



# WHAT IS YOUR DESTINATION?

When aligning a clear strategy, accountability and communication are keys to success.

BY JEFF BOUNDS

When Virginia Albanese took the helm as president and CEO of FedEx Custom Critical in June 2007, the time-sensitive, custom shipping arm of the logistics and transportation giant was at a crossroads.

It was working to protect its core business in a mature market, grow its new truckload brokerage division, and also determine how

best to work with the other FedEx operating companies.

Trying to do so many things meant that managers had competing priorities. One manager would tell an employee to do one thing,





while another manager would have requested that same employee do something different, and both directives were supposed to be the most important.

Ground-level employees were feeling the dissonance above them in the management and executive ranks.

“People had good intentions,” Albanese says. “It’s not like they had rogue ideas. But everyone had differing opinions on what the priority was, on what needed to be accomplished.”

### **CREATING TEAM ALIGNMENT**

Albanese had to create alignment. Priorities needed to be made clear. That’s no small feat at even the smallest of organizations, but it’s especially difficult for a business unit that currently has roughly 600 employees and 2,500 contractors and drivers.

## **QUALITIES OF A DISRUPTIVE LEADER**

Here are some traits of top executives who can bring positive, wholesale change to an organization, according to Virginia Albanese, president and CEO of FedEx Custom Critical.

### **NOT SATISFIED WITH THE STATUS QUO**

A disruptive leader “is not interested in riding out the wave,” Albanese says.

### **COMPETITIVE**

“They want to win, they want to grow,” she says.

### **OPEN TO CHANGE**

They must also be open to the intense labor that comes with the kinds of discussions Albanese had with her staff. “Having discussions like that and doing nothing with it is very demoralizing to the staff. But the execution is a lot of work.”

### **OK WITH FAILURE**

Nobody likes it when things don’t go as planned. “But you must be open to the fact that some ideas won’t work,” Albanese says. “If it’s not going to work, say it.”





Albanese and her team created a three-point plan to get FedEx Custom Critical's troops on the same page.

- ➔ First, Albanese gathered her executive team to figure out what the business' priorities were, and what they weren't.
- ➔ Second, she had similar discussions in off-site meetings with managers of FedEx Custom Critical.
- ➔ Finally, Albanese and her team created a communications plan to get the word out to the rank and file — and to make those employees realize that, finally, every manager and executive was operating with the same priorities. The plan included everything from motivational meetings in arena-type settings to one-on-one sessions with individual employees.

Once those meetings were completed, Albanese had employees sign a wall in the company cafeteria at FedEx Custom Critical's base in Green, Ohio, to show that they understood the mission moving forward and would live up to the new way of doing things. She changed the screen savers on employees' computers to reinforce her messages. She even had managers hand out \$5 bills to workers who could recite, without prompting, what the new plan was all about.

**REFOCUSING ON CUSTOMER SERVICE**

A big part of Albanese's vision was about improving customer service. When Albanese first became CEO, she recognized that agents needed

**BY THE NUMBERS**

**EMPLOYEES**

600

**CONTRACTORS AND DRIVERS**

2,500

**GROWTH**

26%

## “WE MADE SURE THAT PEOPLE UNDERSTOOD THAT GIVING THE CUSTOMER THE RIGHT SOLUTION AT THE RIGHT TIME WILL GET THEM TO CALL BACK AGAIN.”

more solutions for their customers. While customer service was always strong, employees did not always have a full portfolio of potential solutions for prospective clients. For instance, personnel nearly always recommended the same fix to customers' shipping problems: “exclusive use” trucks, vehicles that customers can call whenever they need to move a high-value item such as artwork, factory machinery, or pharmaceuticals. But what if the customer would be best served by, say, using the air transport services of another FedEx arm?

Under the new plan, agents who took calls from prospective clientele were trained to suggest a full gamut of FedEx services, not just the ground-based offering that FedEx Custom Critical provides. That has resulted in a positive change in the variety of shipments that the unit is booking, including air and other avenues for getting high-value freight from point A to B.

And if that means revenue goes to other areas of FedEx and not Albanese's unit, well, so be it.

“When customers are happy, they'll come back to you again and again,” she says. “We made sure that people understood that giving the customer the right solution at the right time will get them to call back again. Customers want solutions. They don't just want what you've got.”

So far, those customers do appear to be calling back. FedEx Custom Critical has grown 26 percent since Albanese became CEO until the fiscal year ended May 31, 2013.

And customers appear to be happier with how FedEx Custom Critical treats them. Internal metrics, such as the “service quality index,” are up. (Called SQI for short, these metrics measure how quickly a customer's call is answered, on-time pickup and delivery service, and the availability of equipment when customers call.)

“Virginia is one of those rare breeds of leader who can create vision and strategy, inspire people to bring their best to their jobs, and be creative while still demanding high performance,” says Insigniam founding partner Shideh Sedgh Bina. “Throughout the time we have worked with her and her organization it is evident that she does that all with the customer front and centermost.”

While the bulk of the improvement initiative was done in about two months, Albanese says the process will never end. From the cafeteria wall to kickoff meetings for each fiscal year, FedEx Custom Critical is constantly working on ensuring that everybody knows the company strategy and the desired outcomes.

“We continue to communicate in a variety of ways,” Albanese says. “From our daily email to all employees showing the previous day's business results to regular leadership meetings, videos, and town hall meetings, we strive to ensure everyone knows how we are doing and where we are going.”

## HOW TO LEAD DISRUPTIVELY

Executives who want to bring positive change to their organizations had better be ready to roll up their sleeves, according to Virginia Albanese, president and CEO of FedEx Custom Critical. “This is hard work,” she says.

Here are some tips from Albanese on how to be a disruptive leader.

- **ENSURE** you have solid leaders in place who can not only formulate strategy, but execute on it as well. These leaders must be able to communicate the strategy well and have the trust of their employees.
- **DEVELOP** a plan that's clear and concise. Everyone in the organization needs to be able to understand and get on board with it.
- **ASSEMBLE** a terrific strategy for communicating your plan consistently and repeatedly.
- **CLEAR ACCOUNTABILITY** for each team member is vital. Each member of your organization must understand where he or she fits into your plan and why their particular positions are vital.