

CASE STUDY

Aligning staff in tough times is essential for Australian air Express

Uncertain economic times

In a rapidly evolving and competitive market such as freight and logistics, an equally rapid capacity for response is mandatory, especially when that market is facing uncertain economic times. Rising fuel costs, increasing international competition and the threat of an economic slowdown form a perfect storm of challenges to be overcome.

But while it is one thing for executives to set a strategic direction and associated goals to meet those challenges, getting staff to come along on the journey is not always easy. The situation is no different for Australian air Express (AaE), a joint-venture express freight company formed by Qantas Airways and Australia Post in 1992. The company has grown rapidly and today operates a team of more than 1400 air and ground staff, servicing clients across Australia.

AaE already offers on-time delivery anywhere

within Australia, but increasing customer expectations for value-added services and ever-higher levels of customer response has seen AaE constantly upgrading its product offerings.

AaE's general manager, human resources Dominic Andreacchio says his business has already noticed the impact of the changed economic conditions on AaE's operations, and suspects that the business has not felt the worst of it yet.

"The general economy slowing down is already starting to have an impact on our revenue," he says.

Surveying staff to get buy-in and raise the bar

Three years ago AaE partnered with Insync Surveys, and since then the survey process has become a key element in ensuring that staff are aligned with the business' directions

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*Dominic Andreacchio
General Manager,
Human Resources
Australian air Express*





and goals, which is essential in tough times.

“We have made a quantum leap from being the rough-and-ready transport operation that we were when we first started to being a more sophisticated logistics solutions company that puts the customer first,” says Dominic.

“Given our pedigree with Qantas and Australia Post, we can’t just be languishing as another small transport operator. We’ve got to embrace the whole logistics field and wider transport sector.

“But no matter which direction the organisation sets for itself in terms of a strategic plan, unless we get the employees across all levels of the organisation engaged and involved, it’s not going to be delivered.”

The company has conducted two Organisation Alignment Surveys to date, and recently commenced its third. AaE’s goal is to establish a database of results that will enable it to compare performance over time, especially in relation to how well it’s reacted to feedback and improved business performance. It already compares its results against Insync Surveys’ global benchmark database so it can compare results against other organisations.

Dominic says he’s impressed by the strong alignment between AaE’s strategic direction and the results that can be generated by the Insync Surveys team.

“I had used other organisational surveys before but they were fairly general, rather than linking back to the employees’ alignment to organisational strategy and their performance against that strategy,” Dominic says.

Insync Surveys’ Organisation Alignment Survey provides quantitative information on how well aligned the organisation is to its own strategy, as well as identifying where AaE needs to work to improve its performance through developing additional engagement strategies or initiatives.

Dominic says having staff and management aligned to the same vision is even more important during the current period of economic uncertainty, and that has flow-on benefits to AaE’s customers. As the front

line between customers and the company, staff can perceive a very different view of the company’s attitude towards customers as a result of the level of resources that it provides to customer service.

“There is nothing worse than unhappy staff who are interacting with customers, and who instead of supporting and backing up the company, are just agreeing with the customer,” Dominic says. “When the customer says ‘this is bloody hopeless’ there’s nothing worse than one of our staff saying ‘yeah I know’.

“Some hard decisions may need to be made; and if your people understand what and why, it makes it a little bit easier for them to take on board.”

The strategic improvement link

Dominic says the current survey goal is to derive further benefits from the survey results by translating them into strategies and initiatives for groups at a state, departmental or functional level.

“Senior executives will own the responsibility to have a positive shift from the last survey to this survey,” Dominic says. “There’s a very direct link to our strategy and also to the executive performance and remuneration.”

In the future Dominic hopes to be able to correlate the survey results with a new human resources management system. Once it’s implemented he’ll be able to demonstrate the degree of alignment between high staff engagement as measured in the survey, and indicators such as employee turnover and absenteeism as reported by the HR system.

“At the end of the day, nothing will get done without having your employees on side, and without having them carry out the work and initiatives.

“The big difference in staff behaviour is whether they do the mandatory stuff that they have to do, or whether they’re really engaged and prepared to do what they know has to be done. We have started to see a bit of a slowdown, and it just makes it all the more

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Communication and training get a lift

One of the areas for attention identified in a past survey was staff communication, with AaE scoring lower than other organisations in terms of the quality of communication from management and the level of information shared with staff. That realisation led to several initiatives that are now paying dividends.

"We have now employed a national communications manager who has been handling our internal and external communication with our customers and employees," Dominic says.

"Also, people wanted to have some formal training, so we have employed a learning and development manager and we have put a formal succession planning framework in place. We have developed a lot of HR initiatives that link back to the strategic plan while addressing some of the feedback employees gave us."

About Insync Surveys

With offices in Melbourne and Sydney, we specialise in employee, customer, board and other stakeholder surveys backed by consulting. Our registered psychologists and research experts help organisations become more effective.

We co-founded the Dream Employers Survey and have worked with some of the largest organisations in Asia Pacific, including: Cathay Pacific, Toll, Medibank Private, WorleyParsons, Fairfax Digital, Mission Australia, the Australian Curriculum, Assessment and Reporting Authority, state government departments, many local councils and most university libraries. This broad experience allows us to benchmark your results.

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