

STRATEGIC LEADERSHIP IN FINANCIAL SERVICES

EXAMINER'S REPORT APRIL 2025

The general standard of answers in April 2024 was above average. The overall pass rate was 73%. This is the second report on the performance of candidates who participated in the April exam diet (new syllabus) in 2025.

The Table 1 below presents the summary of examinees' performance.

| Total No. of candidates | Question No. | No. of Candidates who attempted each Question | % of candidates who attempted each Question | No. Passed | No. Failed | % Passed | % Failed |
|-------------------------|--------------|---|---|------------|------------|----------|----------|
| Nineteen (19) | | | | | | | |
| | One | 30 | 100 | 29 | 1 | 97 | 3 |
| | Two | 30 | 100 | 26 | 4 | 87 | 13 |
| | Three | 30 | 100 | 15 | 15 | 50 | 50 |
| | Four | 30 | 100 | 15 | 15 | 50 | 50 |
| | Five | 30 | 100 | 16 | 14 | 53 | 47 |
| | Six | - | - | - | - | - | - |
| *Total Answers marked | | 150 | | | | | |

Table 1: Summary Performance of Candidates.

Question 1

Question 1 was satisfactorily answered. Candidates were expected to apply their understanding of leadership principles and techniques to a bank's digital and related innovation strategy and implementation. The development of classical management theories and how they are inherently guiding banking operations and leadership teams who direct and envision for banks were adequately discussed by

candidates. Candidates were required to apply their understanding of leadership styles being used by banks to implement successful digital channels and processes of digital innovation and the justification for the chosen leadership styles. Most candidates were able to apply their understanding of agile leadership but did not mention transformational leadership which is needed to drive innovation sustainably.

The second part required candidates to present how conduct and ethical framework is implemented from a high-level governance approach in banks. No candidate mentioned the distinction between benchmark submitters and internal information providers and the expectations of ethical standards and practices from a corporate and individual perspectives. Pass candidates were able to explain measures that promoted ethical conduct and behaviours in banks.

Question 2

Question 2 was well answered by candidates. Candidates were able to identify most of the governance gaps in relation to committee formation, mix of directors, their fitness and propriety and possible impact on board psychology.

Question 3

This question was poorly answered because candidates could not support the policy and strategic decisions of an after-tax profit target with concrete policy which should be stress -tested as done at senior management level. Given the continued state of economic uncertainty candidates should understand how business planning and strategies are practiced as required in the syllabus. Again the question expected candidates to have the ability to use business planning and strategy tools deployed by banks.

Question 4

This question required candidates to present a risk appetite statement. The question was poorly answered. Pass candidates provided the pillars of risk appetite statements by providing the definitions, controls to be achieved, quantitative and qualitative benchmarks, limits and documentary or policy sources. This question assessed candidates' ability to develop the primary foundation on which risk policy manuals and frameworks are implemented in banks.

Question 5

This question was well answered by the few pass candidates who exercised their ability to practically implement sustainability strategy of a bank. Pass candidates applied their knowledge of credit, marketing, risk control, the role of institutions in the sustainability efforts to ensure project impact on incomes, gender, capex growth etc.