

TOP 20 ISSUES

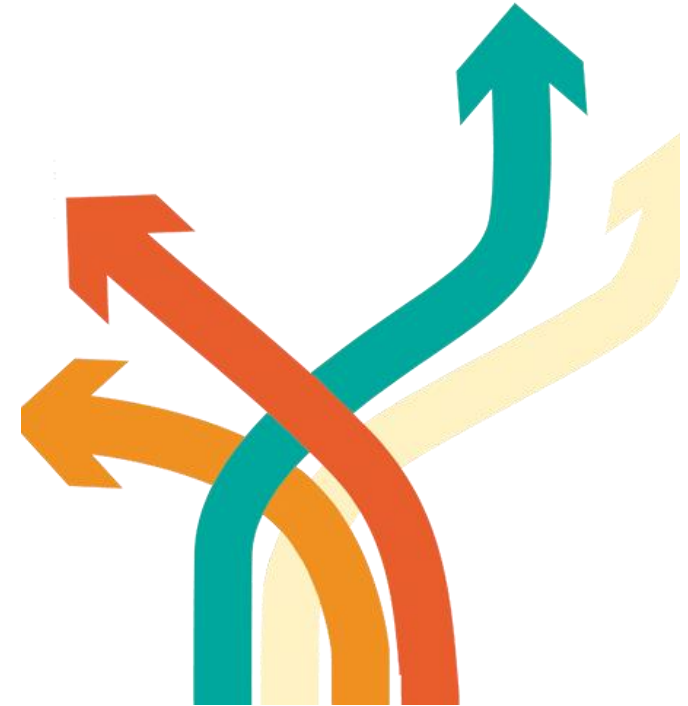
CIMA STRATEGIC CASE STUDY (SCS)

NOVEMBER 2021 / FEBRUARY 2022



1. Expansion / Diversification

- Expanding to a neighboring country
- Pursuing related diversification





2. Mergers, Acquisitions or Divestments

- Acquiring a competitor
- Merging with a competitor
- Divesting an unprofitable subsidiary
 - No such issues are highlighted in the pre-seen
 - Can be highlighted at the exam

3. Strategy formulation and Strategic options

- Formulating strategies
 - Determining the future direction
 - Reacting to changes in market dynamics



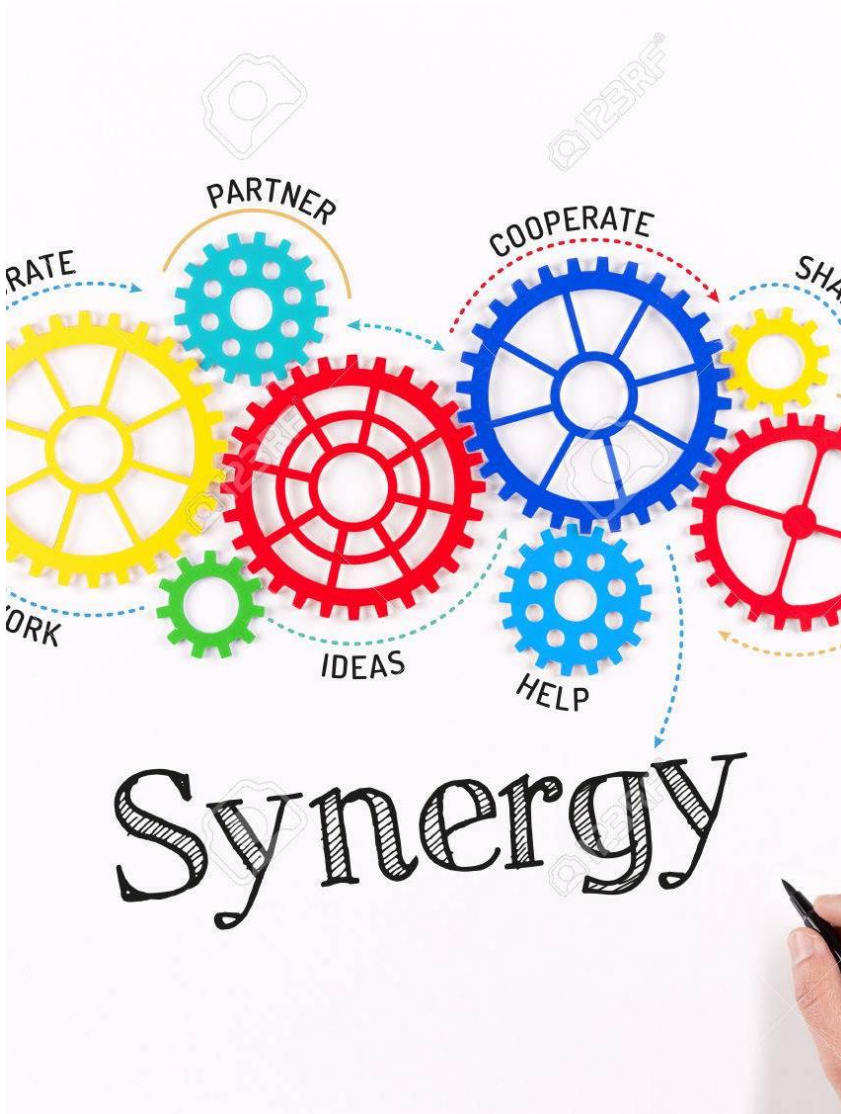
4. Strategy evaluation: SAF framework

- Suitability
 - Fulfilling mission and objectives?
- Acceptability
 - Fulfilling stakeholder needs?
- Feasibility
 - Resources and Financial capability?



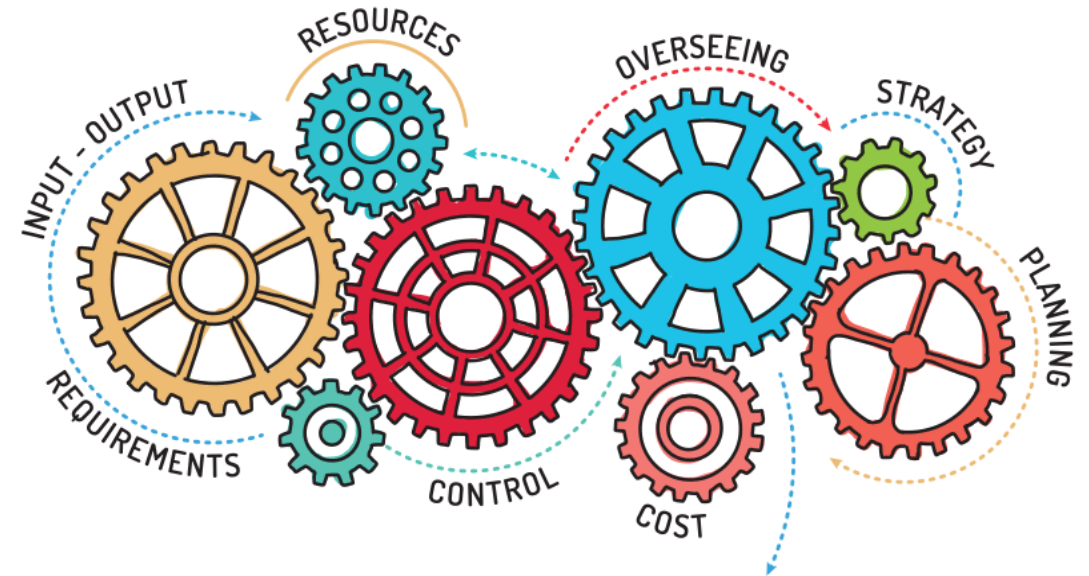
5. Evaluating synergies

- Before acquiring a company
- Before merging with a company
- Synergies post merger/acquisition



6. Operational issues

- Recommending action when faced with business issues



7. Environmental & Sustainability issues

- Application of sustainability based recommendations to a business problem



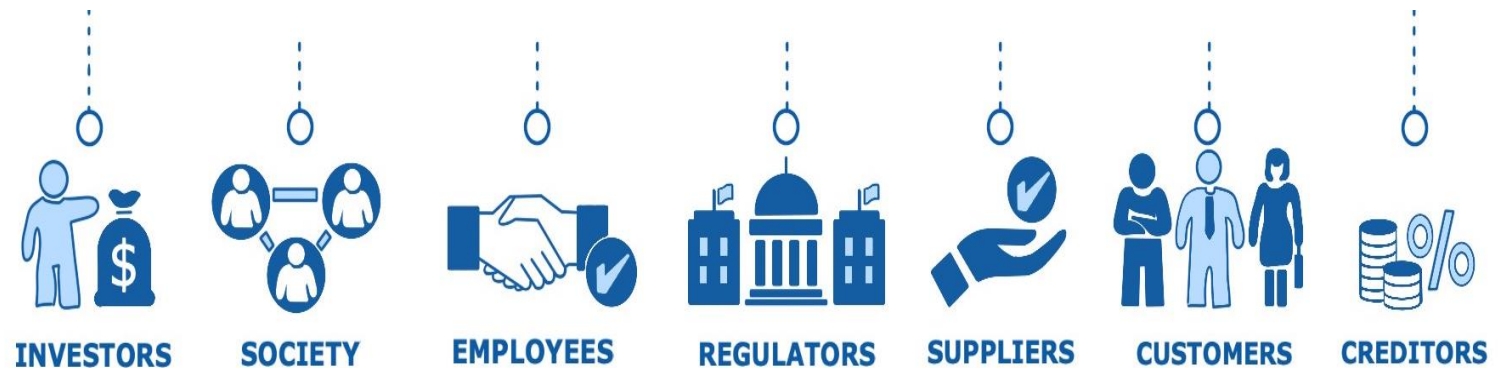


8. Technology & Digital disruption

- Managing digital disruption

9. Stakeholder management

- Managing stakeholders based on their;
 - Power
 - Interest



10. Handling a data breach

- Firefighting
- Recommending preventive action
- Stakeholder management



11. Changes in Industry dynamics and Regulations



- Action to be taken when faced with legal issues
- Action to be taken to promote adherence to law
- Corporate Political Activity

12. Internal and External events affecting share price

- Predicting share price movements
- Managing shareholder expectations





13. Developing KPIs

- Recommending Strategic KPIs to
 - Departments
 - Stakeholders



14. Handling disciplinary issues

- Recommending prompt action
- Handling disciplinary issues ethically



15. Internal Audit and Controls

- Recommending internal controls
- Evaluating the efficacy of internal controls
- Recommending action to be carried out by the IA department



16. Risk Identification, Categorization and Management

- Identifying the most important risks
- Categorization which leads to appropriate mitigatory action



17. Corporate governance and Ethics

- Recommending action in accordance to the Combined Code of CG (UK)
- Evaluating ethical behavior
 - Recommending action



18. Business Valuation

- Considering different valuation bases when pursuing
 - Expansion
 - Diversification





19. Financing Investments

- Evaluating financing options in relation to;
 - Internal control environment
 - Financial performance

20. Financing Options

- Recommending based on Gearing ratio
 - Debt?
 - Equity?



DEBT

VS.



EQUITY