



PAPER E2

ENTERPRISE MANAGEMENT

Acorn chapters

- 1 Strategic Management
- 2 Strategic Analysis
- 3 Organisational Design
- 4 Organisational Theory
- 5 Corporate and Social Responsibility
- 6 Project Management
- 7 Tools and Techniques of Project Management
- 8 Project Teams
- 9 Leadership
- 10 Management Control
- 11 Management Skills
- 12 The Legal Environment

Syllabus overview

Paper E2 moves away from the emphasis on functional knowledge within Paper E1 Enterprise Operations, towards an holistic, integrated view of management across the organisation. Building on important concepts in strategic management, this paper develops tools and techniques for identifying the key types of competitive environment. The skills and tools of project management are also addressed. Finally, the paper introduces the skills and tools needed to work with, manage and develop teams. This includes both the legal aspects of managing individuals, as well as the softer elements of negotiation and leadership skills.

Syllabus structure

The syllabus comprises the following topics and study weightings:

A	Strategic Management and Assessing the Competitive Environment	30%
B	Project Management	40%
C	The Management of Relationships	30%

Assessment strategy

There will be a written examination paper of three hours, plus 20 minutes of pre-examination question paper reading time. During the 20 minutes you can: read the question paper and annotate or highlight the question paper. However you will not be allowed to: open the answer book; write in the answer book; add any loose sheets/supplements to your answer book; or use calculators. Failure to comply with these rules will be considered as a serious breach of the exam regulations.

The examination paper will have the following sections:

Section A	50 marks	Five compulsory medium answer questions, each worth ten marks. Short scenarios may be given, to which some or all
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		questions relate.
Section B	50 marks	One or two compulsory questions. Short scenarios may be given, to which questions relate.

The full syllabus – management level

E2 – A. STRATEGIC MANAGEMENT AND ASSESSING THE COMPETITIVE ENVIRONMENT (30%)

Learning outcomes

On completion of their studies students should be able to:

1. discuss different competitive environments and key external characteristics of these environments.

- (a) discuss the nature of competitive environments;
- (b) distinguish between different types of competitive environments.

- PEST analysis and its derivatives.
- The use of stakeholder mapping.
- Qualitative approaches to competitive analysis.
- Competitor analysis and competitive strategies (both qualitative and quantitative tools of competitor analysis will be used).
- Sources, availability and quality of data for environmental analysis.
- Porter's Five Forces model and its use for assessing the external environment.
- Porter's Diamond and its use for assessing the competitive advantage of nations.

2. discuss developments in strategic management.

- (a) discuss concepts in established and emergent thinking in strategic management;
- (b) compare and contrast approaches to strategy formulation;
- (c) explain the relationships between different levels of strategy in organisations.

- Perspectives on the strategic management of the firm (including transaction cost, resource-based view and ecological perspective).
- Approaches to strategy (e.g. rational, adaptive, emergent, evolutionary or system based views).
- Levels of strategy (e.g. Corporate, business-level, functional) (Note: candidates are not expected to identify or evaluate options).

E2 – B. PROJECT MANAGEMENT (40%)

Learning outcomes

On completion of their studies students should be able to:

1. discuss tools and techniques of project management.

- (a) identify a project, a programme and their attributes;
- (b) apply suitable structures and frameworks to projects to identify common project management issues;
- (c) construct an outline of the process of project management;
- (d) identify the characteristics of each phase in the project process;

- (e) apply key tools and techniques, including the evaluation of proposals;
- (f) produce a basic project plan incorporating strategies for dealing with uncertainty, in the context of a simple project;
- (g) identify structural and leadership issues that will be faced in managing a project team;
- (h) compare and contrast project control systems;
- (i) discuss the value of post-completion audit;
- (j) apply a process of continuous improvement to projects.

- The definition of a programme, a project, project management, and the contrast with repetitive operations and line management.
- 4-D and 7-S models to provide an overview of the project process, and the nine key process areas (PMI) to show what happens during each part of the process.
- The benefits and limitations of having a single process for managing projects.
- Key tools for project managers (e.g. Work Breakdown Structure, network diagrams (Critical Path Analysis), Gantt charts, resource histograms, gates and milestones).
- Earned Value Management.
- Evaluation of plans for projects.
- The key processes of PRINCE2 and their implications for project staff.
- Managing scope at the outset of a project and providing systems for configuration management/change control.
- The production of basic plans for time, cost and quality.
- Scenario planning and buffering to make provision for uncertainty in projects, as part of the risk and opportunities management process.
- Organisational structures, including the role of the project and matrix organisations, and their impact on project achievement.
- Teamwork, including recognising the life-cycle of teams, team/group behaviour and selection.
- Control of time, cost and quality through performance and conformance management systems.
- Project completion, documentation, completion reports and system close-down.
- The use of post-completion audit and review activities and the justification of their costs.

2. evaluate the relationship of the project manager to the external environment.

- (a) produce a strategy for a project;
 - (b) recommend strategies for the management of stakeholder perceptions and expectations;
 - (c) explain the roles of key players in a project organisation.
- Determining and managing trade-offs between key project objectives of time, cost and quality.
 - Stakeholders (both process and outcome), their power and interest, and their needs and expectations, marketing and communications to enhance perceptions.
 - Roles of support structures, including project management offices, as well as project sponsors (SROs), boards, champions, managers and clients.

E2 – C. MANAGEMENT OF RELATIONSHIPS (30%)

1. discuss concepts associated with the effective operation of an organisation.

- (a) discuss the concepts of power, bureaucracy, authority, responsibility, leadership and delegation;
 - (b) demonstrate the importance of organisational culture;
 - (c) identify the nature and causes of conflict;
 - (d) discuss alternative approaches to the management of conflict.
- The concepts of power, authority, bureaucracy, leadership, responsibility and delegation and their application to relationships within an organisation and outside it.
 - Organisational culture: definition, classification, importance.

- The sources of conflict in organisations and the ways in which conflict can be managed to ensure that working relationships are productive and effective.

2. discuss the activities associated with managing people and their associated techniques.

- (a) analyse the relationship between managers and their subordinates, including legal aspects affecting work and employment;
- (b) discuss the roles of negotiation and communication in the management process, both within an organisation and with external bodies;
- (c) discuss the effectiveness of relationships between the finance function and other parts of the organisation and with external stakeholders;
- (d) Identify tools for managing and controlling individuals, teams and networks, and for managing group conflict;
- (e) compare and contrast ways to deal effectively with discipline problems;
- (f) explain the process and importance of mentoring junior colleagues;
- (g) analyse issues of business ethics and corporate governance.

- Disciplinary procedures and their operation, including the form and process of formal disciplinary action and dismissal (e.g. industrial tribunals, arbitration and conciliation).
- The nature and effect of legal issues affecting work and employment, including the application of relevant employment law (i.e. relating to health, safety, discrimination, fair treatment, childcare, contracts of employment and working time).
- Communication skills (i.e. types of communication tools and their use, as well as the utility and conduct of meetings) and ways of managing communication problems.
- Negotiation skills.
- Managing the finance function to maximise its value to the organisation through lean operation (e.g. business process outsourcing, shared service centres) and contribution to other functions (e.g. embedding finance personnel in business and strategic decision processes).
- Management of relationships with professional advisors (accounting, tax and legal), auditors and financial stakeholders (investors and financiers) to meet organisational objectives.
- The principles of corporate governance and the CIMA Code of Ethics for Professional Accountants, and their relevance to the role, obligations and expectations of a manager.
- How to lead and manage a team.
- The role of a mentor, and the process of mentoring.
- Motivating team members.
- The use of systems of control within the organisation (e.g. employment contracts, performance appraisal, reporting structures).