# **Postal Service Hiring Practices**



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## Highlights

### Background

The U.S. Postal Service has experienced issues with hiring and retaining employees, particularly among pre-career employees. This is due, in part, to the national unemployment rate overall being low, impacting most employers as they compete for talent. In September 2019, the Postal Service adopted a new centralized hiring process. The goals of this hiring initiative included shortening the time to hire by promptly extending job offers, getting applicants on the payroll, and eliminating interviews for most bargaining positions. The Postal Service measures the time it takes to hire an applicant (time to hire) from the date the job posting closed to the date an employee's personnel and payroll records are created. Addressing unnecessary or prolonged steps with the goal of streamlining the hiring process will allow the Postal Service to timely hire external applicants.

#### What We Did

Our objective was to assess the Postal Service's hiring practices for bargaining employees. We evaluated the hiring process for external applicants applying for Rural Carrier Associate, City Carrier Assistant, Postal Support Employee, and Mail Handler Assistant positions. We conducted site visits at 21 judgmentally selected facilities and interviewed district managers, human resources personnel, and facility management to determine their involvement in the hiring process.

#### What We Found

The Postal Service generally improved its practices for timely hiring external applicants. From fiscal years (FY) 2021 to 2023, the Postal Service decreased nationwide average time to hire by 35 percent. Although the Postal Service significantly reduced the number of days to hire employees, it continues to experience challenges with hiring in certain areas, specifically with getting applicants to apply for certain pre-career positions. From FY 2021 to FY 2023, the Postal Service posted over 700,000 pre-career jobs nationwide. However, it did not receive any applications for more than half of those positions. Additionally, opportunities exist to improve the external job application process to aid in attracting and retaining suitable applicants including, providing applicants specific and accurate knowledge of job requirements.

### **Recommendations and Management's Comments**

We made three recommendations to address the hiring challenges and process improvements identified in the report. Postal Service management agreed with one recommendation and disagreed with two. Management's comments and our evaluation are at the end of each finding and recommendation. The U.S. Postal Service Office of Inspector General (OIG) considers management's comments responsive to recommendation three, and the corrective action should resolve the issue identified in the report. See Appendix C for management's comments in their entirety

### Transmittal Letter



April 24, 2024

**MEMORANDUM FOR:** SIMON STOREY

VICE PRESIDENT, HUMAN RESOURCES

THOMAS BLUM

VICE PRESIDENT, LABOR RELATIONS

FROM: Alan MacMullin

Deputy Assistant Inspector General for Finance, Pricing & Human Capital

**SUBJECT:** Audit Report – Postal Service Hiring Practices

(Report Number 23-145-R24)

This report presents the results of our audit of Postal Service Hiring Practices.

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.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Lazerick Poland, Director, Human Capital Management, 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 U.S. Postal Service's Hiring Practices (Project Number 23-145). This report also incorporates elements from a request to the Inspector General from Chairman Gary Peters of the U.S. Senate Committee on Homeland Security and Governmental Affairs. Our objective was to assess the Postal Service's hiring practices for bargaining unit employees. For this audit, we focused only on the external hiring process for Rural Carrier Associate (RCA), City Carrier Assistant (CCA), Postal Support Employee (PSE), and Mail Handler Assistant (MHA). See Appendix A for additional information about this audit.

#### **Background**

Over the last several years, the Postal Service has experienced issues with hiring and retaining employees, particularly among pre-career employees. Pre-career employees are temporary workers who do not receive the same employee benefits as career employees and are not always guaranteed a regular schedule. Most new field employees begin as pre-career employees before they become eligible for a career position. Positions include, but are not limited to, RCAs, CCAs, PSEs, and MHAs. A pre-career employee automatically converts to a career employee according to appropriate collective bargaining agreements (CBA) and facility needs. In fiscal year (FY) 2023, the Postal Service had about 114,600 pre-career employees, representing about 18 percent of its 640,000 employees.

These issues are occurring for several reasons: some parts of the workforce are only seeking a temporary job versus a long-term career with benefits and retirement like the Postal Service offers, and the national unemployment rate overall has been low, impacting most employers as they compete for talent. Additionally, the Postal Service's starting hourly average pay rate for pre-career positions was \$18.02 in 2019 and increased to \$19.70 in 2023, which is \$1.68 hourly pay rate difference (or 2.3 percent annual increase).2 As part of the Postal Service's 10-year strategic plan, Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,3 and to improve the employee experience, the Postal Service streamlined the hiring process to shorten the time applicants spend waiting to begin a job.

In September 2019, the Postal Service adopted a new centralized hiring process for pre-career employees. As a part of this hiring initiative, the Postal Service eliminated interviews for most bargaining positions,<sup>4</sup> and reduced the time to extend job offers and get new employees on the payroll. The Postal Service measures the time it takes to hire an applicant (time to hire) from the date the job posting closed to the date an employee's personnel and payroll records are created.<sup>5</sup> The Postal Service does not use the report-to-work date because that date is determined by the appropriate CBA and the needs of the applicant.<sup>6</sup> This centralized hiring process is now the normal hiring process for all pre-career applicants. See Figure 1 for the external application process.

Figure 1. External Application Process

Create Search **Fingerprints Employment** Take Accept **eCareer** for open and conditional exams, precandidate positions background if required job offe<u>r</u> screening investigation profile on eCareer

Source: Postal Service external website.

<sup>1</sup> Mail Processing Clerks and Sales and Service Distribution Associates.

<sup>2</sup> Calculated based on annual starting salary divided by 2,080 annual work hours.

<sup>3</sup> Dated March 23, 2021.

<sup>4</sup> Motor vehicle operators, tractor trailer operators, maintenance, and career employees still require an interview.

This is done when Human Resources Shared Services Center (HRSSC) generates the Postal Service (PS) Form 50, Notice of Personnel Action.

<sup>6</sup> For example, providing resignation notice to their former employer.

#### **Application Process**

To apply for one of these positions, an applicant must first create a profile using eCareer. Once an applicant creates a profile on eCareer, he or she completes the application, and then takes a Virtual Entry Assessment (VEA) specific to the position applied for. Each craft has its own VEA, which takes approximately 30 – 45 minutes to complete. The applicant must complete the VEA within 72 hours of applying for a position.

The Postal Service implemented the VEA and eliminated interviews for most entry-level, pre-career bargaining positions. Applicants must earn a total passing score of 70 percent for the VEA, which includes up to six sections, including the job preview. However, the realistic job preview section, which briefly informs the applicant about the job and the Postal Service, is not scored. See Table 1 for the required sections of the VEA for each position.

Additionally, the realistic job preview section of the VEA includes a video for applicants to watch. This video contains instructed audio and images of Postal Service employees describing daily tasks and physical demands of the job. The video provides both the benefits and challenges of the job. During

completion of the VEA, applicants are required to watch this video as part of the application process.

Once the application calculates all VEA scores, applicants are ranked on the hiring list based on their application score.8 Once an applicant is ranked, the application remains active for conditional job offers for 90 days, allowing the Postal Service to quickly extend conditional job offers to applicants who have already applied for a specific position and location. VEA results are valid for two years; therefore, if an applicant does not receive a job offer within 90 days, and then applies for the same position within two years, he or she is not required to take a second VEA. If an applicant fails a VEA, he or she must wait one full year to retake the VEA for the craft position he or she applied for. However, he or she is able to apply for a different craft position and must take and pass the VEA for that position.

Although the Postal Service uses a vendor for the VEAs, these exams are common for entry-level positions in a number of organizations. The vendor used employee experience from a focus group, upper-level management expectations, and guidance from industry psychologists to develop and validate the VEAs.

Table 1. VEA Sections by Position

VEA Section	Pre-Career Craft				
	Carrier	Mail Handler	Processing Clerk	Customer Service Clerk	
Realistic Job Preview	$\checkmark$	✓	✓	$\checkmark$	
Work Scenarios	$\checkmark$	✓	✓	$\checkmark$	
Tell Us Your Story	$\checkmark$	✓	✓	$\checkmark$	
Describe Your Approach	$\checkmark$	✓	✓	$\checkmark$	
Check for Errors		✓	✓		
Work Your Register				$\checkmark$	

Source: Postal Service VEA Guide.

<sup>7</sup> An online tool to search and apply for jobs. It also streamlines, automates, and tracks the job application.

<sup>8</sup> Total score based on VEA score and Veterans' Preference points.

#### **Management Responsibilities**

The HRSSC is the central processing center for hiring activities at the Postal Service. HRSSC and district Human Resources (HR) manages all hiring activities. HRSSC is responsible for coordinating applicant requests such as requiring occupational health nurse assistance or confirming veteran's preference, during the application process. During the hiring process, the Postal Service conducts background screenings to gather sufficient information about a person's character, reputation, and allegiance to the United States, to determine eligibility for appointment or suitability for retention as a Postal Service employee. Postal Service positions require, at minimum, a background check known as a National Agency Check with Inquiries (NACI). Applicants can be granted an interim NACI, which, if approved, permits them to start working while the final NACI investigation is in process.

Facility management, the district, or HRSSC personnel create job postings in the eCareer Job Posting Request system. If the facility creates the posting, the district must approve it in eCareer, and once approved, HRSSC will automatically post it externally. Once the job posting closes, typically after three to five days, HRSSC receives all the applications and creates a hiring list. The list includes suitable applicants based on VEA scores, verification of veterans' preference, and a motor vehicle report (if applicable). HRSSC will then extend a job offer to the top applicant(s). The applicant receives the job offer via email and he or she must complete three tasks: accept the job offer, complete the Standard Form (SF) – 85, Questionnaire for Non-sensitive Position, and submit fingerprints.9

Once HRSSC extends a job offer and the applicant accepts, district HR includes the applicant in the "To Do" list.<sup>10</sup> The responsible personnel will then send instructions to the appropriate facility management to complete all required actions and contact the applicant. Facility management also receives the "To Do" list, along with the fingerprint report.

HR Headquarters management and district HR encourages facility management in the "To Do" list email to speak with the new hire regarding job requirements and responsibilities when obtaining fingerprints. If the applicant completes all the necessary forms and passes an interim NACI, the district coordinates with the employee to create an effective start date and at that point, HRSSC creates the Postal Service Form 50. Figure 2 compares the previous hiring process to the current process.

Figure 2. Previous Hiring Process vs. Current Hiring Process

#### Old

- Application, online exam and in-person exam required
- Interview required
- Job offers extended based on interviews by facility management
- Full NACI required and process varied by district

### New

- Online application and VEA
- Interview eliminated
- Job offers extended by HRSSC via eCareer based on application score
- Interim NACI allows for faster onboarding

Source: Postal Service BLUE pages.

# Finding #1: Hiring Process Improvements and Remaining Challenges

The Postal Service generally improved its practices for timely hiring external applicants by implementing several initiatives and significantly reducing the number of days to hire employees over the last three years. However, the Postal Service continues to experience challenges with hiring in certain areas, specifically with getting applicants to apply for certain pre-career positions nationwide.

<sup>9</sup> District HR coordinates with the applicant to schedule fingerprints and notifies facility management of the selected applicants.

<sup>10</sup> The "To Do" list includes the acceptance of the job offer, SF-85 completion, fingerprints captured, and interim NACI results returned. Once all conditions are met, district HR personnel will enter an employees' effective date, salary amount, pay location, and position, which will be used to generate a Postal Service Form 50.

<sup>11</sup> If an interim NACI is granted, they may begin working on the condition they pass the complete NACI.

#### **Postal Service Initiatives for Hiring**

To combat hiring issues, the Postal Service continues to increase their presence on social media to promote hiring events, such as virtual career fairs and in-person events at specific facilities. The Postal Service increased digital and physical mail messages describing the benefits of a Postal Service career in locations with low unemployment or wage challenges and increased investment in awareness tactics such as search ads and digital outdoor displays. Postal Service HR also partnered with their marketing team for challenging positions and locations to expand awareness and improve outreach to potential applicants.

Additionally, HR identifies and tracks "vital offices" to increase marketing and hiring events at those facilities. The Postal Service provides laptops at hiring events for applicants to apply and complete assessments onsite and be able to ask for assistance during the process. The Postal Service also purchased and deployed over 800 new digital fingerprint devices to fingerprint applicants who complete their application and assessments during the job fair, expediting the application process. Finally, the Postal Service also started to increase applicant communication by implementing text messaging capabilities throughout the hiring process, alerting applicants of the next step in the process.

#### **Time to Hire for External Applicants**

According to Postal Service data, the nationwide average time to hire decreased from 49 days in FY 2021 to 32 days (a 35 percent decrease) in FY 2023, by eliminating interviews for the pre-career positions and creating a more centralized process within HRSSC. See Table 2 for the specific time to hire days by craft.

Table 2. Time to Hire Average Days by Craft

Position	FY 2021	FY 2022	FY 2023
RCA	47	39	30
CCA	43	38	30
PSE <sup>13</sup>	54	44	39
MHA	49	42	34
Average	49	41	32

Source: OIG analysis of Postal Service data.

According to HR Headquarters management, the timing of each posting and application varies. The hiring of an external applicant is conditional, assuming the applicant passes the VEA and accepts the job offer. There are several factors that may delay the process, including delays with fingerprints, NACI results, or medical accommodation.

See Figure 3 for the estimated timeline of each step in the hiring process.

Figure 3. Hiring Process Timeline



Source: United States Postal Service, August 15, 2023.

\*As of April 10, 2020, the Postal Service suspended drug screenings during COVID-19 and have not resumed for pre-career employees. Prior to the suspension of drug screenings, the applicants had three days to respond and an additional three days to complete the drug screening.

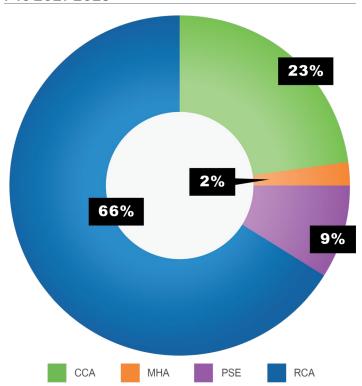
<sup>12</sup> Facilities identified with utilizing 25 percent or more of overtime and/or penalty overtime.

<sup>13</sup> Includes both Mail Processing Clerks and Sales, Service, and Distribution Associates.

#### **Challenges with Attracting Applicants**

Job postings are typically open three to five days but can stay open up to 10 days based on the facility's request. There can also be multiple postings for one position due to receiving no applicants or applicants not responding or declining a job offer. From FY 2021 to FY 2023, according to Postal Service data, the Postal Service posted over 700,000 pre-career (RCA, CCA, PSEs, and MHA) jobs nationwide. However, it did not receive any applications for more than half of those positions. Specifically, there were 387,107 postings without any applicants, of which the RCA postings accounted for 255,140 (66 percent) of these postings. Additionally, CCA postings accounted for the next highest number of postings without applicants at 90,716 (23 percent). See Figure 4 for a breakdown of postings with no applicants during FYs 2021-2023.

Figure 4. Postings with No Applicants – FYs 2021-2023<sup>14</sup>

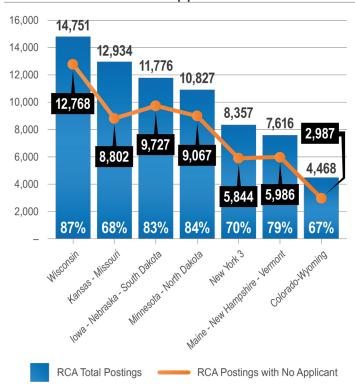


Source: OIG Analysis of Postal Service applicant and posting data.

Although the Postal Service has streamlined its process during FYs 2021-2023, the number of postings without any applicants during FY 2023 was slightly higher than previous years. Specifically in FY 2023, there were 166,337 of 288,061 (58 percent) postings without any applicants.

Furthermore, we determined some districts are experiencing more challenges with attracting certain applicants in specific locations. In FY 2023, RCA job postings without any applicants accounted for 41 percent of the total job postings nationwide. Overall, RCA postings had the lowest application rates, with 116,697 of 190,962 (61 percent) RCA postings without any applicants. For twenty of 50 districts more than half of all RCA postings had no applicants. The Wisconsin and Minnesota-North Dakota districts had the highest percent of job postings without any applicants for RCAs with 87 percent and 84 percent, respectively. See Figure 5 for the districts with the highest rates of RCA postings without any applicants and Appendix B for all 50 districts.

Figure 5. FY 2023 Highest District Percentage with No External RCA Applicants

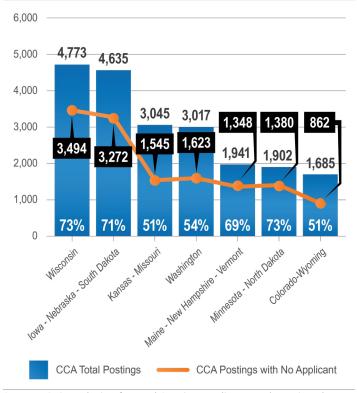


Source: OIG analysis of Postal Service applicant and posting data.

<sup>14</sup> We used Postal Service provided data and compared the number of postings for each craft to the number of applicants received for each craft

Similarly, CCA positions accounted for 11 percent of total job postings nationwide without applicants. There were 32,928 of 72,474 (45 percent) CCA postings without any applicants. The Wisconsin and Minnesota-North Dakota districts again had the highest percent of job postings without any applicants for CCAs, both with 73 percent. See Figure 6 for the districts with the highest rates of CCA postings without any applicants and Appendix B for all 50 districts.

Figure 6. FY 2023 Highest District Percentage with No External CCA Applicants



Source: OIG analysis of Postal Service applicant and posting data.

Postal Service job postings did not always receive applications in certain areas due in part to, the national unemployment rate, a rising cost of living, especially housing rates, and more competitive starting wages from other employers. The Postal Service does not adjust wages to reflect local pay rates or cost-of-living differences for pre-career employees. As a result, applicants in higher cost-of-living cities and rural areas cannot always afford to work pre-career positions, with

"Postal Service job postings did not always receive applications in certain areas due in part to, the national unemployment rate, a rising cost of living, especially housing rates, and more competitive starting wages from other employers."

no guaranteed hours or schedule. We recently addressed this issue in our report titled *Delivery and Customer Service in Colorado Mountain Towns*, <sup>16</sup> which detailed facilities that struggled to both hire, due to the lack of locality pay, and to retain personnel, especially in the first three months of new employees' tenure.

The Postal Service is also limited to compensation agreements within each specific craft's CBA. To combat some of these challenges, specifically in rural areas, the Postal Service plans to provide more vehicles in areas with challenges hiring RCA positions, so applicants do not have to use personally owned vehicles.

The federal government offers locality pay and adjusts pay based on local or regional labor markets. Private companies in the industry provide locality pay with higher pay in some areas and market rate adjustments to remain competitive in particular parts of the country.

When employers experience challenges with hiring, they risk the overall job satisfaction of hired employees, which can lead to high employee turnover, low morale, and an overall negative environment. Specifically for the Postal Service, these risks can translate into low employee availability, delayed mail, and increased overtime for employees on the rolls.

<sup>15</sup> Pre-career employees are entitled to a general increase as well as a one percent increase to offset no locality pay. CCA, PSE, and MHAs are automatically converted to career after 24 months, if not sooner.

<sup>16</sup> Report No. 23-130-R24, dated December 5, 2023

#### **Recommendation #1**

We recommend the **Vice President, Human Resources**, in coordination with the **Vice President, Labor** 

**Relations**, develop and communicate a plan with specific actions, milestones, and metrics to attract more applicants in locations with hiring challenges.

#### **Postal Service Response**

Management disagreed with recommendation 1, stating the Postal Service has extensive processes, including increased social media presence to promote hiring events, and increased digital and physical mail messaging describing the benefits of a Postal Service career in locations with low unemployment or wage challenges. Management stated Human Resources collaborated with the marketing team to enhance awareness and outreach for challenging positions and locations and identify and monitor facilities situated in geographically difficult areas for hiring. They created job postings for career positions in these facilities to encourage potential candidates to submit applications. Management also stated that in FY 2022, over 192,000 employees were onboarded, followed by nearly 180,500 employees in FY 2023, and currently over 93,000 employees onboarded this fiscal year.

"We found
Postal Service
job postings
for pre-career
craft positions
did not always
include realistic
job descriptions
or the demands
required of
each job at
the specific
hiring facility."

Management added that they have put forth great effort in adopting a new applicant tracking system to further improve the applicant experience, which also includes mobile access and text messaging capabilities, alerting candidates of their application status with reminders on progression. Finally, management asserted the OIG's

viewpoints were influenced by a limited number of stakeholders.

#### **OIG** Evaluation

The OIG recognizes the efforts the Postal Service has taken to enhance the brand and job postings to the public, and we acknowledge these efforts in the report. However, as discussed in Finding #1, there continues to be issues with hiring employees in certain areas. Specifically, there were 387,107 postings without any applicants, and therefore, the Postal Service should develop a plan to attract more applicants in areas with hiring challenges, as outlined in the report. Additionally, management highlighted their effective onboarding of over 470,000 employees since FY 2022; however, management does not address why the Postal Service is replacing nearly one-third of its workforce every year. Finally, management asserted that our viewpoints were influenced, but this assertion is inaccurate. Although external stakeholders are interested in the OIG's work, we conduct our audits without bias and draw our conclusions based on the data and facts. We view the disagreement on this recommendation as unresolved and plan to pursue it formally through the audit resolution process.

# Finding #2: Opportunities to Improve the Application Process

Opportunities exist for the Postal Service to improve their external job application process, which could also aid in attracting and retaining suitable applicants. Specifically, improvements to allow applicants specific and accurate information on job requirements — including work hours, facility locations, and physical demands — may help reduce turnover and provide realistic expectations of the job for prospective employees.

#### **Realistic Job Expectations**

During site visits, we found Postal Service job postings for pre-career craft positions did not always include realistic job descriptions or the demands required of each job at the specific hiring facility. Job postings are typically open for three days<sup>17</sup> and all job postings for each craft position, regardless of location, are similar. The current process does not include the functionality to allow facility specific requirements,

<sup>17</sup> They are typically open three to five days but can stay open up to 10 days based on the facility's request

resulting in information on the job postings being viewed as ambiguous or vague to the applicant. For example, most retail and delivery facilities require CCAs and RCAs to walk portions, if not all, of their routes. However, the "functional purpose" section of the job posting may state the applicant will deliver and collect mail on foot or by vehicle. Therefore, if a facility submits a job posting for a CCA position, which is specifically an all-walking route, there is no way for an applicant to know these specifics prior to applying or accepting the job. As another example, RCA job postings may state applicants are required to use their personal vehicles when the specific facility has Postal Service vehicles available to use.

Additionally, management interviewed at 20 of 21 (95 percent) facilities stated they would like to be able to include specific position requirements in the job postings.

Currently, job postings include generic language in the job description; therefore, certain requirements or tasks may not be applicable to the specific facility the applicant is applying to. For example, the "physical requirements" section on the job posting may state applicants must be able to perform prolonged standing, walking, or bending and reaching, but the functional purpose section of the job posting states applicants will be using vehicles or walking, which is ambiguous.

The lack of specific details in the job postings occurred because HR Headquarters management believes between the job posting, required video, and VEA exams, the applicant should have a good understanding of the job. Additionally, job posting templates in eCareer are hard coded and therefore, coding changes are difficult to make. HR Headquarters management stated they have the ability to edit sections in the job postings, but currently do not see the need.

During FY 2021 through FY 2023, overall employee turnover increased from 56 percent to 57 percent, respectively. Specifically in FY 2023, CCAs had one of the highest turnover rates with 67 percent. If the job posting included facility specific information

on different locations where they may be working, employees may have a better understanding of the job prior to their hiring. Providing a job description is essential to finding the right applicants for the vacant position during the hiring process. A U.S. government research study<sup>18</sup> stated that management should update job descriptions once a year. Additionally, according to the article, by outlining the responsibilities of a position clearly, new hire performance can improve by over 11 percent.

Employees being unaware of all the job responsibilities and demands could also result in higher employee turnover. As part of the exit survey, physical demands of the job were one reason why employees left the Postal Service. Specifically, 45 percent of RCAs responded the job was more physically demanding than expected.

#### **Applicant Meet-and-Greet**

The Postal Service could improve applicant retention by consistently performing meet-and-greets prior to their first day of work. Although the applicant(s) already accepted the job offer, this in-person meeting allows the new hire to visit the facility and talk with management to ensure they would be a good fit for the job. HR Headquarters management and district HR encourages facility management in the "To Do" list email to have a discussion with the applicant or provide them with a job description document during the fingerprinting phase. However, we found that not all districts and/or facilities took advantage of conducting a discussion and meeting the new hire.

"The Postal Service could improve applicant retention by consistently performing meet-and-greets prior to their first day of work."

<sup>18</sup> Corporate Leadership Council, Corporate Executive Board, Developing Job Postings and Position Descriptions in the U.S. Government, dated June 2010.

<sup>19</sup> OlG report, *Postal Service's Non-Career Employee Turnover Follow-Up*, FR-22-180-R23, dated April 18, 2023, identifies other issues related to pre-career employee turnover and states that according to all four CBAs, pre-career employees are guaranteed a minimum of two to four hours each day they are scheduled, depending on the size of the facility. However, they do not limit the number of hours pre-career employees could work per day.

During the audit, we visited five districts to understand and observe their responsibilities, processes, and procedures on hiring. We determined three of five (60 percent) districts<sup>20</sup> conducted informal meetand-greet discussions with the applicant as a good practice once he or she accepted the position. Facility management stated this helped employees become more aware of the reality of the job and workroom floor and gives them a final opportunity to accept or decline the job.

While facility management cannot select who to hire, a meet-and-greet provides the opportunity for management to explain specific requirements of the positions, including how hours worked may vary, how holidays might be scheduled, and the physical demands of the job. Facility management often stated many applicants withdrew from the position after the meet-and-greet once they learned more about the position requirements. Long hours,<sup>21</sup> schedule requirements, physical demands of the job, or not being able to have set days off were reasons provided as to why applicants did not report to work after the meet-and-greet discussions.

The inconsistencies in holding meet-and-greet meetings with applicants occurred because, although HR Headquarters and district HR encouraged facility management to contact the employee during the fingerprinting phase to provide

job expectations and answer questions, it is not a requirement, and not all facility management was following the recommendation.

According to data provided by the Postal Service, 128,852 pre-career applicants were hired in FY 2023; however, 18 percent of new hires did not show up for orientation or report for their first day of work. Likewise in FY 2023, 33 percent of new pre-career hires were no longer working within

their first 90 days. Without providing prospective employees with the specific and accurate requirements of the job during the hiring process or allowing new employees the opportunity to meet with facility staff, there is an increased risk of employee turnover.

#### **Recommendation #2**

We recommend the **Vice President, Human Resources**, provide facility management an opportunity to include facility specific information when requesting a job posting to help ensure external applicants are aware of job requirements.

#### **Recommendation #3**

We recommend the **Vice President, Human Resources**, reiterate the benefits to facility management of conducting an informational session with new applicants on facility specifics and job expectations.

#### **Postal Service Response**

6618 percent of

new hires did

not show up

or report for

of work."

their first day

for orientation

Management disagreed with recommendation 2, stating the flexibility of their workforce was negotiated to facilitate the way they do business, and they do not provide facility specific information as employees may be assigned across various facilities. Management noted city carrier assistants are not guaranteed bid positions and are used to cover mail and package delivery routes across various stations and branches, including walking and driving routes. Management stated Postal Service postings provide job descriptions, duties, and specifically mention "the job is physically demanding," and where work is performed: indoors and outdoors, in all types of weather, on foot or by vehicle. Management also

stated a preview and full description of job duties is available on usps.com/careers to view prior to applying.

Management agreed with recommendation 3, stating during the fingerprint process, there are information sheets shared that are job specific, editable, and include information on the job provided to the prospective new hire.

Management agreed to disseminate a memorandum, communicating

the opportunities for management to engage with applicants and the benefits of such interaction during hiring events, fingerprinting, and orientation. The target implementation date is May 31, 2024.

<sup>20</sup> Two districts conducted meet-and-greets with all applicants. One district only conducted them for RCA positions.

<sup>21</sup> Because hours can vary significantly with the positions, it is not always specific online.

#### **OIG** Evaluation

Regarding recommendation 2, the OIG recognizes positions vary and employees can be assigned to multiple offices. We also are aware of the job previews available for applicants to view online; however, these are not specific and descriptive of the particular facilities and/or area where an applicant is applying. We believe that if facility management had better options to provide specific information related to the position and the location(s) that the applicant would be assigned, it would better equip the external applicant to understand the job requirements and the environment they would be working in. We view the disagreement on this recommendation as unresolved and plan to pursue it formally through the audit resolution process.

The OIG considers management's comments responsive to recommendation 3 and corrective actions should resolve the issues identified in the report.

#### **Looking Forward**

The Postal Service intends to become an employer of choice in 2024 by attracting, retaining, and developing high-quality, customer-focused employees.<sup>22</sup> While the Postal Service's initiatives and ongoing efforts are likely to raise brand awareness and improve the hiring process, it will likely continue to experience hiring challenges if it does not work to address locality pay. To further streamline and improve its hiring process, in addition to the initiatives previously mentioned, the Postal Service is deploying a new Applicant Tracking System (ATS) to replace the current eCareer system. The ATS should improve the overall applicant experience through mobile-friendly applications, improved job search visibility, text messaging capability, increased visibility of applicant status, and increased automation of the application process. The ATS will also help track data to anticipate hiring needs, further reduce time to hire, and improve the overall applicant experience. An applicant will also be able to take the VEA directly through the ATS, obtain results in real time, and receive an almost-instant job offer. The pilot testing

began with phase one in November 2023 for MHAs and will launch nationally after the Postal Service reviews results and makes any needed updates. After successful implementation, the second phase of ATS will expand to CCAs and RCAs. The ATS has an anticipated completion date of January 2026.

"The ATS should improve the overall applicant experience through mobile-friendly applications, improved job search visibility, text messaging capability, increased visibility of applicant status, and increased automation of the application process."

<sup>22</sup> The U.S. Postal Service Five-Year Strategic Plan, FY 2020-2024.

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# Appendix A: Additional Information

### Scope and Methodology

The scope of our audit was Postal Service's hiring practices during FYs 2021–2023. We reviewed the external hiring process for bargaining, pre-career positions, specifically RCAs, CCAs, MHAs, and PSEs. We excluded career positions and pre-career peak season applicants during our audit.

We conducted site work at the Atlantic, Central, Southern, and Western-Pacific areas, as well as the Eastern and Western regions, using the following methodology:

- For each district judgmentally selected based on FY 2022 days to hire data, we performed visits at the district office to talk with HR personnel and those responsible for hiring.
- We also visited retail and delivery and processing facilities in selected districts to talk with facility management regarding their involvement in the hiring process. In total, we visited 21 facilities. See Table 3 for facilities visited during the audit.

Table 3. Fieldwork Site Visits

Area <sup>23</sup>	District	Facility
Atlantic	North Carolina	Burlington Post Office
Atlantic	North Carolina	Greensboro Post Office
	Mishing 1	Garden City Post Office
Central		Ann Arbor Post Office
Certifal	Michigan 1	Southfield Post Office
		St. Clair Shores Post Office
		Fruitport Post Office
Central	Michigan 2	Muskegon Post Office
Central	MICHIGAN 2	Caledonia Post Office
		Holland Post Office
	South Carolina	Blythewood Post Office
Southern		Lexington Post Office
		Chapin Post Office
		Afton Post Office
Western-Pacific	Colorado - Wyoming	Kemmerer Post Office
Western-Pacific		Rock Springs Post Office
		Evanston Post Office
Region <sup>24</sup>	Division	Facility
Eastern	South Atlantic	Greensboro P&DC
Eastern	Southeast	Columbia P&DC
Western	Lakeshores	Grand Rapids P&DC
Western	Lakeshores	Detroit P&DC

Source: Site visits based on OIG's analysis of Postal Service data.

<sup>23</sup> Retail and Delivery is split into four areas (Atlantic, Central, Southern, and Western-Pacific) and has 50 districts.

<sup>24</sup> Logistics and Processing Operations is split into two regions (Eastern and Western) and comprised of 13 divisions

To accomplish our objective, we:

- Visited and interviewed HRSSC personnel and obtained information regarding responsibilities for the hiring process.
- Identified, reviewed, and documented the Postal Service's policies regarding hiring.
- Reviewed the old hiring process, current process, responsibilities, and goals for hiring.
- Reviewed collective bargaining agreements between the Postal Service and the labor unions regarding hiring.
- Interviewed headquarters, district managers, human resources personnel, and facility management regarding their responsibilities, processes, and procedures on hiring.
- Reviewed the VEA requirements as part of the application process.
- Calculated and analyzed the days to hire external applicants for FYs 2021–2023 by district and craft.
  - Judgmentally selected sites to identify possible underlying issues that contributed to higher or lower days to hire at districts and the Postal Service as a whole.
- Analyzed FYs 2021–2023 Nature of Action<sup>25</sup> cancellations for employees who did not show up for orientation or first day of work.
- Obtained and analyzed applicant and employee hiring data for timeliness and identified trends:
  - Nationwide for FYs 2021 through 2023
  - Number of employees hired during the audit scope period.
  - Compare data from the old process versus the new centralized hiring process.
- Reviewed and analyzed external applicant data provided to determine the number of postings that did not receive applicants.
- Reviewed FYs 2017 through 2023 data to determine:

- Turnover analysis since the hiring process changed.
- Stay/exit survey analysis on reasons for leaving.

We conducted this performance audit from July 2023 through April 2024 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 March 6, 2024, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of the external hiring process of bargaining employees internal control structure 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. Additionally, we assessed the internal control components and underlying principles, and we determined that the following four components were significant to our audit objective:

- Control environment
- Control activities
- Information and communication
- Monitoring

We developed audit work to ensure that we assessed these controls. Based on the work performed, we identified internal control deficiencies related to the control environment within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of hired pre-career employee data provided by the Postal Service for FY 2022 by testing the completeness and accuracy of the data. We compared employees' data transfer PS

<sup>25</sup> A cancelled accession, Nature of Action is when a Postal Service Form 50 is processed but ultimately is cancelled most likely due to the employee not showing up for their first day of work.

Form 50 date against the Electronic Personnel Action History system PS Form 50 processed date. We also verified hired employees had accurate NACI dates on file. In addition, we interviewed knowledgeable Postal Service officials about the data. We determined that the data were sufficiently reliable for the purposes of this report.

### **Prior Audit Coverage**

The OIG did not identify any prior audits or reviews related to the objective of this audit conducted within the last five years.

## Appendix B: External Applicant Data by District - FY 2023

Table 4. Districts with No External Applicants - RCA

District	Total RCA Postings	RCA Postings without Applicants	Percentage of RCA Postings without Applicants
Alabama-Mississippi	3,715	854	23%
Alaska	74	46	62%
Arizona-New Mexico	1,172	324	28%
Arkansas-Oklahoma	3,068	1,133	37%
California 1	1,958	1,252	64%
California 2	2,001	994	50%
California 3	1,519	735	48%
California 4	76	14	18%
California 5	8	1	13%
California 6	341	65	19%
Colorado-Wyoming	4,468	2,987	67%
Connecticut	3,344	1,601	48%
Delaware-Pennsylvania 2	4,740	2,794	59%
Florida 1	672	109	16%
Florida 2	718	120	17%
Florida 3	96	13	14%
Georgia	1,642	202	12%
Hawaii	641	425	66%
Idaho-Montana-Oregon	5,279	3,037	58%
Illinois 1	1,267	532	42%
Illinois 2	4,465	2,470	55%
Indiana	3,999	1,947	49%
Iowa-Nebraska-South Dakota	11,776	9,727	83%
Kansas-Missouri	12,934	8,802	68%
Kentucky-West Virginia	3,432	1,513	44%
Louisiana	756	108	14%
Maine-New Hampshire-Vermont	7,616	5,986	79%
Maryland	1,927	593	31%
Massachusetts-Rhode Island	3,060	1,614	53%
Michigan 1	711	184	26%
Michigan 2	6,275	4,039	64%
Minnesota-North Dakota	10,827	9,067	84%
Nevada-Utah	1,616	756	47%
New Jersey	3,636	2,065	57%
New York 1	N/A	N/A	N/A
New York 2	85	48	56%
New York 3	8,357	5,844	70%
North Carolina	7,757	3,352	43%
Ohio 1	3,422	1,860	54%

District	Total RCA Postings	RCA Postings without Applicants	Percentage of RCA Postings without Applicants
Ohio 2	1,916	633	33%
Pennsylvania 1	7,985	5,121	64%
Puerto Rico	13	3	23%
South Carolina	2,782	790	28%
Tennessee	9,719	5,923	61%
Texas 1	3,198	839	26%
Texas 2	529	113	21%
Texas 3	1,563	531	34%
Virginia	11,249	7,206	64%
Washington	6,744	4,503	67%
Wisconsin	14,751	12,768	87%
Total	190,962	116,697	61%

Source: OIG's analysis of Postal Service data.

Table 5. Districts with No External Applicants - CCA

District	Total CCA Postings	CCA Postings without Applicants	Percentage of CCA Postings without Applicants
Alabama-Mississippi	406	60	15%
Alaska	136	67	49%
Arizona-New Mexico	638	154	24%
Arkansas-Oklahoma	644	179	28%
California 1	853	411	48%
California 2	1,841	717	39%
California 3	1,170	431	37%
California 4	370	70	19%
California 5	315	36	11%
California 6	393	64	16%
Colorado-Wyoming	1,685	862	51%
Connecticut	1,264	360	28%
Delaware-Pennsylvania 2	2,566	986	38%
Florida 1	161	21	13%
Florida 2	272	49	18%
Florida 3	97	22	23%
Georgia	320	50	16%
Hawaii	373	179	48%
Idaho-Montana-Oregon	1,925	746	39%
Illinois 1	1,377	346	25%
Illinois 2	1,526	492	32%
Indiana	1,063	328	31%
Iowa-Nebraska-South Dakota	4,635	3,272	71%
Kansas-Missouri	3,045	1,545	51%

District	Total CCA Postings	CCA Postings without Applicants	Percentage of CCA Postings without Applicants
Kentucky-West Virginia	759	186	25%
Louisiana	169	24	14%
Maine-New Hampshire-Vermont	1,941	1,348	69%
Maryland	751	112	15%
Massachusetts-Rhode Island	2,785	1,250	45%
Michigan 1	549	81	15%
Michigan 2	1094	496	45%
Minnesota-North Dakota	1,902	1,380	73%
Nevada-Utah	1,100	360	33%
New Jersey	8,407	4,141	49%
New York 1	191	32	17%
New York 2	496	75	15%
New York 3	3,187	1,425	45%
North Carolina	847	152	18%
Ohio 1	1,493	476	32%
Ohio 2	1,077	225	21%
Pennsylvania 1	5,159	2,496	48%
Puerto Rico	49	3	6%
South Carolina	338	40	12%
Tennessee	468	80	17%
Texas 1	643	85	13%
Texas 2	210	49	23%
Texas 3	453	114	25%
Virginia	3,377	1,577	47%
Washington	3,017	1,623	54%
Wisconsin	4,773	3,494	73%
Total	72,474	32,928	45%

Source: OIG's analysis of Postal Service data.

## Appendix C: Management's Comments



April 11, 2024

JOHN CIHOTA DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response – Postal Service Hiring Practices (23-145)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report titled "Postal Service Hiring Practices".

We appreciate that the audit recognizes the Postal Services' effort to reduce the time to hire and our success. However, the Postal Service disagrees with audit findings regarding recruitment and onboarding of employees. We maintain the perspective that the OIG's viewpoints are influenced by a limited number of external stakeholders. Apart from a handful of locations, the Postal Service has generally encountered few challenges in hiring. In fiscal year 2022, over 192,000 employees were onboarded, followed by nearly 180,500 employees in fiscal year 2023. As of the current fiscal year, over 93,000 employees have been onboarded, resulting in a total effective onboarding of over 470,000 employees across the organization. The Postal Service has worked tirelessly to increase its visibility by increasing its presence on social media and other platforms, promoting in-person hiring events where job specific information is shared, and aiding with applications that allow candidates to have their questions answered immediately. The usps.com/careers website has realistic job previews that can be accessed prior to applying. Job postings also contain a full description of duties including where work is performed. It is not accurate to state that if facility specific information were provided prior to hiring, employees would have a better understanding of the job. The job duties and responsibilities are outlined in the job posting and do not change depending on the facility. The Postal Service has worked to improve their hiring process and has succeeded by reducing its time to hire by 35 percent, while adopting a new applicant tracking system which will further improve the applicant experience by keeping in constant communication with the applicant and allowing technological advances in mobile capabilities.

The Postal Service does not agree with recommendations one (1) and two (2), however, has agreed to recommendation three (3), and has addressed each separately below.

<u>Recommendation 1:</u> We recommend the Vice President, Human Resources, in coordination with the Vice President, Labor Relations, develop and communicate a plan with specific actions, milestones, and metrics to attract more applicants in locations with hiring challenges.

Management Response/Action Plan: The Postal Service disagrees with this recommendation.

As cited in the background of project number 23-145-DRAFT, "The national unemployment rate overall has been low and is impacting most employers as they compete for talent." This includes the Postal Service. The Postal Service has extensive processes in place to address hiring challenges. We continue to increase our presence on social media to promote hiring events, such as virtual career fairs and in-person events at specific facilities. The Postal Service has increased digital and physical mail messaging describing the benefits of a Postal Service Career in locations with low unemployment or wage challenges, and increased investment in awareness

tactics such as digital search ads and digital outdoor displays. Human Resources collaborated with the marketing team to enhance awareness and outreach for challenging positions and locations. Furthermore, Human Resources identify, and monitor facilities situated in geographically difficult areas for hiring, creating job postings for career positions in these facilities to encourage potential candidates to submit applications. These facilities are identified as the "vital offices" and an increase in marketing efforts and hiring events are organized around those facilities. The Postal Service provides laptops at hiring events for applicants to apply onsite, complete assessments and have the ability able to ask for assistance during the process. Finally, the Postal Service has put forth great effort in adopting a new applicant tracking system which will further improve the applicant experience. The new system also includes mobile access and text messaging capabilities, alerting candidates of their application status with reminders on progression.

Target Implementation Date: N/A
Responsible Official: N/A

<u>Recommendation 2:</u> We recommend the **Vice President, Human Resources**, provide Facility Management an opportunity to include facility specific information when requesting a job posting to help ensure external applicants are aware of job requirements.

Management Response/Action Plan: The Postal Service disagrees with this recommendation.

The flexibility of our workforce was negotiated to facilitate the way we do business, and we do not provide facility specific information as employees may be assigned across various facilities. The example provided in the audit findings was relative to walking delivery routes vs driving for City Carrier Assistants (CCAs). The audit failed to recognize that CCAs can be used to deliver mail in either capacity, regardless of their assigned duty station. CCAs are not guaranteed bid positions. They are used to cover mail and package delivery routes across various stations and branches. Additionally, a station with only walk-out routes can require CCAs to drive for delivery – relay bags, packages, or piecemeal delivery. The Postal Service postings provide job descriptions, duties, and specifically mentions "the job is physically demanding" with a description explaining that City Carriers may be required to load and unload trays and containers of mail and parcels weighing as much as 70 pounds, including where work is performed; indoors and outdoors, in all types of weather, on foot or by vehicle. Additionally, a preview and a full description of job duties, is available on usps.com/careers for view prior to applying. Applicants are required to complete a Virtual Entry Assessment (VEA), which provides a realistic job preview.

Target Implementation Date: N/A Responsible Official: N/A

<u>Recommendation 3:</u> We recommend the **Vice President, Human Resources**, reiterate the benefits to facility management of conducting an informational session with new applicants on facility specifics and job expectations.

Management Response/Action Plan: The Postal Service agrees with this recommendation.

The Postal Service postings provide accurate job descriptions, duties, and responsibilities, and specifically mentions "the job is physically demanding". Additionally, when an applicant visits usps.com/careers to apply for a position, there is a preview and a full description of job duties, tips for job search, and directions on how to apply. After submitting an application, applicants are required to complete a Virtual Entry Assessment (VEA) which includes a realistic job preview. Applicants also have an opportunity to engage with USPS staff during the fingerprint process. During the fingerprint capture process, there are information sheets shared which are job specific, editable, and include information on the job that has been offered to the prospective new hire. Postal Service management participates in local job fairs and other hiring events in which they have the opportunity to engage with potential applicants.

Additionally, when coordinating orientation scheduling, HR communicates with the candidates to answer all questions and concerns prior to their reporting date. The Postal Service will disseminate a memorandum, communicating the opportunities for management to engage with applicants and the benefits of such interaction during hiring events, fingerprinting, and orientation.

<u>Target Implementation Date</u>: May 31, 2024 <u>Responsible Official:</u> Vice President, Human Resources

Thank you for the opportunity to respond.

Simon Storey

Vice President, Human Resources

Thomas Blum

Vice President, Labor Relations

cc: Corporate Audit Response Management





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