

# Oversight of the Retail Lobby Customer Experience in New York 1 District

## AUDIT REPORT

Report Number 23-119-R24 | March 18, 2024





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# Highlights

## Background

Promoting positive customer retail lobby experiences is a focus area in the U.S. Postal Service's Delivering for America plan. Retail lobbies are where many customers interact with the Postal Service, such as when buying stamps or mailing packages. The Postal Service collects data on retail lobby customer experiences, such as cleanliness, transaction times, staff courtesy, and mailing supply availability, through mystery shoppers, surveys, and observations. The Postal Service's New York 1 District – which includes Manhattan, the Bronx, Staten Island, and Brooklyn – recently had low retail lobby customer experience scores. When issues are identified, offices must implement corrective actions to promote customer experiences and service in a manner that reflects the Postal Service's positive image and brand.

## What We Did

Our objective was to assess the retail lobby customer experience in the New York 1 District. We reviewed policies and procedures, analyzed data, observed operations at 15 judgmentally selected sites, and met with Postal Service management.

## What We Found

Opportunities exist to enhance retail lobby customer experiences in the district. First, 11 of 15 offices (73 percent) we visited did not complete required retail lobby and employee observations, and we observed related cleanliness, supply availability, and wait time in line issues. Second, we found multiple instances where corrective action plans – required after an office failed or performed poorly during a retail lobby review – had missing or incorrect data. These collective deficiencies occurred due to management oversight shortfalls. Incomplete observations and missing or incorrect data limit visibility into retail lobby performance, making it less likely to identify and validate improvements.

While district management uses available national and local data to provide oversight of retail lobby customer experiences, performance issues remain, and staff must manually extract certain local data and insights. The Postal Service has an opportunity to mitigate these issues by developing an action plan for better leveraging available national and local data, regardless of if it is stored at the nation, district, or local level. Such a plan would allow for enhanced visibility and comprehensive oversight of retail lobby customer experiences, and drive targeted improvements based on an office's unique characteristics or concerns.

## Recommendations

We recommended management reinforce requirements related to the completion of retail lobby and employee observations; reinforce that corrective action plans have complete and accurate data; and develop an action plan for leveraging national and local retail lobby customer experience data to provide enhanced visibility and drive targeted improvements.

# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

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March 18, 2024

**MEMORANDUM FOR:** LORRAINE G. CASTELLANO  
MANAGER, NEW YORK DISTRICT 1

A handwritten signature in black ink, reading "Amanda H. Stafford", is positioned below the recipient information.

**FROM:** Amanda H. Stafford  
Deputy Assistant Inspector General  
for Retail, Marketing & Supply Management

**SUBJECT:** Audit Report – Oversight of the Retail Lobby Customer Experience in  
New York 1 District (Report Number 23-119-R24)

This report presents the results of our audit of the Oversight of the Retail Lobby Customer Experience in New York 1 District.

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

Attachment

cc: Postmaster General  
Corporate Audit Response Management

# Results

## Introduction/Objective

This report presents the results of our self-initiated audit of the Oversight of the Retail Lobby Customer Experience in New York 1 District (Project Number 23-119). Our objective was to assess the retail lobby customer experience in the New York 1 District. See [Appendix A](#) for additional information about this audit.

## Background

The Postal Service is required to provide quality retail services as part of its universal service obligation.<sup>1</sup> It has over 30,000 post offices and retail units staffed by Postal Service employees throughout the country.<sup>2</sup> At these locations, customers enter the lobby<sup>3</sup> to perform a wide variety of retail transactions, including purchasing stamps, money orders, or passports; sending a package; printing a label at a self-service kiosk; or picking up mail from a Post Office Box (PO Box). The Postal Service strives to promote positive customer experiences and service at these retail lobbies in a manner that reflects well on its image and brand. In its *Delivering for America* plan,<sup>4</sup> the Postal Service noted the importance of excellent customer service and how it helps strengthen connections with local communities.

Lobbies should be safe, well-maintained, inviting, and contain useful and accurate information for customers (such as product offerings and operational hours). Lobby staff should be professional, knowledgeable, efficient, and courteous. Local Postal Service postmasters, managers, and supervisors are responsible for the day-to-day management and performance of these retail lobbies, including adherence to policies and procedures related to cleanliness and appearance,

staff performance, efficient and timely transactions, and managing local customer experience data collection and measurement tools. District and headquarters staff support and oversee these local responsibilities. They also set and enforce overall retail operations policies and procedures and promote the utility and completeness of nationwide retail lobby customer experience data collection and measurement tools.

## Retail Lobby Customer Experience Data Collection and Measurement Tools

The Postal Service has a variety of tools for collecting and measuring data on retail lobby customer experiences, including staff observations, mystery shoppers, and surveys. These tools, described in more detail below, are either supported on a nationwide or a field/local level basis, where headquarters or local staff, respectively, generally manage the data collection and measurement.

### Nationwide-Supported Tools

- *Point-of-Sale (POS) Survey – Customer Feedback.* The Postal Service collects retail customer lobby experience information directly from customers using its POS Survey. Upon completion of a transaction in a retail unit, customers are asked to provide feedback on their experience via an online survey. The survey includes questions related to their overall satisfaction, wait time in line (WTIL), and their views of the Postal Service employee's courtesy, efficiency, attitude, and knowledge. Data<sup>5</sup> from these surveys are compiled into the Postal Service's Customer Insights<sup>6</sup> platform, and the specific question, "*Thinking about this visit to the Post Office, overall, how satisfied were you?*"<sup>7</sup> factors into the Postal Service's overall

1 While not explicitly defined, the Postal Service's universal service obligation is broadly outlined in statute and includes multiple dimensions such as geographic scope, range of products, access to services and facilities, delivery frequency, affordability and uniform pricing, service quality, and security of the mail.

2 The Postal Service also has a retail network of nearly 2,500 contracted retail units.

3 For the purposes of this report, "lobby" encompasses all customer-facing areas within a retail post office or retail unit, such as the entryway, counter, or PO Box areas.

4 *Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence*, March 23, 2021. See [https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS\\_Delivering-For-America.pdf](https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS_Delivering-For-America.pdf).

5 The Postal Service uses POS survey results to measure customer experiences by determining the percentage of "mostly satisfied" and "very satisfied" responses and comparing them to all respondents.

6 The Customer Insights program collects, interprets, and reports customer feedback as well as inquiries from other channels to gain an understanding of the customer experience.

7 The Postal Service uses this question to measure overall satisfaction. The Postal Service's POS overall satisfaction target is 87.46 percent (whereby 87.46 percent of respondents would have answered with either "mostly satisfied" or "very satisfied").



performance evaluation calculation known as its national performance assessment.<sup>8</sup>

- *Retail Customer Experience (formerly Mystery Shopper) – Contracted Observations and Transactions.* The Postal Service contracts “customers” to perform mystery shops at select post offices<sup>9</sup> eight times a year to collect customer experience insights. The mystery shopper observes lobby conditions, conducts a mailing transaction, and documents their experience via a standardized questionnaire. Specific questions pertain to their WTIL; the lobby’s interior and exterior appearance; product offerings; and the Postal Service staff member’s sales skills, product knowledge, and explanations. This data is stored within the Enterprise Data Warehouse and is accessible to Postal Service management. When a local office does not pass established thresholds for certain questions (e.g., those pertaining to hazardous materials or WTIL), a corrective action plan must be completed by local management.
- *Customer 360 – Customer Feedback.* The Customer 360 system captures customer feedback (e.g., complaints or compliments) provided through USPS.com or the call center. This data is collected on a national level and stored in a centralized system accessible by Postal Service staff and managers.

#### Locally Supported Tools

- *Retail Lobby and Employee Observations, Forms – Postal Service Staff.* At least once each month, Postal Service management must record observations<sup>10</sup> to assess the health of key retail lobby components using the following forms:
  - *Form 4000-A, Retail Lobby Observation.* This form includes the office’s exterior/entrance, PO Box lobby, retail counter (i.e., self- and full-service areas), and customer lobby assistance. Specific questions pertain to posting of hours, signage, posters, cleanliness, flags, and displays.

- *Form 4000-B, Retail Employee Observation.* This form includes each employee’s level of sales skills and product knowledge during a customer transaction. Specific questions pertain to the customer’s WTIL and the employee’s greeting, knowledge, attention, appearance, and compliance with hazardous materials requirements.
- *Retail Lobby and Employee Observations, Gemba<sup>11</sup> Walks – Postal Service Staff.* Postal Service staff (either local, district, or headquarters) can conduct on-site facility and staff observations of conditions, lobby appearance, operations, and customer interactions at selected facilities (e.g., those with recent lobby issues). These staff record their results on a corresponding form and provide them to Postal Service leadership at the local, district, and area levels. To respond to the identified issues, local and/or district management then create a corrective action plan.
- *New York 1 District Exit Surveys, Customer Feedback – Postal Service Staff.* New York 1 District management developed a customer “exit survey” to capture additional customer insights and feedback for certain offices (particularly those with lower POS survey results/customer feedback). Local staff approach a customer following their transaction and ask questions (similar to the POS Survey) regarding their lobby experience. Local management are required to perform these exit surveys weekly and data from these surveys are emailed to the postmaster.

#### New York 1 District Performance

Of these data collection and measurement tools, the Postal Service relies on the POS survey results as the key retail lobby experience measure in its national performance assessment. We reviewed this data across all 50 districts between October 2021 and September 2023 (fiscal year [FY] 2022 through FY 2023) – focusing on the overall satisfaction question used in the national performance assessment

<sup>8</sup> National performance assessment summarizes a variety of organizational performance metrics such as retail revenue and on-time express mail delivery.

<sup>9</sup> These contracted observations and transactions occur at offices that generate \$500,000 or more in annual walk-in revenue or are in the top 20 percent of the highest revenue-producing offices within a district.

<sup>10</sup> These hardcopy forms are each required to be retained at the unit for two years.

<sup>11</sup> A Japanese term meaning “the real place.” A Gemba walk identifies waste in the process by observing the operation, asking questions, and brainstorming improvements to solve problems identified.

calculation.<sup>12</sup> The New York 1 District’s overall satisfaction scores were 77.50 percent in FY 2022 and 80.37 percent in FY 2023. These results fell short of the Postal Service’s 87.46 percent target and were at or near the bottom of all districts (see Table 1).

We further analyzed the POS survey data across the different question categories and found that New York 1 District underperformed across several categories (see Table 2).

### Findings Summary

The New York 1 District encompasses the densely populated Manhattan, Brooklyn, Staten Island, and the Bronx boroughs in New York City. We assessed related customer experiences in the district by reviewing policies and procedures; observing operations at 15 judgmentally selected sites; meeting with Postal Service management; and analyzing national, district, and local retail lobby customer experience data.<sup>13</sup>

We found opportunities exist to enhance retail lobby customer experiences in the New York 1 District by completing retail lobby and employee observations and ensuring corrective action plans are complete. We also found that the district has an opportunity to

better leverage available national and local data to enhance retail lobby customer experience visibility and oversight and drive targeted improvements.

**Table 1. New York 1 District POS Overall Satisfaction Results**

Category	Overall Satisfaction Score <sup>a</sup>	District Ranking (out of 50)
<b>FY 2022</b>		
New York 1 District	77.50%	50
Nationwide Average	86.34%	-
Nationwide Target	87.46%	-
<b>FY 2023</b>		
New York 1 District	80.37%	49
Nationwide Average	87.10%	-
Nationwide Target	87.46%	-

Source: Postal Service Customer Experience Satisfaction Survey Dashboard.

<sup>a</sup> This score represents the percentage of respondents who replied they were “mostly satisfied” and “very satisfied” compared to all respondents.

**Table 2. New York 1 District POS Survey Results**

POS Survey Category	FY 2022			FY 2023		
	Score <sup>a</sup>	District Ranking (out of 50)	National Average	Score <sup>a</sup>	District Ranking (out of 50)	National Average
Overall Satisfaction	77.50%	50	86.34%	80.37%	49	86.27%
Knowledge	84.81%	50	92.32%	87.18%	50	92.43%
Treated with Courtesy	83.60%	50	91.84%	86.30%	50	92.10%
Worked Efficiently	84.08%	50	91.98%	86.42%	50	92.09%
Positive Attitude	82.60%	50	91.27%	85.61%	50	91.52%
WTIL Less Than or Equal to 5 minutes	73.55%	48	84.46%	76.57%	49	83.26%
WTIL Acceptable	79.36%	50	88.51%	81.93%	50	88.19%

Source: Postal Service Customer Experience Satisfaction Survey Dashboard.

<sup>a</sup> This score represents the percentage of respondents who replied they were “mostly satisfied” and “very satisfied” compared to all respondents.

<sup>12</sup> The Postal Service assesses the results of this overall satisfaction question using the percentage of respondents who replied as “mostly satisfied” and “very satisfied”.

<sup>13</sup> See Appendix A for more information on our scope, methodology, and site selection.

## Finding 1: Opportunities to Enhance Lobby Observations and Data

Opportunities exist to enhance retail lobby customer experiences in the New York 1 District. As mentioned earlier, recent POS survey data showed lower performance for some of the district's key customer retail lobby experience metrics. For example, FYs 2022 and 2023 POS survey data showed overall satisfaction and WTIL indicators lagged behind national averages and Postal Service targets, with some ranking last out of 50 districts nationwide. Our on-site observations at 15 local facilities, reviews of 96 corrective actions plans (required after an office failed or performed poorly during a retail lobby review), and other data analysis shed additional light on retail lobby customer experience concerns.

“Survey data showed lower performance for some of the district's key customer retail lobby experience metrics.”

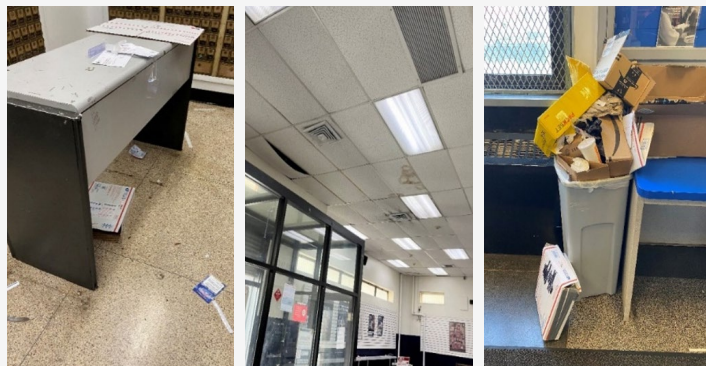
### Concerns Identified During Site Visits and Observations

We found required retail lobby and employee observations (4000-A, *Retail Lobby Observation Form* and 4000-B, *Retail Employee Observation Form*) were not completed at 11 of 15 offices (73 percent). This included offices that had not completed observations and corresponding forms (either for the whole office or certain staff) or could not find any recently completed forms. These shortcomings were corroborated during our review of Postal Service district-wide corrective action plans, as nearly half of them (45 out of 96) also reported these observations and/or forms were not completed.

Not adequately completing these observations and documenting results on the respective forms can limit visibility into retail lobby issues. For example, key elements assessed as part of completing these forms – interior appearance, adequate supplies, and WTIL – showed concerning results during our observations as follows:

- **Interior Appearance Issues:** Six of the 15 units (40 percent) had either trash overflowing or scattered around, dirty floors, missing or damaged ceiling tiles, or damaged postal stands and/or transaction windows. See Figure 1 for examples of appearance issues seen during observations.

Figure 1. Examples of Appearance Issues



Source: Office of Inspector General (OIG) observations at the Morrisania, Tremont, and Brownsville Post Offices during site visits in August 2023.

- **Insufficient Supplies:** Five of 15 units (33 percent) had insufficient supplies (e.g., packing materials, forms, or boxes) stocked for customers (see examples in Figure 2).

Figure 2. Examples of Insufficient Supplies



Source: OIG observations at the James A. Farley and Times Plaza Post Offices during site visits in August 2023.

- **WTIL over 5 minutes:** We attended sites during expected high traffic hours and experienced WTILs that exceeded the goal of 5 minutes during 40 percent of our visits (six of 15). Although the WTIL exceeded the goal by only about two minutes at most units, one WTIL lasted 17 minutes.

Related retail lobby customer service data for these 15 sites confirmed these issues were not unique



to our visits. For example, FY 2023 Retail Customer Experience (i.e., mystery shopper) data showed that (a) 15 percent of mystery shops (17 of 113) at these locations identified issues about the interior not being neat, clean, or well maintained, and (b) 27 percent of mystery shops (31 of 113) reported WTILs that exceeded 5 minutes. A February 2023 Gemba walk (and resulting March 2023 corrective action plan) also identified insufficient supply issues at the James A. Farley Post Office (see Figure 3) — a condition we still observed six months later in August 2023.

**Figure 3. James A. Farley Supply Issue Example**



**February 2023:** A Gemba walk identified an issue with customer shipping needs including insufficient supplies.

**March 2023:** Postal Service leadership reviewed the results and responded “a zero on shipping needs is not our brand. We must service our customers.” The resulting action plan addressed this issue with a completion date of March 2023.

**August 2023:** The OIG observed continued supply availability issues.

Source: OIG observations in August 2023 and analysis of Postal Service-created action plans.

Postal Service staff attributed the incomplete 4000-A, *Retail Lobby Observation Form* and 4000-B, *Retail Employee Observation Form* to competing operational priorities — mainly that other retail operations would often take priority over completing required retail forms. Local management at the 11 offices also stated they were aware of the requirements to complete these forms, but they prioritized other work.

These local staff, along with others at the district, also acknowledged the overarching retail lobby customer service challenges facing the district (such as low POS scores, interior appearance issues, limited supplies, or long WTILs). First, local staff stated they are challenged by certain district characteristics. For example, local staff stated that clerks often must navigate complex transactions with a wide variety of

customer groups or operate in a secure environment (e.g., behind thick, bulletproof glass) that may require additional time and attention. They noted these transactions may take longer to complete, and consequently could negatively impact transaction times or WTIL. Local management also said that these timeliness issues are then exacerbated in instances of limited staff, resources, or supply availability.

The Postal Service has an opportunity to address completion issues by reinforcing related requirements with applicable staff. Completing retail lobby and employee observations as required by Postal Service policy should provide local management with key insights on retail lobby performance and issues, such as those we observed during our fieldwork related to cleanliness, supply availability, and customer WTIL. These insights could also help local management develop and implement corrective actions for promoting improved retail lobby customer experiences and protecting Postal Service revenues and brand.

#### **Recommendation #1**

We recommend the **Manager, New York 1 District** reinforce requirements related to the completion of Retail Lobby and Employee Observations (as recorded on Forms 4000-A and 4000-B).

#### **Concerns About Corrective Action Plan Data**

We reviewed the 96 corrective action plans associated with retail units throughout the district and found multiple instances of missing and incorrect data, as follows:

- **Missing data.** Ninety-four percent (90 of 96) had one or more missing data elements as reflected by a blank data field (see example in [Figure 4](#)). The most common blank data field, where data was expected, was the “Completion Validated” field, with no data shown in 42 percent of entries (144 of 341 possible entries).<sup>14</sup> The “Completion Validated” field should provide the date by which management confirmed that the appropriate solution was taken to resolve the issue. District management confirmed that all fields should be populated unless otherwise noted, such as if a work order is still in process.

<sup>14</sup> For these analyses, we excluded instances where it would be reasonable to not have a completion validated date populated. This included instances where there was no completion date, the completion date included a statement related to the solution being in progress, or instances where the completion date was within a week of the date the OIG received the action plans.

Figure 4. Examples of Corrective Action Plan With Missing Data

Station	Auditor	Gemba/CXA	EAS Responded	SMI - Support Staff	MCSO/PM
<b>Questions that got 1 or 0 Key or Critical Observation</b>	<b>Root Cause Comments</b>	<b>Action/Abatement Plan</b>	<b>Responsible EAS</b>	<b>Completion Date</b>	<b>Completion Validated</b>
Overall, was the interior neat, clean and well maintained?	Neat however rugs need to be cleaned and some painting. Work orders were submitted.	Work orders submitted on file	[REDACTED]		10/30/23
Did the Clerk offer extra services of signature confirmation or extra insurance?	Employee failed to offer extra services	Service talk /huddle to explain the importance of offering additional services 4000A's and B's to be conducted more frequently and the appropriate corrective action to be taken.	[REDACTED]		10/30/23
Station	Auditor	Gemba/CXA	EAS Responded	SMI - Support Staff	MCSO/PM
<b>Westchester Station</b>		<b>CXA</b>			
<b>Questions that got 1 or 0 Key or Critical Observation</b>	<b>Root Cause Comments</b>	<b>Action/Abatement Plan</b>	<b>Responsible EAS</b>	<b>Completion Date</b>	<b>Completion Validated</b>
Were there any employees assisting customers in the lobby area?	No lobby director	Making sure we have a lobby director moving forward	[REDACTED]	10/12/23	
Did the clerk or lobby assistant acknowledge customers as they entered the location, waited to be helped or when they reached the window for service?	Did not acknowledge customer or myself	Having service talks with clerks and letting them know they have more attentive and greet customer as soon as they walk in	[REDACTED]	10/12/23	
coming / visiting the Post Office today or offer up a pleasant closing to their transactions?	Did not thank the customer	Do more observations on clerks and making sure they thank the customer and circle the survey	[REDACTED]	10/12/23	
Did the clerk offer any extra items (Greeting Cards, Gift Cards, Money Orders)?	Did not upsale	Having daily huddles and making sure clerk offer these gift card and mailing products	[REDACTED]	10/12/23	

Source: OIG analysis of Postal Service action plans.

Note: According to the Postal Service, all fields should be completed (unless otherwise noted). This shows that action plans were missing the following blank data fields: station, auditor, Gemba/CXA (customer experience assessment), EAS Responded, SMI-Support Staff, Manager Customer Service Operations (MCSOs)/Postmaster (PM), completion date, and completion validated.

- Incorrect data.** We found incorrect data populated in certain fields. For example, the “Gemba/Customer Experience Assessment” field should identify the type of action plan being completed, such as whether it is a customer experience assessment, standardized end-to-end assessment, Gemba walk, or retail customer experience assessment. However, we found 15 percent (14 of 96)<sup>15</sup> of action plans had incorrect answers, such as a number or date instead of the name of the type of action plan (see example in Figure 5).

Missing and incorrect data make it difficult to understand key aspects of the action plans, such as what type of action plan was completed, or comprehensively aggregating and analyzing the results. Going forward, it will be important for Postal Service management to reinforce that corrective action plans contain complete and accurate data to create sufficient visibility into customer experience problems, identify root causes, and monitor corrective action completion status.

Management stated they were not aware of the data completeness and accuracy issues, which illustrates a lack of corrective action plan oversight.

<sup>15</sup> For this analysis, we did not count the number of times (50) this field was left blank in the 96 corrective action plans to avoid overstating incorrect data issues.



Figure 5. Example of a Corrective Action Plan With Incorrect Data

Station	Auditor	Gemba/CXA
Church Street	[REDACTED]	87.76
Questions that got 1 or 0 Key or Critical Observation	Root Cause Comments	Action/Abatement Plan
Did the clerk personally invite customers to take the POS survey by stating "We value your feedback. Please take this short survey to share your experience." ?	Window 3 -Circled the receipt but failed to invite the customer to the survey.	Manager will be required to submit a follow up Gemba to the MSCO.
Were shipping supplies available for purchase and EPS displays stocked?	EPS was stocked however, it was not fully stocked.	Manager will be required to submit a follow up Gemba to the MSCO.

Source: OIG analysis of Postal Service action plans.

Note: The Gemba/CXA (customer experience assessment) field should reflect the type of action plan being completed and not a number (like 87.76 in this example).

**Recommendation #2**

We recommend the **Manager, New York 1 District**, reinforce that corrective action plans contain complete and accurate data, as required.

**Finding 2: Opportunities to Better Leverage National and Local Customer Experience Data**

The district has an opportunity to mitigate customer lobby experience deficiencies by better leveraging available national and local data. Nationally, the Postal Service has systems for aggregating retail lobby customer experience data, including the Retail and Delivery Analytics and Insights and the Operations Analytics and Insights Power BI models. These systems house data from both (a) national collection tools (e.g., Retail Customer Experience and POS) and (b) some local collection tools (Forms 4000-A and 4000-B and Gemba walks). Data from other local collection tools – exit surveys and corrective action plans – however, are not included in these systems, as Postal Service headquarters

officials said their use and completeness is at the discretion of the district (i.e., and not required nationally). Therefore, when applicable, district managers and staff must manually go to the individual office exit surveys and corrective action plans to extract pertinent data and insights.

“The district has an opportunity to mitigate customer lobby experience deficiencies by better leveraging available national and local data.”

New York 1 District management stated they use a combination of data from the national systems and their district-specific tools to provide oversight of retail lobby customer experiences at offices within the district. Despite the availability of this data, however, management did not leverage related insights

to drive improvements and retail lobby customer experience deficiencies persist.

Considering the ongoing retail lobby customer experience challenges facing the district and its customers, it may be useful to develop an action plan for better leveraging available national and local data, regardless if it is stored in one of the national systems or at the district or local office. Developing such a plan would allow for more comprehensive visibility and oversight into retail lobby customer experiences, including those at offices in a particular geographic area or for certain topics — such as WTIL, supply availability, or interior appearance. As district and local management enhances its visibility into retail lobby performance, it will be better equipped to drive targeted improvements based on an office’s unique characteristics or concerns.

### Recommendation #3

We recommend the **Manager, New York 1 District**, develop an action plan for leveraging national and local retail lobby customer experience data to provide enhanced visibility and drive targeted improvements.

## Looking Forward

Retail customers today have more choices, are more informed, and expect high-quality service. With post office lobbies serving as the primary location where customers conduct retail transactions, it is imperative for the Postal Service to promote positive experiences that support its brand and meet customer expectations. Postal Service data, along with our observations and related analysis, highlighted some retail lobby customer experience shortcomings in the district. Local and district staff, however, continue to strive to mitigate these challenges. For example, district staff are gathering additional customer insights from more frequent Gemba walks, exit surveys, and local unit outreach to identify issues and provide needed support. The opportunities we identified above can help supplement these localized efforts. Together, these opportunities will help management prioritize issues, drive targeted improvements, and provide an efficient monitoring mechanism to drive New York 1 District customer experience improvements. Going forward, the extent to which these efforts are successful,

Postal Service national or district leadership could consider replicating or enhancing them for other underperforming districts.

## Management’s Comments

Management agreed with all findings and recommendations. Management, however, noted that images and data found in the *Concerns About Corrective Action Plan Data* section were not based on Postal Service requirements or official Postal Service documentation, but rather reflections of internal tracking sheets maintained at the local level.

Regarding recommendation 1, management stated it disseminated messaging to the district that reinforced requirements related to the completion of Retail Lobby and Employee Observations (as recorded on Forms 4000-A and 4000-B).

Regarding recommendation 2, management stated it disseminated correspondence to reinforce the completion of accurate action plans.

Regarding recommendation 3, management stated it dedicated time during meetings to discuss Customer Experience Assessment (CXA) scores and Retail Customer Experience data on national performance platforms, including viewing results, discussing opportunities, and identifying improvements.

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

## Evaluation of Management’s Comments

We consider management’s comments responsive to all recommendations, and the corrective actions should resolve the issues identified in the report.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. After management provided their written comments, it sent the OIG detailed documentation showing it had completed corresponding corrective actions for each of the three recommendations. The OIG reviewed this documentation and agreed to close all recommendations as implemented upon the report’s issuance.



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# Appendix A: Additional Information

## Scope and Methodology

Our objective was to assess the retail lobby customer experience in the New York 1 District. To accomplish our objective, we:

- Reviewed Postal Service policies and procedures related to retail lobby customer experiences.
- Obtained and analyzed POS overall satisfaction results for all 50 districts from FY 2022 through FY 2023, quarter 2, resulting in the selection of the New York 1 District for further analysis. We subsequently reviewed the complete FY 2023 POS results for the district once they were completed.
- Obtained and analyzed POS data for FY 2022 and FY 2023 quarters 1 and 2 — mainly overall

satisfaction scores and number of responses — for all units in the New York 1 District to determine potential fieldwork sites. We judgmentally selected 15 sites for visits, observations, mystery shops, and interviews based on this data, focusing on sites with (a) with a minimum average of 69 responses, the average number of quarterly responses in the New York 1 District during the timeframe; (b) those that had generally higher or lower average quarterly overall satisfaction scores; and (c) other geographic considerations (e.g., were spread across the Brooklyn, Bronx, and Manhattan boroughs). Table 3 lists the 15 judgmentally selected retail units.

**Table 3. New York 1 District Retail Units Selected**

Retail Unit Name	New York Borough	Average Quarterly Overall Satisfaction Score <sup>a</sup>	Average Quarterly POS Responses <sup>b</sup>
Red Hook	Brooklyn	95.21%	202
Woodlawn	Bronx	90.22%	82
Church Street	Manhattan	89.35%	247
James A. Farley	Manhattan	76.83%	207
Ansonia	Manhattan	74.86%	122
Times Plaza	Brooklyn	74.79%	99
Williamsburg	Brooklyn	72.63%	81
Manhattanville	Manhattan	70.50%	107
Jerome Station	Bronx	67.63%	149
Brownsville	Brooklyn	67.15%	91
Hub	Bronx	66.38%	77
Morrisania	Bronx	66.36%	90
Tremont	Bronx	64.36%	80
Metropolitan	Brooklyn	63.83%	86
Cathedral	Manhattan	62.77%	70

Source: Postal Service Customer Experience Satisfaction Survey Dashboard and OIG generated selected retail units for observations.

<sup>a</sup> These scores represent the percentage of respondents who replied as “mostly satisfied” or “very satisfied”.

<sup>b</sup> These numbers represent the average quarterly survey responses.



Once on-site, we conducted observations and mystery shops across four key components assessed during many Postal Service retail lobby evaluation tools: (1) Lobby Observations – Exterior; (2) Lobby Observations – Interior; (3) Mystery Shop – Counter Transaction; and (4) Mystery Shop – Self Service Kiosk. We also attempted to (a) obtain copies of Forms 4000-A and 4000-B to determine if they were completed, retained for two years, and if the most recent results matched the OIG mystery shop experience; and (b) interview local management to discuss retail lobby customer experiences and initiatives to improve performance, challenges, successes, and shortcomings.

We also performed additional data analysis related to these 15 sites, including (a) obtaining and analyzing FY 2023 retail lobby customer experience data for from the POS, Retail Customer Experience, and Customer 360 systems; and (b) analyzing available Forms 4000-As and 4000-Bs, Gemba walks, exit surveys, and related corrective action plans.

- Obtained and analyzed hardcopy results of Gemba walks and Retail Customer Experience assessments, and related corrective action plans, for all units throughout the New York 1 District.
- Interviewed New York 1 District management to gain insights on retail lobby customer experiences and initiatives to improve performance, challenges, successes, and shortcomings.
- Reviewed Postal Service customer experience research studies, planned initiatives, and industry leading practices, including meeting with experts in this field.

We conducted this performance audit from June 2023 through March 2024 in accordance with generally accepted government auditing standards and included 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 February 12, 2024, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of the internal control structure related to retail lobby customer experiences to help determine the nature, timing, and extent of our audit procedures. We reviewed the management controls for overseeing the program and mitigating associated risks. We also assessed the internal control components and underlying principles, and determined the following two components were significant to our audit objective: information/data and monitoring. We developed corresponding audit work to assess these controls, and found weaknesses as described in our report. The resulting recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of computer-generated data from the Customer Experience Satisfaction Survey Dashboard, Facilities Database, Enterprise Data Warehouse, and Customer 360 systems by discussing the data with district and post office management who use this data to oversee retail lobby operations and performance. We determined the data were sufficiently reliable for the purpose of this report.

## Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>U.S. Postal Service: Customer Complaint Process</i>	To review how the Postal Service handles residential customer complaints, including cases where customers may be experiencing repeated service issues. The report (1) described the Postal Service's processes for addressing and tracking residential customer complaints, and (2) identified the number and nature of residential customer complaints and how the Postal Service uses residential customer complaints data.	GAO-21-465	May 25, 2021	\$0

# Appendix B: Management's Comments



March 11, 2024

JOHN CIHOTA  
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Oversight of the Retail Lobby Customer Experience in  
New York 1 District (Report Number 23-119-DRAFT)

Thank you for providing the Postal Service an opportunity to review/comment on the Findings and Recommendations contained in the draft audit report, *Oversight of the Retail Lobby Customer Experience in New York 1 District*.

Management agrees with both Findings and recognizes that opportunities exist for improving the lobby customer experience in the New York 1 District. However, Management would like to note that the images/data found in the section titled "Concerns About Corrective Action Plan Data" are not based on requirements set forth by USPS policy or examples of official USPS documents/forms - but simply reflections of internal tracking sheets maintained at the local level.

Following are our comments on the report's three recommendations.

**Recommendation 1:**

We recommend the **Manager, New York 1 District**, reinforce requirements related to the completion of Retail Lobby and Employee Observations (as recorded on Forms 4000-A and 4000-B).

**Management Response/Action Plan:** Management agrees with this Recommendation. District Leadership disseminated messaging on 2/13/2024 to all New York 1 Management meant to reinforce the requirements related to conducting Retail Lobby and Employee Observations. (PS Form 4000-A and 4000-B.) Documentation was provided to the OIG that supports closing this Recommendation at issuance of the final draft.

**Target Implementation Date:** 04/30/2024

**Responsible Official:** District Manager

**Recommendation 2:**

We recommend the **Manager, New York 1 District**, reinforce that corrective action plans contain complete and accurate data, as required.



Management Response/Action Plan:

Management agrees with this recommendation.

District Leadership has disseminated correspondence meant to reinforce the completion of accurate action plans. Documentation was provided to the OIG that supports closing this Recommendation at issuance of the final draft.

Target Implementation Date: 04/30/2024

Responsible Official: District Manager

Recommendation 3:

We recommend the **Manager, New York 1 District**, develop an action plan for leveraging national and local retail lobby customer experience data to provide enhanced visibility and drive targeted improvements.

Management Response/Action Plan:

Management agrees with this recommendation.

District Leadership has dedicated a segment of time on the District Manager call with New York 1 Management to discuss Customer Experience Assessment (CXA) scores and Retail Customer Experience (RCE) data posted to USPS national performance platforms. Results are viewed and opportunities discussed during the calls with actions identified to drive improvement.

Documentation was provided to the OIG that supports closing this Recommendation at issuance of the final draft.

Target Implementation Date: 04/30/2024

Responsible Official: Postmaster



Lorraine Castellano  
Manager, New York 1 District

cc: *Vice President, Area Retail & Delivery Operations (Atlantic)*  
*Corporate Audit & Response Management*

# OFFICE OF INSPECTOR GENERAL

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