Fedex essay

1) List the business processes displayed in the video. The first step is to pick up the package at the customer's and to scan it. Therefore, the employee) inform FedEx than the package is under FedEx's responsibility. The second step is the transport of the package by truck for instance to a hub (or sorting center). In the third step, the package will process in the sorting center. The package is going to progress in a long and complex net of conveyer belts. This is called the FedEx Ground Automatic Sortation System. Several scans meet packages ways in the sorting center. They check some basic information.

One type of scanners checks the size of the box so as to know how much to charge the customer for shipping the package. One other type of scanners scan the package to read the code on it and to know its destination. Some employees are along the conveyer belts to help if the scanners cannot read the code. Then, the packages are transferred to airport. FedEx uses big containers that are especially designed to go in a plane. FedEx control center assure the logistic in the airport. The product is transferred by trucks to its destination to be delivered. The employee scans one last time the package to mention FedEx that the package has been given to the right person at the right place.

1 – Collecting process 2- Sorting process 3 – Moving process 4 – Dispatching process 5 – Delivery

2) List the types of information systems shown in the video. Can you describe how systems that were not shown might be used at FedEx? First, the video shows that the FedEx Sorting System makes date for each package

: width, length, volume, destination.. This can be related to a Transaction Processing system. A TPS enables to process routine transactions efficiently. In the video, this matches with the immediate scanning of the packages, the measure of the boxes or the use of the scale for the containers. These data are necessary to conduct business and to effectively deliver the package.

In the airport, FedEx has developed FedEx Control Center in order to guarantee logical issues. It helps managers to coordinate the arrival of trucks with the containers, to monitor airport and flight conditions. Actually, thanks to the data provided from the TPS, the managers could be sure that the package has done the right routing and goes to the right destination. This is called Management Information System.

FedEx could also resort to a Customer relationship management system to face complaints or questions from the customer. Such a system is designed to deliver the ' voice of the consumer', thus contributing to quality improvement.

3) The system displayed in the video is an enterprise system. Why is it true? Explain your answer.

The main defining characteristics of an enterprise system are that they are large scale or enterprise wide, integrated, packaged, in real-time. In the video, the business processes are integrated into only one software system. First, all data collected along the package delivery are stored in one single data base. Wherever the package is, FedEx is able to collect data, information about the destination and the characteristics of the package. Then, these information is shared all over the world in FedEx database. The

customers who use Fedex services have nothing to do : Fedex employees come where the customer live to pick up the things the customers want to send and carry its until a Fedex plant. The package is then associated to a unique identification code when is the same along the delivery.

All the data, included other data like size or weight of the package are then linked to this unique number. At the end, the package is scanned again to confirm that it has been properly shipped. This data collection is typical of Enterprise Systems, because every piece of information enters at every stage a single database. Moreover, all the data are coordinated at all the steps of the process. Weights and sizes of all the packages are used to optimize the space in the containers and to determine the cost of shipping. Thus, FedEx can coordinate its daily activities and improve its efficiency just using its data. Moreover, the data collected by FedEx can be used at anytime to obtain metrics and evaluate decisions and costs. The Enterprise System allows data to interact together, giving so valuable information for improving management decision making.

4) How important is technology to FedEx's business processes ? Technology stands for a huge part of FedEx's success. Without it FedEx would not be able to be efficient in shipping packages at the right time. It enables to have the minimum of employees with a maximum of efficiency. In the video, the FedEx employee compares the sorting center as a " gigantic video game". This picture points out the fact the company relies for a great part on technology. It disposes of multi-directional scanners, an information computerized system, containers customized so as to adapt their form to the

aircraft… It enables the company to maximize the process and to deliver daily millions of packages.

The system set up by FedEx gives it a great efficiency. It has succeeded in using technology and setting up an appropriate system of information adapted to its needs. Even in the transportation of packages, FedEx has developed a good process based on technological tools : managers and employees in airport are aware of delays and know how many must be delivered. We have already seen the critical place that the information process has in the success of FedEx. Even if, the work is checked by few employees, most of the system has been automated. It must provide quick and reliable information about the package.

Technology is involved throughout the process. Control of information is facilitated by the use of technology. The unique element technology is not able to foresee is weather conditions and accidents on the road for instance.

5) How could FedEx's shipping process be made even more efficient ? We could see several shipping processes Fedex could set up to be even more efficient.

On one side, they could try to develop new collaborations with national post offices. It could be a solution not to waste time collecting and distributing package and it would reduce costs. The firm would use the network of post offices in order to be closer to their customers and to benefit from their distribution capacity.

On the other side, we might use the Consumer Right Management Information Systems (CRMIS). That is to say that FedEx should maybe save this personal service (door-to-door) for its Premium consumers, i. e., customers who " deserve" it, as far as cash flows are concerned. FedEx would be able to customize its revenue and its customer satisfaction. In fact, for those who regularly send packages, it is painful to go to a collection point, but for people who send a package once or twice a time, a hand-to-hand service can be seen as a really luxury service, so the implementation of collection points across the country could be a solution.

Change the company vision's from an absolutely and positively overnight service To more customer focused : The company vision & culture have to be accepted by employee and only based on the usage of information systems as a better way to achieve their customer service objectives.

Differentiation strategy (Michael Porter's matrix) based on two essential advantages.

Business process and IT : what is the link to the customer ? * Ability to pinpoint wher a package is at any time in the shipping process * The value add in has improved customer service while at the same reducing costs for the company To be more efficient : delete the step of the second scanner to gain some time.