

Supervisor Vacancies

AUDIT REPORT

Report Number 23-172-R24 | July 17, 2024



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Highlights

Background

Front-line supervisors are the first layer of management directly above craft employees and are the leaders who oversee day-to-day operations. Their interactions with employees and customers can influence productivity and morale. Additionally, they significantly contribute to the accomplishment of Postal Service goals, including ensuring customers receive quality service and their mail and parcels on time. When supervisor vacancies are not filled timely, there are risks of an increase in staff shortages — negatively affecting operations — and additional workload may strain existing supervisors.

What We Did

Our objective was to evaluate whether corrective actions taken by the Postal Service in response to prior recommendations in the U.S. Postal Service Office of Inspector General's (OIG) *First Line Supervisor Recruitment and Retention* audit report (Report Number 19SMG008HR000-R20) sufficiently addressed the issues identified and to further assess initiatives related to supervisor vacancies. For this audit, we statistically sampled 207 internal and 64 external supervisor vacancies between Fiscal Years 2021 and 2023 to determine whether the Postal Service filled supervisor vacancies timely and whether hiring documentation was completed and retained. We focused on customer services, processing and distribution, maintenance, and logistics operations supervisors located in Postal Service retail and delivery and mail processing facilities.

What We Found

The Postal Service has generally improved its procedures and practices to decrease the number of supervisor vacancies by streamlining the supervisor hiring process and engaging potential applicants during job fairs and conferences. However, hiring challenges still exist in certain areas due to internal factors such as retirements, a lack of qualified applicants for supervisor positions, and supervisors being detailed to other positions. External factors also present hiring challenges due to specific hardships in certain geographic locations. Additionally, although the Postal Service completed and maintained supporting documentation when filling supervisor vacancies, opportunities exist to improve the timeliness of completing supervisor hiring activities. Further, the Vacancy Management dashboard did not always provide accurate data for hiring managers when monitoring the timeliness of hiring activities.

Recommendations and Management's Comments

We made three recommendations to address the issues identified in the report. Postal Service management agreed with all recommendations. Management's comments and our evaluation are at the end of each finding and recommendation. The OIG considers management's comments responsive to all recommendations, as corrective actions should resolve the issues identified in the report. See [Appendix C](#) for management's comments in their entirety.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

July 17, 2024

MEMORANDUM FOR: SIMON STOREY
VICE PRESIDENT, HUMAN RESOURCES

DANE COLEMAN
VICE PRESIDENT, PROCESSING & MAINTENANCE OPERATIONS

A handwritten signature in black ink, reading "Alan MacMullin", is centered below the memorandum recipients.

FROM: Alan MacMullin
Deputy Assistant Inspector General
for Finance, Pricing, and Human Capital

SUBJECT: Audit Report – Supervisor Vacancies (Report Number 23-172-R24)

This report presents the results of our audit of Supervisor Vacancies.

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
Secretary of the Board of Governors

Results

Introduction/Objective

This report presents the results of our self-initiated audit of Supervisor Vacancies (Project Number 23-172). Our objective was to evaluate whether corrective actions taken by the Postal Service in response to prior recommendations in the OIG’s *First Line Supervisor Recruitment and Retention* audit report¹ sufficiently addressed the issues identified and to further assess initiatives related to supervisor vacancies. See [Appendix A](#) for additional information about this audit.

Background

Front-line supervisors² are the first layer of management directly above craft employees and are the leaders who oversee day-to-day operations. Their interactions with employees and customers can influence productivity and morale. Additionally, they significantly contribute to the accomplishment of Postal Service goals, including ensuring customers receive quality service and mail and parcels on time. At the end of fiscal year (FY) 2023, the Postal Service had 22,005 supervisors, with 19,445 (88 percent)

serving as supervisors of customer services, distribution operations, maintenance operations, and logistics.

Customer services supervisors manage city and rural letter carriers, clerks, and maintenance custodians at post offices, stations, or branches that sell postage stamps and provide other retail products and services to customers. Supervisors in distribution operations, maintenance operations, and logistics typically supervise clerks, mail handlers, and maintenance and logistics personnel at distribution centers and international service centers that sort and distribute mail for dispatch and eventual delivery.

From FYs 2021 through 2023, the Postal Service had an average of 12,924 supervisors at retail facilities and 5,347 at mail processing facilities (see Table 1). In April 2023, the Postal Service updated its Supervisor Customer Service Workload Credit Model.³ As a result, over 1,000 new customer services supervisor positions were added nationwide.

Table 1. Number of Front-Line Supervisors, FYs 2021-2023

| Job Title | FY 2021 | FY 2022 | FY 2023 | Average | Percentage |
|-------------------------------------|---------|---------|---------|---------|------------|
| Supervisor, Customer Services | 12,417 | 12,598 | 13,690 | 12,902 | 71% |
| Supervisor, Distribution Operations | 3,146 | 3,725 | 4,038 | 3,636 | 20% |
| Supervisor, Maintenance Operations | 1,317 | 1,300 | 1,304 | 1,307 | 7% |
| Supervisor, Logistics Operations | 335 | 529 | 413 | 426 | 2% |
| Total | 17,215 | 18,152 | 19,445 | 18,271 | 100% |

Source: Employee Master File and OIG analysis.

1 Report No. 19SMG008HR000-R20, dated April 13, 2020.
2 Previously referred to as first-line supervisors in our prior audit.
3 The model, which is based on workload factors, identified and measured supervisor workload in post offices, stations, and branches, and was used to determine the number of Executive and Administrative Schedule (EAS) 17 supervisors authorized in post offices.

Additionally, in June 2023, the Postal Service created about 2,300 new relief supervisor positions across the customer services, mail distribution, maintenance, and logistics functions. Eligible facilities can earn one relief supervisor position for every five full-time supervisors authorized. The intent of the relief supervisor position is to provide coverage for regular supervisors during their leave and scheduled days off and to reduce the Postal Service's reliance on acting supervisors. Relief supervisors work a non-standard, flexible schedule to cover tours and facilities within a designated commuting distance, all with potential minimal advance notice. Relief supervisors are selected through the standard Executive and Administrative Schedule (EAS) selection process and are required to complete supervisor program training.

Supervisor Hiring Process

As part of the Postal Service's 10-year Delivering for America plan,⁴ the Postal Service streamlined the hiring process to shorten both the time applicants spend waiting to begin a job and how long vacancies are open. Vacancy announcements for supervisor positions appear in the Vacancy Management Tool (VMT), which automated the vacancy announcement process and eliminated the need for hardcopy posting requests. Additionally, supervisor vacancy announcements are open for seven days, down from 14 days previously, to expedite the hiring process.

The Human Resources Shared Services Center (HRSSC) and local services⁵ administer the hiring process for supervisors. The HRSSC is the central

processing center for hiring activities in the Postal Service and is responsible for posting vacancy announcements. The Postal Service fills supervisor positions with both internal and external applicants. Generally, supervisor positions are filled internally by qualified career employees through assignments, reassignment, or promotion. When vacancies cannot be filled internally, external hiring, which may be both competitive and noncompetitive, can be authorized. Applicants must use the eCareer⁶ system to submit their applications and related documentation. Once vacancy announcements close, HRSSC specialists verify the eligibility of the applicants, and local services coordinates with facility hiring officials to complete hiring activities.

“The Postal Service streamlined the hiring process to shorten both the time applicants spend waiting to begin a job and how long vacancies are open.”

Facility hiring officials include the selecting official, review committee, and the next higher-level official. The selecting official at the facility is responsible for rating applicants, conducting interviews, and making selections based on qualifications, merit, and position requirements. If there are more than five applicants, a review committee, led by a chairperson, reviews and rates applicants before sending them to the selecting official. When rating applicants, selecting officials and review committee chairs use Postal Service (PS) Form 5957, *Requirement-by Applicant Matrix*,

to score each required element in the vacancy announcement. Once the selecting official selects an applicant, a next higher-level official must approve the selection in eCareer, after which the HRSSC processes the appointment or promotion, including notifying the selected applicant and issuing a PS Form 50, *Notification of Personnel Action*.

⁴ *Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence*, dated March 23, 2021.

⁵ District Human Resources (HR) offices that support and coordinate personnel activities. On August 7, 2020, the postmaster general announced a reorganization that changed the reporting structure for Postal Service area support functions, including HR. The area and Local Services managers now report to the vice president, human resources.

⁶ A Postal Service online application used by potential employees to search and apply for jobs. It also streamlines, automates, and tracks the job application.

Recruitment and Retention Initiatives

In a headquarters memorandum,⁷ the Postal Service outlined its Focus on the Front initiative, which introduced three approaches to filling supervisor vacancies:

- Recruit and market for supervisor positions by disseminating communications, marketing upcoming supervisor vacancies and other career opportunities to create greater vacancy awareness and contribute to larger applicant pools during the hiring process.
- Educate and equip prospective supervisor candidates with knowledge and skills needed to be competitive in the hiring process, including awareness of the front-line supervisor position, how to apply for positions in eCareer, and how to address vacancy posting requirements.
- Drive a consistent hiring process by providing additional training and support to hiring officials, while educating them on revised job descriptions, requirements, and enhanced interview protocols for supervisor roles.

During FY 2023, the Postal Service offered four virtual front-line supervisor job fairs and 55 career conferences for current employees. These events served to educate potential applicants about the expectations and responsibilities of front-line supervisors and provided tips on applying for positions and participating in job interviews. The conferences enabled employees to attend sessions that covered interviewing tips, what to expect in the supervisor role, and tools to develop their career.

The Postal Service also updated the Supervisor Apprenticeship Program in May 2023. The objective of the program is to enhance opportunities for employee advancement and promotion and build a talented pipeline to fill front-line supervisor vacancies. As new supervisors are promoted, they attend the 26-week course to learn how to manage pre-career employees through formal classroom training and on-the-job support. The program is intended to equip supervisors with the necessary skills to be effective in guiding and directing employees in carrying out the mission of the Postal Service.

⁷ Memorandum issued March 31, 2022, by the vice presidents of organization development and human resources, regarding enhancing the supervisor selection and hiring processes and updating supervisor training.

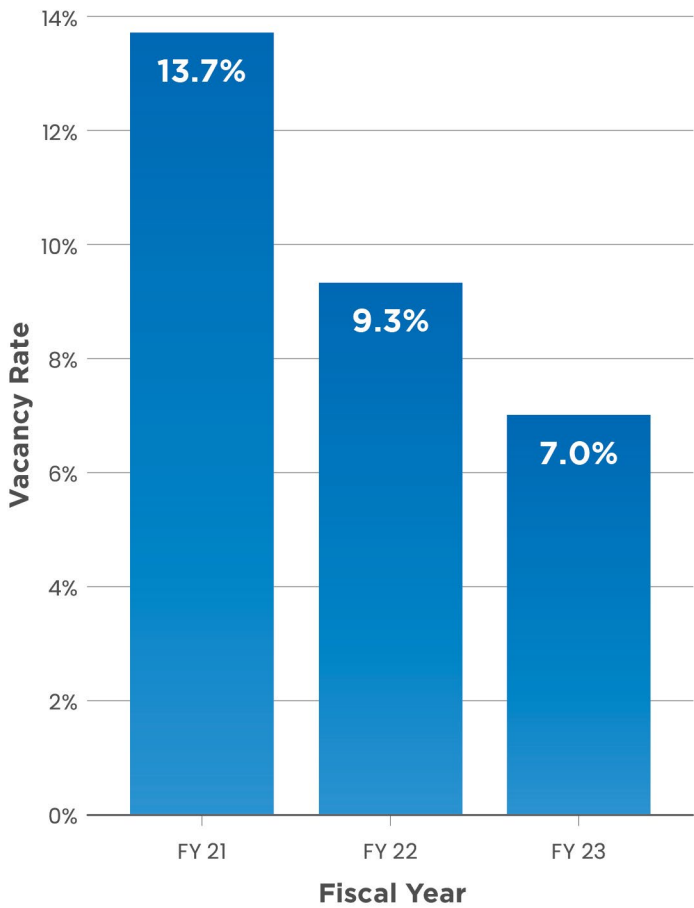
Finding #1: Supervisor Vacancy Rates

The Postal Service has generally improved its nationwide supervisor vacancy rates over the last three fiscal years (see Figure 1) by streamlining the hiring process and engaging potential applicants during job fairs and career conferences; however, hiring challenges still exist in certain areas. Specifically, the Postal Service maintains a nationwide supervisor vacancy rate of 7 percent, which is near its goal of 5 percent. Although the nationwide vacancy rate is relatively low, some locations are experiencing vacancy rates three times as high as the goal.

“The Postal Service has generally improved its nationwide supervisor vacancy rates over the last three fiscal years by streamlining the hiring process and engaging potential applicants during job fairs and career conferences; however, hiring challenges still exist in certain areas.”

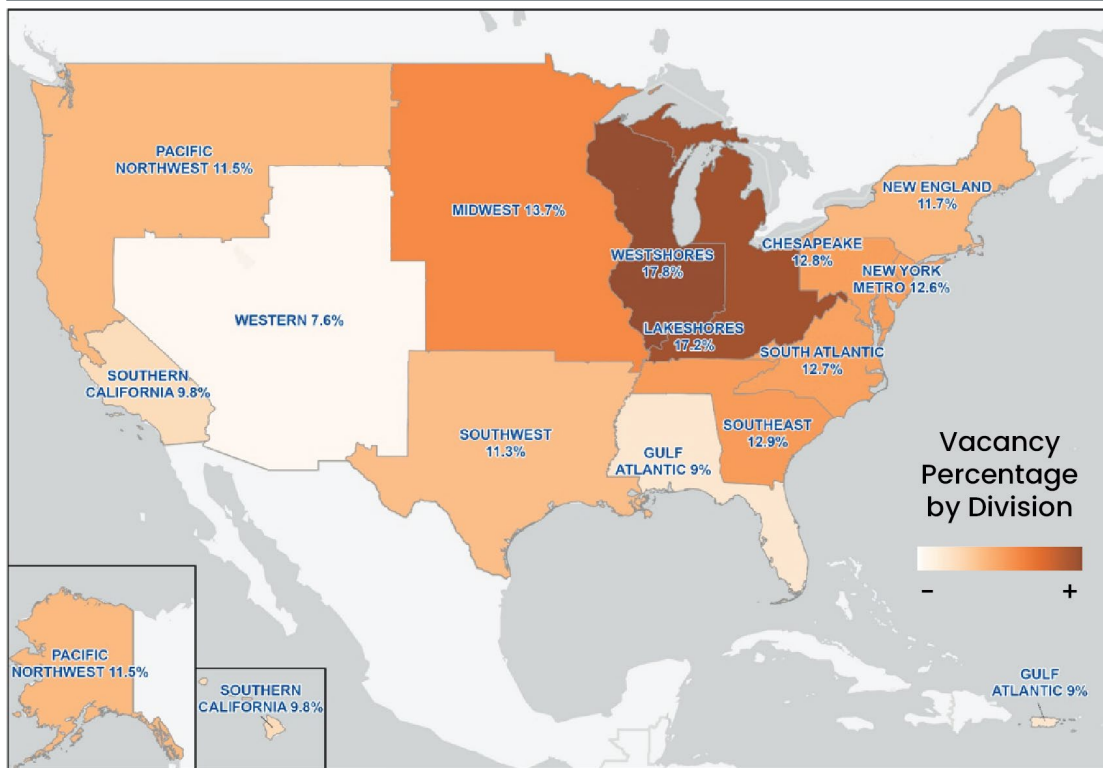
Of the 13 Postal Service processing divisions, seven (54 percent) had supervisor vacancy rates higher than the nationwide division average, ranging between 8 and 18 percent, with Westshores and Lakeshores Divisions having the two highest division vacancy rates (see Figure 2). Additionally, of the 50 retail and delivery districts, 18 (36 percent) had customer services and retail and delivery supervisor vacancy rates above the nationwide district average, ranging between 8 to 15 percent, with the Illinois 1 and Alaska Districts having the two highest vacancy rates (see Figure 3). See Appendix B for vacancy rates for all 13 divisions and 50 districts.

Figure 1. Front-Line Supervisor Vacancy Rates



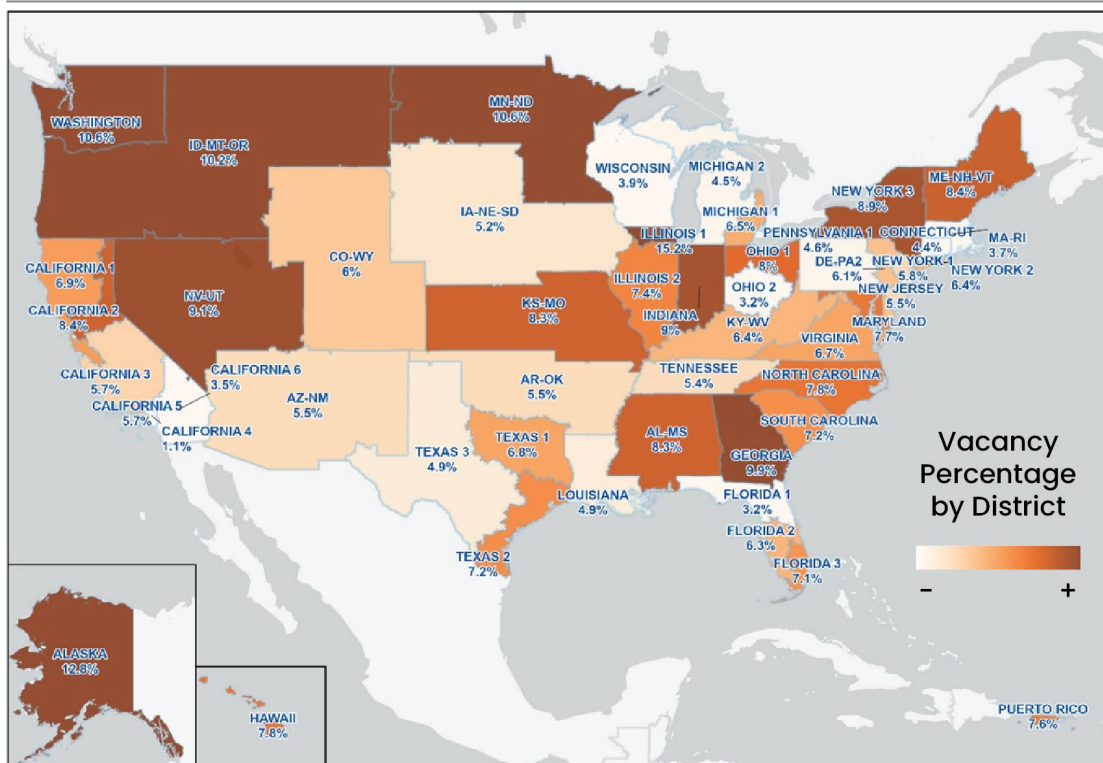
Source: Employee Master File and OIG analysis.

Figure 2. Processing Division Supervisor Vacancy Rate Map, FY 2023



Source: Employee Master File and OIG analysis.

Figure 3. Retail and Delivery Supervisor Vacancy Rate Map, FY 2023



Source: Employee Master File and OIG analysis.

Human resources management and hiring officials in divisions and districts with higher-than-average vacancy rates generally attributed those rates to internal factors, such as supervisor retirements, and a lack of qualified applicants for supervisory positions. Management also cited supervisory staff being detailed to other positions and facilities, leaving divisions and districts unable to backfill these original positions as they were not considered vacant.

In addition to these limited internal factors, external factors also contribute to the difficulty in filling supervisor vacancies in certain areas.

Two recent OIG audits, *Delivery and Customer Service in Colorado Mountain Towns*⁸ and *Postal Service Hiring Practices*,⁹ discussed challenges facing the Postal Service hiring in certain parts of the country. These challenges included low unemployment rates, a rising cost of living — especially housing rates — less competitive wages compared to other employers, and lack of locality pay. Although these reports focused on hiring for craft positions, these same geographical challenges exist when hiring for supervisor positions.

For example, supervisor vacancies are higher than the nationwide average in the Westshores, Lakeshores, and Midwest Divisions. These divisions encompass states such as Kansas, Illinois, Indiana, Iowa, Minnesota, Missouri, Wisconsin, and the Dakotas. Most of these geographical areas are identified in the *Postal Service Hiring Practices* audit report as having hiring challenges and are also listed as districts with the highest supervisor vacancies. These external factors are not unique to a particular job or facility in the Postal Service but are indicative

of hiring challenges that may exist due to specific hardships in certain geographical locations. In the *Postal Service Hiring Practices* audit report, we made a recommendation to address these challenges; specifically, to develop and communicate a plan with specific, actions, milestones, and metrics to attract more applicants in locations with hiring challenges; therefore, we are not making a related recommendation in this report.

“Human resources management and hiring officials in divisions and districts with higher-than-average vacancy rates generally attributed those rates to internal factors, such as supervisor retirements, and a lack of qualified applicants for supervisory positions.”

Additionally, a recent OIG audit, *Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA*,¹⁰ reported the newly converted facility, or RPDC, did not take actions to address known weaknesses before converting the Richmond P&DC into an RPDC. Some of these weaknesses included inadequate management and employee staffing, low employee availability, and high turnover, among others. As of April 2024, eight other RPDCs have opened nationwide, some of which have done so in processing divisions that had high

vacancy rates. For example, the Chicago, IL, RPDC and Indianapolis, IN, RPDC opened in the Westshores Division, which had one of the highest supervisor vacancy rates (18 percent) of any processing division at the end of FY 2023.

As the Postal Service continues to open new facilities, management should consider preexisting conditions, such as workforce challenges and vacancy rates, before implementing these new facility models. Both high vacancy rates and internal and external workforce challenges increase the risk that implementation of future network facility changes could be negatively impacted. Additionally,

8 Report No. 23-130-R24, dated December 5, 2023.

9 Report No. 23-145-R24, dated April 24, 2024.

10 Report No. 23-161-R24, dated March 28, 2024.

reducing supervisor vacancies in areas with high vacancy rates may decrease the reliance on acting supervisors and could improve productivity, efficiency, employee morale, and engagement.

Recommendation #1

We recommend the **Vice President, Human Resources**, in coordination with the **Vice President, Processing and Maintenance Operations**, incorporate an assessment of workforce challenges and vacancy rates into the procedures for identifying and mitigating preexisting challenges at facilities scheduled to become regional processing and distribution centers.

Postal Service Response

Management agreed with finding 1 and recommendation 1. They stated that Postal Service Human Resources and Operations will discuss with the leadership of facilities that are scheduled to become regional processing and distribution centers that they should identify the workforce challenges, determine actions to resolve these challenges, and discuss them in their scheduled weekly meetings. In addition, management stated Human Resources will review and monitor vacancy rates and recommend ways to improve them. The target implementation date is September 27, 2024.

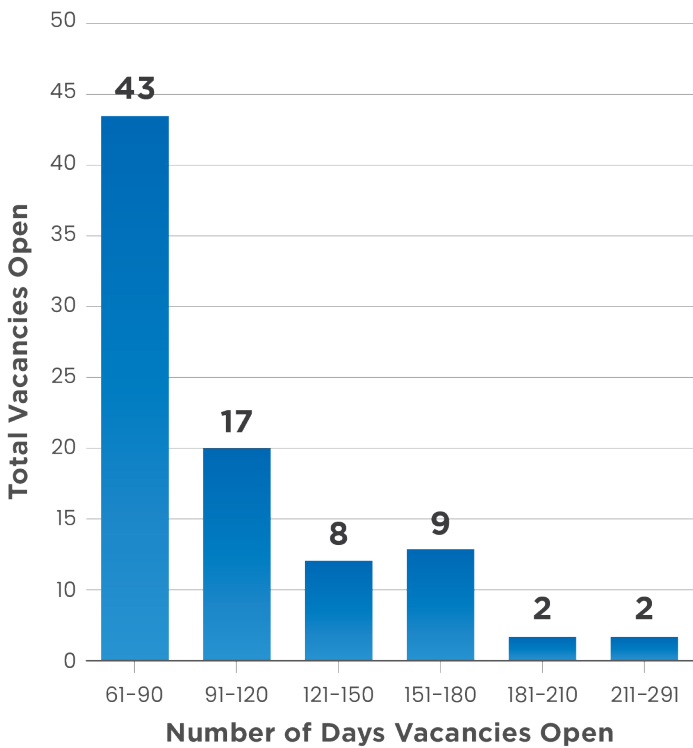
OIG Evaluation

The OIG considers management's comments responsive to recommendation 1, and corrective actions should resolve the issues identified in the report.

Finding #2: Timeliness of Hiring Activities

The Postal Service generally improved its timeliness of filling front-line supervisor vacancies and completed and maintained supporting documentation when filling supervisor vacancies. However, opportunities exist to further improve the timeliness of completing supervisor hiring activities. Specifically, we reviewed 271 vacancies opened¹¹ from FYs 2021 through 2023 and found hiring officials took between 14 to 291 days to fill vacancies. The Postal Service has an informal goal to fill supervisor vacancies within 60 days; however, 81 of 271 (30 percent) vacancies were open for over 60 days (see Figure 4). This was a significant reduction, compared to the vacancy rates in our prior report, which found 217 of 246 (88 percent) vacancies open for over 60 days.

Figure 4. Open Vacancies Exceeding 60 Days, FYs 2021-2023



Source: eCareer and OIG analysis.

The vice president of Human Resources issued a memorandum in response to our prior audit to reiterate the informal goal to fill supervisor vacancies within 60 days. According to Handbook EL-312, review committees and the chairperson should complete their hiring activities within seven days, and selecting officials should complete their activities within five days.¹² Although there was no specific timeframe for next higher-level officials, we allotted seven days for next higher-level officials to complete their activities to be consistent with the review committee timeframe.

In addition, selecting officials and review committee members are required¹³ to take the HERO training class titled, “Non-bargaining Selection Methods” to obtain information on different hiring processes, such as the selection overview, vacancy announcements, application reviews, and interviews. Hiring managers use the Vacancy Management dashboard for increased visibility and accountability over vacancies to ensure compliance with the Postal Service’s policies and goals. Managers and supervisors at every level can review vacancy activity on the dashboard, and users can review how long vacancies and their associated postings have been open, as well as when the review committees, selecting officials, and next higher-level officials are assigned and have completed their hiring activities.

Hiring activities were not completed timely because some hiring officials were not always aware of the specific timeframes allotted to complete their hiring activities. Additionally, some hiring officials could not recall the HERO Non-bargaining Selection Methods training. A review of the HERO training course revealed that one of the modules provided instruction on the seven-day timeframe for the review committee chairperson; however, there was no mention of the five-day timeframe for the selecting official. Out

¹¹ Open vacancies span the time between the date the vacancy announcement is issued to the date the hired employee’s PS Form 50 is generated.

¹² Handbook EL-312, *Employment and Placement*, Section 743.526, page 206, March 2024.

¹³ Handbook EL-312, Section 743.41, page 201.

of the 271 vacancies reviewed, we identified (see Table 2):

- Review committee chairs took eight to 134 days to complete their hiring activities on 104 (59 percent) vacancies.¹⁴
- Selecting officials took six to 152 days to complete their hiring activities on 197 (73 percent) vacancies.
- Next higher-level officials took eight to 236 days to complete their hiring activities on 49 (18 percent) vacancies.

Additionally, the Vacancy Management dashboard did not always provide accurate data for hiring managers when monitoring the timeliness of hiring activities. A system limitation caused the dashboard to show incorrect completion status for review committee activities. Specifically, the review committee completion date in the dashboard is triggered when the committee completes its review of just one candidate. In cases where there is more than one eligible candidate to review, a time lag

“The Vacancy Management dashboard did not always provide accurate data for hiring managers when monitoring the timeliness of hiring activities.”

exists between the review completion date in the dashboard and the date the committee completed the review of the last eligible candidate.

Monitoring and validating Vacancy Management dashboard data are essential to ensuring accurate data are used in filling vacancies. Additionally, filling vacancies in a timely manner is vital to ensuring the efficient operation of mail services. When front-line supervisor vacancies are not filled timely, there is a risk of an increase in staffing shortages, overtime usage, and additional workload, which may strain existing supervisors and employees and negatively affect operations.

Table 2. Hiring Activities Exceeding Recommended Timeframe

| Number of Days Beyond Recommended Timeframes | Number of Occurrences for Selecting Official | Number of Occurrences for Review Committee Chair | Number of Occurrences for Next Higher-Level Official |
|--|--|--|--|
| 6-30 ¹⁵ | 165 | 87 | 42 |
| 31-60 | 25 | 13 | 6 |
| 61-90 | 5 | 2 | 0 |
| 91-120 | 1 | 1 | 0 |
| 121-150 | 0 | 1 | 0 |
| 151-236 | 1 | 0 | 1 |
| Total | 197 | 104 | 49 |

Source: eCareer and OIG analysis.

¹⁴ Of the 271 vacancies, 177 (65 percent) had six or more applicants, which required a review panel.
¹⁵ Selecting officials and review committee chairs should complete their activities within five and seven days, respectively. We identified occurrences that took six to 30 days for selecting officials and eight to 30 days for review committee chairs and next higher-level officials.

Recommendation #2

We recommend the **Vice President, Human Resources**, reiterate Postal Service policy regarding timelines contained in official handbooks, memorandums, and training courses for all hiring officials in completing hiring activities.

Recommendation #3

We recommend the **Vice President, Human Resources**, enhance the Vacancy Management dashboard to address system limitations and to effectively track the timeliness of filling vacancies.

Postal Service Response

Management agreed with finding 2 and recommendations 2 and 3. Regarding recommendation 2, management stated it will issue a national memorandum outlining specific timeframes for hiring officials to complete their hiring activities and issue a notification through HERO on the importance of taking the Non-bargaining Selection Methods Training. The target implementation date is September 27, 2024.

Regarding recommendation 3, management validated there were requisitions where either the review committee or selecting official did not complete all questionnaires on the same date, which caused the dashboard to inaccurately reflect the requisition moving to the next phase of the process. Management is working with subject matter experts at the HRSSC to update the logic and code to identify when all questionnaires are complete on a requisition. The target implementation date is September 27, 2024.

OIG Evaluation

The OIG considers management's comments responsive to recommendations 2 and 3, and corrective actions should resolve the issues identified in the report.

Appendices

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Appendix A: Additional Information

Scope and Methodology

The scope of our audit included vacancy rates, recruitment and retention initiatives, and the hiring process for front-line supervisors from customer services, distribution operations, maintenance operations, and logistics. We reviewed and analyzed supervisor vacancy and hiring data from the Employee Master File and eCareer for FY 2021 through FY 2023.

We identified a universe of 12,848 supervisor vacancy announcement postings involving applicants who were ultimately hired as a supervisor during FYs 2021 through 2023. This included a universe of 12,784 internal postings and 64 external postings. To facilitate an assessment of the time to close those postings, we designed a statistical stratified sample of the internal postings, stratified by the four supervisor types. To achieve a 95 percent confidence level, we selected 207 internal postings.

To accomplish our objective, we:

- Reviewed Postal Service policies and procedures for hiring and retaining front-line supervisors in the areas of customer services, distribution operations, maintenance operations, and logistics.
- Analyzed supervisor data on hiring, vacancies, turnover, and complement to identify trends, risk areas, and anomalies.
- Evaluated a total of 271 supervisor vacancy postings, including a statistical sample of 207 internal supervisor vacancy postings and all 64 external vacancies to determine whether the Postal Service filled supervisor vacancies timely and whether hiring documentation was completed and retained.
- Interviewed headquarters and field personnel regarding their responsibilities, processes, and procedures over the Postal Service's hiring process for supervisors, initiatives to recruit and retain supervisors, and implementation of relief supervisors.
- Administered a standard questionnaire by email and interviewed field operations and HR personnel regarding contributing factors of high and low supervisor vacancy rates.

We conducted this performance audit from October 2023 through July 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 June 20, 2024, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of the Postal Service's supervisor hiring process 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 three components were significant to our audit objective: control activities, information and communication, and monitoring. We developed audit work to ensure that we assessed these controls. Based on the work performed, we did not identify internal control deficiencies that were significant within the context of our objectives.

We assessed the reliability of supervisor vacancy and hiring data by reviewing existing information and documentation contained within personnel systems; performing testing related to the completeness, reasonableness, accuracy, and validity of the data; and interviewing Postal Service officials

knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

| Report Title | Objective | Report Number | Final Report Date | Monetary Impact |
|--|--|-----------------------------------|-------------------|-----------------|
| <i>First-Line Supervisor Recruitment and Retention</i> | Assess whether the Postal Service is effectively hiring and retaining first-line supervisors. | 19SMG008HR000-R20 | April 13, 2020 | \$16.4 million |
| <i>First-Line Supervisor Resources</i> | Assess whether Postal Service first-line supervisors are adequately prepared and positioned to meet operational goals and objectives. | 19SMG010HR000-R20 | March 18, 2020 | \$4.3 million |
| <i>Management Structure at the U.S. Postal Service</i> | Assess the management structure at the Postal Service, specifically with regards to how the districts are ranked and how operational manager and supervisor positions are allocated at various field levels. | 19SMG011HR000-R20 | March 18, 2020 | None |
| <i>First-Line Supervisors in the U.S. Postal Service</i> | Examine key human capital and performance areas related to first-line supervisors. | 19SMO005HR000-R20 | December 9, 2019 | None |

Appendix B: Supervisor Vacancy Rates by Division and District, FY 2023

Table 3. Processing Division Supervisor Vacancy Rates, FY 2023

| Processing Division | Authorized | On Rolls | Vacancy Rate |
|---------------------|------------|----------|--------------|
| Westshores | 566 | 465 | 18% |
| Lakeshores | 574 | 475 | 17% |
| Midwest | 504 | 435 | 14% |
| Southeast | 433 | 377 | 13% |
| South Atlantic | 379 | 331 | 13% |
| New York Metro | 609 | 532 | 13% |
| Chesapeake | 572 | 499 | 13% |
| New England | 565 | 499 | 12% |
| Pacific Northwest | 468 | 414 | 12% |
| Southwest | 585 | 519 | 11% |
| Southern California | 501 | 452 | 10% |
| Gulf Atlantic | 597 | 543 | 9% |
| Western | 369 | 341 | 8% |

Source: Employee Master File and OIG analysis.

Table 4. Retail and Delivery District Supervisor Vacancy Rates, FY 2023

| Retail and Delivery District | Authorized | On Rolls | Vacancy Rate |
|------------------------------|------------|----------|--------------|
| Illinois 1 | 394 | 334 | 15% |
| Alaska | 39 | 34 | 13% |
| Minnesota-North Dakota | 292 | 261 | 11% |
| Washington | 312 | 279 | 11% |
| Idaho-Montana-Oregon | 275 | 247 | 10% |
| Georgia | 423 | 381 | 10% |
| Nevada-Utah | 263 | 239 | 9% |
| Indiana | 300 | 273 | 9% |
| New York 3 | 415 | 378 | 9% |
| Kansas-Missouri | 492 | 451 | 8% |
| Maine-New Hampshire-Vermont | 143 | 131 | 8% |
| California 2 | 287 | 263 | 8% |
| Alabama-Mississippi | 336 | 308 | 8% |
| Ohio 1 | 311 | 286 | 8% |
| North Carolina | 449 | 414 | 8% |
| Hawaii | 77 | 71 | 8% |

| Retail and Delivery District | Authorized | On Rolls | Vacancy Rate |
|------------------------------|------------|----------|--------------|
| Maryland | 377 | 348 | 8% |
| Puerto Rico | 105 | 97 | 8% |
| Illinois 2 | 296 | 274 | 7% |
| Texas 2 | 442 | 410 | 7% |
| South Carolina | 222 | 206 | 7% |
| Florida 3 | 380 | 353 | 7% |
| California 1 | 274 | 255 | 7% |
| Texas 1 | 429 | 400 | 7% |
| Virginia | 386 | 360 | 7% |
| Michigan 1 | 337 | 315 | 7% |
| New York 2 | 314 | 294 | 6% |
| Kentucky-West Virginia | 283 | 265 | 6% |
| Florida 2 | 426 | 399 | 6% |
| Delaware-Pennsylvania 2 | 393 | 369 | 6% |
| Colorado-Wyoming | 285 | 268 | 6% |
| New York 1 | 430 | 405 | 6% |
| California 5 | 279 | 263 | 6% |
| California 3 | 298 | 281 | 6% |
| New Jersey | 490 | 463 | 6% |
| Arkansas-Oklahoma | 293 | 277 | 5% |
| Arizona-New Mexico | 385 | 364 | 5% |
| Tennessee | 295 | 279 | 5% |
| Iowa-Nebraska-South Dakota | 291 | 276 | 5% |
| Texas 3 | 346 | 329 | 5% |
| Louisiana | 204 | 194 | 5% |
| Pennsylvania 1 | 307 | 293 | 5% |
| Michigan 2 | 198 | 189 | 5% |
| Connecticut | 225 | 215 | 4% |
| Wisconsin | 280 | 269 | 4% |
| Massachusetts-Rhode Island | 457 | 440 | 4% |
| California 6 | 282 | 272 | 4% |
| Ohio 2 | 280 | 271 | 3% |
| Florida 1 | 252 | 244 | 3% |
| California 4 | 261 | 258 | 1% |

Source: Employee Master File and OIG analysis.

Appendix C: Management's Comments



July 3, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Supervisor Vacancies (23-172)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report titled: Supervisor Vacancies.

Finding #1: Supervisor Vacancy Rates

- USPS agrees with the OIG's statement that the Postal Service has improved its nationwide supervisor vacancy rates over the last three fiscal year (FY).
- USPS agrees reducing supervisor vacancies in areas with high vacancy rates may decrease the reliance on acting supervisors and could improve productivity, efficiency, employee morale, and engagement.

Finding #2: Timeliness of Hiring Activities

- USPS agrees with the OIG's statement that the Postal Service has improved its timeliness of filling front-line supervisor vacancies.
- USPS agrees that reiterating Postal Service policies surrounding timelines allotted to complete hiring activities would prove to be beneficial.
- Review the HERO Non-bargaining Selection Methods Training – Determine whether the course needs to be updated.
- HERO notification to circulate the importance of taking the Non-bargaining Selection Methods Training in HERO.

Recommendation 1:

We recommend the **Vice President, Human Resources**, in coordination with the **Vice President, Processing and Maintenance Operations**, incorporate an assessment of workforce challenges and vacancy rates into the procedures for identifying and mitigating preexisting challenges at facilities scheduled to become regional processing and distribution centers.

Management Response/Action Plan:

Management agrees with this recommendation to incorporate an assessment of workforce challenges and vacancy rates into the procedures for identifying and mitigating preexisting challenges at facilities scheduled to become regional processing and distribution centers. Human Resources and Operations will include discussions with leadership of facilities scheduled to become regional processing and distribution centers (RPDC) with identifying the workforce challenges and determine actions on resolving these challenges into their scheduled weekly meetings. In addition, HR will review and monitor vacancy rates, and recommend ways to improve the rate.

Target Implementation Date: 09/27/2024

Responsible Official:

Vice President, Human Resources
Vice President, Processing & Maintenance Operations

Recommendation 2: We recommend the **Vice President, Human Resources**, reiterate Postal Service policy regarding timelines contained in official handbooks, memorandums, and training courses for all hiring officials in completing hiring activities.

Management Response/Action Plan:

Management agrees with this recommendation that reiterating the Postal Service policies surrounding timelines allotted to complete hiring activities would prove to be beneficial. The Postal Service will issue a national memorandum outlining specific timeframes for hiring officials to complete their hiring activities and disseminate HERO notification on the importance of taking the Non-bargaining Selection Methods Training.

Target Implementation Date: 09/27/2024

Responsible Official:

Vice President, Human Resources

Recommendation 3:

We recommend the **Vice President, Human Resources**, enhance the Vacancy Management dashboard to address system limitations and to effectively track the timeliness of filling vacancies.

Management Response/Action Plan:

Management agrees with this recommendation. The postal service validated there were requisitions where either the review committee or selecting official did not complete all questionnaires on the same date. This caused the dashboard to inaccurately reflect the requisition moving to the next phase of the process. The defect did not impact the review and selection process but did have an impact on the visibility and monitoring of the process. A potential solution to the data issue causing the inaccuracy has been identified and remediation efforts are currently in process.

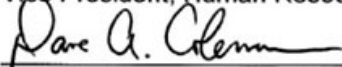
We are working with SMEs at HRSSC to update our logic and code to identify when all questionnaires are complete on a requisition. From there we will nest that logic in our existing code to properly identify when a requisition would move to the next step in the process.

Target Implementation Date: 09/27/2024

Responsible Official: Vice President, Human Resources



Simon Storey
Vice President, Human Resources



Dane Coleman
Vice President, Processing and Maintenance Operations

cc: Corporate Audit Response Management

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1735 North Lynn Street, Arlington, VA 22209-2020
(703) 248-2100

For media inquiries, please email press@uspsoig.gov or call (703) 248-2100