



Office of Inspector General | United States Postal Service

Audit Report

Effectiveness of the Postal Service's Efforts to Reduce Non-Career Employee Turnover

Report Number 19POG001SAT000-R20 | February 12, 2020



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Highlights

Objective

Our objective was to assess the U.S. Postal Service's effectiveness in reducing non-career employee turnover and evaluate underlying reasons for non-career employee turnover.

The Postal Service hires non-career employees to supplement its regular workforce and reduce staffing costs. Non-career employees are temporary workers who do not receive the same employee benefits as career employees, are not always guaranteed a set schedule, and can work from one to seven days per week. In fiscal year (FY) 2019, the Postal Service had about 136,000 non-career employees which represented about 21 percent of its 633,000 employees.

The Postal Service has four non-career employee labor designations or crafts:

- Mail handler assistant position — unloads and moves mail in plants.
- Postal support employee position — processes mail and sells postage at post offices.
- City carrier assistant position — delivers mail on designated city routes.
- Rural carrier associate position — delivers mail on rural routes.

The Postal Service establishes a non-career employee turnover goal as part of its annual National Performance Assessment (NPA). This goal is used to measure non-career employee turnover to help reduce the Postal Service's cost of training non-career employees. In FY 2019, the goal was 34.08 percent.

We conducted site visits at 14 district offices, 12 post offices, and two processing and distribution centers (P&DC). These visits represented all seven Postal Service areas and included sites with higher and lower unemployment and non-career employee turnover rates.

Findings

Over the last four years, Postal Service Human Resources Headquarters (HR-HQ) management took actions to reduce non-career employee turnover.

Although the annual turnover decreased from 42.8 percent in FY 2016 to 38.5 percent in FY 2019, it still exceeded the NPA goal of 34.8 percent in FY 2016 and 34.08 percent in FY 2019. Also, the FY 2019 turnover rate exceeded the FYs 2017 and 2018 rates. In FY 2019, the city carrier assistant positions had the highest turnover at 45.8 percent while the postal support employee positions had the lowest turnover at 34.4 percent.

To meet the FYs 2018 and 2019 34.08 percent NPA non-career employee turnover goals, the Postal Service would have had to retain almost 3,000 more non-career employees in FY 2018 and almost 5,900 more non-career employees in FY 2019. We calculated this would have reduced the cost of onboarding and training by about \$4.1 million in FY 2018 and about \$9.6 million in FY 2019 based on management's estimate of total onboarding and training costs.

Management estimated the Postal Service saved about \$8 billion in labor cost from FYs 2016 to 2019 by employing non-career employees. However, they did not measure the cost savings associated with the NPA non-career employee turnover performance. On average in FY 2019, non-career employees who left, worked for the Postal Service for about 81 days. Measuring the potential cost savings associated with reducing non-career employee turnover would help ensure management focuses on improvement.

Also, non-career employee turnover could be improved if HR-HQ management developed a single comprehensive strategic plan for recruiting, hiring, and

“To meet the FYs 2018 and 2019 34.08 percent NPA non-career employee turnover goals, the Postal Service would have had to retain almost 3,000 more non-career employees in FY 2018 and almost 5,900 more non-career employees in FY 2019.”

retaining non-career employees. HR-HQ management developed individual strategies to assist in non-career employee retention at the local level. The strategies included developing engagement training for all employees and revising onboarding training to better address the needs of new non-career employees.

However, during our site visits, we found inconsistent application of HR-HQ strategies. Specifically, at seven of the 14 district offices and four of the 14 facilities we visited, management said they had not received training on retaining non-career employees.

Because HR-HQ management did not develop a single comprehensive national strategic plan for recruiting, hiring, and retaining non-career employees of all four crafts, districts developed local strategies to help reduce non-career employee turnover. We found the following examples of local strategies at the 14 districts we visited to help reduce turnover.

- At 11 district offices, management said they required managers to obtain district office approval prior to terminating non-career employees. They did this to ensure non-career employees received performance feedback and were allowed an opportunity to improve their performance before being terminated.
- One district office created managerial policies and procedures for onboarding and training non-career employees. The managers were required to certify completion of the procedures.
- One district office required managers to personally greet new non-career employees, take them on a tour of the facility, and introduce them to other staff when they arrived at the facility.
- One district office provided refresher training to all non-career employees after their first 60 days on the job.

These strategies could be incorporated into a comprehensive strategic plan for all districts to follow.

We also found that HR-HQ personnel e-mailed a voluntary exit survey to non-career employees who left the Postal Service and made summary results

available to local management with access to the Postal Service's information technology network. From FY 2016 to June 30, 2019, about 28 percent of the non-career employees responded to the exit survey. In FY 2016, the survey's top two reasons for non-career employees leaving the Postal Service were "Lack of Schedule Flexibility" and "Physical Demands". From FY 2017 to June 30, 2019, the top two reasons were "Lack of Schedule Flexibility" and "Didn't Like Supervisor".

Management at 10 of the 14 district offices we visited were aware of the voluntary non-career employee exit survey and six of the 10 district offices said they used the results to improve non-career employee turnover. However, they were not provided any guidance on how to use the data. We also found that six district offices said they performed their own exit surveys.

HR-HQ management said they monitored the reasons for non-career employees leaving the Postal Service and used the data to deploy strategies to address them. However, they had not established any nationwide processes to ensure non-career employee exit survey results were reviewed by district office personnel and appropriate corrective action plans were developed. Establishing a nationwide policy on use of this exit survey information would better enable effective and consistent actions to address non-career employee turnover.

A comprehensive national strategic plan and procedures would help ensure management consistently focuses on reducing non-career employee turnover, provides better oversight, and ensures best practices and feedback is shared.

Recommendations

We recommended HQ-HR management:

- Measure the cost savings associated with the NPA non-career employee turnover performance.
- Develop a comprehensive non-career employee national turnover strategic plan and procedures to provide more effective management oversight. The plan and procedures should focus on achieving measurable results to reduce non-career employee turnover at the local level by developing action plans to address exit survey results and implement district best practices nationwide.

Transmittal Letter

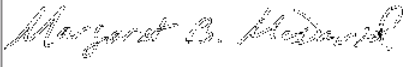


OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

February 12, 2020

MEMORANDUM FOR: ISAAC S. CRONKHITE
CHIEF HUMAN RESOURCES OFFICER AND
EXECUTIVE VICE PRESIDENT

E-Signed by McDavid, Margaret
VERIFY authenticity with eSign Desktop

A rectangular box containing a handwritten signature in cursive that reads "Margaret B. McDavid". Above the signature, the text "E-Signed by McDavid, Margaret" and "VERIFY authenticity with eSign Desktop" is printed. A small yellow icon with a question mark is in the top right corner of the box.

FROM: Margaret B. McDavid
Deputy Assistant Inspector General for Inspection
Service and Information Technology

SUBJECT: Audit Report – Effectiveness of the Postal Service's
Efforts to Reduce Non-Career Employee Turnover
(Project Number 19POG001SAT000)

This report presents the results of our audit of the Postal Service efforts to Reduce Non-Career Employee Turnover.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Matt Hartshorn, Director, or me at 703-248-2100.

Attachment

cc: Corporate Audit Response Management

Results

Introduction/Objective

This report presents the results of our self-initiated audit of the effectiveness of the U.S. Postal Service's efforts to reduce non-career employee turnover (Project Number 19POG001SAT000). The Postal Service hires non-career employees to supplement its regular workforce and reduce staffing costs. Non-career employees are temporary workers who do not receive the same employee benefits as career employees, are not always guaranteed a set schedule, and can work from one to seven days per week. Our objective was to assess the Postal Service's effectiveness in reducing non-career employee turnover and evaluate underlying reasons for non-career employee turnover. See [Appendix A](#) for additional information about this audit.

Background

“The Postal Service establishes a non-career employee turnover goal as part of its annual National Performance Assessment (NPA). In FY 2019 the goal was 34.08 percent.”

In fiscal year (FY) 2019, the Postal Service had about 136,000 non-career employees which represented about 21 percent of its 633,000 employees. The Postal Service establishes a non-career employee turnover goal as part of its annual National Performance Assessment (NPA).¹ In FY 2019 the goal was 34.08 percent. This goal is used to measure non-career employee turnover to help reduce the Postal Service's cost of training non-career employees.

The Postal Service has four non-career employee labor designations or crafts:

- Mail handler assistant position — unloads and moves mail in plants and is covered by the National Postal Mail Handlers Union agreement.
- Postal support employee position — processes mail and sells postage at post offices and is covered by the American Postal Workers Union agreement.
- City carrier assistant position — delivers mail on designated city routes and is covered by the National Association of Letter Carriers agreement.
- Rural carrier associate position — delivers mail on rural routes and is covered by the National Rural Letter Carriers' Association (NRLCA).

In August 2019, the NRLCA ratified an agreement with the Postal Service which included a memorandum of understanding to form a task force to address rural carrier associate hiring and retention. In FY 2019, the Postal Service estimated that it cost about \$169.9 million to onboard and train new non-career employees.

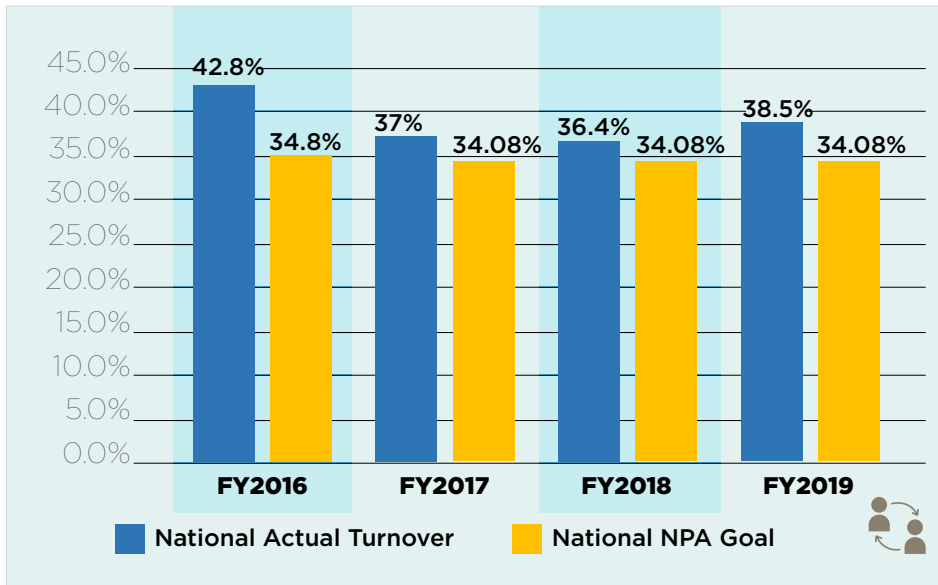
We conducted site visits at 14 district offices, 12 post offices, and two processing and distribution centers (P&DC). See Table 1 in the Scope and Methodology section for the sites visited.

Finding #1: Non-Career Employee Turnover Goals Not Met

Over the last four years, Postal Service Human Resources Headquarters (HR-HQ) management took action to reduce non-career employee turnover. Although annual turnover decreased from 42.8 percent in FY 2016 to 38.5 percent in FY 2019, it still exceeded the NPA goal of 34.8 percent in FY 2016 and 34.08 percent in FY 2019. Also, the FY 2019 turnover rate exceeded the FYs 2017 and 2018 rates. (see [Figure 1](#)).

¹ A web-based system that collects performance-related metrics such as retail revenue, on-time Express Mail delivery, etc., from systems across the organization. These metrics are translated into web-based balanced scorecards that management can use to monitor the performance of the entire enterprise or individual units across the nation.

Figure 1. FY 2016 to 2019, Non-Career Employee Turnover



Source: Postal Service's Staffing and Scheduling Tool.

“ Among the Postal Service areas, the Pacific Area had the highest turnover rate in each fiscal year. In FY 2019, its turnover was 45 percent while the Southern Area had the lowest turnover at 34.4 percent.”

The city carrier assistant position had the highest turnover rate in each fiscal year. In FY 2019, the city carrier assistant positions turnover was 45.8 percent while the postal support employee positions had the lowest turnover at 34.4 percent. Among the Postal Service areas, the Pacific Area had the highest turnover rate in each fiscal year. In FY 2019, its turnover was 45 percent while the Southern Area had the lowest turnover at 34.4 percent.

To meet the FYs 2018 and 2019 NPA non-career employee turnover goals, the Postal Service would have had

to retain almost 3,000 more non-career employees in FY 2018 and almost 5,900 more non-career employees in FY 2019. We calculated this would have reduced the cost of onboarding and training by about \$4.1 million in FY 2018 and about \$9.6 million in FY 2019 based on management's estimate of total training and onboarding costs.

The Manager, Budget, estimated the Postal Service saved about \$8 billion in labor cost from FYs 2016 to 2019 by employing non-career employees. The savings were calculated by determining the increase in annual workhours for mail handler assistants, postal support employees, and city carrier assistants compared to FY 2011 and multiplying the result by the salary differential between career and non-career employees. The Manager, Budget said the calculation did not include rural carrier associates because they focused on FY 2012 labor agreements that increased the potential for workhours for mail handler assistants, postal support employees, and city carrier assistants, but not rural carrier associates. The Postal Service did not measure the cost savings associated with NPA non-career employee turnover performance. On average in FY 2019, non-career employees who left worked for the Postal Service for about 81 days. Measuring the potential cost savings associated with reducing non-career employee turnover would help ensure management focuses on improvement.

Also, non-career employee turnover could be improved if HR-HQ management developed a single comprehensive strategic plan for recruiting, hiring, and retaining non-career employees. HR-HQ management developed individual strategies to assist in non-career employee retention at the local level. These strategies included:

- Developing engagement training for all employees.
- Revising onboarding training to better address the needs of new non-career employees.
- Ensuring employee communications help non-career employees understand the value of their total compensation, including pay and availability of subsidized health insurance.

- Developing job preview videos to ensure applicants have a realistic view of job requirements prior to starting.
- Improving the hiring process to decrease the time to hire non-career employees and to better assess applicants for attributes likely to lead to job success.
- Conducting career conferences in all districts so non-career employees can learn about career opportunities in the Postal Service.

However, during our site visits, we found inconsistent application of the HQ-HR strategies. Specifically, at seven of the 14 district offices and four of the 14 facilities we visited, management said they had not received training on retaining non-career employees. Management at four district offices said they thought the organization needed to do a better job of educating employees and working with the younger generation.

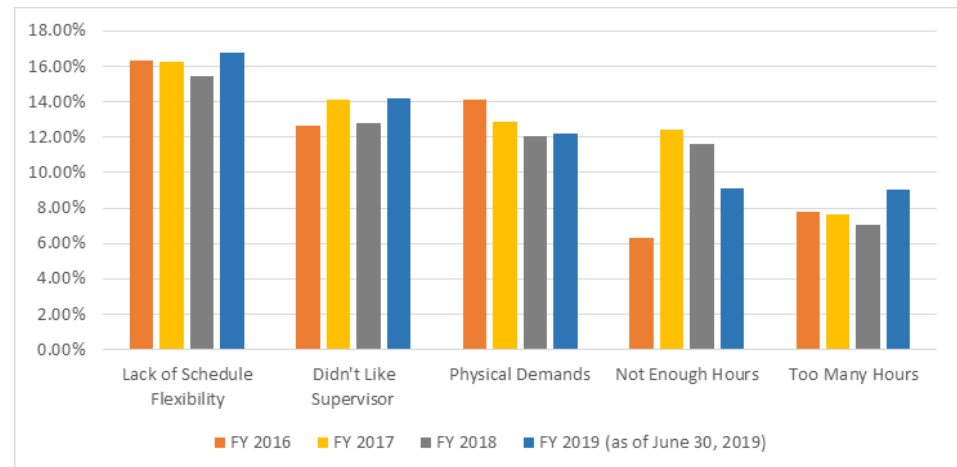
Because HR-HQ management did not develop a single comprehensive strategic plan for recruiting, hiring, and retaining non-career employees of all four crafts, districts developed local strategies to help reduce non-career employee turnover. We found the following examples of the local strategies at the 14 districts we visited to help reduce turnover:

- At 11 district offices, management said they required managers to obtain district office approval prior to terminating non-career employees. They did this to ensure non-career employees were provided performance feedback and allowed to improve their performance before being terminated.
- One district office created policies and procedures for managers who are onboarding and training non-career employees. The managers were required to certify completion of the procedures.
- One district office required managers to personally greet new non-career employees, take them on a tour of the facility, and introduce them to other staff when they first arrived at the facility.
- One district office provided refresher training to all non-career employees after their first 60 days on the job.

These strategies could be incorporated into a comprehensive strategic plan for all districts to follow.

We also found that HR-HQ personnel emailed a voluntary exit survey to non-career employees who left the Postal Service and made summary results available to local management with access to the Postal Service’s information technology network. From FY 2016 to June 30, 2019, about 28 percent of the non-career employees responded to the exit survey. In FY 2016, the survey’s top two reasons for non-career employees leaving the Postal Service were “Lack of Schedule Flexibility” and “Physical Demands”. From FY 2017 to June 30, 2019, the top two reasons were “Lack of Schedule Flexibility” and “Didn’t Like Supervisor”. See Figure 2 for additional exit survey results concerning reasons non-career employees left the Postal Service.

Figure 2. Postal Service Non-Career Employee Exit Survey, Top Reasons for Leaving the Postal Service



Source: Non-Career Employee Exit Survey results recorded in the Postal Service’s Complement Management System.

Management at 10 of the 14 district offices we visited were aware of the voluntary Non-Career Employee Exit Survey and six of the 10 district offices said they used the results to improve non-career employee turnover; however, they were

not provided any guidance on how to use the data. In addition, management at six district offices said they performed their own exit surveys.

“ Establishing a nationwide policy on use of this exit survey information would better enable effective and consistent actions to address non-career employee turnover.”

HR-HQ management said they monitored reasons non-career employees left the Postal Service and used the data to deploy strategies to address them; however, they had not established any nationwide processes to ensure district office personnel reviewed non-career employee exit survey results and developed appropriate corrective action plans. Establishing a nationwide policy on use of this exit survey information would better enable effective and consistent actions to address non-career employee turnover.

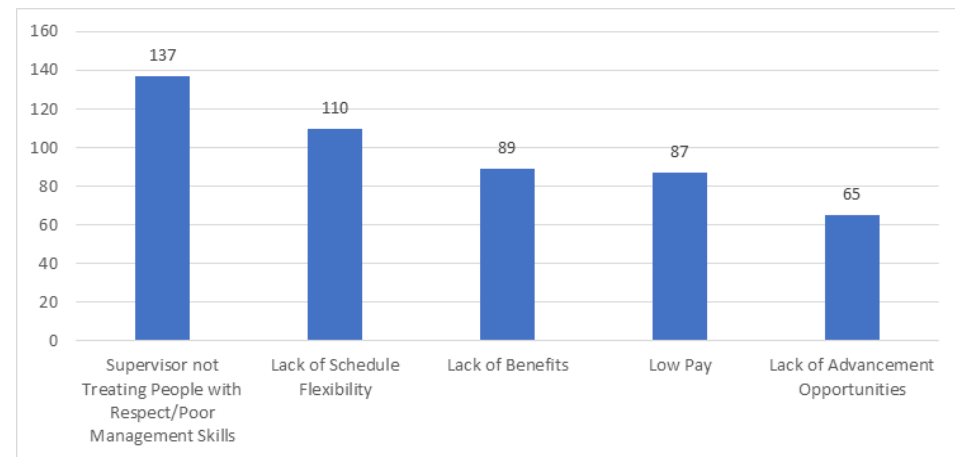
In February 2019, the U. S. Postal Service Office of Inspector General (OIG) hosted an Audit Asks² web page discussion on our external website and asked the public to comment on non-career employee retention. Our questions included:

- What do you think are the underlying reasons for non-career employees leaving the Postal Service?
- What should the Postal Service be doing to help retain non-career employees?
- What impacts have you seen in the Postal Service workplace as a result of non-career employee turnover?

As of August 13, 2019, we received 236 comments that addressed the reasons for non-career employees leaving the Postal Service. Based on a review of the comments, the reasons given for leaving were like those cited in the Postal Service’s Non-Career Employee Exit Survey. The top two reasons our survey identified were supervisors not treating employees with respect/poor

management skills and lack of scheduling flexibility. See Figure 3 for Audit Asks respondents’ top reasons for leaving non-career positions.³

Figure 3. Audit Asks Results



Source: OIG Audit Asks survey results.

Examples of the comments about supervisors not treating people with respect/poor management skills included:

- “Treat employees like people. We have managers who reward favorites and overwhelm the good workers.”
- “The problem I see at my station is the way management treats non-career employees. Management talks down to them, changes their schedules mostly on a daily basis.”
- “I am a nine year RCA. I’ve seen a lot of RCAs come and go in that time. My advice is to treat them with respect.”

A comprehensive national strategic plan and procedures for all non-career positions would help ensure management consistently focuses on reducing non-career employee turnover, provides better oversight, and ensures best practices and feedback are shared.

² A forum for discussing ongoing OIG audits of the Postal Service.

³ Respondents may have included more than one reason for non-career employees leaving the Postal Service.

Recommendation #1

The **Chief Human Resources Officer and Executive Vice President** measure the cost savings associated with the National Performance Assessment non-career employee turnover performance.

Recommendation #2:

The **Chief Human Resources Officer and Executive Vice President** develop a comprehensive non-career employee national turnover strategic plan and procedures to provide more effective management oversight. The plan and procedures should focus on achieving measurable results to reduce non-career employee turnover at the local level by developing action plans to address exit survey results and implement district best practices nationwide.

Management's Comments

Management generally agreed with the findings and recommendation 1. However, management disagreed with recommendation 2 and the statement that HR-HQ management did not develop a single comprehensive strategic plan for recruiting, hiring, and retaining non-career employees.

Management stated the individual strategies cited in the report are part of national strategies that can and should be used based on local conditions. Also, management agreed with the OIG's finding of inconsistent application of the HQ-HR strategies but stated that not all strategies are applicable nationwide and that the OIG did not assess the success or cost effectiveness of the examples of local strategies that could be incorporated into a comprehensive strategic plan.

Management stated, through subsequent communication, that they agreed with the monetary impact.

Regarding recommendation 1, management stated they will measure the costs savings associated with the NPA non-career employee turnover performance. The target implementation date is June 30, 2020.

Regarding recommendation 2, although management disagreed with the OIG's statement that HR-HQ management did not develop a single comprehensive

strategic plan for recruiting, hiring, and retaining non-career employees, they agreed that information regarding the employee turnover rate and exit survey data, could be better communicated with the field to assist local management with addressing turnover in their districts and facilities. Management agreed to "create a communication" to field leadership regarding availability and use of the data by June 30, 2020.

See [Appendix B](#) for management's comments in their entirety.

Evaluation of Management's Comments

The OIG considers management's comments responsive to recommendation 1 and the corrective action should resolve the issue identified in the report.

Regarding management's disagreement with recommendation 2 and the OIG's statement that HR-HQ management did not develop a single comprehensive strategic plan for recruiting, hiring, and retaining non-career employees, we believe the Postal Service could improve non-career employee turnover if management incorporated the individual strategies into a single comprehensive strategic plan that is communicated to all personnel. This would enable effective and consistent actions to address non-career employee turnover. Management was not able to provide such a plan during the audit.

Also, we provided the examples of local strategies that could be incorporated into a comprehensive strategic plan to show that the individual strategies developed by HR-HQ management were not comprehensive. We do not consider a communication to field leadership regarding availability and use of employee turnover rate and exit survey data sufficient to address recommendation 2. Therefore, we view the disagreement on recommendation 2 as unresolved and plan to pursue it through the audit resolution process.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. All recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

Appendices

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Appendix A: Additional Information

Scope and Methodology

The scope of our audit was Postal Service non-career employee turnover for FYs 2016 through FY 2018 nationwide, including Postal Service programs to reduce non-career employee turnover and the programs' effectiveness.

To accomplish our objective, we:

- Obtained the following information from the Postal Service:
 - FY 2016 to FY 2019 non-career employee NPA turnover goals and results from the Postal Service's staffing and scheduling tool.
 - FY 2016 to June 30, 2019, Non-Career Employee Exit Survey results.
 - Estimated FY 2018 and 2019 costs to hire non-career employees.
- Hosted an Audit Asks web page on our external website to gather information on non-career employee retention and reviewed the responses.
- Reviewed collective bargaining agreements between the Postal Service and the labor unions regarding non-career employees' hiring and workforce processes and benefits.

In addition, during the audit we sorted 66 of the Postal Service's 67 districts in the seven Postal Service geographical areas⁴ based on FY 2018 unemployment⁵ and

non-career employee turnover rates. For six of the seven Postal Service areas we conducted district office site visits at:

- A district office that had higher than the median unemployment rate of 5.01 percent for the 66 districts and a higher turnover rate than the NPA 34.08 percent goal; and
- A district office that had lower than the median unemployment rate of 5.01 percent for the 66 districts and a lower turnover rate than the NPA 34.08 percent goal.

The Great Lakes Area did not have a district office we could categorize as high in both categories. For that area, we visited a district office with unemployment lower than the median unemployment rate of 5.01 percent for all districts and a higher turnover rate than the NPA 34.08 percent goal.

For each district office visited, we also performed a site visit at a post office or a processing and distribution center in the district. In total we visited 12 post offices and two processing and distribution centers.

At the district offices and facilities we visited, we interviewed management to determine the cause(s) of non-career employee turnover and how they monitored and mitigated those causes. See [Table 1](#) for the sites we selected for review.

⁴ We did not include the Caribbean District in the Northeast Area because its unemployment data was not available.

⁵ We calculated the unemployment rates based on data from the Environmental Systems Research Institute.

Table 1. Sites Selected for Review

Area	High Unemployment/ High Turnover District Office	Low Unemployment/ Low Turnover District Office	Facility
Capital Metro	Capital		Bowie, MD, Post Office
		Atlanta	Duluth, GA, Post Office
Eastern	South New Jersey		Trenton, NJ, Processing and Distribution Center
		Tennessee	Madison, TN, Post Office
Great Lakes	Central Illinois ⁶		Westmont, IL, Post Office
		Gateway	Festus, MO, Post Office
Northeast	Westchester		Monsey, NY, Post Office
		Northern New England	Auburn, ME, Post Office
Pacific	Sacramento		Placerville, CA, Post Office
		Los Angeles	Los Angeles, CA, Processing and Distribution Center
Southern	Oklahoma		Bethany, OK, Post Office
		Arkansas	Cabot, AR, Post Office
Western	Arizona		Casa Grande, AZ, Post Office
		Central Plains	Fremont, NE, Post Office

Source: OIG analysis.

We conducted this performance audit from February 2019 through February 2020, in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a

reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on January 15, 2020, and included their comments where appropriate.

⁶ The Great Lakes Area did not have a district office that we could categorize as “high” in both categories. Instead we visited the Central Illinois District office, which had low unemployment and high turnover.

We assessed the reliability of the staffing and scheduling tool non-career employee turnover data by comparing it to data from the Postal Service's Enterprise Data Warehouse and interviewing knowledgeable officials about the data. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>Non-Career Employee Turnover</i>	Assess non-career employee turnover and identify opportunities to optimize non-career staffing.	HR-AR-17-002	12/20/2016	\$52,977,821

Appendix B: Management's Comments

SIMON M. STOREY
VICE PRESIDENT
EMPLOYEE RESOURCE MANAGEMENT



February 4, 2020

LAZERICK POLAND
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Effectiveness of the Postal Service's Efforts to Reduce Non-Career Employee Turnover — SAT-AR-19

Thank you for the opportunity to respond to this audit. The Postal Service, as stated in your audit, has saved approximately \$8 billion in labor costs from Fiscal Year (FY) 2016 to 2019 by employing non-career employees. The use of non-career employees will naturally lead to a level of turnover as non-career employees do not receive all the benefits of a career position and the Postal Service expects a certain level of turnover. Office of Inspector General (OIG) calculated that meeting the National Performance Assessment (NPA) goal would have reduced the cost of on-boarding and training by \$4.1 million and \$9.6 million in FY18 and FY19. This equates to less than one half of one percent of the estimated labor savings provided by the use of non-career employees.

United States Postal Service (USPS) Management disagrees with the OIG premise that "Human Resources Headquarters (HRHQ) Management did not develop a single comprehensive national strategic plan for recruiting, hiring, and retaining non-career employees." OIG identified what they called "individual strategies," which are part of a national strategy. The national strategies can and should be used based on local conditions. Hiring and retention is not uniform across the nation and is subject to various local economic and social conditions.

USPS Management agrees with the OIG finding of "inconsistent applications of HRHQ strategies." However, USPS Management must note that all strategies are not applicable nationwide and local HR must be allowed a certain amount of autonomy to utilize the best practices based on local economic factors. We note that while the OIG pointed out four examples of "local strategies" that could be incorporated into a comprehensive strategic plan, they did not assess the success or cost effectiveness of these local strategies.

Recommendation #1: The Chief Human Resources Officer and Executive Vice President measure the cost savings associated with the NPA non-career employee turnover performance.

Management Response/Action Plan: The Postal Service agrees that it will measure the costs savings associated with the NPA non-career turnover performance.

Target Implementation Date: June 2020

Recommendation #2: The Chief Human Resources Officer and Executive Vice President develop a comprehensive non-career employee national turnover strategic plan and procedures to provide more effective management oversight. The plan and procedures should focus on achieving measurable results to reduce non-career employee turnover at the local level by developing action plans to address exit survey results and implement district best practices nationwide.

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WWW.USPS.COM

Management Response/Action Plan: As stated above, the Postal Service disagrees with the position that there is no plan to address non-career employee turnover. However, the Postal Service does agree that information regarding the employee turnover rate and exit survey data could be better communicated with the field in order to assist local management to address turnover in their districts and facilities. USPS will create a communication to field leadership regarding availability and use of this data.

Target Implementation Date: June 2020



Simon M. Storey

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**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

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