



**Chartered  
Institute  
of Bankers,  
Ghana**

---

# **STRATEGIC LEADERSHIP IN FINANCIAL SERVICES**

---

**EXAMINER'S REPORT**

**OCTOBER 31, 2025**

**CHARTERED INSTITUTE OF BANKERS, GHANAOKPONGLO-EAST, LEGON, TRINITY  
AVENUE, PMB, GPO ACCRA ● DIGITAL ADDRESS GA-416-1116**

## Contents

<b>1.1</b>	<b>Introduction</b> .....	<b>2</b>
<b>1.2</b>	<b>Comments on Candidates' Performance</b> .....	<b>2</b>
<b>1. 3.</b>	<b>Summary Statistics of the Performance per the format in the table below.</b> .....	<b>3</b>
<b>2.1</b>	<b>General Problems Identified</b> .....	<b>3</b>
<b>3.0</b>	<b>Specific Comments on each Question</b> .....	<b>4</b>
<b>3.1</b>	<b>Question One A:</b> .....	<b>4</b>
<b>3.1.1</b>	<b>Question One B:</b> .....	<b>5</b>
<b>3.2</b>	<b>Question Two</b> .....	<b>5</b>
<b>3.3</b>	<b>Question Three</b> .....	<b>6</b>
<b>3.4</b>	<b>Question four</b> .....	<b>7</b>
<b>3.5</b>	<b>Question five</b> .....	<b>7</b>
<b>4.</b>	<b>Conclusion</b> .....	<b>9</b>

## **1.1 Introduction**

The Strategic Leadership Examination for Financial Services provides students with an opportunity to demonstrate their practical application of core principles in leadership and strategy, governance and ethics, and Risk and Sustainability within a decision-making context. This report encapsulates a comprehensive analysis of critical insights, overall performance trends, notable strengths, and areas for improvement.

## **1.2 Comments on Candidates' Performance**

Some students struggled to apply analytical competencies alongside a comprehensive understanding of the questions. Specifically, they encountered difficulties in integrating critical thinking with evidence-based reasoning to explore diverse perspectives. A robust analytical approach was necessary for nuanced viewpoints, problem-solving abilities, and evaluating complex scenarios. This process involves identifying core issues, synthesizing relevant information, discerning patterns, and formulating logical conclusions within a broader contextual framework.

Out of the forty-eight (48) examination papers marked, eighteen students (18), representing 37.5%, passed the paper. The pass rate has decreased by 6.25% compared to the last exam. There is still significant room for improvement. The majority of students failed question three (3). Only eleven (7) out of forty-eight (48), representing 15%, passed, while forty-one (41), representing 85%, failed. Twenty-five (25), representing 52%, passed question four (4), and twenty-three (23), representing 48%, failed question four. Thirteen nine (39) representing 81% passed question five (5), and only nine (9) representing 19% failed question five. Thirty (30), representing 63%, passed question two, and eighteen (18), representing 37% failed question two. Twenty-five (25) representing 52% passed question one, whereas 23 representing 48% 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
48	One	48	100	25	23	52%	48%
	Two	48	100	30	18	63%	37%
	Three	48	100	7	41	15%	85%
	Four	48	100	25	23	52%	48
	Five	48	100	39	9	81%	19%
	Six						
	Seven						
	Eight						
	Nine						
	Ten						
	Eleven						

### 2.1 General Problems Identified

A significant number of students interpreted the questions in varied ways, leading to responses that diverged from the examiner's expectations and did not consistently adhere to the official marking scheme. It highlighted a noticeable disconnect between the intended meaning of the questions and the answers provided, particularly in relation to the context of the case study.

However, the examiner adopted a flexible grading approach, accepting alternative responses that demonstrated sound reasoning and offered perspectives that, while not aligned with the marking scheme, were nonetheless valid and appropriate. This inclusive evaluation method encourages critical thinking and creativity, fostering diverse viewpoints and feedback that can enhance future learning experiences.

### 3.0 Specific Comments on each Question

#### 3.1 Question One A:

The Task for the students was to examine the leadership **qualities** the Board should provide in its attempt to respond to the new Sandbox requirements and establish an appropriate Information Security Management System (ISMS) center to provide operational resilience. Students could have made it easier by identifying the key concepts in the question to facilitate their answers. Most students aligned their answers to the official marking scheme. However, students found it challenging. Whereas some managed to elicit leadership qualities needed to respond to the new regulatory Sandbox framework, focusing on appropriate ISMS to guarantee operational resilience at Simple Bank, others were totally lost because they did not get clarity on the question and discussed leadership models that they failed to contextualize to the required scenario. The following are some key points for inclusion in the answers:

1. Students should demonstrate their understanding of Sandbox – a regulatory framework designed to support Financial Services Providers and Fintechs in testing innovative products, services, and business models under relaxed regulatory conditions, and the need for quality leadership of the board to ensure solutions evaluated by Sandbox align with Sections 14 - 18 of the Bank and Specialized Deposit-taking Institutions Act 2018.
2. Students must focus on strategic leadership for Sandbox compliance, understanding the regulatory expectations, and how board members should understand the sandbox framework and its implications for innovation, risk, and compliance.
3. Governance framework to accelerate the implementation of the ISMS center
4. Commitment to Information Security Management System (ISMS) and ISO 270001 standards.
5. Establishing ISMS requires leadership that prioritizes security and resilience.
6. Institutionalized internal communication on the importance of security to all employees.
7. Commitment to invest in security

### 3.1.1 Question One B:

The task for the students was to examine the corporate governance strategies that the Board of Blue Bank should implement to enhance the bank's governance. Question 1b was relatively straightforward. However, a significant number of students did not fully comprehend the question and failed to align with the official marking scheme.

To optimize governance at Blue Bank, the board should implement robust oversight structures, accountability mechanisms, and strategic risk management aligned with regulatory standards. Breakdown of key corporate measures the board should prioritize:

- Increase the Board size to include Muslim Directors who understand Shariah.
- Enhance board composition and competence – appoint directors with diverse skills in banking, risk, technology, and compliance. Ensure independence of non-executive directors to promote objective oversight.
- Opportunity Windows: Decide on whether the strategy is a temporary opening in the market or regulatory environment that the bank can exploit
- Functional or departmental windows: Implementing strategy through existing departments or functions. IT, Operations, Marketing, etc.
- Establish Sharia Research Function, risk, and research functions to ensure Sharia compliance.
- Enhance the effectiveness of the Audit, IT, and Risk Committees to ensure robust oversight of payment and settlement systems, corporate reporting integrity, and liquidity risk management.
- Board training in cybersecurity and Islamic finance.

### 3.2 Question Two

The question required students to assess the main ethical and conduct policy failures in the cash collection center, primarily involving weak internal controls, poor staff conduct, and a lack of accountability mechanisms. These failures undermined trust, exposed the bank to financial and reputational risk, and highlighted governance issues. The following is a breakdown of key points for inclusion in the answer:

- Candidates should articulate key principles of ethical conduct and control – such as conflict of interest, familiarity threat, and self-review threat and critically evaluate how the risk and audit functions should have identified and addressed these issues to prevent fraud.
- Candidates should articulate key learning points, emphasizing that effective conduct management involves soft factors such as timeliness, workflow coordination, and behavioral awareness. Staff whose roles mirror customer activities must be subject to strict oversight to prevent misconduct.
- Additionally, identified potential red flags promptly, documented in the risk register, and actively managed by the Risk Management Department.

### 3.3 Question Three

This question was the most commonly answered incorrectly on the exam. Students were to assess the board's choice to adopt an integrated strategy that merges conventional and non-conventional banking. The main concepts focus on the implementation of both banking strategies. Unfortunately, candidates struggled to identify the critical elements of the question and provided answers that did not align with the official marking scheme. The following are some key points for inclusion in your answer:

- Conduct a comprehensive analysis of Blue Bank's strengths and weaknesses across all the customer segments, focusing on operational capabilities, product offerings, and service delivery.
- Assess the external environment to identify opportunities and threats affecting each segment, including market trends, competitive pressures, and regulatory dynamics.
- Determine strategic gaps and propose actionable measures to achieve growth targets, such as:
  - expanding market penetration through increasing loan limits
  - Providing targeted financing to SMEs seeking to retool..
  - Facilitating loan syndication to optimize funding, capital allocation, and profitability in the corporate sector.
- Discuss the operational limitations and recommend control mechanisms to ensure successful execution, including:
  - communication strategies

- Deployment of call centers and relationship banking to enhance customer engagement and service continuity

### **3.4 Question four**

The question was straightforward, requiring candidates to examine the main emerging risks that Blue Bank would face in implementing its strategies. The candidate must take cognizance of the bank's strategies for implementation; ISMS, conventional, and non-conventional banking, and the nature of Islamic banking and the risks it poses.

The following are some key points for inclusion in the answer:

- Candidates must demonstrate that Blue Bank PLC currently operates within the defined risk appetite, with key risk performance indicators showing no significant exposure to conventional risk management challenges.

However, when assessing the transition to non-conventional Islamic Finance, candidates must identify and explain the following key risk considerations:

- Anti-Money Laundering (AML) and combating the Financing of Terrorism (CFT). Due to the unique nature of Islamic contract-based products, there is heightened complexity in monitoring and compliance.
- Liquidity risk: Islamic finance faces limitations in monetary policy tools and instruments, which can constrain liquidity management and short-term funding flexibility to support Islamic Finance.
- Return Measurement Standards: The absence of interest-based returns presents challenges when benchmarking deposits and investment performance, as well as in recovering associated costs.

### **3.5 Question five**

Question five emerged as the most successfully answered item in this exam session, not because of its numerical demands, but due to its clear link to decision-making. Candidates were asked to apply their binomial principles to assess project viability by weighing the probability of success (POS) against the Probability of Failure (POF). While the question aimed to test their ability to make informed decisions under uncertainty, many candidates extended their responses far beyond the scope, introducing detailed project proposals and adjustments that were not required.

The examiner focused on the correct use of formulas and the logical process to derive answers. As a result, candidates earned marks for applying the right formula and demonstrating sound calculations,

even if their final answers were incorrect or not fully aligned with the marking scheme. The following are some key points for inclusion in the answer:

Candidate must establish the key components to the answer:

- Binomial probabilities to estimate the chance of the POS project success.
- Net Present Value (NPV) to assess financial viability.
- Expected Value to combine outcomes based on their probabilities.

**(i) Estimating Probability of Success (POS)**

The project has multiple risk factors, each with a probability of failure:

- Risk 1: 25% failure → 75% success
- Risk 2: 22% failure → 78% success
- Risk 3: 25% failure repeated over 5 years →  $0.75^5 = 0.2373$

From the data, the estimated **POS** is:

$$\text{POS} = (1-0.25)(1-0.22)(1-0.25)^5 = 0.75 \times 0.78 \times 0.2373 \approx 0.192$$

**(ii) NPV if Project Succeeds**

- Initial investment: –USD 1 million
- Future earnings: USD 16 million in year 7
- Discount rate: 18% annually

**NPV formula:**

- $$NPV = -1 + \frac{16}{(1.18)^7} \approx -1 + 5.02 = 4.02 \text{ million}$$

**(iii) NPV if Project Fails**

- Only the initial investment is lost: –**USD 1 million**

**(iv) Expected NPV**

Weighted average of success and failure outcomes:

$$\text{Expected NPV} = (0.192 \times 4.02) + (0.808 \times -1) = 0.77184 - 0.808 = -0.03616 \text{ million} = -\text{USD}36,160$$

**(v) Decision-making**

Based on its negative NPV, the recommendation is to reject the loan or project financing request.

#### **4. Conclusion**

To strengthen the application of knowledge, the institute should introduce targeted interventions that foster meaningful interactions between lecturers and students. It includes integrating industry-relevant case studies that encourage students to analyze financial concepts and banking strategies in real-world contexts. Lecturers should adopt differentiated instruction, promote active learning, and utilize continuous assessment to build students' capacity to evaluate financial service scenarios, identify risk factors, and formulate effective banking solutions.