



OFFICE OF INSPECTOR GENERAL UNITED STATES POSTAL SERVICE

Deputy Postmaster General's Use of Data

Audit Report

Report Number
SM-AR-15-002

March 19, 2015





OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Highlights

The DPMG can improve the use of customer complaint data to manage the customer experience and enhance access to government relations information affecting the Postal Service.

Background

The U.S. Postal Service Office of Inspector General initiated a U.S. Postal Service-wide series of audits to review the Postal Service's use of data. These audits included discussions and analyses of the data the deputy postmaster general (DPMG) and the executive vice presidents use.

The Postal Service depends on data to manage its business strategies and daily activities. It needs effective and efficient access to appropriate internal and external data to make informed business decisions.

This audit report focuses on the use of data by the DPMG. The DPMG works closely with the mailing industry to strengthen relationships and identify opportunities to improve interactions with customers. The DPMG is responsible for the Postal Service's Consumer and Industry Affairs and Government Relations and Public Policy groups. At the time of our audit, the DPMG was also responsible for the Corporate Communications group.

Our objective was to determine whether the DPMG effectively uses internal and external business data to manage business activities and mitigate risk.

What The OIG Found

The DPMG effectively uses internal and external business data to manage most business activities and mitigate risk.

However, the DPMG can improve the use of customer complaint data to better manage the customer experience and enhance access to government relations information affecting the Postal Service.

Specifically, Consumer and Industry Affairs does not have visibility into customer complaints made at local post offices. Postmasters are not required to record local complaints in the Postal Service's customer complaint database. Capturing this information would help the Postal Service identify systemic issues at local facilities, such as repeat and unresolved complaints.

In addition, the Government Relations and Public Policy's weekly status report does not give the executive leadership team access to real-time information. A dynamic report with links to relevant documents such as internal briefings and congressional transcripts would provide the DPMG and key stakeholders with easy access to current and historical information.

What The OIG Recommended

We recommended management require postmasters to record complaints in the customer complaint database. We also recommended management redesign the Government Relations and Public Policy weekly status report to include links to current data with notifications provided when new information is available.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

March 19, 2015

MEMORANDUM FOR: RONALD A. STROMAN
DEPUTY POSTMASTER GENERAL AND
CHIEF GOVERNMENT RELATIONS OFFICER

JAMES A. NEMEC
VICE PRESIDENT, CONSUMER AND INDUSTRY AFFAIRS

A rectangular box containing a handwritten signature in black ink. The signature appears to be "John E. Cihota". There is a small black dot in the top right corner of the box.

FROM: John E. Cihota
Deputy Assistant Inspector General
for Finance and Supply Management

SUBJECT: Audit Report – Deputy Postmaster General’s Use of Data
(Report Number SM-AR-15-002)

This report presents the results of our audit of the Deputy Postmaster General’s Use of Data (Project Number 14YG018SM000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Keshia L. Trafton, director, Supply Management and Facilities, or me at 703-248-2100.

Attachment

cc: Corporate Audit and Response Management

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Findings

Introduction

This report presents the results of our self-initiated audit of the Deputy Postmaster General's (DPMG) Use of Data (Project Number 14YG018SM000). Our objective was to determine whether the DPMG effectively used internal and external business data to manage business activities and mitigate risk. See [Appendix A](#) for additional information about this audit.

The U.S. Postal Service Office of Inspector General (OIG) initiated a U.S. Postal Service-wide series of audits to review the Postal Service's use of data. These audits included discussions and analyses of the data used by the DPMG and the executive vice presidents. The OIG engaged the Corporate Executive Board (CEB) Company¹ to identify best practices for data use for corporate functions. The Postal Service is dependent on data to manage its business strategies and daily activities. The Postal Service needs effective and efficient access to appropriate internal and external data to make informed business decisions.

The DPMG works closely with the mailing industry to strengthen relationships and identify opportunities to improve interactions with Postal Service customers. The DPMG is responsible for the Postal Service's Consumer and Industry Affairs and Government Relations and Public Policy groups. At the time of our audit, the DPMG was also responsible for the Corporate Communications group.

As part of the Postal Service's Delivering Results, Innovation, Value and Efficiency (DRIVE) initiative on Customer Experience,² Consumer and Industry Affairs is responsible for collaborating with internal stakeholders to develop, monitor, and respond to key metrics that measure customer satisfaction. Government Relations and Public Policy manages public policy issues affecting the Postal Service and distributes weekly status reports on legislation and other policies to the executive leadership team. Corporate Communications manages internal and external communications between the Postal Service's business units and its stakeholders.

Conclusion

The DPMG effectively uses internal and external business data to manage most business activities and mitigate risk. For example, Consumer and Industry Affairs captures extensive consumer complaint information, such as repeat complaints and overall customer satisfaction from the Postal Service's website and customer service hotline. Additionally, Government Relations and Public Policy uses several search engines and external databases to capture critical data for managing congressional correspondence. Further, Corporate Communications monitors and uses social media to address trending topics affecting the Postal Service.

However, the DPMG can improve the use of customer complaint data to manage the customer experience and enhance access to government relations information affecting the Postal Service. Specifically, Consumer and Industry Affairs does not have visibility into customer complaints made at local post offices ([see Figure 1](#)). Postmasters are not required to record local complaints into the Postal Service customer complaint database. Capturing this information would help the Postal Service identify systemic issues, such as repeat and unresolved complaints, at local facilities.

¹ An advisory company with membership programs for senior executives and their teams to drive corporate performance by identifying and building on the practices of companies.

² DRIVE is both a portfolio of strategic initiatives and a management process to improve business strategy development and execution. *Customer Experience* is DRIVE initiative 25.

In addition, the Government Relations and Public Policy's weekly status report does not give the executive leadership team access to real-time information. A dynamic report with links to relevant documents such as internal briefings and congressional transcripts will provide the DPMG and key stakeholders with easy access to current and historical information.

Figure 1. Customer Complaint Data

The DPMG effectively uses internal and external business data to manage most business activities and mitigate risk.

Corporate Executive Board Best Practices

The CEB identified key metrics that federal and private sector executives track and use in functional areas comparable to the Postal Service's Consumer and Industry Affairs, Government Relations and Public Policy, and Corporate Communications organizations. These metrics focused on lobbying, media, brand, sales and marketing, and communication. The research showed the importance of ensuring metrics align with organizational goals and strategies.

The DPMG effectively uses internal and external business data to manage most business activities and mitigate risk. For example, Government Relations and Public Policy uses several search engines and external databases to capture critical data for managing congressional correspondence.

Similarly, Consumer and Industry Affairs captures extensive consumer complaint information, such as repeat complaints and overall customer satisfaction from the USPS.com website and customer hotline. The vice president, Consumer and Industry Affairs, has reporting tools to monitor metrics that align with strategic goals, including customer complaint information such as call response times, repeat complaints, and customer satisfaction. In addition, managers can drill down to district, facility, and issue-specific levels. This enables them to direct resources and respond appropriately to customer complaints.

A complete reporting system that includes local complaint information would improve oversight of the customer experience and help identify systemic issues at local facilities.

Also, as a result of a prior OIG report,³ Corporate Communications has enhanced its use of social media. It uses analytics that monitor social media sites to identify trending issues and comments related to the Postal Service. This information can be used to proactively address any public concerns.

Deputy Postmaster General

The DPMG can improve the use of customer complaint data to manage the customer experience and enhance access to government relations information affecting the Postal Service. Specifically, the Consumer and Industry Affairs group and the Government Relations and Public Policy group can improve the way they share information with key stakeholders and collect data aligned with their strategic goals.

Consumer and Industry Affairs

Consumer and Industry Affairs did not track all customer complaints in the Enterprise Customer Care (eCC) database. The database excluded complaints made at local post offices because local postmasters, responsible for addressing complaints made directly to their facilities, are not required to record complaints in the database. Currently, eCC reports only track complaints logged into the USPS.com website and those made via the toll-free number (1-800-ASK-USPS). A complete reporting system that includes local complaint information would improve oversight of the customer experience and help identify systemic issues at local facilities. Consumer and Industry Affairs has included local customer complaints as an item to address in their DRIVE initiative 25 for fiscal year (FY) 2015.

Government Relations and Public Policy

Government Relations and Public Policy can improve how information is shared with the postmaster general (PMG) and the executive leadership team. Specifically, the weekly status report could be made dynamic, with links to supporting information that can be updated.

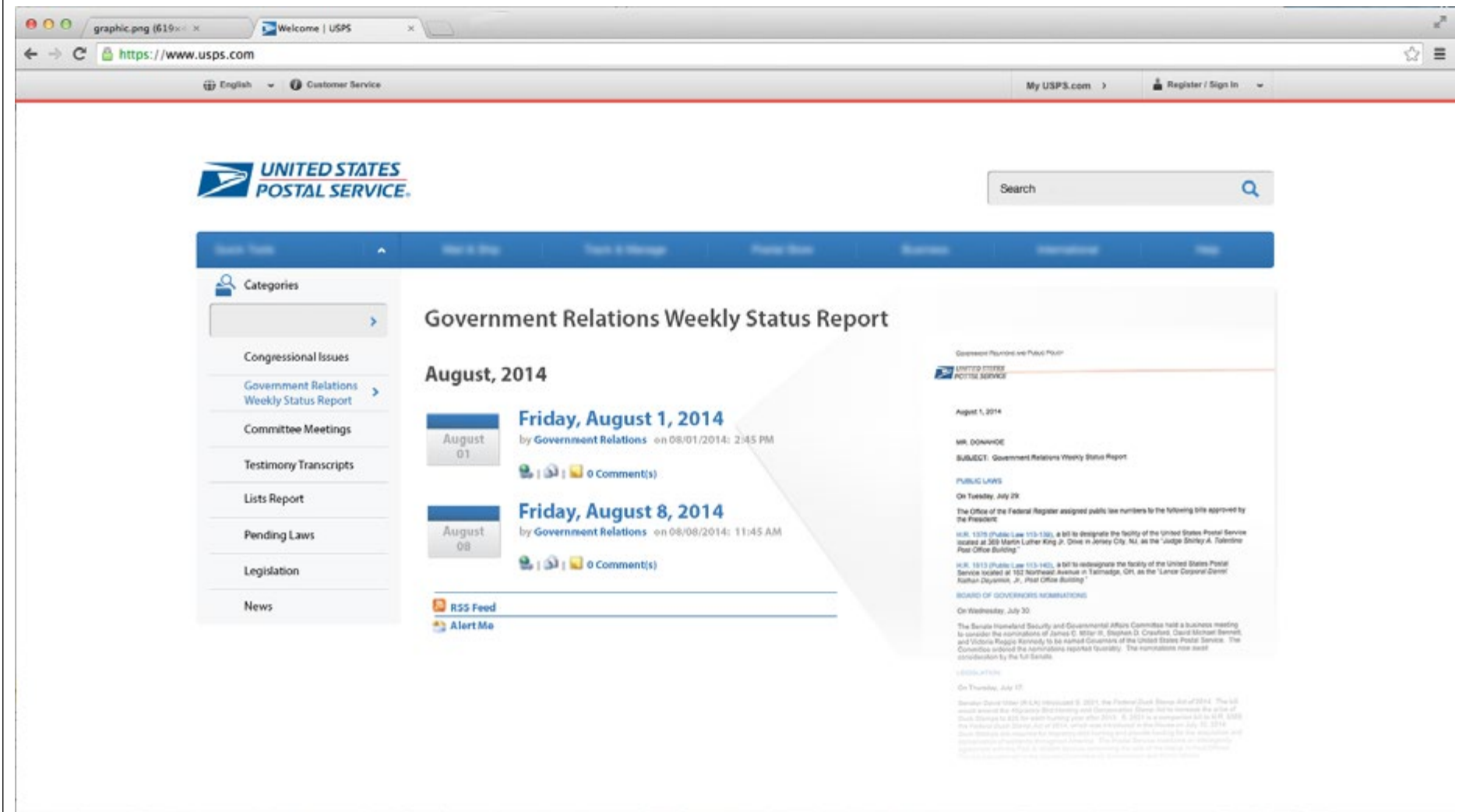
The current weekly status report provides information on public laws, proposed legislation, and recent congressional outreach. This information enables management to develop policies and strategies based on changing legislative priorities affecting the Postal Service. However, the current Adobe PDF report format is static and does not include links to relevant information.

The former acting vice president, Government Relations and Public Policy, stated the current format meets the Postal Service's needs and expressed concern that changing the format would preclude the ability to limit access to sensitive information. A SharePoint site would be one possible way to address this concern. An enhanced status report on a SharePoint site can incorporate links to multiple reports produced by Government Relations and can be updated as new information becomes available. This enables the Government Relations and Public Policy group to address questions and issues before weekly meetings with executive leadership and can provide a location to maintain historical information. In addition, an enhanced report can incorporate links to information such as position statements, congressional testimony, transcripts, schedules, and other relevant information impacting business decisions. Also, stakeholders can create notifications to receive information specific to their strategic needs. The status report can be stored in a restricted server location with notifications to key stakeholders when new information becomes available.⁴ Figure 2 is an example of a weekly report distributed to a limited audience.

³ *Postal Service's Use of Social Media* (Report Number [MS-MA-13-003](#), dated August 1, 2013).

⁴ Some of the information, including some of the links, is restricted and confidential.

Figure 2. Government Relations and Public Policy Weekly Status



Source: OIG-developed example of a Government Relations SharePoint site.

With access to complete information, the PMG, DPMG, and other members of the executive leadership team can make more effective business decisions and better address strategic goals that can impact the Postal Service's goodwill and branding.

Recommendations

We recommend management require postmasters to record local complaints in the customer complaint database. We also recommend management redesign the Government Relations and Public Policy weekly status report to include links to current data with notifications provided when new information is available.

We recommend the deputy postmaster general instruct the vice president, Consumer and Industry Affairs, to:

1. Update policy to require local postmasters to record local complaints in the Enterprise Customer Care database and include that information in the customer complaint performance reports.

We recommend the deputy postmaster general:

2. Redesign the Government Relations and Public Policy weekly status report format to include links to pertinent information impacting business decisions, and distribute it when new information becomes available.

Management's Comments

Management did not state whether they agreed or disagreed with the findings and partially agreed with both recommendations.

Regarding recommendation 1, management stated as part of the Postal Service's DRIVE initiative 25, *Improve Customer Experience*, they are planning a pilot where a local Post Office will enter customer complaints into the eCC using technology such as an electronic tablet. When the pilot concludes, management will evaluate the business process and pilot metrics, as well as the technology solutions and system requirements. They will develop a business case for senior management to review and decide on the next steps. The target implementation date is September 30, 2015.

Regarding recommendation 2, management stated they will explore the use of a SharePoint site to distribute Government Relations reports and other information to key stakeholders. The site can be updated as new information becomes available. The target implementation date is October 1, 2015.

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

Evaluation of Management's Comments

The OIG considers management's comments responsive to recommendation 2 and corrective actions should resolve the issues identified in the report.

Regarding recommendation 1, management's plan to use electronic technology to capture customer complaints at local post offices should improve oversight of the customer experience; however, if management decides not to implement this at all post offices, they should identify alternative methods for capturing the complaints.

The OIG considers recommendation 1 significant and therefore requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. These recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendation can be closed.

Appendices

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Appendix A: Additional Information

Background

The OIG initiated a Postal Service-wide series of audits to review the Postal Service's use of data. These audits included discussions and analyses of the data the DPMG and the executive vice presidents use.

The Postal Service is dependent on data to manage its business strategies and daily activities. The Postal Service needs effective and efficient access to appropriate internal and external data to make more informed business decisions.

This audit focuses on the use of data by the DPMG and the organizations aligned with him: Consumer and Industry Affairs, Government Relations and Public Policy, and Corporate Communications.⁵ The DPMG works closely with the mailing industry to help strengthen relationships and identify opportunities to improve interactions with customers.

The Consumer and Industry Affairs office is responsible for all Postal Service customer interaction and support, from small businesses and individual consumers to large corporations and commercial mailers. Within this group is the Consumer Advocate and Customer Relations unit, which serves as the "voice of the customer." The group ensures the organization is focused on positive customer experiences by addressing customer concerns, issues, and complaints in a timely, accurate, and professional manner. In addition, the Customer Engagement and Strategic Alignment team analyzes data from across customer contact channels. This information is used to identify and recommend solutions to Postal Service management.

Government Relations and Public Policy manages governmental issues at all levels of the Postal Service. The group develops public policy strategy and serves as the Postal Service representative to Congress, the Executive Branch, and government leaders. Government Relations and Public Policy liaisons work with congressional oversight and appropriations committees, as well as other key congressional committees, to advance Postal Service interests. It educates members of Congress on Postal Service policies and concerns, and coordinates with other postal functions to respond to members' questions and concerns related to their oversight and constituent service responsibilities.

Corporate Communications is the source for news and information about the Postal Service. The group also supports internal and external communications between business units and Postal Service stakeholders. The department's goal is to help the Postal Service achieve its corporate goals and protect its goodwill and brand.

Objective, Scope, and Methodology

Our objective was to determine whether the DPMG effectively uses internal and external business data to manage business activities and mitigate risk.

To accomplish this objective, we determined whether the DPMG:

- Had sufficient data analysis tools.
- Used internal and external data to improve operations.
- Acquired useful data to improve operations.

⁵ At the time of our audit, Corporate Communications was organizationally aligned with the DPMG. In February 2015, the PMG moved Corporate Communications to directly report to her and designated the DPMG as the Chief Government Relations Officer.

- Proactively identified sources of internal data or performed data mining to support the oversight functions of the DPMG.
- Was hindered by access restrictions to internal data.

To accomplish our objective, the OIG reviewed CEB research that identified best practices in metric and dashboard development design. Through its member surveys, CEB identified key metrics that are tracked and used by executives in functional areas comparable to Consumer and Industry Affairs, Government Relations and Public Policy, and Corporate Communications. We reviewed metrics that CEB identified and compared them against metrics used by the Postal Service.

We also interviewed Postal Service executives and managers and consulted with CEB to discuss our results. We identified the DPMG's strategic goals and reviewed reports and data to ensure that key metrics tracked by the executives aligned with their strategic goals.

We conducted this performance audit from May 2014 through March 2015, 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 February 19, 2015, and included their comments where appropriate.

We did not assess the reliability of computer generated data for the purposes of this report. Our audit focused on how the DPMG used internal and external business data to manage business activities and mitigate risk.

Prior Audit Coverage

Report Title	Report Number	Final Report Date	Monetary Impact (in millions)
<i>Postal Service's Use of Social Media</i>	MS-MA-13-003	8/1/2013	None
Report Results: Opportunities exist for the Postal Service to enhance its use of social media. Specifically, the Postal Service could enhance customer engagement via blogs or additional social media sites to better communicate with, and obtain input from, specific stakeholder groups. The Postal Service would also benefit from having subject matter experts assist in responding to stakeholder comments. The Postal Service could enhance the functionality of its social media sites by more effectively linking sites for easier navigation and cross-referencing to maximize their visibility to stakeholders. Finally, the Postal Service could identify systemic issues through stakeholder concerns and further improve customer service by summarizing and analyzing customer comments and complaints posted via its social media sites. Management agreed with the recommendations.			
<i>U.S. Postal Service Data Governance</i>	DP-AR-13-004(R)	4/23/2013	None
Report Results: The Postal Service could improve management of critical data to help managers and employees achieve strategic and operational goals. We identified 148 data-related issues in OIG reports issued in FYs 2009 through 2012. The majority of the issues involved unreliable or inaccurate data or were caused by an absence of policies or the Postal Service failing to enforce existing policies. Although the Postal Service defined a structure for a data governance program in 2003, full roles and responsibilities were not uniformly adopted across the enterprise. Also, limitations in the Postal Service's data governance program placed the Postal Service at risk of potential vulnerabilities that could affect data quality, availability, and integrity and result in inefficient operations, disruptions of service, and fraud. We identified best practices used by companies with successful data governance programs. We used these best practices to identify a possible implementation strategy. We recommended the implementation of a formal, enterprise-wide data governance program. Management agreed with the recommendation.			
<i>Social Media: Federal Agencies Need Policies and Procedures for Managing and Protecting Information They Access and Disseminate</i>	GAO-11-605	6/28/2011	None
Report Results: The use of social media can pose challenges in managing and identifying records, protecting personal information, and ensuring the security of federal information and systems. However, the 23 major agencies that the Government Accountability Office (GAO) identified as using social media have made mixed progress in developing and implementing policies and procedures to address these challenges. GAO recommended that agencies ensure appropriate records management, privacy, and security measures are in place.			

Appendix B: Management's Comments

RONALD A. STROMAN
DEPUTY POSTMASTER GENERAL



March 11, 2015

LORI LAU DILLARD
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Draft Audit Report – Deputy Postmaster General's Use of Data
(Report Number SM-AR-15-DRAFT)

Thank you for the opportunity to review and comment on the subject draft audit report. Below are the recommendations made in the report and our responses.

Recommendation 1:

Update policy to require local postmasters to record local complaints in the Enterprise Customer Care database and include that information in the customer complaint performance reports.

Management Response/Action Plan:

Management agrees in part with this recommendation to include local complaints as part of the customer complaint performance and its value to identifying systemic issues. As part of the Postal Service's DRIVE Initiative 25, Improve Customer Experience, management is planning a pilot where a local post office will use technology, such as an electronic tablet, to enter customer complaints into Enterprise Customer Care (eCC) system. A task team is currently drafting IT requirements, eCC system requirements, policy, training, and metrics for a 60-day pilot scheduled to begin in September.

After the pilot, we will conduct an evaluation of the business processes and pilot metrics, along with an evaluation of the technology solutions and system requirements. A business case will be developed for senior management review and decision on next steps.

Target Implementation Date:

September 30, 2015

475 L'ENVOIE PLAZA SW
WASHINGTON DC 20260-0000
WWW.USPS.COM

Recommendation 2:

Redesign the Government Relations and Public Policy weekly status report format to include links to pertinent information impacting business decisions, and distribute it when new information becomes available.

Management Response/Action Plan:

Management agrees in part with this recommendation and the importance of providing new information to key stakeholders as it becomes available. Government Relations will explore the use of a SharePoint site that is accessible to key stakeholders to receive reports produced by Government Relations that are updated as new information becomes available, and to other information such as hearing transcripts, legislation, congressional testimony, etc. Management believes this will be a more efficient process instead of updating and redistributing the weekly status report as new information becomes available.

Target Implementation Date:

October 1, 2015

If you have any questions, please contact Christine Ray, Chief of Staff to the Deputy Postmaster General, at 202-268-2528.



Ronald A. Stroman
Deputy Postmaster General
and Chief Government Relations Officer

cc: Mr. Nemec
Ms. Meyers
Manager, Corporate Audit Response Management



Contact us via our [Hotline](#) and [FOIA](#) forms, follow us on social networks, or call our Hotline at 1-888-877-7644 to report fraud, waste or abuse. Stay informed.

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