

**CAPITAL METRO AREA REPORT:  
IMPROVEMENTS ON SERVICE PERFORMANCE FOR FIRST-CLASS MAIL**

**Introduction:**

The Capital Metro Area, with more than 63,000 employees and approximately 15.6 million delivery points, faces unique challenges every day as it strives to serve the 130,000 square miles of territory that make up the 8 Capital Metro Area districts spread across 5 states, including the Nation's Capital. Below is information on improvement efforts and plans currently in place or being implemented, to address service performance for First-Class Mail, including Single-Piece and Presort.

**SECTION I: Evaluation of FY 2019 efforts**

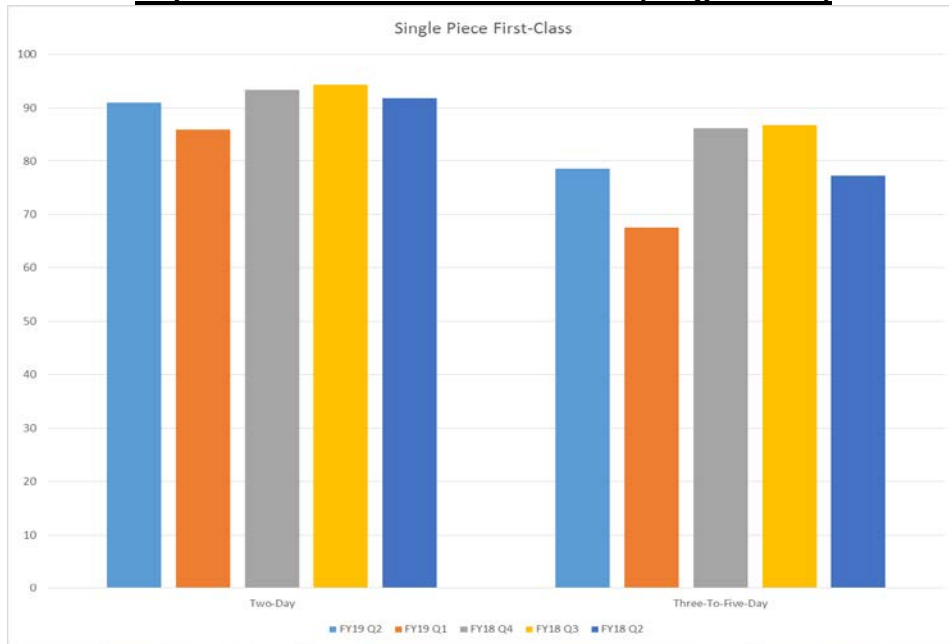
This section provides a synopsis of Capital Metro Area initiatives focused on First-Class Mail (Single-Piece and Presort) service performance improvements. The information covers the Top Five root causes of service performance failures, provides a discussion of progress made to address the root cause, and includes a summary of root causes for which minimal or no progress has been made, along with a detailed explanation.

Top 5 root causes/failure types for Capital Metro area are (in order):

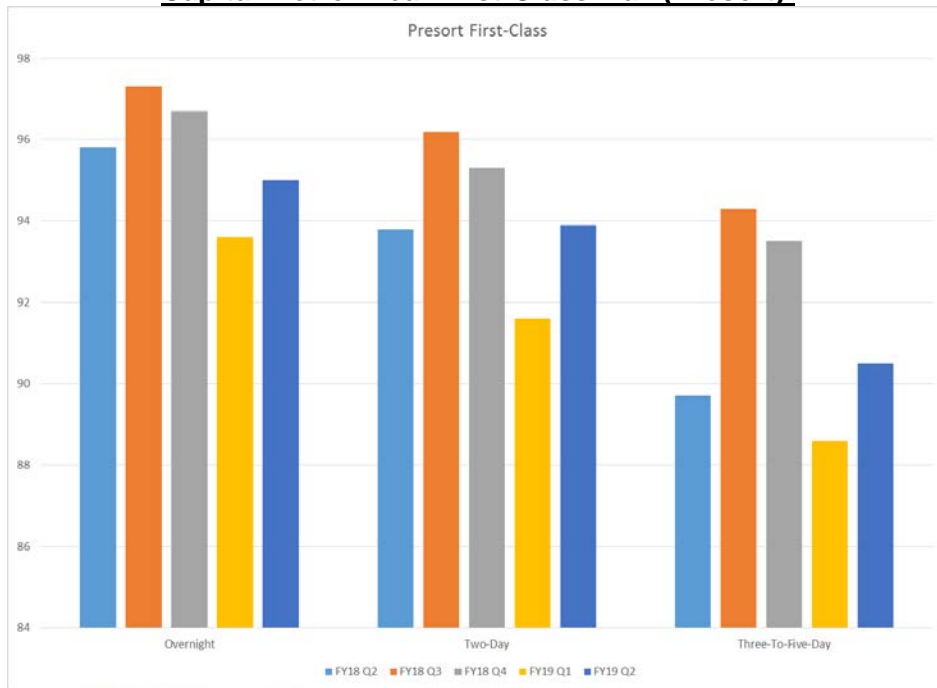
1. Transit
2. Last Mile
3. Destination Processing
4. Origin Processing
5. First Mile

The graphs shown below illustrate the overall service performance for First-Class Mail Single Piece (SPFC) and Commercial Presort compared to the same reporting period last fiscal year. SPFC has a Two-Day and Three to Five-Day performance measurement, and Commercial Presort has Overnight, Two-Day, and Three to Five-Day performance measurement.

**Capital Metro Area- First-Class Mail (Single-Piece)**



**Capital Metro Area- First-Class Mail (Presort):**



### Failures Root Cause # 1: Transit

FY 2018 and current Year To Date (YTD) FY 2019 Transit represents 46 percent and 47 percent respectively of the total failed pieces. The Capital Metro Area continues to improve performance of network trips leaving on time, every day.

Commercial Airline Couriers and the freight houses associated with them are a vital component of the transit process for First-Class Mail volumes. The exchange of volumes between the USPS and these partner sites throughout each mutual Operational day is a critical element to achieving on-time service.

### Failures Root Cause # 2: Last Mile

Last Mile SPM	Processing Score	Last Mile Impact	Overall	Last Mile SPM	Processing Score	Last Mile Impact	Overall
FY18 QTR 1	93.40%	-2.10%	91.30%	FY 19 QTR 1	91.70%	-2.30%	89.40%
FY18 QTR 2	92.80%	-2.30%	90.50%	FY 19 QTR 2	93.40%	-1.80%	91.60%
FY18 QTR 3	96.20%	-1.90%	94.30%	FY 19 QTR 3	96.00%	-1.50%	94.50%
FY18 QTR 4	95.80%	-2.00%	93.80%	FY 19 QTR 4			

FY 2018 and current YTD FY 2019 Last Mile represents 38 percent and 31 percent of the total failed pieces, respectively. Comparing YTD to Same Period Last Year (SPLY), Capital Metro has improved from a -2.1 percent Last Mile failure rate to a -1.8 percent Last Mile failure rate, which is an improvement of 0.3 percentage points. Capital Metro Area is continuing to drive sampling compliance as well as operational clearance times to reduce the impact of Last Mile failures.

### Failures Root Cause # 3: Destination Processing

FY 2018 and current YTD FY 2019 destination processing represents 6 percent and 8 percent of the total failed pieces, respectively. Recently implemented strategies for improvement are providing results. Capital Metro Area focuses on setting expectations for destinating operational clearance within the mail processing operations, including timely clearance of mail destined for final Delivery Point Sequence (DPS) distribution to the delivery units. Daily meetings with the districts drive performance to the operating plan. The efforts of continuous improvement through these daily communication channels from Area to plant management to direct supervisor will be reflected in future reduction of failures.

### Failures Root Cause # 4: Origin Processing

FY 2018 and currently YTD FY 2019 Origin Processing represents 4 percent and 6 percent respectively of the total failed pieces. We have implemented several aggressive origin mail processing consolidations in recent years. The challenges of distance from origin Post Office to processing facility, despite declining volume, has resulted in some sites with origin clearance time failures. Processing goals to clear by the stated 01:00 a.m. time are not currently being achieved in three of the facilities. Recent efforts by the Area leadership have shifted failures out of this root cause. An essential portion of First-Class Single-Piece Mail service is monitoring hourly compliance to the operating plan using system tools to track real-time trajectory of actual versus expected volume achievement. The National Operations Control Center (NOCC) in the Capital Metro Area monitors leading indicators during evening outgoing processing that contribute to outgoing clearance success. Area and district management meet daily to replay performance from the previous day's operation and identify areas for improvement by focusing on leading indicators. These initiatives are in progress and will continue to achieve reduction in the Origin Processing root cause category.

### Failures Root Cause # 5: First Mile Failures

Currently Capital Metro Area's First Mile Failure impact is a negative 0.5 percent. Factors for this root cause failure include carrier clearance times as well as mail prep hygiene.

## **SECTION II: First-Class Mail Service Performance Improvement Plan**

This section provides the Capital Metro Area's detailed plan for improving service performance for First-Class Mail (Single-Piece and Presort), with details on the specific problem to be remediated, the actions planned, and an estimate of the timeline for implementation and completion of each action.

Note: While the Area expects continuous improvement once these actions are implemented, a definitive date for completion of the various actions and expected improvements cannot be determined at this time. Depending on results, these actions may continue for the foreseeable future as best practices.

### Improvement Action # 1: Transit

- Re-evaluate service-responsiveness of network transportation, travel time, and cross-dock allowances.
- Implement service agreements between the plants and their servicing Surface Transfer Centers (STCs) regarding separations made by originating plants for destination STCs based on volume, network reach, and connection time; especially for containers with mixed destinations.
- Identify and communicate with Originating facilities sending excessive working volumes through Surface Transfer Centers within the Capital Metro Area for the potential to generate direct containers.
- Reduce late network trips due to postal delays.
- Organize machine layouts by dispatch schedules and geography.

### Improvement Action # 2: Last Mile

- Monday Refresh
  - Weekend Processing: To the extent possible, Marketing Mail scheduled for Monday delivery to be advanced to Saturday. To the extent possible, Marketing Mail scheduled for Tuesday delivery is not advanced to Monday.
  - Late and extra trips to delivery units Monday morning in extreme circumstances.
  - Customer service ensures that all mail is out of the building for delivery.
    - Midday and evening facility walks by delivery managers.
- Daily Scanning and Sampling Compliance
  - Capital Metro Area will utilize Informed Visibility reports to identify top opportunity offices with “ignored scans” as well as “no pieces to scan”.
  - Districts will train and recertify identified offices, ensuring standard work is posted and visual aids are communicated.
  - Review Standard Operating Procedures concerning scanner configurations.
  - Assign pivots in the Geo Delivery tool prior to carrier leaving time to ensure scanning assignments are covered.
- Clearance Procedures
  - Perform midday and backdoor observations including throwback and hot case reviews.

### Improvement Action # 3: Destination Processing

- Identify arrival times and accelerate processing 2-day destinating volumes in each plant.
- Complete processing of origin turnaround volume to incorporate into DPS first pass.
- Improve finalization of Two and Three-Five Day MMP volumes to incorporate into DPS first pass.
- Analyze freight house receipts to identify incoming air volume profiles and expedite movement to the plant for processing.
- Ensure late arriving volumes received from freight houses beyond the planned critical entry time are processed for date of delivery.

### Improvement Action # 4: Origin Processing

- Ensure all Capital Metro Area plants make direct containers for other Capital Metro Area plants.
- Ensure direct containers are being made for destinations with tight STC connections and create direct containers based on volume.
- Area-wide review of network placards for accuracy and service responsiveness.

### Improvement Action # 5: First Mile

- Clear all Collection Point Management System scans prior to last dispatch to plant.
- Complete Dispatch Deviation report for all carriers returning after last dispatch to plant and any missed collection scans.
- Improve carrier return profile by advancing carrier leave times.
- Operational walks in all outgoing processing units at the plants prior to final all clear.
- Communicate and reinforce with all employees the importance of processing mail in the correct operation each time.

### **Conclusion:**

The Capital Metro Area is committed to the customers' expectations of on-time service. Ongoing improvement initiatives at every level and in every function within the Area will provide results to improve the customer experience. The use of the Informed Visibility system will continue to provide insight into the mail processing and transportation networks to further improve on time performance.

### **Capital Metro Area Contact:**

Scott Raymond  
202-636-1389  
scott.p.raymond@usps.gov