The FedEx Express Employee Climate Survey Process

Process Overview, Measures, and Lessons Learned

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Topics

• FedEx Corporation Overview

• The People, Service, Profit (PSP) Philosophy

• Survey, Feedback, Action (SFA) The Means to Measure the People Side of P-S-P

• SFA Process Cycle (How it Works)

• SFA Elements (What it Measures)

• SFA Outcomes (Results)

• SFA Lessons Learned (Employee Needs & Critical Success Factors)

• Close
FedEx Express

Overview:

• Founded in 1971
• The world’s largest transportation company
• Providing fast and reliable deliveries to more than 220 countries and territories
• 688 Aircraft serving more than 375 Airports worldwide
• Approximately 42,000 vehicles
• 142,000 employees worldwide
• 3.5 million packages and 11 million pounds of freight a day
• $24.6 Billion revenue (FY11)
From the Beginning – The P-S-P Philosophy

P-S-P (People-Service-Profit) Philosophy: Take care of our people; they in turn will deliver impeccable service demanded by our customers, who will reward us with the profit necessary to secure our future.

These three words are the very foundation of FedEx Express.
SFA the Means to Measure the “People” Side of P-S-P

Successful organizations adapt to change. If they don’t, they will atrophy and eventually fail. For over 32 years, our Survey-Feedback-Action process has allowed us to listen to our people and make the changes necessary to keep our work force motivated, satisfied, and effective even as the environment around us changes rapidly.

David J. Bronczek, President and Chief Executive Officer, FedEx Express

Facts: Survey completion rate 97% - Completed on Global Scale – Translated in 22 Languages

SFA is the Company Dashboard to:

- Support the PSP Philosophy
- Assess the FedEx Express Climate
- Identify Concern Areas
- Facilitate Workgroup Problem Solving & Continuous Improvement
- Ensure that Upper Management is Aware of Employee’s concerns
- Provide a Means for EE’s to Review Management
- Increase Employee Satisfaction, Motivations, and Effectiveness
Imagine if you had a continuous improvement tool that could gather the opinions of over 100,000 employees in just over a two-week period, then generate, and electronically distribute over 10,000 reports in less than 48 hours.

SFA Process Cycle

Survey
- A standard, anonymous questionnaire given each year to every employee (mgmt. & non-mgmt)
- Items are designed to gather information about what helps and hinders employees in their work environment
- Results for each workgroup are calculated and returned to each workgroup’s manager

Feedback
- A meeting held between the manager and all members of the workgroup, in order to understand the meaning of the survey results
- The goal of the meeting is to identify specific concerns, examine causes, and devise action plans to address those concerns

Action
- The outcome of the feedback meeting is an action plan
- The plan is implemented, monitored, and action is taken to address workgroup concerns
- This leads to the next SFA cycle when the process is repeated
SFA Elements

- 34 Item Survey
- 5 Point Scale
- Measures Employee Satisfaction

### Items

- **1-9** Immediate Leadership
- **10-13** Corporate Leadership (Mgmt. Above Immediate Mgr.)
- **14-17, 19, 24-26** Employee Identification With Company
- **20-21** Rewards (Fairness & Adequacy of Pay/Benefits)
- **27-28** Cooperation (Inside & Between Workgroups)
- **23,29-30** Job Conditions (Rules, Resources, & Safety)
- **35-41** Local Items (Items Added at MD level)
- **31-34** Other Special Items (Company Wide Scope)
SFA Outcomes

• CIA (Corporate Identification Average)
  ◦ Measures How Strongly Employees Identify With the Company
  ◦ Covers attributes that research shows to be critical to employee commitment and retention

• SFA Average
  ◦ Average percent of favorable responses for core survey items
  ◦ Provides indication of overall morale of the workgroup

• Leadership Index
  ◦ Average percent of favorable responses for immediate leadership items
  ◦ Provides indication of how well a workgroup’s immediate manager is perceived as providing effective leadership
Lessons Learned - What Employees Need

- **Heard** – Allow employees to have a voice in the design of their work; ask for their input; need to be heard and understood.

- **Resources** – Provide resources to do job well; support the customer

- **Challenges** – Provide challenging work; allows for personal growth

- **Relationships** – Build and nurture positive working relationships with co-workers

- **Resolution** – Quickly address work and people issues; don’t let problems linger

- **Direction** – Provide clear direction and communications from immediate management; extends to the top of the corporation
Lessons Learned - What Employees Need

- **Development** – Provide career development opportunities
- **Rewards** – Provide rewards and recognition – it’s often not about money
- **Celebration** – Celebrate employee milestones and wins
- **Space** – Structure and create their work environment
- **Balance** – Create work life balance (Recreate = Re-Create)
SFA Lessons Learned - Process

- **SFA Everyday** – It’s not one and done

- **Support** – Must have top management support to take action, communicate, and hold management accountable

- **Credible Survey** – Makes sense within the environment; face validity

- **Accurate and Timely Reporting** – Deliver when promised; not having to retract reports; being able to explain the numbers

- **Evaluation and Fine-Tuning** – Separating complaining for the sake of complaining from legitimate concerns and making program improvements each year
In Closing

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