

HYPERFORMANCE

unrivaled results.

How Leadership and Innovation Changed the Parcel Industry Forever

Track 1 Session 8

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Abstract

Well before Amazon boxes began stacking up on your porch, a well-respected industry icon with over 100 years' experience, UPS, owned the parcel market. Taking them on took an innovative approach with strong, dynamic leadership and a solid business plan. This documentary looks back at the beginnings of RPS, the company that would become FedEx Ground and how they delivered more than just a package. This hour is rich with lessons in how to change the game, build competitive strategy and smartly manage growth.

Agenda

- **The First 20 Years**
- **Recognize Opportunity**
- **Know the Market and Competition**
- **Develop a Strategy**
- **Build a Team**
- **Communications**
- **Accountability**
- **Know Your and Your Competitors' Costs**
- **Key Takeaways**
- **Conference Cloud**
- **Questions**

Building a Successful Company from the “Ground” Up



Defining Success

Dates	March 11, 1985	May 31, 2014
Revenue	\$0	\$11.6 Billion
Profit	\$0	\$1.955 Billion

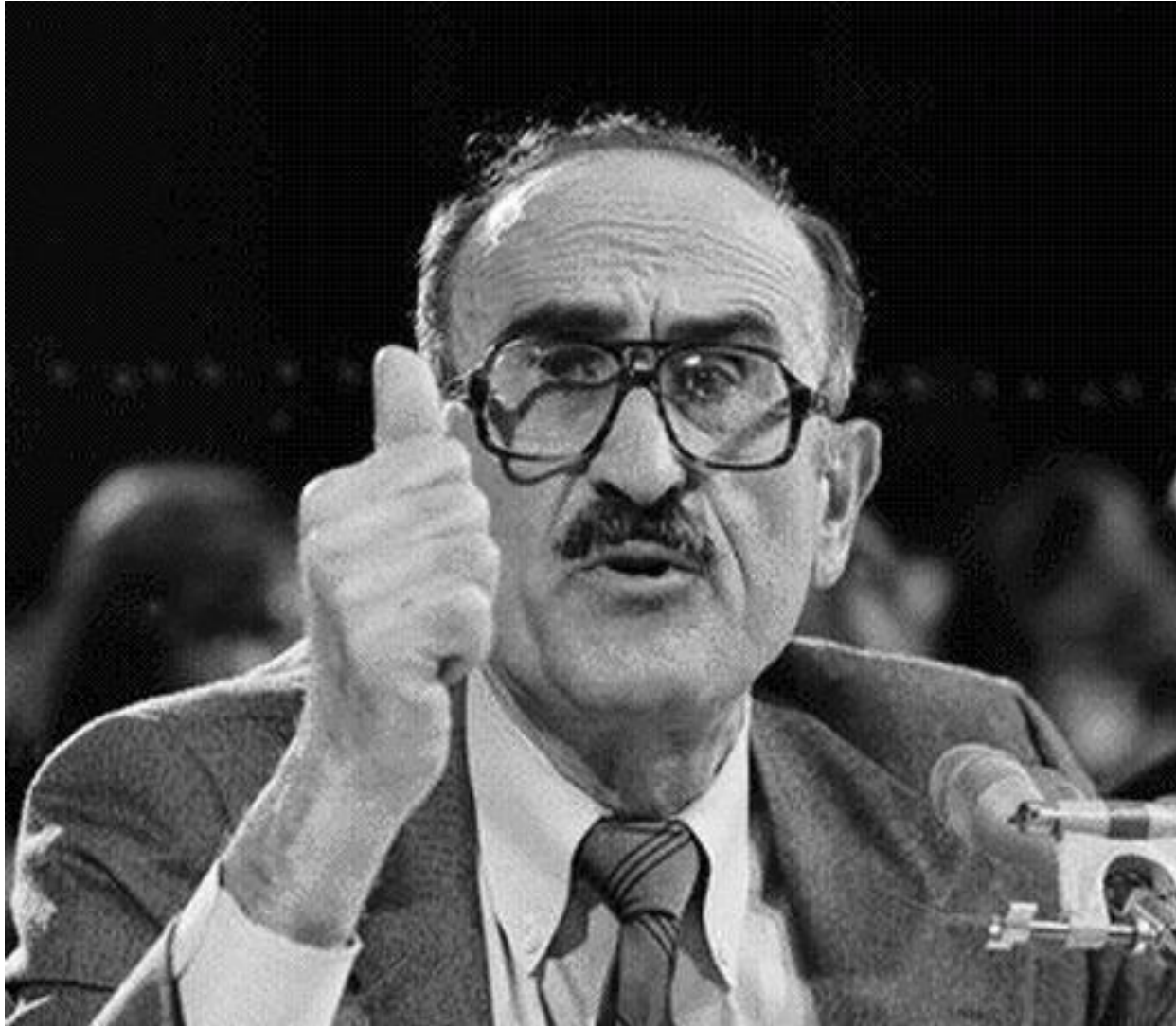
What Do They Have in Common?



The 1980's



Change Agent!



Focus on the First 20 Years

- **All Organic Growth – No Acquisitions**
- **“Vision”**
- **“Disruptive” Entrant**

Recognize Opportunity

- **Multi Billion Dollar Market**
- **Limited Competition**
- **Growing, Dynamic Market**
- **Related Industry Expertise**

Know the Market

- **Initial and On-going Market Studies**
- **Potential New Markets**
- **Focus**
- **Barriers to Entry**

Know The Competition

- **Strengths and Weaknesses**
- **Services and Products Currently Provided**
- **Competitive Response**
- **Potential New Entrants**

Develop Strategy

- **Low Cost Producer**
- **Initial Focus on Ground Service in USA**
- **Utilize Independent Contractors**
- **Innovate and Automate**
- **Rapid Expansion**
- **Engineered Approach**
- **Keep it Simple – Minimize Moving Parts**

Build a Team

- **Industry Related Experience**
- **You Can't Teach 6'6" or shine a Tennis Shoe**
- **Educated Workforce**
- **Opportunities and Incentives**
- **Standardize and Enforce**
- **Training**

Communications Process

- **Written and Spoken**
- **Attitude Surveys**
- **“Sid Rule”**
- **Meetings and Seminars**
- **Centralized Upper Level Management**

Accountability

- **Scoreboard**
- **Goals**
- **Recognition**
- **Incentives**

Know Your and Your Competitors' Costs

- **Critical to Pricing**
- **Customer Perception**
- **Control your Costs**
- **The McDonald's Effect**

Have Fun!



Key Takeaways

- **Opportunities abound in all markets**
- **Fight the Status Quo - disruptive – bold**
- **Never underestimate current competitors or new entrants**
- **There is no substitute for long hours and hard work**
- **Surround yourself with the best talent**
- **Listen and communicate constantly**
- **Fail fast/fix fast**

Conference Cloud

Additional Resources - Booklist

- *Built to Last* - Collins/Porras
- *The Soft Edge*-Karlgaard
- *The Oz Principle*-Connors
- *Outliers*-Gladwell
- *Good to Great*-Collins
- *Focus*-Ries
- *Reengineering the Corporation*-Hammer/Champy
- *First Break All The Rules*-Buckingham/Coffman



Questions



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