



## **BACKGROUND:**

U.S. Postal Service customers can initiate complaints through a variety of mechanisms, including the Postal Service's Internet site (USPS.com) or toll-free number (1-800-ASK-USPS), at retail units, and through congressional representatives and letters. The Postal Service received about 3 million customer complaints in fiscal year 2011 from residential and small business customers throughout the country.

Our objective was to evaluate the effectiveness of Postal Service policies and procedures for handling residential and small business customer complaints and the corrective actions taken in response to related prior U.S. Postal Service Office of Inspector General recommendations.

## **WHAT THE OIG FOUND:**

The Postal Service is not efficiently and effectively resolving customer complaints. Specifically, staff members are closing complaints before customers consider their cases resolved. We found nearly 6 percent of complaints (180,000 cases) where customers lodged follow-up complaints after the Postal Service 'closed' their initial complaint. We estimate the Postal Service could have avoided costs of \$8.8 million for the 12-month period ending March 31, 2012, if they handled complaints more efficiently.

The Postal Service also did not adequately monitor complaint resolution. Its processes and procedures for conducting quality control reviews and customer follow ups are inconsistently applied, are sometimes not followed, and are outdated. We identified similar concerns in a 2009 audit and, while the Postal Service agreed to take corrective action at that time, the corrective action was later discontinued as headquarters staff chose not to enforce them. Lastly, system performance and data issues, including outages and slow performance, have hindered the Postal Service's ability to efficiently address and resolve complaints.

## **WHAT THE OIG RECOMMENDED:**

We recommended the Postal Service develop a mechanism to incorporate customer feedback regarding complaint resolution into the system; require current policies and procedures to be followed until planned updates are finalized; identify system deficiencies and desired enhancements and work to correct them; develop a strategy for reducing repeat complaints; and develop a mechanism for tracking system usage and response wait times and ensuring that ongoing actions related to archiving data and monitoring outages continue.