

Good example of goal setting in an organization-fedex research paper

[Business](#), [Company](#)



Purpose of the Paper

Every business that strives for success needs to define success. A goal or set of goals is referred to the success. The paper focus is towards providing complete details on goal setting and use of goal setting strategies to achieve success in an organizational environment. Further, the paper will analyze FedEx goal setting application within the organization. Moreover, the paper will discuss the external and internal factors of FedEx through analyzing the trends, threats and competitive advantage of the management external and internal environment. The Porter Five Forces Model is used to examine the threats/challenges faced by the company to achieve company's goal. Also, SMART strategies used by FedEx management to sustain the organizational goal.

FedEx Goal-Setting towards External Analysis

Industry Analysis

FedEx management is dealing with the shipping industry services. A wide array of transportation services offered by FedEx is the success of their business model. These services facilitate to the huge range of shipments. Well, considering the life cycle of the shipping industry, its services are classified as part of the mature stage. The competitors in the shipping industry are named as UPS, USPS and DHL, including FedEx. Also, every company has its brand loyal consumers and low operating expenses that are substantial barriers for the new entrants to enter in this sector. The appropriate use of goal-setting tool to achieve management performance and motivate the team members allow FedEx to fulfill in accomplishing their

management goal (Berry & Parasuraman et al., 1994).

The goal strategy used by FedEx management towards competition in this mature industry has avoided their involvement in price wars and try to focus more in recognizing their interdependence. However, the threat on immense rivalry minimizes between the established companies like FedEx, when a stable demand is a key element for mature industries (Berry & Parasuraman et al., 1994).

The Management Goal Features in the Industry Dynamics

The dynamic is the word that symbolizes the shipping services industry. The powerful nature of this industry goal explains the numerous consumer needs. Although, the nature of shipping services varies accordingly, but many Global Corporations, small businesses, individual consumers and E-Commerce Companies have their goal set to offer the services of shipping packages or documents (Grant, 2002).

A huge range of IBM volume, requiring shipping needs call for a particular condition, as FedEx employees do their best effort to fulfill their buyers shipping needs by providing shipping service. Also, the FedEx management and it's team of over 300, 000 employees are ready to achieve their organizational goal towards success. Although, the management and employees have a goal that features in the other industry dynamics as reflected by the needs of the shipping industry, through which probability of sustaining in the present ever changing environment is possible (Kozlowski & Kania,).

A big contributor in achieving organizational goals by FedEx employees are

their adaptation to the latest technology and innovation introduced in the market. Many people would be unaware of the unique barcode and tracking applications using through the website was first introduced by FedEx management in 1994 to individualize every shipment. This way, consumers are able to track their shipments from pickup to delivery in a very convenient way. However, the presently wireless solution provided through information technology permits a better way for the consumers and service providers. This is the best example of FedEx management that how hard the employees have strived to do their best to bring new innovation and take the company to the top level, as a world leader in the shipping industry (Grant, 2002).

The best example of the team management in achieving goal successfully is FedEx. That is; the use of wireless solutions, help consumers to access the tracking of the package on FedEx ground through the web enable devices provided for home delivery purposes. The consumers are able to track the information virtually through the personal data assistance or phones at anytime and anywhere in the world. The shipping services industry is struggling consistently like any other industry to enable latest innovations and technology to fulfill their consumer's requirements (Berry & Parasuraman et al., 1994).

Threats and Trends Affecting Management Goal using Porter's Five Forces Model

It is not an easy task to apply Porter's Five Forces Model, because FedEx management is dealing with goal of numerous shipping services. The Porter's Five Forces model used in this paper is to analyze the selected

sector lies between ground and air-shipping. FedEx Express and FedEx Ground represent these two sectors in FedEx.

FedEx management has achieved their goal of leading the world as one of the largest transportation express company. The management also has accomplished their goal of leading its competitor, UPS by becoming the second largest small package provider for ground delivery in North America. However, Porter Five Forces analysis will not signify the other shipping segments that add to supply chain management service and e-commerce.

FedEx as a Potential Competitor: A Risk for New Entrants

A high level barrier is present for the new entrants. The high fixed cost connected to the international transportation network is the biggest reason associated with a high level entry barrier. This adds to, vehicles, air fleets, hubs and ground transportation, etc. However, the benefit can be taken by the existing companies like FedEx due to the economies of scale and bulk shipment volume that brings an absolute cost benefit goal for FedEx management and their employees. Employees are motivated to achieve the targets and lead with the competitors with high moral and rewarding benefits.

Rivalry Level between FedEx & Other Established Companies

A management goal of striving for market share is severely high by the established firms in the shipping services industry. For such, employees are motivated towards achieving the management goal. FedEx management provide all the facility and assistant to their employees in order to fulfill the

employee's needs. There is a continuous battle going on between the UPS and FedEx. Here, the one who replies first to the continuously modifying environment wins the battle by achieving its goal. Although, to achieve a goal, companies like FedEx has to strive constantly to improve the quality, introduce latest innovation and reduce the price. The rivalry becomes more intense due to the low switching cost offered in the industry for consumers that is a big hurdle in achieving the company's goal. Also, another hurdle for the accomplishment of goal is high fixed costs to express delivery for the intense rivalry that presents an exit barrier.

Buyers: Bargaining Power Affecting Management Goal

There is a high level bargaining power present in the shipping services industry by the largest buyers. Whereas, low cost is a threat affecting goal that is lower cost of switching from one ship to another. As a result, buyers preferred to switch to the one that provides service innovation, reduced price or faster service with comfort. This applies to IBM that offers a large volume for shipping and bargain quantity discounts.

Suppliers: Bargaining Power Affecting Management Goal

The low supplier power is present within this industry. The huge shipping service provider is affected by the supplying prices such as packaging materials that can affect in achieving the goal. It is due to the purchase in bulk quantity that allow the buyers to easily switch to other suppliers. This is a big challenge for management and team of FedEx to successfully achieve it's targets as a service provider.

Substitute Products, Threat Affecting Management Goal

In the shipping industry, many substitutes are not offered. However, the age of the internet has given the business an online presence through which a physical small presence doesn't matter that has helped a lot in achieving the goal. Therefore, finding a substitute to deliver their products becomes difficult. A commodity is a similar form referred to shipping services. Therefore, it is not easy to replace the service with another one.

FedEx Management SMART Strategies

Specific

The investment return on an average basis for FedEx over the past years was 12%, and the 25% was of the industry leaders. This wasn't a competitive goals benefit for FedEx management in the shipping services industry as it is affected by the low return on investments (Maghroori & Roll, 1997)

A large fleet of aircraft owned by FedEx. Also, it offers a massive infrastructure to it's back up. Therefore, whoever want to compete with FedEx needs to have a massive capital with full of advertising to achieve the goal of market share owned by FedEx (Reilly, 1973).

Measurable

The spending of FedEx is in the billions that are more than \$1. 5 billion since 2003 adding to its expenditures towards creating a huge network of airplanes, hubs and trucks worldwide help in achieving the goal and bringing success for the company. The biggest goal competency factor is the FedEx infrastructure. Although, for anyone excluding FedEx, will find hard to imitate because all it requires is a huge investment. For such goal to achieve,

companies have to invest a huge amount of capital to stand against FedEx. However, the biggest fact about FedEx is that it can easily cut prices to create difficulties for the new entrants entering into the market (Maghroori & Roll, 1997).

Assignable

The strong existing competencies possessed by FedEx management doesn't require to have distinctive competencies. The commitment towards innovation and technology, brand equity and strong infrastructure are the biggest existing competencies deal by FedEx management to achieve their assigned goal. These competencies are assigned to manage by FedEx management that will enable the management towards the desired goal i. e. leading the world as the premier express delivery company around the world.

Realistic

There is no present competitive goal benefit for FedEx in the shipping services industry. The reason is the presence of low investment return as compared with the industry average. However, when the United Parcel Service return on equity is compared with the FedEx returns are half of its leading competitors. To gain a competitive goal benefit in the shipping industry to make inroads, FedEx has to trail UPS and DHL (Parry & Hansen, 2007).

Time-Related

The express package delivery is a synonym for the brand name FedEx.

However, FedEx management and employees are striving hard to deliver a package in a faster and timely manner as required by the company or individual.

FedEx is the one you can count on, as FedEx doesn't have to say UPS, because it has already positioned itself in the consumer's mind. There is a saying about FedEx by the allaboutbranding. com that it is a great brand. As it is a source of identification for its employees when it comes in the category of great brands. Through which management and employees are able to differentiate the brand as being great. Also, to concrete their credentials as a market leader to provide quality assurance for their consumers is a rewarding aspect for the management and employees.

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