

**INSTITUTE OF BANKERS IN MALAWI**

**ADVANCED DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: STRATEGIC MANAGEMENT (IOBM – AD313)**

**Date: Tuesday, 8th November 2016**

**Time Allocated: 3 hours (08:00 – 11:00 am)**

**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 4 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, 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**

1. Explain **four** reasons why a mission statement important to a bank. *(8 marks)*
2. List **seven** elements of mission statement relevant to banks. *(7 marks)*

**(Total 15 marks)**

**QUESTION 2**

1. Define the term diverse workforce. *(3 marks)*
2. Evaluate **six** benefits for having a diverse workforce in the banking sector.

*(12 marks)*

**(Total 15 marks)**

**QUESTION 3**

1. What is an organizational culture? (*3 marks)*
2. What are the **six** problems most companies experience when implementing strategic change? *(12 marks)*

**(Total** **15 marks)**

**QUESTION 4**

1. What do you understand by the term innovation? *(3 marks)*
2. Outline and explain **three** barriers to innovation. *(6 marks)*
3. Briefly describe **three** ways of overcoming barriers to innovation. *(6 marks)*

**(Total 15 marks)**

**SECTION B** **(40 MARKS)**

Answer **ANY TWO** questions from this section.

**QUESTION 5**

Backward integration is one strategy that a firm can adopt to gain competitive advantage.

**Required**

Explain **five** circumstances in which backward integration may be effective as a strategy.  *(20 marks)*

**(Total 20 marks)**

**QUESTION 6**

Explain the any **four** primary activities of the value chain.

**(Total 20 marks)**

**QUESTION 7**

Identify **four** reasons why managers should behave ethically.

**(Total 20 marks)**

**QUESTION 8**

Describe **five** positive and **five** negative effects of conflicts in an organization.

**(Total 20 marks)**

**END OF THE EXAMINATION PAPER**