

**Talent Acquisition and Management**  
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**Lecture - 09**  
**Talent Acquisition and Attracting Talent at FEDEX**

So far, we have seen these talent acquisition practices into the Infosys first, and then we have seen into the IBM. Now, I would like to take the third case study that is the Talent Acquisition and Attracting Talent at the FEDEX is there.

The talent acquisition and attracting talent at FedEx, the best HR practices adopted by a company like the FedEx regarding managing their talent, then the case study, how FedEx manages such a large talent pool and the how FedEx managers are working in this particular organizations.

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**Talent Acquisition and Attracting Talent at FedEx**

- FedEx is service based industry, the success of the company depends on the ability and performance of its employees. *Handwritten notes: 1) Job Knowledge, 2) HR Skill, 3) Motivation, 4) Ability*
- Till now FedEx has managed to retain their employees and managed to maintain a very large talent pool successfully. *Handwritten note: S = Ability x Opportunity*
- However due to increased competitions, globalizations and increasing knowledge of employees the company have to formulate efficient HR Practices for Managing their talent and to meet new challenges.

*Logos at the bottom: IIT Roorkee, Swayam, and FedEx*

So, talent acquisition and attracting talented at FedEx is the service-based industry. The success of the company depends on the ability and performance of its employees; that is their first perception.

And now anything you will say that is what is new in this every organization is thinking like that, but in the organization the first priority in the vision nowadays these practices started the employees are our internal customers right. But earlier, it was a production,

productivity, efficiency, effectiveness, operations that were given much more importance.

It was not the first vision statement. So, here when we are talking about that is the success of the company depends on that that is their first concept ability and performances of its employees. And ability we know. What type of ability? The first is job knowledge because it is an industry of its own kind. And therefore, in that case, it is the job knowledge that is becoming very important.

The second one is HR skills. So, I always give the formula of success is equal to A into M into O. A is the ability. And it is ability is the job knowledge HR skills. Nowadays, we are also talking about analytical skills because whatever the conceptual skills you are having, but those conceptual skills are to be analyzed. For example, suppose I give you the assignment that is the compare the talent acquisition practices in Infosys, then the IBM and FedEx.

So, as a lecture, it was the conceptual skills. But when I ask you to do the analytical analysis, make a critically evaluate these three companies practices, talent acquisition practices, and then it is becoming the analytical skills. They are very important is there. Then we are also adding inability to the next one that is designing skills. Whenever I think of talent, I think of that is creativity in designing.

If the in the organizations, if there are the competent employees those who are having all these skills right from the job knowledge to the redesigning the job, it is not that I have been born for this particular job only, and I will do this job only why should I do another job right.

So, if these types of employees are there, they are deadwood; they are not stars; they are deadwood. But when this type of employee is there those who redesign the job, they suggest to the organization that is we can do this job in such way, so then that is a wonderful is there. So, the ability is there.

M is for motivation. Employees are required to behave self-motivated. And O is for the opportunity. So, therefore, in the case when you want to be a successful person, then it is becoming very important that is you are having that this ability; then the motivation willingness to do. Unless you do not have that willingness, I told in the last session that

is psychological ownership belongingness, so that is the motivation. And then that is the opportunity is there.

So, in that case, you will find that is the, we will be doing these all aspects of this particular the talent management practices that will be the giving the importance. So, a very large talent pool successfully, and that is the success story. There is how you are able to go for this talent management practice that is becoming important for managing the large, large talent pool in the organization.

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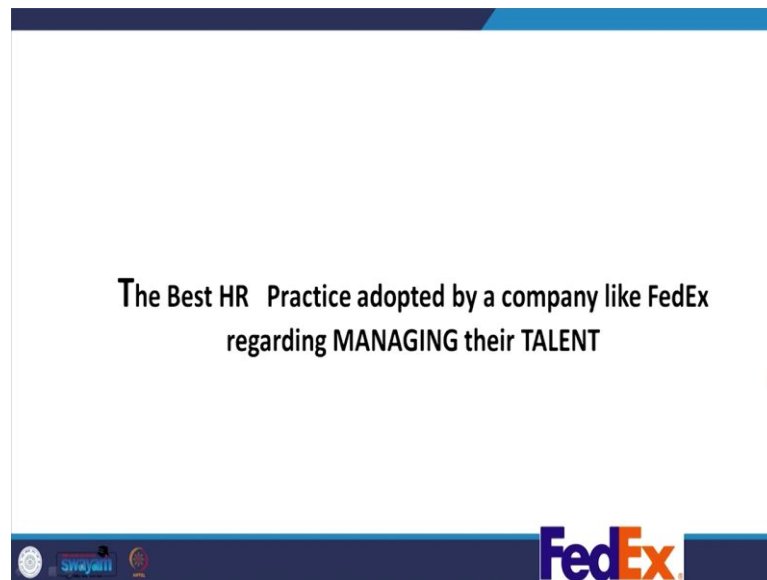
**Talent Acquisition and Attracting Talent at FedEx**

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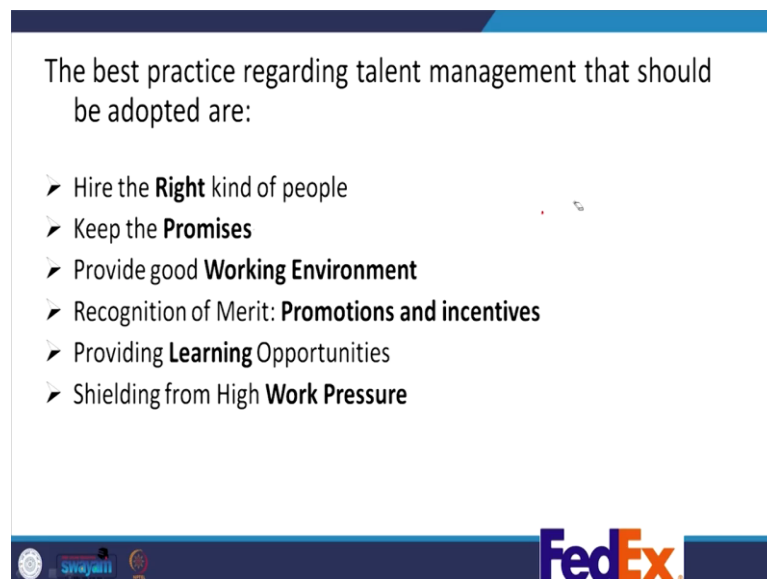
Due to the increase in competition, globalization and increase in the knowledge of employees, the company has to formulate efficient HR practices for managing their talent and to meet the new challenges.

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So, how are they managing their talent?

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First is the right kind of people. What is the right kind of people? The right kind of people is like the in the Holland's model. In Holland's model, we talk about conventional, realistic, investigative, artistic, social, and enterprising. So, this RIASEC model R I A S E C, so that RIASEC model where the jobs are matching with the personality. If the personality job fit is there, so that is right kind of people are working in the organization.

And I have learned from my boss 30 years back in 86, 34 years back that is whenever you have the negotiation, please fulfill your promises. So, if you want to create a good relationship with your customers, then always ensure you are having the fulfillment of promises. Traditionally, the HR executives many times have been found wrong that whatever they have, you must be knowing, there is an agreement wage agreement is there.

And in the wage agreement, it is after normally it is after every three years, so people mean the union representatives and the employees representative, they meet each other. And then they are making these charter of demand; then the management representatives are there, then committees are formed, they discuss, they finalize, and then they sign, so that negotiation is done for next three years.

But if the management is not professional, so for the signing purpose, they will say yes, we will do these, we will do that. But when the process starts and the workers observe that many promises are not fulfilled, and the organization is making excuses, in that case, you will not be able to develop the dear, talented friends in your organization. Talent will not remain with you; there will be the attrition of the talent. So, what is required? That is, you fulfill the promises.

Third a very very important providing a good working environment. The brain mapping, willingness to do, come on the job at the right time, doing the job with the ownership right, all these factors depend on the working environment. How is the supporting working environment is? You can feel the motivation amongst the employees. If the working environment is highly supportive, they support the employees up to the extent if there any personal problem is there that will also be solved.

I remember in the traditional HR, or you can say IR industrial relations, it was told personal problem.

But nowadays you if you have any personal problem, HR will say let us know if we can be of any help to you, simple, simple problems. For example, that is the admissions to the schools of your children employee's children, or that is the gas booking connections of the newly joined employee or newly wedded employee, and then the house accommodation allotment and all. So, these are the; these are the decisions that create the enabling conditions.

Please understand, this is important. I tell you the environment has a very high impact on the brain of the employees, and not only employees in the family also, please understand.

How do you create the environment at home is the friendly, growing, trustworthy, respectful, love and affection, belongingness, optimism, happiness, servant style, servicing to each of the family members, respect to the elders, love to the youngers right, so these are the certain value systems of the working environment the environment. So, all these values whether you are at in the family or you are at work.

Are you following those value systems? When you reach home, are the people are happy, our family members happy? Whether they are waiting for you, even the mother is saying to the child that you take your breakfast, but the child is saying let the father come. And he is waiting, waiting and waiting right means of course not long time waiting he cannot wait for a long time, but yes he is reasonably waiting.

Why? Because of that love, it is not because of fear. Please forget that fear can create love right. So, therefore, the work environment and enabling conditions are very important. I love to see the organizations where, as I mentioned that is the junior colleagues are having high respect for seniors, and senior colleagues they have the love, blessings, and support to the growth of the junior employees.

Now, there is another very important aspect that is the how and what promotion policies and incentives you are giving to your employees. If you are giving to your employees a promotion system that is performance-based, here I would like to mention one formula. Also, the formula is competency and convenience. So, in the promotions and incentives, it has been seen that is the first is competency.

And if the person is competent and there are two persons are competent, and if you have to give them to the one to whom you will choose a convenient one or competent one?

Convenient one means you are having a special affection for that employee. You want to promote, encourage. By the shortcuts in judging others, what are shortcuts in judging others? Halo effect, because the person is from your caste or your geographical location, or something is it is common, and therefore, you want to promote that employees. Or it is a similar effect the way you have started your work; he is also starting his work. So, you go you feel nostalgic, and therefore, you support convenience.

Or it is because of the contrast what you could not do he is doing wonderful, and therefore, that shortcutting judging the others means that will be the contrast effect right. Are they stereotyping the way I work, he works like that only, and that is why he should be promoted. So, these are called the shortcuts in judging others. So, promotions are based on competency. And convenience is based on the that whenever we ask him to do the job, he is always ready, always available to serve.

And it is by heart, willingness, motivated; it is not because of the promotions or scare of losing the job, no, not the reason because of the respect, respect to the senior from the heart. So, therefore, those promotions and incentives have been taken care of. Providing learning opportunities, I have talked about earlier also L and D learning and development in IBM also have seen.

What is important is this? That everybody wants to grow and everybody understands, he will grow only if he learns; if he does not learn, he will not grow. And therefore, learning opportunities are becoming very important and shielding from the higher work pressure. Nowadays, everybody is under stress. Why? Time is short we have to do a lot of things. So, as a result of which the work pressure is there.

But if you really want output from a talented person, you have to give the freedom; you have to give the flexibility, you have to give the openness, you have to create trust, you have to show the optimistic approach towards that particular employee. And therefore, these are the best practices that should be adopted for the talent of management.

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### The Logistics of Talent Management

#### The Company

FedEx is the world's leading logistics company for overnight packages. It also delivers packages via ground and freight deliveries. FedEx also helps companies with their logistics and supply chain management. With more than 260,000 employees worldwide, FedEx handles more than 7.5 million shipments daily to over 220 countries. It uses 671 airplanes at more than 375 airports worldwide and has more than 75,000 vehicles in service. The company also owns FedEx Kinko's, which specialize in office and printing services. There are 1,874 FedEx Kinko's Office and Print Centres.

In fiscal 2007, the company reported revenue of \$35.2 billion, up 9% from the previous year. Net income was \$2.01 Billion. The Company was named one of the 100 Best Companies to Work For by Fortune magazine.

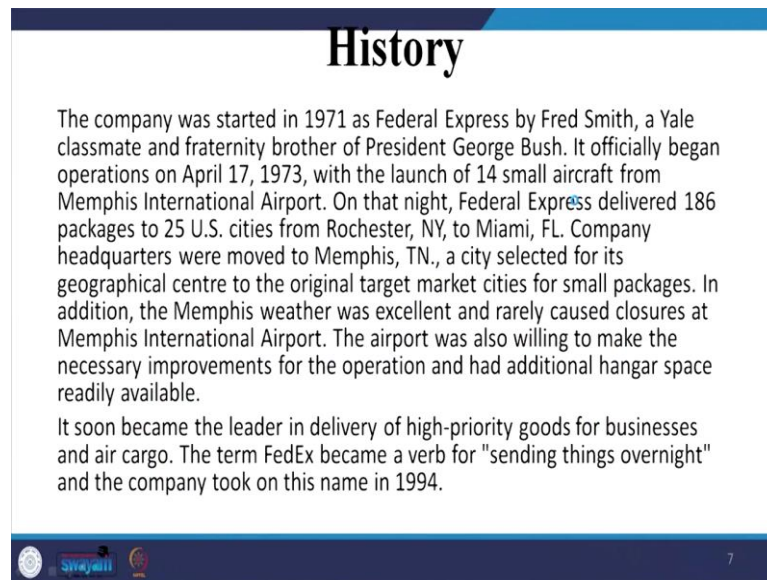
So, this is the example of that particular organization. It is a leading logistic company for an overnight package. It also delivers packages via ground and freight deliveries. FedEx also helps companies with their logistics and supply chain management. With more than 2,60000 employees worldwide. FedEx handles more than 7.5 million shipments daily to over 220 countries.

It uses 671 airplanes at more than 375 airports worldwide and has more than 75000 vehicles in service. The company also owns FedEx Kinko's, which is specialization office and printing services.

There are 1874 FedEx Kinko's Office and the Print Centers. In fiscal 2007, the company reported revenues of dollar 35.2 billion on 9 percent from the previous year. The net income was a dollar of 2.01 billion. The company was named as one of the 100 Best Companies to Work For by the Fortune magazine, and that was important.



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## History

The company was started in 1971 as Federal Express by Fred Smith, a Yale classmate and fraternity brother of President George Bush. It officially began operations on April 17, 1973, with the launch of 14 small aircraft from Memphis International Airport. On that night, Federal Express delivered 186 packages to 25 U.S. cities from Rochester, NY, to Miami, FL. Company headquarters were moved to Memphis, TN., a city selected for its geographical centre to the original target market cities for small packages. In addition, the Memphis weather was excellent and rarely caused closures at Memphis International Airport. The airport was also willing to make the necessary improvements for the operation and had additional hangar space readily available.

It soon became the leader in delivery of high-priority goods for businesses and air cargo. The term FedEx became a verb for "sending things overnight" and the company took on this name in 1994.

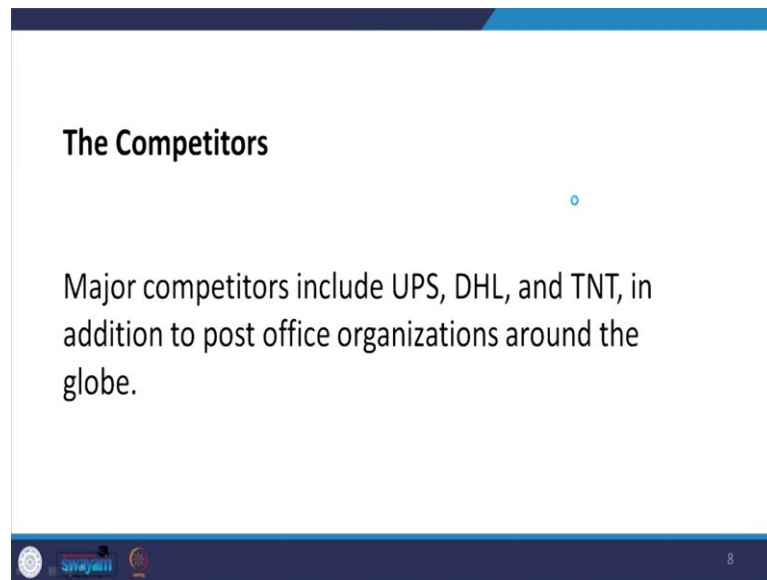
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And this is about the company that was started in 1971 as a Yale classmate and fraternity brother of President George Bush. It officially began operations on April 17, 1973, with the launch of 14 small aircrafts from the Memphis International Airports on the date. So, 100 packages to 25 years, it is from Rochester, New York to Miami, Florida.

Company headquarters were moved to Memphis. The A city selected for it is the geographical center to the original target market cities for the small packages, in addition, the Memphis weather was excellent and rarely cause closure at the Memphis International Airport.

The airport was willing to make the necessary improvements for the operations and had additional hangar space readily available. It soon becomes the leader in the delivery of high-priority goods for the business and air cargo FedEx. The term FedEx became a verb for sending things overnight, and the company took on this name in 1994.

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**The Competitors**

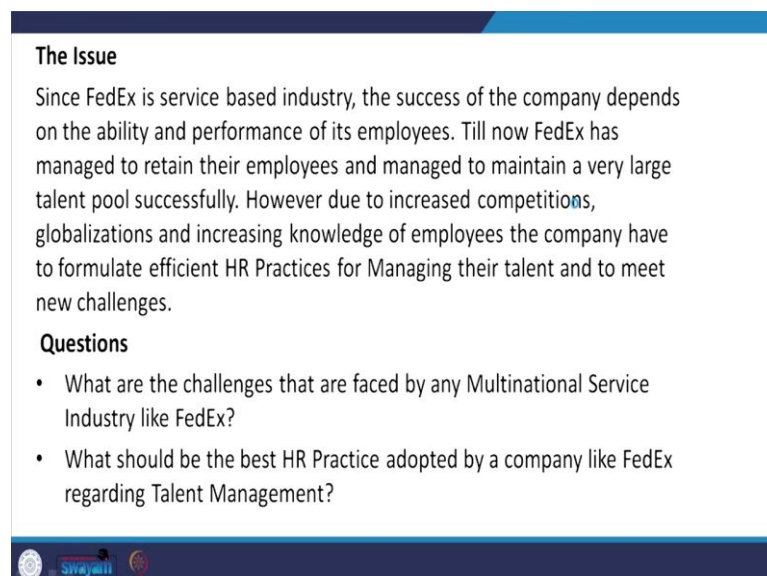
Major competitors include UPS, DHL, and TNT, in addition to post office organizations around the globe.

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The major competitors because you see in every business, you will find there are the competitors are there. You cannot survive without your competitors, right, because when the competitors are there, you do your best. If there are no competitors, organizations also become lethargic, and then they die.

So, to survive also the competitors are required, because that motivates you to perform better and better. Major competitors include ups DHL and TNT, in addition to post office organizations around the globe.

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**The Issue**

Since FedEx is service based industry, the success of the company depends on the ability and performance of its employees. Till now FedEx has managed to retain their employees and managed to maintain a very large talent pool successfully. However due to increased competitions, globalizations and increasing knowledge of employees the company have to formulate efficient HR Practices for Managing their talent and to meet new challenges.

**Questions**

- What are the challenges that are faced by any Multinational Service Industry like FedEx?
- What should be the best HR Practice adopted by a company like FedEx regarding Talent Management?

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Now, since FedEx is a service-based industry, the success of the company depends on the ability and performance of its employees. Till now, FedEx has managed to retain its employees and manage to maintain a very large talent pool successfully. Due to increased competition, globalization, and increasing knowledge of employees, the company has to formulate efficient HR practices for managing their talent and to meet the new challenges is there.

Now, what is the first question? What are the challenges that are faced by any multinational service industry like FedEx? You find you understand that is even though you have a large talent pool, but increasing the knowledge of the employees right, HR practices and they meet the new challenges. It depends that is how your competitors are doing.

Many times your competitors are adopting the again what technology, the use of technology high-end use of technology right. Whenever there is a high-end use of technology, the multinational service industry like FedEx will face challenges are there. When the services which are they are providing that has been underestimated by the government, especially by the rules and regulations, and then in that case also there will be the issues and challenges.

So, what should be this in the context of the second question? I would like to suggest that you can answer this particular question in the context of; in the context of the WMI right that is we have to discuss into the IBM. So, you can go by the WMI practices and then are the GISF, and here are we can say that is the best HR practices can be adopted with the help of the WMI and GISF is there.

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**How FedEx Manages such a large Talent Pool?**

- **People-first Philosophy**

**"When people are placed first they will provide the highest possible service, and profits will follow".**

-Founder and CEO Frederick Smith

Source: <http://www.fedex.com>

**FedEx**

So, at the beginning itself, I mentioned in the first slide itself that is what the FedEx policy is? FedEx policy is the internal customers first, people-first philosophy. Whenever any organization has the people-first philosophy, that organization has to be successful because the man powers willingness is such a strong and such a high factor. After all, you see you have the machine.

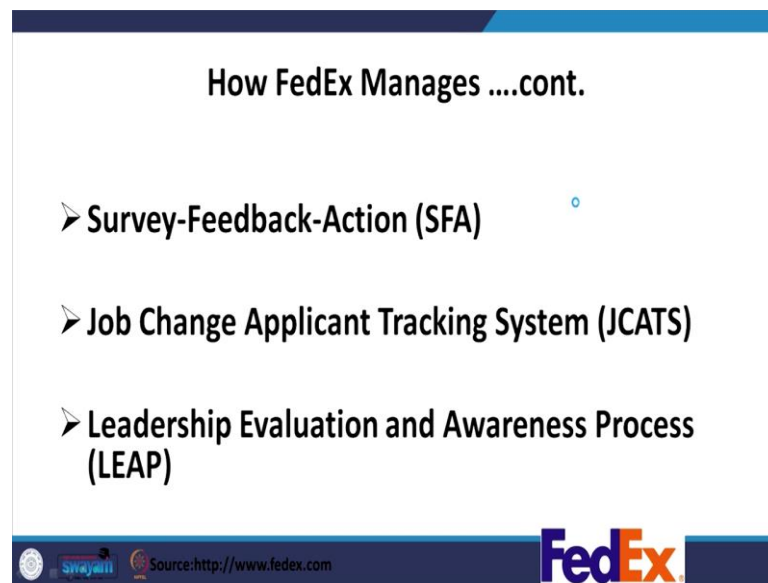
The machine is today is tomorrow it is going to be obsolete, the machine will go, then money, money conditions will be depending on the customers. So, there sometimes they are accessing and they sometimes the money is a shortage. So, the money will also go. Material, supply it depends on the supply and demand, and therefore, sometimes it is available; sometimes it is not available.

The methods which you are using, those methods will keep on changing with the help of technology. And finally, the minutes, that is the time management. And the time management you have to do according to you are available resources, but what will be most helpful that is the man. So, machine, material, money, method, and minutes you have to focus on, but the best part of this resource is the manpower.

So, when people are placed first, they will provide the highest possible service and what I was talking about that is the designing, creativity, and man-machine relationship. And that belief is there when you are having that belief that is your people will solve every problem, do not worry; my team will solve this problem.

And therefore, in that case, we will talk about it is the people are placed first, the highest possible service and the profits will follow. So, a profit is not a motive; rather than profit will follow through the possible services. And this is the statement, and the philosophy of the founder and CEO Frederick Smith for FedEx is there, and that will be doing.

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So, how the FedEx managers are doing these things? That is the SFA, Service-Feedback-Action, Survey Feedback-Actions. In the survey-feedback-action is this that is they will find out from their internal employees, of course, the customer survey is there, and then you will find out from the outside also, but you will also find out from their internal employees that is how the organization is doing, what changes would you like to make into the organization.

And therefore, in that case, that is the survey feedback action that will be preferred.

Job Change Applicant Tracking System that is a JCATS. If somebody wants to change from one job to another job, the shift right, and then he will be applying. So, a job change applicant tracking system will be there. And it has been seen that is what jobs are most of the people want to change. And why they want to change then definitely job sometimes you have to do job enlargement, you have to increase the job, and sometimes it is the job enrichment you have to make the job strong.

So, therefore, you have to go by that job change applicant tracking system; strong means enrichment means strong means value addition jobs. It is not the number quantity like in the enlargement rather than in the job enrichment; it is the quality of work that has been suggested. Then the leadership evaluation awareness process leap is there right. So, we have also conducted the LEAP and LEAP, and that was for the Leadership for the Academician Program right is of supported by the MHRD of 3.5 cr of the one program.

So, it is the leadership evaluation and awareness process. So, leadership styles are also evaluated and found out that is the how they are doing and how they are making the aware to the stakeholders, especially the internal customers the that is the employees that how the organization is doing and what the leadership is thinking about that particular process.

So, SJ, WMI, and GISF have been started by IBM. Similarly, here you will find that is it is the SFA that is the survey-feedback-action, then the job change applicant tracking systems, and leadership evaluation and awareness process that has been preferred.

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**How FedEx Manages ....cont.**

➤ **Recognition and Reward Program**

**Bravo Zulu:** (U.S. navy semaphore signal for "well done")

**Golden Falcon Award**

The award consists of ten shares of Federal Express stock and a congratulatory visit or phone call from a senior executive.

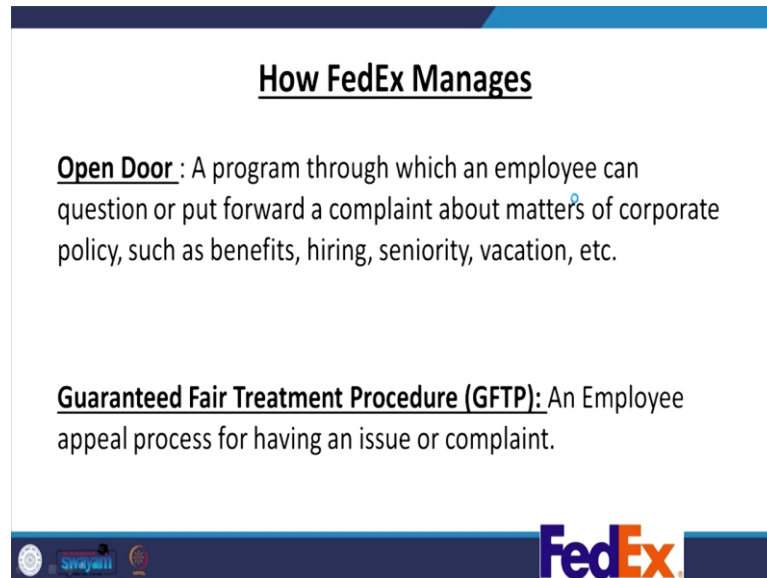
Source: <http://www.fedex.com>

FedEx

So, how is FedEx doing their performance? Recognition and reward program in talent acquisition and management. This is becoming very important that is the how do you recognize your employees. And when you say your employees, the example is given that is well done is the golden falcon award; the award consists of 10 shares of federal express stock and a congratulatory visit a phone call from a senior executive.

So, whatever the dream is there to meet my CEO one day and have dinner with him, so that will be successful that is having the golden falcon award will be there.

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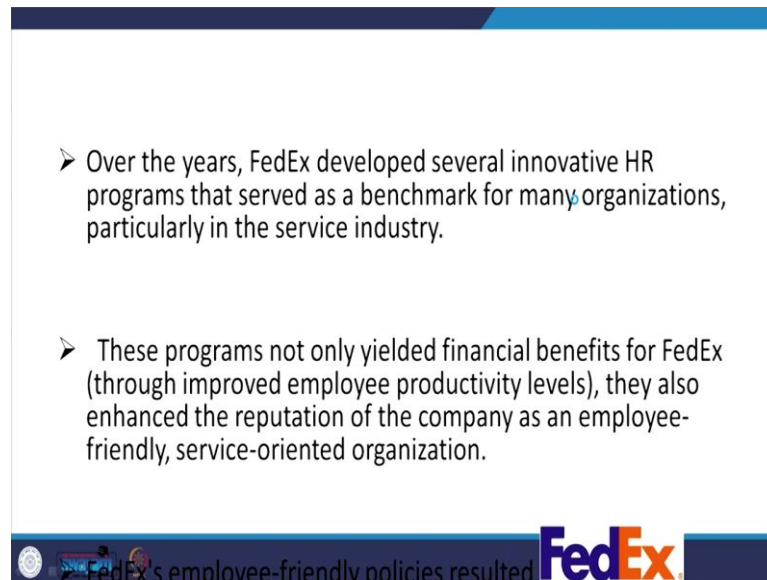
So, finally, what we talk about that is how FedEx managers are doing that is an open door. A program through which an employee can question or put forward a complaint about matters of corporate policy such as benefits, hiring, seniority, vacations, etcetera, anyone, whatever the suggestions they want to give, they can give their suggestions.

When they give their suggestions, for example, the incentive programs, the organization may be offering certain incentives, but which may not be applicable to some of the employees—for example, children's education allowance. So, in that payslip or you can say CTC Cost to Company, there is mention about that is yes there should have to be you will get the reimbursement of the tuition fees of your children.

But those who are having this particular the those who are bachelors, then they will not be able to avail that this type of incentives, but in the CTC it is mentioned. This is a Cost to Company. So, what is required? Those benefits in the hiring process can be amended by the feedback of your internal customers or employees. Then GFTP, Guaranteed Fair Treatment Procedure.

An employee appeal processes for having an issue or complaint. And therefore, in that case, the if anybody has any grievance and any decision is made or the boss has terminated the service especially, then there can be an appeal is there.

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Over the years, FedEx developed several innovative HR programs that served as the benchmark for many organizations, particularly in the service industry. These programs not only yielded financial benefits for FedEx through improved employee productivity levels, they also enhance the reputation of the company as an employee-friendly, service-oriented organization that is the crux that is there is employee-friendly is there, and organization culture is to provide the services to the employees.

So, these employee-friendly policies and resulted into the services the best services to the organization. And when the best services of the organizations are provided by the employees to their employer, nobody can stop to win over not only to the competitors but for the global level organization. And they are becoming the best employer in the world. So, therefore, this is all about that is how talent acquisition management practices have been done by FedEx.

Thank you.