



CIMA STRATEGIC CASE STUDY

Vennlisk

COMPLETE PRE-SEEN ANALYSIS

November 2026 – February 2027

PREPARED BY

MSL Business School

INDEPENDENT EDUCATIONAL ANALYSIS OF THE OFFICIAL
CIMA PRE-SEEN MATERIAL



CIMA STRATEGIC CASE STUDY

Preparing for the November 2026 or February 2027 SCS?

This free analysis is designed to help you understand Vennlisk and the business behind the pre-seen.

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BEFORE YOU BEGIN

About this analysis

The Strategic Case Study does not reward candidates for simply knowing the fictional organisation. It tests whether they can operate as a Senior Finance Manager: understand a complex business situation, identify what matters, evaluate strategic and financial consequences, consider risk and control, and give practical advice to senior management and the Board.

That is the approach taken in this analysis. The first part of the document explains Vennlisk and the facts contained in the pre-seen. The second part is organised around the five core activities assessed in the Strategic Case Study.

- 1 What is Vennlisk's strategic position?
- 2 Which strategic choices could affect its future?
- 3 How could changes in its business ecosystem affect stakeholders and strategic objectives?
- 4 How should major strategic decisions be financed and evaluated?
- 5 What risks, ethical issues and cyber threats require Board attention?
- 6 Does Vennlisk have the governance, internal control and internal audit capability needed to support its strategy?

The pre-seen should therefore be read as the starting point for senior-level decision-making rather than as a collection of facts to memorise. Service quality, people, technology, financing, risk, governance, sustainability and shareholder value are connected. The strongest SCS analysis sits in those connections.

YOUR ROLE IN THE CASE

The Senior Finance Manager's perspective

CASE FACT · ROLE
CANDIDATE

Senior manager, finance function

REPORTS DIRECTLY TO

The Board

PRIMARY ROLE

Advise on special projects and strategic matters

This is a senior advisory role. The examination is therefore not asking the candidate to behave primarily as an operational manager or to produce technical calculations in isolation.

A Senior Finance Manager should be able to understand the strategic problem, evaluate alternatives, consider the financial consequences, identify risks and stakeholder effects, assess whether appropriate governance and controls exist, and make a recommendation that the Board can act upon.

A · 15–25 %	B · 15–25 %	C · 15–25 %	D · 15–25 %	E · 15–25 %
DEVELOP BUSINESS STRATEGY	EVALUATE BUSINESS ECOSYSTEM AND BUSINESS ENVIRONMENT	RECOMMEND FINANCING STRATEGIES	EVALUATE AND MITIGATE RISK	RECOMMEND AND MAINTAIN A SOUND CONTROL ENVIRONMENT
Strategic options	Strategic objectives	Sources of finance	Risk evaluation	Internal audit
Strategic decisions	Strategic analysis	Dividend policy	Risk register	Controls
Digital opportunities and threats	Stakeholders	Business valuation	Ethical dilemmas	Compliance failures
Acquisitions and divestments	Ecosystem change		Cyber risk	Governance
Sustainability responses	Strategic KPIs		Internal controls	
	Economic, political and currency risk			

UNDERSTAND

→ EVALUATE

→ EXERCISE JUDGEMENT

→ RECOMMEND

YOUR ROLE IN THE CASE

Who runs Vennlisk?

Vennlisk combines executive directors responsible for running the business with independent non-executive directors responsible for oversight and challenge.

EXECUTIVE LEADERSHIP

Chen Yue

CHIEF EXECUTIVE OFFICER

Electronic engineer specialising in telecommunications.

NON-EXECUTIVE DIRECTORS

Murat Mutlu

NON-EXECUTIVE CHAIR

Kyle Keimer

SENIOR INDEPENDENT DIRECTOR

Mirjana Churlin

INDEPENDENT NON-EXECUTIVE
DIRECTOR

Alaor Leite

INDEPENDENT NON-EXECUTIVE
DIRECTOR

Farrukh Jamil

HUMAN RESOURCES DIRECTOR

Staff recruitment · Staff retention · Staff training · Health and safety

Dr Maria Chandler

OPERATIONS DIRECTOR

Call-centre operations · Software development · Sustainability

Tshepo Batane

CHIEF FINANCIAL OFFICER

Financial reporting · Management accounting · Treasury

Noor Ebbini

MARKETING DIRECTOR

Marketing · Client liaison · Public relations

BOARD COMMITTEES

Audit · Risk and Sustainability · Remuneration · Nomination

INTERNAL AUDIT

Vennlisk's Chief Internal Auditor reports to the convener of the Audit Committee.

WHY THIS MATTERS

The Board structure becomes important when the case introduces strategic investment, technology, risk, remuneration, sustainability, financial reporting or governance issues.

The SCS candidate should ask not only what management should do, but also who should challenge, approve, monitor and obtain assurance over the decision.

VENNLISK AT A GLANCE

The company in figures

CASE FACT

5 Call centres	5,000 Agents	1994 Founded	2002 Quoted on the Westlandian stock exchange	W\$12,370.0m 2026 revenue
W\$1,451.0m 2026 operating profit	W\$770.8m 2026 profit after tax	W\$5,460.0m Borrowings	c. W\$100 Recent share price referred to in the pre-seen	0.48 Beta

MSL INSIGHT

Vennlisk enters the case with improving revenue and profitability, substantial scale and an established reputation for service quality. The question raised by the pre-seen is less about whether the business has demand today and more about whether its labour-intensive domestic model can remain competitive as artificial intelligence develops and lower-cost overseas providers compete for the same work.

THE BUSINESS

What Vennlisk sells

Vennlisk sells inbound customer-service capability to organisations that choose not to operate all of that capability themselves. The product is assembled from several elements that clients experience together.

ACCESS	CLIENT KNOWLEDGE	PROBLEM RESOLUTION	CUSTOMER EXPERIENCE	SCALABILITY	TECHNOLOGY	TRUST
Someone is available when the caller requires support.	Agents understand the client, its services, products and procedures.	Questions, requests and transactions are dealt with effectively.	The agent represents the client and affects how the caller feels about that organisation.	Clients can obtain call-handling capacity without developing the entire operation internally.	Call routing, customer information and supporting systems help agents deliver the service.	Vennlisk accesses sensitive information and deals directly with clients' customers.

A weakness in any of these areas can therefore affect how the client evaluates Vennlisk as a whole.

CASE FACT

Most Vennlisk clients use dedicated inbound call centres, although some use shared arrangements.

MSL INSIGHT

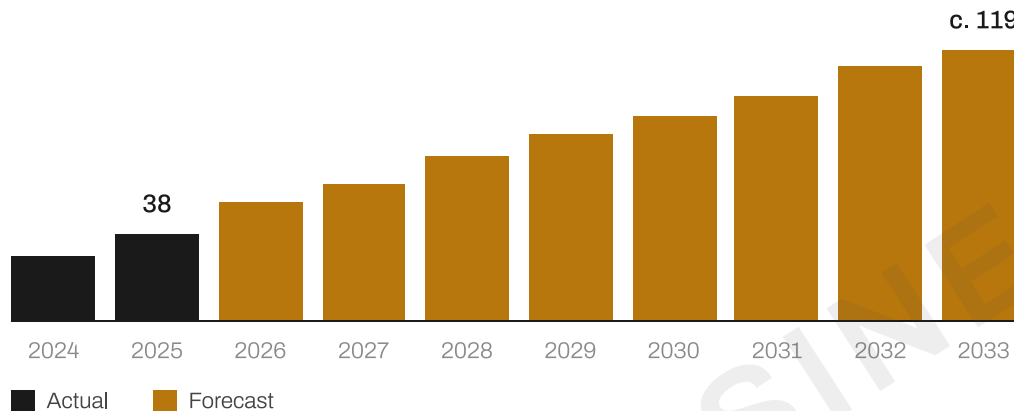
Vennlisk does not merely sell agent time. It sells the client's ability to outsource part of its customer relationship without losing control of the quality of that relationship.

THE BUSINESS

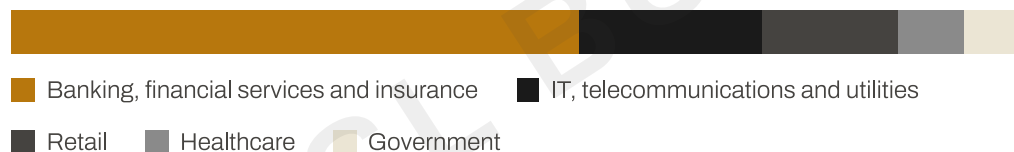
The Westland inbound call-centre market

Westland has seven major inbound call-centre providers. Collectively, they generated W\$38bn of revenue during 2025.

INBOUND CALL-CENTRE INDUSTRY REVENUE, WESTLAND · W\$ BILLION



OUTSOURCED INBOUND MARKET BY CLIENT INDUSTRY



Source: CIMA pre-seen. Charts redrawn by MSL Business School; values and proportions read from the pre-seen charts and approximate.

The market outlook in the pre-seen is favourable in terms of total industry revenue.

That does not necessarily mean the traditional human-agent model is equally secure.

Industry demand can grow while the way that demand is served changes through automation, offshore provision or new technology.

MSL INSIGHT

A growing market does not remove strategic risk. The more important question is how much of future demand Vennlisk can capture profitably with its existing operating model.

THE BUSINESS

Vennlisk's competitive market

Vennlisk competes not only with six other major domestic inbound call-centre providers but also with overseas providers and alternative ways of serving customers.

DOMESTIC CALL-CENTRE PROVIDERS

Compete on:

Price

Service quality

Expertise

Technology

Reliability

OVERSEAS CALL CENTRES

POTENTIAL ADVANTAGE

Materially lower labour costs.

CHALLENGE FOR VENNLISK

High-speed communication means geography does not prevent overseas centres serving Westlandian callers.

IN-HOUSE CALL CENTRES

Clients may retain or rebuild their own internal capability.

INTERACTIVE VOICE RESPONSE

Simple activities can be completed without human agents.

CHATBOTS

Technology may handle some text or voice interactions automatically.

DIGITAL SELF-SERVICE

Some customer interactions may move away from telephone calls entirely.

MSL INSIGHT

Vennlisk competes for the client's customer-service budget rather than only against companies with the same organisational form.

Its strategic problem is therefore broader than rivalry between the seven major Westlandian providers.

STRATEGIC POSITION

Financial performance, 2025 to 2026

REVENUE

+6.4%

 W\$11,627.8m →
W\$12,370.0m

GROSS PROFIT

+15.1%

 W\$1,323.4m →
W\$1,523.3m

OPERATING PROFIT

+15.6%

 W\$1,254.7m →
W\$1,451.0m

PROFIT BEFORE TAX

+24.0%

 W\$817.9m → **W\$1,014.2m**

PROFIT AFTER TAX

+24.0%

 W\$621.6m → **W\$770.8m**

RATIO	2025	2026
Gross margin	11.4%	12.3%
Operating margin	10.8%	11.7%
Net margin	5.3%	6.2%

Source: CIMA pre-seen. Ratios and percentage movements calculated by MSL Business School.

Revenue increased in 2026, but profit at every level shown above increased considerably faster. Vennlisk therefore enters the case with improving profitability as well as revenue growth.

MSL INSIGHT

The improvement is real, but it should not be confused with proof that Vennlisk has reached an optimal cost structure. The Ringcoll comparison shows that Vennlisk's margins remain lower than those of its closest competitor.

STRATEGIC POSITION

Financial position and financing capacity

2026, W\$ million.

GOODWILL AND OTHER INTANGIBLE ASSETS · SHARE OF TOTAL ASSETS

W\$8,523.0m approximately **59.4% of total assets**


W\$14,343.8m

Total assets

W\$8,253.1m

Equity

W\$5,460.0m

Borrowings

W\$986.1m

Bank

3.84 : 1

Current ratio

66.2%

Debt / equity

3.3x

Interest cover

10.6%

Approximate ROCE · year-end capital employed

Vennlisk does not appear to face an immediate conventional liquidity problem. The more strategically significant financial issue is leverage. Borrowings remain W\$5.46 billion and finance costs absorb a substantial part of operating profit.

The large goodwill and intangible balance also reflects Vennlisk's history of acquisition-led as well as organic growth.

MSL INSIGHT

The balance sheet matters because future strategy may require further investment. Financing an acquisition, major AI programme, restructuring or other strategic project cannot be considered independently of Vennlisk's existing debt and capital allocation.

Source: CIMA pre-seen. Ratios and percentage movements calculated by MSL Business School.

STRATEGIC POSITION

Vennlisk and Ringcoll compared

2026.

MEASURE	VENNLISK	RINGCOLL
Revenue	W\$12,370.0m	W\$10,514.5m
Gross margin	12.3%	14.4%
Operating margin	11.7%	13.8%
Net margin	6.2%	9.6%
Approximate ROCE	10.6%	15.3%
Asset turnover	0.86x	1.04x
Interest cover	3.3x	10.1x
Debt / equity	66.2%	23.5%

ROCE uses year-end capital employed. Asset turnover uses year-end total assets.

Source: CIMA pre-seen. Ratios calculated by MSL Business School.

Vennlisk generates more revenue than Ringcoll.

Ringcoll nevertheless earns more profit, achieves stronger margins and returns and carries materially less financial leverage.

Ringcoll earned W\$1,005.2m of profit after tax in 2026 compared with Vennlisk's W\$770.8m.

MSL INSIGHT

The comparator does not establish that Vennlisk is badly managed. It establishes that there is a performance difference worth understanding.

STRATEGIC POSITION

What the Ringcoll comparison really tells us

OPERATING DIFFERENCE · GROSS MARGIN

VENNLISK	RINGCOLL
12.3%	14.4%

2026 REVENUE GROWTH

VENNLISK	RINGCOLL
+6.4%	+9.9%

FINANCING DIFFERENCE · FINANCE COSTS

VENNLISK	RINGCOLL
W\$436.8m	W\$144.0m

2026 PROFIT-AFTER-TAX GROWTH

VENNLISK	RINGCOLL
+24.0%	−9.6%

CAPITAL ALLOCATION · APPROXIMATE DIVIDEND PAYOUT

VENNLISK	RINGCOLL
66%	37%

Source: CIMA pre-seen. Ratios and percentage movements calculated by MSL Business School.

The published information identifies where some of the performance difference appears, but it does not fully explain why it exists. It would be premature to conclude that Vennlisk is inefficient without more information about contract pricing, employee costs, utilisation, technology expenditure and other direct operating costs.

MSL INSIGHT

Strategic analysis requires a distinction between evidence and assumption. Ringcoll currently earns stronger returns, while Vennlisk currently has stronger profit growth. Both facts matter.

STRATEGIC POSITION

People are part of Vennlisk's strategic capability

CASE FACT · TRAINING

Basic customer care

Practical call handling

Client-specific knowledge

Technical content

Emotional and interpersonal skills

Ongoing online learning

Assessments

CASE FACT · EMPLOYEE EXPERIENCE

The employee blog refers to:

Early and late shifts	Weekend work
Prolonged sitting	Eyestrain
A noisy environment	Monitoring of call volumes
Pressure to move callers through quickly	Limited management positions

WHY THIS MATTERS

Vennlisk's agents represent clients in interactions that can be:

Technical

Financial

Emotionally sensitive

Commercially important

WORK DESIGN / PRESSURE

MOTIVATION AND RETENTION

SERVICE QUALITY

CALLER SATISFACTION

CLIENT RELATIONSHIP

CASE TENSION

Vennlisk's formal risk disclosure presents training and development as part of its response to employee-retention risk. The employee blog, however, suggests that opportunities for promotion may be limited. This does not establish that Vennlisk's retention strategy is ineffective, but it gives management a reason to test whether development opportunities are delivering the retention benefit assumed.

MSL INSIGHT

Vennlisk's workforce is not simply a cost base. Employee knowledge, judgement and empathy are part of the strategic capability on which its quality positioning depends. That makes workforce decisions strategic decisions.

STRATEGIC POSITION

AI creates both strategic opportunity and strategic threat

AI augmenting human agents

APPLICATIONS IDENTIFIED IN THE PRE-SEEN

Customer-file summaries

Real-time recommendations

Stress and sentiment monitoring

Supervisor alerts

Performance-pattern analysis

POTENTIAL STRATEGIC BENEFITS

Faster access to information

Greater consistency

Improved supervision

Targeted coaching

Better use of human judgement

Automating customer interactions

POTENTIAL CHATBOT BENEFITS

24/7 availability

Scalable support

Lower human staffing requirements

Rapid handling of routine interactions

LIMITATIONS IDENTIFIED IN THE PRE-SEEN

Difficulty interpreting emotion

Difficulty handling complex interactions

Risk of insensitive responses

Dependence on accurate data

Risk of plausible but incorrect advice

MSL INSIGHT

Vennlišk should not frame the issue as “humans or AI”. The strategic question is which interactions should be automated, which require human judgement, and where technology can make human service materially better.

The answer may differ by client and by type of call.

STRATEGIC POSITION

The strategy must still be Vennlisk's strategy

CASE FACT · MISSION

Offer an outstanding experience in every inbound call.

CASE FACT · VISION

Be Westland's leading provider of inbound call solutions in both quality of service and innovation.

CASE FACT · VALUES

Integrity · Excellence · Innovation · Work environment

FIVE STRATEGIC TENSIONS · MSL ANALYSIS

QUALITY ↔ COST

Vennlisk's differentiation depends on service quality, while offshore competitors may offer materially lower labour costs.

HUMAN CAPABILITY ↔ AUTOMATION

Employees create value, while technology may perform some interactions more cheaply.

GROWTH ↔ FINANCIAL CAPACITY

The market is forecast to grow, but Vennlisk already carries significant borrowing.

DISTRIBUTION ↔ REINVESTMENT

Vennlisk distributes a significant proportion of current profit while also facing potential transformation needs.

EFFICIENCY ↔ CUSTOMER OUTCOME

Lower cost or shorter calls do not create value if service quality falls.

These tensions provide the bridge from understanding the pre-seen to applying the five Strategic Case Study core activities.

SCS CORE ACTIVITY

A

15–25%

WEIGHTING

SCS CORE ACTIVITY A · 15–25%

Develop business strategy

Activity A asks the Senior Finance Manager to look forward. The issue is not simply how Vennlisk performs today. The candidate must be able to evaluate strategic alternatives, recommend decisions, consider acquisition and divestment opportunities, respond to digital disruption and advise on sustainability.

STRATEGIC OPTIONS

What different routes are available?

STRATEGIC CHOICE

Which route best fits Vennlisk?

DIGITAL

How should Vennlisk respond to AI and automation?

ACQUISITION / DIVESTMENT

Would buying, selling or restructuring assets or businesses create value?

SUSTAINABILITY

How should sustainability influence long-term strategy?

For Vennlisk, Activity A sits at the centre of the case because technology and lower-cost international competition are challenging the economics of its existing model.

CORE ACTIVITY A

Vennlisk's strategic position

CURRENT POSITION

Vennlisk is a large Westlandian inbound call-centre provider with:

5,000 agents

Five major centres

Broad client-sector exposure

A reputation for training

A quality-led proposition

Improving profitability

BASIS OF DIFFERENTIATION

Vennlisk competes through:

Employee capability

Client-specific knowledge

Service quality

Customer experience

Trust

Innovation

STRUCTURAL PRESSURE

The model faces:

Lower-cost overseas providers

AI-enabled automation

Changing client expectations

Significant labour requirements

Substantial existing financial leverage

INVESTOR SIGNAL

>W\$500

Briefly exceeded in 2022.

c. W\$100

The level referred to in the pre-seen news article, which links the historical decline to concerns over the economics of competing with lower-cost overseas centres.

MSL INSIGHT

The central strategic question is whether Vennlisk's quality advantage can create enough additional client value to justify a higher-cost domestic operating model.

CORE ACTIVITY A

Strategic options worth being ready to evaluate

These are analytical possibilities arising from the pre-seen. They are not predictions of the examination and they are not recommendations without further information.

1 AI-augment existing agents

POTENTIAL LOGIC

Improve quality and productivity without abandoning the human-service proposition.

2 Automate routine interactions

POTENTIAL LOGIC

Reduce the human cost of simple, repeatable calls.

3 Concentrate human capability on complex interactions

POTENTIAL LOGIC

Differentiate through judgement, empathy and specialist knowledge where automation is weakest.

4 Reshape the delivery model

POTENTIAL LOGIC

Reconsider how much service must be delivered through the existing physical Westland call-centre model.

5 Acquire capability

POTENTIAL LOGIC

Buy technology, expertise, customers or other strategic resources that would be difficult to develop quickly.

6 Divest or restructure activities

POTENTIAL LOGIC

Release capital from operations or assets that no longer support the desired strategic model.

The role of the Senior Finance Manager is not to prefer one option in advance.

It is to evaluate the option against the circumstances presented in the unseen material.

CORE ACTIVITY A

A good strategic option must work for Vennlisk

Suitability

Does the option address the strategic problem?

QUESTIONS INCLUDE

Does it strengthen Vennlisk's competitive position?

Does it respond to technology or cost pressure?

Does it support mission and vision?

Does it respond to relevant stakeholder needs?

Does it create sustainable value?

Acceptability

Are the expected outcomes acceptable to key stakeholders?

CONSIDER

Expected financial return

Risk

Employees

Clients

Callers

Shareholders

Reputation

Sustainability

Feasibility

Can Vennlisk actually deliver it?

CONSIDER

Finance

Technology

Skills

Management capacity

Operational capability

Implementation time

Governance

MSL INSIGHT

A strategically attractive idea can still be a poor recommendation if Vennlisk cannot finance, control or implement it. SCS answers should therefore connect strategy to finance, risk and execution.

CORE ACTIVITY A

Acquisition and divestment decisions

CASE FACT

Vennlisk has historically grown through both acquisitions and organic growth. Its 2026 balance sheet contains:

W\$6,274.0m

GOODWILL

If Vennlisk considers an acquisition

EVALUATE

Strategic fit

Market position

Purchase price

Financing

Integration

Risk

Effect on shareholder value

Access to technology or capability

Expected synergy

Valuation

Due diligence

Culture

Effect on existing gearing

If Vennlisk considers a divestment

EVALUATE

Strategic relevance of the asset or operation

Proceeds available

Effect on customers

Effect on employees

Loss of revenue or capability

Debt reduction potential

Tax and transaction consequences if supplied

Implementation

Residual business model

MSL INSIGHT

The large goodwill balance is a reminder that acquisition is not only a growth decision. Management must also ensure that capital previously invested through acquisitions continues to generate value.

CORE ACTIVITY A

Sustainability is a strategic response, not a side report

CASE FACT

Vennlisk has identified five areas as relevant to sustainability:

Planet · employees · trust · innovation and technology
· communities

At least 80%

Renewable electricity by 2030.

100%

Of electronic items disposed
of after 2030 to be recycled
or donated.

Staff commuting is also monitored.

A Strategic Case Study response should go beyond describing these initiatives. The Board may need to determine:

Which sustainability issues are
strategically material

What investment is justified

What risks arise if targets are missed

How employee welfare fits the strategy

What objectives should be set

How progress should be measured

How sustainability affects client
relationships

How claims should be supported with
credible evidence

MSL INSIGHT

The strongest sustainability recommendation is one that creates or protects long-term value while remaining operationally and financially credible.

SCS CORE ACTIVITY

B

15–25%

WEIGHTING

SCS CORE ACTIVITY B · 15–25%

Evaluate business ecosystem and business environment

Vennlisk does not operate in isolation. Its strategy depends on the actions and expectations of organisations around it. The Senior Finance Manager must understand those relationships, recommend appropriate strategic objectives, analyse stakeholders, respond to changes in the ecosystem and identify the KPIs the Board needs.



The business ecosystem matters because a strategic change by one participant can alter the economics of others.

AI is a clear example: technology suppliers can change what clients expect from Vennlisk and what competitors are able to offer.

CORE ACTIVITY B

Stakeholder needs can conflict

STAKEHOLDER	LIKELY INTERESTS IN THE CASE
Clients	Quality, reliability, price, flexibility, security, reputation
Callers	Fast access, accurate help, empathy, privacy
Employees	Pay, welfare, job security, fair performance measures, development
Shareholders	Sustainable returns, growth, risk control, capital discipline
Regulators	Compliance, privacy, governance, responsible conduct
Technology and telecom providers	Commercial relationship, system integration, service requirements
Communities	Employment, environmental impact, responsible corporate behaviour

EXAMPLE OF A STRATEGIC CONFLICT

Automation could:

Reduce cost · improve scalability

but could also affect:

Employment · customer experience · privacy · operational risk · capital requirements

MSL INSIGHT

Stakeholder analysis should not become a list. The SCS candidate should identify where interests conflict, determine whose interests have the greatest strategic significance and recommend a response that the Board can justify.

CORE ACTIVITY B

What should Vennlisk be trying to achieve?

The pre-seen provides mission, vision and sustainability information but does not provide a complete set of quantified strategic objectives. We have not invented targets. However, the Board would need balanced objectives across three dimensions.

Financial

POSSIBLE AREAS FOR OBJECTIVES

Profitable growth

Operating margin

Return on capital

Financial resilience

Shareholder value

Non-financial

POSSIBLE AREAS FOR OBJECTIVES

Client retention

Service quality

Employee retention

Innovation

Operational resilience

Cybersecurity

Sustainability

POSSIBLE AREAS FOR OBJECTIVES

Renewable energy

Electronic waste

Employee welfare

Privacy and trust

Commuting

Community impact

MSL INSIGHT

A strategic objective is useful only if it supports Vennlisk's strategy and can be translated into performance information that the Board can monitor.

CORE ACTIVITY B

What should the Board monitor?

The operating KPIs in the pre-seen are useful, but a Board responsible for strategy needs a broader dashboard.

CLIENT RETENTION

Are important clients staying?

CONTRACT WINS AND LOSSES

Is Vennlisk strengthening or losing competitive position?

OPERATING MARGIN

Is growth creating economic value?

RETURN ON CAPITAL

Is capital being used effectively?

SERVICE QUALITY

Are first-call resolution, customer satisfaction, average handle time, service level and call abandonment moving together appropriately?

EMPLOYEE RETENTION AND CAPABILITY

Is Vennlisk preserving the workforce needed to deliver the proposition?

TECHNOLOGY VALUE REALISATION

Are AI and digital investments producing the intended business benefits?

RISK AND SUSTAINABILITY

Are cyber incidents, operational resilience and material sustainability objectives within acceptable levels?

MSL INSIGHT

A KPI becomes strategic when it helps the Board determine whether the chosen strategy is actually working.

CORE ACTIVITY B

Changes in the ecosystem can change the strategy

CHANGE	POSSIBLE EFFECT ON VENNLISK	MANAGEMENT QUESTION
AI becomes more capable	More customer interactions could be automated.	Which human capabilities still create differentiated value?
Overseas providers improve quality	Vennlisk's quality advantage could narrow while the cost disadvantage remains.	How should the competitive proposition change?
Clients develop stronger digital self-service	Routine call volumes could reduce.	What types of customer interaction will remain valuable to outsource?
Labour becomes harder or more expensive to obtain	The economics of the human-agent model weaken.	Can productivity or technology offset the change?
Dependence on critical technology suppliers increases	Third-party and resilience risk may increase.	What contractual, technical and governance safeguards are required?

The unseen will determine which ecosystem changes are actually relevant.

Do not assume they have occurred merely because they are possible.

CORE ACTIVITY B

Do not manufacture macroeconomic risk

WHAT THE PRE-SEEN TELLS US

Westland is a developed country

It has an active and well-regulated stock exchange

Vennlisk operates five centres in Westland

Overseas call-centre providers compete for Westlandian clients

Westland's currency is the W\$

WHAT THE PRE-SEEN DOES NOT ESTABLISH

It does not establish that Vennlisk currently has:

Material foreign-currency revenue

Foreign-currency debt

Overseas operations

Political instability

Exchange-control problems

A specific inflation problem

A particular interest-rate change

SCS APPLICATION

Economic, political or currency risk should be analysed when the unseen introduces information that makes it relevant. Examples could include cross-border expansion, foreign financing, an overseas acquisition or a material economic policy change.

MSL INSIGHT

SCS candidates gain marks by applying relevant knowledge. They do not gain marks by forcing every syllabus topic into every scenario.

SCS CORE ACTIVITY

C

15–25%

WEIGHTING

SCS CORE ACTIVITY C · 15–25%

Recommend financing strategies

Strategic decisions often require capital. The Senior Finance Manager must therefore determine how major decisions should be financed, how distributions to shareholders should be balanced against reinvestment and how a business or proposed acquisition should be valued.

W\$5,460.0m

Borrowings

66.2%

Debt / equity

3.3x

Interest cover

c.66%

2026 dividend
payout

0.48

Beta

Vennlisk has access to financial resources, but it is not making financing decisions from a debt-free starting point.

Existing leverage matters when considering future strategic investment.

CORE ACTIVITY C

How should Vennlisk finance a major strategic project?

Retained earnings

POTENTIAL ADVANTAGES

No new contractual interest obligation

No dilution

Financial flexibility

QUESTIONS

How much cash can be retained?

What happens to dividends?

Are sufficient internal funds available?

Additional debt

POTENTIAL ADVANTAGES

Avoids ownership dilution

May be efficient where borrowing capacity exists

QUESTIONS

Is current gearing already significant?

What happens to interest cover?

How resilient are future cash flows?

What restrictions may lenders require?

New equity

POTENTIAL ADVANTAGES

Increases permanent capital

May strengthen borrowing capacity

QUESTIONS

Dilution

Issue cost

Market conditions

Shareholder reaction

Effect on earnings and control

Other financing mechanisms should be considered only if an unseen scenario provides facts that make them relevant.

MSL INSIGHT

The correct source of finance depends on the project, the risk of its cash flows, Vennlisk's existing capital structure and the effect on shareholder value.

CORE ACTIVITY C

Distribution versus reinvestment

Vennlisk

APPROXIMATE 2026
DIVIDEND PAYOUT

66%

Ringcoll

APPROXIMATE 2026
DIVIDEND PAYOUT

37%

A high payout is not automatically wrong. A low payout is not automatically better. The Board should consider:

Investment opportunities

Expected project returns

Debt levels

Cash requirements

Earnings sustainability

Shareholder expectations

Signalling

Financial flexibility

PROFIT —→ CAN BE USED FOR

DIVIDENDS

REINVESTMENT

DEBT REDUCTION

STRATEGIC
ACQUISITION

OTHER VALUE-
CREATING USES

MSL INSIGHT

Vennlisk's payout becomes strategically interesting because the company simultaneously faces significant debt and potentially substantial transformation requirements.

The question is not whether dividends are "too high". The question is which use of capital creates the greatest sustainable value.

CORE ACTIVITY C

Valuation becomes relevant when strategy changes ownership

The pre-seen does not provide enough information to calculate the value of a potential acquisition or disposal. Candidates should nevertheless understand when different valuation approaches may become relevant.

1 DISCOUNTED CASH FLOW

Useful where reliable future incremental cash flows and an appropriate discount rate can be estimated.

2 EARNINGS / MARKET MULTIPLES

Useful where genuinely comparable quoted businesses or transactions provide a meaningful benchmark.

3 DIVIDEND-BASED VALUATION

Potentially relevant to quoted equity where dividend assumptions are appropriate.

4 ASSET-BASED APPROACH

May provide useful information where the value of identifiable net assets is particularly relevant, but may fail to capture significant intangible value.

CASE FACT · BETA

0.48 Vennlisk's beta

WHY IT MAY MATTER

Beta could become relevant if the unseen provides the additional information required to estimate Vennlisk's cost of equity using CAPM. That cost of equity may then form part of a wider cost of capital calculation.

A beta below 1 indicates lower historical systematic sensitivity to market movements than a beta of 1. It does not mean that Vennlisk has low total business risk, nor does beta alone provide a cost of equity.

FOR AN ACQUISITION, VALUATION SHOULD NOT BE SEPARATED FROM

Strategic fit	Synergy	Risk
Financing	Integration	Due diligence

MSL INSIGHT

A business can be strategically attractive and still be a bad acquisition if Vennlisk pays more than the value it can reasonably create.

CORE ACTIVITY C

Every major strategy competes for capital

TECHNOLOGY

AI, automation, software and cybersecurity.

PEOPLE

Training, capability and workforce transformation.

GROWTH

New contracts, capacity and potential acquisitions.

RESILIENCE

Systems, telecommunications and risk mitigation.

DISTRIBUTION / DEBT

Dividends and reduction of financial leverage.

The Board cannot evaluate each use of capital in isolation. It must compare:

Expected return

Risk

Cash-flow effect

Impact on stakeholders

Strategic fit

Timing

Financing capacity

Effect on long-term shareholder value

>W\$500

Briefly in 2022

c. W\$100

Level referred to in the pre-seen article

MSL INSIGHT

The share-price history does not tell management which strategy to choose. It does show why the Board should be able to explain how its capital-allocation decisions are expected to create sustainable value.

SCS CORE ACTIVITY

D

15–25%

WEIGHTING

SCS CORE ACTIVITY D · 15–25%

Evaluate and mitigate risk

Risk management at Strategic Level is not a list of things that could go wrong. The Senior Finance Manager must understand the nature of the risk, evaluate its significance, recommend an appropriate response and ensure that material risks are captured in the organisation's risk-management process.

RISK EVALUATION

Cause · likelihood · impact
· interdependencies

RISK RESPONSE

Avoid · reduce · transfer or
share · accept where
appropriate

ETHICS

Identify dilemmas and
recommend a defensible
response.

CYBER AND CONTROL

Protect information,
systems and operations.

Vennlisk's business makes risk unusually interconnected. A people problem can become a service problem. A service problem can become a client problem. A client problem can become a financial and reputational problem.

CORE ACTIVITY D

Vennlisk already tells us what some of its principal risks are

CASE FACT · PRINCIPAL RISK	EXISTING RESPONSE IN THE PRE-SEEN
Retention of trained and experienced agents	Remuneration, training and development
Agent demotivation and carelessness	Call monitoring, feedback, supervision and IVR for simple tasks
Employee health and safety	Regular breaks
Privacy and security	Training and refresher courses
Telecommunications availability	Working with telecommunications providers and real-time feedback

A STRATEGIC RISK REGISTER SHOULD GO FURTHER

For each material risk management should consider:

Risk description	Cause
Likelihood	Impact
Risk owner	Existing controls
Further response	Key risk indicators
Residual risk	Escalation threshold

MSL INSIGHT

A risk register is not merely a record of risks. It should help the Board decide which exposures require action, ownership, resources and monitoring.

CORE ACTIVITY D

The risks do not stop at the formal list

The following are analytical risk areas arising from the pre-seen. They are not additional risks formally identified by Vennlisk.

TECHNOLOGY DISRUPTION

The existing business model loses competitiveness as automation improves.

OFFSHORE COMPETITION

Clients conclude that the quality premium does not justify Vennlisk's higher domestic cost base.

TRANSFORMATION FAILURE

Vennlisk invests heavily in technology without achieving the intended business benefits.

CLIENT LOSS

Poor service, price pressure or strategic change causes a material client relationship to weaken.

PEOPLE

Retention, motivation or poorly designed performance measures weaken service quality.

OPERATIONAL RESILIENCE

Systems or telecommunications fail and customer service is interrupted.

MSL INSIGHT

Strategic risks often interact. Management should therefore consider scenarios and combined consequences rather than evaluating every risk independently.

CORE ACTIVITY D

Information is one of Vennlisk's most sensitive resources

Vennlisk's agents access client and caller information in order to resolve customer requests. That creates significant cyber and data risk.

UNAUTHORISED ACCESS

Sensitive customer information is accessed by inappropriate users.

DATA LOSS OR THEFT

Client or caller data is lost, copied or exfiltrated.

SYSTEM DISRUPTION

Cyberattack affects service availability.

THIRD-PARTY RISK

A technology, cloud or telecommunications provider creates exposure.

AI-RELATED DATA RISK

Information used by AI tools is exposed, misused or processed inappropriately.

MANAGEMENT RESPONSE · POTENTIAL CONTROLS MAY INCLUDE

Access controls	Least-privilege permissions	Authentication
Encryption	Staff training	Monitoring and logging
Supplier due diligence	Contractual safeguards	Tested backups
Incident-response plans	Escalation	Board reporting

MSL INSIGHT

Cyber risk is both a technology risk and a strategic business risk because a major failure could damage service, client trust, reputation and financial performance simultaneously.

CORE ACTIVITY D

Some of Vennlisk's hardest decisions may be ethical as well as commercial

AI AND CUSTOMER TREATMENT

Could a technology recommendation be technically efficient but inappropriate for a vulnerable or distressed caller?

PRODUCTIVITY PRESSURE

What happens if performance targets encourage agents to rush callers or prioritise volume over appropriate service?

EMPLOYEE MONITORING

How should Vennlisk balance performance monitoring with fair treatment, dignity and employee trust?

DATA USE

Just because customer data can be used to improve service or AI does not automatically mean every use is appropriate.

SENIOR FINANCE MANAGER RESPONSE

When an ethical dilemma arises:

Establish the facts

Identify affected stakeholders

Consider professional and organisational principles

Identify threats to objectivity or integrity

Consider alternatives

Escalate where appropriate

Recommend a transparent and defensible course of action

INTERNAL CONTROL

Controls should be designed to prevent, detect or correct material failures.

The strongest control response depends on the actual risk presented in the unseen.

SCS CORE ACTIVITY

E

15–25%

WEIGHTING

SCS CORE ACTIVITY E · 15–25%

Recommend and maintain a sound control environment

A good strategy can fail because governance and control are weak. The Senior Finance Manager must therefore consider whether the organisation has the structures, information, accountability and assurance required to implement strategy safely.

GOVERNANCE

Who approves, challenges and oversees?

CONTROL

What prevents or detects failure?

INTERNAL AUDIT

Where does the Board require independent assurance?

COMPLIANCE

What happens if the organisation fails to meet legal, contractual or internal requirements?

At Vennlisk, control is particularly important because the business combines customer data, technology, thousands of employees, major clients and a public-company governance structure.

CORE ACTIVITY E

Governance should improve the quality of strategic decisions

CASE FACT · BOARD

Executive directors

Independent non-executive directors

Senior Independent Director

Non-Executive Chair

CASE FACT · COMMITTEES

Audit

Risk and Sustainability

Remuneration

Nomination

QUESTIONS A STRATEGIC PROPOSAL MAY RAISE

Is the Board receiving sufficient information?

Is there appropriate independent challenge?

Which committee should oversee the issue?

Does management have the necessary expertise?

Are executive incentives aligned with long-term value?

Are stakeholder interests being considered?

Is the Board monitoring implementation rather than merely approving the project?

MSL INSIGHT

The existence of a committee is not evidence that governance is effective. The examination may require candidates to consider whether the structure is being used well.

MSL INSIGHT

One detail is worth noticing. Alaor Leite is the non-executive director whose biography gives explicit senior finance experience, but he is not shown as a member of the Audit Committee. The pre-seen does not tell us whether Westland's governance rules require particular financial expertise on that committee, so this is not evidence of non-compliance. It may nevertheless become relevant if an unseen issue raises Audit Committee competence, financial reporting or assurance.

CORE ACTIVITY E

Where should internal audit provide assurance?

CASE FACT

Vennlisk's Chief Internal Auditor reports to the convener of the Audit Committee.

This supports the independence of the internal audit function from day-to-day executive management.

CYBERSECURITY

Are key security controls designed and operating effectively?

PRIVACY

Is customer information being handled appropriately?

AI GOVERNANCE

Are AI systems authorised, tested, monitored and controlled?

CALL QUALITY

Are service-quality controls operating as management expects?

CONTRACT MANAGEMENT

Are contractual service obligations being monitored?

EMPLOYEE CONTROLS

Are performance systems and employment-related controls operating appropriately?

SUSTAINABILITY DATA

Is reported sustainability information reliable?

MAJOR STRATEGIC PROJECTS

Are implementation controls over major transformation projects effective?

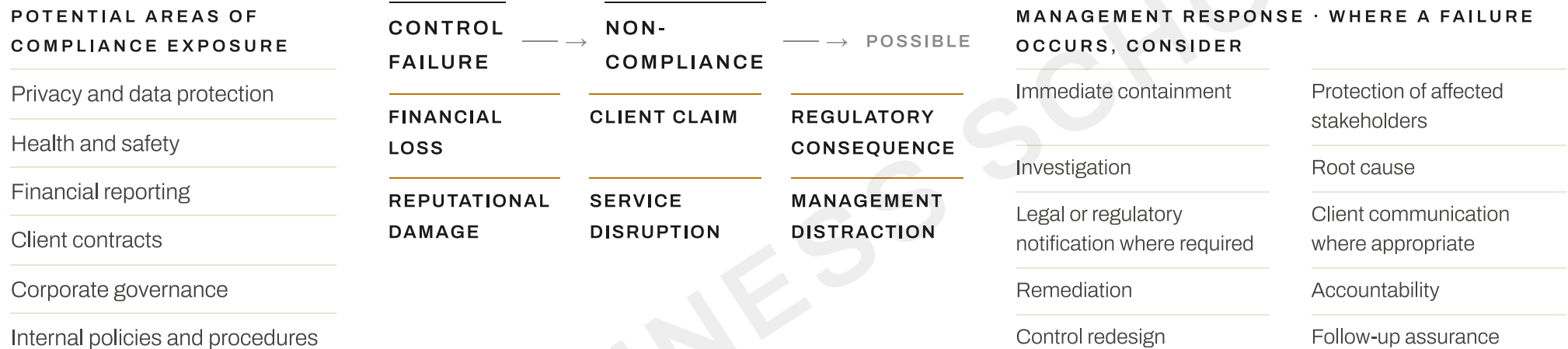
MSL INSIGHT

Internal audit should be directed toward areas where independent assurance would materially help the Board manage risk and control. It should not simply audit everything equally.

CORE ACTIVITY E

A control failure can create several consequences at once

Vennlisk operates in a regulated environment and has contractual responsibilities to major clients.


MSL INSIGHT

The response should address both the immediate incident and the weakness that allowed it to occur.

CORE ACTIVITY E

Transformation increases the need for good governance

A major AI, acquisition or restructuring programme could materially change Vennlisk. The bigger the strategic decision, the more important governance becomes.

INSUFFICIENT CHALLENGE

A proposal receives approval without adequate scrutiny.

WEAK INFORMATION

The Board is given benefits but insufficient information about risk, cost or uncertainty.

INCENTIVE MISALIGNMENT

Management rewards encourage short-term outcomes at the expense of long-term value.

POOR PROJECT GOVERNANCE

Responsibilities, milestones, escalation and benefits realisation are unclear.

OVERRELIANCE ON SUPPLIERS

Management accepts technology-provider claims without sufficient independent evaluation.

INADEQUATE ASSURANCE

The Board does not obtain independent evidence that key controls operate effectively.

MSL INSIGHT

Governance should not slow good strategy unnecessarily. Its purpose is to improve the quality, accountability and resilience of strategic decision-making.

BEFORE THE EXAM

Twelve issue areas

These are areas a well-prepared candidate should have thought through before the examination. They are issue areas, not predictions.

- | | | | |
|---|--|--|---|
| 1 ACTIVITY A
AI-enabled strategic transformation | 2 ACTIVITY A
Acquisition, divestment or restructuring | 3 ACTIVITY A
Sustainability and strategic response | 4 ACTIVITY B
Stakeholder conflicts arising from strategic change |
| 5 ACTIVITY B
Strategic objectives and Board-level KPIs | 6 ACTIVITY B
Responding to changes in the call-centre ecosystem | 7 ACTIVITY C
Funding major technology or strategic investment | 8 ACTIVITY C
Dividend policy and capital allocation |
| 9 ACTIVITY C
Business valuation and shareholder value | 10 ACTIVITY D
Cybersecurity, privacy and data risk | 11 ACTIVITY D
People, service-quality and ethical risk | 12 ACTIVITY E
Governance, internal audit and control failure |

The unseen will determine which of these matters.

Preparation should create understanding, not pre-written answers.

BEFORE THE EXAM

Key figures

5	5,000	W\$12,370.0m	W\$1,451.0m	W\$770.8m
Call centres	Agents	2026 revenue	2026 operating profit	2026 profit after tax
W\$5,460.0m	12.3%	3.3x	c.66%	0.48
Borrowings	2026 gross margin	2026 interest cover	2026 dividend payout	Beta

These figures are worth knowing, but what they mean for strategic decisions matters more than the numbers themselves.

THE CENTRAL ISSUE

Vennlisk's challenge is to preserve the service quality that supports its strategic position while transforming the economics and technology of the business without taking financing, risk or governance decisions that destroy long-term stakeholder value.

A

What strategic choice creates sustainable value?

B

How will the ecosystem and stakeholders be affected?

C

How should the decision be financed and valued?

D

What risks and ethical issues must be managed?

E

What governance, controls and assurance are required?

FINAL MSL ASSESSMENT

Final assessment

Vennlisk enters the case with scale, an established quality proposition and improving financial performance. Revenue, operating profit and profit after tax all increased in 2026, and the company has developed significant capability through its workforce, training, client relationships and technology.

The strategic environment is nevertheless changing. Lower-cost overseas providers challenge the economics of a labour-intensive Westlandian operating model, while artificial intelligence could both strengthen human agents and replace some interactions entirely. Vennlisk therefore has to decide how its service model should evolve rather than simply how the existing model can be operated more efficiently.

That strategic decision cannot be separated from finance. Vennlisk already carries W\$5.46 billion of borrowings and distributes a significant proportion of current earnings. Ringcoll generates less revenue but currently earns stronger margins and returns with materially lower leverage.

Risk and control are equally important. Vennlisk handles sensitive customer information, depends on telecommunications and technology, relies heavily on trained employees and acts directly on behalf of major clients. Digital transformation could introduce new cyber, operational, ethical and governance risks even as it creates commercial opportunity.

The Senior Finance Manager's task is therefore broader than recommending AI, reducing cost or increasing growth.

The real task is to help the Board choose a strategy that Vennlisk can finance, implement, control and justify to its stakeholders.

MSL ASSESSMENT

The case is ultimately about strategic transformation under constraint: preserving what makes Vennlisk valuable while changing what may no longer be economically sustainable.



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