Utilization of Data by the Chief Operating Officer and Executive Vice President

Audit Report

OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

Highlights

The COO effectively uses data contained in internal systems, dashboards, and other reporting tools to manage business activities and mitigate risk, but the COO has opportunities to supplement traditional operational metrics with strategic and business value performance measures.

Background

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

The chief operating officer and executive vice president (COO) is responsible for the day-to-day activities of employees working in facilities across the nation; and for Mail Processing, Transportation, Customer Service and Retail Operations, Delivery, Facilities, Network Operations, and Maintenance.

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

What The OIG Found

The COO effectively uses data contained in internal systems, dashboards, and other reporting tools to manage business activities and mitigate risk. This structured data provides users with purpose and visualization, usable and actionable metrics, publishing frequency, and non-operational, function-specific

metrics. Data from outside sources is also used to support business decisions.

But the COO has opportunities to supplement traditional operational metrics with strategic and business value performance measures. This can be done by connecting to the overall business strategy, including additional metric diversity, updating and evaluating metrics annually, and using more real-time data.

Implementing these additional metrics could enhance the COO's ability to measure and manage performance by clarifying business capabilities, increasing efficiency, and prioritizing more effectively.

What The OIG Recommended

We recommended the COO connect metrics to the strategic plan; evaluate and update metrics annually; include predictive metrics in data tools; and identify, develop, and implement systems, data, and reporting tools which covers additional external data sources and have the capability to collect and report real-time, actionable data.
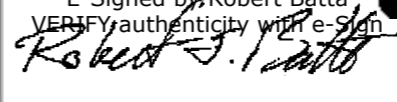
Transmittal Letter

August 25, 2015

MEMORANDUM FOR: DAVID E. WILLIAMS
CHIEF OPERATING OFFICER AND
EXECUTIVE VICE PRESIDENT

E-Signed by Robert Batta
VERIFY authenticity with e-Sign

Robert J. Batta

FROM: Robert J. Batta
Deputy Assistant Inspector General
 for Mission Operations

SUBJECT: Audit Report – Utilization of Data by the Chief Operating
Officer and Executive Vice President
(Report Number DR-AR-15-009)

This report presents the results of our audit of the Utilization of Data by the Chief
Operating Officer and Executive Vice President (Project Number 15XG026DR000).

We appreciate the cooperation and courtesies provided by your staff. If you have
any questions or need additional information, please contact Rita F. Oliver, director,
Delivery, or me at 703-248-2100.

Attachment

cc: Corporate Audit and Response Management

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Findings

The Postal Service has opportunities to supplement traditional operational metrics with strategic and business value performance measures. The Postal Service can do this by connecting to the overall business strategy, including additional metric diversity, evaluating and updating metrics annually, and using more real-time data.

Introduction

This report presents the results of our audit of the Utilization of Data by the Chief Operating Officer and Executive Vice President (Project Number 15XG026DR000). Our objective was to determine whether the chief operating officer and executive vice president (COO) effectively used internal and external business data to manage business activities and mitigate risk. The COO is responsible for the day-to-day activities of employees working in facilities across the nation; and for Mail Processing, Transportation, Customer Service and Retail Operations, Delivery, Facilities, and Network Operations and Maintenance.

The U.S. Postal Service Office of Inspector General (OIG) initiated an agency-wide series of audits to review the Postal Service's use of data. These audits included discussions and analyses of data the deputy postmaster general (DPMG) and executive vice presidents use. The OIG engaged the Corporate Executive Board (CEB) Company[1] to identify best practices for corporate data use. See Appendix A for additional information about this audit.

Conclusion

The COO effectively uses data contained in internal systems, dashboards, and other reporting tools to manage business activities and mitigate risk. This structured data provides users with purpose and visualization, usable and actionable metrics, publishing frequency, and non-operational, function-specific metrics. Data from outside sources is also used to support business decisions.

The Postal Service has opportunities to supplement traditional operational metrics with strategic and business value performance measures. The Postal Service can do this by connecting to the overall business strategy, including additional metric diversity, evaluating and updating metrics annually, and using more real-time data.

Implementing these additional metrics could enhance the COO's ability to measure and manage performance by clarifying business capabilities, increasing efficiency, and prioritizing more effectively.

Chief Operating Officer's Use of Data

The COO has access to and effectively uses structured data, dashboards, and push/pull[2] operational reports to manage business activities and mitigate risk. For example, the COO uses the Enterprise Data Warehouse (EDW), a single repository that manages corporate data assets and allows users to report on and manipulate data in various ways, both within and across functions for deeper analysis. EDW supports Transportation, Delivery, Retail, Network Operations, Finance, and Marketing. Also, EDW, along with other systems, transmits data across the organization and prepares it for use in dashboards, push/pull reports, Excel spreadsheets, and scorecards.

Dashboards. The COO uses a variety of dashboards to monitor operations performance, including:

- *Service Performance Diagnostics (SPD)* – enables users to view service operations and issues. The SPD dashboard has drill-down capabilities that allow analysis of issues by area, district, or facility (see example in Figure 1).

- *Variance Programs* – provide complement, workhour, productivity, workload, and route and delivery analysis.

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1   An advisory company with membership programs for senior executives and their teams to drive corporate performance by identifying and building on the best practices of companies.
2   Push reports deliver information from the Internet that is initiated by the source of the information rather than by the information user. In addition, intended recipients are notified to pull reports from the Internet. These reports provide useful information at a glance.

Figure 1. Service Performance Diagnostics Dashboard

Source: Postal Service.

- *Retail and Customer Service Operations* – provides data such as revenue, Post Office box occupancy, customer service workhours, and wait-time-in-line.

See Appendix B for a listing of dashboards.

CEB reviewed the *Example of Postal Operations Service/Diagnostics Reporting Tools* (dashboards) and concluded that it uses trend data to enable the Postal Service to identify unstable metrics. The dashboard also provides drill-down functionality that allows the COO and other users to isolate and resolve performance problems and assess the relative meaning of the data based on performance targets.

CEB indicated that industry best practices for the dashboards included data features that increase business value, such as purpose and visualization,[3] usable and actionable metrics,[4] targeted users and publishing frequency,[5] and non-operational metrics.[6]

The COO provided data tools that effectively convey the purpose of the metrics. For example, Enterprise Analytics reports contain 10 key reports with metrics for mail arrival at the unit and scan performance. These reports describe and explain the purpose of evaluated metrics and management communicates the results in daily push reports (see example in Figure 2).

Figure 2. National Arrival-at-Unit (AAU) Scans by Time of Day[7]
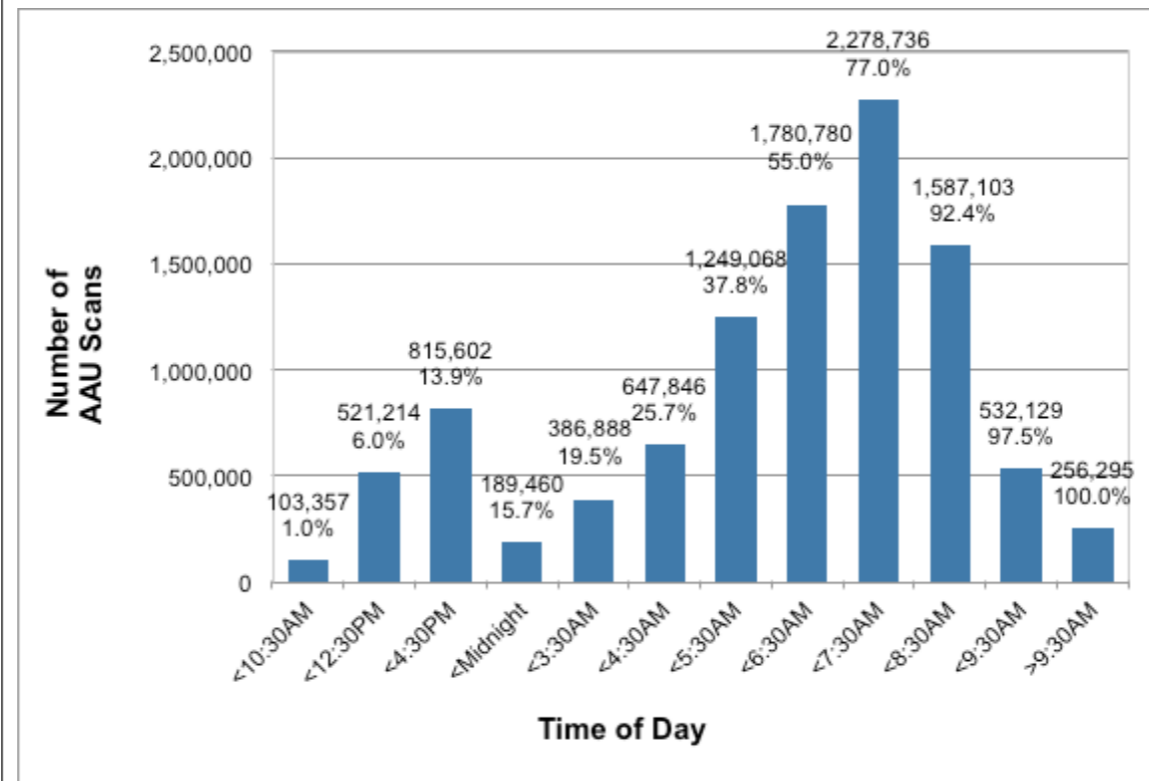
Source: Postal Service.

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3   Dashboard features that effectively convey the purpose of metrics and structure how metrics and data are presented so they are easier to digest.
4   Prompts users with guidance and suggestions to aid in judging data.
5   Segments the intended users and publishing frequency to provide only relevant information and eliminate excessive data.
6   Non-operational, function-specific performance metrics, such as employee-specific metrics (e.g., employee engagement, attrition rate, etc.).
7   Mailpiece count and percentages of AAU scans for all classes of mail by time of day.

CEB also observed that while the dashboard primarily focuses on numbers, the language gives guidance and actionable suggestions to help users apply judgment to data. Prompting readers with questions as they read can help them retain and more effectively use dashboard data.

The dashboards contain "hovering" or "rollover" features, which provide information to the reader. In addition, the dashboards and reporting tools segment the reporting levels[8] and publishing frequency of their metrics. Some reports are issued daily and others weekly or monthly, depending on the review cycle. Finally dashboards and reporting tools include non-operational, function-specific performance metrics, such as employee engagement and attrition rate. For example, the COO reviews reports and data on employee engagement, such as corporate succession plans, individual development plans, and Voice of the Employee survey items. The COO also reviews the *Attrition Report*,[9] which includes the number of employees who have retired, resigned, or separated from the Postal Service. These features help the COO clarify information, avoid misunderstandings, and focus on pertinent information.

Push/Pull Reports. The COO relies on a wide variety of national push/pull reports on a daily, weekly, and monthly basis. Push/pull reports provide information that is either initiated by the information server or by the information user. See Appendix C for a listing of regularly used push/pull reports.

External Data. The COO receives and relies on a variety of external data to make business decisions. The COO's operations use external data from transportation and engineering suppliers, marketing analysis for new markets, package volume, and analysis from the OIG. The Postal Service could benefit from expanding its use of other entities' data. External network information will enhance the Postal Service's ability to use trends and patterns to proactively adjust strategies and operations. For example, the Network Science Approach is a process of using internal and external data to study the collection, management, analysis, interpretation, and presentation of relational data.

Research has shown that the key to effective performance measurement and management at the highest levels is the ability to define, capture, track, and monitor metrics that measure a specific function's performance against clear strategic and operational goals.

Opportunities to Increase Business Value

The COO has opportunities to supplement traditional operational output metrics with strategic and business value performance measures. This approach ties data tools to broader enterprise and business goals. The COO could increase business value by connecting to the business strategy;[10] using metric diversity, predictive analytics and, more real-time data.[11]

Connecting to Business Strategy. The COO dashboards are connected to the overall Postal Service strategic plan.[12] The Postal Service provided examples of how it incorporated external data into Delivering Results, Innovation, Value, and Efficiency (DRIVE) Initiative 43,[13] Building a World-Class Package Platform. Management forecasted future package demand using ███████████

The COO could increase business value by connecting to the business strategy; using metric diversity, predictive analytics and, more real-time data.

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8 Drill-down features that give each management level the capability to drill down and extract data as needed for their organization. Users can view metrics nationally or select a specific area or district. Users can also drill down to view data for a specific Post Office.
9 Attrition information can be displayed by craft (i.e., carrier, clerk, maintenance) or by function (i.e., delivery, maintenance, transportation, and customer service).
10 Dashboard feature that shows how performance measurement provides insight into ongoing progress toward strategy execution.
11 Dashboard feature that broadens the metrics portfolio to include performance indicators that enable a more forward-looking view for achieving objectives.
12 The Government Performance and Results Modernization Act of 2010 (GPRA) requires every federal agency to produce a new strategic plan by the first Monday in February following the year in which the president's term begins.
13 ██

This data was processed using Esri[14] capabilities to visualize the strategy, decide how to execute the program, and determine whether the planned strategy would work. Furthermore, in the retail area management reviewed marketing trends to meet additional demand for access to retail products and services. They analyzed demographics and geographic data to determine where to invest.

The tactical examples show the data in the dashboards are connected to the strategic plan; however, it is unclear whether the metrics offer insight into the progress toward strategy execution (see Figure 3).

Figure 3. Data Use Connected to the Postal Service's 5-Year Strategic Plan[15]
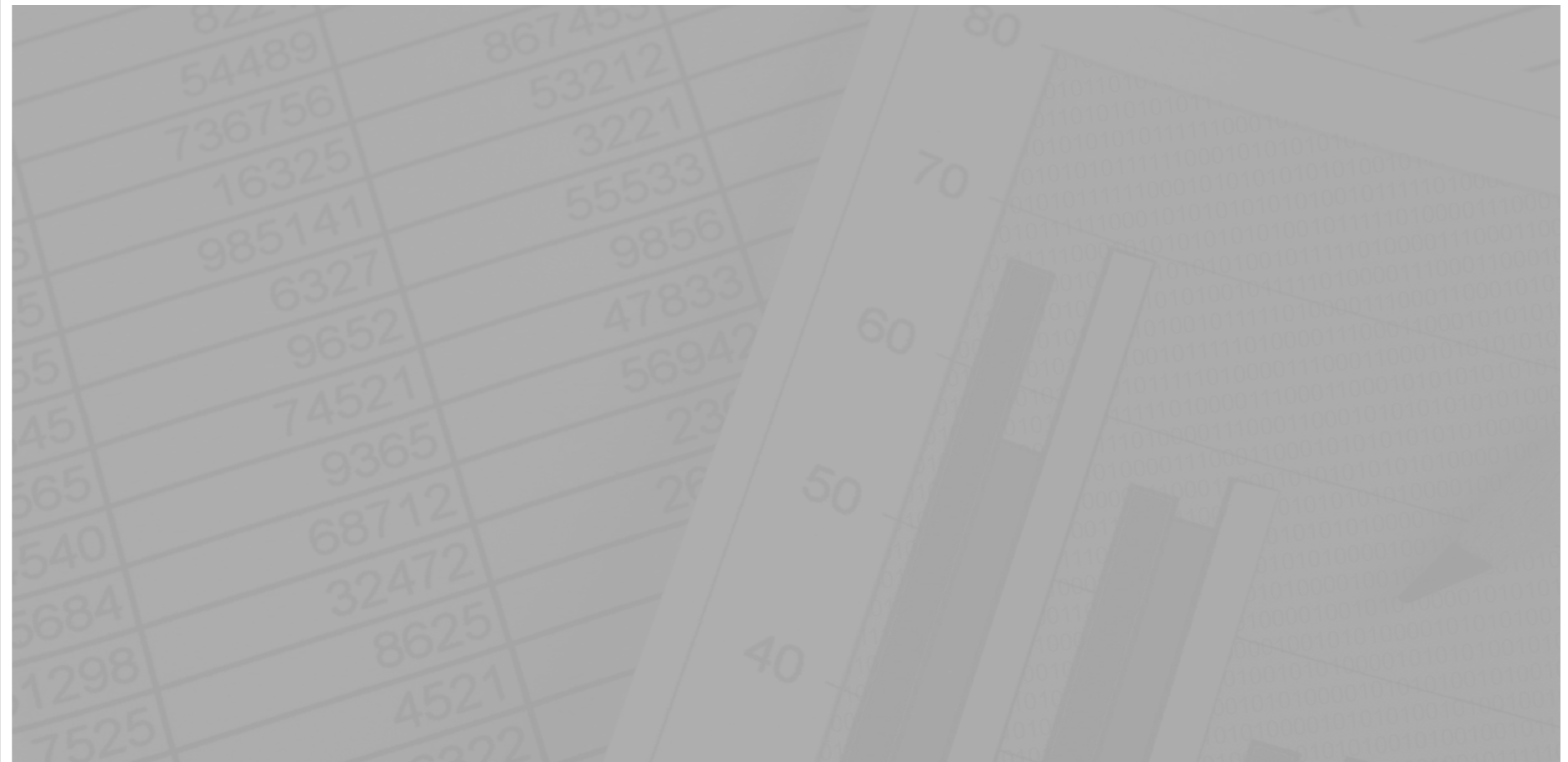
Source: OIG analysis based on data from the Office of Management and Budget and the Postal Service.

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14 Esri is a company that provides software with the capability to use spatial information to perform deep analysis, gain a greater understanding of data, and make more informed decisions. Its products use geographic information systems and location analytics to design and manage solutions and provide data visualization and geographic intelligence for business systems.
15 Data systems include Delivery Operations Information System (DOIS), which provides Postal Service Delivery Operations with improved delivery unit management information online, reducing redundant data entry tasks. The system improves the processing time required to analyze route inspection information and perform route adjustments. DOIS prompts the supervisor to use data to make decisions, matching workload with available resources. Electronic Flash System (eFlash) is a data warehouse for Payroll and Non-Payroll data. Electronic Facilities Management System (eFMS) is the official Postal Service record for real property inventory and is the management system for administering all property-related projects including acquisition, design, construction, disposal, repairs, health and safety mitigation, and property inspections.

For example, a performance measurement could be added that provides insight into whether increasing availability of self-service options will help transform the customer experience at high-traffic post offices. Additionally, best practices indicate that management should review and update metrics at least annually to allow them to evolve alongside the organization's priorities and strategic goals.

Metric Diversity. The COO's operations can build upon current metrics to include predictive metrics.[16] Currently, the COO's operations data tools provide diagnostic metrics. For example, *Root Cause Analysis* reports are used to determine the reason(s) for delays in package processing. These diagnostic metrics help determine whether the root cause for a missent[17] package was human error or mechanical error. The Postal Service could develop and use predictive metrics such as revenue impact, customer wait times, and operations cost savings to evaluate strategies for closing post offices. Predictive metrics would provide clear multi-source information to help track performance against strategy execution and enable proactive management decisions.

Real-Time Data. Real-time data could also increase business value by helping the Postal Service avoid missent packages altogether. Systems and adequate data and tools to provide real-time actionable information could enable management to make decisions earlier in the process and to accurately forecast resource needs.

Implementing these additional metrics could enhance the COO's ability to measure and manage performance by building clarity around business capabilities, increasing efficiency, prioritizing more effectively, and improving functional performance.

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16 Predictive metrics as used in this report refer to performance measurement that enables proactive or forward-focused decision making. Predictive metrics offer timely guidance on strategic course-correction decisions and recognizing future threats and opportunities.
17 A missent package is mail that is sorted to the wrong delivery unit, station, or branch and has a barcode or ZIP Code for another Post Office.

Recommendations

We recommend management connect metrics to the strategic plan; evaluate and update metrics annually; include predictive metrics in data tools; and identify, develop, and implement systems, data, and reporting tools which cover internal and external data sources and have the capability to collect and report real-time, actionable data.

We recommend the chief operating officer and executive vice president:

1. Connect metrics to the strategic plan which will enable Operations to provide insight into ongoing progress in executing strategy.

2. Evaluate and update metrics annually to evolve alongside the organization's priorities and strategic goals.

3. Include predictive metrics in data tools, which enable proactive or forward-focused decision-making.

4. Identify, develop, and implement systems, data, and reporting tools which cover additional internal and external data sources and have the capability to collect and report real-time actionable data.

Management's Comments

Management agreed with the findings and recommendations.

In response to recommendation 1, management stated they will continue to expand on metrics to effectively measure execution of corporate strategies. The target implementation date is March 2016.

In response to recommendation 2, management agreed to continue evaluating and updating metrics annually. Management stated these actions will be ongoing and they will conduct a minimum annual review by August 2016.

In response to recommendation 3, management stated they will continue building on their use of predictive indicators. Management stated these actions will be ongoing and they will conduct a minimum annual review by August 2016.

In response to recommendation 4, management agreed to continue evolving its current data and reporting tools to incorporate real-time internal and external data. While these efforts are ongoing, the target implementation date for this recommendation is March 2016.

See Appendix D for management's comments, in their entirety.

Evaluation of Management's Comments

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

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

Appendices

Click on the appendix title

to the right to navigate

to the section content.

Background

The OIG initiated an agency-wide series of audits to review the Postal Service's use of data. These audits included discussions and analysis of the data used by the deputy postmaster general and the executive vice presidents. This audit focuses on the use of data by the COO.

The Postal Service depends on data to manage its business strategies and daily activities. With effective and efficient access to appropriate internal and external data, the Postal Service can make more informed business decisions. Additionally, the Postal Service operates one of the world's largest data networks, linking nearly 32,000 facilities through an inventory of over 795 computer applications. This makes communication and data sharing among hundreds of thousands of employees and systems possible.

The COO leads the continuous improvement of the entire Postal Service network (post offices, delivery and retail operations, facilities, and mail processing) as well as the allocations of people and resources. The COO is responsible for the day-to-day activities of over 488,000 career employees working in more than 31,000 facilities supported by a fleet of over 200,000 vehicles.

Objective, Scope, and Methodology

Our objective was to determine whether the COO and executive vice president effectively use internal and external business data to manage business activities and mitigate risk. This objective included determining whether the COO:

- Had sufficient data analysis tools available.

- Used internal and external data to improve operations.

- Acquired useful data to improve operations.

- Proactively identified sources of internal data or performed data mining to support oversight functions.

- Was hindered by access restrictions to internal data.

To accomplish our objective we:

- Interviewed the COO at Postal Service Headquarters.

- Interviewed the vice presidents, Delivery and Post Office Operations, Facilities, Network Operations, and Retail Channel Operations.

- Interviewed the seven Area Operations vice presidents.

- Engaged CEB to identify COO best practice metrics for data use and best-in-class dashboards. Compared CEB's 125 metrics to those used by the COO's office to determine how they compared with CEB's benchmark organizations.

- Reviewed and analyzed OIG reports issued in fiscal years (FYs) 2013 through 2015 to identify data-related issues pertaining to the COO's office.

- Interviewed OIG's Risk Analysis Research Center management to identify data-related issues pertaining to the COO's office.

We conducted this performance audit from April through August 2015, in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on August 4, 2015, and included their comments where appropriate.

We did not assess the reliability of any computer-generated data for the purposes of this report.

Prior Audit Coverage

Report Title	Report Number	Final Report Date	Monetary Impact
Deputy Postmaster General's Use of Data	SM-AR-15-002	3/19/2015	None

Report Results: Our report determined that the DPMG effectively uses internal and external business data to manage most business activities and mitigate risk but could improve the use of customer complaint data to better manage the customer experience and enhance access to government relations information affecting the Postal Service. We recommended management require postmasters to record complaints in the customer complaint database and redesign the Government Relations and Public Policy weekly status report to include links to current data and notifications when new information is available. Management partially agreed with both recommendations.

Report Title	Report Number	Final Report Date	Monetary Impact
Utilization of Data by the Chief Financial Officer and Executive Vice President	FT-AR-15-004	3/12/2015	None

Report Results: Our report determined that the chief financial officer uses internal and external data to manage business activities and mitigate risk. The reports and dashboards contained a number of foundational metrics (input or output measures of functional performance) on financial results, trends, and forecasting; and included nonfinancial measures, such as service performance. We recommended management add predictive and relational metrics and identify the critical metrics to reduce the number of foundational metrics currently used in the dashboards and continue ongoing efforts to automate and develop automated reports and dashboards. Management generally agreed with our recommendations.

Report Title	Report Number	Final Report Date	Monetary Impact
Utilization of Marketing and Sales Data for Executives	MS-AR-15-002	3/4/2015	None

Report Results: Our report determined that the chief marketing and sales officer (CMSO) does not have all the data necessary to manage business activities. Complete data on, or visibility into, customers and revenue are not readily available. The CMSO recognizes these data limitations and is working to achieve complete revenue visibility through reliable customer data and information systems that track revenue associated with each customer. The CMSO effectively uses available data to manage business activities and mitigate risks. However, it does not have well-structured, comprehensive dashboards that consolidate data and key performance metrics related to domestic and international transactions, pricing, innovation, sales, and digital solutions. We recommended the CMSO enhance and expedite efforts to achieve complete customer and revenue data visibility and develop a comprehensive dashboard to better use data. Management partially agreed with the recommendations.

Utilization of Data by the Chief Information Officer and Executive Vice President	IT-AR-15-003	3/2/2015	None

Report Results: Our report determined that the chief information officer's (CIO's) data practices demonstrate effective use of internal and external business data; however, opportunities exist for the CIO to better utilize data for business activity management and risk mitigation. The CIO does not have an aggregated dashboard view of composite metrics representing the strategic priorities and risks across his areas of responsibility. We recommended the CIO implement an aggregated dashboard view of key composite metrics that represent strategic goals, risks, anomalies, and key issues requiring management action. Management agreed with our recommendation.

Utilization of Data by the General Counsel and Executive Vice President	MI-AR-15-001	1/23/2015	None

Report Results: Our report determined that the general counsel effectively uses internal and external data to manage business activities and mitigate risk; however, opportunities exist to use data more effectively for decision making and risk management. We recommended the general counsel implement a program to improve the data and claim search capability of the tort claim management system, use a commercial vendor to provide vehicle repair cost trend data to validate vehicle repairs costs, and continue efforts to establish metrics to monitor ethics compliance and advice time for internal legal matters by Quarter 1 of FY 2016. Management agreed with our recommendations.

U.S. Postal Service Data Governance	DP-AR-13-004(R)	4/23/2013	None

Report Results: Our report determined that the Postal Service could improve management of critical data to help managers and employees achieve strategic and operational goals. We identified 34 industry data governance best practices the Postal Service should consider to foster and institutionalize a strong culture and capability for a data governance program. Management agreed with the recommendation.

Dashboard	Functional Area(s)	Metric
Service Performance Diagnostics	• Mail Processing • Transportation • Network Operations • Field Operations • Delivery Operations • Facilities	• Last Mile Impact • Containers-at-Risk • Materials Handling Equipment • Start the Clock • Last Scan Count by Machine Type • Mail Processing Work in Progress • Network Optimization Analysis • Commercial Mail Tracking • Trailer Scanning Visibility • Bundle Scanning Visibility • Priority Diagnostics
Variance Programs	• Mail Processing • Field Operations • Delivery Operations • Customer Service	Calculates actual versus earned performance against standardized target productivity expectations and trends performance from national results to the unit level for: • Complement • Workhours • Productivity • Workload • Route and Delivery Analysis

Change, Suspension, Discontinuance Center
 	
Staffing and Scheduling Tool
	• Delivery Operations
	• Customer Service
		• 24-hour clock indicators
		  – Percentage of Pivoted Routes
		  – Percentage of Carriers out by 9:00/9:30/10:00
		  – Percentage of Carriers Returned by 5:00 pm/6:00 pm.
		  – Percent to Plan and Base
		• Function 4 LDC Variances to Plan
		• City Carrier Assistants and Postal Support Employee Utilization
		• Overtime

Retail and Customer Service Operations	• Retail Operations • Customer Service	The dashboard presents multiple views of the most essential metrics for all Retail channels in both tabular and graphical forms allowing managers to track and drill down on Revenue and Performance metrics vs. Same Period Last Year and Plan with minimal effort.

Report Area	Type	Metrics
Service	External First Class (EXFC)	Weekly, quarterly, and year-to-date EXFC scores by area and district for 2-Day and 3-5 Day mailpieces. The report also provides rankings for districts with the highest and lowest EXFC scores.
Service	FCM Packages Failed Piece Report	Provides a listing by area of all failed mailpieces for the service week.
Diagnostics	EXFC Predictive Analysis	Compares the most recent 4 weeks of EXFC service performance to the last 52 weeks' service scores. A positive variance indicates upward trend performance and a negative variance indicates downward trend performance.
Area/District Reviews	Area Review Hours	Provides fiscal year trend data such as workhours, sick leave, overtime, and penalty overtime at the area and district level.
Area District Reviews	Scanning Trends	Area and district rankings based on scanning scores for Priority Mail, Standard Post, Parcel Select, Package Services, and International Mail.
Priority Mail Reports	Priority Service Performance Reports	Weekly performance data by ZIP or by pairs. Also shows trend data by plant.
Priority Mail Reports	Priority Diagnostic Reports	Priority Mail Root Cause Trend.
First-Class/Standard	First-Class Packages/Standard Post Root Cause Reports	Provides cause of mailpiece failures. Failures are classified as origin, transit, destination, or delivery failures.
24-Hour Clock/Key Indicators	First-Class and Priority Mail 24-Hour Clock Reports	First-Class and Priority Mail 24-Hour Clock Daily.
24-Hour Clock/Key Indicators	Key Processing Indicators – Weekly Matrix	Provides national and area indicators such as percentage of outgoing clearance, trips on time, and carriers' percent to standard.

Appendix D:
Management's Comments

DAVID E. WILLIAMS
CHIEF OPERATING OFFICER
AND EXECUTIVE VICE PRESIDENT

UNITED STATES
POSTAL SERVICE

August 18, 2015

LORI LAU DILLARD
DIRECTOR, AUDIT OPERATIONS
1735 NORTH LYNN STREET
ARLINGTON VA 22209-2020

SUBJECT: Utilization of Data by the Chief Operating Officer and Executive Vice President
(Report Number DR-AR-15-DRAFT)

Thank you for providing the Postal Service with the opportunity to review and comment on the subject draft report. Management generally agrees with the findings and recommendations that suggest the Chief Operating Officer can further expand its connection of metrics to strategic and business value performance measures to better enable forward-focus decision-making.

Recommendation 1
Connect metrics to the strategic plan which will enable Operations to provide insight into ongoing progress in executing strategy.

Management Response/Action Plan:
Management agrees with the recommendation and will continue to expand on metrics to effectively measure execution of corporate strategies.

Target Completion Date:
While these efforts are ongoing, for the purposes of this report March 2016 will be the target completion date.

Responsible Official:
Vice Presidents of Network Operations, Delivery Operations, Retail and Customer Service Operations and Facilities, and the Manager, Package Platform

Recommendation 2
Evaluate and update metrics annually to evolve alongside the organization's priorities and strategic goals.

Management Response/Action Plan:
Management agrees with the recommendation. Management will continue to evaluate and update metrics annually to align with corporate priorities and strategic goals to increase business value performance.

Target Completion Date: Ongoing, with a minimum of an annual review.

Responsible Official:
Chief Operating Officer and Executive Vice President

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Recommendation 3
Include predictive metrics in data tools, which enable proactive or forward-focused decision-making.

Management Response/Action Plan:
Management agrees with this recommendation. Management will continue to build upon its use of predictive indicators for proactively influencing decisions and operating disciplines.

Target Completion Date: Ongoing, with a minimum of an annual review.

Responsible Official:
Chief Operating Officer and Executive Vice President

Recommendation 4
Identify, develop and implement systems, data and reporting tools which cover additional internal and external data sources and have the capability to collect and report real-time actionable data.

Management Response/Action Plan:
Management agrees with this recommendation. Management will continue to evolve its current data and reporting tools to incorporate real-time internal and external data for expanding awareness on business capabilities, opportunities to increase efficiency and functional performance.

Target Completion Date:
While these efforts are ongoing, for the purposes of this report March 2016 will be the target completion date.

Responsible Official:
Vice Presidents of Network Operations, Delivery Operations, Retail and Customer Service Operations and Facilities, and the Manager, Package Platform

David E. Williams

cc: Corporate Audit and Response Management

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