

Practice Exercise

An important part of management is the making of rules. As a means of regulating the functioning of an organization so that most routine matters are resolved without referring each issue to the manager they are an essential contribution to efficiency. The mere presence of carefully considered rules has the double-edged advantage of enabling workers to know how far they can go, what is expected of them and what channels of action to adopt on the one side, and, on the other, of preventing the management from behaving in a capricious manner. The body of rules fixed by the company for itself acts as its constitution, which is binding both on employees and employers, however, it must be remembered that rules are made for people, not people for rules. If conditions and needs change rules ought to change with them. Nothing is sadder than the mindless application of rules which are out-date and irrelevant. An organization suffers from mediocrity if it is too rule-bound. People working in will do the minimum possible. It is called "working to rule or just doing enough to ensure that rules are not broken." But this really represents the lowest level of the employer/employee relationship and an organization afflicted by this is in an unhappy condition indeed. Another important point in rule-making is to ensure that they are rules which can be followed. Some rules are so absurd that although everyone pays lip-service to them, no one really bothers to follow them. Often the management knows this but can do nothing about it. The danger of this is, if a level of disrespect for one rule is created this might lead to an attitude of disrespect for all rules. One should take it for granted that nobody likes rules, nobody wants to be restricted by them, and, given a chance, riots people will try and break them. Rules which cannot be followed are not only pointless, they are actually damaging to the structure of the

Title: Managing Organizations By Rules

Proper set of rules contributes a lot towards the smooth and efficient functioning of an organization. It provides the employees and employer a framework to know what they should do and what not to do. Organizations should make such rules which are suitable to be followed by all. The Constitution of an organization should be flexible enough to meet the needs of every situation. Rules of organization should not be abused that they bound employees severely. In this case employees will break laws and this would create a sense of disrespect among employees towards their organization. And this would be harmful for the organization.