



**Chartered
Institute
of Bankers,
Ghana**

STRATEGIC LEADERSHIP IN FINANCIAL SERVICES

EXAMINER'S REPORT

MAY 16, 2025

**CHARTERED INSTITUTE OF BANKERS, GHANAOKPONGLO-EAST, LEGON, TRINITY
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1.1 Introduction

The Strategic Leadership examination for Financial Services allowed students to exhibit their comprehension and practical application of fundamental principles related to leadership and strategy, governance and ethics, and Risk and Sustainability. This report presents a detailed analysis of key observations, overall performance trends, notable strengths, and improvement areas.

1.2 Comments on Candidates' Performance

Some students exhibited limitations in effectively applying analytical skills in conjunction with a thorough understanding of the questions. They struggled to integrate critical thinking and evidence-based reasoning to explore diverse perspectives. For instance, a well-rounded analytical approach requires students to articulate insightful viewpoints, demonstrate problem-solving abilities, assess situations critically, and comprehend the broader context of the scenarios, which entails identifying issues, synthesizing relevant information, recognizing patterns, and drawing logical conclusions.

Out of the thirty (30) examination papers marked, twelve students (12), representing 40%, passed the paper. While this indicates some level of achievement, there remains significant room for improvement. The majority of students failed question five (5). Only eleven (11) out of thirty (30), representing 37%, passed, while nineteen (19), representing 63%, failed. Thirteen (13), representing 43%, passed question four (4), and seventeen (17), representing 57%, failed question four. Thirteen (13) representing 43% passed question three (3), and seventeen (17) representing 57% failed question three. Twelve (12) representing 40% passed question two, and eighteen (18) representing 60% failed question two. The cheapest question was question one. Twenty-four (24) out of (30), representing 80% passed question one, and six (6) representing 20% failed question one.

1. 3. Summary Statistics of the Performance per the format in the table below.

Total No. of Candidates	Question No.	No of the Candidates Attempted each Question	% of candidates attempted each question	NO. Passed	NO. Failed	% Passed	% Failed
30	One	30	100	24	6	80	20
	Two	30	100	12	18	40	60
	Three	30	100	13	17	43	57
	Four	30	100	13	17	43	57
	Five	30	100	11	19	37	63
	Six						
	Seven						
	Eight						
	Nine						
	Ten						
	Eleven						

2.1 General Problems Identified

Many students interpreted the questions differently, resulting in answers that did not align with the examiners' expectations. Students do not have the mastery skills of analyzing, examining, and assessing a phenomenon to arrive at a logical viewpoint and conclusion. Some students failed to align their responses with the official marking scheme. In particular, there was a clear gap in understanding the question and providing the correct answers in the context of the prevailing case study. Additionally, some students did not add question numbers on their scripts, and the examiner had to elicit the question number from the content.

The examiner allowed flexibility in the grading process so long as students presented a well-reasoned argument and perspectives that, while differing from the official marking scheme, remained equally valid and appropriate. This approach fosters critical thinking and creativity, promoting broader perspectives and feedback to enrich future efforts.

3.0 Specific Comments on each Question

3.1 Question One A:

The Task for the students was to examine the leadership style the board should adopt to respond to the emerging industry and regulatory challenges. It was a straightforward question. Most students aligned their answers to the official marking scheme. However, a few students found it challenging and provided the theoretical aspects of different types of leadership without applying the practical context to the scenario. The following are key points for inclusion in the answers:

1. Examine the prevailing leadership style in Simple Bank PLC, demonstrating how it seamlessly integrates classical and modern management theories to create a comprehensive approach to team guidance. Highlight how this fusion harnesses the strengths of both frameworks to cultivate a well-balanced environment that promotes efficiency, innovation, and customer satisfaction, ultimately driving the bank's success. Use relevant examples in the case study to buttress your point.
2. Highlight Simple Bank's agility in assessing the pace of transformation required for the bank to maintain its competitive edge amid internal challenges and external pressures. Emphasize the importance of an agile and transformational leadership style in ensuring adaptability and sustained growth in a dynamic financial landscape.
3. Application of Agile and Transformational leadership style in response to regulatory and emerging leadership challenges:
 - Empowerment of teams to make decisions related to product development, encouraging innovation, and quick response to financial market changes
 - Communicate the mission to align team efforts with the overarching goals of improving financial inclusion.
 - Adaptive efficiency: The board needs to respond to regulatory changes and technological innovations, rapidly adjusting business strategies to seize emerging opportunities and maintain a competitive edge.
 - Promote a collaborative culture to strengthen the product development committee, IT, Finance, Marketing, and Regulatory Compliance; work together to develop holistic

financial solutions that are acceptable, marketable, and sustainable for the Simple brand.

- Promote continuous learning and self-development among staff.
- Customer-centric culture, encouraging feedback from user experience to develop user-centric financial applications and services.

3.1.1 Question One B:

The students were tasked with examining the ethical and conduct framework, proposing a strategic approach to enhancing ethical and professional conduct. Question 1b was relatively straightforward, with most students aligning their responses with the official marking scheme.

This question focused on improving workplace ethics through a dual approach, including implementing measures to reinforce ethical behaviour while mitigating unethical practices at Simple Bank. The goal was to increase revenues and reduce costs for the Bank. While many students successfully identified ethical and professional challenges, a few failed to provide the need to propose ethical practices, along with examples to support their recommendations. Key points for inclusion in students' responses:

- Distinguish between personal and institutional ethical and conduct practices in the case study:
- Individual ethical challenges in the case study include advocacy and self-interest threats, self-review threats, and intimidation threats.
- Institutional ethical and conduct challenges include: product development and product life cycle, financial crime, fraud, bribery, and corruption.
- Whistleblowing and enforcement
- Improve ethics and conduct, benchmark submitters and internal information providers for effective decision-making and operational efficiency for absolute regulatory compliance, monitor submitters' data collection, reporting, stakeholder and shareholder communication, and promote collaboration between submitters and internal information providers to drive Simple Bank PLC's success.

3.2 Question Two

The question required students to advise the Chairperson on structuring subcommittees to assure the strategic alignment of the bank with its strategic intent. Key terms in this question were subcommittee structure, strategic alignment, and strategic intent. Many students struggled with distinguishing between strategic intent and strategic alignment. Strategic intent represents the long-term vision of Simple Bank PLC, outlining a clear direction for the bank and ensuring that all activities are focused on achieving its overarching goals. There is no mutual exclusivity between strategic intent and strategic alignment. However, some students found it challenging to grasp this perspective, leading to responses that diverged from the official marking scheme.

Students were to identify gaps in the governance framework and recommend the necessary subcommittees and functional departments to guide the bank's strategic initiatives. These recommendations should provide a clear sense of purpose and ensure effective implementation of strategic objectives. Key points for inclusion in students' responses:

- Propose an intra-cross directorship structure by assessing the subcommittee. Identify areas where membership needs to be adjusted, by reducing or expanding the number of members to enhance governance. In particular, refine the alignment of audit, ICT, and risk committees to improve the effectiveness of voting procedures.
- Address the absence of a sustainability subcommittee and provide a rationale for its inclusion.
- The rise of green banking across central bank, retail, and corporate banking sectors necessitates governance oversight.
- Climate risk impact analysis is now a fundamental component of bank management, with financial implications requiring heightened recognition.
- Integrated IFRS SI and S2 requirements have strengthened the relationships among Risk, Audit, and Sustainability Board Committees, highlighting the need for closer collaboration with bank management.
- Incorporating digital solutions into green asset strategies has enhanced the link between the ICT Committee and the proposed sustainability Committee, emphasizing the significance of having a clearly defined governance framework.

The Board Sustainability subcommittee is responsible for:

- Overseeing green products and services to enhance sustainability strategy, ensuring efficiency and effectiveness.
- Raising and strategically allocating climate funds to support key initiatives.
- Keeping protocols and conventions related to climate funding and current risk to support informed board decisions.
- Ensure compliance with the Companies Act through adequate disclosures.

3.3 Question Three

This question incorporated several strategic terms, which some students found challenging to fully interpret, resulting in responses that did not fully align with the official marking scheme. The tasks required students to prepare a report for the Chief Executive Officer (CEO), ensuring to consider the board's strategic intent. The report expects to outline the key dimensions of the bank's strategic implementation program and demonstrate how the primary strategic theme, the profit target, could be effectively introduced within the organisation.

The key concepts revolve around the strategic intent, strategic implementation program, strategic theme, and profit target. The strategic intent, which is the overarching goal or vision for Simple Bank, must be established for the strategic implementation program, specific actions, initiatives, and resources to realize the strategic intent. Linking the strategic theme to the profit target, students should have demonstrated that the strategic theme for desiring profit must focus on operational excellence and growth, recognizing that the profit target is a business-level strategy for achieving profitability. Therefore, students were required to estimate the interest income generated from corporate lending, SME lending, Personal lending, fees, and commission from all customers, including transactional customers, under stressed economic conditions. Key points for inclusion in students' responses:

- Introduction
- Vision and mission
- SWOT Analysis
- Strategic objectives
- Strategic Options:
- Porters generic strategies
- Ansoff product matrix

- Loan portfolio evaluation. Analyzing the existing loan portfolios to identify which loans may be at risk of default due to economic downturn or other stress factors.
- Estimate the likelihood of default and the potential loss if a borrower fails to meet repayment obligations.
- Calculating expected interest income from the various loans, factoring in the risk of default.
- The cost of funding for the loans is necessary for determining the net income after expenses related to the lending activities.

In summary, by estimating net stressed income, Simple Bank can better prepare for adverse economic conditions, manage risk, and make informed decisions regarding its lending strategies.

3.4 Question four

The question required students to present a Risk Appetite Statement (RAS) intended to be integrated into the Enterprise Risk Management Framework to support the board and Management in fulfilling their risk oversight responsibilities. Although the question was straightforward, the main focus was on the Risk Appetite Statement.

Surprisingly, more students failed this question than passed. Many students did not provide a Risk Appetite Statement for at least five key risk areas outlined in the question. Additionally, several students submitted risk appetite statements that did not conform to the format specified in the official marking scheme. The following is the key format for inclusion in students' answers:

- Definition of the type of risk
- Authority
- Subcategory owner, individual or group responsible for a specific subcategory of risks within Simple Bank
- Control area, risk identification and assessment, monitoring, and reporting
 - Purpose
 - Quantitative indicators
 - Qualitative indicators of risk appetite
 - No Appetite

- Limit thresholds or Assessment basis

3.5 Question five

The task assigned to the students was to develop a structured and actionable approach to sustainability strategy using insights provided by the Area Manager. However, the majority focused on integrating sustainability practices within the bank without connecting these practices to the information details shared by the Area Manager, highlighting a gap in their ability to apply knowledge effectively. In implementing a sustainability strategy for the board's consideration, using the information provided by the area manager, students should have included the following in their answers:

- Estimate the value of the transaction or exposure (calculation from data shared by the Area manager)
- Establish a profitability channel (group deposits, corporative, partial credit guarantees, reducing the level of security requirement to attract more farmers on the scheme, short-term insurance by offloading to GIRSAL to minimize risks).
- Identify the critical ESG measures, focusing on financing drought-resistant seedlings to minimize climate risk while promoting sustainability and resilience in agriculture.
- Financing market cycle completion to minimize off-taker risks, secure cash flow, and manage the critical liquidation cycle.
- Key performance indicators for the project

5. Conclusion

To strengthen knowledge application, the institute should introduce targeted interventions that promote meaningful engagement between lecturers and students, ensuring that students analyse financial concepts and banking strategies through practical and industry-relevant case studies. Lecturers must focus on differentiated instruction, active learning, and continuous assessment, equipping students with the ability to assess financial service scenarios, identify risk factors, and apply practical banking solutions. By refining their analytical skills in a real banking context, students will be better equipped to make informed decisions and drive successful outcomes in the examination.