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**QUESTION 1**

A company has decided to change one of its financial Key Performance indicators (KPIs). It has traditionally measured profit through its gross profit margin, however, it now wishes to measure it through its Return on Capital Employed (ROCE). The following activities are on the consensus Business Activity Model (BAM)

1.
 - a) Take control action
2.
 - b) Monitor performance targets
3.
 - c) Define performance targets.
4.
 - d) Define target customers

Which of these would be the event to amend KPI

Correct Answer: A

The event to amend KPI would affect the activity to define performance targets, as the company would need to change its current performance target of gross profit margin to ROCE. The other activities would not be directly affected by this event, as they are either related to monitoring or defining other aspects of the business. Therefore, option A is the correct answer. References: 10 types of business events and their basic functions | Indeed.com UK 7 Types of Corporate Events [+ Virtual Event Ideas] - HubSpot Blog

QUESTION 2

Jayon has been asked to explain the gap analysis process to a new colleague. Which THREE of the following SHOULD Jayon cover?

- A. Understand the existing situation
- B. Compare the desired situation and existing situation
- C. Consider possible actions to address the gaps
- D. Define the solutions to close the gaps
- E. Deliver the solution to close the gaps

Correct Answer: ABC

Gap analysis is a process of identifying and assessing the differences between the current state and desired state of an organisation or project. It helps to determine what needs to be done to achieve business objectives or solve business problems. Gap analysis typically involves three main steps: understand the existing situation, compare the desired



situation and existing situation, and consider possible actions to address the gaps. Therefore, options A, B and C are correct answers, as they cover these steps in gap analysis. Option D is not a correct answer, as defining solutions to close gaps is not part of gap analysis itself, but rather a subsequent step that follows gap analysis. Gap analysis helps to identify what needs to be done, but not how it should be done. Option E is not a correct answer, as delivering solutions to close gaps is not part of gap analysis itself, but rather a final step that follows defining solutions. Gap analysis helps to identify what needs to be done, but not how it should be done or implemented. References: BCS Practitioner Certificate in BAP Specimen, page 25.

QUESTION 3

The board of Jackson Holding wants to save money on its purchases by introducing a new procurements system Before preparing the business case, what activity would it be BEST to undertake?

- A. Prepare a Feasibility Study
- B. Select a procurement solution
- C. Approve the budget for the new system
- D. Prepare a Benefits Realisation Report

Correct Answer: A

A Feasibility Study is an assessment of whether a proposed business change or solution is viable and worthwhile. It helps to evaluate the benefits, costs, risks and constraints of different options and recommend the best one for further development. Therefore, option A is the correct answer, as preparing a Feasibility Study would be the best activity to undertake before preparing a business case for introducing a new procurement system. A Feasibility Study would help to identify and compare different procurement solutions based on their technical, operational, economic, legal and social feasibility. It would also help to estimate their expected benefits, costs, risks and impacts on the organisation and its stakeholders. A Feasibility Study would provide a solid foundation for preparing a business case that justifies why a particular procurement solution should be selected and implemented. Option B is not a correct answer, as selecting a procurement solution would not be an appropriate activity to undertake before preparing a business case. Selecting a procurement solution would require conducting a Feasibility Study first to evaluate different options and choose the best one based on objective criteria. Selecting a procurement solution without conducting a Feasibility Study would risk choosing an unsuitable or suboptimal solution that may not meet the organisation's needs or objectives. Option C is not a correct answer, as approving the budget for the new system would not be an appropriate activity to undertake before preparing a business case. Approving the budget for the new system would require preparing a business case first to estimate the costs and benefits of different options and justify why a particular option should be funded and implemented. Approving the budget for the new system without preparing a business case would risk allocating insufficient or excessive funds that may not reflect the value or feasibility of the solution. Option D is not a correct answer, as preparing a Benefits Realisation Report would not be an appropriate activity to undertake before preparing a business case. Preparing a Benefits Realisation Report would require implementing the new system first to measure and evaluate its actual benefits against its expected benefits. Preparing a Benefits Realisation Report without preparing a business case would risk implementing an ineffective or inefficient solution that may not deliver the desired outcomes or benefits. References: BCS Practitioner Certificate in BAP Specimen, page 29.

QUESTION 4

A division of a telecommunication company is reviewing its current product range. It has decided to reposition itself by narrowing its product scope to `deliver consultancy service`. The activity is the primary doing activity doing on a business Activity Model (BAM) defined by the Chief Executive Officer (CEO). A number of other activities have been identified, five of which are listed below:



Determine which customer to target for

1.
 - a) Determine which customers to target for our focused service.
2.
 - b) Track the progress of consultancy contracts placed by customers.
3.
 - c) Define the skills sets of the consultants supplying our service.
4.
 - d) Agree on a marketing campaign to make people aware of our new product focus
5.
 - e) Run monthly open days, showcasing our consultancy expertise.

Which of these would be categorized as planning activities on the CEO's BAM?

- A. ACD
- B. ABE
- C. BCE
- D. CDE

Correct Answer: D

Planning activities are those that must be considered beforehand in order to complete the doing and enabling activities. They are usually related to defining or determining some aspects of the business. In this question, the activities c, d and e are planning activities, as they involve defining the skills sets of the consultants, agreeing on a marketing campaign, and running monthly open days. These activities are necessary to support the primary doing activity of delivering consultancy service. Option D is the correct answer.

QUESTION 5

You have been discussing Paul's recent project with him. He explained that he had needed to spend considerable time interviewing stakeholders and was now behind plan. You asked him why he didn't use a workshop to avoid delays.

Which of the following MIGHT Paul reply? Select the THREE that apply

- A. One stakeholder has a dominant personality
- B. The stakeholders were located in different time zones
- C. Consensus from stakeholders needed to be established
- D. The challenge of organising key stakeholder diaries



E. A neutral venue was available for stakeholder discussions

Correct Answer: BDE

A workshop is a technique for conducting group discussions and activities with stakeholders to elicit, analyse, validate and prioritise their views and needs. It helps to facilitate effective communication and collaboration among stakeholders and resolve conflicts or issues. Therefore, options B, D and E are correct answers, as they are possible reasons why Paul did not use a workshop to avoid delays. They describe different challenges or constraints that may prevent or limit the use of a workshop technique. Option B describes a challenge related to the geographical location of stakeholders. If the stakeholders are located in different time zones, it may be difficult or impractical to arrange a workshop that suits their availability and preferences. Option D describes a challenge related to the availability of stakeholders. If the key stakeholders have busy or conflicting schedules, it may be hard or impossible to organise a workshop that involves all of them at the same time. Option E describes a constraint related to the venue of the workshop. If a neutral venue is available for stakeholder discussions, it may be preferable or necessary to use it instead of a workshop, as it may reduce bias or influence from any stakeholder group. Option A is not a correct answer, as it is not a reason why Paul did not use a workshop to avoid delays. It describes an issue that may arise during a workshop, but not prevent or limit its use. If one stakeholder has a dominant personality, it may affect the dynamics and outcomes of the workshop, but it can be managed by using appropriate facilitation skills and techniques. Option C is not a correct answer, as it is not a reason why Paul did not use a workshop to avoid delays. It describes an objective that may be achieved by using a workshop, but not prevent or limit its use. If consensus from stakeholders needs to be established, it may be beneficial or essential to use a workshop, as it can help to reach a common understanding and agreement among stakeholders. References: BCS Practitioner Certificate in BAP Specimen, page 41.

QUESTION 6

A PESTLE analysis is being conducted for a small manufacturing company The following has been discovered.

The company's electricity provider is planning changes to the way in which electricity usage is calculated, it is likely that this will lead to increased electricity costs.

An amendment to the Data Protection Act has recently been introduced It states that information held about employees' payroll can now be held for more than six years, as long as the individual remains an employee

How will this information be categorised in the PESTLE analysis? Select the TWO that apply

A. Legal

B. Economic

C. Political

D. Technological

E. Environmental.

Correct Answer: AB

A PESTLE analysis is a technique for identifying and evaluating the political, economic, social, technological, legal and environmental factors that affect an organisation or project. It helps to assess the opportunities and threats that arise from the external environment. Therefore, options A and B are correct answers, as they are categories of factors that can be included in a PESTLE analysis for a small manufacturing company. They describe different aspects of the external environment that influence the company's situation and prospects. Option A describes a legal factor, which is a factor related to laws, regulations, standards or policies that govern an organisation or project. An example of a legal factor is an amendment to the Data Protection Act, which affects how information about employees' payroll can be held by an organisation. Option B describes an economic factor, which is a factor related to money, markets, trade or



resources that affect an organisation or project. An example of an economic factor is a change in electricity usage calculation by an electricity provider, which affects how much electricity costs for an organisation. Option C is not a correct answer, as political is not a factor that has been discovered in the investigation for the PESTLE analysis. A political factor is a factor related to government, politics, power or conflict that affect an organisation or project. Option D is not a correct answer, as technological is not a factor that has been discovered in the investigation for the PESTLE analysis. A technological factor is a factor related to science, innovation, invention or discovery that affect an organisation or project. Option E is not a correct answer, as environmental is not a factor that has been discovered in the investigation for the PESTLE analysis. An environmental factor is a factor related to nature, ecology, climate or geography that affect an organisation or project. References: BCS Practitioner Certificate in BAP Specimen, page 35.

QUESTION 7

Nastya is the CEO of a large technology firm, which develops new and innovative nanotechnology. Below is an email she has sent to her management team:

Dear Team,

Recent media coverage has revealed that our competitors have lower costs. It is important that we get back to our suppliers to see if they can secure a better component price for the next version of our NanoVac range. Let's also consider the energy costs of our labs, I'm mindful that costs are rising due to investment in renewable power- I want us to negotiate with our energy supplier to get a better deal.

We've also been reading reports on social responsibility and sustainability and I'd like a full review of the biodegradability of the packaging of all our products- we don't want media attention for being a technology company that wastes natural resources.

Our employment regulations also need revisiting as there have been changes to pension rules and paternity/maternity rights for workers and I want us to be aware of these

Finally, regarding the staff conference I want to launch a new staff development programme, which aims to identify and develop the rising stars in our business. People development should be a key priority in our next annual plan.

Thanks. Nastya."

Which elements of PESTLE are identified in this email?

- A. Environmental, Political. Socio-Cultural.
- B. Economic, Environmental, Legal
- C. Socio-Cultural. Technological. Economic
- D. Political, Legal. Economic

Correct Answer: B

The elements of PESTLE that are identified in this email are Economic, Environmental and Legal. Economic factors are related to the costs and prices of the business and its competitors. In this email, Nastya mentions that their competitors have lower costs and that they need to secure a better component price and negotiate with their energy supplier (B). Environmental factors are related to the natural resources and sustainability of the business and its impact on the environment. In this email, Nastya mentions that she wants a full review of the biodegradability of the packaging of all their products and that she is mindful of the costs of renewable power (E). Legal factors are related to the laws and regulations that affect the business and its operations. In this email, Nastya mentions that their employment regulations need revisiting due to changes in pension rules and paternity/maternity rights (L). References: PESTLE Analysis Explained (With Examples) What is a PESTLE Analysis? A Complete PESTLE Analysis Guide - OnStrategy

**QUESTION 8**

The following planning activity has been identified in a consensus BAM for a company that makes clothes:

\\'P4 - Define marketing strategy\\'

Which of the following is an enabling activity linked to this planning activity?

- A. Monitor sales.
- B. Define sales targets
- C. Advertise clothes
- D. Sell clothes

Correct Answer: B

An enabling activity is an activity that supports or facilitates another activity within a business activity model. It helps to ensure that another activity can be performed or delivered effectively and efficiently. Therefore, option B is the correct answer, as it is an enabling activity linked to this planning activity. Define sales targets is an enabling activity linked to this planning activity, as it supports or facilitates defining marketing strategy. It helps to ensure that marketing strategy can be aligned with sales objectives and outcomes. Option A is not a correct answer, as it is not an enabling activity linked to this planning activity, but a monitoring and control activity. Monitor sales is a monitoring and control activity that measures or evaluates another activity within a business activity model. It helps to ensure that another activity meets quality and performance standards and criteria. Option C is not a correct answer, as it is not an enabling activity linked to this planning activity, but a doing activity. Advertise clothes is a doing activity that produces or delivers value or satisfaction for customers within a business activity model. It helps to achieve customer demand and satisfaction for products or services. Option D is not a correct answer, as it is not an enabling activity linked to this planning activity, but a doing activity. Sell clothes is a doing activity that produces or delivers value or satisfaction for customers within a business activity model. It helps to achieve customer demand and satisfaction for products or services. References: BCS Practitioner Certificate in BAP Specimen, page 40.

QUESTION 9

Alana has identified several issues in a process redesign project she is working on.

including the following

1) The suggested changes to the business structure will affect our relationships with suppliers. 2) The proposed electronic data sharing with our suppliers will raise legal accessibility issues.

Which TWO elements of POPIT consider these issues?

- A. People
- B. Processes
- C. Organisation
- D. Information and technology
- E. Procedures



Correct Answer: CD

POPIT is a technique for taking a holistic view when investigating a business situation or problem. It helps to ensure that all aspects and dimensions of a business situation or problem are considered and addressed. POPIT consists of four elements: People, Processes, Organisation and Information and technology. Therefore, options C and D are correct answers, as they are the elements of POPIT that consider these issues respectively. Option C considers issue 1: The suggested changes to the business structure will affect our relationships with suppliers. Organisation is the element that describes how an organisation is structured and governed internally and externally. It helps to identify who are involved in decision making and authority within an organisation and how an organisation relates to its stakeholders outside its boundaries. Issue 1 relates to organisation, as it involves changes to the business structure that will affect how the organisation interacts with its suppliers, who are external stakeholders. Option D considers issue 2: The proposed electronic data sharing with our suppliers will raise legal accessibility issues. Information and technology is the element that describes how information and data are created, stored, accessed, used and communicated within an organisation using technology systems and tools. It helps to identify what information and data are needed and available for an organisation to perform its activities and processes effectively and efficiently using appropriate technology systems and tools. Issue 2 relates to information and technology, as it involves electronic data sharing with suppliers using technology systems that will raise legal accessibility issues regarding information security and privacy. Option A does not consider any issue in this scenario. People is the element that describes who are involved in performing or supporting the activities and processes within an organisation. It helps to identify what skills, knowledge, attitudes and behaviours are required and exhibited by people within an organisation to perform their roles and responsibilities effectively and efficiently. There is no issue in this scenario that relates to people. Option B does not consider any issue in this scenario. Processes is the element that describes what activities and tasks are performed within an organisation to achieve its objectives and outcomes. It helps to identify how activities and tasks are sequenced, coordinated, controlled and measured within an organisation to ensure quality and consistency. There is no issue in this scenario that relates to processes. Option E is not a valid element of POPIT. Procedures is not an element of POPIT, but a term that refers to the detailed steps or instructions for performing a specific activity or task within a process. References: BCS Practitioner Certificate in BAP Specimen, page 50.

QUESTION 10

The directors of Swift Despatch believe they might be able to improve their service and reduce costs by opening a distribution centre in Coventry A team has been created to investigate this further, including representatives of logistics, property and marketing Yasmin has been asked to advise on how the Business Case should be progressed at this point.

What SHOULD she advise?

- A. Create a high level Business Case
- B. Create a detailed Business Case
- C. It is too early to work on the Business Case
- D. Confirm with the directors the costs and benefits

Correct Answer: A

A high level Business Case is a document that provides a preliminary rationale and justification for a proposed business change or solution. It helps to establish the feasibility and desirability of the project and secure initial approval and funding for further investigation and development. Therefore, option A is the correct answer, as creating a high level Business Case would be the best activity to undertake at this point for introducing a new procurement system. A high level Business Case would help to define the problem or opportunity that motivates the project, identify and compare different procurement solutions based on their expected benefits, costs, risks and impacts, and recommend the preferred option for further analysis and evaluation. A high level Business Case would provide a solid foundation for proceeding with the project and preparing a detailed Business Case later on. Option B is not a correct answer, as



creating a detailed Business Case would not be an appropriate activity to undertake at this point for introducing a new procurement system. A detailed Business Case is a document that provides a comprehensive rationale and justification for a proposed business change or solution. It helps to confirm the viability and worthiness of the project and secure final approval and funding for implementation and delivery. A detailed Business Case would require conducting extensive research and analysis on the preferred procurement solution and presenting its definitive benefits, costs, risks and impacts. A detailed Business Case would be premature and unnecessary at this point, as it would depend on the outcome of the high level Business Case first. Option C is not a correct answer, as it is too early to work on the Business Case would not be an appropriate activity to undertake at this point for introducing a new procurement system. Working on the Business Case is an essential activity for any project that involves significant business change or investment. It helps to provide evidence and support for the project and ensure its alignment with the organisation's strategy and objectives. Working on the Business Case would not be too early at this point, as it would help to establish the feasibility and desirability of the project and secure initial approval and funding for further investigation and development. Option D is not a correct answer, as confirming with the directors the costs and benefits would not be an appropriate activity to undertake at this point for introducing a new procurement system. Confirming with the directors the costs and benefits would require preparing a high level Business Case first to estimate and compare the financial implications of different options and recommend the best one for further development and implementation. Confirming with the directors the costs and benefits without preparing a high level Business Case first would risk providing inaccurate or incomplete information that may not reflect the value or feasibility of the project. References: BCS Practitioner Certificate in BAP Specimen, page 33.

QUESTION 11

Elizabeth is an external consultant who is helping a company streamline its process. She has not worked for this company before.

The managing director (MD) has explained that some of the line managers feel that this work is unnecessary, whilst others are concerned that their staff will be made redundant as a result of her recommendations. He is keen for Elizabeth to get an understanding Elizabeth with an of organization staff and for the involve line manager in formulating potential improvements. The MD has provided Elizabeth with an organizational chart, detailing the business areas she needs to investigate, as well as the names of the line managers involved.

To understand the concerns of operational staff and line managers, which pair of techniques SHOULD she use first?

- A. Document analysis and mind maps.
- B. Observation and scenario analysis
- C. Business activity modeling and fishbone diagrams.
- D. Interviews and rich pictures.

Correct Answer: D

The pair of techniques that Elizabeth should use first to understand the concerns of operational staff and line managers are interviews and rich pictures. Interviews are a way of eliciting information from stakeholders by asking them open-ended questions and listening to their responses. Interviews can help Elizabeth to explore the views, opinions, needs, and expectations of the staff and managers regarding the process improvement project. Rich pictures are a way of capturing complex situations in a visual form by using symbols, icons, cartoons, or diagrams. Rich pictures can help Elizabeth to illustrate the current problems and issues faced by the staff and managers, as well as their emotions and relationships. Option D is the correct answer.

QUESTION 12



Maria and Nelly own a small jewellery shop and are considering whether they should renew the lease on their shop for another year. They are both thinking about alternative business ventures as they never intended to run the jewellery shop indefinitely.

They source their jewellery products from an overseas manufacturer and market them in luxury presentation boxes, made by local craftsmen. They employ Maria's son, Darren, in the school holidays to make up the boxes and keep the stockroom full.

Which of the following CATWOE categories CANNOT be identified from this scenario?

- A. Transformation
- B. Actor
- C. Owner
- D. Environment

Correct Answer: D

CATWOE is a technique for exploring stakeholder business perspectives by identifying six elements: Customer, Actor, Transformation, Worldview, Owner and Environment. It helps to understand how different stakeholders perceive a business situation or problem and what they expect from a solution. Therefore, option D is the correct answer, as environment is the element that cannot be identified from this scenario. Environment is the element that describes the external factors or constraints that affect a stakeholder's perspective or limit their options. It helps to explain what factors or constraints are beyond the stakeholder's control or influence. There is no information in this scenario that indicates what external factors or constraints affect Maria and Nelly's perspective or limit their options. Option A is not a correct answer, as transformation is the element that can be identified from this scenario. Transformation is the element that describes what changes or processes take place in a business situation or problem or its solution. It helps to identify what inputs are converted into outputs in a business situation or problem or its solution. An example of transformation in this scenario is sourcing jewellery products from an overseas manufacturer and marketing them in luxury presentation boxes made by local craftsmen. Option B is not a correct answer, as actor is the element that can be identified from this scenario. Actor is the element that describes who carries out or performs a business situation or problem or its solution. It helps to identify who are responsible for implementing or delivering a business situation or problem or its solution. An example of actor in this scenario is Darren, who makes up the boxes and keeps the stockroom full. Option C is not a correct answer, as owner is the element that can be identified from this scenario. Owner is the element that describes who has the authority or power to start or stop a business situation or problem or its solution. It helps to identify who are the decision makers or influencers of a business situation or problem or its solution. An example of owner in this scenario is Maria and Nelly, who own the jewellery shop and are considering whether to renew the lease. References: BCS Practitioner Certificate in BAP Specimen, page 38.

QUESTION 13

A business analyst has been assigned to help develop a plan for expanding a business that produces software for mobile phones and has interviewed the managing director to understand his perspective regarding the expansion. The managing director's worldview is as follows:

'The purpose of our business is to develop and sell software for mobile phones. The expansion will enable us to increase the amount of software we produce, so we can keep pace with the growing demand of the market for software that is easy to use.'

Which of the following is a 'transformation' for this worldview?

- A. Develop and sell software for mobile phones.



- B. Ensure that software is easy to use
- C. Keep pace with the growing demands of the market.
- D. Increase the amount of software we produce.

Correct Answer: A

Transformation is the element of CATWOE that describes what changes or processes take place in a business situation or problem or its solution. It helps to identify what inputs are converted into outputs in a business situation or problem or its solution. Therefore, option A is the correct answer, as it is the transformation for this worldview. Develop and sell software for mobile phones is the transformation for this worldview, as it describes what changes or processes take place in the business situation or problem or its solution. It identifies what inputs (software development resources) are converted into outputs (software products) in the business situation or problem or its solution. Option B is not a correct answer, as it is not the transformation for this worldview, but an aspect of the output quality. Ensure that software is easy to use is not the transformation for this worldview, but an aspect of the output quality. It describes how the output (software products) should meet the customer needs and expectations, not what changes or processes take place in the business situation or problem or its solution. Option C is not a correct answer, as it is not the transformation for this worldview, but an aspect of the environment. Keep pace with the growing demands of the market is not the transformation for this worldview, but an aspect of the environment. It describes an external factor or constraint that affects the stakeholder's perspective or limits their options, not what changes or processes take place in the business situation or problem or its solution. Option D is not a correct answer, as it is not the transformation for this worldview, but an aspect of the desired outcome. Increase the amount of software we produce is not the transformation for this worldview, but an aspect of the desired outcome. It describes what the stakeholder wants to achieve from the business situation or problem or its solution, not what changes or processes take place in the business situation or problem or its solution. References: BCS Practitioner Certificate in BAP Specimen, page 38.

QUESTION 14

ParcelGo is a distribution company. Parcels arrive at its warehouse, where the inbound team use handheld barcode scanners to acknowledge their receipt. Parcels are then loaded onto pallets for onward distribution.

A project has been commissioned to replace the labour-intensive process and introduce a fully-automated system that reads the barcodes of parcels as they pass along a conveyor belt, automatically delivering to the correct area of the warehouse for onward distribution.

Staff from the inbound have informed their manager that about 30% of parcels either do not have barcodes, or the barcodes are obscured. The team currently resolves this issue manually. But they are concerned that the new automated system will be able to do this. The staff members are also worried the system will make their roles redundant.

Using a holistic approach, which element of the POPIT model needs further investigation in order to address the team's concerns?

- A. Process and technology
- B. Information and technology
- C. People and process
- D. People and organisation

Correct Answer: C

The elements of the POPIT model that need further investigation are people and process. This is because the staff members have raised concerns about the compatibility of the new automated system with the current process of



handling parcels without barcodes or with obscured barcodes, as well as the impact of the system on their job security. These concerns relate to the people element, which covers the roles, skills, attitudes, and behaviors of the staff, and the process element, which covers the activities, tasks, and procedures involved in delivering a service or product. Option C is the correct answer. References: POPIT Model ?Four View Model | Taking A Holistic Perspective | BusinessAnalystMentor.com The POPITTM Model | A Practical Guide To Delivering Results

QUESTION 15

A business case is being created for a new, automated auditing system that will improve the IT department's ability to record and monitor all the computing devices used across the organisation

The sponsor of the project is keen to get a better idea of the financial implications of the project and has asked for the simplest calculation possible This calculation should consider the tangible costs and tangible benefits of the project, as well as showing when it will have saved the department as much money as it has cost.

Which of the following investment appraisal calculations has the sponsor asked for?

- A. Payback calculation
- B. Net present value
- C. Internal rate of return
- D. Discounted cash flow

Correct Answer: A

An investment appraisal calculation is a technique for assessing whether a proposed business change or solution is financially viable and worthwhile. It helps to compare the costs and benefits of different options and select the best one based on objective criteria. There are different types of investment appraisal calculations, such as payback calculation, net present value, internal rate of return and discounted cash flow. Therefore, option A is the correct answer, as payback calculation is the simplest investment appraisal calculation that considers the tangible costs and benefits of a project, as well as showing when it will have saved as much money as it has cost. Payback calculation measures how long it will take for a project to recover its initial investment by comparing its cumulative cash inflows with its cumulative cash outflows over time. It helps to show how quickly a project will break even or generate profit. Option B is not a correct answer, as net present value is not the simplest investment appraisal calculation that considers only tangible costs and benefits. Net present value measures how much value a project will add or subtract from an organisation by comparing its present value of cash inflows with its present value of cash outflows over time. It helps to show how profitable a project will be in today's terms. Net present value requires discounting future cash flows using an appropriate discount rate, which adds complexity to the calculation. Option C is not a correct answer, as internal rate of return is not the simplest investment appraisal calculation that considers only tangible costs and benefits. Internal rate of return measures how efficient a project is by calculating its annualised effective compounded return rate or rate of growth over time. It helps to show how attractive a project is compared to other investment opportunities. Internal rate of return requires finding an unknown discount rate that makes net present value equal to zero, which adds complexity to the calculation. Option D is not a correct answer, as discounted cash flow is not an investment appraisal calculation itself, but a method for estimating future cash flows by applying an appropriate discount rate to reflect their present value. Discounted cash flow can be used in other investment appraisal calculations, such as net present value or internal rate of return. References: BCS Practitioner Certificate in BAP Specimen, page 31.