

## **MODULE SPECIFICATIONS**

### **Bank Strategy, Operations and Technology (SOT)**

**Level of Study:** Chartered Banker (Level 3)

**Effective date:** 1 September 2023

**Version:** 2.1

*Inclusion of qualification time limit in Section F and module time limit in Section G*

#### **A. Module Aim**

The Bank Strategy, Operations and Technology (SOT) module develops a candidate's knowledge, understanding and skills on bank strategy and their ability to analyse the external and internal bank environments, evaluate strategic options, develop strategies, and manage its implementation through effective leadership and management of operations. A key theme of the module is the impact of digital innovations on bank strategy and operations, and how banks can harness advances in technology to help them grow and flourish in an uncertain future.

#### **B. Learning Outcomes (LO)**

Upon completion of this module, candidates will be able to:

LO1 – Construct a strategy statement that summarises a bank's mission, vision, values, and objectives, its scope, and how the bank will achieve its objectives in its chosen domain.

LO2 – Analyse a bank's strategic position in the external environment, including both the macro-economic environment and the industry or sector environment, with a focus on digital innovations that are affecting banks and banking

LO3 – Critically analyse a bank's resources and capabilities and identify the strengths and weaknesses of the bank and its products and services relative to its competitors, and the extent to which these strengths and weaknesses are capable of dealing with the changes taking place in the external environment and the opportunities and threats arising

LO4 – Evaluate a range of strategic options for a bank in relation to environmental and organisation analyses, and propose a bank strategy that supports the bank's mission, vision, values, and objectives

LO5 – assess the physical, financial and people resources a bank would require to deliver its preferred strategy, and options for acquiring them

LO6 – Assess the implications of a bank's strategy in terms of key changes that will be required, to its structures, systems, and culture, and propose how these could be managed through effective leadership and management of operations.

**C. Learning Method** – as offered by Chartered Banker Institute, UK

1. Delivery methodology

- Self-study
- Self-assessment and reflective activities
- Case studies
- Online discussion forums
- Online knowledge checks at the end of each unit
- Applying learning at work
- Reviewing and reflecting on current practice
- Creating a personal development plan to develop candidates' skills and further enhance professional practice.

2. Learning resources

- An interactive study guide in pdf format.
- Textbooks and online resources for core reading.
- Recommended further reading and resources.

**D. Assessment**

Examination (Pearson-Vue Online)	MCQ	Written	Assignment	
Duration				
Format				6,000-word work-based assignment
Passing mark				60%

**E. Syllabus Outline**

#	Learning topics	Learning outcomes (LO)	Assessment criteria
1	Strategy and purpose 1.1 Defining strategy 1.2 Defining purpose 1.3 Scope and advantage 1.4 Stakeholders, governance, and social responsibility 1.5 Strategic objectives and performance measures 1.6 The Exploring Strategy Framework 1.7 Strategy statements	LO1 – Construct a strategy statement that summarises a bank's mission, vision, values, and objectives, its scope, and how the bank will achieve its objectives in its chosen domain.	1. Explain what is meant by strategy and how a bank defines its purpose. 2. Differentiate between mission, vision and values. 3. Assess the extent to which a bank's key stakeholders define its purpose and for what reasons. 4. Identify strategic objectives and key measures of performance

#	Learning topics	Learning outcomes (LO)	Assessment criteria
			<p>that typically apply to banks.</p> <ol style="list-style-type: none"> <li>5. Assess key issues for a bank's strategy according to the Exploring Strategy framework.</li> <li>6. Explain the purpose and components of a strategy statement.</li> </ol>
2	<p>Bank's strategic position</p> <ol style="list-style-type: none"> <li>2.1 Macroenvironment analysis</li> <li>2.2 Industry and sector analysis</li> <li>2.3 Identifying opportunities and threats</li> <li>2.4 Digital innovation in banking</li> </ol>	<p>LO2 – Analyse a bank's strategic position in the external environment, including both the macro-economic environment and the industry or sector environment, with a focus on digital innovations that are affecting banks and banking</p>	<ol style="list-style-type: none"> <li>1. Analyse their bank's strategic position in the external macro-economic environment by conducting a PESTEL analysis.</li> <li>2. Identify key drivers for change in banking.</li> <li>3. Evaluate the role of environmental forecasting and scenario analysis in analysing the external environment.</li> <li>4. Analyse their bank's position in the banking sector environment using Porter's 5-Forces framework.</li> <li>5. Identify opportunities for and threats to their bank arising from the external environment.</li> <li>6. Assess the extent to which digital innovations are affecting banks and the banking sector.</li> </ol>
3	<p>Bank's resources and capabilities</p> <ol style="list-style-type: none"> <li>3.1 Foundations of resources and capabilities</li> <li>3.2 Resources and capabilities as a source of competitive advantage</li> <li>3.3 Analysing resources and capabilities</li> <li>3.4 The influence of history and culture on strategy</li> <li>3.5 Analysing culture</li> </ol>	<p>LO3 – Critically analyse a bank's resources and capabilities and identify the strengths and weaknesses of the bank and its products and services relative to its competitors, and the extent to which these strengths and weaknesses are capable of dealing with the changes taking place in the external environment and the opportunities and threats arising.</p>	<ol style="list-style-type: none"> <li>1. Explain what is meant by, and the scope of, "resources and capabilities".</li> <li>2. Examine the ways in which resources and capabilities can be a source of competitive advantage.</li> <li>3. Assess the ways in which resources and capabilities can be diagnosed and evaluated.</li> </ol>

#	Learning topics	Learning outcomes (LO)	Assessment criteria
			<ol style="list-style-type: none"> <li>4. Conduct a SWOT analysis of their bank.</li> <li>5. Assess the extent to which a bank's history and culture influence its strategy.</li> <li>6. Explain the ways in which culture can be analysed.</li> </ol>
4	<p>Bank's business strategy and model</p> <ol style="list-style-type: none"> <li>4.1 Business strategy and model</li> <li>4.2 Corporate strategy and diversification</li> <li>4.3 International strategy</li> <li>4.4 The impact of digital innovations on banks' strategic choices</li> <li>4.5 Mergers, acquisitions, and alliances</li> <li>4.6 Tools and techniques for evaluating strategic options</li> <li>4.7 Bank strategic planning process and strategy setting cycle</li> <li>4.8 Elements and evaluation of a bank strategic plan</li> </ol>	<p>LO4 – Evaluate a range of strategic options for a bank in relation to environmental and organisation analyses and propose a bank strategy that supports the bank's mission, vision, values and objectives.</p>	<ol style="list-style-type: none"> <li>1. Distinguish between types of strategic options available to banks.</li> <li>2. Assess the implications for a bank's business model that arise from the concept of banks becoming an ecosystem of services.</li> <li>3. Examine the impact of digital innovations on a bank's strategic choices.</li> <li>4. Identify alternative strategy options for an established bank, for which its goal is to transition to an ecosystem model of banking.</li> <li>5. Use a range of tools and techniques to evaluate a bank's strategic options in terms of their suitability, acceptability, and feasibility.</li> <li>6. Explain what elements are typically included in a strategic plan.</li> </ol>
5	<p>Bank resources</p> <ol style="list-style-type: none"> <li>5.1 Gap analysis and the McKinsey 7-S framework</li> <li>5.2 Dynamic capabilities</li> <li>5.3 Internal capability development</li> <li>5.4 External capability development</li> <li>5.5 Financing strategy</li> </ol>	<p>LO5 – Assess the physical, financial and people resources a bank would require to deliver its preferred strategy and options for acquiring them.</p>	<ol style="list-style-type: none"> <li>1. Assess the ways in which gaps between current resources and capabilities and those required to deliver a bank's strategy can be identified and analysed.</li> <li>2. Explain the significance of the McKinsey 7-S framework in relation to assessment of resources and strategy implementation.</li> </ol>

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			<ol style="list-style-type: none"> <li>3. Assess how resources and capabilities can be developed based on “dynamic’ capabilities”.</li> <li>4. Assess the options for developing internal capability.</li> <li>5. Assess the options for acquiring the physical resources and technology required to deliver a bank’s strategy.</li> <li>6. Assess the options for financing strategy.</li> </ol>
6	<p>Bank leadership</p> <ol style="list-style-type: none"> <li>6.1 Leadership and strategic change</li> <li>6.2 Diagnosing the change context</li> <li>6.3 Types of strategic change</li> <li>6.4 Levers for strategic change</li> <li>6.5 The psychology of change</li> <li>6.6 Bank operating models</li> <li>6.7 Operating management in a digital age</li> <li>6.8 Structures and systems</li> <li>6.9 Value and value creation</li> <li>6.10 Operational thinking</li> <li>6.11 Lean thinking and continuous improvement</li> </ol>	<p>LO6 – Assess the implications of a bank’s strategy in terms of key changes that will be required to its structures, systems, and culture, and propose how these could be managed through effective leadership and management of operations.</p>	<ol style="list-style-type: none"> <li>1. Assess the ways in which the organisational context of a bank can affect strategic change.</li> <li>2. Identify and assess the value of different levers for change.</li> <li>3. Examine the approaches to, and pitfalls of, leading different types of strategic change.</li> <li>4. Assess the significance of the psychological impact of change on people and what needs to happen to get them on board.</li> <li>5. Examine what is involved in managing bank operations in a digital age and the ways in which managers can create value for the bank.</li> <li>6. Explain the ways in which operational efficiencies and effectiveness could be achieved.</li> <li>7. Examine the impact of technology on banking operations and working practices.</li> <li>8. Formulate a view on the role of a bank’s operations manager in the digital age.</li> </ol>

## F. Qualification Time Limit

The qualification time limit refers to the time allocated to candidates to complete all the required modules for a certificated programme at the respective level of study. Candidates must complete the programme within the stipulated qualification time limit upon enrolment, failing which they will lose all the passes accumulated and must re-apply to the programme.

The qualification time limit for Level 3 Chartered Banker (CB) Programme is **24 months**.

## G. Module Time Limit

The module time limit refers to the time allocated to candidates to complete and pass the module after successful registration.

The module time limit starts once candidates have successfully registered to a module. The module time limit for this module is **12 months**. Please make sure you complete your module before the module time limit expires. Candidates who did not complete within the module time limit are required to re-register the module with full payment.

For more information on the qualification and module time limit, please refer to the [AICB Membership and Qualification Regulations](#).