Examiner's Report

Exam Name and Code: BDS B 2026

Date of exam: 18/8/2026

Paper Performance Overview

A high level overview of areas in which candidates performed well and areas in which their performance was weaker.

The August 2026 sitting of the Business and Digital Strategy paper evaluated candidates' ability to integrate strategic management frameworks, quantitative data analytics, and commercial and ethical judgment. Overall performance demonstrated a reasonable understanding of functional strategy, and technology risk management. However, performance across the paper was mixed, with Question 1 yielding higher marks on narrative and strategic frameworks, while Question 2 marks were lower due to misunderstanding of statistical analysis and required calculations. There was some evidence of time pressure toward the end of the exam.

Most candidates structured their responses effectively, utilising clear headings aligned with individual requirements. Stronger candidates demonstrated exam discipline, combining structured calculations with succinct, evaluative discussion. Weaker candidates, however, frequently engaged in generic "knowledge dumps," restating scenario facts without tailoring their analysis to the specific requirements, or omitting required recommendations and calculations entirely.

Question 1 Performance

1.1 The syllabus areas covered in this question were: 3c

Most candidates correctly identified the company's structure and were able to discuss its features, frequently drawing on Mintzberg's organisational configurations. Stronger scripts mapped the structure, placing the CEO at the strategic apex, the consultants within the operating core.

Discussion regarding operational efficiency centred on the benefits of autonomy and understanding local customer needs. However, better candidates balanced this by highlighting operational drawbacks, such as the lack of sharing of insights, and high staff turnover. The best responses also explained that relying solely on a financial target might encourage the business unit to act in a suboptimal way.

© August 2026. Kaplan Professional Awards. Examiner's Report (BDS B 2026)

1.2 The syllabus areas covered in this question were: 1b, 3a

Part (a): Candidates demonstrated good familiarity with the underlying concepts. Stronger candidates effectively linked these concepts to the organisation's human capital and the risk of expertise being lost. Many candidates made excellent use of the visualisation provided in the exhibit. However, weaker scripts focused purely on why staff felt dissatisfied without linking this to the human capital, or completely missed the requirement to consider the contribution of the department to the organisation as a whole.

Part (b): Candidates displayed a good understanding of the R&D function, successfully linking it to new products and the overall mission. However, simply restating the mission statement did not earn marks. Performance on the Finance function part of the requirement, was generally poor. Most candidates provided generic descriptions of common tasks or explained the role of finance as a business partner.

1.3 The syllabus areas covered in this question were:1e

Results for this requirement were mixed. Most candidates correctly identified the political or legal impact of the new legislation and discussed potential fines for non-compliance. In evaluating economic factors, the stronger candidates discussed the volatile business circumstances and the impact of this on the viability of the significant investment.
However, a notable number of weaker candidates displayed a fundamental misunderstanding of the company's business model, incorrectly assuming that it is a B2C rather than B2B.

1.4 The syllabus areas covered in this question were: 2a

Performance in this requirement was weak. Many candidates struggled to present their calculations clearly and logically. Common arithmetical errors included miscalculating volume changes under the best-case and worst-case scenarios. While many candidates correctly incorporated the cost step-change, the required annual return calculations were rarely attempted correctly. A significant number of candidates computed a single return figure for the entire period rather than providing separate figures for each of the years as explicitly requested.
Furthermore, several candidates presented isolated numbers without offering any commentary or failed to evaluate what the scenario analysis results implied for the long-term economic sustainability of the business unit.

1.5 The syllabus areas covered in this question were: 4e

The discussion of commercial dimensions scored highly, while the ethical evaluation was less successful. Candidates frequently lost focus by evaluating the dilemma from the perspective of other stakeholders rather than the organisation's own ethical responsibility.
When recommending actions, weaker candidates proposed inappropriate corporate-level measures, ignoring the fact that the requirement specifically requested actions for the business unit manager. Stronger scripts offered four practical actions though justifications remained weak in places.

© August 2026. Kaplan Professional Awards. Examiner's Report (BDS B 2026)

Question 2 Performance

2.1 The syllabus areas covered in this question were: 1m

Most candidates identified the maximum defect rate and the dimensional tolerance threshold stated in the invitation to tender. Stronger candidates correctly mapped the tolerance limit to normal distribution confidence intervals.

However, many candidates struggled to explain the practical implications of these numbers. A number of candidates calculated statistical figures for two standard deviations but failed to expand on what this meant for contract compliance, and the resulting margin of safety.

2.2 The syllabus areas covered in this question were: 1o, 2k, 2i

Part (a): While there was wider recognition of seasonality in the business, most candidates incorrectly based capacity calculations on average monthly demand rather than peak demand. Many failed to account for the mechanical recalibration time between the cycles, leading to incorrect calculation of the number of required assets
.
Part (b): The performance on this requirement was the weakest within this exam paper. Candidates displayed widespread confusion about the nature of the expected calculation, failing to structure their workings appropriately. Very few candidates correctly factored in the expected financial penalties. The layout of candidates' own calculations was generally disjointed, hindering constructive analysis.

Part (c): Stronger candidates delivered well-balanced discussions even when their prior quantitative analysis was incomplete. Some common misconceptions were evident: several candidates failed to realise that the tender was issued by a public sector organisation. Others incorrectly suggested that the company should build up buffer inventory, overlooking the fact that custom-made products cannot be pre-fabricated in advance. Finally, a surprising number of candidates omitted a final recommendation despite providing a sufficiently detailed discussion.

2.3 The syllabus areas covered in this question were: 1j

This requirement was well-attempted. Candidates structured their answers clearly and identified the key technological risks. Data protection breaches and malware/ransomware risks were well explained. Candidates offered a strong range of mitigation methods.

2.4 The syllabus areas covered in this question were: 3n

Answers to this final requirement were curtailed due to poor time management, with many candidates producing very short responses.
Of those who completed the question, several misread the requirement and stated the advantages rather than the barriers. Stronger responses correctly focused on operational barriers, such as the contractual restriction and the loss of management control.

© August 2026. Kaplan Professional Awards. Examiner's Report (BDS B 2026)

Summary and Helpful Hints

The Business and Digital Strategy paper evaluates a candidate's ability to act as a strategic advisor. The highest-scoring scripts seamlessly combined data analytics and financial calculations with commercial, operational, and ethical realism. In contrast, weaker answers treated numerical calculations and narrative evaluation as disjointed exercises, often providing calculations without interpretation or writing generic arguments detached from the quantitative analysis.

Candidates should set out numerical workings in a clear, structured table at the start of their response. This facilitates logical cross-referencing within the narrative and ensures partial marks can be awarded even if an arithmetical error occurs.

Simply copying information from the scenario does not attract marks. Candidates must explain why this fact matters and what strategic impact it has on the business.

Candidates should also pay attention to the perspective an action applies to. Recommending actions for the board when requested to advise a manager or mistaking a public body for a private entity, undermines the commercial validity of an answer.

Time management remains a critical factor in exam success. Candidates must allocate time strictly in proportion to the marks available for each requirement. Over-elaborating on initial requirements leads to rushed, incomplete answers on later ones and could lead to some requirements not being attempted at all, which undermines candidates' ability to reach a pass mark.

© August 2026. Kaplan Professional Awards. Examiner's Report (BDS B 2026)