

**INSTITUTE OF BANKERS IN MALAWI**

**ADVANCED DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: STRATEGIC MANAGEMENT (IOBM – AD 313)**

**Date: Tuesday, 24th November 2020**

**Time Allocated: 3 Hours (08:00 – 11:00 Hours)**

**INSTRUCTIONS TO CANDIDATES**

1 This paper consists of **TWO** Sections, A and B.

2 Section A consists of 4 questions; each question carries 15 marks. Answer **ALL** questions.

3 Section B consists of 3 questions; each question carries 20 marks. Answer **ANY TWO** questions.

4 You will be allowed **10 minutes** to go through the paper before the start of the examination when you may write on this paper but not in the answer book.

5 Begin each answer on a new page.

6 **Please write your examination number on each answer book used. Answer sheets without examination numbers will not be marked.**

7 All persons writing examinations without payment will risk expulsion from the Institute.

8 If you are caught cheating, you will be automatically disqualified in all subjects seated this semester.

9 DO NOT open this question paper until instructed to do so.

**SECTION A (60 MARKS)**

Answer **ALL** questions from this section

**QUESTION 1**

Briefly explain the following terms:

1. Business Goals
2. Strategic objectives.
3. Emergent Strategies. **(Total 15 marks)**

**QUESTION 2**

1. What is the difference between mission statement and vision statement? (*6 marks)*
2. Your bank is developing a strategy. The bank’s wish to incorporate in the strategic plan, strategic objectives which are directed toward generating greater profits while providing quality service to its customers.

**Required**

State **three** benefits for incorporating strategic objectives in the strategic plan. *(9 marks)*

**(Total 15 marks)**

**QUESTION 3**

Explain how an organisation’s culture which is rather inwards looking and complacent can affect its competitive advantage in the markets in which it competes. **(Total 15 marks)**

**QUESTION 4**

1. Briefly explain **one** limitation of the rational decision making model. *(3 marks)*
2. Mention the **six** steps of decision making in a rational decision model.

*(12 marks)*

**(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer **ANY TWO** questions from this section

**QUESTION 5**

Innovation is said to be the lifeblood of any organisation. Encouraging employees to accept new innovation and change is therefore very important in today’s competitive banking sector.

**Required**

Explain the role of employees of an organization in the innovation process.  **(Total 20 marks)**

**QUESTION 6**

Explain the importance of leadership and motivation in the strategic implementation process. **(Total 20 marks)**

**QUESTION 7**

Explain the potential business benefits of corporate social responsibility to an organization. **(Total 20 marks)**

**QUESTION 8**

Evaluation activities are said to remain confidence not only on employees but also to current business strategies.

**Required**

1. Explain **two** characteristics of effective evaluation system*. (10 marks)*
2. Explain **two** perspectives of evaluation strategies in balanced scorecard.

*(10 marks)*

**(Total 20 marks)**

**END OF THE EXAMINATION PAPER**