ACCA BT Business and Technology

Mock exam: 30 questions in 54 minutes, with an answer key and explanations

How to use this mock

- Set a timer for **54 minutes** and answer every question without notes. Write your answers in the grid on the next page.
- Mark your answers using the answer key, then read the explanation for every question you got wrong or guessed.
- The questions cover every section of the syllabus, in proportion to the GoQualified question bank for BT.
- Prefer to sit it on screen? The **Exam Sim** on **goqualified.co.uk/bt/** times you, marks the paper and shows your weakest section.
- All questions are original GoQualified practice questions, not past exam questions.

Free from GoQualified. Questions start on page 3; the answer key and explanations follow them. Download the latest version from goqualified.co.uk/bt/.

Your answers

1 _____	**7** _____	**13** _____	**19** _____	**25** _____
2 _____	**8** _____	**14** _____	**20** _____	**26** _____
3 _____	**9** _____	**15** _____	**21** _____	**27** _____
4 _____	**10** _____	**16** _____	**22** _____	**28** _____
5 _____	**11** _____	**17** _____	**23** _____	**29** _____
6 _____	**12** _____	**18** _____	**24** _____	**30** _____

Questions

Question 1

A government announces a significant increase in public spending on infrastructure, funded by borrowing. Which of the following best describes the likely short-term macroeconomic effect on businesses?

A Increased business activity due to higher aggregate demand as government spending enters the circular flow of income

B Reduced business activity because government borrowing always crowds out private investment immediately

C No effect on businesses because government spending only affects the public sector

D Increased business activity, but only in export industries because domestic demand is unaffected

Question 2

A construction company wants to build a new factory on a greenfield site. Shareholders want maximum returns, local residents want to preserve green space, and the local council wants economic development and jobs. Which of the following best describes this situation?

A A straightforward decision where the organisation should simply follow the wishes of its most powerful stakeholder

B A situation that can be resolved by identifying a single solution that fully satisfies all stakeholders simultaneously

C A stakeholder conflict where different groups have incompatible objectives that the organisation must manage

D An internal management problem that does not involve external stakeholders

Question 3

A retail bank replaces its branch-based customer service with a smartphone app and online chat. Which of the following best describes the impact of this change on the bank's staffing requirements?

A Demand for branch customer service staff falls while demand for digital development and data analysis skills increases

B Total staffing levels remain unchanged as technology simply redistributes existing roles

C Demand increases for all customer-facing roles as digital channels attract more customers

D The bank will require fewer technology specialists as automated systems reduce IT support needs

Question 4

A charity provides free meals to homeless people and is funded entirely through donations. Which of the following best describes how this organisation's objectives differ from those of a commercial business?

A The charity has no financial objectives as it does not engage in commercial activity

B The charity's objectives are identical to those of a commercial business but it operates in a different market

C The charity's primary objective is social impact rather than profit — success is measured by outcomes for beneficiaries rather than financial returns

D The charity aims to minimise costs at all times, whereas a commercial business aims to maximise revenue

Question 5

A severe frost destroys a significant proportion of the UK's strawberry crop. Using supply and demand analysis, which of the following is the most likely immediate outcome?

A Supply falls, causing the equilibrium price to fall as fewer goods are available

B Demand rises as consumers switch to strawberries as a substitute for other fruits

C The equilibrium price remains unchanged as strawberry producers adjust their output

D Supply falls, causing the equilibrium price to rise and the quantity traded to fall

Question 6

In a perfectly competitive market, which of the following characteristics applies?

A Individual firms are price takers — they have no ability to influence the market price

B A small number of large firms dominate the market and can influence prices

C Firms produce differentiated products that allow them to charge premium prices

D Significant barriers to entry prevent new firms from entering the market

Question 7

Charles Handy described a culture dominated by a central powerful individual, where decisions are made informally based on that person's preferences. Which of Handy's four cultural types is this?

A Power culture
B Role culture
C Task culture
D Person culture

Question 8

Which of the following best describes the primary role of non-executive directors (NEDs) in a company's governance structure?

A To manage the day-to-day operations of the company alongside the executive directors
B To represent the interests of employees on the board and negotiate on their behalf
C To provide independent oversight, scrutinise management performance, and challenge the executive team in the interests of shareholders and other stakeholders
D To replace executive directors during periods of poor performance or corporate crisis

Question 9

Which of the following best describes a positive impact the informal organisation can have on a business?

A It can accelerate communication and problem-solving by bypassing slow formal channels
B It eliminates the need for formal management structures and hierarchies
C It always aligns with and reinforces the objectives of the formal organisation
D It reduces the risk of conflict by providing an alternative authority structure

Question 10

A large retailer voluntarily reduces its plastic packaging beyond what is legally required and publishes an annual sustainability report. Which concept does this behaviour best illustrate?

A Corporate social responsibility
B Legal compliance
C Corporate governance
D Stakeholder management

Question 11

A manufacturing company decides to contract its IT support function to an external specialist provider rather than maintaining an in-house team. Which term describes this arrangement, and what is a key risk?

A Offshoring — the company risks losing control of its IT infrastructure to an overseas competitor
B Delayering — the company reduces management layers but retains control of the IT function internally
C Outsourcing — the company becomes dependent on the external provider and may lose internal expertise over time
D Franchising — the external provider operates under the company's brand and systems

Question 12

A large multinational consolidates its finance, HR, and IT support functions from multiple country operations into a single central unit serving all divisions. Which organisational arrangement does this describe?

A A matrix structure — combining functional and divisional reporting lines
B A strategic business unit — a standalone division with full profit and loss responsibility
C A shared services centre — centralising common support functions to achieve economies of scale and consistency
D Outsourcing — contracting the functions to an external specialist provider

Question 13

Which of the following best defines money laundering?

A The use of offshore accounts to avoid paying tax on investment income
B The falsification of financial statements to overstate a company's profitability
C The process by which the proceeds of criminal activity are made to appear as legitimate funds
D Bribery of public officials to obtain favourable business contracts

Question 14

Which of the following best distinguishes the role of internal audit from external audit?

A External audit reports to management; internal audit reports to shareholders
B Internal audit is legally required for all companies; external audit is optional
C Internal audit serves management and improves operations; external audit provides an independent opinion on financial statements for shareholders
D Both internal and external audit serve the same purpose and report to the same stakeholders

Question 15

Why is segregation of duties considered a fundamental principle of internal control?

A It reduces the total number of staff required to process transactions by standardising procedures
B It means that all transactions are processed faster because responsibilities are clearly defined
C It eliminates the need for supervisory review of individual employee performance
D It ensures that no single individual can both initiate and conceal a fraudulent transaction, as collusion between multiple people is harder to achieve

Question 16

Which of the following best describes the working capital cycle of a manufacturing business?

A The process by which a business obtains long-term finance to fund capital investment in non-current assets
B The cycle of annual budgeting, performance monitoring, and variance reporting that supports management control
C The process by which the finance function prepares and publishes statutory financial statements each year
D The process by which cash is used to purchase materials, materials are converted into finished goods, goods are sold on credit, and the resulting receivables are collected to return to cash

Question 17

An accountant performing a routine review of the petty cash account notices a pattern of small, round-sum withdrawals with minimal supporting documentation, consistent with possible misappropriation. What is the most appropriate immediate response?

A Ignore the pattern as petty cash amounts are immaterial to the overall financial statements
B Document the observation, apply professional scepticism, and escalate to an appropriate level within the organisation for further investigation
C Immediately contact the police as suspected fraud must be reported to law enforcement without delay
D Confront the employee responsible for petty cash directly and demand an explanation

Question 18

According to Herzberg's two-factor theory, which of the following is a motivator (rather than a hygiene factor)?

A Recognition for achievement
B Company policy and administration
C Physical working conditions
D Level of salary and pay

Question 19

A newly formed project team is experiencing significant conflict as members challenge each other's ideas and compete for influence. According to Tuckman's model, which stage is this team in?

A Forming
B Storming
C Norming
D Performing

Question 20

A manager believes that employees are naturally motivated, seek responsibility, and are capable of self-direction. According to McGregor's theory, which management style is this manager likely to adopt?

A Theory X — a directive and controlling style with close supervision and little delegation
B Theory Y — a participative style that involves employees in decision-making and gives them autonomy
C A laissez-faire style with no management involvement in day-to-day activities
D An autocratic style with rigid rules and punishment for underperformance

Question 21

A company gives accounts payable clerks additional responsibility for resolving supplier disputes and authorising minor credit notes, alongside their existing invoicing duties. Which job design technique does this illustrate?

A Job enrichment — adding more challenging responsibilities and greater autonomy to an existing role
B Job enlargement — adding more tasks of a similar type and complexity to an existing role
C Job rotation — moving employees between different roles on a planned basis
D Job sharing — splitting one full-time role between two or more employees

Question 22

Which of the following lists Maslow's hierarchy of needs in the correct order, from the lowest level to the highest?

A Physiological, social, safety, esteem, self-actualisation
B Physiological, safety, esteem, social, self-actualisation
C Physiological, safety, social, esteem, self-actualisation
D Safety, physiological, social, self-actualisation, esteem

Question 23

A trainee accountant is struggling with personal financial difficulties which are affecting her concentration at work. Her manager arranges for her to meet with a qualified professional to work through the problem. Which form of support does this describe?

A Mentoring
B Coaching
C Appraising
D Counselling

Question 24

A line manager notices that a team member's performance has deteriorated significantly following a bereavement. The manager arranges for the employee to access professional support to help them cope with their loss and its impact on their work. Which type of support is most appropriate here?

A Coaching — targeted support to improve specific job-related skills
B Counselling — professional support to help the individual work through a personal problem affecting their wellbeing
C Mentoring — a longer-term developmental relationship with a more experienced colleague
D Performance management — a structured process to address and improve underperformance

Question 25

Which of the following best describes an advantage of face-to-face communication over written communication?

A It creates a formal record of the communication that can be referred to later
B It can reach a large audience simultaneously with a consistent message
C It is less likely to be misinterpreted as the written word allows for careful drafting
D It allows immediate feedback, enables non-verbal cues, and supports more nuanced or sensitive conversations

Question 26

Which of the following best describes the role of a mentor in a formal mentoring relationship?

A To assess the mentee's performance against agreed objectives and provide formal performance ratings
B To share experience and wisdom, provide guidance on career decisions, and help the mentee navigate professional challenges
C To deliver structured training on specific technical skills required in the mentee's current role
D To act as the mentee's line manager and provide day-to-day operational direction

Question 27

Which of the following best describes what is meant by 'ethics' in a professional context?

A A system of legal rules that professionals must follow to avoid regulatory penalties
B The personal preferences and cultural background of individual professionals
C A code of conduct imposed externally by a professional body that has no internal dimension
D A set of moral principles that guide behaviour — defining what is right, fair, and honest in professional relationships and decisions

Question 28

A senior manager instructs a management accountant to exclude certain costs from a report that will be presented to the board, making divisional performance appear better than it actually is. The accountant believes this is misleading. What should they do first?

A Raise the concern with the senior manager, explaining the professional obligation to prepare reports that are not misleading
B Comply with the instruction to preserve the working relationship and raise concerns later
C Immediately contact the external auditors to report the manipulation
D Prepare two versions of the report — one for the board and one accurately reflecting actual performance

Question 29

A fund manager spreads false rumours about a competitor's financial difficulties on social media, knowing this will cause the competitor's share price to fall and benefit their own portfolio. Which term best describes this behaviour?

A Market abuse — the deliberate manipulation of financial markets through false information
B Corporate espionage — obtaining confidential information about a competitor's business
C Defamation — making false statements that damage another person or organisation's reputation
D Regulatory arbitrage — exploiting differences in regulatory frameworks between jurisdictions

Question 30

Which of the following is a factor that distinguishes a profession, such as accountancy, from other types of occupation?

A Members are free to choose their own working methods without any outside oversight
B Members usually earn higher salaries than people in most other occupations
C Members provide services to clients in return for fees
D Members must meet a professional body's entry standards and follow its code of ethics

Answer key

1 A	**7** A	**13** C	**19** B	**25** D
2 C	**8** C	**14** C	**20** B	**26** B
3 A	**9** A	**15** D	**21** A	**27** D
4 C	**10** A	**16** D	**22** C	**28** A
5 D	**11** C	**17** B	**23** D	**29** A
6 A	**12** C	**18** A	**24** B	**30** D

Score: count your correct answers out of 30. Then work through the explanations below.

Answers and explanations

Question 1: A Increased business activity due to higher aggregate demand as government spending enters the circular flow of income

Government spending is a component of aggregate demand (C + I + G + X − M). When the government increases spending on infrastructure, it injects money into the circular flow of income, raising aggregate demand and stimulating business activity across multiple sectors — not only construction but also suppliers of materials, professional services, and consumer spending by workers employed on the projects. Option B overstates the crowding-out effect, which is a longer-term concern and not an immediate certainty. Option C is incorrect because government spending has multiplier effects throughout the private sector. Option D is incorrect because infrastructure spending primarily stimulates domestic rather than export activity.

Section A, Macroeconomics — determinants of business activity · Ref A4b · bt035

Question 2: C A stakeholder conflict where different groups have incompatible objectives that the organisation must manage

This is a classic stakeholder conflict — shareholders, local residents, and the council each have legitimate but incompatible objectives. Managing such conflicts requires the organisation to analyse each stakeholder group's power and interest (Mendelow) and develop strategies accordingly. Option A is dangerous — simply following the most powerful stakeholder ignores legitimate interests of others and can damage reputation and relationships. Option B is unrealistic — stakeholder conflicts rarely have perfect solutions satisfying everyone. Option D is incorrect — local residents and the council are clearly external stakeholders.

Section A, Stakeholder conflict · Ref A2c · bt075

Question 3: A Demand for branch customer service staff falls while demand for digital development and data analysis skills increases

Digital transformation typically reduces demand for traditional customer-facing roles (branch staff) while increasing demand for technology, data, and digital skills. This is a structural shift in the workforce, not a redistribution of existing roles (B). While digital channels may attract more customers, this does not necessarily increase headcount in customer-facing roles (C). Automated systems typically increase rather than reduce the need for specialist IT and development support (D).

Section A, Impact of technology on business · Ref A7b · bt077

Question 4: C The charity's primary objective is social impact rather than profit — success is measured by outcomes for beneficiaries rather than financial returns

Not-for-profit organisations prioritise social, charitable, or public benefit objectives over financial returns. Success is measured in terms of impact on beneficiaries. However, they do have financial objectives (A) — they must manage their finances, cover costs, and maintain financial sustainability. Their objectives are fundamentally different from commercial businesses (B), not identical. Option D is a misconception — charities do not simply minimise costs; they seek to maximise impact within their financial constraints.

Section A, Not-for-profit organisations · Ref A1b · bt115

Question 5: D Supply falls, causing the equilibrium price to rise and the quantity traded to fall

A crop failure reduces supply — the supply curve shifts left. With demand unchanged, the reduction in supply causes a shortage at the original price, pushing the equilibrium price upward and the quantity traded downward. Option A incorrectly states price falls — a supply reduction raises price, not lowers it. Option B misapplies the concept — a frost does not increase consumer demand for strawberries; if anything, reduced availability pushes some consumers towards substitutes. Option C is incorrect — crop destruction cannot be quickly offset by output adjustment, so price does not remain unchanged.

Section A, Supply and demand · Ref A5a · bt116

Question 6: A Individual firms are price takers — they have no ability to influence the market price

Perfect competition is characterised by many buyers and sellers, homogeneous products, perfect information, and free entry/exit. Because no individual firm is large enough to influence price, all firms are price takers — they must accept the market price. Option B describes oligopoly. Option C describes monopolistic competition, where product differentiation gives firms some pricing power. Option D describes monopoly or oligopoly, where barriers to entry protect incumbents.

Section A, Market structures · Ref A5c · bt117

Question 7: A Power culture

Handy's power culture centres on a dominant individual — often a founder. Decision-making is informal and centralised. Handy depicted this as a spider's web, with all threads leading to the centre. It is common in small entrepreneurial organisations.

Section B, Handy's cultural types · Ref B3c · bt009

Question 8: C To provide independent oversight, scrutinise management performance, and challenge the executive team in the interests of shareholders and other stakeholders

Non-executive directors are board members who do not hold executive management roles within the company. Their primary governance function is to provide independent oversight — scrutinising strategy, monitoring the performance of executive management, and ensuring that the board acts in the interests of shareholders and other stakeholders rather than solely in the interests of the executives. They also serve on audit, remuneration, and nomination committees where independence is critical. Option A confuses NEDs with executive directors. Option B describes an employee representative role, which is not the primary function of NEDs. Option D is incorrect — NEDs do not ordinarily replace executives.

Section B, Corporate governance — non-executive directors · Ref B4f · bt042

Question 9: A It can accelerate communication and problem-solving by bypassing slow formal channels

The informal organisation — the network of unofficial relationships, communication flows, and social groupings — can be a positive force when it speeds up communication and enables problems to be resolved quickly without waiting for formal approval chains. However, it does not replace formal structures, does not always align with formal objectives (it can undermine them), and does not inherently reduce conflict — informal cliques can actually increase it. Managers should understand and work with the informal organisation rather than ignore it.

Section B, Impact of informal organisation · Ref B1b · bt061

Question 10: A Corporate social responsibility

Corporate social responsibility (CSR) refers to an organisation's voluntary commitment to behave ethically and contribute to sustainable economic development, going beyond legal minimum requirements. The retailer's voluntary reduction in plastic and transparent reporting are classic CSR actions. Legal compliance (B) describes meeting minimum legal requirements — this organisation exceeds them. Corporate governance (C) relates to the systems of accountability and control for how a company is directed. Stakeholder management (D) is broader — CSR is one element of how organisations respond to stakeholder expectations.

Section B, Corporate social responsibility · Ref B5a · bt065

Question 11: C Outsourcing — the company becomes dependent on the external provider and may lose internal expertise over time

Outsourcing means contracting an internal function to an external specialist. Key risks include dependency on the provider, loss of internal knowledge and capability, and reduced control over service quality. Offshoring (A) specifically involves relocating to another country — not described here. Delayering (B) removes management layers within the organisation — it does not involve external providers. Franchising (D) involves licensing a business model to third parties — an entirely different concept.

Section B, Outsourcing · Ref B2g · bt079

Question 12: C A shared services centre — centralising common support functions to achieve economies of scale and consistency

A shared services centre consolidates common support functions (finance, HR, IT, legal) from across an organisation into a single unit serving multiple business units. This achieves economies of scale, standardises processes, and reduces duplication. It is an internal arrangement, not a matrix structure (A) which combines two reporting lines. A strategic business unit (B) is a semi-autonomous division with its own strategy, not a support function. Outsourcing (D) would involve an external provider — shared services remains internal.

Section B, Shared services · Ref B2i · bt147

Question 13: C The process by which the proceeds of criminal activity are made to appear as legitimate funds

Money laundering is the process of making 'dirty' money — derived from criminal activity such as drug trafficking, fraud, or corruption — appear to be legitimate. It typically involves three stages: placement (introducing cash into the financial system), layering (concealing the trail), and integration (the funds re-enter the economy as apparently legitimate).

Section C, Money laundering · Ref C3i · bt015

Question 14: C Internal audit serves management and improves operations; external audit provides an independent opinion on financial statements for shareholders

Internal audit is an appraisal function within the organisation — it reports to management and the audit committee, focusing on risk management, controls, and operational efficiency. External audit is an independent statutory function — auditors report to shareholders, providing an opinion on whether the financial statements give a true and fair view.

Section C, Internal vs external audit · Ref C2e · bt019

Question 15: D It ensures that no single individual can both initiate and conceal a fraudulent transaction, as collusion between multiple people is harder to achieve

Segregation of duties works by dividing incompatible functions among different people — for example, separating the roles of authorising a payment, processing it, and reconciling the bank account. If one person performs all three, they could commit and conceal fraud alone. Requiring multiple people to collude significantly increases the difficulty and risk of fraud. Option A is incorrect — segregation typically requires more staff, not fewer. Option B is incorrect — speed is not the purpose and may not be the result. Option C is incorrect — supervision remains important.

Section C, Segregation of duties · Ref C3b · bt084

Question 16: D The process by which cash is used to purchase materials, materials are converted into finished goods, goods are sold on credit, and the resulting receivables are collected to return to cash

The working capital cycle describes the flow of cash through the short-term operating cycle: cash → raw materials → work in progress → finished goods → receivables → cash. Managing this cycle efficiently — minimising the time cash is tied up — is a key treasury function. Option A describes long-term capital financing, not working capital. Option B describes the management accounting cycle. Option C describes financial reporting — all distinct from working capital management.

Section C, Finance function — working capital · Ref C2c · bt120

Question 17: B Document the observation, apply professional scepticism, and escalate to an appropriate level within the organisation for further investigation

When an accountant notices indicators of possible fraud, the appropriate response is to apply professional scepticism, document findings, and escalate internally through appropriate channels (line management, internal audit, or the audit committee). Ignoring potential fraud because amounts are small (A) is inappropriate — patterns of small amounts can indicate systematic misappropriation. Going directly to police (C) is premature — internal investigation should normally precede external reporting. Direct confrontation (D) risks alerting the suspect, destroying evidence, and prejudging the outcome.

Section C, Ethical responsibilities of the accountant in detecting fraud · Ref C3h · bt134

Question 18: A Recognition for achievement

Herzberg distinguished hygiene factors (which prevent dissatisfaction but do not motivate) from motivators (which actively drive satisfaction and performance). Motivators are intrinsic: achievement, recognition, the work itself, responsibility, and advancement. Salary, working conditions, and company policy are hygiene factors.

Section D, Herzberg — motivators vs hygiene factors · Ref D4b · bt021

Question 19: B Storming

Tuckman's first four stages are: Forming (polite, cautious, getting acquainted), Storming (conflict as members assert themselves), Norming (agreement on roles and ways of working), and Performing (effective teamwork toward shared goals). Conflict and competition for influence are hallmarks of the Storming stage. A fifth stage, adjourning (sometimes called mourning), occurs when the team disbands.

Section D, Tuckman's team development · Ref D3c · bt022

Question 20: B Theory Y — a participative style that involves employees in decision-making and gives them autonomy

McGregor distinguished between two sets of assumptions: Theory X (employees are lazy, dislike work, need coercion and control) and Theory Y (employees are self-motivated, seek responsibility, and can exercise self-direction). A manager holding Theory Y assumptions will naturally adopt a participative, delegating style that trusts employees and involves them in decisions. Theory X assumptions lead to directive, controlling styles (A). Laissez-faire (C) is an absence of leadership rather than a Theory Y approach. Option D describes Theory X behaviour.

Section D, McGregor's Theory X and Theory Y · Ref D2b · bt086

Question 21: A Job enrichment — adding more challenging responsibilities and greater autonomy to an existing role

Job enrichment (Herzberg) increases the depth of a job — adding more complex, autonomous, or responsible tasks that provide intrinsic motivation. Giving clerks authority to resolve disputes and authorise credit notes adds vertical complexity, not just more of the same work. Job enlargement (B) adds more tasks of similar complexity (horizontal loading) — for example, adding more invoicing types without adding responsibility. Job rotation (C) moves employees between different roles. Job sharing (D) is a working arrangement, not a job design technique.

Section D, Job design — job enrichment · Ref D4d · bt105

Question 22: C Physiological, safety, social, esteem, self-actualisation

Maslow's hierarchy runs physiological, safety, social (love and belonging), esteem, then self-actualisation. Maslow argued that a higher need only becomes a strong motivator once the needs below it are largely satisfied, so the order matters. A is wrong because safety comes before social needs. B is wrong because social needs come before esteem: people seek acceptance by a group before they seek status and recognition within it. D is wrong because physiological needs such as food and shelter are the base of the hierarchy, and self-actualisation is the highest level, above esteem.

Section D, Maslow's hierarchy of needs — order · Ref D4b · bt146

Question 23: D Counselling

Counselling involves helping an individual identify and work through a personal problem — it is focused on the individual's wellbeing and addresses underlying issues affecting performance. Mentoring (A) is a longer-term career development relationship with a more experienced colleague. Coaching (B) focuses on developing specific job-related skills. Appraising (C) is a formal review of performance against objectives. The personal and problem-centred nature of the support described makes this counselling.

Section E, Coaching, mentoring and counselling · Ref E3c · bt028

Question 24: B Counselling — professional support to help the individual work through a personal problem affecting their wellbeing

Counselling is the appropriate support when personal difficulties are affecting an individual's wellbeing and performance. It involves a trained professional helping the person identify and work through the problem — in this case, grief. Coaching (A) addresses skills or performance, not personal trauma. Mentoring (C) is a longer-term career development relationship, not a crisis support tool. Performance management (D) would be inappropriate and potentially harmful in response to grief — the cause of underperformance is personal, not capability-based.

Section E, Counselling in the workplace · Ref E3a · bt090

Question 25: D It allows immediate feedback, enables non-verbal cues, and supports more nuanced or sensitive conversations

Face-to-face communication's key advantages are immediacy of feedback, the ability to observe and respond to body language and tone, and the ability to handle sensitive or complex conversations with nuance. Written communication (not face-to-face) creates a formal record (A). Written or broadcast communication (not face-to-face) reaches large audiences simultaneously (B). Written communication allows careful drafting (C) — but face-to-face has the advantage of real-time clarification, not careful pre-drafting.

Section E, Methods of communication · Ref E5b · bt108

Question 26: B To share experience and wisdom, provide guidance on career decisions, and help the mentee navigate professional challenges

A mentor typically has more experience than the mentee and uses that experience to provide guidance, share insights, and help the mentee develop professionally and navigate their career. Mentoring is not a formal performance assessment process (A) — that is appraisal. It does not deliver structured technical training (C) — that is coaching or training. The mentor is typically not the mentee's line manager (D) — the separation from the direct reporting line is often a feature of effective mentoring, allowing the mentee to discuss issues freely.

Section E, Mentoring in practice · Ref E3b · bt138

Question 27: D A set of moral principles that guide behaviour — defining what is right, fair, and honest in professional relationships and decisions

Ethics refers to moral principles — standards of right and wrong that guide behaviour. In a professional context, ethics goes beyond mere legal compliance (A) — something can be legal but unethical. Ethics is more than personal preference (B) — professional ethics involves universally applicable principles recognised by the profession. While professional bodies publish codes of ethics (C), ethics has both an external codified dimension and an internal personal dimension — genuine ethical behaviour comes from internalised values, not just compliance with external rules.

Section F, The nature of ethics · Ref F1a · bt092

Question 28: A Raise the concern with the senior manager, explaining the professional obligation to prepare reports that are not misleading

When facing pressure to act unethically, the first step is to raise the concern directly with the person giving the instruction — clearly and professionally. This gives the manager the opportunity to reconsider and respects the internal escalation process. If the concern is not resolved, further escalation is appropriate. Immediate compliance (B) abandons professional obligations. Contacting external auditors (C) is premature at this stage — internal routes should be exhausted first. Preparing two versions (D) perpetuates the problem rather than resolving it.

Section F, Ethical conflict — pressure from superiors · Ref F4c · bt113

Question 29: A Market abuse — the deliberate manipulation of financial markets through false information

Market abuse covers behaviours that undermine the integrity and fairness of financial markets, including spreading false or misleading information to manipulate prices (market manipulation). This is a criminal offence regulated by financial authorities. It may also constitute defamation (C) — but in the context of financial markets regulation, market abuse is the more precise and relevant classification. Corporate espionage (B) involves obtaining confidential information, not spreading false information. Regulatory arbitrage (D) involves exploiting regulatory differences, not market manipulation.

Section F, Market abuse · Ref F2d · bt129

Question 30: D Members must meet a professional body's entry standards and follow its code of ethics

A profession is marked by a body of specialist knowledge gained through education and examination, a professional body that sets entry standards, a code of ethics that the body enforces through disciplinary action, and a duty to act in the public interest. Option D captures these features. A is wrong because professionals are subject to oversight by their professional body and regulators, which is part of what makes the occupation a profession. B is wrong because pay level does not define a profession; many well-paid occupations are not professions. C is wrong because many occupations sell services for fees, so this does not distinguish a profession.

Section F, What distinguishes a profession · Ref F2c · bt148