

# Fedex company

Business



Major Products and Services  
Fedex Company formed in January 1998 and incorporated in October 2, 1997 is an American courier business. It started several other services after the purchasing of Caliber, including RPS, a ground service for small packaging, Roberts Express (a company that then provided shipping services), Viking Freight (a truckload freight carrier), Caribbean Transportation services, and Caliber Logistics and Technology.

The FedEx cooperation's original name FDX changed, but since then it performed as an American global courier system. Its headquarters is in Memphis Tennessee. The company was originally an air courier business known as Federal Express, hence the abbreviation of FedEx. (Lester 83)  
Operational units comprise the main framework of FedEx Company. The then Landon Associates leader designed this system of organization in San Francisco in the year 1994.

The company has several units each offering different services. The company offers overnight courier services within the United States of America. It operates one of the largest aircraft services carrying goods on air throughout all the states in the country. The company has several smaller units that operate independently. The units include FedEx Express (an air courier); FedEx ground (a residential delivery system, using trucks); FedEx home delivery (a subdivision of FedEx Ground that restricts residential goods delivery in the United States only).

Other subdivisions include FedEx Smart Post (that deals with delivery of letters), FedEx Freight (cargo shipping services), and FedEx Office (packaging of goods for customers). Other crucial services of the company

involve coordinating of sales, marketing businesses and worldwide supply of goods and commodities. FedEx Corporation provides a wide portfolio of transportation for both customers and businesses not only in the United States but also throughout the world. The company has estimated annual revenue of 43 billion dollars and hence ranks among the world's most trusted and highly admired employers. The company's FedEx Ground unit deals with delivery of small packages to homes.

It serves American citizens by ensuring goods are safe delivery to their residences, which is based on a money-back guarantee. Citizens send and receive goods with payment refund guarantee, in case that the goods received by the recipient are not in the expected conditions or tampered. FedEx Smart Post uses the United States postal addresses to ensure the goods reach the intended destinations based on the already existing postal addresses. Independent owners each controlling specified routes and territories make deliveries. Deliveries take place from Tuesdays through Saturdays. The deliveries are efficient and time conscious.

However, FedEx home delivery only operates in the United States of America while delivery services of FedEx ground extend all the way to Canada. FedEx Freight provides services that extend all the way to Canada with the FedEx Freight Canada. FedEx Custom Critical delivers heavy, valuable and hazardous items with the exception of perishable foods, money, household goods, livestock and hazardous wastes. The drivers in this unit are independent contractors most of whom own and use their own vehicles and are, in turn, compensated by the company. Interline carriers provide services in Mexico.

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FedEx freight emerged as the second most profitable company in the United States of America, in 2008, creating 4.5-dollar revenue. It is also the largest critical shipping company that is time specific in the whole of North America. On the other hand, the company's branch, FedEx Services combines sales and marketing, administrates and provides information technology services for operational services to support transportation businesses. It tries to attain synergy by combining all these services.

Its segments include FedEx Services that provides various services including sales, information technology, marketing services, communications and supporting back-office of the company. The other segment is FedEx TechConnect, which is responsible for quality customer service, collecting of customers in the United States for principal business units, billings and technical support for the other units of the company. The last segment, FedEx Office deals with providing arrays of documents and services in business. It also ensures customers receive the best retail services in the package transporting business. FedEx Office operates as the retail branch of the cooperation.

Its services include: copying, creating documents, professional finishing of documents, digitally printing documents, ensuring customers have an efficient access to the internet, renting out computers, direct mailing, printing based on the web and direct mailing. It formerly operated as an independent company by then known as Kinko's until, in June 2008, when it was renamed to FedEx Office. FedEx Shipping Centers are centralized locations where customers can safely deposit their goods for shipping. It also provides self-service photocopying and faxing services for customers. It

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deals with packaging and shipping of office products and boxes. The locations formerly known as World Service Centers served the same purpose then.

Both the FedEx print centers and FedEx office provide Hold at Locations for both FedEx Ground and FedEx Express units of the cooperation hence making the pickups easy and efficient. The transfer from Office to shipping takes a maximum of two working days hence ensuring the packages are put on the correct route for shipping. FedEx Express provides next day air services; however, this option is solely restricted to the United States. It also provides international services that are time definite. It operates as one of the largest civilian fleets of airplanes in the whole world carrying more freight than any other airline in the world.

Through its services, American citizens can send and receive goods over long distances within a short time. The deliveries are not only time conscious but are also extremely reliable as they are carried out by air. This also ensures perishable goods reach customers on time (Birla 45). The Supply Chain Services unit of FedEx is responsible for providing of logistic services that include inventory logistics, which are critical management services for transportation and fulfillment services. It formerly had the name Roadway Logistic System before changing its name to Caliber logistics.

FedEx Trade Networks has the responsibility of providing services related to customs, offering transportation advices to customers and insuring of customers' goods before transportation. It formerly had the name C. J Towers before changing its name to Tower Group international. The most important

fact is that it does not only advise customers on how to package goods and which goods to send, but also caters for the insurance of customers' goods for any damages during transportation. This makes the whole cooperation the most secure way of transporting goods through the insurance.

FedEx Techconnect is the unit responsible for offering toll free telephoning for customer care services. and its operation involves the use of a centralized operator that connects the customer directly to an available agent online(Birla 50). Customers can make clarifications and follow ups of their goods in the case something went wrong with the delivery, at no cost. Through this, customers can track their goods, make any claims on their goods, reschedule pickups, lay complains of the services offered to them and make complaints. This formerly had the name of Customer Information Services branch. Since good delivery is a basic and almost daily need, the cooperation is important to almost every American hence making it one of the most profitable organizations.

However, only a few units of the cooperation operate outside the United States of America. Globalization is on the way trying to make the company serve not only the US but also the rest of the world. Organizational Structure The company applies a decentralized structure in its administration. A CEO and Board of Directors that organize meetings aimed at making decisions make the company's decisions. The board of Directors directly issues decisions to the CFO, CIO, VP General Counsel, VP Human resource, VP market and Communication and Feeder Company CEOs as the company's second level of administrators. The CFO in turn issues directives to the VP Global Communications and investors while the VP General Counsel issues <https://assignbuster.com/fedex-company/>

directives and orders to Departmental Senior Managers, each of which is in charge of certain sectors within the departments.

The department of senior managers is in charge of administrating a group of team managers that is considered as the cooperation's team for solving small problems. (Marshburn 36) The Vice President in charge of marketing and communications issues supervises international marketing, as well. Both the vice president in charge of corporate marketing and the vice president in charge of international marketing have a group of Department of senior Managers with team managers under them. The Feeder Company CEOs are in charge of issuing directives to vice precedents in charge of senior managers in the departments that administer task managers below them. Reporting to the team leaders, several team members and task workers work for the company.

This decentralized form of administration makes sure that the daily affairs of cooperation have smooth flow in case one individual is absent since decisions are made by a team and not just one person (Marshburn 24). The cooperation has a large and complicated structure; it is, therefore, convenient for several members to take administrative posts to enhance competition for promotions. The CEO and his Board of Directors are the top and overall body for making the company's decisions. Most of the company's top positions are elective while the low positions appoint members based on their merit and performance. Since FedEx cooperation is a large organization, it uses a tall organizational structure. It uses long chains in the issuing of commands.

Directives have to come from the CEO and his board of directors before descending to the CFO, CIO, VP General Counsel, VP Human resource, VP market and communication and Feeder Company CEOs as the company's second level of administrators all the way to the team leaders and finally team members. This form of administration takes long for decisions to reach the lowest level as they have to pass through many departments in the cooperation just as in the military. A lower rank in the organization not only directly reports to the team above but also takes directives from them. The managers form many ranks, each of them having a small area of control at their disposal. This allows chance for close supervision of employees hence ensuring efficiency at all levels.

However, an extremely tall structure of administration has several disadvantages in that the communication of commands may take a long period before implementation hence may hamper the decision-making process thus hindering progression of the company as compared to flat organizational structures that tend to focus more on putting responsibility to the employees. FedEx missions include helping individuals to produce materials that help the individuals' businesses grow economically by marketing products. The cooperation makes banners and posters that attract customers. The cooperation also aims at providing transportation services for other smaller businesses across the United States of America. Renting out computers also helps other smaller businesses grow economically and financially.