

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Annual Compliance Report, 2014

Docket No. ACR2014

CHAIRMAN'S INFORMATION REQUEST NO. 15

(Issued April 1, 2015)

To clarify the Postal Service's FY 2014 Annual Performance Report (FY 2014 Report) and its FY 2015 Performance Plan (FY 2015 Plan),¹ the Postal Service is requested to provide written responses to the following questions and requests. Answers should be provided to individual questions as soon as they are developed, but no later than April 6, 2015.

1. In responding to this question, please refer to Tables 1 and 2 below which show selected FY 2013 Customer Experience Measure (CEM) survey results related to the customers' experiences contacting the Postal Service (which, as measured by the CEM in FY 2013, was most often, through the local post office). Did the Postal Service have a measurement system in FY 2014 that collected the same, or comparable, information regarding the customer's experience contacting local post office staff performance? If so, please provide a description of the measurement system used in FY 2014 and the performance results obtained.

¹ The FY 2014 Performance Report and FY 2015 Performance Plan are included in the Postal Service's 2014 Annual Report to Congress. United States Postal Service 2014 Annual Report to Congress, at 37-45 (Annual Report); see Library Reference USPS-FY14-17, December 29, 2014.

Table 1²

FY 2013 CEM Survey Responses	Percent of Residential Customers Very Satisfied or Mostly Satisfied	Percent of Small/Medium Business Customers Very Satisfied or Mostly Satisfied
Experience with most recent contact with USPS	61.5	51.0

Table 2³

FY 2013 CEM Survey Responses Related to Contacting the Postal Service	Percent of Residential Customers who Strongly or Somewhat Agree	Percent of Small/Medium Business Customers who Strongly or Somewhat Agree
Was easy to reach.	75.1	67.2
Provided the information needed.	72.2	64.3
Resolved the issue promptly.	58.9	49.9
Assumed ownership of my issue.	56.4	48.0

² Docket No. ACR2013, Responses of the United States Postal Service to Questions 1-9 of Chairman's Information Request No. 10, March 4, 2014 (Responses to CHIR No. 10). See question 3(a).

³ Percentages shown were calculated from the unweighted sample responses to questions "15b" (easy to reach), "15d" (info), "15e" (issue), and "15f" (ownership) in the "CEM Question Response Counts_FY13_Final" Excel file in the "Residential" and "Small_Med Business" worksheets for the respective customers responses provided in Docket No. ACR2013, Library Reference USPS-FY13-38. In calculating the percentages shown, "Don't Know" and "Multiple Responses" were not included in the denominator.

2. The "USPS-FY14-38 Preface.pdf" file in Library Reference USPS-FY14-38 shows that a much larger number of Delivery Surveys were initiated for small/medium business customers (800,017) than for residential customers (470,631) in FY 2014. Please explain how the small/medium business customers sample is selected such that the number initiated is much higher than that for the residential customers sampled.
3. The Postal Service's FY 2014 new customer experience surveys do not include customer experience questions related to sending letters or packages. Does the Postal Service have an internal measurement system to assess customers' experiences with sending letters or packages? If so, please describe the internal measurement system.
4. In Docket No. ACR2013, the Postal Service stated it "is developing systems and processes to measure [customer] satisfaction of [problem] resolution with a target of 90 percent and to reduce repeat customer complaints by 50 percent by 2017."⁴
 - a. Please provide the FY 2014 results for:
 - i. Customer satisfaction of problem resolution
 - ii. Reductions in repeat customer complaints
 - b. Please explain how the results provided in response to question 4.a. were measured in FY 2014. If FY 2014 results are not provided, please explain why.
5. The Postal Service states that for FY 2015, the "work hour target is much more representative of the cost-savings opportunities" and that "there are initiatives in place to achieve the FY2015 planned savings." Annual Report at 41. Please describe these initiatives to achieve the planned savings.

⁴ Docket No. ACR2013, Responses of the United States Postal Service to Questions 1-8 of Chairman's Information Request No. 12, March 14, 2014, question 6 (a-b) (Responses to CHIR No. 12).

6. Please refer to Responses to CHIR No. 10, question 1. Please confirm that the FY 2013 CEM survey sample design allowed for an “adequate sample size with which to estimate performance” for both residential and small/medium business customers “at the District level on a monthly basis.” If confirmed, please specify the minimum precision level for those performance estimates. If not confirmed, please specify at what level of geographic and time period aggregation (e.g., Postal Area, national, quarterly, annual), and at what precision level, the survey performance results could be estimated.
7. Please provide the minimum precision level for each of the following FY 2014 customer surveys and specify whether the sample size was adequate to estimate performance at the District level by month or FY quarter.
 - a. Point of Sale (POS) Survey
 - b. Residential Delivery Survey
 - c. Small/Medium Business Delivery Survey
 - d. Business Service Network Survey
 - e. Customer Care Center Survey
8. For each customer survey, if any, identified in question 7 that did not have a sample size adequate to estimate performance at the District level by month or FY quarter, please specify at what level of geographic and time period aggregation (e.g., Postal Area, national, quarterly, annual), and at what precision level, the survey performance results can be estimated.
9. For those targeted survey customers identified above in question 7 for which no District level performance estimate is possible due to insufficient sample size, please indicate whether the Postal Service had another internal performance measurement system at the District level to measure and monitor performance. Please describe such other internal performance measurement system.

10. For the Delivery Survey results, only two months of survey responses were available with which to measure performance in FY 2014. Does the Postal Service believe that these two months accurately reflect the entire FY 2014 delivery performance results for both residential and small/medium business customers? If not, please discuss what adjustments would be necessary to annualize the survey responses.
11. For FY 2013, the Postal Service stated it provided detailed diagnostic reports that identified post offices with opportunities to improve the customer experience.⁵ In FY 2014, did the Postal Service also identify and provide detailed diagnostic reports for all post offices, stations, and branches with opportunities to improve the customer experience?
12. How does the Postal Service determine whether a post office has the retail machinery necessary to automatically issue a POS survey invitation after a customer transaction?
13. The Postal Service states that in 2015, it will redesign the Voice of the Employee (VOE) survey. Annual Report at 67.
 - a. Please explain how the Postal Service intends to redesign the VOE survey.
 - b. Does the Postal Service expect the FY 2015 VOE survey performance indicator results to be comparable to the FY 2014 VOE survey performance indicator results? If not, please explain why.

By the Acting Chairman.

Robert G. Taub

⁵ Responses to CHIR No. 12, question 6 (a-b).