
Information Systems and Engineering Economics





Unit -I

Basic Of Management Theory & Practices

What is Management?

- Management is a universal phenomenon. Every individual or entity requires setting objectives, making plans, handling people, coordinating and controlling activities, achieving goals and evaluating performance directed towards organizational goals.
- Management is the process of planning, organizing, leading, and controlling an organization's human, financial, physical, and information resources to achieve organizational goals in an efficient and effective manner.
- The principles of management are the means by which a manager actually manages, that is, get things done through others – individually, in groups, or in organizations.

Definitions:

Management has been defined by various authors in various ways. Following are few often-quoted definitions –

1)According to F.W. Taylor:- **“Management is the art of knowing what you want to do and then seeing that it is done in the best and cheapest way.”**

2)According to Lawrence:- **“Management is the accomplishment of results through the efforts of other people.”**

3)According to Henry Fayol:- **“To manage is to forecast and to plan, to organize, to co-ordinate and to control.”**

4)According to Peter Drucker, **"Management is a multi-purpose organ that manages business and manages managers and manages workers and work."**

Nature of Management

1. Management as a Science

Science as a discipline has the following characteristics:

- i.* Systematic body of knowledge
- ii.* Principles based on experimentation
- iii.* Universal validity of the laws and principles

Management satisfies these requirements to a certain extent:

- i.* Management is a systematic body of knowledge with its own theories and principles.
- ii.* The principles of management also evolved through repeated experimentation. But since management deals with humans, the outcome of the experiments is significantly unpredictable.
- iii.* The principles of management do not have a universal applicability and need modification under different circumstances.

Thus, it can be said that management is not an exact science. It is a social science as it deals with humans or in the words of Ernest Dale – ‘Management is a soft science’.

2. Management as an Art

- Art implies application of knowledge. It is highly personalized activity to achieve desired goals. Since, art varies from person to person it is prone to failure.

Just like any other art:

i. management is also application of knowledge in different situations.

ii. management is a highly personalized activity and varies from manager to manager. Thus, management is also prone to failure.

iii. management is action-oriented to achieve organizational objectives.

- Thus, management is a perfect art or rather a fine art.

3. Management as a Profession

Various characteristics of a professional activity are:

- i.* based on special skills and knowledge
 - ii.* formal methods of acquiring these skills.
 - iii.* a uniform code of conduct to regulate the members.
 - iv.* providing service for a fee.
 - v.* social responsibility.
- Management is a professional activity like doctors and lawyers. Although every [organization](#) tries to design their ethical codes of behavior individually, there is absence of a uniform code of conduct.
 - Thus, management can be considered as a developing profession.

Purpose of Management in an Organization

- **To achieve objectives:**

The main purpose of management is to achieve certain objectives. The management starts efforts to attain a desired objective and continues its struggle till it is finally achieved.

- **Create cooperation and coordination:**

To create cooperation and coordination among the workers and departments. It is a source of creating coordination in the working of the individual of a working group as well as among a number of working group of enterprises.

- **To eliminate the waste of resources:**

Another important management purpose is to eliminate the waste of resources. It manages for effective application of management principles and practices to eliminate the waste of resources and to accomplish the task with the least possible cost.

- **To create a friendly relation:**

Another management purpose is to create a friendly relation among the participants of a working group devoted to the attainment of a given objective. It makes the individual worker devoted to his responsibility attached to the assignment given to him. Such devotion ensures the desired results of the enterprise.

- **Regulating and coordinating the activities:**

It refers to the functional aspect of an organization and aims at regulating and coordinating the activities of the individual forming the working group towards the achievement of the common goal. It provides and prescribes functional discipline and manages to enforce it in an environment of mutual help and cooperation.

- **Makes things happen:**

managers focus their attention on bring about successful action. They know where to start what to do to keep things moving and how to follow through. It is the management that makes things happen with the proper use of human beings' other available resources.

- **To solve functional problems:**

Another management purpose is to provide guidance in solving the functional problems of organization and as such, is needed being a source of guidance to organized human efforts moreover, it provides effectiveness to human efforts and makes the fruit full.

- **Rational use of resources:**

Another purpose of management is to make arrangement for the rational use of resources. i.e. men, money ,material, machine etc rational use of resources ensures the desired objectives.

Importance of management

- **Helps in achieving group goals:** Effective management gives a common direction to individual efforts and guides them towards achieving the overall goals of an organisation.
- **Increases efficiency:** Efficiency reduces costs and increases productivity in all spheres of an organisation's work.
- **Creates a dynamic organisation:** To keep the organisation's competitive edge, management assists its staff in adjusting to innovation. The ability of an organisation to adjust and respond to change effectively can make the difference between success and failure.
- **Helps in achieving personal objectives:** Every team member is better able to fulfill their own goals due to effective management, which promotes teamwork, cooperation, and devotion to the organisation's shared objectives.

Functions of Management



Functions of Management



- The objective of management is to coordinate the actions of many people within an organization to achieve a shared objective. The following are a few of the managerial duties:

1. Planning:

- It is the basic function of management. It deals with chalking out a future course of action & deciding in advance the most appropriate course of actions for achievement of pre-determined goals.
- It is an exercise in problem solving & decision making. Planning is determination of courses of action to achieve desired goals.
- Thus, planning is a systematic thinking about ways & means for accomplishment of pre-determined goals. Planning is necessary to ensure proper utilization of human & non-human resources. It is an intellectual activity and it also helps in avoiding confusion, uncertainties

Definitions

- **According to – Koontz and O'Donnell:** Planning is deciding in advance what to do, when and how to do and who is going to do it
- **According to -Terry:** Planning is the selecting and relating the facts
- **According to -Allen:** A plan is a trap laid to capture the future
- **According to – Hamilton Church:** Planning is the exercise of foresight

**What is
Planning ?**



Importance of Planning

(1) OVERLAPPING AND WASTEFUL ACTIVITIES

- Through planning, the efforts of various individuals and departments are coordinated properly to eliminate overlapping & wasteful activities.
- It ensures clarity in thoughts and actions, work is carried on smoothly without any confusion and misunderstanding.

(2) PROVIDES DIRECTIONS

- By stating in advance how work is to be done, planning provides direction for action.
- operate as a pattern for determining what direction should be taken.
- Planning makes the goals and objectives clear in the minds of all individuals working in different capacities.

(3) INNOVATIVE IDEAS

- Planning is thinking in advance what to do and how to do it.
- New ideas can take the shape of concrete plans and innovation.
- Innovation is required to modify the plans for the growth and expansion of the business.

(4) REDUCES THE RISKS OF UNCERTAINTY

- Planning is done for the future and the future is full of uncertainties.
- Planning enables a manager to look forward and take appropriate steps to deal with future uncertainties and changes.

(5) DECISION MAKING

- Through planning, managers compare different alternatives with their benefits and limitations.
- Planning helps make rational decisions by choosing the best most profitable alternative which may bring lower cost, adaptable to the organisation and situations.

(6) SET STANDARDS FOR CONTROLLING

- Planning involves the setting of goals and these predetermined goals are accomplished with the help of managerial functions like planning, organising, staffing, directing and controlling.
- Planning provides standards against which actual performance is measured.
- Without standards, the actual performance of each individual, department, and division cannot be measured.

ORGANISING

- It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals.
- According to Henry Fayol, “To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel’s”. To organize a business involves determining & providing human and non-human resources to the organizational structure. Organizing as a process involves:
 - Identification of activities.
 - Classification of grouping of activities.
 - Assignment of duties.
 - Delegation of authority and creation of responsibility.
 - Coordinating authority and responsibility relationships.

Definitions:

The term 'organization' is used to denote the structure. It is a unit or a group of people who come together to achieve a common goal whereas 'organizing' is a process and a function. Some of the definitions are as follows:

1) **Mooney and Railey:** *"Organization is the form of every human association for the attainment of a common purpose."*

2) **Koontz and O'Donnell:** *"Organization involves the grouping of activities necessary to accomplish goals and plans, the assignment of these activities to appropriate departments and the provision of authority, delegation and co-ordination."*

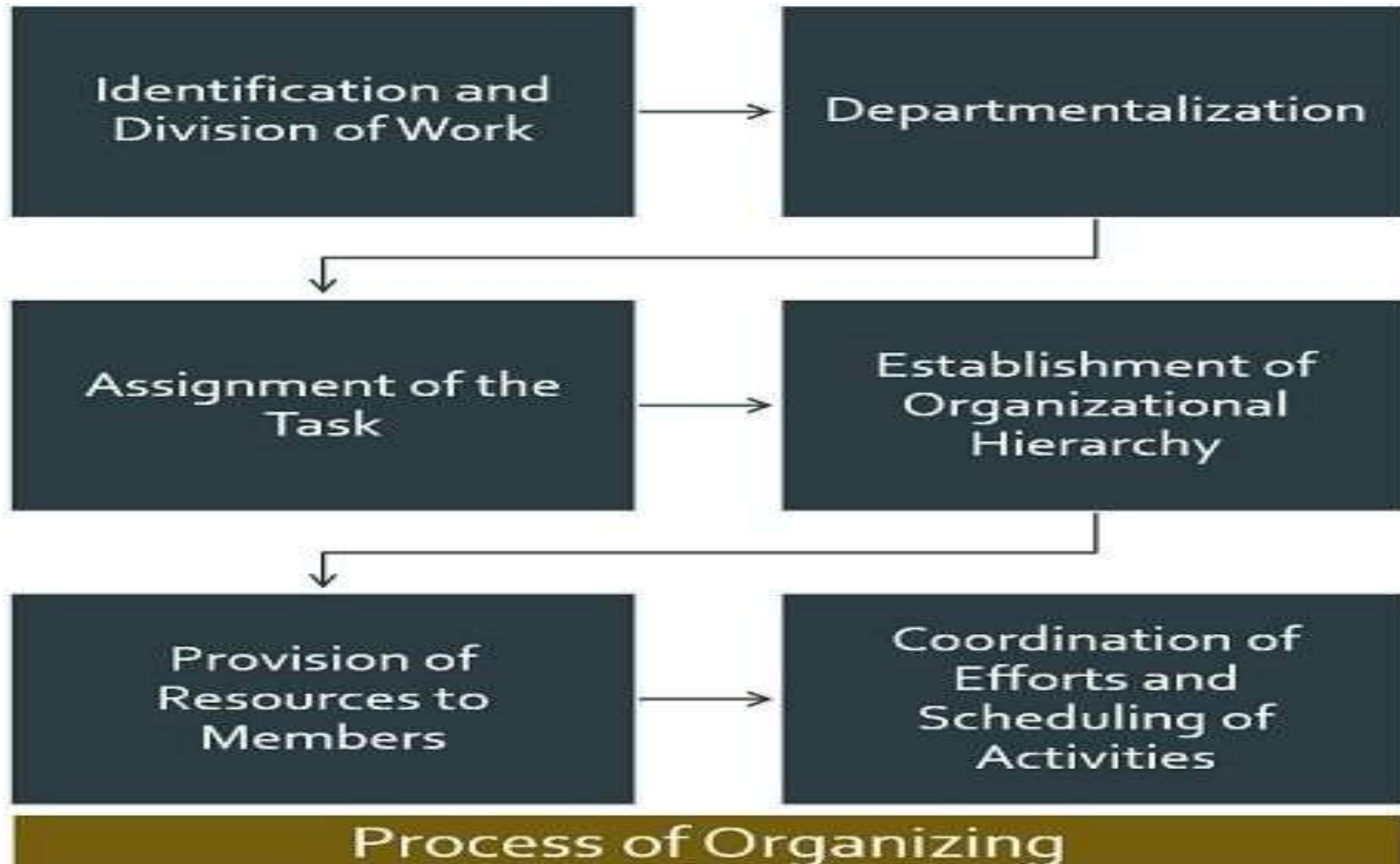
3) **Theo Haimann:** *"Organizing is the process of defining and grouping the activities of the enterprise and establishing the authority relationships among them. In performing the organizing function, the manager defines, departmentalizes and assigns activities so that they can be most effectively executed."*

Characteristics of Organizing



- **Division of Labour:** Work is assigned to the employee who is specialized in that work.
- **Coordination:** Different members of the organization are given different tasks to perform when all the tasks are put together logically and sequentially, it results in the objectives, so coordination is required.
- **Objectives:** Objectives need to be specifically defined.
- **Authority-Responsibility Structure:** For an effective authority responsibility structure, the position of each manager and executive is specified, as per the degree of the authority and responsibility assigned to them, while performing the duties.
- **Communication:** The techniques, flow and importance of communication must be known to all the members.

Process of Organizing



- **Identification and division of work:** Organizing process begins with identifying the work and dividing them as per the plans. Basically, the work is classified into different manageable activities, to avoid redundancy, and sharing of work is encouraged.
- **Departmentalization:** After classifying the work into different activities, the activities having a similar nature are grouped together. This process is called as departmentalization which facilitates specialization and forms the basis for creating departments.
- **Assignment of the task:** After the formation of departments, employees are placed in different departments under a manager, called as a departmental manager. Thereafter, employees are assigned the jobs as per their skills, qualifications and competencies. For the effectiveness of the performance, the manager must ensure that there is a proper match between the job and the incumbent, i.e. the right person has to be placed at the right job.

- **Establishment of organizational hierarchy:** Deployment of work is not all, the employees must be aware of whom they have to report and who can give them orders. Hence, work relationships need to be established clearly, which helps in the creation of a hierarchical structure of the organization.
- **Provision of resources to the members:** Arrangement and deployment of resources such as money, materials, supplies, and machine, etc. which are important to carry out day to day operations of the organization.
- **Coordination of efforts and scheduling of activities:** The final step to this process is the coordination of efforts and scheduling the activities in a logical and systematic manner so that the common objectives can be achieved effectively.

Importance of Organizing

- **Advantage of Specialization:** Organizing helps in the classification of jobs systematically amongst the workforce, which helps in the reduction of workload, as well as improved productivity. This is because the organization will get the benefit of specialization where in workers will perform specific work on a regular basis, according to their competency.
- **Describes work relationships:** The definition of work relationships describes the flow of communication and determine the superior-subordinate relationship. This removes confusion and chaos, in getting orders and instructions.
- **Effective utilization of resources:** Organizing function ensures the best possible utilization of resources whether it is human, material, financial or technical. This is because jobs are assigned to the employees which avoid overlapping and duplication of work.

- **Adaptation to change:** Organizing process helps the organization to survive and adapt the changes, by making substantial changes in the strategies, hierarchy, relationships, etc.
- **Development of personnel:** Organising encourages creativity in executives. Delegation of authority reduce their workload and they get time to identify new methods to perform the work. It also enables them to explore new areas for their growth and development.

STAFFING

- Recruiting, selecting, appointing the employees, assigning duties, maintaining cordial relationship and taking care of grievances of employees.
- Training and Development of employees, deciding their remuneration, promotion and increments.
- Evaluating their performance
- It is the function of manning the organization structure and keeping it manned. Staffing has assumed greater importance in the recent years due to advancement of technology, increase in size of business, complexity of human behavior etc. The main purpose staffing is to put right man on right job i.e. square pegs in square holes and round pegs in round holes.

Definations

- According to Theo Haimann, “Staffing pertains to **recruitment, selection, development and compensation of subordinates.**”
- According to Luther Gulick, "Staffing is **the whole personnel function of bringing in and training the staff and maintaining favourable conditions of work**".
- S. Benjamin has defined staffing as – “**The process involved in identifying, assessing, placing, evaluating and directing individuals at work.**”

Staffing involves:

- Manpower Planning (estimating man power in terms of searching, choose the person and giving the right place).
- Recruitment, selection & placement.
- Training & development.
- Remuneration.
- Performance appraisal.
- Promotions & transfer.

Staffing Process - Steps involved in Staffing

- **Manpower requirements-** The very first step in staffing is to plan the manpower inventory required by a concern in order to match them with the job requirements and demands. Therefore, it involves forecasting and determining the future manpower needs of the concern.
- **Recruitment-** Once the requirements are notified, the concern invites and solicits applications according to the invitations made to the desirable candidates.
- **Selection-** This is the screening step of staffing in which the solicited applications are screened out and suitable candidates are appointed as per the requirements.
- **Orientation and Placement-** Once screening takes place, the appointed candidates are made familiar to the work units and work environment through the orientation programmes. placement takes place by putting right man on the right job.

- **Training and Development-** Training is a part of incentives given to the workers in order to develop and grow them within the concern. Training is generally given according to the nature of activities and scope of expansion in it. Along with it, the workers are developed by providing them extra benefits of indepth knowledge of their functional areas. Development also includes giving them key and important jobs as a test or examination in order to analyse their performances.
- **Remuneration-** It is a kind of compensation provided monetarily to the employees for their work performances. This is given according to the nature of job- skilled or unskilled, physical or mental, etc. Remuneration forms an important monetary incentive for the employees.

- **Performance Evaluation-** In order to keep a track or record of the behaviour, attitudes as well as opinions of the workers towards their jobs. For this regular assessment is done to evaluate and supervise different work units in a concern. It is basically concerning to know the development cycle and growth patterns of the employees in a concern.
- **Promotion and transfer-** Promotion is said to be a non- monetary incentive in which the worker is shifted from a higher job demanding bigger responsibilities as well as shifting the workers and transferring them to different work units and branches of the same organization.

Nature Of Staffing

Staffing is an integral part of human resource management(HRM). It facilitates procurement and placement of right people on the right jobs.

- 1. People Centered:**
- 2. Responsibility of Every Manager:**
- 3. Human Skills:**
- 4. Continuous Function:**

Importance of Staffing

- **Filling job with competent personnel:** Staffing involve with proper arrangement of people through proper recruitment and selection process. It helps with obtaining competent staff for various jobs.
- **Better performance:** The performance of an organization depends on the quality of persons employed in the organization. The function of staffing is significant because it ensures higher performance by putting the right person in the right job at the right time.
- **Survival and growth:** Staffing is a very important function of management in comparison to other functions because all the functions of an organization are performed by the people. Competent and efficient workers bring an organization into existence and ensure its survival and growth.

- **Optimum utilization of human resources:** The staffing process helps to ensure optimum use of human resources by avoiding overstaffing. It prevents the underutilization of personnel and higher labor cost. It also helps in avoiding disruption of work by indicating in advance the shortage of personnel.
- **Improve job satisfaction and morale:** Proper staffing improves job satisfaction and morale of employees through objective assessment and fair rewarding for their contribution. It provides right kind of work atmosphere and culture to employees.

DIRECTING

- Giving direction or instruction to employees to get the job done.
- Leadership qualities are required.
- Communicating with them at regular intervals.

Definitions

- “Direction is the sum total of managerial efforts that are applied for guiding and inspiring the working terms to make better accomplishments in the organization. ” —**S.S. Chatterjee**.
- “Directing concerns the total manner in which a manager influences the actions of subordinates. It is the final action of a manager in getting others to act after all preparations have been completed.” —**Joseph Massie**.
- “Direction is telling people what to do and seeing that they do it to the best of their ability. It includes making assignments, corresponding procedures, seeing that mistakes are corrected, providing on-the-job instructions and, of course, issuing orders.” —**Ernest Dale**.

Elements Of Directing

- **Supervision-** implies overseeing the work of subordinates by their superiors. It is the act of watching & directing work & workers.
- **Motivation-** means inspiring, stimulating or encouraging the subordinates with zeal to work. Positive, negative, monetary, non-monetary incentives may be used for this purpose.
- **Leadership-** may be defined as a process by which manager guides and influences the work of subordinates in desired direction.
- **Communications-** is the process of passing information, experience, opinion etc from one person to another. It is a bridge of understanding.

Importance of Directing Function

- **It Initiates Actions** - Direction is the function which is the starting point of the work performance of subordinates. It is from this function the action takes place, subordinates understand their jobs and do according to the instructions laid. Whatever are plans laid, can be implemented only once the actual work starts. It is there that direction becomes beneficial.
- **Efficient Utilization of Resources** - Direction helps in clarifying the role of every subordinate towards his work. The resources can be utilized properly only when less of wastages, duplication of efforts, overlapping of performances, etc. doesn't take place. Through direction, the role of subordinates become clear as manager makes use of his supervisory, the guidance, the instructions and motivation skill to inspire the subordinates. This helps in maximum possible utilization of resources of men, machine, materials and money which helps in reducing costs and increasing profits.

- **Means of Motivation** - Direction function helps in achievement of goals. A manager makes use of the element of motivation here to improve the performances of subordinates. This can be done by providing incentives or compensation, whether monetary or non - monetary, which serves as a “Morale booster” to the subordinates. Motivation is also helpful for the subordinates to give the best of their abilities which ultimately helps in growth.
- **It Provides Stability** - Stability and balance in concern becomes very important for long term survival in the market. This can be brought upon by the managers with the help of four tools or elements of direction function - judicious blend of persuasive leadership, effective communication, strict supervision and efficient motivation. Stability is very important since that is an index of growth of an enterprise. Therefore a manager can use of all the four traits in him so that performance standards can be maintained.

- **Coping up with the changes** - It is a human behaviour that human beings show resistance to change. Adaptability with changing environment helps in sustaining planned growth and becoming a market leader. It is directing function which is of use to meet with changes in environment, both internal as external. Effective communication helps in coping up with the changes. It is the role of manager here to communicate the nature and contents of changes very clearly to the subordinates. This helps in clarifications, easy adaptations and smooth running of an enterprise. For example, if a concern shifts from handlooms to power looms, an important change in technique of production takes place. The resulting factors are less of manpower and more of machinery. This can be resisted by the subordinates. The manager here can explain that the change was in the benefit of the subordinates. Through more mechanization, production increases and thereby the profits. Indirectly, the subordinates are benefited out of that in form of higher remuneration.

Controlling

- Control means that the above activities are performed according to the appropriate rules and procedures

"checking progress against plans"

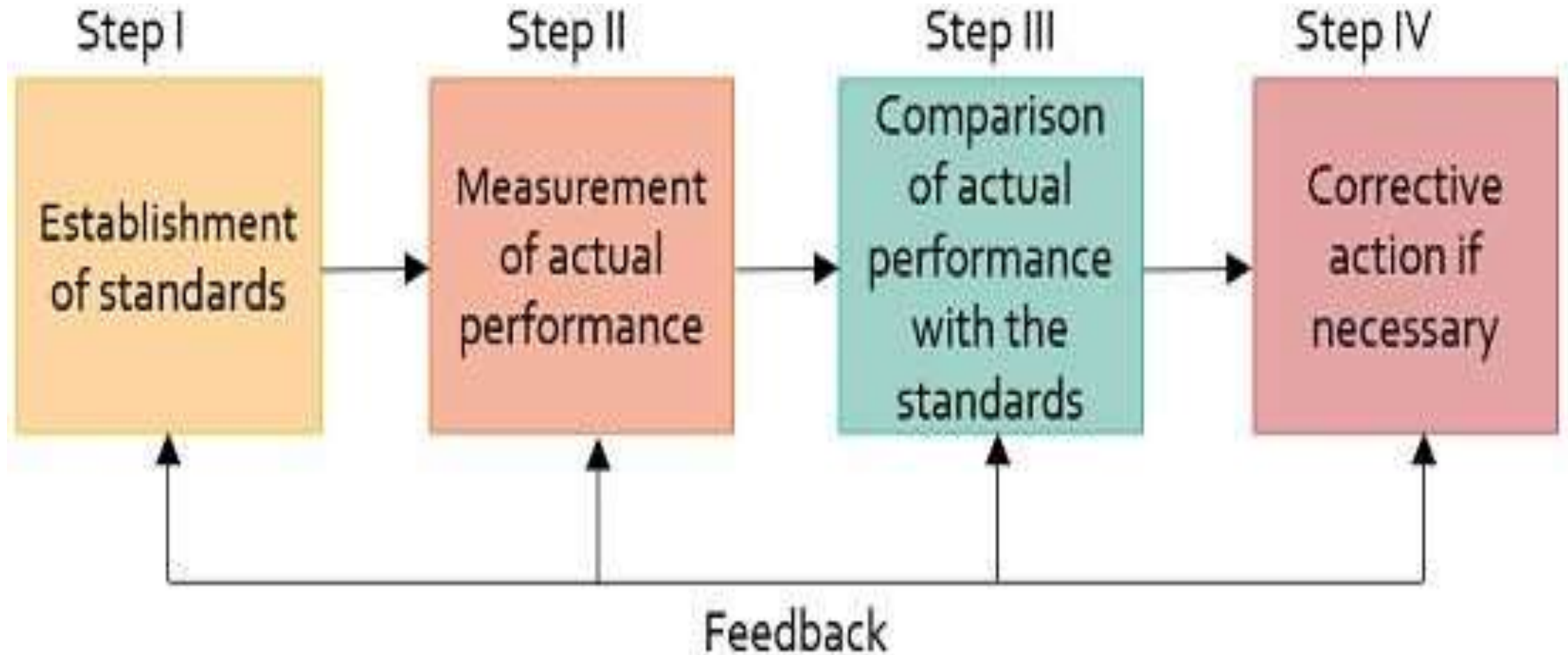


Controlling

- Control is a primary goal-oriented function of [management](#) in an organization. It is a **process of comparing the actual performance with the set standards of the company** to ensure that activities are performed according to the plans and if not then taking corrective action.
- Every manager needs to monitor and evaluate the activities of his subordinates. It helps in taking corrective actions by the manager in the given timeline to avoid contingency or company's loss.

- According to Theo Haimann, ***“Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation”.***
- According to Koontz & O'Donell ***“Controlling is the measurement & correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans desired to obtain them as being accomplished”.***

Process of Controlling



- **Establishing standards:** This means setting up of the target which needs to be achieved to meet organisational goals eventually. Standards indicate the criteria of performance. Control standards are categorized as quantitative and qualitative standards. **Quantitative standards** are expressed in terms of money. **Qualitative standards**, on the other hand, includes intangible items.
- **Measurement of actual performance:** The actual performance of the employee is measured against the target. With the increasing levels of management, the measurement of performance becomes difficult.
- **Comparison of actual performance with the standard:** This compares the degree of difference between the actual performance and the standard.
- **Taking corrective actions:** It is initiated by the manager who corrects any defects in actual performance.

Importance of Controlling

1. Accomplishing Organizational Goals

The controlling function is an accomplishment of measures that further makes progress towards the organizational goals & brings to light the deviations, & indicates corrective action. Therefore it helps in guiding the organizational goals which can be achieved by performing a controlling function.

2. Judging Accuracy of Standards

A good control system enables management to verify whether the standards set are accurate & objective. The efficient control system also helps in keeping careful and progress check on the changes which help in taking the major place in the organization & in the environment and also helps to review & revise the standards in light of such changes.

3. Making Efficient use of Resources

Another important function of controlling is that in this, each activity is performed in such manner so as in accordance with predetermined standards & norms so as to ensure that the resources are used in the most effective & efficient manner for the further availability of resources.

4. Improving Employee Motivation

Another important function is that controlling help in accommodating a good control system which ensures that each employee knows well in advance what they expect & what are the standards of performance on the basis of which they will be appraised. Therefore it helps in motivating and increasing their potential so to make them & helps them to give better performance.

5. Ensuring Order & Discipline

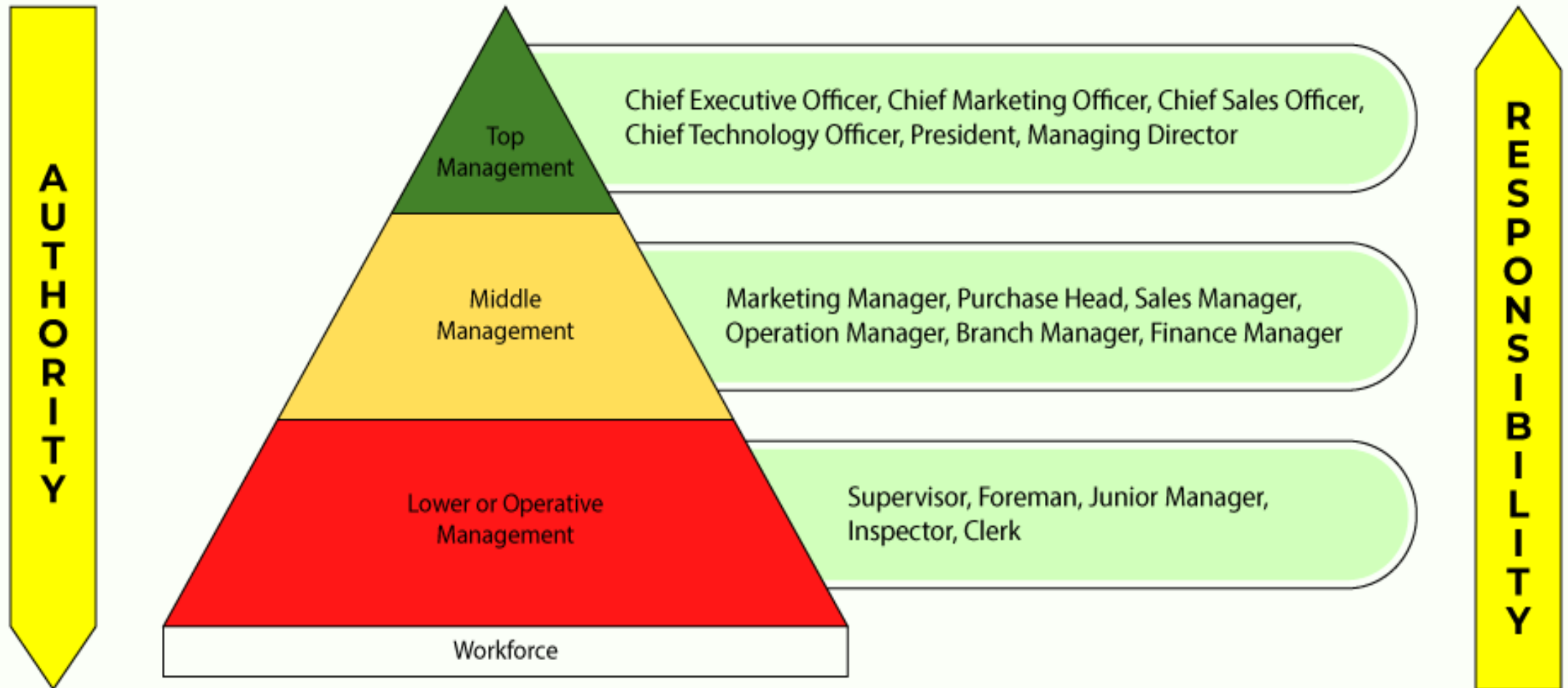
Controlling creates an atmosphere of order & discipline in the organization which helps to minimize dishonest behavior on the part of the employees. It keeps a close check on the activities of employees and the company can be able to track and find out the dishonest employees by using [computer monitoring](#) as a part of their control system.

6. Facilitating Coordination in Action

The last important function of controlling is that each department & employee is governed by such pre-determined standards and goals which are well versed and coordinated with one another. This ensures that overall organizational objectives are accomplished in an overall manner.

Levels of Management:

- ❑ Management is a group activity, which means that every organization has a number of individuals placed at different positions and are provided with different responsibilities according to their skills, education, etc. For the fulfillment of the responsibilities given to the members of an organization, they are also provided with the required authority.
- ❑ Based on the amount and extent of responsibility and authority given to these members, a chain of superior-subordinate relationships is formed. This chain of superior-subordinate relationships is known as the **Levels of Management**.
- ❑ There are three levels of management; viz., Top Level Management, Middle Level Management and Operational Level Management.



LEVELS OF MANAGEMENT

Three Levels of Management:

1. Top Level Management:

- The senior most executives of the organization are found at the top level of management.
- The top level of an organization's management consists of the Board of Directors, Managing Director, Chairman, Chief Executive Officer, Chief Operating Officer, Vice-President, President, General Manager, and other Senior Executives.
- The managers at the top level of management of an organization are responsible for its survival and welfare.
- These managers perform stressful and complex work that demands long hours and commitment towards the company

Functions of the Top Level Management:

- 1. Determination of the objectives for the organization:** The managers at the top level management formulates the goals or objectives for an organization along with the strategies to achieve those goals.
- 2. Framing of plans and policies:** For the achievement of the pre-determined goals or objectives of an organization, it is essential to formulate proper strategies, plans and policies within the organization. The top level managers are responsible for the formulation of these plans and policies.
- 3. Coordination and control of the performance:** Based on the overall pre-determined objectives of the organization, the top level managers coordinate and control different activities of different departments of the organization
- 4. Analysis of the business environment:** Business environment of an organization plays a crucial role in its success and survival. The managers at the top level of management of an organization carefully analyze the business environment and its implication and make necessary decisions for better results.
- 5. Setting up an organizational framework:** For the success and survival of an organization, it is essential to form a proper framework or structure within the company. The top level managers are responsible for the determination of the organizational framework for the proper and successful execution of its plans and policies.
- 6. Assembling of the resources:** Achievement of the organizational goals requires different resources of materials, machines, men, money and materials. It is the duty of the managers at the top level management to arrange these resources.

2. Middle Level Management:

- The next level of management is the Middle Level, which serves as a link between the Top Level Management and the Lower Level Management.
- The middle level management is superior to the lower or operational level management and subordinate to the top level management.
- The middle level of an organization's management consists of different functional department heads, such as Departmental Managers including Production, Purchase, Finance, Personnel, Marketing Managers, and other executive officers for different departments such as plant superintendent, etc.
- The employees or members of the middle level management are responsible to the top level management for their performance.

Functions of the Middle Level Management:

- 1. Interpretation of the policies framed by the Top Level Management:** As the middle level management acts as a subordinate to the top level management, the managers at this level have to clearly interpret the plans and policies framed by the managers at the top level management to the managers at the lower or operational level management.
- 2. Selection of suitable operative and supervisory personnel:** To perform any function properly, an organization needs the required personnel. It is the duty of the Middle Level Managers to make sure that the organization has sufficient personnel with them to perform the functions and duties better. For the fulfillment of this duty, the middle level managers recruit and select suitable employees for different departments based on the applicant's skills, etc., and the firm's requirements.
- 3. Assigning of duties and responsibilities to the Lower Level Management:** The middle level managers acts as superior to the operational level managers. These managers have to assign respective duties and responsibilities to the lower level managers and coordinate with them regarding the activities of different work units.
- 4. Motivating employees to get desired objectives:** An organization can effectively and efficiently achieve its desired goals only when its employees are motivated enough to work towards the betterment of the organization. Therefore, the managers at the middle level management motivate the employees towards the achievement of the organizational goals and improvement of their performance.
- 5. Cooperating with the entire organization:** As middle level management serves as a link between the top level management and the lower level management, the managers at this level have to cooperate with every other department for the smooth functioning of the organization.

3. Lower Level Management:

- The last level of management is the lower level management and is also known as the **Supervisory or Operational Level Management**.
- The managers at the lower level of management play a crucial role in the proper management of an organization, as they directly interact with the actual work force and interpret the instructions of the middle level managers to them.
- The responsibility and authority of the lower level managers depend upon the plans and policies formed by the top level management.
- The lower level management consists of foremen, supervisors, section officers, superintendents, and other managers who have direct control over the operative employees of the organization.

Functions of the Lower Level Management:

- 1. Issuing of orders and instructions:** The managers at the operational level management issue orders to the workers and supervisors and instructs them on their roles, responsibilities, and authority. Besides, these managers also control the functioning of the workers.
- 2. Preparation of plan for activities:** The lower level managers plan the day-to-day activities of the organization. Besides, these managers also assign work to the subordinates, guide them for the same, and take corrective measures wherever and whenever necessary.
- 3. Assigning and assisting in work:** The job or responsibility of the lower level managers includes assigning work to the subordinates and assisting them with the work. They do so by explaining the work procedure to the employees and solving their problems for better performance.
- 4. Representing workers' grievances:** As the managers at the lower level management are in direct contact with the managers at the middle level management, they listen to the grievances of the workers and report those issues to the middle level managers.

Functions of the Lower Level Management:

- 5. Ensuring a safe and proper work environment:** The lower level managers are responsible for providing the work force with a safe and proper work environment. They also have to maintain proper discipline and a good atmosphere within the organization, as it motivates the employees to work towards the accomplishment of the organizational goals.
- 6. Helping the middle level management:** The managers at the operational level management helps the middle level managers in selecting, training, placing, and promoting the workers of an organization as they can give a direct insight as to what is required for the achievement of the organizational goals and about the performance of the workers.
- 7. Encourage initiative of employees:** The best way to motivate employees and make them feel an important part of the organization is by encouraging them to take initiative. The lower level managers do so by welcoming their suggestions and ideas and by rewarding them for the good ones.

Top Level Management	Middle Level Management	Lower Level Management
<ul style="list-style-type: none"> • They formulate the overall organizational goals and strategies. • They are responsible for the success and failure of the organization. • They are responsible for all the business activities and its impact on society. • They maintain contact with outside world. • They coordinate the activities of different departments. 	<ul style="list-style-type: none"> • They serve as a link between the top level and lower level management. • They are responsible for implementing and controlling plans and strategies developed by top management. • They ensure that their department has the necessary staff. • They assign duties and responsibilities to their personnel. • They motivate the people in their department to achieve desired objectives. • They co-operate with other departments for smooth functioning of the organization. 	<ul style="list-style-type: none"> • They directly oversee the efforts of the workforce. • They serve a link between the workers and middle level managers. • They ensure availability of resources and good quality of output. • They provide guidance and training to workers. • They ensure that good working conditions are provided to the workers.