



**ASSOCIATESHIP EXAMINATION**  
**RETAIL BANKING AND WEALTH MANAGEMENT**  
**LEVEL III**

**APRIL 2025**

**(NEW SYLLABUS)**

**NB**

1. Read carefully the instructions on the cover of the answer booklet.
2. Answer the questions as follows:  
SECTION A – MULTIPLE CHOICE QUESTIONS: Answer All Questions.  
(20 MARKS)  
SECTION B – ESSAY QUESTIONS: Answer Two Questions. (40 MARKS)  
SECTION C - CASE/SCENARIO BASED QUESTIONS: Answer Two Questions.  
(40 MARKS)
3. **Time allowed: THREE HOURS. An additional 15 minutes of reading time is allowed** at the beginning of the examination during which time candidates may write on this paper but not in the answer booklet.
4. Candidates must ensure that they answer the questions in the appropriate answer booklets and not on loose sheets which may be used only as supplementary sheets. Such answers will be cancelled.
5. Silent non-programmable electronic calculators may be used in this examination. Whether or not candidates use them, it is in their interest to show the basic figures from which their calculations are made.
6. **DO NOT WRITE YOUR NAME ON THE ANSWER BOOKLET.**
7. **DO NOT OPEN THIS PAPER UNTIL YOU ARE INSTRUCTED TO DO SO.**

**SECTION A: MULTIPLE CHOICE QUESTIONS**  
**ANSWER ALL 20 QUESTIONS [1 MARK EACH]**

1. MoneyChef is a fast-growing bank that leverages technology and modern financial practices to compete with traditional banks. It has no physical branches and mostly uses digital channels in engaging its customers. MoneyChef is most likely a.....
  - (a) Blockchain Bank
  - (b) Challenger Bank
  - (c) Cryptocurrency Bank
  - (d) Cloud Bank
  
2. In designing a Retail Banking product, questions such as who pays, what is paid, how much is paid, how payment is made, et cetera relate to.....
  - (a) Product Holding
  - (b) Customer Segmentation
  - (c) Payment Matrix
  - (d) Revenue Model
  
3. Bank GVB has a Retail Deposit Portfolio of \$12m, out of which \$4m is in Savings Accounts, \$2m in Current Accounts, and \$6m is in Term Deposits. Which of the following is true about the bank?
  - (a) It has a successful strategy of mobilizing cheap deposits
  - (b) It has an efficient deposit mix
  - (c) It has a CASA ratio of 50%
  - (d) It needs to run a term deposits campaign
  
4. All the following are key trends reshaping Retail Banking except.....
  - (a) Seamless Customer Experience
  - (b) Mobile-First Approach
  - (c) Rivalry between Fintechs and Traditional Banks
  - (d) Enhanced Security and Fraud Prevention
  
5. A challenge with Digital Finance in developing countries is an unequal access to digital technologies and connectivity leading to exclusion of certain Customer Segments. This calls for action to.....
  - (a) Increase Consumer Protection
  - (b) Close the Digital Divide
  - (c) Increase Cybersecurity
  - (d) Expand Blockchain Usage

6. Which of the following focuses on ensuring a bank's products comply with regulations and meet quality standards?
  - (a) Product Governance
  - (b) Product Portfolio Management
  - (c) Product Portfolio Quality
  - (d) Product Assessment
7. A Pricing Model in which a margin is added to the cost of providing a service is.....
  - (a) Dynamic Pricing
  - (b) Cost-Plus Pricing
  - (c) Margin Pricing
  - (d) Value Pricing
8. The computational process of collecting and analyzing large data sets to identify certain patterns and efficiently utilizing the database in new product development and service delivery is.....
  - (a) Big Data Analytics
  - (b) Artificial Intelligence
  - (c) Cloud Computing
  - (d) Blockchain Technology
9. A legal authorization that mandates a designated individual to make financial decisions on behalf of another person is a.....
  - (a) Will
  - (b) Trust
  - (c) Power of Attorney
  - (d) None of the above
10. Which investment strategy aims at managing risk by spreading investments across different asset classes, sectors, or geographical regions?
  - (a) Risk Spread
  - (b) Diversification
  - (c) Investment Spread
  - (d) Stress Testing
11. Rev. Kwame Danso recently inherited GHS20m from his late mother. He has asked you, a professional banker, to recommend Long-Term Investment options for his consideration. Which of the following considerations would be most important to him?
  - (a) Investment Horizon
  - (b) Risk Tolerance
  - (c) Financial Returns
  - (d) Investment Objective

12. Which of the following is generally not a component of Wealth Management?
- (a) Financial Planning
  - (b) Tax Planning
  - (c) Estate Planning
  - (d) None of the above
13. The basic metric that measures, on a scale from 1 to 5 or 1 to 10, how satisfied customers are with a product, service, or interaction is.....
- (a) Customer Satisfaction Score
  - (b) Customer Loyalty Metric
  - (c) Customer Effort Score
  - (d) All of the above
14. Obiba Bank is facing a potential financial loss arising from adverse movements in market prices, including interest rates, exchange rates, commodity prices, and equity prices. Which risk must the bank mitigate?
- (a) External Risk
  - (b) Market Risk
  - (c) Portfolio Risk
  - (d) Strategic Risk
15. Encouraging customers to purchase a more expensive or premium version of a product or service they are already using is.....
- (a) Cross-Selling
  - (b) Bundling
  - (c) Upgrading
  - (d) Up-Selling
16. Reward points, tiered benefits, and referral programs are examples of.....
- (a) Content Marketing
  - (b) Public Relations
  - (c) Customer Loyalty Programmes
  - (d) Digital Marketing
17. Continuous improvement is a key strategy in managing Customer Experience. All the following are enablers of continuous improvement except.....
- (a) Feedback Loops
  - (b) Performance Metrics
  - (c) Agile Methodologies
  - (d) Loyalty Programmes

18. All the following are elements of Customer Value Propositions except.....
- (a) Functional Value
  - (b) Emotional Value
  - (c) Loyalty Value
  - (d) Social Value
19. The following are digital technologies that help to deliver financial services efficiently and enhance customer experience except.....
- (a) Artificial Intelligence
  - (b) Mobile Apps
  - (c) Blockchain
  - (d) All of the above
20. The Ghana Sustainable Banking Principles recognizes the importance of Financial Inclusion as a pillar of sustainability and addresses it in.....
- (a) Principle 6
  - (b) Principle 5
  - (c) Principle 3
  - (d) Principle 4

**SECTION B: ESSAY QUESTIONS**  
**ANSWER ANY TWO (2) QUESTIONS**

**QUESTION 1**

The way banks conduct their businesses and service their customers are evolving rapidly and being transformed by many contemporary trends.

Review five (5) contemporary trends that are reshaping Retail Banking. **[20 marks]**

**QUESTION 2**

“Banks make representations about the value they have on offer for their customers and how the value will be delivered.” Justify by identifying and examining in detail four (4) points why this is important. **[20 marks]**

**QUESTION 3**

“Analytics plays a crucial role in the Management of Retail Assets”. Justify this statement by identifying and examining in detail four (4) crucial roles. **[20 marks]**

#### **QUESTION 4**

A trusted advisor must be skilled in Client Profiling to be able to offer tailored financial advice to clients.

Examine five (5) key aspects of Client Profiling.

**[20 marks]**

### **SECTION C: CASE/SCENARIO BASED QUESTIONS ANSWER ANY TWO (2) QUESTIONS**

#### **QUESTION 1**

Tongu Neny Bank considers Gen-Y (Millennials) as an important segment that has the potential to enhance its profitability and competitiveness as a bank. In view of this, the bank recently conducted a review of its Gen-Y Portfolio which revealed that, over the past 24 months, 120 new Gen-Y Customers were onboarded while 3,750 Gen-Y customers stopped operating their accounts. The deposits in the portfolio shrunk by 23% but the Assets Portfolio remained relatively stable. The segment's contribution to the bank's Total Revenue declined from 12% to 6%. Almost all the customers who have stopped operating their accounts have migrated to competitor banks.

Data from the bank's peers shows that the Gen-Y Segment is contributing an average of 18% of their Total Revenue. They have onboarded an average of 1,500 Gen-Y Customers and an average of 75 Gen-Y Customers have stopped operating their accounts over the period. Gen-Y Customer numbers, deposits, and assets have been growing at an average of 15% year-on-year.

Recommend strategic initiatives Tongu Neny Bank needs to implement to reverse the trend and keep pace with its competitors.

**[20 marks]**

#### **QUESTION 2**

Dido Bank Ghana is a subsidiary of an international bank headquartered in Singapore. In a recent video conference, the Group Head of Retail Banking informed the leadership of Dido Bank Ghana about the Group's decision to optimize its operations and exit markets that are delivering below par returns. He hinted that Ghana is one of the markets under consideration to be exited.

There are concerns that a massive distribution network expansion project undertaken three (3) years ago was ill-advised. Productivity is low across the branches with most of them recording low revenue per employee. Average revenue per customer and product holding per customer are also low.

Recommend strategic initiatives Dido Bank Ghana needs to implement immediately to boost productivity to forestall a shutting down of the business. **[20 marks]**

### **QUESTION 3**

Great Mentor Trading Enterprise is an SME customer of Mantse Bank. The customer is a Wholesaler and Retailer of building materials. Last month, the owner of the business, Mr. Kofi Dadzie, informed the bank about his need for a credit facility of GHS300,000 to expand his business. The Branch Manager instructed a Relationship Manager, Sadia Yakubu, to meet with Mr. Dadzie to discuss his need. During the meeting, it became obvious that Mr. Dadzie has neither set financial goals for the business nor has he assessed the current financial status of the business. He does not have a clear plan on how he will utilize the credit facility nor does he have a projection of expected returns.

The Relationship Manager advised Mr. Dadzie on the need for him to develop a plan that will guide him to properly manage the finances of his business. She also made him aware that such a plan will help him to efficiently utilize any credit facility the bank advances to him. Mr. Dadzie was grateful to Sadia for her timely advice.

Instruct Mr. Dadzie on the steps he must follow in developing a plan that will guide him to properly manage the finances of Great Mentor Trading Enterprise. **[20 marks]**