Educational Reasearch Report: Change Management Plan for FedEx

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Change Management Plan for FedEx

Introduction

Change plays a significant role in improving overall performance and productivity of

business organizations. Initially, while the implementation of change, management confronts

with serious resistance from employees. There are many reasons due to which employee resist

for change. Some of these reasons include denial, depression, anger and opposition (Appelbaum

et al., 2012). Thus, there is a great significance of managing and dealing with the change within

the workplace so as to ensure effective implementation of change. The aim of this paper is to

determine the best possible ways through change can be implemented and managed within the

organization. The FedEx Company has been selected for carrying the discussion of this paper.

The FedEx Company needs to implement change into its major Human Resource policy i.e.

Employee Compensation and Benefits plan.

Overview of FedEx Company

FedEx Corporation is considered as the company which provides courier delivery

services all across the globe. FedEx Corporation is an American Company, and it's headquarter

is located in Memphis, Tennessee. FedEx Corporation has been amongst the most admired

employers and brands (FedEx, 2015). FedEx Company is operating in the courier delivery

industry, which has gained significant standing in current world.

FedEx Corporation is referred as the export and import company, which was established

in the year of 1998 and at the same time, it acquired Caliber System Inc. During 1980s, the

company made a decision to start joint service with BA (British Airways), but later gave up this decision (FedEx, 2015). The Tower Group International, a global logistics company was acquired by FedEx in the year of 2000.

Headquarter of FedEx Corporation is located in United States in Memphis. There are almost 300,000 of employees, who are working for the company all across the globe (Anderson & Anderson, 2010). Thus, the company is an international and large sized organization, which is operating its business successfully all across the globe.

HR Policy to be changed

The employee compensation and benefits plan of the company is not as effective as the way in which it is operating its business. It is due to the fact that the health benefits, proper recognition and awards, retirement plan and other policies in the employee compensation and benefits plan of the FedEx Company are not present (Appelbaum et al., 2012). Thus, the Human Resource Department has planned to introduce changes into its employee compensation and benefits plan through incorporating additional facilities, in terms of retirement plan, health benefits etc.

Reasons of Introducing Change

It was identified that the employees of FedEx Company are not working with motivation and efficiently. Thus, the human resource department of the company planned to improve employee compensation and benefits plan through providing additional benefits to the employees (Anderson & Anderson, 2010). It is revealed that the increased flexibility and access in employee benefits, the company will be able to not only hire but also retain highly qualified employees. As

the company needs to improve its performance in order to compete in the market; thus, the company needs to motivate its employees, which is possible through changing employee compensation and benefits plan (Appelbaum et al., 2012). Adequate health benefits, retirement savings and incentives were missing from the employee benefits plan.

Recommended Change

The human resource department of FedEx Corporation has suggested to change the employee compensation and benefits plan through incorporating health benefits, recognition, incentives and retirement benefit into the benefits plan (Paton & McCalman, 2008). In addition to this, provision of additional pay for overtime has also been suggested in the new employee compensation and benefits plan (Doppelt, 2009). The involvement of these benefits will help the company in hiring as well as retaining experienced and highly skilled employees of the organization.

Kotter's 8-Step Change Model

The change has planned to be implemented with the help of Kotter's eight step change model. Following are those eight steps which will be followed.

Create Urgency

In this step, the need of implementing change in the employee compensation and benefits plan will be identified (Paton & McCalman, 2008). It will assist in convincing the employees and senior management of the company towards the implementation of change.

Forming Powerful Coalition

In this step, all the employees and management of the company will be convinced for integrating change (Doppelt, 2009). In doing so, positive aspects and outcomes of implementing change will be communicated.

Creating a Vision for Change

In this step, important aims and objectives associated with the implementation of change will be aligned (Paton & McCalman, 2008). Values and possible benefits of implementing change will be determined and the vision will be set.

Communicating Vision

The aim and vision associated with the implementation of change will be communicated with all of the employees and management level of organization (Doppelt, 2009). Different trainings and meetings will be organized for carrying out the communication with entire staff.

Removing Obstacles

There will be many obstacles which may resist the implementation of change within the organization (Paton & McCalman, 2008). Thus, these obstacles will be removed through providing the employees with rewards and recognition.

Creation of Short Term Wins

Entire change implementation plan will be divided in many short term wins in order to achieve the aim step by step (Doppelt, 2009). Rewards and recognition will be offered to employees on the basis of their short term targets.

Building on the Change

In this step, change will be implemented and it will be assessed consistently in order to ensure successful implementation of change (Appelbaum et al., 2012). After the completion of every short plan, things which need to be improved will be identified.

Anchoring Change in the Culture

Corporate culture will be aligned with the change and it will be fastened in entire organizational culture (Paton & McCalman, 2008). It means that the change will make its solid place in the entire corporate culture in this step.

1. Create a Sense of Urgency

2. Form a Guiding Coalition

3. Create a Vision

4. Communicate the Vision

5. Empower others to Act on the Vision

6. Create Quick Wins

7. Build on the Change

8. Institutionalize the Change

Resistance to Change

Like any other organization, FedEx Corporation has also confronted with resistance while the implementation of change. It is observed that the senior management resisted in providing such high amount of benefits in terms of health benefits, incentives and rewards to employees (Paton & McCalman, 2008). In addition to this, some employees of the company were also afraid with the implementation of change.

Managing Resistance to Change

The resistance to change has been managed through encouraging management and employees to candidly express their feelings and thoughts related to the change in employee compensation and benefits program (Doppelt, 2009). Afterwards, each concern was listened carefully for exploring their fears and talking them seriously in order to prevent those negative aspects while implementing change. Furthermore, each member of management level and employee was involved in implementation and planning processes (Paton & McCalman, 2008). All these guidelines helped in convincing employees and all the senior managers of company for successful implementation of change.

Communication Strategies

Following are the three communication strategies which were used in order to communicate the need and process of implementing change to the management as well as employees of the organization.

Meetings

Separate meeting was organized with managers and separate meeting was called with employees in order to communicate the need for change (Paton & McCalman, 2008). All the positive outcomes associated with the implementation of change were highlighted.

Training

All of the employees and managers were communicated with the need and implementation of change through training sessions (Doppelt, 2009). In these training programs, they were made familiar with the policies of employee compensation and benefits plan which are being changed while implementing change.

Official Notice

Official notice was provided to each employee and manager in order to communicate them with the steps which will be followed for implementing change (Doppelt, 2009). Additionally, such policies which were being changed were also mentioned in the official notice.

Diagnostic Tools

Following are the two major diagnostic tools which were used for determining the need for implementing change.

Feedback Forms

Feedback forms were provided to employees in order to determine their satisfaction level for the existing employee compensation and benefits plan (Doppelt, 2009). These feedback

forms allowed in diagnosing such policies of employee compensation and benefits plan which should be changed.

Staff Turnover and Performance

Evaluation of performance and staff turnover of the company was also the major tool which was used for identifying the need for introducing change.

Strategies for Sustaining Change

Continuous Monitoring of Implemented Change

Such employee compensation and benefits policies which have been changed in the plan are continuously monitored in order to sustain the change (Anderson & Anderson, 2010). Proper monitoring helped in identifying any deficiency which was present in the change plan.

Continuous Improvement

Continuous monitoring of implemented change helped in ensuring continuous improvement of organizational policies (Doppelt, 2009). Introducing improvement on consistent basis assisted in sustaining change within the organization.

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