

**INSTITUTE OF BANKERS IN MALAWI**

**ADVANCED DIPLOMA IN BANKING EXAMINATION**

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

**Date: Tuesday, 13th November 2018**

**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 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 books 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**

Internet fraud has become a major unethical activity in some organisations globally.

**Required**

Outline and discuss **five** business actions that can be considered unethical.

**(Total 15 marks)**

**QUESTION 2**

1. An organization’s strategic capabilities for competitive advantage are categorised into tangible and intangible resources.

**Required**

Distinguish the **two** and give an example of each. *(5 marks)*

1. (i) Explain the Value Chain and its use as developed by Michael Porter in relation

to competitive strategy. *(5 marks)*

(ii)Primary activities are those directly concerned with creation or delivery of a product or service.

**Required**

Give **five** examples of primary activities for a manufacturing business. *(5 marks*)

**(Total 15 marks)**

**QUESTION 3**

1. Outline **five** elements of a Mission Statement. (*5 marks*)
2. Give **five** characteristics of a good Mission Statement. (*5 marks)*
3. Mention **five** importance of mission statements. *(5 marks)*

**(Total 15 marks)**

**QUESTION 4**

1. Discuss the McKinsey 7 – S Framework for implementation of strategies.

*(10 marks)*

1. Most companies experience problems of some kind when implementing strategic change.

**Required**

Outline **five** problems frequently experienced. *(5 marks)*

**(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer ANY **TWO** questions from this section

**QUESTION 5**

Explain the use of innovation audit and why it is necessary to carry it out in a service company like a bank. In your answer include the steps to follow in the audit. *(20 marks)*

**(Total 20 marks)**

**QUESTION 6**

Corporate Governance is the relationship among stakeholders used to determine and control the strategic decision and performance of organizations. Identify and explain the five corporate governance mechanisms used in modern corporations. *(20 Marks)*

**(Total 20 marks)**

**QUESTION 7**

Discuss in detail, what change is, in the context of organisation and management.

**(Total 20 marks)**

**QUESTION 8**

a) Distinguish between negotiation and consultation in managing conflict giving an example of a situation in a banking environment, with clear explanation why one would be applicable and not the other. *(10 marks)*

b) In the negotiation process, there are three stages namely; pre-negotiation, negotiation itself and post-negotiation. Discuss the **two** important aspects after the negotiation has been concluded. *(10 marks)*

**(Total 20 marks)**

**END OF EXAMINATION PAPER**