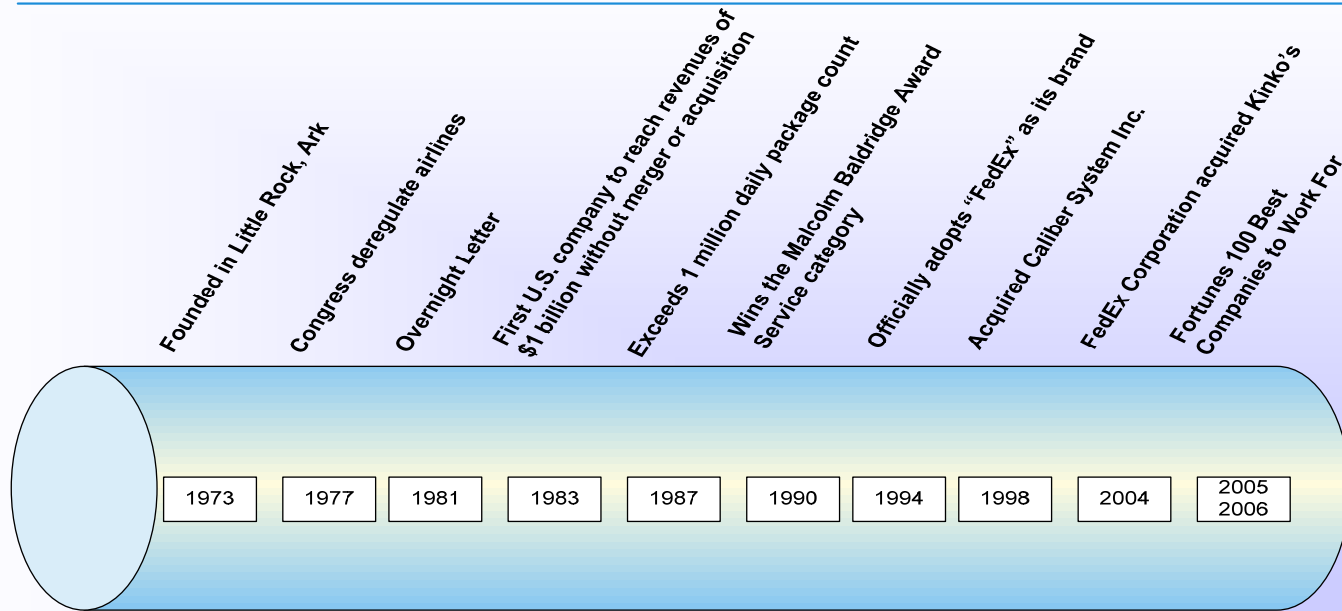




**Gus Lauer**  
**Managing Director –**  
**Disability, Work/Life & HCMP**

**A Cultural Perspective**

# FedEx Express Historical Timeline 1973 - 2007



\$35.2-billion



\$22.6-billion



\$6.0-billion

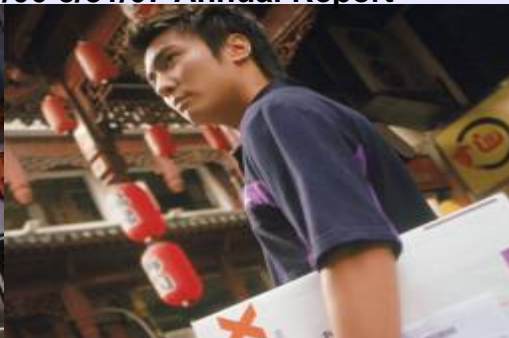


\$4.6-billion



\$2.0-billion

6/1/06-5/31/07 Annual Report



# The Elevator Speech - An Additional Perspective

## Employer

How do we attract, motivate and retain the best people?

How do we remain competitive in a global economy?

What is the “tipping point” between cost control & employee relations?

## Employee

Is this company good for me?

How can I earn more money?

Am I “protected?”



# Culture



## Webster defines culture\* as

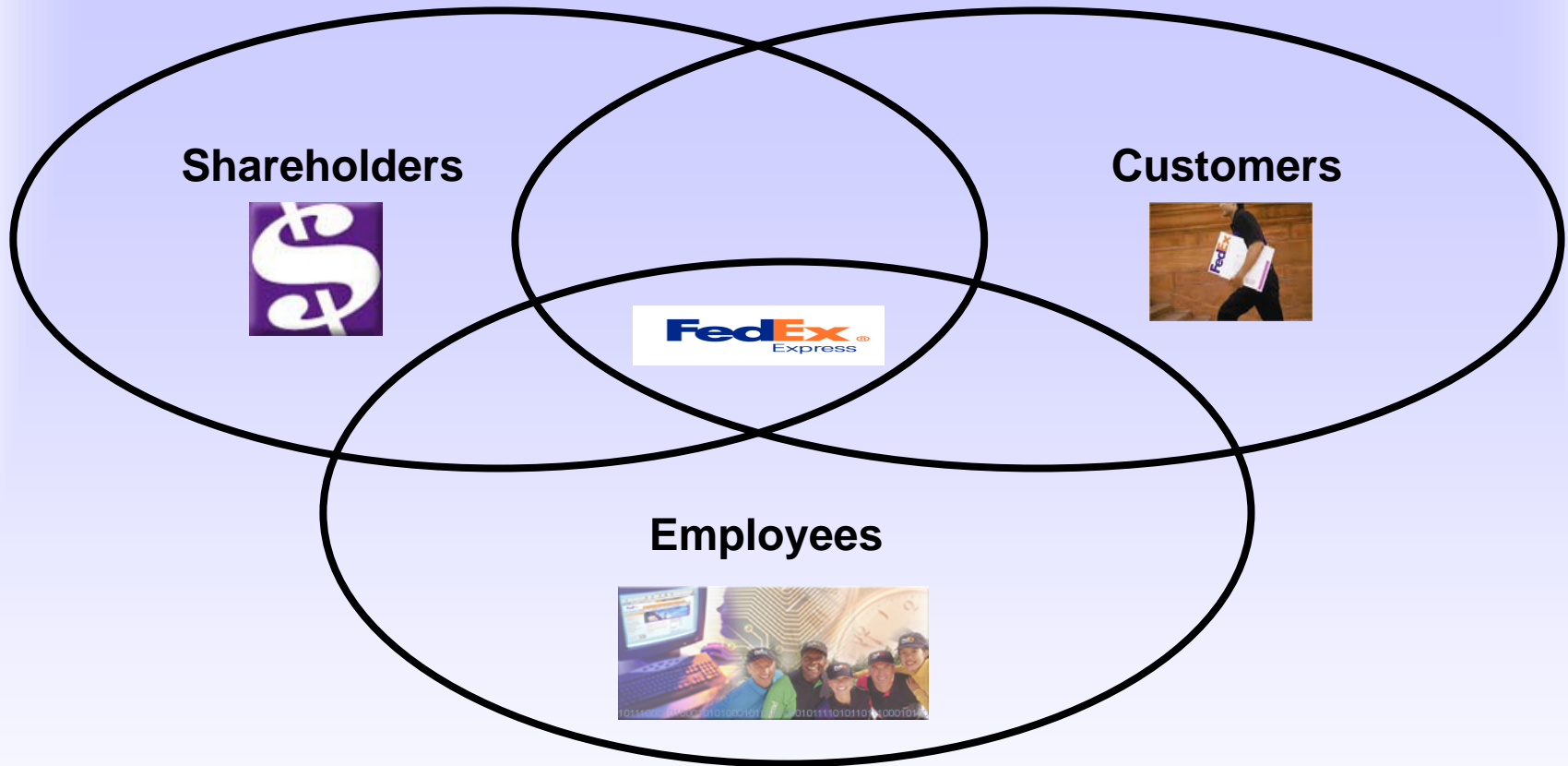
- totality of socially transmitted behavior patterns, arts, beliefs, institutions, and
- all other products of human work and thought

Typical of a population or (economic) community at a given time.

\*Webster's II new College Dictionary



# The Exchange Relationship “economic community”



# People – Service – Profit Philosophy

“socially transmitted behavior....”

Take care of

Deliver impeccable customer  
service

To secure future

**People**

**Service**

**Profit**



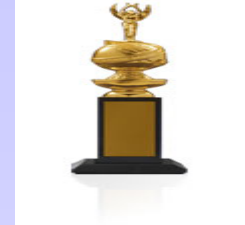
P-S-P Balance



# Rules of Conduct

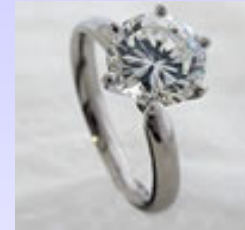
## Golden Rule

Treat others as you would want to be treated



## Platinum Rule

Treat others as they would want to be treated



## Purple Promise

“Make every FedEx experience outstanding”



# The Purple Promise

***“Make every FedEx experience outstanding”***



- To keep the Purple Promise, our employees aspire to:
  - Do whatever it takes to satisfy our customer
  - Always treat customers in a professional, competent, polite and caring manner
  - Handle every transaction with the precision required to achieve the highest quality service
  - Process all customer information with 100% accuracy



# Employee Perspective

## Value Proposition of Benefits

Is this company good for me?

How can I earn more money?

Am I “protected”?

“Does it satisfy?” – 3-A’s

Available

Amplable

Affordable



# Benefits Backdrop

Auto/Home



401 (K)

RTW Program

Long Term Care

Vision

Tuition Reimbursement

Legal

Salary Continuation

Travel Accident

Pension

Retiree Life

Medical

Basic/Optional Life & AD&D

Retiree Health

Dental

STD/LTD

Wellness



# FedEx Express Benefits Program

	<u>Company</u>	<u>Employee Paid</u>	<u>Shared</u>
Healthcare			Medical-Dental Vision Rx
Disability	STD/LTD		
Survivor	Basic Life/AD&D Travel Accident	Optional Life/AD&D	
Retirement	Pension	Life	401(K) Health
Personal Care	Resource & Referral Wellness EAP Tuition Reimbursement	Voluntary Benefits <ul style="list-style-type: none"> <li>● Auto/Home</li> <li>● LTCI</li> <li>● Legal</li> </ul>	



# Does It Work?

- We do have turnover!
- Employee Survey Results
  - High Job Satisfaction
  - Benefits Meets Most Needs
  - Employee Loyalty Index



## In Summary

Employees (our People) are our greatest asset  
Their perception of their value is critical to their performance  
Your culture will greatly influence their perception

The quality of your Employee Benefits program is one pillar of your culture

