



CHARTERED INSTITUTE OF BANKERS, GHANA
ASSOCIATESHIP EXAMINATION
LEVEL III
BANK STRATEGIC INFORMATION MANAGEMENT

APRIL 2023

N.B.

1. Read carefully the instructions on the cover of the answer book.
2. ANSWER **FIVE** QUESTIONS ONLY.
3. EACH QUESTION CARRIES 20 MARKS. Where questions are subdivided, the marks for the subdivisions are shown in brackets.
4. No aids such as calculators, books, dictionaries, papers or mathematical sets are permitted in this examination.
5. Time allowed: **THREE HOURS**
6. Candidates must ensure that they answer questions in the appropriate answer book and **NOT on loose sheets** which are used only as supplementary sheets. Such answers will not be marked.
7. **DO NOT WRITE YOUR NAME ON THE ANSWER BOOK.**
8. **DO NOT OPEN THIS QUESTION PAPER UNTIL INSTRUCTED TO DO SO.**

ANSWER FIVE QUESTIONS ONLY

QUESTION 1

The Internet is arguably a tool that offers many benefits to business organisations. Research has shown that effective use of the Internet in various banking processes can enable banks to overcome business challenges.

Discuss **five (5)** key ways in which banks are strategically adopting (or using) the Internet in their processes and operations. **[20 Marks]**

QUESTION 2

a) Describe the main features of Internet of Things (IoT) technology. **[10 Marks]**

b) Describe two use cases of IoT technology in modern banking activities and operations, and discuss the major challenges associated with the adoption and use of IoT technology in banking. **[10 Marks]**

[Total: 20 Marks]

QUESTION 3

DigiCash Ltd a new microfinance company has developed a unique mobile application (App) that enables customers to register, make deposits, and withdrawals. The App is also used to grant small loans to customers and for the collection of loan repayments. The company has also installed a toll-free hotline that enables customers to make enquiries and for various forms of customer services. Thus, customers do not need to visit the offices of DigiCash.

The owner and Chief Executive Officer (CEO) of the business, Joe Maxwell, and other executives can remotely log into the systems to monitor operational activities and track employee performance. The App is also used for internal communication, meetings, and various forms of collaboration since the App has a direct interface with the firm's accounting and HR systems. The employees use the App as the main medium for exchanging both corporate and personal files. The CEO is concerned that customers and other service providers may not patronize the App. He is also concerned about security risks.

- a. Describe five (5) technology-related challenges that DigiCash Ltd is likely to encounter with the introduction of the App. **[10 Marks]**
- b. Discuss five (5) measures that the company can implement to improve patronage of App and DigiCash's services. **[10 Marks]**
- [Total: 20 Marks]**

QUESTION 4

Banks and other financial institutions have digitalized many of their processes and operations, including sales and marketing activities. Various electronic marketing strategies are being pursued by banks using digital platforms.

Discuss **five (5)** challenges that such banks may encounter when there is a lack of a clear digital marketing plan. **[20 Marks]**

QUESTION 5

- a) Describe the three main information security objectives and provide reasons why banks implement various information security controls. **[10 Marks]**
- b) Describe various tools, techniques, and means by which organisations ensure that their Information and IT systems are secure. **[10 Marks]**
- [Total: 20 Marks]**

QUESTION 6

The executives of a bank have decided to change their existing core banking application and introduce a new one. In its quest to minimize the challenges associated with the introduction of new systems, you have been engaged by the bank to advise management on the following.

- a) The factors that management must take into consideration in either developing the software in-house or purchasing a commercial application. **[10 Marks]**

- b) The key factors that can affect the success of the new core banking project, and the measures that the bank can adopt to minimize the challenges. **[10 Marks]**

[Total: 20 Marks]

QUESTION 7

You have been invited to an interview for a managerial position at your bank. If you are successful, you will be responsible for championing the implementation of a new core banking system. A member of the interview panel has asked you to demonstrate your appreciation of change management.

You are required to discuss the risks associated with a lack of effective change management during the implementation of the core banking systems, and the measures which must be implemented to minimise the risks. **[20 Marks]**

QUESTION 8

Many banks are investing in various Artificial Intelligence (AI) and Machine Learning (ML) applications. The CEO of your bank is considering the adoption of such IT innovations to improve operational effectiveness.

- a. Suggest four (4) banking activities that Machine Learning systems could be used to carry out. **[10 Marks]**

- b. Describe five (5) benefits that the bank may derive from implementing Machine Learning solutions. **[10 Marks]**

[Total: 20 Marks]