



CASE STUDY - FEDEX ROAD MANAGEMENT CENTRE, LONDON - LAST-MILE DELIVERY RESEARCH

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Business Research Proposal: Improving Last-Mile Delivery at the FedEx Road Management Centre, London

Abstract

This proposal studies the problems facing the FedEx Road Management Centre in London, focusing on last-mile delivery, staff retention, and consistent customer service. Using staff surveys, customer feedback, and performance data, the study aims to identify the main causes of uneven service and offer practical recommendations, demonstrating how logistics firms can balance efficiency, staff well-being, and customer satisfaction in busy city delivery settings.

Keywords: last-mile delivery, employee retention, customer satisfaction, logistics operations, FedEx London

1. Introduction

The logistics and express delivery industry faces growing pressure: rising customer expectations, urban traffic, environmental regulations, and intense competition. As a junior analyst at FedEx's Road Management Centre in London, I have seen these challenges firsthand in last-mile delivery. This proposal outlines a plan to study them, focusing on how operational efficiency, staff well-being, and customer service quality are connected.

FedEx, one of the world's largest express transport companies, has regularly been named a top ten World's Most Admired Company by Fortune magazine. Yet recent feedback from customers and staff points to real problems at the London centre: reviews are mixed, with some praising helpful staff and others reporting failed deliveries and poor communication, while staff raise concerns about management, conditions, and career progression.

This proposal aims to build a research plan to study these issues fully and give evidence-based recommendations for improvement.

2. Finding the Business Problem

The FedEx Road Management Centre in London faces a complex challenge: keeping delivery quality high while managing costs, retaining skilled staff, and meeting environmental rules. This shows up through several connected issues affecting business performance.

2.1 Uneven Service Quality: Customer feedback for FedEx London is mixed. Some praise the “super friendly, helpful staff” and “exceptional professionalism”, while others call it “the worst delivery company in the UK”, with one saying “FEDEX have never made a smooth delivery to me till date” and “always some sort of problem”. This points to deeper operational and management issues.

2.2 Problems Keeping Staff: Internal reviews show worrying patterns: a project manager said, “performance and quality is getting worse day by day, people leaving constantly as there is little opportunity to advance and pay is pretty poor”, and a handler called the workplace “terrible” and management “knob heads,” advising others to “try to stay away”. These comments point to real staff unhappiness likely affecting service quality.

2.3 Pressures on Operations: The London setting brings unique challenges. FedEx's new e-cargo bikes replace six diesel vans with eight electric bikes, cutting an estimated 22,000 kg of CO₂ yearly. However, staff report “parcels are very heavy and sometimes exceed 25kg,” causing physical strain and safety concerns; 45 hours a week at £12.85 per hour may not adequately compensate for these demands.

2.4 Wider Company Context: The centre is part of the wider FedEx network, which includes the newly opened Novara Road Hub in Italy, called “the largest and one of the most technologically advanced FedEx International Road hubs in Europe” showing FedEx's commitment to excellence across Europe, yet London appears to lag behind.

This matters because it directly affects business performance: service failures drive away customers, turnover raises costs, inefficiency cuts profit margins, and missed environmental targets risk fines. Understanding the root causes is essential for effective solutions.

3. Research Aim, Goals, and Questions

3.1 Research Aim:

To study the operational challenges facing the FedEx Road Management Centre in London and develop evidence-based recommendations for improving last-mile delivery, staff retention, and customer satisfaction.

3.2 Research Goals:

- To find the main operational factors behind uneven service quality at the London centre.
- To examine the link between working conditions, job satisfaction, and delivery performance.
- To assess current management practices and their effect on retention and operational outcomes.
- To assess the impact of innovations such as e-cargo bikes and identify areas for improvement.
- To develop practical recommendations for improving efficiency, staff wellbeing, and customer satisfaction.

3.3 Research Questions:

- What are the main operational challenges facing the FedEx Road Management Centre in London?
- How do staff views on conditions, management, and career development affect satisfaction and retention?
- What factors drive customer satisfaction and dissatisfaction with FedEx London?
- How effective are innovations such as e-cargo bikes at addressing urban delivery challenges?
- What strategies can improve service consistency, staff retention, and operational efficiency together?

4. Review of the Research

This review covers three connected themes: last-mile delivery challenges in city logistics, staff retention and motivation in logistics, and customer service quality in express delivery.

4.1 Last-Mile Delivery and Urban Logistics

The “last mile” delivery from depot to customer is the costliest, slowest part of logistics (Gevaers et al., 2014), making up as much as 28% of delivery costs (Janjevic & Ndiaye, 2014). City challenges include congestion, restricted access zones, emissions rules, and customer availability (Mangiaracina et al., 2015). FedEx's e-cargo bikes in London respond to this; Schliwa et al. (2015) found them 1.61 times faster than vans on some routes.

Technology alone is not enough: Marujo et al. (2018) argue that successful operations need route planning, scheduling, and staff management combined. FedEx cites faster city routes and lower emissions as key e-cargo bike benefits, yet staff feedback suggests these gains are not fully felt on the ground.

4.2 Employee Retention and Motivation in Logistics

The logistics sector faces high turnover, skill shortages, and dissatisfaction (Gifford & O'Connor, 2017); job satisfaction, commitment, and work environment drive retention (Chatzoudes et al., 2015). FedEx London staff reviews raise concerns about management, pay, and career development, matching Herzberg's two-factor theory: pay and conditions prevent dissatisfaction, while recognition and advancement create satisfaction (Herzberg, 1968). Feedback of “little opportunity to advance and pay is pretty poor” shows problems with both, likely fuelling turnover.

Supervisor support and communication are vital for managing drivers and warehouse staff (Mello & Hunt, 2009). FedEx's People-Service-Profit philosophy, “FedEx takes care of our people; they, in turn, deliver the impeccable service demanded by our customers,” reflects this, yet feedback suggests a gap between philosophy and practice in London.

4.3 Customer Service Quality in Express Delivery

Reliability, timeliness, communication, and problem resolution drive satisfaction in express delivery (Huang et al., 2014); the SERVQUAL model (Parasuraman et al., 1988) frames quality across five dimensions: tangibility, reliability, responsiveness, assurance, and empathy.

FedEx London reviews are mixed: some praise “friendly and helpful service”, others report failures and poor communication, echoing Rahman's (2006) finding that quality is shaped by employee attitudes. Failed attempts, damaged packages, and missing tracking are top

complaints (Lai et al., 2008); one complaint of being told “they tried to reach me, but I wasn't at home” when present reflects pressure to meet delivery targets.

4.5 Literature Gaps and Research Contribution

While these three areas are each well studied, few examine them together, and new technologies like e-cargo bikes remain under-researched for their effect on staff experience. This study fills that gap by examining how operational challenges, staff wellbeing, and customer satisfaction connect at FedEx London, contributing to understanding how logistics firms can balance efficiency, engagement, and service quality in urban settings.

5. Research Methods and Design

5.1 Research Philosophy and Approach

This research adopts a pragmatist philosophy: both quantitative and qualitative methods aid understanding of complex organisational problems (Saunders et al., 2019). A mixed-methods approach will combine quantitative performance and satisfaction data with qualitative interview and customer feedback insights, allowing triangulation and a fuller picture than either method alone.

5.2 Data Collection Methods

1. Employee Survey: An anonymous online survey will go to all operational staff (around 150 employees), using validated measures of job satisfaction (adapted from Spector's Job Satisfaction Survey, 1985), management support, work stress, and turnover intentions, plus demographic questions to compare roles, tenure, and shifts.

2. Semi-Structured Interviews: Fifteen to twenty in-depth interviews with staff across roles (drivers, warehouse staff, supervisors, managers) will explore perceptions of challenges, management practices, and suggestions for improvement, guided by the literature review.

3. Customer Feedback Analysis: Secondary analysis of existing feedback, including 35 online reviews and internal satisfaction data, will identify patterns in complaints and praise.

4. Operational Performance Data: Quantitative performance data (on-time rates, failed attempts, complaints) will be requested from the organisation to analyse trends and correlations.

5.3 Sampling Strategy

A purposive sampling strategy will ensure interviews represent different roles, shifts, and tenure levels. The survey will go to all staff, aiming for at least a 50% response rate.

5.4 Data Analysis

Survey data will be analysed using descriptive statistics, correlation, and regression modelling. Interview transcripts will undergo thematic analysis following Braun and Clarke's (2006) six-phase framework; customer feedback will use content analysis.

5.5 Ethical Considerations

This research will follow UWTSD and British Educational Research Association (BERA) ethical guidelines. Key points include:

- **Informed consent:** clear information on the research's purpose, rights, and data use.
- **Anonymity and confidentiality:** responses anonymised, participants given pseudonyms, data aggregated.
- **Right to withdraw:** participants may withdraw at any time without penalty.
- **Data storage:** data is stored securely, password-protected, and accessible only to the researcher.

5.6 Reliability and Validity

Reliability relies on standardised data collection. Validity will be strengthened through triangulation, piloting the survey, and member-checking interview findings, with attention to fitting the UK logistics context.

6. Why This Research Matters

This research has real practical value for FedEx's London centre and the wider organisation. By examining how operational challenges, staff wellbeing, and service quality interconnect will generate actionable insights for improving business performance.

6.1 Operational Implications

The findings will guide operational improvements by identifying the factors behind service inconsistency, helping management target the areas with greatest impact, for example, addressing workload, shift scheduling, or support systems if staff stress proves a key driver of failures.

6.2 Strategic Implications

Understanding the link between staff satisfaction and service quality is vital for strategic management of the London centre, informing decisions on HR investment, training, and staff development. This aligns with FedEx's People-Service-Profit philosophy and its 2040 carbon-neutral goal (FedEx, 2021).

6.3 Employee Wellbeing and Retention

Recommendations for improving conditions, management practices, and career development could bring real financial benefits, given the evidence of dissatisfaction and turnover, through lower recruitment costs and more stable operations.

6.4 Customer Experience

Identifying what drives customer satisfaction and dissatisfaction will enable more targeted service improvements, focusing resources on the “moments of truth” that most affect retention and loyalty.

6.5 Transferable Knowledge

Although focused on one site, the findings will be relevant to other logistics operations facing similar challenges, contributing to a broader understanding of balancing efficiency, engagement, and service quality in urban logistics.

6.6 Professional Development Implications

This project will support my own development as a junior analyst, building experience in research design, data collection, and evidence-based analysis skills essential for future managerial and consultancy roles.

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