

Ethical, Social and Environmental Standards and practices of “Ford”

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Abstract- Mission and governance structure of Ford Motor embedded ethics, social responsibility and environmental sustainability. Ford Motor Company nominated sustainability committee that presents its progress to the Board of Directors meeting held every quarter. It is important that Ford's suppliers share commitment to environmental and social responsibility. This commitment also helps to ensure efficiency and quality throughout the supply chain for Ford. Ford has made through internal analysis and discussion during the early phases of developing company's sustainability programs. The organizations have ability to measure sustainability, environmental and social policies in a quantitative or at least qualitative fashion as well. The Ford maintains a comprehensive set of Policy Letters as well as Directives and other corporate standards that govern all the activities of the company and set the programs for compliance with corporate social responsibility. The Corporate Social Responsibilities (CSR) "entails the obligation stemming from the implicit social contract between business and society for firms to be responsive" (Ford) to the long run needs and wants of the society to "optimizing the positive effects and minimizing the negative effects of its actions on society". Major problem related to CSR is that it is philanthropy rather than doing business and responding to stakeholders of the organization. This problem is considerable potential as if stakeholder perceives that a firm is engaging in making social and public relations than making and concentrating that related to actions which lead to real and social and environmental benefits. Financial position of Ford motors is strong enough. The volume of sales of Ford Motors is increasing resulting in more dividends. Today Ford is the stronger and learner company.

Introduction

Mission and governance structure of Ford Motor embedded ethics, social responsibility and environmental sustainability. Ford Motor Company nominated sustainability committee that presents its progress to the Board of Directors meeting held every quarter. It is important that Ford's suppliers share commitment to environmental and social responsibility. This commitment also helps to ensure efficiency and quality throughout the supply chain for Ford. Ford has made through internal analysis and discussion during the early phases of developing company's sustainability programs. The organizations have ability to measure sustainability, environmental and social policies in a quantitative or at least qualitative fashion as well. The Ford maintains a comprehensive set of Policy Letters as well as Directives and other corporate standards that govern all the activities of the company and set the programs for compliance with corporate social responsibility. The Corporate Social Responsibilities (CSR) "entails the obligation stemming from the implicit social contract between business and society for firms to be responsive" (Ford) to the long run needs and wants of the society to "optimizing the positive effects and minimizing the negative effects of its actions on society". Major problem related to CSR is that it is philanthropy rather than doing business and responding to stakeholders of the organization. This problem is considerable potential as if stakeholder perceives that a firm is engaging in making social and public relations than making and concentrating that related to actions which lead to real and social and environmental benefits. Financial position of Ford motors is strong enough. The volume of sales of Ford Motors is increasing resulting in more dividends. Today Ford is the stronger and learner company.

Ford Motor Company mission and governance structure ingrained ethics, social responsibility and environmental sustainability.

Ford Motor Company mission aims to supply the major part of the word with admittance to reliable, safe, efficient and affordable transportation. People can find a job, bring their goods and services to market right to use education and credit with less environmental compensation. Ford Motor Company is among those small numbers of companies to integrate human right to its corporate mission.

Ford Motor Company has strapping governance structure that reveals its commitment to human rights. Ford Motor Company nominated sustainability committee that presents its progress to the Board of Directors meeting held every quarter.

Ford Motor Company guiding principal reflect this theme in the form of employee involvement is our way of life and integrity is never compromised. Company is focusing on unity by motto that we are a team. Employee must communicate each other with respect and trust. Ford Motor Company has been renowned that take care of people with dignity and respect. This theme is elementary to how we perform trade around the globe. Integrity is never compromised guiding principal reflects that company must conduct its operations internationally in a manner that is socially responsible and for its constructive contribution to society and command admiration for its veracity. Company is working without gender discrimination by giving identical opportunity to women and men. These supporting points make clear that Ford Motor's mission and governance structure ingrained ethics, social responsibility and environmental sustainability.

From always, Ford Motor Company is committed to conducting business fairly and honestly and this commitment to integrity requires each member of Ford to act ethically and fulfill the corporate responsibility of socialism and environmental conduct henceforth. Each and every employee and member of Ford is expected to act under this obligation "at all times and in all circumstances, with the highest sense of integrity on behalf of the Company" and represent Ford in a better way while every member is "anticipated to work in a manner that protects and promote the company's corporate reputation" as well.

In the Company:

all personnel are required to report all known or suspected violations of the company policy or business related legal requirements that include civil and criminal laws as well as government rules and regulations. Furthermore, Code of Conduct and Company's Policy Letters and Directives as well. One of the Ford Motor Company's Policies is that its operations as well as products and should achieve the functions in a way that responsibly protects health and the environmental issues and fulfill the social corporate responsibility too.

Ford Company is committed to meet regulatory requirements that apply to its business and its industry. But however, it is when necessary and appropriate with conditions, the Company establishes and complies with its own standards which in turn may exceed regulatory requirements and considerations of potential health and environmental effects should be an integral part of all Company business decisions within the company. Evident from resources, it is clear that the strong and profitable companies of the future will be the ones that strive for sustainable use of environmental resources and social corporate responsibilities. (Ford)

The great Ford has a strong set of values as well as norms and artifacts that it strongly enforces company wide and required by every member to adopt these norms. "One Ford, one team, one plan, and one goal" is a simple mission statement of Ford. "One team to Ford means that Ford employees work together toward a leadership position in the automobile industry through quality and stakeholder satisfaction" (Ford) and will make Ford the best among all automobile industries along with its mission statement as well. The Company has adopted vision i.e. to become a leading company for its products and services worldwide. In the past, it has seen that Ford gained its reputation over the past years of having a corporate culture within it i.e. communication

among different areas of the firm was minimal and executives at Ford often competed against each other rather than work together in harmony. Top-level leaders were discouraged from calling attention to problems in the company in front of others and perhaps most threatening was that Ford had adopted a culture of contentment as well. The company "failed to drop brands or left products languishing without instilling them with new life" (Ford) or redesigning. Furthermore, Ford's commitment to business ethics and compliance roll out every year and new mandatory online compliance training on important risk areas were developed. These roll out in compliances not only do these courses increase awareness but they also help company employees worldwide in understanding and accessing resources that enable responsible behavior and enhance regulatory compliance for Ford. The recent courses covered the topics of social media as well as mutual respect and health and safety issues of Ford. (Daniels ethics)

According to the global reporter's statements, Ford is one of the tops of 50 leading companies to illustrate the best practices in corporate social and environmental responsibility and other corporate responsibilities. The company has a long-standing legacy and passion for helping others and making its reputation best among others. Ford has started programs for the better fulfilling these corporate responsibilities and these programs are necessary to the industry because as a manufacturer of automobiles there is a great responsibility to the surrounding areas in which they operate and for good fame. These CSR program also allows the industry a way to separate themselves from their competitors. Now days, for social corporate responsibility, the competition is so dense within the automotive industries that it is hard to decide who to go with and which program should use. All companies should implement a CSR program because it is an innovative new way to think and to create an image good for the companies. Productions at Ford are really in compliance with the corporate social responsibility as they really do take a conscientious look into what is best for the consumer with regards to the CSR. Ford worked hard to see through the eyes of a buyer and anticipate what their vision of a safe as well as environmentally efficient and quality vehicle would look like to be. This innovative thinking has made Ford able to act in an ethical level of CSR.

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The Ford maintains a comprehensive set of Policy Letters as well as Directives and other corporate standards that govern all Company

activities and set the programs for compliance with corporate social responsibility. Many of these relate to aspects of sustainability as well. (Ford, 2011/12)

Fr. Byron stated the ten "old cultural values" at all levels of the organization and these old cultural values identified are following:

First one is integrity i.e. integrity in terms of wholeness as well as solidity of character and honesty furthermore, trustworthiness and responsibility within an organization. Second one is veracity which means that telling truth at any cost and in all circumstances and also regarding to transparency and ability. Third old cultural value is fairness i.e. justice, treating equal and without the discrimination. Fourth one is human dignity i.e. principles of ethics which promotes respectful recognition of other's value as a human being. Fifth old cultural value is participation which exhibits that this principle respects other's right not to be eliminated on the job from decision making within the organization.

Sixth value is Principle of Commitment i.e. a committed person can be counted for dependability as well as reliability of that person. Seventh value is the Principle of Social Responsibility. This principle points out to an obligation to look to the interest of a broader community and to treat it as a stakeholder in what the organization does. Eighth one is Principle of Common Good. This aligns one person's interest with the company as a whole. Ninth is the Principle of Subsidiary i.e. "no decision should be taken at a higher level that can be made as effectively and efficiently at a lower level in the organization" and this could be viewed as a Principle of Respect for proper autonomy. Tenth one is Ethical Principle of Love i.e. an internalized conviction that prompts a willingness to sacrifice one's time as well as convenience and a share the ideas and goods for others. Thus, all of these old values of culture followed by the Ford and they try to follow it to the maximum level in order to increase harmony and brotherhood among all employees for the one team and one community i.e. Ford. (Byron, 2006)

In the World, the automotive industry is one of the most complicated of any industry in case of supply chain. Majorly the automakers rely on thousands of suppliers to provide the materials as well as parts and services to make final products and innovative finished goods. The company Ford had a great relation with its suppliers and it must work jointly to deliver great products to have a strong business and make a better future among competitors. Now a days, economic environment as well as achieving lower costs and improving quality furthermore meeting sustainability objects

require an uncommon level of cooperation with suppliers and the maintenance of strong supplier relationships as well. Vitally it is important that Ford's suppliers share commitment to environmental and social responsibility though. This commitment also helps to ensure efficiency and quality throughout the supply chain for Ford. Ford is committed to maintaining strong relationships with other suppliers by engaging the supply base in discussions about process stability as well as incoming quality and corporate responsibility furthermore involving suppliers in coalitions to create awareness of industry issues too. Ford is making good relationship with its customers by deploying a single global product creation process that combines aggressive execution of product plans with minimal variances and Ford evaluates its suppliers on issues such as quality as well as cost and delivery. (Ford, 2010/11)

Every organization wants to produce environmentally friendly products and the automakers ants to produce eco-friendly new cars as well as trucks and other vehicles that are pretty close to the top of every automaker to do list though. Within the automakers, there are many different ways to go about creating an eco-conscious ride, and the Ford that is a U.S. automaker discovered one of the best ways.

At the Ford's manufacturing, materials are developed by engineers at Materials Engineering and Testing and Standards in Dearborn conjunction with Rhe Tech. These engineers conducted testing of the rice hull material for more than a year for "examining everything from smell and appearance to functionality and flammability" as well. This testing material successfully passed all tests at the material engineering. Some of the scientists have developed useful mathematical models to make the vehicles friendly with customers and an environment and these types of mathematical studies helped develop products like Ford Auto Start-Stop in addition to developing production strategy as well. Some other tools were created, as tools to help fleet customers connect with the vehicles that are best fit for them and make the customers feel comfortable. Some of these types of tool saves customers from needing to put in extra effort and also helps save the planet by protecting the environment. Finally, one other friendly decision made by Ford is that Ford was able to set fuel economy goals with innovative developments as well as projections for CO2 emissions were developed for the next 50 years henceforth. Worldwide automaker hopes to continue using the scientists come up with in the future to help create an environmentally sound

future for all Ford drivers as well. (Ford Motor Company)

The Ford has sustained relationships with many distinct categories of its stakeholders and shareholders and its stakeholders:

The Ford has sustained relationships with many distinct categories of its stakeholders and shareholders and its stakeholders include i.e. employees as well as customers and dealers furthermore, suppliers and investors and communities as well. For Ford, it is also important for their entire relationship to society, which includes government agencies as well as nongovernmental organizations (NGOs) and academia too. These categories of stakeholders in Ford has made through an internal analysis and study during the early stages of developing company's sustainability programs. The company's climate change strategy remains of the highest importance to the company and stakeholders alike but the issues comprising the grouping have shifted e.g. as anticipated global carbon markets failed to emerge and emissions trading or cost of carbon decreased in importance to Ford and its stakeholders though. Thus, climate change policy remains of high concern for Ford and is highly important to inform all of its stakeholders. Ford has created forums to gather stakeholder input on daily routine activities as well as challenges and performance and made available to all types of customers and stakeholders. This is a big step from Ford towards its related stakeholders to inform them in all ways and make all type of information available to them. Ford's engagement with others helped to formulate public commitment to product carbon dioxide reductions as well.

Within the Company, stakeholder's engagement takes place in countless formal and informal ways every day across it from meetings with local community groups to market research with customers to gatherings of Ford dealers and suppliers and all types of stakeholders. (GRI)

Climate change as well as the price of fuel and energy securities along with the global recession has dramatically changed the automotive business over the past decade and these environmental concerns create substantial risks for automakers. These concerns have also developed opportunities for innovation for automakers that enable them to grow and expansion of their business. Ford has also introduced such types of innovations and also discusses the physical and supply chain risks to business posed by climate change though.

As compared to the climate change issue which "has fundamentally reshaped automotive markets around the world" (Ford) conscious and highly concern. These concerns and related policies landscape are becoming more complex and interconnected with other market factors and issues as well. Strategy related to product globalization at Ford is designed to help and "respond to changing markets and regional preferences and the risks and opportunities presented by the climate change"(Ford) issues as well. Ford, in the automaker industry, has created global vehicle platforms that offer superior fuel economy as well as safety and quality and customer features henceforth. The company then traced down each global platform to national or regional preferences and requirements and "new technology is also cutting the time required to bring new vehicles to market which helps" (Ford) the company respond more effectively to the ever increasing pace of change in automotive markets and the huge industry. The Ford tried to leave a positive legacy in the communities in which it have operated and it is therefore committed to handling environmental responsibilities and working with municipal leaders to ensure smooth and successful transitions to new uses though. (GRI)

In the history of Ford, in regards to safety issues of employees, fatalities target is always zero but in 2011, for the first time in Ford's history, tragically, however, experienced two contractor fatalities one in Brazil and another in Russia too. Otherwise Ford did not have an employee work related fatality during the calendar year throughout its history. In Ford, serious injuries target is zero i.e. overall goals are to attain industry competitive lost time and drive continuous improvement i.e. specific targets are set by business units yearly though. For five years into the future of Ford, it saw slight deterioration in a major safety indicator i.e. the lost time case rate. In recent years, Ford experienced 143 serious injuries among direct employees as compared to 111 the previous years of service. But in order to sustain the social and internal core responsibilities however, Ford is back on track with serious injuries and lost time or DART performance in the first quarter of 2012 as well. In relation to environmental issues, Ford has reduced average facility energy use per vehicle globally by 25 percent between 2011 and 2016 though. It is a new goal of Ford Motors and this goal is in the process for the accomplishment of proposed target in Ford.

In relation to quality, the overall goal is to deliver best in the world quality i.e. Ford strive to be best in class in every phase of vehicle development from design to pre delivery for its best

reputation. Unfortunately, Ford had mixed quality performance in 2011 but global warranty spending improved overall and customer satisfaction improved or remained steady in all operating regions of Ford. Ford's warranty spending increased in North America and Asia Pacific and Africa from 2010 to 2011 by 14 percent and 8 percent correspondingly. As well as it decreased in Europe and South America by 21 percent and 1 percent respectively.

"Benefits of CSR practices will remain limited unless they can be integrated into broader strategies and public policies certainly have a role to play in this respect as well". This Corporate Social Responsibilities (CSR) "entails the obligation stemming from the implicit social contract between business and society for firms to be responsive to society's" long run needs and wants to "optimizing the positive effects and minimizing the negative effects of its actions on society henceforth". Major principles of CSR are sustainability, accountability and transparency as well. In order to comply with these CSR principles, the company should have to follow these in all aspects. All of these principles are compulsory and mandatory for organizations to have a better position in society and globally well fame. There are so many factors that have led to increasing attention towards CSR that includes sustainable development, governance, corporate sector impact effective communications and ethics etc. (Crowther & Aras 2008)

It is vital that where CSR has benefits, then it also have some problems as well. For example there is related cost in implementing these responsibilities. While these corporate social responsibilities still creates a degree of confusion and controversy. Major problem related to CSR is that it is philanthropy rather than doing business and responding to stakeholders of the organization. This problem is considerable potential as if stakeholder perceives that a firm is engaging in making social and public relations than making and concentrating that related to actions which lead to real and social and environmental benefits. "The CSR activities of firms can be seen as a proactive method of addressing potentially problematic conduct before it attracts legal attention" and no matter how the organization is good in fulfilling its CSR but failure to follow will undermine the position of organization. (Hohnen & Potts, 2007)

In today's world business, a number of leading companies worldwide have made a commitment to become sustainable enterprises by adopting social, environmental and corporate steps in establishing a good reputation. In order to adopt

these policies and practices, these organizations "have launched proactive programs to improve the environmental and social performance of their products" as well as processes and services and facilities too. But in order to achieve these practices, however, one of the essential challenges that faced by the companies is how to follow the "progress towards sustainability and communicate it to both employees and other important stakeholders" as well. Thus, the organizations have ability to measure sustainability, environmental and social policies in a quantitative or at least qualitative fashion as well. Some organizations measuring sustainability is different from measuring other business performance in several important respects and addresses the dual perspectives of resource consumption and value creations. Some of the important policies and practices in implementing policies include economic as well as environmental and societal aspects henceforth. Some of the organizations also have to regularly consider each step in the product life cycle, have to develop both leading and lagging indicators for organization, should have to address the dual perspectives of resource consumption and value creation for environmental sustainability. Organizations of all types should have to emphasize on environmental performance as environmental indicators comprise half or more of the total indicators reported by that organization. Some of the specific policies and practices "used by companies vary considerably and thus the measurement results are not directly comparable" with other organizations. (GRI)

Conclusion:

in the automaker business Ford has made worldwide vehicle stages that offer a prevalent efficiency and in addition quality and safety and client offer consequently. The organization then followed down every worldwide stage to national or territorial inclination and prerequisites and new innovation is additionally slicing the time needed to offer new vehicles for sale to the public which helps the organization react all the more adequately to the perpetually expanding pace of progress in auto markets and the enormous business. The Ford has upheld a related relationship with a couple of extraordinary classes of its stakeholders and shareholders and its stakeholders fuses i.e. agents and moreover customers and traders plus, suppliers and theorists and gatherings likewise. Ecological change and what's more the expense of fuel and imperativeness securities nearby the overall subsidence has essentially changed the

auto business over the earlier decade and these regular concerns make liberal dangers for automakers. Ford strive to be best in class in every period of vehicle improvement from configuration to redelivery for its best notoriety The associations have capacity to gauge supportability, natural and social arrangements in a quantitative or in any event subjective design also. A few associations measuring manageability contrasts from measuring different measurements of business execution in a few paramount regards and locations the double points of view of asset utilization and quality manifestations. Corporate social obligations still make a level of disarray and debate. Real issue identified with CSR is that it is altruism instead of working together and reacting to stakeholders of the association.

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