

Strategy in the world package delivery business

Business



Strategy in the World Package Delivery Business Strategy in the World Package Delivery Business What is the relationship between planning and strategy? How did FedEx plan to address competition from UPS? There is a direct relationship between planning and strategy since plans are made to identify goals (organizational or functional) and strategies are designed to achieve these identified goals. In this case scenario (Jones & George, 2007), FedEx planned to address competition from UPS by identifying an opportunity in the overnight delivery niche even by charging a premium price. As emphasized in Operations Strategy and Competiveness, “ the business strategy of FedEx, the world’s largest provider of expedited delivery services, is to compete on time and dependability of deliveries. The operations strategy of FedEx developed a plan for resources to support its business strategy. To provide speed of delivery, FedEx acquired its own fleet of airplanes. To provide dependability of deliveries, FedEx invested in a sophisticated bar code technology to track all packages” (n. d., p. 28). What plans and/or strategies do you suggest UPS adopt to compete with FedEx and DHL?

To compete with FedEx and DHL, UPS must review and evaluate the strategies of both organizations to gauge their strengths and weaknesses. Using these information as inputs, UPS must then identify opportunities and threats in the world package delivery business to enable them to tap the opportunities and address the threats or risks, as required. Using their core competencies in using their tracking and information system; as well as in logistics, specifically in meeting delivery schedules faster, more reliably and at cheaper or competitive rates, UPS could compete effectively as required. In this regard, UPS could plan to opening small branches in strategic

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locations to enable faster and more reliable services in areas where both FedEx and DHL operates.

References

Chapter 2: Operations Strategy and Competitiveness. (n. d.). Retrieved 17 June 2012, from < http://media.wiley.com/product_data/excerpt/48/04713472/0471347248.pdf> Jones, G. R., & George, J. M. (2007). Essentials of contemporary management. (2nd ed., p. 228, 229). New York: McGraw Hill Company