



HIGHLIGHTS

BACKGROUND:

Our objective was to assess the overall efficiency of customer service operations. Such operations include the sale of products and services at post offices, stations, and branches. In fiscal year (FY) 2011, the U.S. Postal Service spent almost \$6.3 billion (about 9 percent of total expenditures) on customer service operations.

The Postal Service uses various systems and reporting tools to track and measure efficiency in its customer service operations. The Customer Service Variance program uses a standardized methodology, based on the unit's projected workload and target productivity, to determine the number of workhours a unit should use.

WHAT THE OIG FOUND:

While the Postal Service has improved its customer service efficiency, units still performed below the national efficiency performance goals of 88 percent for FYs 2010 and 2011, and 90 percent for FY 2012. Opportunities exist for managers to improve performance by implementing best practices at customer service units. Additionally, managers at customer service units are not fully using available reports as tools to manage operations. These conditions occurred because managers did not match resources against their workload, senior managers did not promote the use of available reports, and not all

managers were trained to use the reports. The Postal Service could have saved \$114 million in FY 2011 if all customer service units had achieved the goal of 88 percent.

WHAT THE OIG RECOMMENDED:

We recommended districts develop and implement an action plan to better use workhours and implement best practices at applicable customer service units. We also recommended management provide training as needed to customer service managers that would enable them to effectively use available reports and tools. Finally, we recommended management require customer service unit managers to use the available reports and tools to allocate their resources based on the projected workload.