

LIBF Level 6 Strategic Management & Innovation in Banking (SMIB)

Qualification Specification



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Please always review the latest document available through the website.

Purpose of the qualification

Why study Level 6 Strategic Management & Innovation in Banking (SMIB)?

The Banking sector is facing an unprecedented level of change from digital disruption, regulatory developments and changing customer behaviours.

This qualification looks at the strategy ecosystem influencers that drive change and innovation.

Strategy is a key issue for all managers and is critical to the performance of organisations. It is through the development and implementation of effective strategies that organisational goals and objectives are achieved. You will study the concept of strategy; analyse the external and internal factors that affect strategy and drive change and understand the risks and threats associated with strategic choices.

Using this strategy knowledge you will consider digital transformation and the challenges and opportunities this presents to established and new banking organisations. You will look at the strategic 'ecosystem' influencers that drive change and innovation. Following the innovation process, you will use customer journey and service design processes to deliver new products and services and consider the capabilities required to deliver these in the digital age.

Objectives

To provide individuals with the knowledge, tools and techniques to understand and respond to strategic drivers for change and digital transformation in banking and finance.

Key content areas

- The importance of strategy for banking operations
- The main external drivers and impact of the internal environment on strategy
- The changes that have brought disruption and the impact on the banking value chain, products and services
- The changing customer expectations and the need to redesign customer experience models
- The types of digital services that can be applied along the stages of the customer journey
- The role of banks in the future financial services value chain
- The new capabilities required to support the customer journey and services of a digital bank of the future

Qualification learning outcomes

On completing this qualification you will:

LO	Detail
LO1	Evaluate the different strategic management and organisational concepts and their role within a banking context.
LO2	Discuss how strategy is determined and the strategic options available within a banking context.
LO3	Analyse how strategy can be implemented, monitored and evaluated within a banking and finance context.
LO4	Evaluate how disruptive innovation is changing the banking landscape.
LO5	Understand the 'new' customer of banking products and services, their desired future experiences and changing expectations, and evaluate this impact on bank services.
LO6	Understand customer journey design principles and their application for the new banking/financial services customer.
LO7	Understand and critically evaluate the product innovation process and its application in designing new value streams.
LO8	Understand and evaluate the new capabilities required to support the customer journey and services of a digital bank of the future.

Key skills developed

The qualification will encourage students to:

- Develop a critical appreciation of strategic management within banking and financial services.
- Develop your ability to work with complex material in an uncertain and changing environment.
- Apply the tools to map the digital customer journey.
- Apply product and service innovation process to redesign the customer experience.
- Develop your ability to analyse problems and identify appropriate solutions.
- Increase your ability to work and study independently.

Entry requirements

There are no specified entry requirements. However, you should be confident in your ability to study at this level. We would strongly recommend that you have previously successfully studied at FHEQ / RQF Level 4 or 5 (or equivalent). You also need to be satisfied of your ability to study in English at this level.

Recognition of prior learning

The London Institute of Banking & Finance recognises prior learning in different forms. Potentially this means that you may not be required to register for every unit. Details of how to apply for recognition of prior learning are available on our website.

Progression and preparation for further study

This qualification provides a platform for continued study within the financial services sector and a wide range of other business-related disciplines. The qualification can be studied as a standalone award or as part of our Professional Qualifications Framework with credits counting towards achievement of Chartered status with The London Institute of Banking & Finance.

Apprenticeships

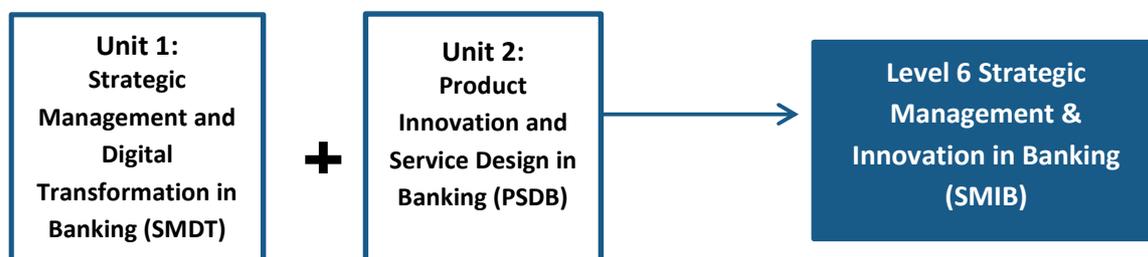
SMIB is available through the Level 6 Relationship Manager - Banking Apprenticeship Standard, the Level 6 Financial Services Professional Apprenticeship Standard and the Level 6 Senior Compliance/ Risk Specialist Apprenticeship Standard when taken as part of the Chartered Associate Programme.

Preparation for employment / professional development

This qualification has been designed for you if you are working or aspiring to work within the retail or commercial banking or group services divisions of a bank; it has been designed to develop knowledge and understanding and enhances skills that are valued within a broad range of roles in Banking.

Structure

SMIB is made up of **two units** which must be successfully completed to achieve the qualification:



The detailed unit syllabuses are available as an Appendix to this document and the latest version are available through our course site.

Total Qualification Time (TQT)

Total Qualification Time (TQT) is a prediction of the total time the typical student may need to complete the course.

TQT consists of two elements, Guided Learning (GL) and all other hours:

- GL is time spent studying under the immediate guidance or supervision of a teacher.
- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing assignment, completing homework, exam preparation, and formal assessments.

SMIB is primarily considered as a distance learning qualification assessed via assignment. The total qualification time is 300 hours.

Learning resources

Study for the SMIB unit is undertaken part-time on a distance learning basis, supported by comprehensive learning materials, online forums and the support of tutors. Practical (non-academic) support is available from The London Institute of Banking & Finance Student Services.

Students are provided with the following learning resources:

- online access to the core learning materials through MyLIBF- www.myLIBF.ac.uk
- access to KnowledgeBank (virtual library) through MyLiBF
- unit syllabus
- study plan
- specimen papers
- videos and podcasts
- online learning activities
- webinars
- tutor support
- student handbook

What to do before the assessment

On registration, you will be allocated to a specific assignment session. Assignments are submitted via the course site, once submitted, all assignments are checked by TurnitinUK, an originality checking and plagiarism prevention service. Guidance on the submission process, TurnitinUK and referencing is provided on the course site as you will need to use Harvard referencing.

To prepare for all assessment elements, you should make use of all learning resources.

Assessment

All components and units are mandatory and assessed.

- Unit 1: Strategic Management and Digital Transformation in Banking (SMDT) is assessed by a single written assignment with a word limit of 3,000-3,500 words. This will contribute 50% to the final mark.

- Unit 2: Product Innovation and Service Design in Banking (PSDB) is assessed by a single written assignment with a word limit of 3,000-3,500 words. This will contribute 50% to the final mark.

There is a requirement to pass both assessment components with a pass mark of 50%.

The structure of the assessment ensures that all learning outcomes are subject to assessment.

Qualification grading

The qualification will be graded pass / distinction. To pass the qualification, you must achieve at least 50% in each Unit. To achieve a Distinction, you must achieve a minimum mark of 70% overall.

Grade	Pass mark (%)
Pass	50-69%
Distinction	70-100%

Grade classifications are pre-determined and align to the published grade descriptors available to learners.

However, the grade classifications may be subject to change under the jurisdiction of the assessment board where this is necessary to maintain standards of validity.

Individual feedback is provided for the written assignment.

Study period

SMIB has a six month study period.

Re-sit /resubmission attempts

If you do not pass an assignment, you will have the opportunity to rework and resubmit your assignment within one calendar month of receiving your results, subject to paying the appropriate fee. The mark for the resubmitted assignment will be capped at the pass mark.

If you fail the resubmitted assignment you can re-register. There are no restrictions on the number of times you can re-register. Units that have been passed can be carried over.

Appendices

Appendix 1 – Regulation detail

This document describes the regulation detail that is applicable to the qualification.

Qualification title	Level 6 Strategic Management & Innovation in Banking (SMIB)
Ofqual qualification number	603/4249/3
Qualification level	6
European Qualifications Framework (EQF) level	6
Qualification Type	Vocationally-Related Qualification
Guided learning hours	10 hours
Total qualification time	300 hours
Total credits	30
Sector Subject Area	15. Business, Administration, Finance and Law
Sub SSA	15.3 Business Management
Overall grading type	Pass/Distinction
Assessment methods	Coursework
Available in	England
Qualification for ages	19+
Operational start date	18 March 2019
Qualification description	The Level 6 Strategic Management & Innovation in Banking consists of two mandatory units. A total credit value of 30 must be obtained to achieve the qualification.

Appendix 2 – Unit 1 SMDT – Unit Details

Strategic Management and Digital Transformation in Banking (SMDT)

Unit description

This unit covers the importance of strategy for banking operations, the main external drivers of strategy and the impact of the internal environment on strategy. It covers the changes that have brought disruption to the banking sector and the impact on the banking value chain, products and services.

Unit title	Strategic Management and Digital Transformation in Banking (SMDT)
Ofqual unit reference number	Y/617/5013
Unit level	6
Unit credit value	15
Typical study hours	150

Unit 1 Assessment Methodology

- i. A written assignment. Word count of 3,000-3,500 words. Harvard referencing is required and you must submit your work through TurnitinUK.
- ii. The written assignment will contribute 50% to the final mark.
- iii. Pass mark 50%.

Unit 1 learning outcomes / assessment criteria

Learning outcome (LO) The learner will:	Assessment criteria (AC) The learner can:
LO1. Evaluate the different strategic management and organisational concepts and their role within a banking context.	1.1 Understand the concept and role of strategy. 1.2 Evaluate the main external drivers for strategic change. 1.3 Assess the impact of the internal environment on strategy. 1.4 Examine the range and value of different leadership and management strategies utilised by organisations.
LO2. Discuss how strategy is determined and the strategic options available within a banking context.	2.1 Evaluate the nature and scope of the key considerations when developing strategy. 2.2 Assess strategic options and justify the choice of the most appropriate strategy within a banking context.
LO3. Analyse how strategy can be implemented, monitored and evaluated within a banking and finance context.	3.1 The challenges of strategy implementation. 3.2 The contribution and effectiveness of a range of change management processes. 3.3 Organisational structure and impact on power and influence in financial services organisations. 3.4 Techniques for monitoring and evaluating strategy.
LO4. Evaluate how disruptive innovation is changing the banking landscape.	4.1 The importance of strategic innovation to the Banking Value Chain, products and services. 4.2 Understand how organisations are becoming data driven.

Unit 1 Indicative content

UNIT 1 SYLLABUS LOs / ACs	
LO1:	Evaluate the different strategic management and organisational concepts and their role within a banking context
AC1.1	<p>The concept and role of strategy:</p> <ul style="list-style-type: none"> • An explanation of strategy. • The importance of strategy within banking and finance. • The role of strategy in an organisation. • The different levels of strategy within an organisation. • The strategic planning framework.
AC1.2	<p>The main external drivers for strategic change:</p> <ul style="list-style-type: none"> • Managing and planning strategically within the dynamic PESTEL environment. • The inter-linkages between the drivers for change and the complexity that such inter-relationships produce for the strategy managers. • The specific forces that shape competitiveness in a given industry by applying Porter's Five Forces. • Corporate and social responsibility, ethics and their impact on strategy.
AC1.3	<p>The impact of the internal environment on strategy:</p> <ul style="list-style-type: none"> • Ways of analysing an organisation's strategic capabilities (resource, competence and capabilities). • An organisation's financial and physical resources and competencies. • The specific capabilities for achieving and sustaining competitive advantage, the criteria for their evaluation and tools for diagnosing strategic capabilities (the value-chain and value network and activity maps). • Stakeholder expectations and stakeholder mapping. • An organisation's culture (its nature, scope and purpose). • Corporate governance as a strategic driver in organisations.
AC1.4	<p>The range and value of different leadership and management strategies utilised by organisations:</p> <ul style="list-style-type: none"> • The range of leadership and management strategies. • The impact of different leadership and management styles on motivation, organisational morale and a team's (physical and/or virtual) performance. • The internal development, selection and training of leaders and managers and the differences between them. • The need for and impact of emotional intelligence in leaders and managers.
LO2:	Discuss how strategy is determined and the strategic options available within a banking and finance context.
AC2.1	<p>The nature and scope of the key considerations when developing strategy:</p> <ul style="list-style-type: none"> • Business level strategy. Including the range of generic competitive strategies that financial service organisations can adopt, Porter's generic strategies, the strategy clock and customer value propositions. • The bases of sustainable competitive advantage in the banking and finance industry. • Interactive strategies and the hyper-competitive environment and Game theory. • Corporate Strategy – Ansoff's matrix (market penetration, product/serviced development, market development, diversification).

UNIT 1 SYLLABUS LOs / ACs	
	<ul style="list-style-type: none"> • The concept of ‘corporate parenting’ (portfolio management, synergy management and parental development). • International Strategy - drivers and market entry. • Methods of strategy development. • Diversification and managing a diversified organisation- vertical and international drivers and diversification of risk.
AC2.2	<p>Strategic options and strategy appraisal within a banking context:</p> <ul style="list-style-type: none"> • The evaluation criteria for strategic choice, e.g. the SFA framework (suitability, feasibility and acceptability). • The use of a gap analysis to measure the performance of banking and finance organisations and inform the choice of future strategies. • The risks and threats associated with a strategy. • Evaluating the directions in which strategy can develop.
LO3	Analyse how strategy can be implemented, monitored and evaluated within a banking and finance context
AC3.1	<p>The challenges of strategy implementation:</p> <ul style="list-style-type: none"> • Communicating strategy and effective leadership. • Organisational culture, politics and their impact on strategy implementation. • Managing organisational culture: the relationship between culture, structure and systems. • The challenges of leading and managing cultural change.
AC3.2	<p>The contribution and effectiveness of a range of change management processes when implementing strategy:</p> <ul style="list-style-type: none"> • Organisational change techniques and models. • The impact of change and reactions to change. • Change versus stability - why change can fail.
AC3.3	<p>Organisational structure and impact on power and influence in organisations:</p> <ul style="list-style-type: none"> • Introducing organisational structure. • Power and influence in organisations. • Contemporary issues and trends in organisational structure.
AC3.4	<p>Techniques for monitoring and evaluating strategy:</p> <ul style="list-style-type: none"> • Control and decision-making. • Internal and external forms of control. • Monitoring and evaluating strategy.
LO4	Evaluate how disruptive technology is changing the banking landscape
AC4.1	<p>The importance of strategic innovation in financial services organisations:</p> <ul style="list-style-type: none"> • The concept of disruptive innovation. • External influences that have changed the landscape that banks operate in: technology supply and demand (eg customer use of mobile devices), regulatory changes (PSD2) and non-bank competition. • Disruption and the impact on the Banking Value Chain, products and services.
AC4.2	<p>Becoming a data driven organisation</p> <ul style="list-style-type: none"> • Impact on culture, infrastructure, strategy, digital vs data products and talent.

Appendix 3 – Unit 2 PSDB - Unit Details

Product Innovation and Service Design in Banking (PSDB)

Unit description

This unit covers changing customer expectations and the need to redesign customer experience models; the types of digital services that can be applied along the stages of the customer journey; the role of banks in the future financial services value chain and the new capabilities required to support the customer journey and services of a digital bank of the future.

Unit title	Product Innovation and Service Design in Banking (PSDB)
Ofqual unit reference number	D/617/5014
Unit level	6
Unit credit value	15
Typical study hours	150

Unit 2 Assessment Methodology

- i. A written assignment. Word count of 3,000-3,500 words. Harvard referencing is required and you must submit your work through TurnitinUK.
- ii. The written assignment will contribute 50% to the final mark.
- iii. Pass mark 50%.

Unit 2 learning outcomes / assessment criteria

Learning outcome (LO) The learner will:	Assessment criteria (AC) The learner can:
LO5. Understand the 'new' customer of banking products and services, their desired future experiences and changing expectations, and evaluate this impact on bank services.	5.1 Understand the product innovation process for a digital service. 5.2 Recognise the customer models across the different business lines within a bank. 5.3 Evaluate the impact of changing customer expectations across different customer models in banking. 5.4 Evaluate customer needs across different customer models and how this relates to the customer persona.
LO6. Understand customer journey design principles and their application for the new banking/financial services customer.	6.1 Understand the benefits of customer journey design as a process and application within banks. 6.2 Evaluate the customer journey process and how to use it to facilitate new and improved customer experiences. 6.3 Recognise the types of digital services that can be applied along the stages of the customer journey to improve the customer experience, to create a 'sticky experience', and to form a digital customer journey.
LO7. Understand and critically evaluate the product innovation process and its application in designing new value streams.	7.1 Critically evaluate the impact of a customer journey transformation gap on a value stream as part of the service design process.
LO8. Understand and evaluate the new capabilities required to support the customer journey and services of a digital bank of the future.	8.1 Critically analyse the role of banks in the future financial services value chain. 8.2 Evaluate the services required to support the customer journeys of the future. 8.3 Evaluate what a digital bank looks like in the future and the capabilities required to support this future digital bank.

Unit 2 syllabus (indicative content)

UNIT 2 SYLLABUS LOs / ACs	
LO5:	Understand the ‘new’ customer of banking products and services, their desired future experiences and changing expectations, and evaluate this impact on bank services.
AC5.1	Understand the product innovation process: <ul style="list-style-type: none"> • Stages in the product innovation adoption process • Business agility and the role of project management • Skills and culture needed for business innovation • Co-creation and the benefits to the customer experience
AC5.2	Recognise customer models across the different business lines across a global bank covering: <ul style="list-style-type: none"> • Customer models • Customer models in the banking ecosystem
AC5.3	Evaluate the impact of changing customer expectations across different customer models in banking: <ul style="list-style-type: none"> • Changing customer expectations across and between the different banks • The new customer models that banks need to consider
AC5.4	Evaluate customer needs across different customer models and how this relates to the customer persona: <ul style="list-style-type: none"> • What is a customer persona • Why they are needed • The use of customer data • How personas influence the design of customer experience
LO6:	Understand customer journey design principles and their application for the new banking/financial services customer.
AC6.1	Understand the benefits of customer journey design, including its role in: <ul style="list-style-type: none"> • Service design and the product innovation process in a changing banking and financial services ecosystem/landscape. • Business transformation and Value Chain design to deliver growth and ROI for banks and financial services institutions.
AC6.2	Examine the customer journey design process: <ul style="list-style-type: none"> • The stages in the journey where the customer experiences banking products and services. • The criteria and characteristics that need to change along the stages of the customer journey to improve the customer experience and/or change and manage customer behaviours.
AC6.3	<ul style="list-style-type: none"> • Understand the digital services that can be used along the different stages of the customer journey to attract new customers to a new product or service.

	<ul style="list-style-type: none"> • Identify the ways to encourage repeat engagement and create a ‘sticky experience’. • Forming a digital customer journey and its application for a new product or service.
LO7:	Understand and critically evaluate the product innovation process and its application in designing new value streams
AC7.1	<p>Critically evaluate the impact of a customer journey transformation gap on a value stream as part of the service design process:</p> <ul style="list-style-type: none"> • Users and user groups • Key Performance Indicators (KPIs) including Capacity Management • Regulations and Compliance • Systems and Technology Applications • Data inputs and Outputs • Service triggers and outcomes • Capabilities in the value stream process including gap analysis
LO8:	Understand and evaluate the new capabilities required to support the customer journey and services of a digital bank of the future
AC8.1	<p>Recognise the role of banks in the future financial services value chain:</p> <ul style="list-style-type: none"> • Understand how the future value chain of financial services will extend into a value ecosystem • Consider the potential role of banks in the new ecosystem. • Consider the impact for managers: <ul style="list-style-type: none"> - Stakeholders and Customers - Operational considerations - Capabilities and mindset/culture
AC 8.2	<p>Examine what capabilities are required to support a future digital bank covering:</p> <ul style="list-style-type: none"> • People and skills • Processes to support the services and customer journeys • Data and information management • Technology and Systems • Location including how, where and when innovation will take place