

Evaluation of a business code of ethics

[Business](#), [Management](#)



First Energy and the Business Code of Ethics First Energy prides itself on the ethical standards it has created. These standards are the basis that builds upon the trust between customers, shareholders, employees, and the surrounding communities. First Energy encompasses more than five states and supplies millions of customers. As a service company, First Energy expects its employees to adhere to a workplace free of harassment, unethical or unlawful business activities, and discrimination.

Each employee must conduct him or herself accordingly with high ethical standards while conversing with customers, other employees, and First Energy suppliers. These standards contribute to First Energy's mission statement. First Energy's mission statement will strive to provide high-quality products, competitively priced, and exceptional services in four areas. These areas include; Energy sales and services, power supply, energy delivery, non-regulated, and regulated supplemental services related to the core business (First Energy Corp, 2007).

The following paragraph will delve deeper into the ethical make-up of First Energy. First Energy seems to portray a utilitarianism type of ethical system. Utilitarianism strives to obtain the highest positive effects, which include morals and financial maximization, and minimize any negative outcomes (Reference for Business, 2011). This ethical system portrays itself best from the company's website. First Energy's vision is to become the best in their field and recognized as such. Striving for excellence in operations, safety commitment, and top rated customer service is essential.

First Energy will focus on long-term growth, commitment to its employees, and maximum financial stability with focus on the highest morals (First <https://assignbuster.com/evaluation-of-a-business-code-of-ethics/>

Energy Corp, 2010). The key pulled from the previous statement attempts to substantiate the ethical system with maximum stability portraying the highest morals. Utilitarianism explains that correct actions are actions that provide the highest balance of happiness over sadness. Every person's happiness is of equal importance (Lasley & Pickett, 1992). The following paragraphs will provide more information into the utilitarianism system between management, employees, and the board of directors.

Utilitarianism and First Energy's employees strive to maximize the happiness of all employees. From firsthand experience the company accomplishes this by providing education assistance programs, discrimination guidelines to ensure all employees comply with and treat his or her coworkers with respect, and various outlets to ensure all employees questions and concerns are addressed. Along with the union First Energy also provides for excellent health coverage, paid holidays, maximum sick days, personal days, generous vacation day allotments, and grievance outlets to ensure employees concerns are brought to light.

The next section relates this ethical system to management. Supervisors and management are held much more responsible for his or her actions than the employees. Although management is held to higher standards, he or she obtains substantial benefits from the company to achieve the utilitarianism maximum happiness. Management is also provided comparable benefits to the employees. Management obtains the same excellent health coverage, paid holidays, comparable sick days, and vacation time. Rule utilitarianism seems to portray itself prominently.

Rule utilitarianism strays away from assessing acts of individuals and leans strongly toward the utility of a rule for action. What this means to management is this: if management enforces a rule for everyone to follow the opinion of tolerability should be at a maximum (Nuigal Way, 2005). Utilitarianism is not without its problems, and this issue will appear in a later paragraph. The last group explored is the board of directors. The purpose of the board of directors is providing the highest profitability for its shareholders while addressing any ethical concerns.

It is not possible to predict and address every situation that may rear its head so it becomes a challenge to maximize happiness with ethical concerns. An excellent example of utilitarianism in this case is this: concerning child labor and business overseas, it would not maximize total happiness if every business overseas were to employ children to increase profits for the shareholders (Nuigal Way). Utilitarianism has its flaws and criticisms. This ethical system by itself, whereas formed in good intentions, is not efficient enough to run a business properly.

The following paragraph attempts to suggest alternatives to First Energy's current code of ethics. Opponents of utilitarianism explain that happiness and pain of certain tasks cannot be generalized to determine the maximum pleasure of all individuals. An individual cannot assume that one person will feel the same degree of pain or pleasure from the same act (Griffin, 2000). Management may need to stay away from general rules as they may not capture the desired effect of employee happiness when compared with workload and ethics.

Rules are put into place to protect the employee, and to a lesser extent, to protect the company image. An example of this that enacted recently by First Energy was banning personal cell phones. This general rule states that personal phones are not allowed on company property at any time. Although this rule portrays good intentions, it fails to address other personal issues. Family emergencies occur from time to time. If an employee must wait for messages from his or her supervisor or manager, a catastrophic family event may occur that may not present itself to the employee in time.

A differing point of view is suggested in the next section. The existing code of ethics is very solid. As Chief Executive Officer few problems rise to the forefront, and may not require change. One situation witnessed recently could warrant a change. During completing an associate program paid for by First Energy and working on a hands-on task with a fellow student, the instructor became enraged and started screaming at and belittling the other student. The instructor already had two previous cases. The case made its way to human resources and eventually was swept under the rug.

Although paid for by First Energy and involved in company tasks, students are not represented as employees. Certainly it seems anyone in this situation should have the same benefits as employees. Consequently it is unethical to ignore a recurring problem with an employee simply because he or she is an instructor for non-employees. The code of ethics is there to protect everyone as can be seen in the next section. The code of ethics presents itself very clearly and all employees and management adhere strictly to the outline.

Employees treat each other with respect and adhere to ethical values. Wider acceptance is adopted when concerning human interaction and differing ethical values. This acceptance stems from years of education, governmental programs, and company policies. The constant influx of company provided classes and weekly meetings provide for this acceptance in a greater capacity. In conclusion and like any other system, the underlying purpose of this philosophical ethics code strives to provide for the greatest happiness with the least amount of displeasure.

Many procedures and rules must be analyzed to provide for the maximum positive effect not only for the employees but also for the stakeholders. Taking important aspects of the utilitarianism code and striving to remove the negative aspects of this system will provide for a smooth running machine. The bottom line is this: despite its numerous inadequacies, utilitarianism does contain a solid moral foundation. No one can deny the intrinsic benevolence in promoting the greatest good for the greatest number.