

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

ANNUAL COMPLIANCE REVIEW, 2014

Docket No. ACR2014

**UNITED STATES POSTAL SERVICE RESPONSES TO QUESTIONS 6, 7, 9, 10,
20-25, 29, 30, 34, AND 35 OF CHAIRMAN'S INFORMATION REQUEST NO. 13**
(March 13, 2015)

The United States Postal Service hereby provides its responses to the above-listed questions of Chairman's Information Request No. 13, issued on March 2, 2015. Each question is stated verbatim and followed by the response. The responses to Questions 8, 11, 15-19, and 28 are still being prepared.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Pricing & Product Support

Eric P. Koetting
James M. Mecone
Michael T. Tidwell
Laura Zuber

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 277-6333

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

6. In the FY 2014 Report and FY 2015 Plan, the Postal Service explained that the increase in the FY 2014 Occupational Safety and Health Administration Injury and Illness (I & I) rate was "due primarily to severe winter weather" during the first two quarters of FY 2014. *Id.*
- a. What types of injuries were caused by the severe winter weather?
 - b. Please describe the methodology and rationale used to select the value for the FY 2015 I & I target.

RESPONSE:

- a. In the Winter of FY 2014, extreme temperatures and weather events occurred both in locations that ordinarily experience such weather events and in locations that do not normally experience such extremes, and these weather events increased the frequency and severity of motor vehicle accidents. The cold, ice and snow conditions resulted in an increase of motor vehicle accidents arising from collisions with stationary objects. In addition, the extreme weather led to a significant increase in the frequency and severity of frost bite claims and accidents resulting from slips, trips and falls. Between the months of November through March, there was a large spike in these recordable accidents.
- b. The FY 2015 National Performance Assessment (NPA) target for OSHA I&I of 5.1 was based on the target for FY 2014. The 5.1 rate represents a 1 percent improvement over our best performance year. The rationale was that since we were unsuccessful at reaching our previous performance target, we should again strive for a 5.1 rate.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

7. In the FY 2014 Report and FY 2015 Plan, the Postal Service reports that it will increase its safety focus on "at-risk" employees in FY 2015. *Id.* Which employees does the Postal Service believe are "at-risk"?

RESPONSE:

"At-risk" employees are employees with less than two years of on-the-job experience.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

9. The FY 2014 Report and FY 2015 Plan shows that there were 31,662 postal-managed post offices, stations, and branches in FY 2014. Annual Report at 45.
- a. How many postal-managed post offices, stations, and branches participated in or administered the Point of Sale (POS) Survey in FY 2014?
 - i. For those that did not participate in or administer the POS customer survey, please explain why and describe other means of measuring and tracking customer experiences in these postal-managed post offices, stations, and branches.
 - b. How many of the postal-managed post offices, stations, and branches participating in or administering the POS Survey in FY 2014 had zero percent customer participation?
 - c. How is the customer experience measured for contract postal units, village post offices, and community post offices?
 - d. Please describe how the customer experience at self-service kiosks is measured.

RESPONSE:

- a. Approximately 17,504 POS retail locations participated in or administered the POS Survey in Fiscal Year 2014, which was a baseline measurement year.
 - i. Offices that do not have POS equipment are unable to participate at this time. Currently, there is not an additional mechanism for non-POS sites to participate in the survey.
- b. In Fiscal Year 2014, approximately 1,851 POS sites had zero customer participation.
- c. The Retail Customer Experience (RCE) measures the customer experience for Contract Postal Units, and the attachment "ChIR13.9c.RCE-Sample_Shop" includes a sample of questions from the RCE. An annual survey is used to measure the customer experience for Village Post Offices, and the attachment

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

RESPONSE TO QUESTION 9 (continued)

“ChIR13.9c.VPO_Survey-Jan_2014” includes a sample of questions from the annual survey for Village Post Offices. Currently, there is no mechanism in place to measure the customer experience at Community Post Offices.

d. Currently, there is no mechanism in place to measure the customer experience at self-service kiosks.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

10. The Postal Service states, "Other customer experience ratings, including overall satisfaction with Post Office visits, are collected quarterly via national surveys of residential and small business customers." Annual Report at 50.
- a. Is the Postal Service referring to the POS survey? If yes, please specify how the small business customers are identified from the responses.
 - b. If no, please provide copies of the "national surveys" and explain how the Postal Service analyzes the data to determine customer experience ratings separately for residential and small business customers.

RESPONSE:

a. No.

b. Please see USPS-FY14-47. POS surveys and the RCE do not measure business customers.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

20. In its review of the FY 2013 Report and FY 2014 Plan, the Commission recommended that the Postal Service include a customer experience performance indicator and target measure for large business customer experiences.¹ A recent United States Postal Service Office of Inspector General Audit Report on the Business Service Network (BSN) reported that the BSN customer experience survey excludes a large percentage of BSN customers.² Please specify which BSN customers receive the BSN customer experience survey and which do not, and explain the reasons why.

RESPONSE:

The BSN provides service for approximately 23,000 accounts, which are organized into four distinct categories based on revenue generated and service activities (Service Requests and Tasks): Area Proactive, District Proactive, District Transactional, and Reserve. All BSN accounts are eligible for surveys except for Reserve accounts, which are not eligible for the event-based survey because of their lower level of revenue and service activities.

¹ Docket No. ACR2013, Review of Postal Service FY 2013 Performance Report and FY 2014 Performance Plan, July 7, 2014, at 1.

² Office of Inspector General, United States Postal Service, Business Service Network Audit Report MS-AR-14-005, July 9, 2014, at 6.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

21. The following questions refer to BSN service requests.
- a. How many BSN service requests did the Postal Service receive in FY 2014?
 - b. How many BSN service requests were resolved in FY 2014?
 - c. What was the BSN average resolution time for the FY 2014 service requests?
 - d. How does the Postal Service measure BSN customers contact experience with the following:
 - i. Post Office,
 - ii. Bulk Mail Entry Unit Staff,
 - iii. Detached Mail Unit Staff,
 - iv. Self-service on www.usps.com,
 - v. Sales Manager, and
 - vi. District Manager.

RESPONSE:

- a. 168,770
- b. Approximately 168,770.
- c. The BSN average resolution time for the Fiscal Year 2014 service requests is five days, including weekends and holidays.
- d. Currently, there is no mechanism for surveying the BSN customer contact experience involving the categories identified in this question.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

22. Please refer to Postal Service Responses to CHIR No. 5, question 5c.
- a. Please describe the Interactive Voice Response (IVR) call back process for the Customer Care Center (CCC) Survey.
 - b. Do all retail transactions at POS-equipped facilities generate an invitation to take the POS survey?
 - c. Did all BSN customers who initiated a service request in FY 2014 receive a survey invitation? If not, please explain why.

RESPONSE:

- a. The IVR call back process for the CCC Survey involves the following steps: (1) a file with a list of telephone numbers for customers who had spoken with an agent in the previous hour is sent automatically to the survey vendor on an hourly basis; (2) the survey vendor automatically selects a sample of numbers from the file, and within 24 hours, calls the selected customers with an invitation to participate in the survey regarding their Live Agent experience; and (3) the sample size and parameters can be adjusted by the vendor based upon the response rate in order to ensure a statistically valid random sample.
- b. Each retail transaction that generates a receipt from a POS-equipped facility generates an invitation to take the POS survey.
- c. Yes.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

23. The following questions refer to the Postal Service's CCC calls.
- a. How many CCC calls did the Postal Service receive in FY 2014?
 - b. How many of the FY 2014 CCC calls involved speaking to a live agent?
 - c. Please describe the process for the random customer selection for the CCC IVR call back.

RESPONSE:

- a. The Postal Service received 52,238,600 network calls to the IVR, and serviced 35,865,200 of these calls in the IVR.
- b. 10,279,400
- c. Please see the response to Question 22a of Chairman's Information Request No. 13.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

24. In the FY 2014 Report and FY 2015 Plan, the Postal Services states that it has "standardized the complaint-handling and resolution process by providing guidelines that give direction from initial contact through completion, with a quality resolution." Annual Report at 40.
- a. Please describe the complaint-handling and resolution process.
 - b. How many customer complaints were received in FY 2014?
 - c. Of these complaints, how many were repeat complaints?
 - d. Of these complaints, how many were resolved?

RESPONSE:

- a. Please see the attachment "ChIR13.24a.Complaint-Guidelines."
- b. 4,476,157
- c-d. Currently, the Postal Service does not measure the number of repeat complaints.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

25. Please refer to Library Reference USPS-FY14-38, Excel file CI Question Response Counts FY2014.xlsx, worksheet tab CCC-Live Agent and Library Reference USPS-FY14-38, PDF file CCC – USPS FY14 CCC Web Survey.pdf.
- a. The response counts for question 12 of the CCC Survey question (“Was the issue that you called about resolved, answered, or documented to your satisfaction?”) shows that approximately 60 percent of the respondents did not have their issue resolved, answered, or documented to their satisfaction or were still waiting for the Postal Service to address their issue at the time they completed the CCC Survey. Please discuss how the Postal Service resolves, answers, or documents the issues of these respondents.
 - b. How soon after a customer spoke with a CCC-live agent would the IVR call-back survey process occur?
 - c. Please provide the response values (rather than only the number) for the scale values 2, 3, and 4 shown in the ‘CCC – USPS FY14 CCC WebSurvey.pdf’ file provided in Library Reference USPS-FY14-38.

RESPONSE:

- a. In the event that a CCC Live Agent is unable to provide a resolution to a customer issue, an Enterprise Customer Care (eCC) case is created and routed to the appropriate person for contact and resolution.
- b. Please see the response to Question 22a of Chairman’s Information Request No. 13.
- c. The scale cited in this question is included in a retired survey from a previous survey vendor. As demonstrated in the example below, the vendor did not provide descriptors for the scale values 2, 3, and 4.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

RESPONSE TO QUESTION 25 (continued)

Q5. Overall, how satisfied are you with the USPS.COM® website?
(Please select one response.)

- 5 Extremely satisfied
- 4
- 3
- 2
- 1 Not at all satisfied

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

29. Please refer to Docket No. ACR2013, Library Reference USPS-FY13-38, December 27, 2013, PDF file USPS-FY13.Preface.pdf (USPS-FY13.Preface.pdf). The table under section I.C Methodology shows that approximately 2.2 million residential customer surveys were initiated and more than 300,000 responses were received from residential customers in FY 2013. By contrast, during FY 2014, about 470,000 residential delivery surveys were initiated, but approximately 7,000 were received.³
- a. Please discuss how the survey sample selection methodology changed between FY 2013 and FY 2014 for residential delivery survey customers. Please explain why the number of surveys initiated and received fell significantly in FY 2014 compared to FY 2013.
 - b. Please quantify the impact of the reduction in surveys initiated and received on the residential customer delivery measurement.
 - c. Several survey questions were carried over from the FY 2013 residential customer experience survey into the new FY 2014 residential delivery survey. Does the Postal Service believe the FY 2013 and FY 2014 responses from these same questions between the two surveys are comparable measures? Please discuss.

RESPONSE:

- a. The survey methodology changed from a paper-based survey return system to a technology-based survey return system. Historically, a paper-based survey return system has received a greater response rate. The Fiscal Year 2014 survey was implemented in August 2014, and therefore the survey period for the Fiscal Year 2014 survey is significantly smaller than the survey period utilized for the Fiscal Year 2013 survey.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

RESPONSE TO QUESTION 29 (continued)

b. Differences in the number of surveys initiated and received have no impact on the customer delivery measurement because the number of surveys returned meets or exceeds the minimum number required for statistical validity.

c. The Postal Service believes that the questions are comparable.

³ See Library Reference USPS-FY14-38, PDF file USPS-FY14-38 Preface.pdf, December 29, 2014, Section I.C (USPS-FY14-38 Preface.pdf).

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

30. Please refer to USPS-FY13.Preface.pdf. The table under Section I.C Methodology shows that during FY 2013, more than four million small/medium business customer surveys were initiated and nearly 300,000 were received. By contrast, during FY 2014, approximately 800,000 small/medium business delivery surveys were initiated and over 9,000 were received. See USPS-FY14-38 Preface.pdf, Section I.C.
- a. Please discuss how the survey sample selection methodology changed between FY 2013 and FY 2014 for small/medium business delivery survey customers. Please explain why the number of surveys initiated and received fell significantly in FY 2014 compared to FY 2013.
 - b. Please quantify the impact of the reduced number of responses on the small/medium business customer delivery measurement.
 - c. Several survey questions were carried over from the FY 2013 small/medium business customer experience survey into the new FY 2014 small/medium business delivery survey. Does the Postal Service believe the FY 2013 and FY 2014 responses from these same questions between the two surveys are comparable measures? Please discuss.

RESPONSE:

a-c. Please see the response to Question 29 of Chairman's Information Request No. 13.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

34. The Postal Service states that the FY 2015 targets for each Customer Service Measure were “determined by applying the revised National Performance Assessment scale.” Postal Service Responses to CHIR No. 5, question 2.f. Please explain what the National Performance Assessment scale is and provide worksheets showing how the FY 2015 customer service performance measure targets were derived.

RESPONSE:

National Performance Assessment (NPA) is a web-based system that collects performance-related metrics – for example, retail revenue and on-time express mail delivery – from source systems used across the organization. These metrics are translated into web-based balanced scorecards that can be used to monitor the performance of both the entire enterprise and of individual units across the United States. NPA is an independent program which supports the Pay for Performance (PFP) program and Performance Evaluation System (PES). Please see the attachment “ChIR13.34.FY15_CI_NPA” for the worksheet describing implementation of the NPA targets.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 13**

35. Please refer to Postal Service Responses to CHIR No. 5, question 2.e and Annual Report at 39. For the FY 2015 customer target values shown in the Annual Report, in light of the FY 2014 results provided in the Postal Service's responses:
- a. Please discuss the reason why the FY 2015 Customer Insights target is lower than the FY 2014 result.
 - b. Does the FY 2015 BSN target (94) differ from the FY 2014 result (94.05)?
 - c. Please discuss the reasons why the FY 2015 targets are 10-15 points higher than the FY 2014 results for the POS, Delivery, and CCC customer service performance measures.

RESPONSE:

- a. As explained in the Postal Service's reply comments filed in this docket on March 4, 2015, the National Performance Assessment target was increased to 86.7 after publication of the Performance Report and Performance Plan. The Fiscal Year 2015 Customer Insights target is based on the National Performance Assessment target, and now exceeds the Fiscal Year 2014 result.
- b. The BSN target is a stretch target metric, and the Fiscal Year 2014 result is the performance score.
- c. The targets cited in this question are stretch targets, and the actual target is 86.7.