U.S. Postal Service announces next phase of organizational changes begun in August 2020

03-03-2021

Postmaster General and CEO Louis DeJoy today provided details of the next phase of organizational changes he first announced in August 2020, designed to improve efficiency, drive success and better serve Postal Service customers.

- Phased organizational changes initiated in August 2020 include District consolidations, centralization of Marketing functions and realignment of Logistics and Processing Operations
- Will help drive efficiencies and better decision making throughout the organization
- Voluntary Early Retirement (VER) option to be offered to eligible non-bargaining employees in administrative functions

The next phase of these organizational changes includes the following:

District Consolidation Plan: The existing 67 Postal Service Districts will be consolidated to 50 Districts. New District territories will closely align to state boundaries. Districts will align with the communities the Postal Service serves and provide familiar boundaries for employees, customers and stakeholders.

Centralization of Marketing functions: The Marketing functions previously performed at the Area and District levels will be centralized into the Chief Customer and Marketing organization, including Consumer and Industry Affairs and the Bulk Mail Entry Units (BMEUs). In May, the District Retail function will be centralized into the Headquarters Retail and Delivery function. In the interim, the Retail teams will be assigned under one of the 50 District Managers.

Realignment of Logistics and Processing Operations: To ensure alignment with Retail and Delivery Operations, and Logistics and Processing Operations, a thirteenth division will be created. Processing operations is organized into 2 regions, each geographically aligned with two retail and delivery areas; and divided into 6 or 7 divisions for a total of 13 divisions. Logistics is organized into 4 regions, each geographically aligned to one retail and delivery area; and divided into 3 or 4 divisions for a total of 13 divisions. No divisions or regions will span across more than one area.

"These organizational changes will strengthen our mission and commitment to serve the American people by improving efficiency and streamlining decision making throughout the organization," said Postmaster General DeJoy. "By improving operational focus and business strategy execution along with greater investment, we will strengthen our public service mission, achieve service excellence, and place the Postal Service on a path toward financial sustainability."

DeJoy continued, "Since 2007, we have recorded significant net losses each year. Absent substantial changes, our financial losses will continue to widen, and our ability to invest in the future of the organization will be severely curtailed."

Over the next two months, the Postal Service will be engaged in specific activities to complete the staffing changes for the final phase of the organizational restructure. The announcement of the final structure and staffing is planned for May 2021.

As a part of the Postal Service's reduction-in-force (RIF) avoidance activities, it is offering a Voluntary Early Retirement (VER) option to most eligible non-bargaining employees at Headquarters, Headquarters-related, Area and District offices. VER provides an option for employees to consider as the Postal Service moves through this phase of the organizational restructure. The VER offer will not include a separation incentive and has an effective date of April 30, 2021.

The previous organizational change phases created three core business functions, centralized administrative support functions at the area and district level into Headquarters and aligned the core business functions into four areas within Retail and Delivery Operations and two regions within Logistics and Processing Operations.

The Postal Service receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

Source: USPS