20 One-Liners to Remember

Quick-fire facts for last-minute revision.

1. **Management means achieving organisational goals effectively and efficiently.**
   Effectively means doing the right things; efficiently means doing them the right way.

2. **The five functions of management are Planning, Organising, Staffing, Directing and Controlling.**
   These functions form the core management framework tested in CAIIB ABFM.

3. **Planning is the first and primary function of management.**
   Every other management function flows from and depends on the plan set first.

4. **The functional approach to management traces back to Henri Fayol.**
   Fayol outlined foundational management principles still referenced in modern theory.

5. **Planning answers where an organisation is now and where it wants to go.**
   This two-part question defines the purpose of the planning process.

6 **The planning process includes setting objectives, developing premises, identifying alternatives, evaluating them, selecting, implementing and reviewing.**
This full sequence is a frequently tested list in CAIIB ABFM.

7 **Standing plans are used repeatedly, such as policies, procedures and rules.**
A bank's KYC policy applied to every account is an example of a standing plan.

8 **Single-use plans are made for a specific one-time purpose, such as a budget for a new branch.**
Single-use plans are not reused once their specific objective is achieved.

9 **Strategic planning sets long-term objectives at the corporate level.**
It differs from operational planning, which handles short-term resource deployment.

10 **Operational planning focuses on short-term resource deployment at business and functional levels.**
It translates strategic goals into day-to-day departmental actions.

11 **Death by Plan describes excessive planning that delays or blocks actual execution.**
Over-planning without follow-through can be as harmful as under-planning.

12 **MBO stands for Management by Objectives, where goals are set jointly by manager and employee.**

Performance is measured against these mutually agreed objectives and rewarded accordingly.

13 **PESTEL analysis scans Political, Economic, Social, Technological, Environmental and Legal factors.**

It is used by managers to assess the external macro-environment affecting a business.

14 **Maslow's Hierarchy of Needs ranks needs from physiological to self-actualisation.**

Each level represents a different source of human motivation.

15 **Herzberg's Two-Factor Theory separates hygiene factors from motivator factors.**

Hygiene factors like salary prevent dissatisfaction; motivators like recognition create satisfaction.

16 **Task-oriented leaders emphasise efficiency and goal completion.**

This contrasts with employee-oriented leaders, who emphasise empathy and motivation.

17 **The three levels of strategy are corporate, business and functional.**

Corporate level sets overall direction, business level sets competitive strategy, and functional level implements departmental plans.

18 **Efficiency means doing things right, while effectiveness means doing the right things.**
The cost-to-income ratio is described as a real-world reflection of efficiency.

19 **A learning organisation continuously evolves and adapts to change.**
This capability is vital for banks facing disruption from fintech competitors.

20 **Contingency planning prepares an organisation for crises such as a core-banking system outage.**
It complements operational plans by covering unexpected disruptive events.