



The U.S. Postal Service, one of the largest agencies of the U.S. government, faced serious challenges: escalating operating costs; widespread inefficiencies in the collection, sorting, and distribution of mail; increased competition from alternative carriers; and poor employee morale.

Challenges

The Postal Service faced a number of daunting challenges. Operating costs were spiraling upward, customer satisfaction remained stuck at under 80%, and widespread inefficiencies existed in the collection, sorting, and distribution of mail. At the same time, the Postal Service was losing market share to new competitors and employee relations were deteriorating.

Solutions

To address all of these operational, competitive, and personnel issues systematically and comprehensively, the U.S. Postal Service initiated a total quality management (TQM) program called "Customer Perfect."

To assist with the enormous task of transforming the organization's myriad operating and business processes on a nationwide scale, the Postal Service turned to Six Sigma Qualtec for Business Process Management (BPM) consulting and training. Six Sigma Qualtec professionals were deployed across six geographic regions, each headed by a Postal Service quality manager, and across key business functions, including Marketing, Facilities Management, Human Resources (HR) and Account Management.

Over a four year period, in hundreds of projects, both large and small, Six Sigma Qualtec (SSQ) helped establish process improvement teams, trained them in business process management and process improvement, and helped them uncover the right metrics for tracking progress and focusing their efforts. Individual projects might encompass an organization-wide challenge such as how to better handle catalogue mail or might focus on operations at a large processing facility or on only a few post offices. Issues that the project teams tackled ranged from mail collection, sorting, and distribution to logistics and transportation to business functions such as HR, marketing, and facilities management.

Six Sigma Qualtec helped produce significant, quantifiable results that contributed to the success of the U.S. Postal Service's program:

- Increased the percentage of first-class mail delivered on time
- Increased customer satisfaction by five points, from 86% to 91%
- Significantly reduced sorting and delivery errors
- Improved management of key business functions
- Established a program of executive compensation based of performance
- Addressed union employee morale issues and improve teamwork
- Kept the price of a first-class stamp constant over the 4 year project