- Employee Succession Planning

Session 17 Organisational Structure

- Types of Organisational Structures (with Pros and Cons)
- Co-ordination ways (Mintzberg Organisational Configuration Theory)
- Outsourcing

Session 14 Leadership and Culture

14.1 Leadership (General Steps) (Mnemonics: LEADER, Decision, Task, Benefits)

Transformational leadership style:

Sell vision:

- **Lead with Communication:** Open platform for discussion (Sell vision – Transformational leadership)
- **Recognize Excellence:** Staff who align with vision

Lead from front:

- **Accept Responsibility:** Accountability for failures (Lead with trust)
- **Direction:** Mentorship and guidance

Authentic leadership style:

-

Decision:

- **Centralized:** Structured, requires approval (less responsive)
- **Decentralized:** Cross-departmental collaboration (more responsive)

Task Clarity:

-

Benefits:

1.

14.2 New Ideas – Entrepreneurship vs Intrapreneurship

Entrepreneurship:

- The boss or owner makes decisions.
- Innovation happens outside the existing business.
- Entrepreneurs create new products, services, or businesses from scratch.

Intrapreneurship:

- Staff are allowed to make decisions.
- Innovation occurs inside the current business.
- Intrapreneurs drive change and new ideas within the organization.

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Pros (Advantages):

- Build on existing resources – Easier and faster implementation.
- Motivate staff compared to entrepreneurship.

Session 15 Culture

Cultural Web (PSCROSS)

- **Paradigm:** This is the value of the business.
- **Structure of power:** This means who exercises the power.
- **Culture:**
- **Symbols:** This means that things with deeper meaning.
- **Staories:** These are told by the business about what it likes and dislikes.

ACCA SBL Exam Focus – Leadership and Culture

Students are highly recommended to use our mnemonics framework to answer leadership related questions, ie this will help you structure the answer with the necessary keyword, which makes the answer easier to mark.

Cultural analysis topic is commonly linked to the leadership topic, make sure you will explain 'changes in culture', and 'possible implications to the business'.

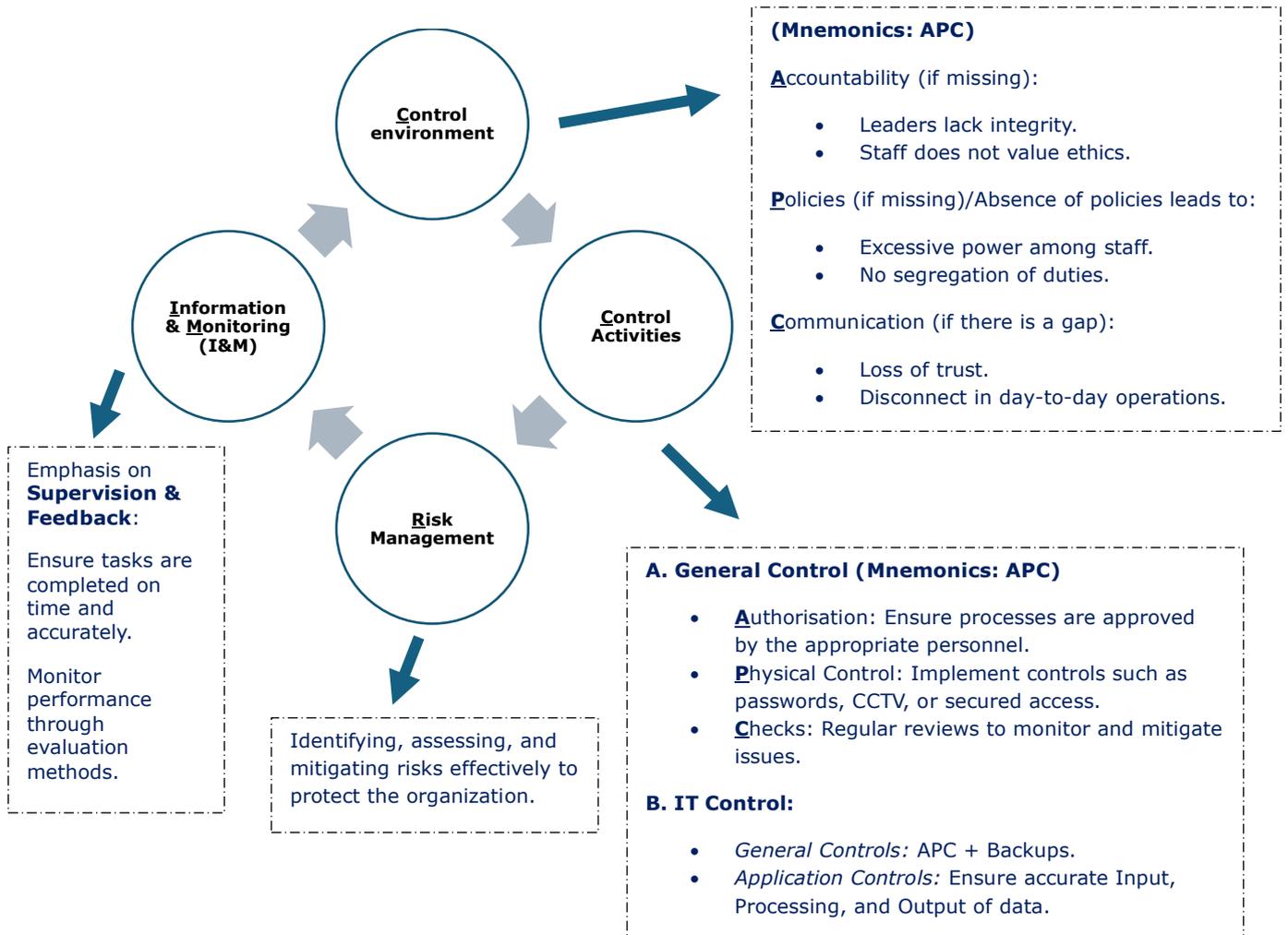
End of Session Prediction Questions (Adjusted Past Exam Qs from SBL exam)

Q1: Leadership - FinTec Solutions

Q2: Leadership and Culture - FreshBake Foods

Session 25 Internal Control System

25.1 Internal Control System (CCRIM Framework)



ACCA SBL Exam Focus – Internal Control System

1. **Internal Auditor's Report** is provided:
 - Highlights weaknesses in internal control systems.
 - Provides suggestions for improvement.
2. **You are required to evaluate weaknesses in Internal Controls:**
3. **You are required to come up with ideas to improve** the above internal controls.

End of Session Prediction Questions (Adjusted Past Exam Qs from SBL exam)

Q1: Internal Control System - Shadowridge Tech

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The rest of the content is shown in the official package.