

How organizational policies and procedures can impact ethics



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Organizational policies and procedures are usually what guide a company. It communicates to the employees what is considered right and wrong. It often plays a positive role in strengthening an organization. However, it can also have a negative effect on an employee's conduct. I will explain below how organizational policies and procedures can have positive and negative impacts to organizational ethics.

Most companies create organizational policies and procedures with the idea that it will help employees make the right decisions. Companies that create policies and procedures usually get better results on the long-term. The main argument is that rules and policies are usually followed and therefore, it forces individuals to commit to a common goal and perform a common action. This is usually good for any organization, because it creates order and harmony among the workforce. One may also argue that other benefits include: removal of uncertainty, balance of individual and institutional interests, higher employee satisfaction, motivation, and quality of life. All these benefits strengthen the relationship between the organization and all those involved directly or indirectly to its activities, which often results in higher performance and profits.

On the other hand, there are individuals who have other motivations and do not like to follow rules, ultimately finding ways to bypass organizational policies and procedures. It is because of those individuals that policies and procedures may have a negative impact to organizational ethics. For example, an employee that does not agree with a company's policy on property rights may decide to communicate confidential information to a

competitor. That confidential information can eventually bring the employee's company to bankruptcy.

In conclusion, according to the above, policies and procedures are very important for any organization. The underlying motives to create rules are usually to improve an organization. However, if it is not created and implemented correctly those same rules can have negative impacts to the organizational ethics.