United States Government Accountability Office

Report to the Ranking Member, Committee on Oversight and Accountability, House of Representatives

December 2023

U.S. POSTAL SERVICE

Opportunities Exist to Strengthen Workforce Diversity Efforts

Accessible Version

GAO Highlights

Highlights of GAO-24-105732, a report to the Ranking Member, Committee on Oversight and Accountability, House of Representatives

December 2023

U.S. POSTAL SERVICE

Opportunities Exist to Strengthen Workforce Diversity Efforts

Why GAO Did This Study

USPS reports it employs one of the most diverse workforces in the nation. However, USPS has faced challenges ensuring its leadership reflects the diversity of its workforce and the U.S.

GAO was asked to examine USPS's efforts to develop a diverse workforce. This report examines career outcomes for demographic groups in USPS management. It also addresses the extent to which USPS has identified barriers to achieving workforce diversity and met leading diversity management practices, among other objectives.

GAO used USPS data from fiscal years 2016 through 2022 to analyze career outcomes (promotions, pay, and separations) in management by demographic groups. GAO's analyses do not completely explain the reasons for differences in career outcomes, which may result from various unobservable factors. Thus, GAO's analyses do not establish a causal relationship between demographic characteristics and career outcomes. GAO reviewed USPS reports submitted to the EEOC and assessed USPS's actions against diversity management leading practices. GAO interviewed EEOC and USPS officials.

What GAO Recommends

GAO is making four recommendations to USPS, including developing a data plan and diversity performance measures, and formally gathering employee feedback. USPS stated that the recommendations are redundant to its ongoing efforts. GAO maintains that USPS's ongoing efforts only partially address its recommendations, as discussed in the report.

View GAO-24-105732. For more information, contact David Marroni at (202) 512-2834 or marronid@gao.gov.

What GAO Found

The diversity of the U.S. Postal Service's (USPS) workforce has increased in recent years, including among its executive leaders. However, GAO's analysis—which controlled for factors such as employee tenure—found that White, non-Hispanic or Latino, and male employees generally had more positive career outcomes in USPS management than other demographic groups. For example, Hispanic or Latino employees' likelihood of promotion to middle manager roles was 28 percent less than their non-Hispanic or Latino counterparts. For Black or African American and Asian employees, the likelihood of promotion to middle manager roles was about 40 to 50 percent less than their White counterparts. In contrast, Black or African American and Asian managers were almost twice as likely as their White counterparts to be promoted to executive positions. GAO's analysis of management pay, which also controlled for relevant factors, found that many historically disadvantaged racial or ethnic groups, as well as women and employees with disabilities, earned 1 to 7 percent less than their counterparts, who were White, non-Hispanic or Latino, men, and employees without disabilities, respectively.

In each of its annual reports to the Equal Employment Opportunity Commission (EEOC) from 2016 through 2022, USPS identified some triggers to achieving workforce diversity. However, lack of applicants' demographic information, which is voluntarily provided by job and promotion applicants, limited USPS's ability to identify actual barriers. USPS is developing a new data system but does not have a plan for how it will use the data.

U.S. Postal Service's Diversity Practices Compared to Diversity Management Leading Practices

Leading practices	GAO rating	Leading practices	GAO rating
Top leadership commitment	●	Diversity as part of organization's strategic plan	◑
Diversity linked to performance	●		
Recruitment	●	Measurement	◑
Succession planning	◕	Accountability	◑
Diversity training	◕	Employee involvement	◑

● Practice was fully met   ◕ Practice was mostly met   ◑ Practice was partially met

Source: GAO analysis of USPS actions and GAO's previously-identified diversity management leading practices. | GAO-24-105732

Accessible data table for U.S. Postal Service's Diversity Practices Compared to Diversity Management Leading Practices

Leading Practices	GAO Rating
Top leadership commitment	Fully met
Diversity linked to performance	Fully met
Recruitment	Fully met
Succession planning	Mostly met

United States Government Accountability Office

Leading Practices	GAO Rating
Diversity planning	Mostly met
Diversity as part of organization's strategic plan	Partially met
Measurement	Partially met
Accountability	Partially met
Employee involvement	Partially met

Source: GAO analysis of USPS actions and GAO's previously-identified diversity management leading practices. | GAO-24-105732

USPS met or mostly met five of the nine leading practices GAO previously identified for diversity management in the workplace. For example, establishing an Executive Diversity Council was among USPS actions that demonstrated top leadership commitment. USPS partially met the remaining four leading practices. For example, while its 10-year strategic plan highlights USPS's commitment to diversity, the plan does not specify performance measures for achieving that end. Developing specific diversity-related performance measures could help USPS track its progress and identify areas where adjustments to its diversity program, practices, and policies may be warranted. In addition, USPS has developed advisory boards to facilitate USPS's workforce diversity efforts, but membership of those boards consists only of senior USPS leaders. Gathering employee feedback from all career levels and different affinity groups could help USPS better assess progress towards its goal of a diverse and inclusive workforce.

Contents

Tables

Figures

Abbreviations

ACS	American Community Survey
DEIA	diversity, equity, inclusion, and accessibility
EAS	Executive Administrative Schedule
EEO	equal employment opportunity
EEOC	U.S. Equal Employment Opportunity Commission
EHRI	Enterprise Human Resource Integration
FY	fiscal year
HR	human resources
MD-715	Management Directive 715
NRP	National Reassessment Process
OIG	Office of Inspector General
PCES	Postal Career Executive Services
PUMS	Public Use Microdata Sample
USPS	United States Postal Service

441 G St. N.W.
Washington, DC 20548

December 15, 2023

The Honorable Jamie Raskin
Ranking Member
Committee on Oversight and Accountability
House of Representatives

Dear Mr. Raskin:

The U.S. Postal Service (USPS) is one of the largest civilian employers in the United States and reports employing one of the most diverse workforces in the nation, representing the diverse communities that it serves. It has received awards and recognition as one of the top federal agencies for diversity.[1] In fiscal year (FY) 2022, USPS highlighted that about 53 percent of its total workforce consisted of individuals from historically disadvantaged racial or ethnic groups, and women made up about 46 percent of the workforce.[2] It also reported employing nearly 63,000 veterans and more than 34,000 people with disabilities.

However, in a prior review of USPS workforce diversity management, we found some disparities in the diversity of USPS's leadership.[3] Specifically, when we last reported on USPS workforce demographics in 2003, we found that the representation of historically disadvantaged racial or ethnic groups and women in USPS management and leadership positions was

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[1]For example, USPS was recognized in 2023 as one of the top federal employers for workforce diversity by *the Black Employment and Entrepreneur Journal* and *Equal Opportunity Publication*.

[2]U.S. Postal Service, *Fiscal Year 2022 Annual Report to Congress*, (Washington, D.C.: December 2022). While USPS uses the term "historically underrepresented racial groups," in this report we use "historically disadvantaged racial or ethnic groups." Historically disadvantaged racial or ethnic groups include employees who identify as American Indian or Alaska Native; Asian; Black or African American; Hispanic or Latino; Native Hawaiian or Other Pacific Islander; and Two or More Races.

[3]For the purpose of this report, we define diversity management as a process intended to create and maintain a positive work environment where the similarities and differences of individuals are valued, so that all can reach their potential and maximize their contributions to an organization's strategic goals and objectives. GAO, *Diversity Management: Expert-Identified Leading Practices and Agency Example*, GAO-05-90 (Washington, D.C.: Jan. 14, 2005). We include diversity, equity, inclusion, and accessibility (DEIA) practices as part of diversity management in the federal workplace.

generally less than their representation in the overall workforce.[4] More recently, the U.S. Equal Employment Opportunity Commission (EEOC) found that USPS discriminated against certain employees with disabilities by withdrawing reasonable accommodations and subjecting them to disparate treatment, among other violations.[5]

You asked us to examine USPS's efforts to develop a diverse workforce. This report describes (1) the demographic composition of USPS's workforce and how it compares with the federal workforce and civilian labor force in recent years; (2) the demographic composition of USPS's workforce by occupation; and (3) career outcomes and separations among demographic groups in USPS management. It also assesses the extent to which USPS has (4) identified and reported on barriers to achieving workforce diversity to the EEOC and (5) met leading practices for diversity management.

To address all objectives, we reviewed relevant federal laws, regulations, and USPS documents and interviewed officials from USPS and EEOC as well as representatives from four USPS unions and two management associations.[6] We also reviewed our related past reports on USPS and

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[4]GAO, *U.S. Postal Service: Data on Career Employee Diversity*, GAO-03-745R (Washington, D.C.: Sept. 15, 2003). We have also reported in recent years that individuals from historically disadvantaged racial or ethnic groups have fewer advancement opportunities than their White counterparts in some federal agencies. For example, see GAO, *State Department: Additional Steps Are Needed to Identify Potential Barriers to Diversity*, GAO-20-237 (Washington, D.C.: Jan. 27, 2020).

[5]See *Velva B. v. USPS*, EEOC Decision 0520180094, 2018 WL 1392289 (Mar. 9, 2018). Employers must generally provide reasonable accommodations to otherwise qualified employees; such accommodations include modifications or adjustments to the work environment or to the manner in which the position is customarily performed. Discrimination on the basis of disability includes not making reasonable accommodations and treating employees in a way that adversely affects the employees' opportunities or status because of their disability. See 42 U.S.C. §§ 12111–12; 29 C.F.R. §§ 1630.2, 1630.9.

[6]Although USPS has five unions, we did not interview representatives from the union for postal police officers, as they were not included in our analyses. We have a separate review of postal police officers and inspectors currently underway.

workforce diversity at a number of federal agencies as well as relevant reports from the USPS Office of Inspector General (OIG).[7]

To describe and compare USPS's workforce composition with the federal workforce and the civilian labor force, we analyzed USPS's human resources (HR) and payroll data from FYs 2016 through 2022 to obtain the demographic composition of the workforce by racial or ethnic groups, gender, disability status, and eligibility for veterans' preference points.[8] We focused our analyses on FYs 2016 through 2022 due to necessary data variables only being available for these years. We used USPS's dynamic workforce data that are periodically updated with new information, such as the hiring or separation of employees, during a FY to reflect the total number of USPS employees in any given FY, rather than USPS's static data that provide a snapshot of the workforce at the end of a FY. Using the dynamic data resulted in a different count of the size of USPS's workforce than what USPS typically reports. We chose to use the dynamic data so that our analyses of career outcomes would include all USPS employees during our given time periods. Additionally, dynamic data was necessary to conduct employee hiring and separation analyses. We compared the demographics of USPS's workforce data in FY 2022 with federal workforce demographics data, as reported by the Office of Personnel Management.[9] We also compared the demographics data of USPS's workforce with civilian labor force data from the U.S. Census Bureau's American Community Survey for FY 2019—the most recent

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[7]Relevant prior reports include: GAO-03-745R; GAO-20-237; GAO, *Intelligence Community: Additional Actions Needed to Strengthen Workforce Diversity Planning and Oversight*, GAO-21-83 (Washington, D.C.: Dec. 17, 2020); GAO, *DOD Civilian Workforce: Actions Needed to Analyze and Eliminate Barriers to Diversity*, GAO-23-105284 (Washington, D.C.: June 21, 2023); USPS OIG, *Corporate Succession Planning Program: Management Advisory Report*, HR-MA-14-006 (Washington, D.C.: Apr. 23, 2014); USPS OIG, *First-Line Supervisor Recruitment and Retention*, 19SMG008HR000-R20 (Washington, D.C.: Apr. 13, 2020); and USPS OIG, *Management Structure at the Postal Service*, 19SMG011HR000-R20 (Washington, D.C.: Mar. 18, 2020).

[8]Among the data USPS collects from its employees is their gender, female or male. For the purposes of our report, depending on the context, we use the terms "men," "women," "male," or "female" to refer to employee gender. In addition, USPS applies eligibility for veterans' preference points for certain employment purposes as required by federal law. See, e.g., 5 U.S.C. § 2108a; 38 U.S.C. § 4214. Applicants claiming eligibility for veterans' preference points provide dates of active-duty service and category for preference points when applying for a job vacancy. For the purposes of this report, we refer to eligibility for veterans' preference points as veterans' preference.

[9]Federal workforce data do not include USPS employees because USPS maintains a separate data system. We also focused our comparison with the most recent year of federal workforce data available at the time of our analysis, which was FY 2022.

year for which data were available at the time of our analysis. We used the civilian labor force data as one of our benchmarks because USPS reported that its goal is for its workforce to represent the diverse communities that USPS serves nationwide. Through a review of documentation, electronic testing, and interviews with knowledgeable agency officials, we determined that all the data sets we used for our analyses were sufficiently reliable for our purposes.

To examine the demographic composition of USPS's workforce by occupation, we linked the previously mentioned USPS's HR data, containing employees' demographic information, with USPS's payroll data, containing employees' occupation code, job title, grade, and pay. We analyzed each employee's individual data using employee identification numbers from both USPS's HR and payroll data to determine the demographic composition of USPS employees by occupation.

To identify career outcomes and separations among demographic groups in USPS management, we conducted two types of analyses using USPS's HR and payroll data.[10] USPS's HR data set contains employees' demographic data and notices of personnel action data (i.e., promotion, hire, and separation) for FYs 2016 through 2022. We first conducted descriptive analyses of USPS's personnel action data, calculating averages to compare promotion, hiring, pay, and separation rates for the following demographic characteristics: (1) race, (2) ethnicity, (3) gender, (4) disabilities status, and (5) veterans' preference.[11] Then, we conducted adjusted analyses using a multivariate statistical model that accounted for

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[10]We defined management-level employees to include frontline supervisors up to executives, and as such, we focused on the overall rates of promotion, pay, and separation across demographic groups (i.e., race, ethnicity, gender, veterans' preference, and disability status) of employees in, or promoted into, those operational, non-bargaining, management positions. We did not include promotion into, or separation and pay within, bargaining unit positions, as union contracts generally dictate the promotion and pay within the bargaining unit of bargaining employees.

[11]While the federal government distinguishes people with disabilities between two major categories—targeted disabilities and other disabilities—for our analyses, we aggregated both categories and used binary codes (having disability, not having disability, or preferring not to report) to include and account for people with disabilities status. See 29 C.F.R. § 1614.203. Similar to the data on people with disabilities, we aggregated all categories of eligibility for veterans' preference points and used binary codes (individuals claiming veterans' preference or no veterans' preference) to include and account for veterans.

certain individual and occupational factors that could influence promotion, separation, and pay.[12]

Although we conducted both descriptive and adjusted analyses, we primarily report our results from our adjusted analyses that included controls for various factors, such as age, tenure, and occupation.[13] For promotion, we used logistic regression models to analyze the probability of promotion from a non-management position (i.e., craft position) to a first-level management position (i.e., supervisor) and then each subsequent management-level position. For separations, we also used logistic regression models to independently analyze the probability of three types of worker separations: retirement, resignation, and termination. For pay, we used generalized linear models to estimate differences in earnings and compensation. However, because our analyses do not completely explain the reasons for differences in outcomes across demographic groups, which may result from unobserved factors, our analyses do not establish a causal relationship between demographic characteristics and promotion, hiring, pay, or separation outcomes.

To assess the extent to which USPS has identified and reported on barriers to achieving workforce diversity, we reviewed the information USPS provided to EEOC in its FY 2016 through FY 2022 annual reports, which are required under EEOC's Management Directive 715 (MD-715), including the results of USPS's barrier analyses.[14] We also examined EEOC's technical assistance documents and program evaluation reports

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[12]We did not conduct an adjusted analysis for hiring because data on job applicants were not available. We also interchangeably report pay and compensation in this report.

[13]We did not include performance assessments because USPS officials told us that they are not used in promotion considerations.

[14]EEOC MD-715 provides policy guidance and standards to federal agencies for establishing and maintaining effective equal employment opportunity (EEO) programs and affirmative action programs for persons with disabilities. See 42 U.S.C. § 2000e-16; 29 U.S.C. § 791. The MD-715 includes a framework for agencies to conduct barrier analyses to determine whether barriers to equal employment opportunities exist and to identify and develop strategies to eliminate barriers to participation. Agencies are required to report the results of their analyses annually to EEOC.

provided to USPS during the same time frame.[15] We also reviewed relevant laws and EEOC regulations and guidance.

To assess the extent to which USPS has met diversity management leading practices, we reviewed USPS documentation, such as its policies and workforce initiatives, and interviewed USPS officials. We then used a four-point scale to determine whether USPS fully met, mostly met, partially met, or did not meet each leading practice. We previously identified these leading practices based on literature reviews and interviews with recognized experts in diversity management.[16] We included diversity, equity, inclusion, and accessibility (DEIA) practices in our assessment of USPS's diversity management practices in the workplace.[17] We did not assess the quality and effectiveness of USPS's policies and practices. Rather, we assessed the quality and implementation of USPS's barrier analysis efforts and the progress USPS has made in addressing other deficiencies in its equal employment opportunity (EEO) program as determined by EEOC through its review of USPS's annual MD-715 reports.

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[15]The EEOC evaluated USPS in 2017, 2020, and 2022. According to EEOC officials, as part of its oversight responsibilities, the EEOC conducts technical reviews of federal agencies' EEO programs every 3 years.

[16]GAO-05-90. In 2005, we identified the following nine leading practices: (1) leadership commitment; (2) recruitment; (3) performance; (4) accountability; (5) employee involvement; (6) measurement; (7) succession planning; (8) diversity training; and (9) strategic planning. We found that these nine leading practices continue to remain relevant to USPS today. Additionally, in more recent reports, we developed some steps, or key elements, associated with each diversity management leading practice. The elements are suggested steps associated with each leading practice and serve as indicators toward meeting each leading practice. See GAO-21-83 and GAO, *State Department: Additional Actions Needed to Improve Workplace Diversity and Inclusion*, GAO-22-105182 (Washington, D.C.: July 21, 2022).

[17]We defined diversity, equity, inclusion, and accessibility to align with the definitions used in Executive Order 14035, *Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce* (Washington, D.C.: June 25, 2021). Diversity is the practice of including many communities, identities, races, ethnicities, backgrounds, abilities, cultures, and beliefs of the American people, including underserved communities. Equity is the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment. Inclusion is the recognition, appreciation, and use of the talents and skills of employees of all backgrounds. Accessibility is the design, construction, development, and maintenance of facilities, information and communication technology, programs, and services so that all people, including people with disabilities, can fully and independently use them. Although the executive order does not apply to USPS as an independent establishment, we determined that the definitions are appropriate for purposes of this report.

In addition, to obtain information on the experiences and perspectives of USPS employees on USPS's diversity management efforts, we sent a web-based survey to a statistical sample of frontline supervisors and middle managers. This generalizable survey of 715 employees had a weighted response rate of 44.6 percent.[18] For a more detailed description of our scope and methodology, see appendix I.

We conducted this performance audit from January 2022 to December 2023 in accordance with generally accepted government auditing standards. 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Characteristics of USPS's Workforce

As a nationwide employer, USPS has a workforce located across the 50 states, the District of Columbia, Puerto Rico, and other U.S. territories. USPS maintains a headquarters and field office organizational structure. Employees in headquarters are primarily responsible for the overall strategic direction of the agency, and field office employees are responsible for day-to-day operations. USPS's workforce consists of three employee groups across six broad job categories, as shown in figure 1 and described below.

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[18]We used a weighted response rate because our survey sample incorporates strata with different probabilities of selection.

Figure 1: Number of U.S. Postal Service (USPS) Employees in Six Broad Job Categories in Fiscal Year 2022
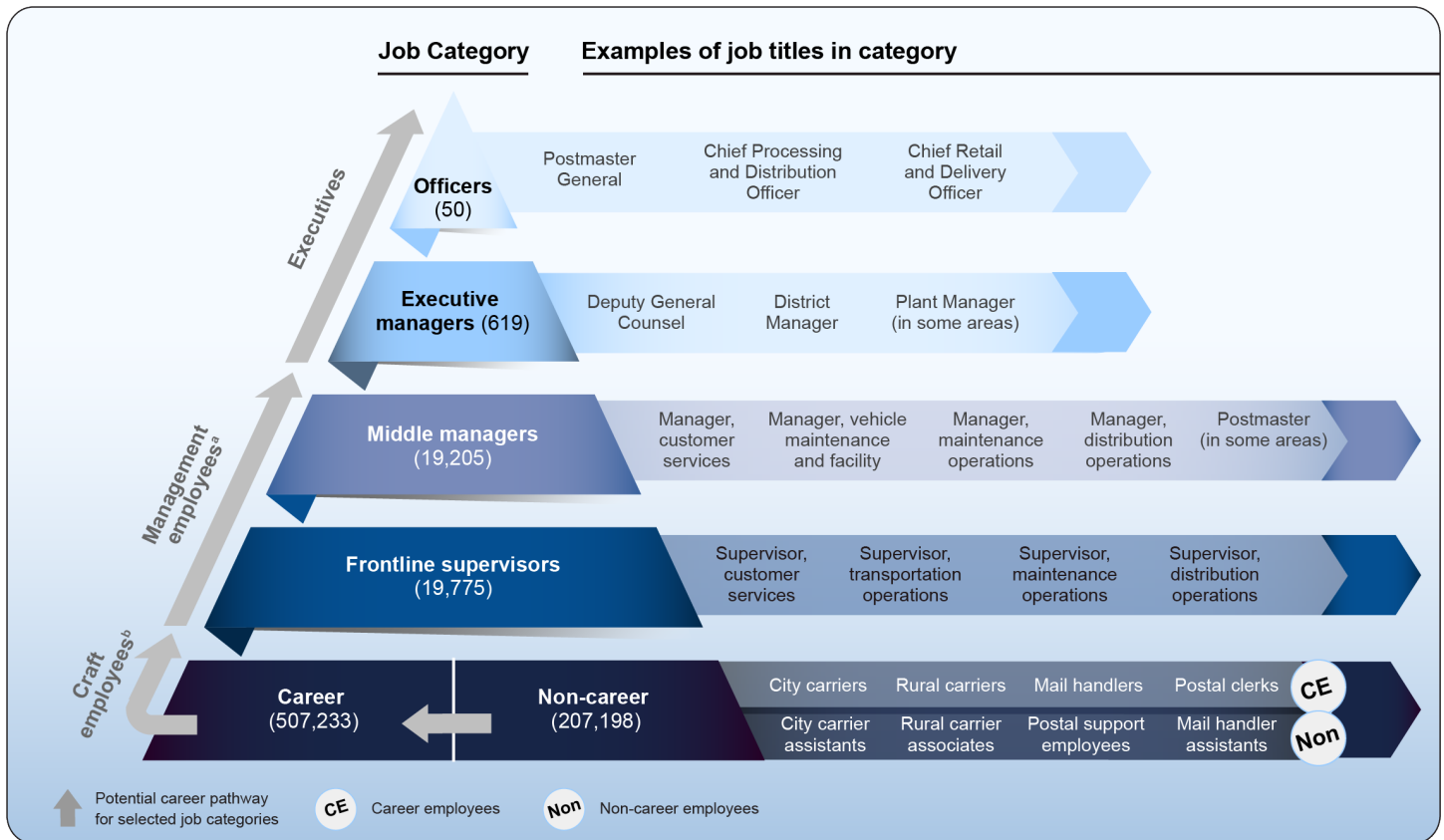
Source: GAO analysis of USPS documents. | GAO-24-105732

Note: The number of employees represents all employees who held positions within each of the six job categories for any portion of the fiscal year; this is a different count of the USPS workforce than what USPS typically reports, which is a snapshot count at the end of the fiscal year.

[a]The number of management employees primarily includes frontline supervisors and middle managers, who are operationally involved in the handling, processing, and delivery of mail. We did not include those in technical, specialist, and non-management positions, such as human resources specialists, as they are mission support positions, and a career pathway for these positions was not available for our analyses of career outcomes.

[b]Career employees are permanent USPS employees, who are entitled to range of benefits, while non-career employees are generally considered temporary employees and receive fewer benefits.

Craft employees: These employees constitute over 90 percent of USPS's workforce. They occupy bargaining unit positions that are represented by four major postal unions, which are roughly organized along occupation types: city letter carriers, rural letter carriers, mail handlers, and postal clerks. As such, they are subject to collective bargaining agreements on compensation and working conditions. Craft employees include both:

- career, permanent employees, who are entitled to a range of benefits (e.g., health and retirement) and privileges (e.g., greater schedule certainty); and

- non-career (also known as pre-career) employees, who receive fewer benefits and lower pay than career employees.[19]

Management employees: USPS managers hold non-bargaining unit positions and generally include two levels of management.[20]

- Frontline supervisors hold entry to management positions and generally supervise craft employees. Generally these positions are filled by qualified career employees through a noncompetitive reassignment or a competitive promotion process. When career vacancies cannot be filled internally, external hiring may be authorized.

- Middle managers generally manage frontline supervisors. In some areas, they include local postmaster positions. According to USPS officials, middle managers are generally recruited and promoted from the frontline supervisory positions through a competitive process.

Executives: USPS executives hold the highest management-level positions. Executive positions are classified into two levels of the Postal Career Executive Service.[21]

- Executive managers are the first level of executives and include, for example, District Managers, the Director of Organizational Effectiveness, and the Director of Retail and Delivery Operations Command Center. To become executive managers, employees are generally selected from a pool of candidates through USPS's Corporate Succession Planning Program and subject to approval by

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[19]Many non-career positions offer a pathway to a career position. According to USPS officials, historically, the time it took employees to convert from non-career to career positions had varied widely. However, USPS recently negotiated terms with some unions to convert employees from non-career to career positions after 2 years.

[20]Some technical, specialist, and non-management administrative positions, such as HR specialists, are non-bargaining positions and may be under the same pay scale as management employees. While we included these technical positions in some of our analyses, we did not include them in our count of management employees, as they are mission support positions, and a career pathway was not available to conduct our analyses on career outcome.

[21]According to USPS policy, the Postal Career Executive Service was established in 1979 to develop and maintain a highly motivated, competent group of individuals capable of filling key management positions and providing the leadership needed for the continued success of the USPS.

USPS officers. According to USPS officials, executive managers, specifically for technical and specialist positions, can also be hired externally.

- Officers are the second level of executives and are comparable to the Senior Executive Service rank in other federal agencies, according to USPS officials. There are 50 USPS officers, and 12 are part of the Executive Leadership Team. The Postmaster General fills vacancies in officer positions through appointments, which can include external new hires, according to USPS officials.

In recent years, USPS identified voluntary and involuntary separation of its non-career, craft employees as a workforce challenge.[22] In its recent 10-year strategic plan, for example, USPS reported unacceptably high rates of non-career employee turnover as a key challenge and stated that it is taking steps to reduce turnover.[23] We also found in 2021 that non-career USPS employees' turnover rates were significantly higher than career employees.[24] To understand the reasons behind employee separation, USPS conducts voluntary exit surveys that ask former employees to indicate the reason for their separation, such as not enough flexibility with work schedule; wanting more opportunities for "growth/advancement;" and wanting "better pay and/or benefits."

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[22]USPS defines separation as a personnel action that results in taking the individual off the employment rolls. Voluntary separation includes resignation at the employee's discretion. Involuntary separation includes a removal action of involuntarily separating an employee for cause.

[23]U.S. Postal Service, *Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence* (Washington, D.C: Mar. 2021).

[24]GAO, *U.S. Postal Service: Further Analysis Could Help Identify Opportunities to Reduce Injuries among Non-Career Employees*, GAO-21-556 (Washington, D.C.: Aug. 17, 2021).

Federal Requirements on Workforce Diversity

A number of federal laws govern workforce issues, including those regarding EEO and workforce diversity. These laws require USPS to provide EEO and refrain from discrimination.[25] For example:

- Title VII of the Civil Rights Act of 1964 requires federal employers to establish and maintain an EEO program for all employees and applicants and prohibits discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, gender identity and sexual orientation), or national origin.[26]

- Section 501 of the Rehabilitation Act of 1973, as amended, prohibits employment discrimination and requires federal employers to develop an affirmative action program plan for the hiring, placement, and advancement of people with disabilities.[27]

- The Elijah E. Cummings Federal Employee Antidiscrimination Act of 2020 includes a requirement that the head of each federal agency's EEO program report directly to the head of the agency.[28]

To meet federal requirements, USPS collects and maintains self-reported demographic data of its employees.[29] This demographic information is collected as part of the application process, where applicants can report on their race (American Indian or Alaska Native; Asian; Black or African

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[25]In addition, federal initiatives have been established to increase DEIA in the federal workforce among executive branch agencies. For example, Executive Order 13583, *Establishing a Coordinated Governmentwide Initiative to Promote Diversity and Inclusion in the Federal Workforce*, directs all executive departments and agencies to develop and implement a more comprehensive, integrated, and strategic focus on diversity and inclusion as key components of their human resources strategies. Executive Order No. 13583, 76 Fed. Reg. 52847 (Aug. 18, 2011). Executive Order 14035, *Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce* expands on Executive Order 13583 and calls for a creation of a government-wide initiative and plan to increase DEIA in the federal workforce. Executive Order No. 14035, 86 Fed. Reg. 34593 (June 25, 2021). However, these initiatives do not apply to USPS as an independent establishment of the executive branch.

[26]Pub. L. No. 88-352, tit. VII, 78 Stat. 241, 253 (codified at 42 U.S.C. § 2000e et seq.). See 42 U.S.C §§ 2000e-16, 2000e(k); Bostock v. Clayton County, 140 S. Ct. 1731, 1741 (2020).

[27]Pub. L. No. 93-112, § 501, 87 Stat. 355 (codified at 29 U.S.C. § 791); 29 C.F.R. § 1614.203(b)(d).

[28]Pub. L. No 116-283, div. A, tit. XI, subt. B, § 1137(b), 134 Stat. 3388, 3903 (2021) (codified at 5 U.S.C. § 2301 note); 29 C.F.R. § 1614.102(b)(4).

[29]See 29 C.F.R. § 1614.601.

American; Native Hawaiians and Other Pacific Islanders; Two or More Races, and White); ethnicity (Hispanic or Latino); gender; disability status; and veterans' preference, among other things. Upon employment, USPS maintains demographic data of its employees.

EEOC and Barrier Analysis Process

EEOC has oversight responsibility for USPS's and all federal agencies' EEO programs. This includes providing technical assistance and program evaluation, which may result in recommendations to address any identified EEO program deficiencies.[30] EEOC regulations direct agencies to (1) maintain a continuing affirmative program to promote equal opportunity and (2) identify and eliminate discriminatory practices and policies.[31] Through EEOC's MD-715, which provides policy guidance and standards for establishing and maintaining effective EEO programs, EEOC further directs federal agencies to:

- regularly evaluate their employment practices in a variety of areas (e.g., recruitment, hiring, employee development, promotions, separations, and retention) to identify barriers—that is, agency policies, procedures, practices, or conditions that limit or tend to limit EEO for members of a particular gender, race, or ethnic background, or for individuals based on disability status in the workplace;

- take measures to eliminate identified barriers; and

- report annually on these efforts to EEOC.[32]

EEOC's MD-715 guidance lays out a four-step process to identify and eliminate barriers to EEO and workforce diversity, as shown in figure 2.

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[30]42 U.S.C. § 2000e-16(b)(1). EEOC defines program deficiencies as weaknesses in an agency's EEO program where agency officials need to provide more attention.

[31]29 C.F.R. § 1614.102(a).

[32]Equal Employment Opportunity Commission, *Equal Employment Opportunity: Management Directive 715, EEO MD-715* (Oct. 1, 2003).

Figure 2: Steps in Equal Employment Opportunity Commission's (EEOC) Barrier Analysis Process

- **Identify** triggers by comparing workforce data against various benchmarks.
- **Investigate** any connections between the triggers and agency actions to determine whether actual barriers to equal employment opportunity exist.
- **Develop** a plan with action items, responsible personnel, and target dates to eliminate barriers.
- **Assess** the effectiveness of the action plan, including reporting on the completed action items and status of the plan.

Sources: GAO analysis of EEOC documents and GAO (illustrations). | GAO-24-105732

The four steps of the barrier analysis process specifically call for agencies to:

1. identify triggers, or indicators of potential barriers, among EEO demographic groups by analyzing various sources, such as agency workforce composition data, and comparing the workforce composition data against benchmarks, such as the civilian labor force;[33]

2. investigate the possible connections between any triggers and applicable agency policies, procedures, and practices to determine whether actual barriers to EEO exist, and if so, their causes;

3. develop a plan to eliminate the identified barriers, once they have been identified, with action items, responsible personnel, and target dates; and

4. assess the plan's effectiveness, such as by measuring the extent to which efforts have removed the identified barrier, and report the completed action items to EEOC.

In March 2022, EEOC sent a letter to USPS summarizing its findings concerning USPS's compliance with EEOC's regulations, directives, and key aspects of the agency's EEO program. For more information on the status of EEOC's findings, see appendix II.

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[33]EEOC defines "triggers" as trends, disparities, or anomalies that suggest the need for further inquiry into a particular policy, practice, procedure, or condition.

USPS's Workforce Generally Became More Diverse in Recent Years, and Demographic Comparisons to the Federal and Civilian Workforces Yielded Mixed Results

Demographic Composition of USPS's Workforce

USPS's workforce became more diverse from FYs 2016 through 2022. During this time period, the proportion of historically disadvantaged racial or ethnic groups, women, and employees with disabilities generally increased. Specifically:

- The proportion of USPS's workforce who were American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, or Two or More Races increased from 36 percent to 42 percent. The largest increase was in the proportion of Black or African American employees (see fig. 3).

Figure 3: U.S. Postal Service (USPS) Workforce by Race in Fiscal Years (FY) 2016 through 2022

Fiscal year
Totals

2022
- 55.7%
- 30%
- 7.2%
- 2.3%
- 2.0%
- 0.6%

Historically disadvantaged racial group percent: **42.2%**

770,018 USPS employees

2021
- 57.4%
- 29.1%
- 7.2%
- 2.2%
- 2.0%
- 0.6%

Historically disadvantaged racial group percent: **41.0%**

757,714 USPS employees

2020
- 60.4%
- 27.4%
- 7.3%
- 2.0%
- 1.8%
- 0.5%

Historically disadvantaged racial group percent: **39.1%**

713,002 USPS employees

2019
- 61.7%
- 26.7%
- 7.3%
- 1.8%
- 1.7%
- 0.5%

Historically disadvantaged racial group percent: **38.1%**

709,788 USPS employees

2018
- 62.5%
- 26.3%
- 7.3%
- 1.6%
- 1.6%
- 0.5%

Historically disadvantaged racial group percent: **37.4%**

711,972 USPS employees

2017
- 63.2%
- 25.8%
- 7.4%
- 1.5%
- 1.5%
- 0.4%

Historically disadvantaged racial group percent: **36.7%**

710,585 USPS employees

2016
- 64%
- 25%
- 7.4%
- 1.3%
- 1.4%
- 0.4%

Historically disadvantaged racial group percent: **35.6%**

705,772 USPS employees

Percent: 0 10 20 30 40 50 60 70

Legend:
- White
- Black or African American
- Asian
- Two or More Races
- American Indian or Alaska Native
- Native Hawaiian or Other Pacific Islander

Source: GAO analysis of USPS data. | GAO-24-105732

Accessible data table for Figure 3: U.S. Postal Service (USPS) Workforce by Race in Fiscal Years (FY) 2016 through 2022

Fiscal year	White	Black or African American	Asian	Two or More Races	American Indian/Native American	Native Hawaiian/Pacific Islander
2022	55.7%	30%	7.2%	2.3%	2%	0.6%
2021	57.4	29.1	7.2	2.2	2	0.6
2020	60.4	27.4	7.3	2	1.8	0.5
2019	61.7	26.7	7.3	1.8	1.7	0.5
2018	62.5	26.3	7.3	1.6	1.6	0.5
2017	63.2	25.8	7.4	1.5	1.5	0.4
2016	64	25	7.4	1.3	1.4	0.4

Source: GAO analysis of USPS data. | GAO-24-105732

Notes: Employee numbers represent all employees during each fiscal year and not a snapshot count at the end of the fiscal year.

Values may not add up to 100 percent due to missing demographic information in USPS data.

Historically disadvantaged racial groups include employees who identify as American Indian or Alaska Native; Asian; Black or African American; Native Hawaiian or Other Pacific Islander; and Two or More Races.

We did not include ethnicity in this table because USPS data contain separate variables for ethnicity and race, and aggregating both would have resulted in double counting some employees.

- The proportion of Hispanic or Latino employees increased from 10 percent to 13 percent.

- The proportion of women in the USPS workforce increased slightly from 45 percent to 46 percent.

- The proportion of employees with a disability also increased slightly from 5 percent to 6 percent.[34]

- The proportion of employees claiming veterans' preference decreased from 15 percent to 9 percent.

Comparison of USPS and Federal Workforces

USPS's workforce in FY 2022 was more diverse than the federal workforce in the representation of most, but not all, historically disadvantaged racial or ethnic groups and women.

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[34]EEOC regulations require federal agencies, including USPS, to commit to the goal of having no less than 12 percent of their workforce comprised of employees with disabilities. 29 C.F.R. § 1614.203(d)(7). The proportion of USPS employees with disability has increased over the years; however, USPS does not meet this 12 percent goal.

- USPS's workforce had a higher percentage of most historically disadvantaged racial groups than the federal workforce (see fig. 4). For example, Black or African American employees represented 30 percent of USPS's workforce and 19 percent of the federal workforce. The only exceptions were Native Hawaiians or Other Pacific Islanders, who comprised about 1 percent of both the USPS and federal workforces and those who identified as Two or More Races, who represented just over 2 percent of USPS's workforce compared to just over 7 percent of the federal workforce.

Figure 4: U.S. Postal Service (USPS) and Federal Workforces by Race and Ethnicity in Fiscal Year 2022
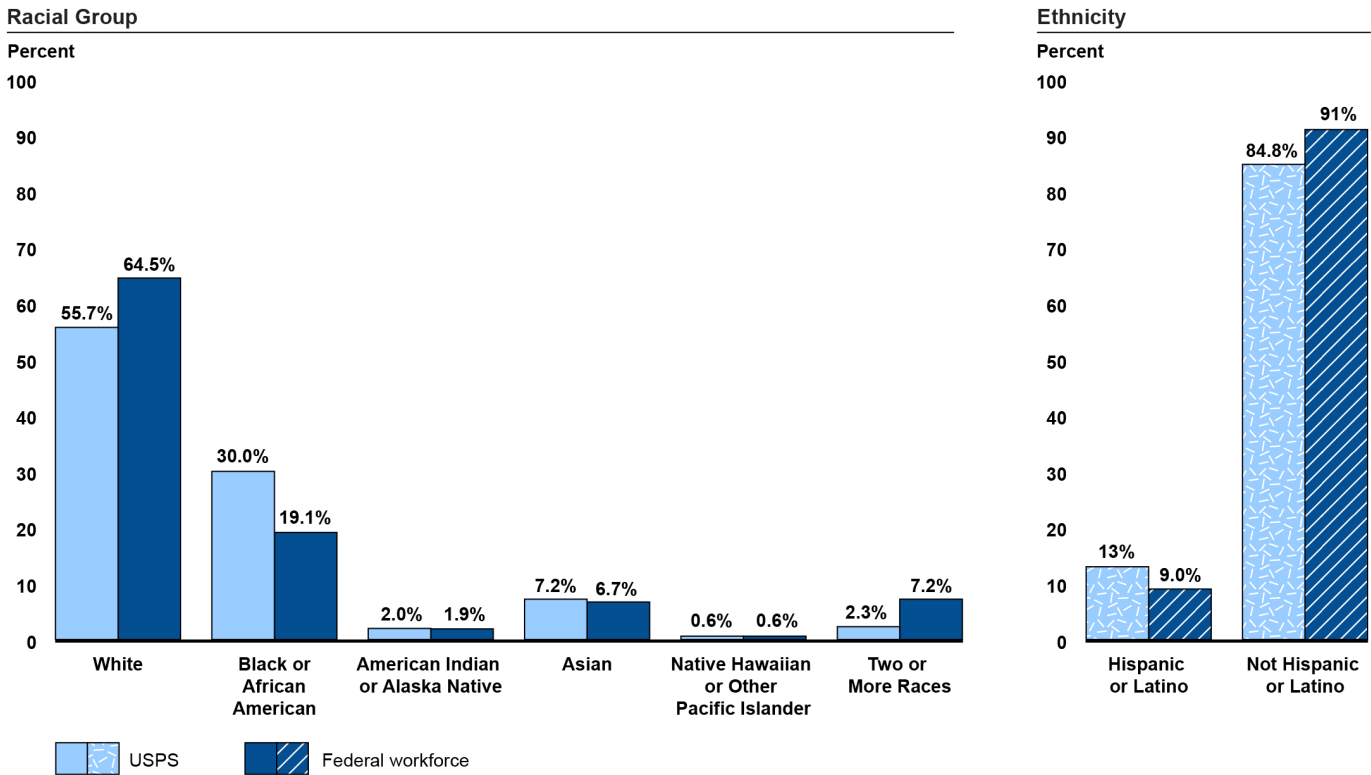
Source: GAO analysis of USPS and Enterprise Human Resource Integration data. | GAO-24-105732

Accessible data table for Figure 4: U.S. Postal Service (USPS) and Federal Workforces by Race and Ethnicity in Fiscal Year 2022

	Racial Group						Ethnicity	
	White	**Black or African American**	**American Indian or Alaska Native**	**Asian**	**Native Hawaiian or Other Pacific Islander**	**Two or More Races**	**Hispanic or Latino**	**Not Hispanic or Latino**
USPS	55.7%	30%	2%	7.2%	0.6%	2.3%	13%	84.8%
Federal workforce	64.5	19.1	1.9	6.7	0.6	7.2	9	91

Source: GAO analysis of USPS and Enterprise Human Resource Integration data. | GAO-24-105732

Note: Values may not add up to 100 percent due to missing demographic information in USPS data.

- The proportion of Hispanic or Latino employees was also higher in USPS's workforce as compared to the federal workforce, comprising 13 percent and 9 percent, respectively.

- USPS's workforce had a higher proportion of women (46 percent) than the federal workforce (44 percent).

However, representation of persons with disabilities and veterans' preference was markedly less in USPS's workforce than the federal workforce in FY 2022.

- The proportion of persons with disabilities was more than three times lower in USPS's workforce (6 percent) as compared to the federal workforce (18 percent).

- USPS's proportion of employees with veterans' preference (9 percent) was less than half that of the federal workforce (26 percent).

Comparison of USPS Workforce with the Civilian Labor Force

In FY 2019, historically disadvantaged racial groups generally accounted for a greater proportion of USPS's workforce than that of the civilian labor force (see fig. 5).[35] The percentage of three such historically disadvantaged racial groups—American Indian or Alaska Native, Black or African American, and Native Hawaiians or Other Pacific Islanders— was more than twice as great in USPS's workforce than in the civilian labor

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[35]We used civilian labor force data from FY 2019, which was the most recent data available at the time of our analysis. For more details on our methodology, see appendix I.

force. Additionally, the proportion of Asians in USPS's workforce exceeded that of the civilian labor force.

Figure 5: U.S. Postal Service (USPS) Workforce and Civilian Labor Force by Race and Ethnicity in Fiscal Year 2019
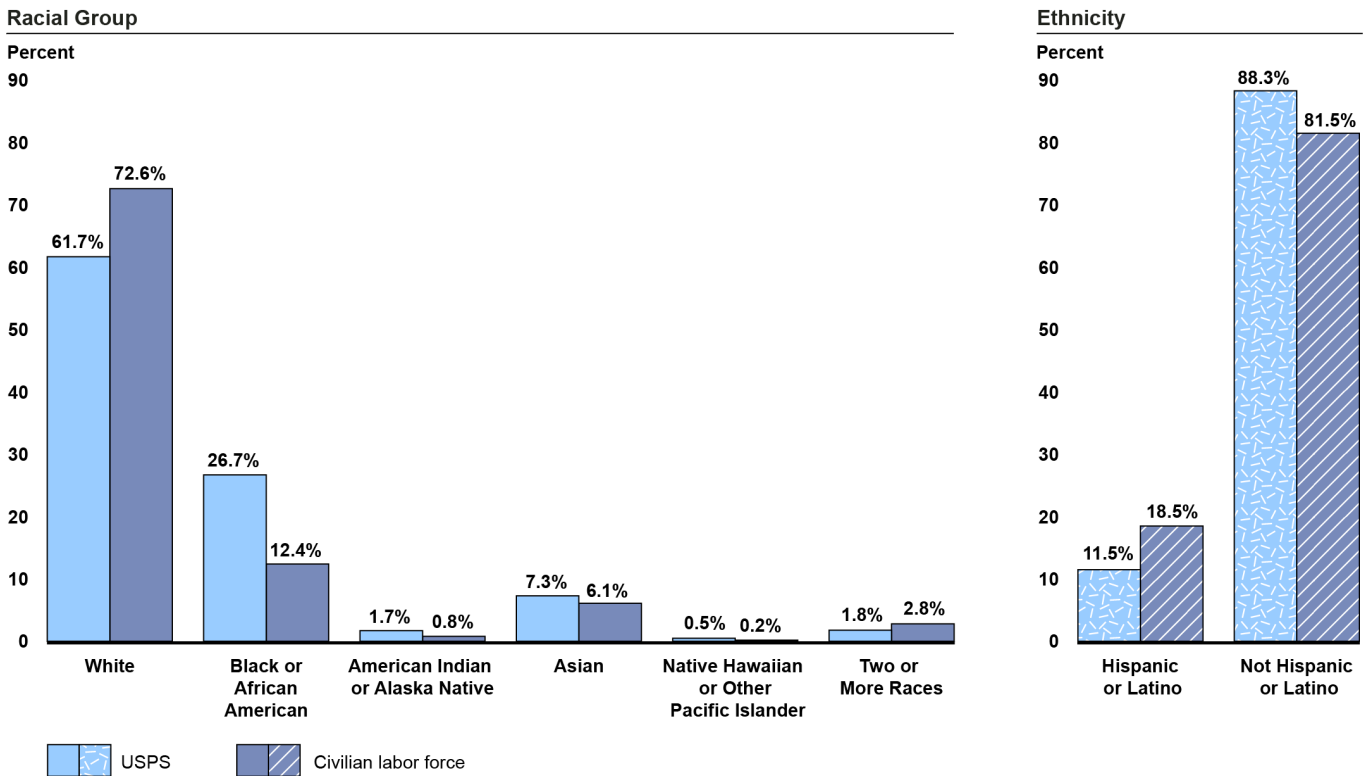
Source: GAO analysis of USPS and American Community Survey data. | GAO-24-105732

Accessible data table for Figure 5: U.S. Postal Service (USPS) Workforce and Civilian Labor Force by Race and Ethnicity in Fiscal Year 2019

	Racial Group						Ethnicity	
	White	Black or African American	American Indian or Alaska Native	Asian	Native Hawaiian or Other Pacific Islander	Two or More Races	Hispanic or Latino	Not Hispanic or Latino
USPS	61.7%	26.7%	1.7%	7.3%	0.5%	1.8%	11.5%	88.3%
Civilian labor force	72.6	12.4	0.8	6.1	0.2	2.8	18.5	81.5

Source: GAO analysis of USPS and American Community Survey data. | GAO-24-105732

Note: Values may not add up to 100 percent due to missing demographic information in USPS data.

In contrast, USPS employed a lower proportion of Hispanic or Latino employees, women, and persons with disabilities in FY 2019 than were represented in the civilian labor force.[36]

- The proportion of Hispanic or Latino employees in USPS's workforce (12 percent) was about a third less than in the civilian labor force (19 percent).

- The proportion of women in USPS's workforce (46 percent) was about two percentage points lower than in the civilian labor force (48 percent).

- The proportion of persons with disabilities in USPS's workforce (5 percent) was one percentage point less than in the civilian labor force (6 percent). [37]

Proportion of Historically Disadvantaged Racial or Ethnic Groups and Women Was Generally Lower in USPS Executive Positions and in Certain Crafts

In FY 2022, White employees were disproportionately represented in USPS's executive positions, despite improvements in diversity among executives since FY 2016 and an overall increase in diversity of USPS's workforce. In FY 2022, USPS executives were 67 percent White, while the total workforce was 56 percent White (see fig. 6). However, the proportion of USPS executives from historically disadvantaged racial groups grew from 24 percent in FY 2016 to 33 percent in FY 2022.

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[36]We did not include veterans' preference data from the American Community Survey in our analyses. In both the USPS and federal workforce data, veterans' preference was given to individuals who served in the armed forces and to their spouses or close relatives. This differs from the American Community Survey, which collects veterans' preference from a narrower group and does not include veterans' preference to spouses or close relatives.

[37]Both USPS and American Community Survey data rely on self-reporting of persons with disabilities. The American Community Survey asks individuals if they have difficulties completing tasks related to six categories of disabilities, while USPS asks individuals to identify which disability they have. Although the two data sources differ in how they ask about disability, we coded the data to indicate whether a person self-reported a disability or not, which enabled us to compare the two sources.

Figure 6: U.S. Postal Service (USPS) Total Workforce and Executives by Race and Ethnicity in Fiscal Year 2022
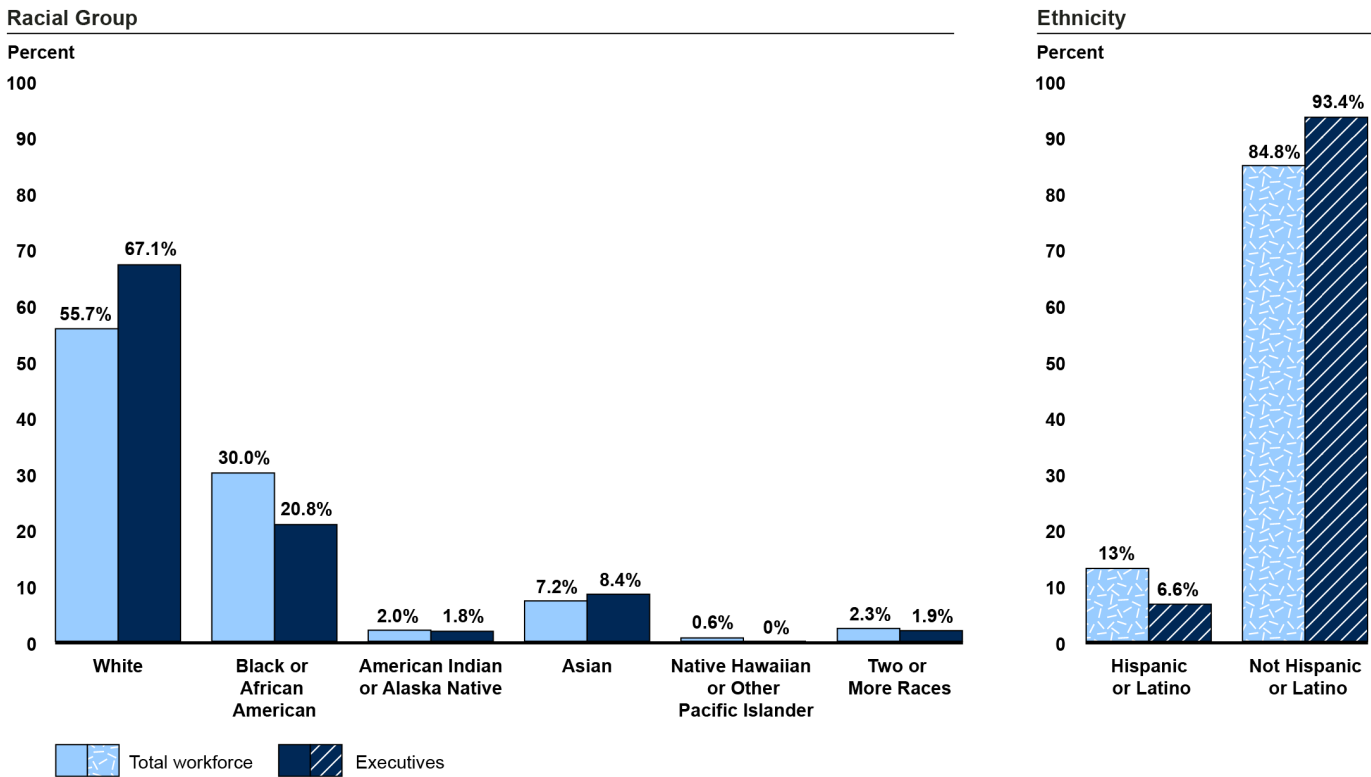
Source: GAO analysis of USPS data. | GAO-24-105732

Accessible data table for Figure 6: U.S. Postal Service (USPS) Total Workforce and Executives by Race and Ethnicity in Fiscal Year 2022

	Racial Group						Ethnicity	
	White	**Black or African American**	**American Indian or Alaska Native**	**Asian**	**Native Hawaiian or Other Pacific Islander**	**Two or More Races**	**Hispanic or Latino**	**Not Hispanic or Latino**
Total workforce	55.7%	30%	2%	7.2%	0.6%	2.3%	13%	84.8%
Executives	67.1	20.8	1.8	8.4	0	1.9	6.6	93.4

Source: GAO analysis of USPS data. | GAO-24-105732

Note: Values may not add up to 100 percent due to missing demographic information in USPS data.

Additionally, men and non-Hispanic or Latino employees were disproportionately represented in USPS executive positions in FY 2022. Only 38 percent of USPS executives were women compared with 46 percent of the total workforce (see fig. 7). The proportion of USPS executives who were Hispanic or Latino (7 percent) was about half that of

Hispanic or Latino representation in the total USPS workforce (13 percent).

Figure 7: Demographic Composition of U.S. Postal Service (USPS) by Job Type in Fiscal Year 2022
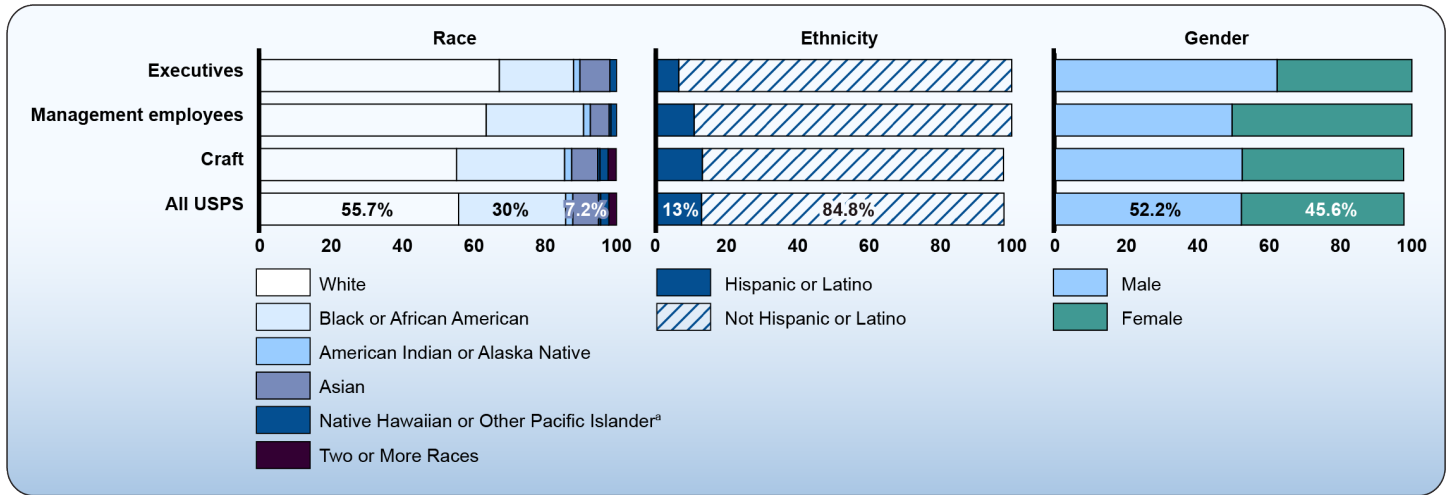
Source: GAO analysis of USPS data. | GAO-24-105732

Accessible data table for Figure 7: Demographic Composition of U.S. Postal Service (USPS) by Job Type in Fiscal Year 2022

		Executives	Management employees	Craft	All USPS
Race	White	67.1%	63.4%	55.1%	55.7%
	Black or African American	20.8	27.3	30.3	30
	American Indian or Alaska Native	1.8	1.9	2	2
	Asian	8.4	5.3	7.3	7.2
	Native Hawaiian or Other Pacific Islander[a]		0.5	0.6	0.6
	Two or More Races	1.9	1.6	2.3	2.3
Ethnicity	Hispanic or Latino	6.6	10.9	13.2	13
	Not Hispanic or Latino	93.4	89.1	84.5	84.8
Gender	Male	62.2	49.6	52.4	52.2
	Female	37.8	50.4	45.3	45.6

Source: GAO analysis of USPS data. | GAO-24-105732

Note: Values may not add up to 100 percent due to missing demographic information in USPS data.

[a]There were no Native Hawaiians or Other Pacific Islanders represented among USPS executives.

Among USPS non-bargaining positions, White employees and employees who were not Hispanic or Latino were again disproportionately represented. Specifically, a higher proportion of non-bargaining employees were White (63 percent) and not Hispanic or Latino (89 percent) relative to the total USPS workforce (56 percent White and 85 percent not Hispanic or Latino) (see fig. 8).[38] However, unlike at the executive level, women were disproportionately represented in non-bargaining positions relative to the total USPS workforce.[39] Specifically, 50 percent of non-bargaining employees were women, while women accounted for 46 percent of total USPS employees.

[38]Our analysis here includes all non-bargaining employees across all USPS, including in the Postal Inspection Service.

[39]Non-bargaining employees include frontline supervisors, middle managers, and certain other positions, including but not limited to technical and legal positions. Non-bargaining employees do not include executives. We focused on non-bargaining positions to include the full extent of USPS management positions, including technical positions.

Figure 8: U.S. Postal Service (USPS) Non-Executive, Non-bargaining Employees by Race and Ethnicity, Fiscal Year 2022
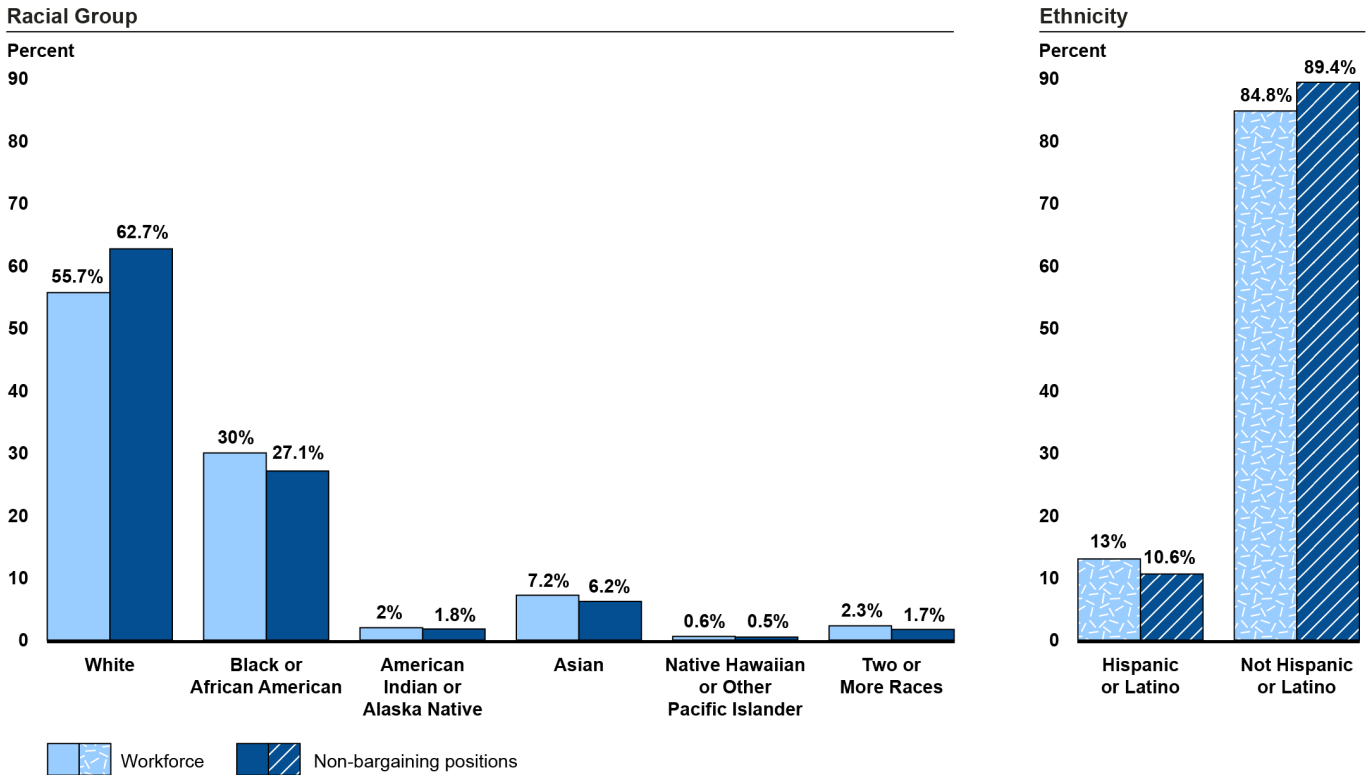
Source: GAO analysis of USPS data. | GAO-24-105732

Accessible data table for Figure 8: U.S. Postal Service (USPS) Non-Executive, Non-bargaining Employees by Race and Ethnicity, Fiscal Year 2022

	Racial Group						Ethnicity	
	White	Black or African American	American Indian or Alaska Native	Asian	Native Hawaiian or Other Pacific Islander	Two or More Races	Hispanic or Latino	Not Hispanic or Latino
Workforce	55.7%	30%	2%	7.2%	0.6%	2.3%	13%	84.8%
Non-bargaining Positions	62.7	27.1	1.8	6.2	0.5	1.7	10.6	89.4

Source: GAO analysis of USPS data. | GAO-24-105732

Notes: Values may not add up to 100 percent due to missing demographic information in USPS data.

Non-bargaining employees include frontline supervisors, middle managers, and certain other positions, including but not limited to technical and legal positions. Non-bargaining employees do not include executives.

There were also demographic differences among employees in certain crafts and between career and non-career employees. With respect to

craft positions, for example, in FY 2022, career city mail carriers were almost 60 percent White, and career rural mail carriers were over 80 percent White. Career clerks and mail handlers were disproportionately Black or African American (about 35 percent) relative to the total USPS workforce (30 percent). Career mail handlers were 51 percent Black or African American while 34 percent were White. Additionally, across the craft workforce, the career workforce was more White and less Hispanic or Latino than the non-career workforce (see fig. 9).

Figure 9: U.S. Postal Service (USPS) Career and Non-Career Workforce by Race and Ethnicity, Fiscal Year 2022
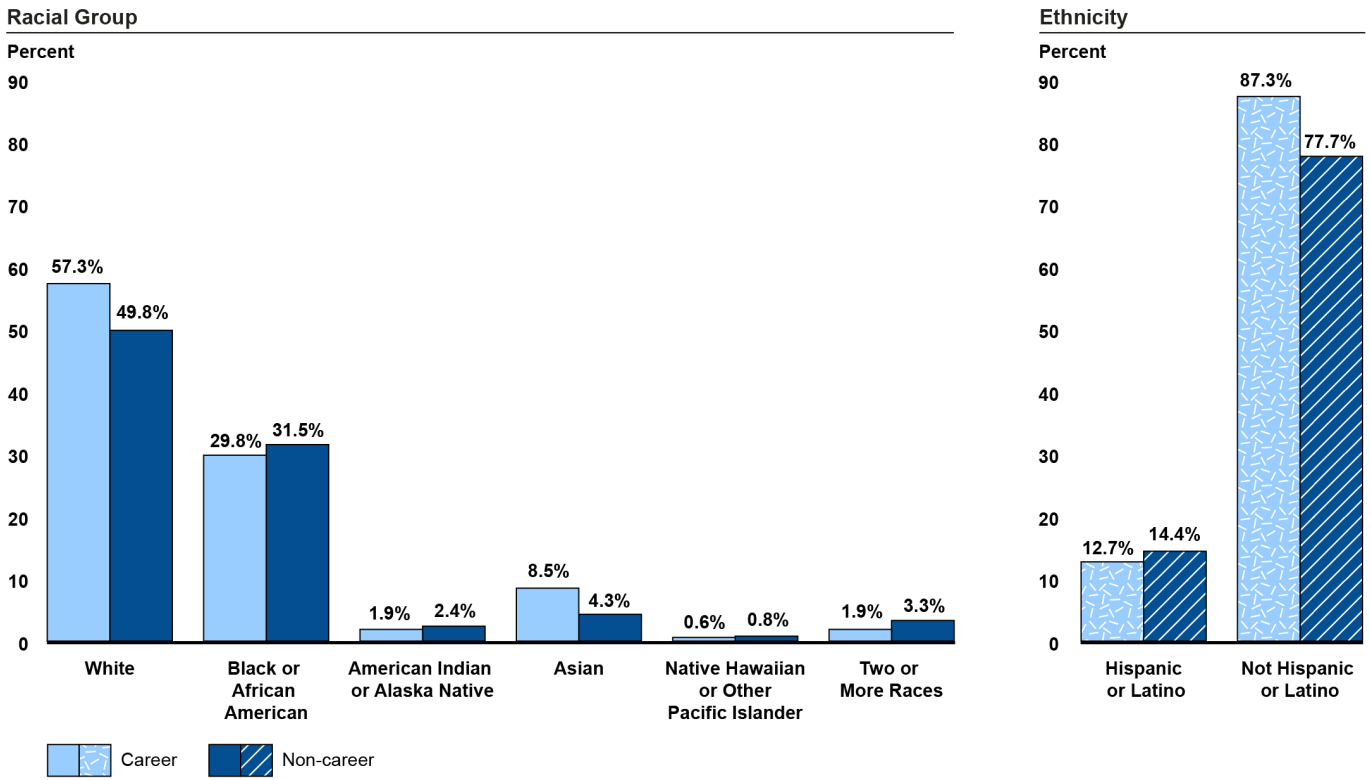
Source: GAO analysis of USPS data.　| GAO-24-105732

Accessible data table for Figure 9: U.S. Postal Service (USPS) Career and Non-Career Workforce by Race and Ethnicity, Fiscal Year 2022

|	Racial Group						Ethnicity	
	White	Black or African American	American Indian or Alaska Native	Asian	Native Hawaiian or Other Pacific Islander	Two or More Races	Hispanic or Latino	Not Hispanic or Latino
Career	57.3	29.8	1.9	8.5	0.6	1.9	12.7	87.3
Non-Career	49.8	31.5	2.4	4.3	0.8	3.3	14.4	77.7

Source: GAO analysis of USPS data. | GAO-24-105732

Note: Values may not add up to 100 percent due to missing demographic information in USPS data.

Employees Who Were White, Men, or Not Hispanic or Latino Generally Had More Positive Career Outcomes in USPS Management

White and Non-Hispanic or Latino Employees Were Generally Promoted to Management, but Not Executive, Positions at Higher Rates than Other Demographic Groups

From FYs 2016 through 2022, promotion outcomes to management positions at each level of the USPS career pathway differed among demographic groups. Different promotion outcomes could contribute to differences in the demographic composition throughout USPS as identified above. In particular, several demographic groups had worse promotion outcomes than their respective reference group during the 7-year time period. For its respective demographic category, the reference group was White, non-Hispanic or Latino, male, without disability, and not claiming veterans' preference.[40] However, our analyses do not completely explain USPS employees' promotion outcomes, which may result from other variables we could not analyze, such as employee skills and motivation. Thus, we cannot establish a causal relationship between the

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[40]In our models, we used White, not Hispanic or Latino, male, without disability, and not claiming veterans' preference as the baseline for the comparisons we calculated for all other respective demographic groups. For more information on our methodology, see appendix I.

GAO-24-105732 USPS Workforce Diversity

demographic characteristics we analyzed and promotion outcomes for USPS employees.[41]

Promotion Outcomes for Frontline Supervisory Positions

The promotion outcomes from craft to frontline supervisory positions differed across most demographic groups.[42] Women and employees claiming veterans' preference were more likely to be promoted to a frontline supervisory position than men and those without veterans' preference.[43] Conversely, Black or African American and Asian craft employees' likelihood of promotion was 9 percent and 25 percent less than their White counterparts, respectively. Hispanic or Latino craft employees had a 9 percent lower likelihood of receiving a promotion to frontline supervisor than those employees who were not Hispanic or Latino.

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[41]To analyze any differences in the demographic composition of USPS executives compared to the rest of the organization, we performed regression analyses to study how much, if at all, demographic characteristics predicted promotion outcomes for operational frontline supervisors and middle managers. We characterized these operational positions as those that had a defined career pathway from craft positions and were primarily involved in handling and delivering mail. We examined promotions from craft positions to frontline supervisory, frontline supervisory to middle manager, and middle manager to executive positions from FYs 2016 through 2022. We made all estimates in our analyses in relation to our reference group. Our analyses calculated the likelihood that an employee who was a member of the demographic groups we analyzed would be promoted compared to a similar employee in our reference group. For a full discussion of our methodology, see appendix I.

[42]We report only the results from our adjusted analysis in this section. This analysis controlled for factors such as employee age, tenure, and position. We also generated descriptive statistics for promotions of our population, which did not control for other factors that could affect promotion rates. These descriptive statistics help provide an overall picture of promotions among craft employees, frontline supervisors, and middle managers. They showed that the overall promotion rate from craft employee to frontline supervisor was 0.56 percent, for frontline supervisor to middle manager was 7.21 percent, and from middle manager to executive was 0.77 percent. However, for reporting promotion outcomes for demographic groups, relying on the adjusted analysis provides a more accurate account than the descriptive statistics because it allows us to hold constant certain factors for which we controlled. Because of the difference in how the two analyses are calculated, we obtained different results. For example, without controls for tenure and other factors, Black or African American craft employees are more likely to be promoted than White craft employees. However, when we take account of tenure and other factors, Black or African American craft employees are less likely to be promoted than comparable White craft employees.

[43]While veterans' preference was not a factor in internal promotions in the way it would be for making new hires, we used veterans' preference as a demographic to determine if there were any differences in outcome for employees with veterans' preference.

Promotion outcomes from craft to frontline supervisory positions also varied among and within different USPS crafts (see table 1).

- Black or African American city carriers and clerks and Asian city and rural carriers and clerks had a lower likelihood of being promoted than White employees in those positions.

- Hispanic or Latino city carriers were less likely to be promoted than city carriers who were not Hispanic or Latino.

- Women who were city carriers, rural carriers, and mail handlers were more likely to be promoted from craft positions to frontline supervisory positions than men. Women who were mail clerks were less likely to be promoted to frontline supervisory positions than men.

- City carriers, rural carriers, and clerks claiming veterans' preference were more likely to be promoted than employees without veterans' preference.

- We did not find statistically significant differences in promotion from craft to frontline supervisory positions for certain craft types or racial groups, and for some groups, we found varying results. For example, American Indian or Alaska Native rural carriers and mail handlers had higher likelihood of promotion compared to their White counterparts; in contrast, American Indian or Alaska Native city carriers and mail clerks had lower likelihood of promotion compared to White employees in those positions.[44]

[44]Our reporting here and throughout this section primarily focuses on our statistically significant results. For results that were not statistically significant, we were not able to determine with at least 95 percent confidence that we observed differences in job outcomes between the demographic group and our reference group. There could be many reasons for not obtaining a statistically significant result, such as the groups having no substantial difference in job outcomes, lack of statistical power due to low number of observations, or unknown variables we cannot control for. Similar to not making causal inferences from our statistically significant results, we also cannot make causal inferences regarding our results that were not statistically significant. In many cases, the direction of statistically significant results is the same as the direction of results that were not statistically significant.

Table 1: Statistical Likelihood of Promotion of USPS Craft Employees and Frontline Supervisors, Compared with Baseline Categories (White, Non-Hispanic or Latino, male, no disability, no veterans' preference), Fiscal Years 2016-2022

Demographic group	All career craft employees promotion odds ratio	City carriers promotion odds ratio	Rural carriers promotion odds ratio	Mail clerks promotion odds ratio	Mail handlers promotion odds ratio	Frontline supervisors promotion odds ratio
Compared to White						
American Indian or Alaska Native	0.908	0.888	1.396	0.818	1.152	0.928
Asian	0.749**	0.708**	0.504*	0.803**	1.011	0.535**
Black or African American	0.913**	0.878**	1.169	0.904*	1.156	0.611**
Native Hawaiian or Other Pacific Islander	0.986	1.019	1.172	1.164	0.708	0.833
Two or More Races	0.989	0.917	1.598	1.007	1.254	0.799*
Compared to not Hispanic or Latino						
Hispanic or Latino	0.912**	0.914*	0.897	0.903	1.025	0.724**
Compared to men						
Women	1.320**	1.561**	1.328**	0.915*	1.237**	1.074**
Compared to no disability						
With a disability	0.939	0.957	0.790	0.955	0.833	0.913
Compared to no veterans' preference						
With veterans' preference	1.271**	1.337**	1.728**	1.162**	0.913	1.046

Legend:

* Values are significant at the 95 percent level.

** Values are significant at the 99 percent level.

Values without markings are not statistically significant to the 95 percent level.

Source: GAO analysis of U.S. Postal Service (USPS) data. | GAO-24-105732

Note: Values reported in the table are odds ratios. An odds ratio above one indicates a higher rate of promotion compared to the reference category, while an odds ratio below one indicates a lower rate of promotion compared to the reference category. An odds ratio of one indicates no difference in promotion rates relative to the reference category.

Promotion Outcomes for Middle Management Positions

Promotion outcomes from frontline supervisor to middle manager positions also differed when compared to our reference group. In particular, Asian and Black or African American frontline supervisors were about 40 to 50 percent less likely to be promoted to middle manager as their White counterparts. Employees of Two or More Races were 20 percent less likely to be promoted than our reference group. Hispanic or Latino frontline supervisors were 28 percent less likely to be promoted than non-Hispanic or Latino frontline supervisors. Women had a greater likelihood of being promoted from frontline supervisor to middle manager

than men. Observations for other demographic groups were not statistically significant.

Promotions Outcomes for Executive Positions

Our analyses found three demographic groups that were more likely or equally likely to be promoted from middle manager positions to executive positions when compared to the reference group.[45] Asian and Black or African American middle managers who were eligible for consideration for the Corporate Succession Planning Pool were almost twice as likely to be promoted as their White counterparts to executive positions.[46] Employees of Two or More Races were over seven times as likely to be promoted to executive positions as White employees. For all other demographic characteristics, we did not find statistically significant differences in the promotion rates of middle managers to executives.

External Hires for Executive and Other Management Positions

From FY 2016 through 2022, USPS's external hires at all levels from frontline supervisor and above were majority White, not Hispanic or Latino, male, without disability, and without veterans' preference.[47] For frontline supervisors, new hires were generally most reflective of the USPS workforce. External hires for frontline supervisors were 53 percent White (compared to 61 percent for all USPS averaged across FYs 2016 through 2022), 90 percent not Hispanic or Latino (compared to 88 percent), 59 percent men (compared to 54 percent), 87 percent without disability (compared to 95 percent), and 64 percent without veterans' preference (compared to 88 percent). For middle managers, external hires were 76 percent White, 92 percent not Hispanic or Latino, 51

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[45]For our analysis of promotions from manager to executive, we did not control for time in position as a manager because we did not have enough years of data to capture the typical tenure of a manager before being promoted to an executive position. Our analysis combines Postal Career Executive Services (PCES) managers and PCES officers into one group called executives. For more information on our methodology see appendix I.

[46]USPS employees are generally selected from a pool of candidates through USPS's Corporate Succession Planning Program to become executives. We did not have the data available to identify who was in the candidate pool. Employees in our analysis would be eligible for consideration for the Corporate Succession Planning Pool once they reach a grade of 22 or higher.

[47]We report only descriptive statistics, which are non-generalizable for new hires, because we did not have the information to implement the same controls we used for our adjusted analyses.

percent men, 93 percent without disability, and 77 percent without veterans' preference.

External hires for executive positions were less reflective of the demographic makeup of the USPS workforce than new hires for frontline supervisor or middle management positions in general. External hires for executive manager and officer positions were over 70 percent White, over 95 percent not Hispanic or Latino, over 60 percent men, over 90 percent without acknowledged disability, and over 79 percent without veterans' preference. Over the selected time period, USPS made 37 external hires for these positions. These external hires accounted for a small portion of USPS's 669 executive manager and officer positions.

Frontline Supervisors, Middle Managers, and Executives from Many Historically Disadvantaged Racial or Ethnic Groups Earned Less Compensation than Their Counterparts

Our adjusted analysis of compensation for frontline supervisors, middle managers, and executives showed that, in general, historically disadvantaged racial or ethnic groups, women, and executives with disabilities earned less than their counterparts (see table 2). USPS employees with veterans' preference generally earned more than those without veterans' preference. We examined compensation from FYs 2016 through 2022, and we controlled for factors that may influence pay, such as years in position.

Table 2: Relative Compensation of USPS Employees by Demographic Groups and Job Types, Compared with Baseline Categories (White, Non-Hispanic or Latino, men, no disability, no veterans' preference), Fiscal Years 2016-2022

Job type		Demographic group	Percent difference in compensation
Frontline supervisors	Compared to White	American Indian or Alaska Native	+1.8%
		Asian	-1.0%*
		Black or African American	-1.5%**
		Native Hawaiian or Other Pacific Islander	-0.3%
		Two or More Races	+0.7%

Job type		Demographic group	Percent difference in compensation
		Compared to not Hispanic or Latino	
	Compared to not Hispanic or Latino	Hispanic or Latino	-1.1%**
	Compared to men	Women	-1.2%**
	Compared to no disability	With a disability	+0.00%
	Compared to no veterans' preference	With veterans' preference	+2.3%**
	Compared to White	American Indian or Alaska Native	+0.3%
		Asian	-5.2%*
		Black or African American	-5.1%*
		Native Hawaiian or Other Pacific Islander	-5.8%
Middle managers		Two or More Races	-2.0%
	Compared to not Hispanic or Latino	Hispanic or Latino	-3.3%
	Compared to men	Women	-1.5%
		Compared to no disability	
	Compared to no disability	With a disability	+0.4%
	Compared to no veterans' preference	With veterans' preference	+6.0%*
	Compared to White	American Indian or Alaska Native	-1.6%
		Asian	-4.8%*
		Black or African American	-5.5%**
		Native Hawaiian or Other Pacific Islander	-16.2%
		Two or More Races	+8.7%
		Compared to not Hispanic or Latino	
	Compared to not Hispanic or Latino	Hispanic or Latino	+8.6%
Executives	Compared to men	Women	-1.8%
		Compared to no disability	
	Compared to no disability	With a disability	-7.0%*

Job type		Demographic group	Percent difference in compensation
	Compared to no veterans' preference	With veterans' preference	-2.9%

Legend:

* Values are significant to the 95 percent level.

** Values are significant to the 99 percent level.

Values without a symbol are not significant to the 95 percent level.

Source: GAO analysis of U.S. Postal Service (USPS) data. | GAO-24-105732

- In terms of race, Asian and Black or African American employees generally earned less than their White counterparts in frontline supervisor, middle manager, and executive positions. For example, Black or African American middle managers earned 5 percent less than White middle managers, which translates to earning $3.85 less per hour than their White counterparts.[48]

- Hispanic or Latino frontline supervisors earned 1 percent less than non-Hispanic or Latino frontline supervisors, which translates to $0.68 less per hour.

- Women who were frontline supervisors earned less than men in these positions. More specifically, women who were frontline supervisors earned 1 percent less or $0.75 less per hour than men in frontline supervisor positions.

- Executives with disabilities earned 7 percent less than those without disabilities. This translates to earning about $9.71 per hour less.

- Frontline supervisors and middle managers with veterans' preference earned more than those without a preference. Frontline supervisors with veterans' preference earned 2.3 percent more—or over $1 more per hour—than frontline supervisors without veterans' preference. Middle managers with veterans' preference earned 6 percent more than those without, which translates to over $4 more per hour.

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[48]Our analysis looked at salaried positions, which are not paid hourly. However, to scale our results by work hours, we divided pay and benefits by yearly hours worked, and we report results as overall compensation per hour worked. We analyzed data for each demographic characteristic and job type, but we only report results for which we obtained statistically significant estimates.

Separations Varied by Race, Ethnicity, or Gender, but Frontline Supervisors with Disabilities or Veterans' Preference Were Generally More Likely to Separate

The results of our analysis of separation rates by race, ethnicity, and gender for employees who retired, resigned, were terminated, or left for other reasons from FY 2016 through 2022 were mixed (see table 3).[49] For example:

- Retirements: Black or African American and Asian frontline supervisors were less likely to retire than White supervisors, as were Hispanic or Latino frontline supervisors when compared with non-Hispanic or Latino supervisors. Middle managers who were women were more likely to retire than men. Among executives, Black or African American and Asian employees were less likely to retire than their White counterparts.

- Resignations: Asian middle managers were less likely to resign than White middle managers, and Hispanic or Latino middle managers were less likely to resign than non-Hispanic or Latino middle managers as well.

- Terminations: Among supervisors, women were less likely to be terminated than men. Among managers, those who were of Two or More Races were more likely to be terminated than their White counterparts.

- Other Separation: Women who were middle managers were more likely than men to separate for other reasons.

Table 3: Analysis of USPS Frontline Supervisor and Middle Manager Separations by Race, Ethnicity, and Gender, Compared to Baseline Categories (White, Non-Hispanic or Latino, men), Fiscal Years 2016-2022

Job type	Demographic group	Resignation odds ratio	Retirement odds ratio	Termination odds ratio	Other separation odds ratio
Frontline supervisors	Compared to White				
	American Indian or Alaska Native	1.049	0.903	1.171	0.806
	Asian	0.746**	0.730**	0.537	0.518
	Black or African American	0.635**	0.672**	1.197	0.889
	Native Hawaiian or Other Pacific Islander	0.515	0.687	2.541	0.830

[49]Other reasons for leaving included a worker declining relocation or reassignment, involuntarily separating from USPS, or transferring to another agency.

Job type	Demographic group	Resignation odds ratio	Retirement odds ratio	Termination odds ratio	Other separation odds ratio
	Two or More Races	0.858	0.887	1.144	1.155
	Compared to not Hispanic or Latino				
	Hispanic or Latino	0.802**	0.702**	0.925	0.826
	Compared to men				
	Women	0.960	1.006	0.721*	1.399
Middle managers	Compared to White				
	American Indian or Alaska Native	0.831	0.983	1.528	—
	Asian	0.554*	0.694**	1.738	1.862
	Black or African American	0.799	0.657**	1.571	0.971
	Native Hawaiian or Other Pacific Islander	—	0.982	2.796	—
	Two or More Races	0.985	0.860	4.019**	1.024
	Compared to not Hispanic or Latino				
	Hispanic or Latino	0.695*	0.721**	1.616	1.478
	Compared to men				
	Women	0.978	1.142**	0.658	1.829*
Executive	Compared to White				
	American Indian or Alaska Native	—	0.503	—	—
	Asian	0.238	0.300**	—	—
	Black or African American	1.293	0.546**	—	—
	Native Hawaiian or Other Pacific Islander	—	1.316	—	—
	Two or More Races	—	0.767	—	—
	Compared to not Hispanic or Latino				
	Hispanic or Latino	0.374	0.848	—	—
	Compared to men				
	Women	1.506	0.989	—	—

Legend:

* Values are significant at the 95 percent level.

** Values are significant at the 99 percent level.

Values without a symbol are not significant to the 95 percent level.

— indicates that we were not able to produce an estimate.

Source: GAO analysis of U.S. Postal Service (USPS) data. | GAO-24-105732

Notes: Values reported in the table are odds ratios. An odds ratio above one indicates a higher rate of separation compared to the reference category, while an odds ratio below one indicates a lower rate of separation compared to the reference category. An odds ratio of one indicates no difference in separation rates relative to the reference category.

All results except for resignations among executives were derived from our full model. For resignations among executives, we report results from our model omitting fixed effects for states because too many observations were omitted from our full model.

Frontline supervisors with disabilities or veterans' preference were generally more likely to separate from USPS than their counterparts without disabilities or veterans' preference (see table 4). For example, for frontline supervisors with a disability, the likelihood of termination was more than 60 percent higher than for supervisors without a disability. Additionally, for frontline supervisors with veterans' preference, the likelihood of resignation was about 45 percent higher than for those without veterans' preference.

Table 4: Analysis of USPS Frontline Supervisor and Middle Manager Separations by Disability and Veterans' Preference, Fiscal Years 2016-2022

Position	Demographic group	Resignation odds ratio	Retirement odds ratio	Termination odds ratio	Other separation odds ratio
Frontline supervisor	Compared to no disability				
	With a disability	0.999	1.119	1.655*	1.231
	Compared to no veterans' preference				
	With veterans' preference	1.463**	1.572**	1.305	5.475**
Middle manager	Compared to no disability				
	With a disability	1.244	1.099	1.404	0.775
	Compared to no veterans' preference				
	With veterans' preference	1.008	1.470**	1.225	3.835**
Executive	Compared to no disability				
	With a disability	2.585	0.606	—	—
	Compared to no veterans' preference				
	With veterans' preference	0.905	1.187	—	—

Legend:

* Values are significant at the 95 percent level.

** Values are significant at the 99 percent level.

Values without a symbol are not significant to the 95 percent level.

— indicates that we were not able to produce an estimate.

Source: GAO analysis of U.S. Postal Service (USPS) data. | GAO-24-105732

Notes: Values reported in the table are odds ratios. An odds ratio above one indicates a higher rate of separation compared to the reference category, while an odds ratio below one indicates a lower rate of separation compared to the reference category. An odds ratio of one indicates no difference in separation rates relative to the reference category.

All results except for resignations among executives are from our full model. For resignations among executives, we report results from our model omitting fixed effects for states because too many observations were omitted from our full model.

USPS Has Reported Indicators of Potential Barriers to Achieving Workforce Diversity, but

EEO Program Deficiencies Limit Its Ability to Fully Determine if Those Are Actual Barriers

USPS Has Identified Indicators of Potential Barriers in Recruitment, Separations, and Other Workforce Representation Issues

In each of its reports to EEOC from FYs 2016 through 2022, USPS identified between five to eight indicators of potential barriers ("triggers") to EEO and workforce diversity. As discussed above, these triggers are workforce trends, disparities, or anomalies that suggest the need for further inquiry into particular agency policies, practices, procedures, or conditions. The triggers that USPS identified relate to recruitment and hiring, employee development, promotions, separations, and low employment and retention rates of persons with disabilities and targeted disabilities (see fig. 10).[50]

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[50]As previously mentioned, the federal government distinguishes between two major categories of disabilities: targeted and other disabilities. Targeted disabilities, generally considered to be more severe, include traumatic brain injuries, deafness, blindness, partial or complete paralysis, significant mobility impairments, and psychiatric disabilities, among others. Other disabilities include such conditions as gastrointestinal disorders, cardiovascular or heart disease, autoimmune disorders, pulmonary or respiratory conditions, and learning disabilities. GAO, *Disability Employment: Hiring Has Increased but Actions Needed to Assess Retention, Training, and Reasonable Accommodation Efforts*, GAO-20-384 (Washington, D.C.: June 11, 2020).

Figure 10: Triggers Identified in U.S. Postal Service (USPS) Reports to the Equal Employment Opportunity Commission (EEOC), Fiscal Years 2016 through 2022

Accessible data table for Figure 10: Triggers Identified in U.S. Postal Service (USPS) Reports to the Equal Employment Opportunity Commission (EEOC), Fiscal Years 2016 through 2022

	Triggers	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**
Overall USPS employees	Recruitment / Hiring	Triggers identified						

Triggers	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**
Awards	No triggers identified	No triggers identified	Triggers identified				

EEOC officials told us that USPS's EEO program is effective at identifying triggers, but USPS struggles to determine if those triggers are actual barriers because of data limitations. EEOC conducted evaluations of USPS's efforts to identify barriers in 2014 and 2019. As a result of these evaluations, EEOC identified deficiencies in USPS's EEO program and provided technical assistance feedback letters and trainings to USPS on conducting barrier analyses in 2015 and 2019.[53] However, two data limitations persist.

<u>USPS Remains Years Away from Having Complete Applicant Flow Data</u>

EEOC has identified USPS's longstanding inability to collect applicant flow data—the demographic information voluntarily provided by job applicants—as a critical EEO program deficiency.[54] EEOC's technical assistance feedback letters to USPS indicated that, since FY 2012, USPS has not collected applicant flow data needed to complete some workforce data tables that are part of annual MD-715 reports. According to the MD-715 instructions, workforce data tables are useful for agencies to identify triggers. EEOC officials told us that the absence of such data has affected USPS's ability to identify triggers and "pinpoint" any actual barriers, because the data are the starting point and key source to analyze any workforce discrepancy and anomalies.

USPS's development of a system to collect applicant flow data has been delayed multiple times since 2012. For example, USPS informed EEOC in February 2017 that it planned to implement a system in 2 to 3 years that would track the demographics of its applicant pools. USPS later advised EEOC in its FY 2021 MD-715 report that it secured funding for the system in September 2021 and expected to have a system

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[53]EEOC ensures federal agency compliance with requirements, including those outlined in MD-715, through reviews of agencies' policies and by providing technical assistance to identify and address EEO program deficiencies. Such deficiencies are weaknesses in an agency's EEO program that require additional attention from agency officials. According to EEOC officials, the EEOC meets with each agency periodically to conduct these reviews. EEOC includes assessments of agency progress in notice and feedback letters to individual agencies. See appendix II for a list of USPS's EEO program deficiencies as of November 2023, as identified by EEOC.

[54]Applicant flow data refer to demographic information voluntarily provided by applicants for: (1) vacancy announcements and interviews with applicants for new hires and internal competitive promotions to management positions; and (2) career development programs for the senior grade levels and management positions. GAO, *FEMA Workforce: Additional Actions Needed to Help Prevent and Respond to Discrimination and Harassment,* GAO-23-105243 (Washington, D.C.: Oct. 20, 2022).

implemented by September 2025. However, in its FY 2022 MD-715 report, USPS reported that the system would be partially implemented by 2025. Following this partial implementation, USPS stated that it will reassess timelines to deploy the system to track the remaining positions, with a target date of September 2028 for full implementation of the system.

However, it is not clear how USPS will capture and use this newly collected data for its workforce analysis so it can conduct more robust barrier analyses and better identify triggers and their causes. USPS officials told us that they have identified project risks and are regularly monitoring milestone dates to manage the development of the system. Independent reviews are also in place to monitor the project's costs. In August 2023, USPS officials told us that they are working with six vendors and may need to change the project's timeline again, as the milestone dates depend on the business and technical requirements identified for each phase. EEOC told us that once the system is implemented, USPS will need time to determine how to retrieve the data from the system for the agency to analyze.

We have previously reported that even when an agency has collected applicant data, the agency may still not use it.[55] Our past work found that USPS did not systematically capture and use applicant flow data for reporting promotion demographics on USPS's system at that time.[56] Subsequently, based on our recommendation, USPS instituted practices that monitored the accuracy and completeness of data related to the applicant pool and the identification of potential barriers in the promotion process. However, USPS officials told us that they no longer collect applicant flow data as USPS's HR data system had changed over the years. USPS officials told us that the new applicant flow tracking system is being developed, in part, for the purpose of preparing the workforce data tables and conducting the barrier analysis required by the MD-715. Nevertheless, developing a detailed plan for how the newly collected data will be used to prepare those workforce data tables would better position USPS to identify barriers and their causes, and in turn, make any necessary changes to policies and practices.

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[55]GAO, *USAID: Mixed Progress in Increasing Diversity, and Actions Needed to Consistently Meet EEO Requirements*, GAO-20-477 (Washington, D.C.: June 23, 2020).

[56]GAO, *U.S. Postal Service: Diversity in High-Level EAS Positions*, GAO/GGD-99-26 (Washington, D.C.: Feb. 26, 1999).

<u>USPS Has Not Collected Exit Interview Data on Issues Specific to Employees with Disabilities</u>

USPS has not collected exit interview data on issues specific to employees with disabilities, which EEOC has identified since 2017 as another program deficiency that limits USPS's ability to identify related barriers and their causes. While USPS conducts exit surveys with employees leaving the agency, the exit surveys did not include questions on how the agency can improve the recruitment, hiring, inclusion, retention, and advancement of employees with disabilities.[57]

In November 2023, USPS added questions to its exit surveys to gather feedback on how it can improve its efforts to recruit, hire, develop, and retain employees with disabilities. Additional information about issues that employees with disabilities face could be particularly important for USPS because it has consistently reported employment rates of individuals with disabilities and targeted disabilities below the federally required target goals of 12 percent and 2 percent, respectively.[58] USPS has also consistently identified recruitment, hiring, promotion, and separations of persons with disabilities as triggers.

EEOC regulations require agencies to take specific steps to ensure that employees with disabilities have sufficient opportunities for advancement.[59] One such step, as required under the MD-715 reporting of an agency's self-assessment, is to administer exit interviews or surveys that include questions on how the agency could improve the inclusion and advancement of employees with disabilities.[60] According to EEOC, as well as our past work, employee surveys may reveal important information on employees' experiences, perceptions, or difficulties they may have

[57]According to USPS's FY 2022 MD-715 report, USPS has two versions of its exit survey: one focused on its non-career workforce and part-time flexible carriers and another focused on administrative, professional, and technical positions at headquarters. Neither survey includes questions on how the agency can improve or advance opportunities for individuals with disabilities.

[58]EEOC regulations require federal agencies, including USPS, to commit to the goal of having no less than 12 percent of their workforce comprised of employees with disabilities. 29 C.F.R. § 1614.203(d)(7). This goal is also to include at least 2 percent of the agency's workforce to be comprised of employees with targeted disabilities. The 2 percent goal for targeted disabilities is a subset of, not in addition to, the 12 percent goal.

[59]29 C.F.R. § 1614.203(d)(1)(iii).

[60]Part G, question D.1.c of the MD-715 Instructions has incorporated this regulation into the elements of a model EEO program.

encountered with an agency's practice or policy.[61] EEOC also recommended in a FY 2018 report that federal agencies should work to improve retention rates for persons with disabilities and conduct research using workforce, climate survey, and exit interview data to identify the specific types of personnel actions, policies, procedures, and practices related to persons with disabilities and targeted disabilities.[62]

USPS Has Fully or Mostly Met Five and Partially Met Four of Nine Leading Diversity Management Practices

We found that USPS has fully or mostly met five leading diversity management practices and partially met the remaining four such practices. We previously identified these practices through a literature review and interviews with diversity experts.[63]

Figure 11 summarizes our overall assessment of the extent to which USPS met each of the nine diversity management practices. Additional information on our assessment of the extent to which USPS's action addressed each element of the nine leading diversity management practices can be found in appendix III.

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[61]As we have reported, pinpointing the root causes behind separation rates and determining potential solutions require targeted data collection and analysis of employee exit surveys or interviews from persons with disabilities. See GAO-20-384.

[62]U.S. Equal Employment Opportunity Commission, *The EEO Status of Workers with Disabilities in the Federal Sector, A Supplement to the Fiscal Year 2018 Annual Report on the Federal Workforce.*

[63]GAO-05-90. More recently, we developed key elements associated with each diversity management leading practice. See GAO-21-83 and GAO-22-105182. While these elements are not necessarily required to meet each leading practice, they serve as indicators toward meeting each leading practice. We rated USPS's overall practice as fully meeting a diversity management leading practice when we found all elements associated with a leading practice were met. We rated USPS's practice as mostly meeting a diversity management leading practice when we found more than half of the elements associated with a leading practice were met. We rated USPS as having partially met a leading practice when we found less than half of the elements associated with a leading practice were met. We included DEIA practices as part of diversity management in the federal workplace.

Figure 11: GAO's Assessment of U.S. Postal Service (USPS) Diversity Practices Compared to Diversity Management Leading Practices

Leading practices	Definition	GAO overall rating of USPS practices
Top leadership commitment	A vision of diversity demonstrated and communicated throughout an organization by top-level management	●
Diversity linked to performance	The understanding that a more diverse and inclusive workforce can yield greater productivity and improve individual and organizational performance.	●
Recruitment	The process of attracting a supply of qualified, diverse applicants	●
Succession planning	An ongoing, strategic process for identifying and developing a diverse pool of future leaders	◕
Diversity training	Organizational efforts to inform and educate management and staff about diversity	◕
Diversity as part of organization's strategic plan	A diversity strategy and plan that align with the organization's strategic plan. Organizational efforts to inform and educate management and staff about diversity	◑
Measurement	A set of quantitative and qualitative measures that assess the effect of various aspects of an overall diversity program	◑
Accountability	The means to ensure that leaders are responsible for diversity by linking their performance assessment to the progress of diversity initiatives	◑
Employee involvement	The contribution of employees in driving diversity throughout an organization	◑

● Practice was fully met – all elements were met   ◕ Practice was mostly met – more than half of the elements were met   ◑ Practice was partially met – less than half of the elements were met

Source: GAO analysis of USPS actions and GAO's previously identified diversity management leading practices and associated key elements. | GAO-24-105732

USPS Has Fully or Mostly Met Five Leading Diversity Management Practices

USPS fully or mostly met leading diversity management practices on (1) top leadership commitment, (2) diversity linked to performance, (3) recruitment, (4) succession planning, and (5) diversity training. Below are illustrative examples of the steps USPS has taken to meet these five practices.

- **Top leadership commitment.** USPS fully met the leading practice that calls for top leadership to demonstrate and communicate its commitment to diversity, which is fundamental to implementing diversity management initiatives.[64] For example, in its FY 2021 Annual Report to Congress, USPS highlighted its commitment to diversity and emphasized the value of a diverse workforce. Illustrative statements from top leadership include the Postmaster General's keynote speech

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[64]GAO-05-90.

at the May 2022 National Postal Forum highlighting USPS's initiative to promote diversity in leadership. USPS also established an Executive Diversity Council, consisting of a diverse group of executives to advise, assist, and make recommendations on diversity matters and champion initiatives to build USPS leadership and organizational capabilities.[65] In January 2019, USPS also supplemented its existing policies on workforce diversity by issuing a new policy that supports gender transition in the workplace to provide a safe workplace, free from discrimination.

- **Diversity linked to performance.** USPS also fully met the leading practice of linking diversity to performance, recognizing that diversity management makes good business sense that enhances productivity and innovation, according to leading diversity management practices.[66] Through its 10-year strategic plan and policy statements, USPS has linked a diverse workforce to performance, expressly recognizing that a more diverse workforce can yield greater productivity and improve individual and organizational performance.[67] For example, in June 2020, USPS issued a diversity and inclusion policy statement that states the agency values the diversity of its employees, suppliers, and customers and justifies a case for diversity, noting that diversity is key to corporate success. Additionally, USPS highlighted its commitment to ensuring that all qualified suppliers have the opportunity to compete for competitively awarded contracts by requiring that local purchasing policies support local business communities and encouraging economic development of diverse groups. USPS noted that these "actions are critical to diversity and inclusion becoming an integral part of the organization; not only do they benefit each employee, they also enhance our standing in the national and global marketplaces."

- **Recruitment.** USPS also fully met diversity management leading practice in recruitment, which is a key process toward establishing a diverse workforce.[68] By developing a recruitment strategy as well as partnerships with academic institutions and diverse professional organizations, USPS has taken steps to attract a supply of qualified,

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[65]The Executive Diversity Council includes five senior leaders, four of whom are also part of the Executive Leadership Team.

[66]GAO-05-90.

[67]U.S. Postal Service, *Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence* (Washington, D.C: Mar. 2021).

[68]GAO-05-90.

diverse applicants for employment. USPS has increased its recruitment outreach to diverse communities by recruiting at some historically Black colleges and universities; engaging with diverse professional organizations, such as the Hispanic-Latino Professional Association's Career Fair; and partnering with organizations that focus on employment for people with disabilities, such as CAREERS and the disABLED as well as the Employer Assistance and Resource Network on Disability Inclusion.[69] In FY 2021, USPS also outlined its plan to target and recruit women in positions predominantly occupied by men, such as tractor-trailer operator, automotive mechanic and technician, and postal inspector. Additionally, based upon our survey, we estimate that about 75 percent of supervisors and managers agreed or strongly agreed that USPS's written policies promote diversity in its outreach and recruitment for hiring.[70] Approximately 67 percent of supervisors and managers agreed or strongly agreed that USPS practices promote diversity in outreach and recruitment (see appendix IV for our survey results).[71]

- **Succession planning.** USPS mostly met the diversity management leading practice that calls for succession planning, which is a comprehensive, ongoing strategic process that provides for forecasting an organization's senior leadership needs. Succession planning includes identifying and developing candidates who have the potential to be future leaders and selecting individuals from among a diverse pool of qualified candidates to meet executive resource needs.[72] USPS has had a long-standing, documented corporate succession planning process, specifically for its executive leadership development program, which we have previously cited as an exemplary diversity management practice.[73]

  To help develop a pipeline of supervisors and managers who can be eligible to participate in the executive corporate succession planning in the future, USPS's policy and practice make leadership opportunities available through temporary assignments to higher level

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[69]CAREERS and the disABLED is a career-guidance and recruitment magazine for people with disabilities who are at the undergraduate, graduate, or professional levels. Employer Assistance and Resource Network on Disability Inclusion offers information and resources to help organizations recruit, hire, retain, and advance people with disabilities.

[70]The 95 percent confidence interval for this estimate is (67.9, 81.7).

[71]The 95 percent confidence interval for this estimate is (60.1, 74.7).

[72]GAO-05-90.

[73]GAO-05-90.

positions. Based on our survey, we estimate that more than half of supervisors and managers agreed or strongly agreed that they were able to take advantage of temporary opportunities to a different position as much as they wanted (about 55 percent) or developmental opportunities within their current role that stretched beyond their typical work assignment (about 52 percent).[74] Additionally, an estimated 71 percent of supervisors and managers reported being able to take advantage of online USPS trainings.[75]

However, it is uncertain whether USPS has a diverse pool of candidates identified for promotion in its pipeline to become supervisors and managers. Once USPS completes its system to track promotion applicant data, it will be better positioned to determine whether its succession planning efforts are effectively yielding a diverse pool of candidates of supervisors and managers.

- **Diversity training.** USPS mostly met the leading practice on diversity training, which can help an organization's management and staff increase their awareness and understanding of diversity and help them develop concrete skills for communication and productivity.[76] For example, USPS offers more than 100 specialized DEIA trainings, which include teambuilding and communication training courses. In addition, USPS policy requires some employees, including new hires and those involved in the hiring process (application review committee members and selecting officials), to take certain mandatory training that includes a module, for example, on diversity and inclusion and the role of bias, according to USPS officials. Additionally, USPS officials told us that they recently revised, but have not yet implemented, DEIA training for new supervisors and are working toward including DEIA content on all its training courses.

   However, with the exception of biennially required EEO training, USPS officials stated that leadership development programs for executives and managers, which contain DEIA components, are voluntary.[77] An element of the leading diversity management practice

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[74]The 95 percent confidence intervals for these estimates are (47.1, 62.6) and (44.4, 60.0), respectively.

[75]The 95 percent confidence intervals for this estimate is (63.8, 77.9).

[76]GAO-05-90.

[77]The No FEAR Act requires agencies to provide training to its employees, including managers, regarding the rights and remedies available under the employment discrimination and whistleblower protection laws at least every 2 years. Pub. L. No. 107-174, § 202(c), 116 Stat. at 569.

calls for mandatory diversity training for senior leaders.[78] According to officials, most USPS executives and managers can voluntarily take diversity training, participate in the leadership development program, or both.

USPS Has Partially Met Four Leading Diversity Management Practices

With respect to four other leading diversity management practices, we determined that USPS's practices met some but not all of the elements associated with each respective practice.

Organizational Strategic Plan Lacks Specificity for Implementing DEIA Practices

We have reported that integrating diversity management into an organization's strategic plan fosters a culture change that supports and values differences.[79] Internal control standards also highlight that management should define an entity's objectives clearly and in alignment with the entity's strategic priorities. An organization should set strategies and establish objectives it wants to achieve as well as develop plans for achieving them. Objectives should be specific, measurable, attainable, relevant, and time-bound, including defining responsibilities for achieving the objectives.[80]

USPS highlights diversity and equity as a core commitment in its 10-year strategic plan and states that USPS will focus on integrating DEIA practices into employee programs and processes to drive cultural changes needed throughout the organization.[81] However, the

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[78]GAO-21-83.

[79]GAO-05-90.

[80]USPS uses the 2013 Committee of Sponsoring Organizations of the Treadway Commission's *Internal Control-Integrated Framework* (COSO Framework) for its internal control standards. The COSO Framework is a set of practices that we have identified as reasonable and relevant internal-control criteria standards to use in evaluating USPS's activities. The COSO Framework is recognized as a leading framework for designing, implementing, and conducting internal control and assessing the effectiveness of internal control. It provides a means to apply internal control to any type of entity and requirements for an effective system of internal control.

[81]U.S. Postal Service*, Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence* (Washington, D.C.: Mar. 2021).

organizational strategic plan does not specify how USPS will do so. USPS officials stated that in the place of a diversity strategic plan, they maintain a designated national DEIA team to identify, respond to, and adapt to specific organizational DEIA needs and areas of opportunity. In November 2023, USPS also stated that DEIA concepts are expected to be integrated into all employee programs and provided us with internal DEIA-related goals. Having DEIA goals and objectives are a leading practice, and the ability to respond and adapt to USPS's evolving DEIA needs is important, but organizations also need methods to measure the progress towards those goals as well as times frames and responsibilities for doing so.

USPS Conducts Limited DEIA Program Evaluation and Lacks DEIA Performance Measures

Establishing and using quantitative and qualitative DEIA performance measures can help agencies conduct regular DEIA program evaluations, track progress toward DEIA goals, and determine whether and how to improve results.[82] USPS tracks some quantitative data on its workforce to evaluate the effectiveness of the organization's diversity management efforts. For example, USPS measures its workforce composition against the federally mandated target employment goals for people with disabilities to assess USPS's progress in the recruiting, hiring, and career advancement of such individuals.[83] However, while USPS annually analyzes other workforce composition data and conducts barrier assessments, the lack of applicant flow data undermines USPS's ability to help identify barriers in its hiring and promotion process.

In addition, USPS does not collect qualitative data to assess and measure its diversity workforce efforts. According to diversity management leading practices, organizations can obtain qualitative data on employee perceptions through various means, including interviews, focus groups, or surveys.[84] USPS annually surveys its employees on employee engagement and includes questions on morale and

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[82]GAO, *Program Evaluation: Key Terms and Concepts*, GAO-21-404SP (Washington, D.C.: Mar. 2021).

[83]29 C.F.R. § 1614.203(d)(7).

[84]GAO-05-90. EEOC's MD-715 reporting instructions also call for agencies to involve employees and use employee surveys to monitor the perception of EEO principles within the workforce.

development. However, the survey does not include questions on DEIA topics, such as organizational commitment to DEIA.[85]

USPS officials stated that they do not currently have a plan or process for gathering and assessing employees' perceptions of DEIA. They stated that they rely on the unions and associations as well as the formal bargaining and consultation process to gather employee feedback. However, union and management association representatives we spoke with stated that the collective bargaining process focuses on the working conditions and pay for union and association members and does not include collecting employee feedback on diversity management practices. Systematically obtaining employee feedback on DEIA efforts would enable USPS to observe trends in perceptions over time and help it assess how USPS is progressing toward achieving organizational DEIA goals and objectives.

In addition, USPS officials stated that they have not developed DEIA performance metrics that would enable it to holistically measure the effect of its diversity management efforts beyond a current focus that is looking at policies and procedures around promotion and application for leadership positions. USPS has developed DEIA goals and related tasks. However, establishing DEIA performance measures, time frames, and responsibilities related to those goals could enable USPS to evaluate progress and identify areas where adjustments to its DEIA program, practices, and policies may be warranted.

Not All USPS Leaders are Held Accountable for DEIA Performance Objectives

We have reported that accountability—through both performance management and a compensatory reward system—is key to ensuring the success of an organization's diversity management efforts.[86] Accountability includes holding managers at all levels responsible for diversity in their organization and evaluating both managers' ability to

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[85]USPS's annual *Postal Pulse* survey allows employees to share observations about their work environments, providing USPS with feedback to make improvements.

[86]GAO-05-90.

manage a diverse group of employees and progress toward achieving organizational diversity goals.[87]

USPS has established some diversity performance objectives for supervisors, managers, and executives, including officers, but the competency models of these management and leadership positions do not consistently include the expectation of adhering to EEO principles and policies. According to USPS's competency standards, managers are expected to value diversity as part of managing people, while executives are expected to implement systems that can identify, develop, and retain diverse talents to meet business objectives. In July 2022, USPS updated its competency model for supervisors, including language on valuing diversity as part of coaching and developing employees and responding to EEO-related issues. As of November 2023, USPS also updated the competency model for officers to incorporate diversity management practices expected of USPS leaders. However, while USPS has EEO policies in place and expects its employees to follow them, these expectations are not clearly expressed in the competency models of managers and executives. EEOC also highlighted this as one of USPS's EEO program deficiencies and noted that USPS managers and executives do not have an element in their performance appraisals that evaluates their commitment to agency EEO policies and principles.

Moreover, USPS officials stated that USPS has not taken steps to tie compensation to the performance assessments of supervisors', managers', and executives' contributions toward achieving the agency's DEIA goals.[88] Instead, officials stated that USPS evaluates executives, managers, and supervisors as part of the agency's National Performance Assessment, which includes measures on reducing the number of EEO complaints and grievances.[89] However, such measures are not a

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[87]EEOC guidance similarly includes a requirement to assess how supervisors and managers contribute to an agency's EEO program by emphasizing to managers and supervisors that equality of opportunity is essential to attracting, developing, and retaining the most qualified workforce. The COSO Framework also states that management should establish a mechanism to communicate and hold individuals accountable for performance of responsibilities across the organization.

[88]USPS also reported in its FY 2021 MD-715 report that not all managers and supervisors have an element in their performance appraisals that directly evaluate their commitment to agency EEO policies and principles.

[89]The National Performance Assessment provides a standardized method for assessing performance within USPS on a national and local level and reporting on weighting factors and time frames for key performance metrics.

complete substitute for DEIA performance objectives as they are not specific and explicitly aligned with DEIA practices, goals, and objectives.

USPS officials told us that executive leaders are in the process of updating the competency models for managers and executives, which were last updated in 2018. They plan to update the executives' and managers' model in FY 2024, after conducting focus groups and surveys through USPS's competency model update process. However, USPS officials said that they have not yet determined the extent to which USPS will include additional DEIA performance objectives, such as adhering to EEO policies and principles and USPS's diversity goals. Until these revisions have been made, the extent to which the agency will make all USPS management performance ratings and compensation dependent, in part, on the executives' and managers' contributions and commitment to agency EEO policies and principles is also unclear.

By revising its performance objectives and compensation system to be linked to progress on DEIA initiatives, USPS could help bolster some USPS employee perspectives about managers' accountability for those goals, which is an area where there may be room for improvement. Based on our survey, we estimate that 48 percent of supervisors and managers agreed or strongly agreed that almost all managers value differences among individuals of different backgrounds.[90] However, supervisors and managers were split on whether almost all managers are held accountable for treating employees fairly, regardless of background. Specifically, while about 40 percent agreed or strongly agreed, approximately 42 percent disagreed or strongly disagreed that almost all managers are held accountable.[91]

USPS Does Not Fully Involve Employees from Different Occupational or Affinity Groups

Involving employees in diversity management helps them contribute to driving diversity throughout an organization. According to diversity management leading practices, such involvement includes encouraging employees to reach out to communities, providing mentoring

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[90]The 95 percent confidence intervals for this estimate are (40.6, 56.1).

[91]The 95 percent confidence intervals for these estimates are (34.4, 49.5) and (32.1, 47.2), respectively.

opportunities for employees, and forming advisory groups to facilitate change.[92]

USPS policy encourages employees to be involved in their communities, deeming it one of the main cornerstones of USPS's long-term reform efforts. Officials emphasized that USPS has active campaigns to support the Combined Federal Campaign, American Red Cross blood drives, and Operation Santa, where USPS engages with the community.

USPS officials told us that while the agency does not have a formal agency-wide mentoring program—although they are considering one—mentoring activities occur in some areas. For example, they pointed to the Executive Leadership Team and other executives, who informally mentor candidates currently in the corporate succession planning pool.

USPS has formed advisory boards to facilitate change in its workforce diversity efforts, but those entities do not include USPS employees from different occupational groups and levels or from employee affinity groups.[93] In addition to developing the previously mentioned Executive Diversity Council, USPS established the National Diversity Steering Committee to support the Council and champion diversity initiatives throughout the organization. This committee, however, consists only of senior USPS managers.

Furthermore, while USPS officials meet with external affinity groups, the agency does not have employee resource groups within the agency.[94] Some affinity groups, consisting of current and former USPS employees, have formed outside the agency to support historically disadvantaged

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[92]GAO-05-90.

[93]Affinity groups are a group of employees with similar backgrounds, interests, or demographic factors that can bring together staff with a shared identity to build connections. Partnership for Public Service, *Using affinity groups to build a more diverse, equitable, and inclusive workforce*, (Washington, D.C.: Apr. 28, 2022).

[94]An employee resource group is a voluntary, employee-led diversity and inclusion initiative that is formally supported by an organization. Gartner Human Resources Glossary.

racial or ethnic groups and women on career advancement at USPS.[95] USPS officials stated that they started meeting with the external affinity groups on a quarterly basis in 2022, but those groups have no formal advisory role in developing USPS's workforce diversity programs and plans.

Representatives from three external affinity groups we met with acknowledged that while they were aware of USPS's Executive Diversity Council and National Diversity Steering Committee, their role in advising USPS's workforce diversity efforts has been minimal as USPS has provided limited information. A representative from one affinity group said that USPS at the national level does not normally consult with them on career development or training efforts. Representatives from two different affinity groups told us that they would like to be directly involved in USPS's workforce diversity efforts.

USPS officials told us that they had considered establishing an employee resource group but decided against it at the time because the agency's current strategy is focused on increasing diversity through its leadership development programs. Officials explained that while this may change in the future, they have a national team, comprised of experts who can provide employee resources on DEIA matters, in lieu of employee resource groups.

Employees can provide additional, and potentially different, perspectives to those of an expert-led group. According to leading diversity management practices, employees involved in diversity management efforts can help obtain employee feedback, identify issues, recommend actions, and develop initiatives.[96] Without fully involving employees from different occupational groups and levels, as well as affinity groups, in the agency's workforce diversity efforts, USPS is missing opportunities to obtain and consider the perspectives of employees from different backgrounds. Without such perspectives, USPS's policies and practices

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[95]Affinity groups that were formed outside USPS include: African American Postal League United for Success, primarily representing African Americans USPS employees in management and executive positions; Postal Employees' Asian-American Association Committed and Engaged, representing Asian Americans; USPS & Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual+ (LGBTQIA) Alliance, representing the LGBTQIA community; and NETWORK, representing female employees at USPS.

[96]GAO-05-90.

may not be optimally designed to drive its stated commitment to a diverse and inclusive workforce.

Conclusions

USPS is one of the nation's largest employers, with a presence in every U.S. state and territory, a stated commitment to diversity, and a goal to reflect the diversity of the communities it serves. Although USPS employs one of the most diverse workforces in the nation, certain historically disadvantaged racial or ethnic groups and women continue to be underrepresented in USPS leadership positions relative to the overall USPS workforce.

While USPS has taken steps to increase diversity in its leadership, long-standing deficiencies in collecting and using robust applicant data have limited USPS's capability to identify barriers to recruiting, retaining, and developing a diverse and inclusive workforce. Developing a plan for how USPS will use data from a new applicant tracking system for workforce analysis could help USPS identify barriers and their causes and make any necessary changes to policies and practices.

Additionally, while USPS's policies and practices reflect many aspects of diversity management leading practices, opportunities for improvement exist. USPS's leadership can further demonstrate its commitment to DEIA by developing specific elements of a DEIA strategy and plan, including targeted performance measures and timelines. Defining performance measures for USPS's DEIA goals and objectives would also help the agency track and monitor its progress on workforce diversity efforts. Holding USPS managers and executives accountable for diversity management practices and linking their performance objectives to organizational DEIA goals would also communicate to the USPS workforce the importance of practicing and sustaining DEIA at the highest level of the agency. Finally, obtaining employee feedback, whether through surveys or an advisory group that includes employees from all career levels and different affinity groups, could help USPS better assess how it is progressing toward its goal of a diverse and inclusive workforce. By taking these actions, USPS could better integrate DEIA practices into employee programs and processes, and further the organization's core commitment to diversity and equity.

Recommendations for Executive Action

We are making the following four recommendations to USPS:

The Postmaster General should ensure that executive leaders develop a plan for capturing and using data from USPS's new applicant flow tracking system to prepare the workforce tables and barrier analysis in its annual reports to the EEOC. (Recommendation 1)

The Postmaster General should ensure that executive leaders develop DEIA-specific performance measures, time frames, and responsibilities related to USPS's DEIA goals. (Recommendation 2)

The Postmaster General should ensure that executive leaders develop DEIA performance objectives linked to USPS's organizational DEIA goals, including on adhering to EEO policies and principles, to ensure that managers and executives are incorporating leading diversity management practices into their individual performances. This could be through USPS's update to manager and executive performance competency models. (Recommendation 3)

The Postmaster General should ensure that executive leaders regularly and formally gather employee feedback to assess employee perceptions of USPS's diversity efforts, such as through a diversity and inclusion advisory group, surveys, or focus groups, to measure progress toward stated DEIA goals. (Recommendation 4)

Agency Comments and Our Evaluation

We provided a draft of this report to USPS and EEOC for review and comment. USPS's written comments are summarized below and reprinted in appendix V.

In its comments, USPS said that we were using the term "potential barriers" incorrectly as a synonym for "triggers." EEOC defines triggers as "trends, disparities, or anomalies that suggest the need for further inquiry into a particular policy, practice, procedure, or condition." In our draft report, we used the term "potential barriers" in an effort to avoid unfamiliar terminology where possible. EEOC reviewed our language and did not raise any concerns with our use of the term "potential barriers" in

describing the barrier analysis process. Nevertheless, we made edits to the final report to use the term "triggers" throughout.

USPS also raised two concerns on our reporting of statistically significant results from our data analyses: (1) we do not adjust for familywise error and (2) we do not discuss statistically non-significant results.

Familywise error is the probability of coming to at least one false conclusion (making at least one Type I error) in a series of hypothesis tests. USPS raised concerns that we did not control for familywise error or use a higher probability level to reduce the likelihood of identifying such false positive results. In any analysis with statistical tests, researchers aim to limit both the probability of making a false discovery (Type I error, or familywise error when testing multiple hypotheses) and the probability of failing to detect a true effect (Type II error). The adjustment that USPS advised would reduce the likelihood of false discovery, but at the same time reduce our ability to detect potentially important disparities, and therefore is not an adjustment that is universally applicable or advisable. In our results, we identified numerous instances where disparities between groups were statistically significant at the 5 percent level, far more than the expected count of significant findings if there were no differences across demographic groups. Nevertheless, in a sensitivity analysis in which we conservatively adjusted our measures of statistical significance to account for testing multiple hypotheses (familywise), known as a Bonferroni adjustment, we continued to find multiple significant demographic differences across the models we estimated.

USPS also stated that we chose to focus only on statistically significant findings and that we ignore situations where employees have comparable outcomes. The absence of a statistically significant difference in career outcomes between two groups indicates that we could not conclude whether there was a difference between them. While this could be due to the two groups having comparable outcomes, it could also be due to other factors, such as a small number of employees in one group. We chose to discuss statistically significant results to highlight potentially meaningful differences that are unlikely to have occurred by chance. We have also presented all model coefficients (both significant and non-significant) on demographic characteristics in tables 1-4, allowing the reader to observe the point estimates for non-significant results.

Moreover, the direction of many statistically non-significant results is the same as the direction of results that were statistically significant. For example:

- American Indian or Alaska Native and Native Hawaiian or Other Pacific Islanders frontline supervisors are less likely to be promoted compared to White frontline supervisors, by 7 and 17 percent, respectively. Although these differences are not statistically significant, they are comparable in size and direction to the statistically significant difference in promotion likelihood estimated for frontline supervisors of Two or More Races (20 percent less likely than White counterparts).

- Regarding compensation, we reported that women who are frontline supervisors earn 1.2 percent less than men, a statistically significant difference. USPS notes, in its letter, that compensation for women who are middle managers or executives is not statistically different from men in these positions. However, the size and direction of the coefficients for women managers or executives are very similar to the size and sign of the coefficient for women who are frontline supervisors: 1.5 percent less and 1.8 percent less, respectively. This similarity suggests the same pattern of compensation differences.

- With regards to separations, USPS states that resignation rates for middle managers, who are Black or African American, are not statistically different from resignation rates for White middle managers. Although this difference is not statistically significant, the size and direction of the difference for Black middle managers (20 percent less likely to resign compared to White middle managers) are comparable to the size and direction of the statistically significant difference for Black frontline supervisors (36 percent less likely to resign), which suggests a similar pattern of resignation differences.

Additionally, USPS stated that our draft report exaggerates the size of the USPS workforce by counting everyone who worked for USPS over the course of an entire year. As we noted in our report, we used USPS's dynamic workforce data to reflect the total number of USPS employees in any given year, rather than a count of employees at a specific point in time. We did this, in part, to capture the demographics, trends, and outcomes of all USPS employees over our time period of analysis and not just those working for USPS at a particular moment. Additionally, dynamic data was necessary to analyze the hiring and separation of USPS employees in a given FY. We acknowledge that using dynamic data results in a different (higher) count of the number of USPS employees in a given time period than what USPS typically reports.

USPS also stated in its letter that we did not include and count the professional, technical positions in our description of the workforce. While we included these employees in some of our analyses, such as in our

analysis describing USPS workforce by job types, we did not include these employees in all our analyses because information on a career pathway for these positions was not available, thus limiting our ability to conduct career outcome analyses for these employees.

USPS also commented that we incorrectly stated in our draft report that USPS does not consider postal police officers as craft employees. We modified this in our final report and explained our reasoning for not including this group in our analyses. Specifically, we did not include the postal police officers in our analysis to avoid duplicating our separate review, currently underway, that is looking specifically at that segment of the workforce.

USPS also commented that we incorrectly compared grade to seniority in our draft report. We acknowledge that employees' grades are not perfect substitutes for their tenure or seniority. However, the level of a USPS employee in an EAS schedule can indicate their position. For example, USPS officials told us that frontline supervisors usually start at EAS level 17. USPS officials further stated that middle managers could be characterized at EAS levels 19 through 22 or 24, depending on the size of the unit and function.

Regarding our recommendations, USPS stated that our recommendations are redundant to USPS's efforts already underway and described its ongoing efforts. However, USPS's ongoing efforts only partially address aspects of our recommendations. The many efforts noted in our report and that USPS described in its letter are promising, but USPS has not yet implemented our recommendations and provided documentation about them. We will follow-up with the agency as part of our regular recommendation follow-up process to obtain additional documentation of these efforts.

Regarding our first recommendation to develop a plan to capture and use data from its applicant tracking system, USPS stated in its letter that USPS has a plan to ensure that a new applicant tracking system provides the necessary applicant flow data for the purpose of preparing workforce data tables and conducting barrier analysis required by the MD-715. USPS further noted that the initial launch of the system is scheduled for January 2024. We acknowledged that USPS currently has a plan underway to develop an applicant flow data system and that this new system is being designed, in part, for the purpose of preparing the workforce data tables and conducting the barrier analysis required by the MD-715. USPS provided us with technical plans on how they will develop

the system. In April 2023, USPS officials informed us that the deployment of the applicant tracking system in January 2024 is focused on a portion of the USPS workforce—specifically, the non-career and external craft positions—and that the agency will then re-assess their timelines to deploy other positions. While significant progress is being made towards developing this system, and therefore addressing a critical EEO program deficiency, USPS does not have a plan on how they will use the system and the data it will collect. Our recommendation focuses on ensuring that USPS uses data from its applicant flow tracking system, once activated. As discussed in our report, even when USPS had such an applicant flow data system in the past, it did not systematically capture and use the data system for reporting promotion demographics.

Regarding our second recommendation on developing DEIA-specific performance measures, time frames, and responsibilities, USPS stated in its letter that efforts are underway to enhance workforce diversity through targeted recruitment efforts and expansion of its employee development programs. USPS also mentioned the establishment of the Executive Diversity Council as well as its recruitment plans and succession planning process, which we note in our report. In November 2023, USPS provided us with information on its internal DEIA-related goals, and we have revised our final report's recommendation in light of these goals and objectives. However, leading practices suggest that an organization's DEIA goals should also have performance measures, time frames, and responsibilities to ensure that agencies turn their stated commitments into positive outcomes. Despite its many recent DEIA-related actions and efforts, USPS lacks performance measures, time frames, and responsibilities to track its progress towards meeting its DEIA goals.

Regarding our third recommendation to develop DEIA performance objectives linked to USPS's organizational DEIA goals to ensure managers, executives, and officers are incorporating leading diversity management practices into their individual performances, USPS commented that its officer competency models have been updated. USPS also commented that managers of supervisory employees are responsible for reviewing, evaluating, and managing performance to ensure commitment to diversity and EEO principles. USPS further noted that a failure to demonstrate commitment to EEO principles can impact employees' performance ratings. As noted in our report, the competency models of supervisors, managers, and executives have some elements of diversity incorporated in those performance models. In our final report, we also acknowledge that USPS has updated the officers' competency model, and we modified the final report's recommendation. However,

while the supervisors' competency model includes language on practicing EEO, similar language on commitment to EEO does not exist in the managers' and executives' competency models. Thus, it is still unclear how USPS can consistently evaluate managers' and executives' commitment to EEO principles without related performance objectives in those employees' competency models.

Regarding our fourth recommendation to regularly and formally gather employee feedback to assess employee perceptions of USPS's diversity efforts, USPS commented that it has established regular meetings with recognized affinity groups to gather feedback. USPS also stated that a standardized process for individuals interested in formalizing additional affinity groups is under development. While these actions are also positive steps in USPS's ongoing efforts, USPS has not clearly indicated how they will formally obtain feedback from USPS's various employee groups that consist of different craft positions, career levels, and other affinity groups to measure USPS's efforts towards its DEIA goals.

Finally, USPS and EEOC also provided technical comments, which we incorporated as appropriate.

We are sending copies of this report to appropriate congressional committees, the Postmaster General, and other interested parties. In addition, this report is available at no charge on the GAO website at https://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-2834 or marronid@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix VI.

Sincerely yours,

David Marroni, Acting Director
Physical Infrastructure Issues

Appendix I: Objectives, Scope, and Methodology

This report describes (1) the demographic composition of the U.S. Postal Service (USPS) workforce and how it compares with the demographic composition of the federal workforce and civilian labor force in recent years; (2) the demographic composition of USPS's workforce by occupation; and (3) career outcomes and separations among demographic groups in USPS management. It also assesses the extent to which USPS has (4) identified and reported on barriers to achieving workforce diversity to the Equal Employment Opportunity Commission (EEOC); and (5) met leading practices for diversity management.

For all objectives, we reviewed relevant federal laws, regulations, and USPS documents. We also reviewed our related past reports on USPS and workforce diversity at federal agencies, as well as relevant reports from the EEOC and USPS Office of Inspector General (OIG).[1] We also conducted interviews with officials from USPS, USPS's OIG, EEOC, and representatives from all four major USPS unions; two management

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[1]GAO reports on USPS and workforce diversity at federal agencies include: *DOD Civilian Workforce: Actions Needed to Analyze and Eliminate Barriers to Diversity*, GAO-23-105284 (Washington, D.C.: June 21, 2023); *Intelligence Community: Additional Actions Needed to Strengthen Workforce Diversity Planning and Oversight*, GAO-21-83 (Washington, D.C.: Dec. 17, 2020); *State Department: Additional Steps Are Needed to Identify Potential Barriers to Diversity,* GAO-20-237 (Washington, D.C.: Jan. 27, 2020); *Equal Employment Opportunity: DHS Could Better Address Challenges to Ensuring EEO in Its Workforce*, GAO-19-573 (Washington, D.C.: July 24, 2019; and *Human Capital: Diversity in the Federal SES and the Senior Levels of the U.S. Postal Service*, GAO-07-838T (Washington, D.C.: May 10, 2007). Examples of USPS's OIG reports include: *First-Line Supervisor Recruitment and Retention*, 19SMG008HR000-R20 (Washington, D.C.: Apr. 13, 2020); *Management Structure at the Postal Service*, 19SMG011HR000-R20 (Washington, D.C.: Mar. 18, 2020); and *Corporate Succession Planning Program: Management Advisory Report*, HR-MA-14-006 (Washington, D.C.: Apr. 23, 2014).

associations; and four external affinity groups that consist of current and
former USPS employees.[2]

Comparison of USPS, Federal, and Civilian Workforce Demographic Data

To examine and compare the demographic composition of USPS's
workforce with the federal workforce and civilian labor force, we used four
data sets from three different agencies (see table 5). Unless otherwise
noted, we used data from fiscal years (FY) 2016 through 2022 to
calculate the demographic composition of each workforce by racial or
ethnic groups, gender, disability status, and eligibility for veterans'
preference points.[3]

**Table 5: Data Sets Used in GAO's Demographic, Promotion, Hiring, Pay, and
Separation Analyses**

Data set	Agency	Brief description
United States Postal Service (USPS) Human Capital Enterprise System (referred to as human resources (HR) data)	USPS	Contains demographic information (i.e., race, ethnicity, gender, disability, and veterans' preference) and personnel actions, such as terminations or changes in position, for each USPS employee.

[2]Although USPS has five unions, we spoke with representatives from the following four
major unions: (1) American Postal Workers Union; (2) National Association of Letter
Carriers; (3) National Postal Mail Handlers Union; and (4) National Rural Letter Carriers
Association. We did not interview representatives from the Postal Police Officer
Association, as they were not included in our analyses. We have a separate review of the
postal police officers and postal inspectors underway. The two management associations
we interviewed were the: (1) National Association of Postal Supervisors and (2) United
Postmasters and Managers of America. The four external affinity groups we interviewed
were: (1) African American Postal League United for Success; (2) NETWORK; (3) Postal
Employees' Asian American Association Committed and Engaged; and (4) USPS &
Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual+ (LGBTQIA+) Alliance.
We also reached out to the League of United Latin American Citizens Federal Training
Institute Partnership, but we did not receive a response.

[3]Among the data USPS collects from its employees is their gender, female or male. For
the purposes of our report, depending on the context, we use the terms "men," "women,"
"male," or "female" to refer to employee gender. In addition, USPS applies eligibility for
veterans' preference for certain employment purposes as required by federal law. See,
e.g., 5 U.S.C. § 2108a; 38 U.S.C. § 4214. Applicants claiming eligibility for veteran's
preference provide dates of active-duty service and category for preference points when
applying for a job vacancy. For the purposes of this report, we refer to eligibility for
veterans' preference as veterans' preference.

Data set	Agency	Brief description
USPS Payroll Data	USPS	Contains information on each employee's pay and position. Linked to USPS HR data through unique identification numbers consistent across both data sets.
Enterprise Human Resource Integration (EHRI)	Office of Personnel Management	Contains demographic information similar to USPS HR data for the federal workforce, excluding USPS.
American Community Survey (ACS) Public Use Microdata Sample	U.S. Census Bureau	Contains demographic information on the U.S. civilian labor force, including: race, ethnicity, gender, and disability.[a]

Source: GAO analysis of data from USPS, Office of Personnel Management, and U.S. Census Bureau. | GAO-24-105732

[a]Both USPS and ACS data rely on people self-reporting their disabilities. ACS asks individuals to report whether they have any of six disability types (i.e., difficulties in hearing, vision, cognition, ambulatory, self-care, and independent living), while USPS asks individuals to identify which disability they have. Although the two data sources differ in how they ask about disability, we coded the data to indicate whether a person self-reported a disability or not, which enabled us to compare these sources.

Using these data sets, we conducted a series of analyses to compare the demographics of the different workforces. Three of the data sources—USPS's human resource (HR) data, the Office of Personnel Management's Enterprise Human Resource Integration (EHRI) data, and the U.S. Census Bureau's American Community Survey (ACS)—had similar demographic data variables, which we coded for comparison purposes.[4] The coded demographic data variables included the following:

- Racial categories: American Indian or Alaska Native; Asian; Black or African American; Native Hawaiian or Other Pacific Islander; Two or More Races; White; or unknown

- Ethnicity: Hispanic; Latino; neither; or unknown[5]

- Gender: Female or Male

- Disability status: Individual reporting as having disability; no disability; or preferring not to report

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[4]We used USPS's dynamic workforce data for each FY to reflect the total number of USPS employees in any given FY and for our analyses looking at hiring and separation of USPS employees. USPS's dynamic data will have a different count of the size of the USPS workforce than what USPS typically reports, which is a snapshot of the workforce at the end of a FY.

[5]The ethnicity category in the ACS data were categorized as Spanish/Hispanic/Latino or Not-Spanish/Hispanic/Latino.

- Veteran's preference status: Individuals claiming veterans' preference or no veterans' preference.[6]

We compared USPS's workforce demographic data with the Office of Personnel Management's FY 2022 federal workforce demographic data.[7] The Office of Personnel Management's federal workforce data do not include USPS employees.

We also compared USPS's workforce demographics data with the civilian labor force demographics data from the U.S. Census Bureau's ACS in 2019—the latest year for which data were available at the time of our analysis.[8] We used the U.S. Census Bureau's ACS 1-year estimates—specifically the Public Use Microdata Sample (PUMS)—to examine the U.S. civilian labor force.[9] We used the civilian labor force data as one of our benchmarks because USPS reported having a goal for its workforce to represent the diverse communities USPS serves nationwide. We filtered ACS data to only include respondents in the civilian labor force, meaning the respondents were at least 16 years old, employed or unemployed, and not in the armed forces.

To determine that these data sets were sufficiently reliable for the purposes of our study, we reviewed related documentation, interviewed knowledgeable officials, conducted electronic data testing, and reviewed

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[6]USPS's veterans' preference data field captures whether an individual is eligible for veterans' preference points. Individuals are eligible for veterans' preference points if they are: (1) a veteran, (2) a veteran disabled through service, (3) the spouse or mother of a veteran disabled through service or deceased, or (4) eligible for sole survivorship preference. Eligibility for veterans' preference in EHRI data corresponds to eligibility for veterans' preference in USPS data, so we were able to compare veterans' status between the USPS and federal workforce. However, the U.S. Census Bureau in the ACS uses a different definition, which only codes whether or not the survey respondent is a veteran.

[7]We focused our comparison on the most recent year of data available, which for the federal workforce was FY 2022.

[8]The U.S. Census Bureau issued a statement cautioning against comparing data collected after the beginning of the COVID-19 pandemic (data beginning in FY 2020) with data that were collected before then. Because of this, FY 2019 data were the most recent data available at the time of our analysis.

[9]The 1-year files contain records for about 1 percent of the total population. PUMS data contain a sample of individual records of people and households that responded to the ACS survey and permit analyses not available through the pre-tabulated tables on data.census.gov. Geographically, the data cover states and the District of Columbia and report data for Public Use Microdata Areas, which are non-overlapping areas that partition the states and District of Columbia into contiguous geographic units containing no fewer than 100,000 people in each.

data reliability testing from our prior reviews, depending on the data
source (see table 6).

Table 6: GAO's Data Reliability Assessment Steps for Selected Data Sets

Data set	Data reliability steps	Data reliability determination
United States Postal Service (USPS) Human Capital Enterprise System (human resources (HR) data)	Data from fiscal years (FY) 2016 through 2020 were obtained from previous GAO engagements that used those data. They were assessed and found sufficiently reliable in the course of previous GAO engagements. For USPS data from FY 2021 through 2022, we assessed the data through electronic testing, missing data analysis, review of USPS documentation, and interviews with agency officials.	We determined USPS HR data to be reliable for our purposes.
USPS Payroll Data	Data from fiscal years (FY) 2016 through 2020 were obtained from previous GAO engagements that used those data. They were assessed and found sufficiently reliable in the course of previous GAO engagements. For USPS data from FY 2021 through 2022, we assessed the data through electronic testing, missing data analysis, review of USPS documentation, and interviews with agency officials.	We determined USPS payroll data to be reliable for our purposes.
Enterprise Human Resource Integration (EHRI)	We consulted with other GAO teams that previously used and assessed EHRI data. We discussed the scope of our engagement, the relevant variables we would need, and our planned use for the data. We assessed the EHRI data through electronic testing, missing data analysis, and review of Office of Personnel Management documentation.	We determined EHRI data to be reliable for our purposes.
American Community Survey (ACS) Public Use Microdata Sample	ACS data are collected through a well-documented, widely used, robust survey that the U.S. Census Bureau has disseminated for nearly two decades.	We determined ACS data were reliable for our purposes.

Source: GAO analysis of data from USPS, Office of Personnel Management, and U.S. Census Bureau. | GAO-24-105732

Comparisons by Demographic Groups across USPS Occupations and in the Career Outcomes (Promotion, Hiring, Compensation, and Separation) of USPS Management

To identify demographic composition by occupations, we linked the USPS
HR data set that contains employees' demographic data with USPS's
payroll data set that contains employees' occupation code, job title,
grade, and pay. We analyzed individual data using employee
identification numbers from both USPS's HR and payroll data to
determine the demographic composition of USPS employees by
occupation.

To determine career outcomes and separations by demographic group in USPS management, we again linked the USPS HR data set that also contains employees' notices of personnel action data (i.e., promotion, hire, separation) with the USPS payroll data set. We defined USPS management to include frontline supervisors through executives, and as such, we focused on the overall rates of promotion, pay, and separation across demographic groups (i.e., race, ethnicity, gender, and disability and veterans' preference status) of employees in, or promoting into, those operational, non-bargaining, management positions. While USPS also considers some technical, specialist, and non-management administrative positions, such as HR specialists, as non-bargaining positions, we did not include them in our analyses as they are mission support positions, and a career pathway for these positions was not available. We also did not include promotion into or separation and pay within bargaining unit positions, as union contracts generally dictate the promotion and pay within the bargaining unit of bargaining employees.

USPS defines craft employees, but it does not define operational positions nor frontline supervisors and middle managers. For the purposes of our analyses, we defined these terms. USPS officials told us that they do not use the term "operational" to classify those positions. However, we decided to use the term "operational frontline supervisors or middle managers" to follow USPS Office of Inspector General's (OIG) use of the term operational managers in its March 2020 report on Management Structure at the Postal Service.[10]

We defined operational positions as those that had a defined career pathway from a craft position and primarily involved the handling and delivering of mail. To make that determination, we reviewed USPS documentation on career pathways from craft positions to higher levels. We also reviewed USPS organizational charts and had discussions with USPS officials to determine the positions we defined as operational. We reviewed a list of occupation codes provided by USPS that included classifications of the positions each code was associated with to determine which positions were frontline supervisors and middle managers. We also reviewed job descriptions for each position to determine if it had supervisory or managerial responsibilities. We discussed our finalized list with USPS officials to ensure its accuracy. Based on our review and discussions with USPS officials, we finalized the

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[10]USPS OIG, *Management Structure at the Postal Service*.

categorization and our definitions of USPS operational positions for our
analyses.

We conducted two types of analyses using USPS's HR and payroll data
on its full-time, permanent career workforce for FYs 2016 through 2022.
We first conducted descriptive analyses of USPS's personnel transaction
data, calculating averages to compare promotion, hiring, compensation,
and separation rates for the following demographic characteristics: (1)
race, (2) ethnicity, (3) gender, (4) disabilities, and (5) veterans'
preference.[11] Then, we conducted adjusted analyses using a multivariate
statistical model that accounted for certain individual and occupational
factors other than the above demographic characteristics that could
influence promotion, separation, and compensation.

- For promotion, we used a discrete-time multivariable logit model to
  analyze the likelihood to be promoted from a bargaining, craft position
  (i.e., non-management positions) up to a non-bargaining, first level,
  frontline supervisor position; from a frontline supervisor to a middle
  manager position; and from a middle manager to an executive
  position.

- For compensation, we used generalized linear models to estimate
  differences in earnings, benefits, and compensation, divided by the
  number of total hours worked to obtain hourly measures.

- For separations, we used multivariable logit models to independently
  analyze the probability of three types of worker separations–
  retirement, resignation, and termination.

- We did not conduct an adjusted analysis for hiring because data on
  job applicants were not available.

Although we conducted both descriptive and adjusted analyses, we
primarily report our results from our adjusted analyses that included

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[11]While the federal government distinguishes people with disabilities between two major
categories of disabilities—targeted disabilities and other disabilities—for our analyses, we
aggregated all categories and used binary codes (having a disability, not having a
disability, or preferring not to report) to include and account for people with disabilities
status. See 29 C.F.R. § 1614.203. In addition, USPS collects data on veterans using
eligibility for veterans' preference points at the time of hiring. Individuals are eligible for
different levels of veterans' preference points if they are: (1) a veteran, (2) a veteran
disabled through service, (3) the spouse or mother of a veteran disabled through service
or deceased, or (4) eligible for sole survivorship preference. Similar to our data analyses
on people with disabilities, we aggregated all categories of eligibility for veterans'
preference points and used binary codes (individuals claiming veterans' preference or no
veterans' preference) to include and account for veterans.

controls, such as age, tenure, and occupation.[12] Our analyses do not
completely explain the reasons for differences in the career outcomes we
identified across demographic groups, which may result from unobserved
factors, such as employees' skills and motivation. Therefore, our analyses
do not establish a causal relationship between demographic
characteristics and promotion, compensation, and separation outcomes.

For promotion outcomes, we used logistic regression models, a technique
that allowed us to estimate the likelihood of a particular event occurring
when controlling for additional factors. The model produces an odds ratio
that compares the likelihood of a particular event occurring for different
demographic groups in a given year. An odds ratio of 1 indicates that a
particular demographic group had the same likelihood of promotion as the
benchmark (the excluded category). An odds ratio of less than 1 indicates
that a given demographic group had a lower likelihood of being promoted,
and an odds ratio of greater than 1 indicates that a particular
demographic group had a higher likelihood of being promoted than the
benchmark (excluded category). The excluded categories in our model
were male, White, non-Hispanic or Latino, no disability claimed, and no
veterans' preference claimed.

We developed models estimating the likelihood of promotion from a craft
position to a frontline supervisor position that included all craft positions
taken together and each craft individually. We also developed models
estimating promotion from a frontline supervisor to a middle manager
position. For all our models we estimated the effect that race, ethnicity,
gender, disability status, and veterans' preference would have on the
likelihood of being promoted. In each model, we controlled for a host of
fixed and time-varying characteristics, including age, age when last hired
at USPS, tenure at USPS, the amount of family and medical leave taken,
job (captured in an employee's occupation code), the state or U.S.
territory in which the employee is stationed, and FY effects. We also
controlled for an employee's tenure in their current position to capture the
changes in the expected probability of promotion over time of year-in-
grade. We used year-in-grade fixed effects in our specification to allow a
separate parameter for each year-in-grade.

For executives, we performed a similar analysis to that of promotions to
other levels. However, because the time in position for each employee

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[12]We did not include performance assessments because USPS officials told us that they
are not used in promotion considerations.

would have been suppressed too much, we controlled for pay and grade under USPS's Executive Administrative Schedule instead of time in position.[13] The time frame for an employee moving from a middle manager position to an executive position is typically longer than the time frame to move from craft to frontline supervisor or from frontline supervisor to middle manager. Because we only had 7 years of data, our ability to control for time in position for this analysis would have been heavily suppressed.

For new hires into management positions, we tabulated and reported the demographic characteristics of new hires to USPS from FYs 2016 through 2022. We reported counts of new hires by race, ethnicity, gender, disability, and veterans' preference. We also reported the job level for the new hires.

For our separation analyses, we used logistic regression similar to our promotion analyses described above. We merged payroll data at the end of each FY from 2016 through 2022 with information on employees' separation actions from USPS HR data, which contain information on the type of action that took place at the time of separation. We categorized employee separations into employer-initiated action and employee-initiated action using USPS codes associated with separations. We defined employer-initiated action as terminations for reasons such as for work quality or lack of work. We defined employee-initiated actions as resignations and retirements. We also coded a third category called separations where the action could not be directly assigned to USPS or the employee. Such separations may arise from a worker declining relocation or reassignment, involuntarily separating from USPS, or transferring to other agencies.

We controlled for age and tenure with USPS as categorical variables. We defined age at the end of the FY. Age groupings included: under 30; 30-39; 40-49; 50-64; and 65 and older, which was our excluded benchmark. For tenure, we identified the minimum "enter on duty" date for each employee, which allows for measuring the potential tenure an employee may have with USPS. Tenure groupings included employees with USPS

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[13]USPS has different pay scales for its non-bargaining employees. We used the Executive Administrative Schedule (EAS) and Postal Career Executive Services (PCES) pay scales for those employees in the operational non-bargaining positions we defined as management (i.e., frontline supervisors, middle managers, and executives). The level of an employee in an EAS schedule is analogous to an employee's grade, indicating the ranking of positions.

experience: under 5 years; 5-9 years; 10-19 years; 20-29 years; and 30 or more years, which was our excluded benchmark. Where possible, we also controlled for rate schedule code, occupation codes, FY, and state and U.S. territory. However, due to data limitations, resignation models for Postal Career Executive Services (PCES) executives and officers excluded controls for state and U.S. territory.

For our compensation analysis, we performed regression analyses that estimated differences in earnings and compensation between different demographic groups, while accounting for worker and job characteristics. We used generalized linear models, and we included the same controls for age, tenure, rate schedule code, occupation codes, FY, and state and U.S. territory that we included in the separations analyses, where possible. However, due to data limitations, compensation models for PCES executives and officers excluded controls for occupation and for state and U.S. territory. We defined our outcome variables by aggregating pay, benefits, and compensation at the end of each FY in our data. Pay data include pay for straight time, overtime, and other work time paid at a premium. For each pay category (e.g., straight time, overtime) USPS provided the number of worked hours for each employee in a given pay period, which we aggregated at the end of an FY. For purposes of this analysis, pay is defined to include earnings from worked hours, but not leave. Benefits include health insurance payments, pension and retirement savings plan contributions, life insurance, Social Security, and Medicare. We also included the dollar value associated with various categories of leave taken for each employee. Compensation includes benefits and pay at the employee level.

Our examination of payroll data indicated that overall demographic groups in frontline supervisor and middle manager positions work different numbers of total work hours. Consequently, an analysis which aggregates pay, benefits, and compensation without scaling for work hours would be capturing both differences in work hours and differences in per hour pay and compensation. We therefore scaled these aggregated values by the number of work hours at the employee level. Our compensation analysis controlled for the same factors as our separation analysis described above.

Extent to Which USPS Identified Barriers and Met Leading Diversity Management Practices

To assess the extent to which USPS has identified and reported on barriers to achieving diversity in its workforce, we reviewed the information USPS provided to EEOC in its FY 2016 through 2022 annual Management Directive 715 (MD-715) reports, including the results of its barrier analyses.[14] Specifically, we focused on sections of the reports where USPS is required to report the barrier analyses it conducted to identify root causes of any workforce trends, disparities, and anomalies it identified.[15] We also focused on USPS's self-assessments in meeting its responsibilities to provide employment opportunities for qualified applicants and employees with disabilities and targeted disabilities. Further, we reviewed relevant laws and EEOC's regulations, reporting instructions, and guidance related to annual MD-715 reports for conducting barrier analyses.[16] We reviewed EEOC technical assistance feedback and program evaluation reports provided to USPS during the same time frame to ascertain the status of USPS's equal employment opportunity program deficiencies.[17]

To assess the extent to which USPS has met diversity management leading practices, we reviewed USPS's diversity workforce initiatives,

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[14]EEOC MD-715 provides policy guidance and standards to federal agencies for establishing and maintaining effective equal employment opportunity (EEO) programs and affirmative action programs for persons with disabilities. See 42 U.S.C. § 2000e-16; 29 U.S.C. § 791. The MD-715 includes a framework for agencies to conduct a barrier analysis to determine whether barriers to EEO exist and to identify and develop strategies to eliminate barriers to workforce participation. Agencies are required to report the results of their analyses annually to EEOC.

[15]The barrier analysis process has four steps: (1) identify trends, disparities, and anomalies among EEO demographic groups that may indicate the existence of triggers to EEO; (2) investigate the possible connections between triggers and applicable agency policies, procedures, practices, and conditions to determine whether actual barriers to EEO exist, and if so, their causes; (3) develop a plan to eliminate the identified barriers; and (4) assess the plan's effectiveness.

[16]Equal Employment Opportunity Commission, *Equal Employment Opportunity: Management Directive 715, EEO MD-715* (Oct. 1, 2003).

[17]The EEOC evaluated USPS in 2017, 2020, and 2022. According to EEOC officials, as part of its oversight responsibilities, the EEOC conducts technical reviews of federal agencies' EEO programs every three years. In 2020, the EEOC conducted a focused review—specifically evaluating USPS's reasonable accommodation program for people with disabilities. EEOC officials stated that while the EEOC closed the evaluation in 2021, they conducted a follow-up review in 2022.

policies, programs, procedures, and practices as of April 2023 and interviewed USPS officials. We then compared this information to nine leading practices we previously identified for managing workplace diversity: (1) top leadership commitment, (2) diversity as part of an organization's strategic plan, (3) diversity linked to performance, (4) measurement, (5) accountability, (6) succession planning, (7) recruitment, (8) employee involvement, and (9) diversity training.[18] In addition, in more recent reports, we identified some steps, or key elements, associated with each diversity management leading practices.[19] The elements are suggested steps associated with each leading practice, and they serve as indicators toward meeting each leading practice. We used the elements associated with each leading practice to assess the extent to which USPS took steps toward each leading practice for workforce diversity management.

We included diversity, equity, inclusion, and accessibility (DEIA) practices in our assessment of USPS's diversity management practices in the workplace. We defined DEIA to align with the definitions used in a 2021 executive order.[20] Diversity is the practice of including many communities, identities, races, ethnicities, backgrounds, abilities, cultures, and beliefs of the American people, including underserved communities. Equity is the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment. Inclusion is the recognition, appreciation, and use of the talents and skills of employees of all backgrounds. Accessibility is the design, construction, development, and maintenance of facilities, information and communication technology,

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[18]GAO, *Diversity Management: Expert-Identified Practices and Agency Examples*, GAO-05-90 (Washington, D.C.: Jan. 14, 2005). Our 2005 report identified nine leading practices based on interviews with, and literature review publications authored by, recognized experts in the diversity management field. This report defines diversity management as a process intended to create and maintain a positive work environment where the similarities and differences of individuals are valued, so that all can reach their potential and maximize their contributions to an organization's strategic goals and objectives. In addition, while GAO will issue an update of the leading diversity management practices in 2024, we found that these nine leading practices continue to remain relevant today.

[19]See GAO-21-83 and GAO, *State Department: Additional Actions Needed to Improve Workplace Diversity and Inclusion*, GAO-22-105182 (Washington, D.C.: July 21, 2022).

[20]Executive Order 14035, *Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce* (June 25, 2021). The executive order does not apply to USPS, but we determined that the definitions are appropriate for purposes of this report.

programs, and services so that all people, including people with disabilities, can fully and independently use them.

We also assessed USPS's workforce diversity efforts against relevant internal control standards.[21] In particular, we determined that the control activities component of internal controls was significant to this objective. Control activities are the actions established through policies and procedures that serve as mechanisms for managing the achievement of an entity's objectives and are part of the process by which an entity strives to achieve those objectives.

We used information from USPS documents and interviews with officials to identify actions USPS has taken related to workplace diversity and used a scorecard methodology to determine the extent to which USPS's actions were consistent with the nine leading practices. Two GAO analysts independently reviewed and rated the extent to which USPS's actions addressed individual elements associated with each leading practice, using a three-point scale of "met" (evidence of actions/activities that addressed the step with no identified gaps), "partially met" (some evidence of actions/activities to address the step, but there were gaps), or "not met" (no actions/activities addressed the step and there were gaps). We then assigned an overall rating to each leading practice based on the element ratings assessment.

Specifically, we used a four-point scale and assigned an overall rating of "fully met" when all elements were met, "mostly met" when at least half but not all the elements were met, "partially met" when fewer than half of the elements were met, and "not met" when none of the elements were met. In instances in which consensus between raters were not reached, a GAO assistant director and methodologist were consulted and reviewed the collective evidence to reach consensus on a final rating. Although we reviewed steps taken, we did not assess the quality and effectiveness of

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[21]USPS uses the 2013 Committee of Sponsoring Organizations of the Treadway Commission's *Internal Control-Integrated Framework* (COSO Framework) for its internal control standards. The COSO Framework is a set of practices that we have identified as reasonable and relevant internal-control criteria standards to use in evaluating USPS's activities. The COSO Framework is recognized as a leading framework for designing, implementing, and conducting internal control and assessing the effectiveness of internal control. It provides a means to apply internal control to any type of entity and requirements for an effective system of internal control.

implementing USPS's diversity management policies and practices.[22] See
appendix III for the results of our assessment and rating of USPS's
actions against diversity management leading practices and elements.

Survey of Selected USPS Employees

To obtain the experiences and perspectives of the USPS workforce on
USPS's diversity management efforts, we surveyed a statistical sample of
715 USPS frontline supervisors and middle managers working in Retail
and Delivery, Distribution Operations, Transportation Operations, and
Maintenance Operations in a state or the District of Columbia. We
administered our web-based survey from February 23, 2023, through
March 26, 2023.[23]

To identify the population of USPS frontline supervisors and middle
managers, we obtained USPS payroll data from the last pay period of FY
2022 and identified the most recent pay stub for each unique employee
identification number. We filtered the pay data to identify frontline
supervisors and middle managers who were year-round employees. We
then matched this data set to USPS HR data to identify the state each
employee worked in as well as the employee's age, gender, race, and
ethnicity. We excluded a total of 77 employees because one or more data
elements were missing or because the employee worked in a U.S.
territory, which is outside the geographic scope of our audit work. This
produced a final survey population with 35,897 frontline supervisors and
middle managers.

To select our survey sample, we used three variables to stratify the
population: by employee race (Asian, Black or African American, Other,
White); gender (Female, Male); and ethnicity (Hispanic or Latino, Not

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[22]While we did not assess the quality and effectiveness of USPS policies and practices,
we did assess the quality and implementation of USPS's barrier analysis efforts and the
progress USPS has made in addressing deficiencies in its EEO program as determined by
EEOC through its review of USPS's annual MD-715 reports. Our findings from that
analysis are reflected when assessing the diversity management leading practices of
measurement, which includes steps on analyzing workforce composition data and
conducting barrier assessments.

[23]We selected frontline supervisors and middle managers for the survey due to their
firsthand experiences from participation in USPS's career advancement and development
programs, and our expectation that they may have more insight on USPS's diversity
practices and efforts than non-management staff.

Hispanic or Latino), for a total of 16 strata.[24] We designed our sample allocation to support estimation of an attribute measure for each category of these three variables with a margin of error no greater than plus or minus 10 percentage points at the 95 percent level of confidence. After adjusting this allocation for an assumed response rate of 60 percent, we obtained a final sample size of 768. Prior to selection of the sample, the population within each stratum was sorted by employee supervisory status (frontline supervisor/middle manager) and sampling was done via systematic random selection to ensure that the proportion of middle managers and frontline supervisors within each stratum matched their distribution in the population. During the process of obtaining contact information for the sample, 53 of the staff selected into the sample were excluded as out-of-scope.[25] This left us with a final sample size of 715 frontline supervisors and middle managers working in Retail and Delivery, Distribution Operations, Transportation Operations, and Maintenance Operations.

To develop our survey questions, we conducted discussion groups with frontline supervisors and middle managers, who volunteered to participate in five discussion groups during two USPS management associations' national conventions in August 2022.[26] We conducted cognitive testing of draft survey to ensure that the wording appropriately addressed the topics, were clearly stated, easy to comprehend, unbiased, and did not place undue burden on respondents. We also obtained feedback on the draft survey from USPS officials, the National Association of Postal Supervisors, the United Postmasters and Managers of America, and an internal GAO survey expert. We made changes as appropriate to the survey based on feedback prior to administering the survey.

We sent respondents a notification email ahead of the February 23, 2023, survey launch, and then emailed them a web link to complete the survey. To reduce nonresponses, we sent multiple email reminders encouraging respondents to complete the survey and conducted telephone calls to

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[24]The category "Other" encompasses the categories of: American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, and Two or More Races.

[25]These 53 staff were out-of-scope for one of the following reasons: retirement, separation from employment, on long-term leave, or the contact information indicated the staff had been miscoded.

[26]Frontline supervisors and middle managers for the discussion groups were judgmentally selected based on demographics and managerial career level to obtain diverse perspectives.

encourage participation. We obtained a total of 290 responses, or a weighted response rate of 44.6 percent.[27] Not every individual responded to every question due to survey logic and question non-response. We analyzed all surveys that included responses to at least 50 percent of the survey questions. We carried out a statistical nonresponse bias analysis using available administrative data and used post-stratification to adjust the sampling weights for differential rates of response between frontline supervisors and middle managers.

All sample surveys are subject to sampling error—that is, the extent to which the survey results differ from what would have been obtained if the whole population had been observed. Because we followed a probability procedure based on random selections, our sample is only one of many samples that we might have drawn. Since each sample could have provided different estimates, we express our confidence in the precision of our particular sample's results as a 95 percent confidence interval. This is the interval that would contain the actual population value for 95 percent of the samples we could have drawn. All survey results presented in the body of this report are generalizable to our population of USPS frontline supervisors and middle managers working in Retail and Delivery, Distribution Operations, Transportation Operations, and Maintenance Operations. See appendix IV for the survey questions and results.

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[27]We used a weighted response rate because our survey sample incorporates strata with different probabilities of selection. A weighted response rate more accurately reflects the statistical effect of differing probabilities of selection. To calculate our weighted response rate, we used a standard definition, known as RR2, from the American Association for Public Opinion Research. See American Association for Public Opinion Research, *Standard Definitions: Final Dispositions of Case Codes and Outcome Rates for Surveys,* 9th ed. (2016).

Appendix II: U.S. Postal Service's Equal Employment Opportunity Program Deficiencies and Status

In March 2022, the U.S. Equal Employment Opportunity Commission (EEOC) sent a letter to the U.S. Postal Service (USPS) summarizing its findings concerning USPS's compliance with EEOC's regulations and directives, as it relates to USPS's equal employment opportunity (EEO) program. EEOC identified 13 program deficiencies in USPS's EEO and disability program from USPS's Fiscal Year 2021 Management Directive 715 (MD-715) report.

As of November 2023, USPS corrected six of the 13 identified program deficiencies. Table 7 provides the status of the remaining deficiencies, as of November 13, 2023.

Table 7: Status of U.S. Postal Service's (USPS) Equal Employment Opportunity (EEO) Program Deficiencies, Identified by the Equal Employment Opportunity Commission (EEOC), as of November 13, 2023

Program deficiencies	Status
USPS does not have effective and accurate data collection systems to: a) maintain accurate data collection and tracking systems for workforce demographics, recruitment activities, and applicant flow data; b) collect all required applicant flow data; and c) ensure that the EEO office has timely access to accurate and complete data for the Management Directive 715 workforce data tables.	Remains a deficiency
USPS does not conduct employee exit interviews or surveys that include questions on how the agency could improve the recruitment, hiring, inclusion, retention, and advancement of individuals with disabilities. USPS conducts exit surveys, but they are not associated with an individual's disability status.	Remains a deficiency
USPS managers and supervisors do not have an element in their performance appraisals that evaluates their commitment to agency EEO policies and principles and their participation in USPS's EEO program.	Remains a deficiency
USPS's reasonable accommodation procedures do not comply with EEOC guidance. Although USPS provided the EEOC proposed changes to those procedures, USPS had not yet provided the full procedures that would include the proposed changes. The EEOC stated it would review the procedures in their entirety once received.	Pending EEOC review
USPS does not timely process all initial reasonable accommodation requests submitted by individuals with a disability. USPS was informed that the agency must include time frames for providing reasonable accommodations. USPS stated that time frames will be added to its reasonable accommodation procedure, and that they will calculate the time frames.	Pending EEOC review

Program deficiencies	Status
USPS' reporting structure does not comply with Section 401(2)(A) of the Elijah E. Cummings Federal Employee Anti-Discrimination Act of 2020, Public Law 116-283. On December 19, 2022, EEOC advised USPS that a model EEO program should not be under the control of the Human Resource Office or the Office of General Counsel. To comply with the Cummings Act, EEOC recommended that USPS (1) implement an EEO office and appoint an EEO Director who reports directly to the Postmaster General and oversees all the functions of its EEO program and (2) clearly define the reporting structure of the EEO office within its organizational chart.	Pending EEOC review
USPS does not conduct a prompt inquiry (beginning within 10 days of notification) of all harassment allegations, including those initially raised in the EEO complaint process.	Pending EEOC review

Source: GAO analysis of Equal Employment Opportunity Commission documents. | GAO-24-105732

Appendix III: GAO's Assessment of the U.S. Postal Service's Practices Compared to Leading Practices for Diversity Management

We compared the U.S. Postal Service's (USPS) diversity and inclusion policies and practices to nine leading practices we previously identified for managing workforce diversity. These leading practices include (1) leadership commitment; (2) recruitment; (3) diversity linked to performance; (4) accountability; (5) employee involvement; (6) measurement; (7) succession planning; (8) diversity training; and (9) diversity linked to an organizational strategic plan (see fig. 12).[1] We used the key elements associated with each leading practice to assess the extent to which USPS took steps to meet leading practices for workforce diversity management.[2]

We reviewed and rated the extent to which USPS's actions addressed the individual elements associated with each diversity management leading practice using a three-point scale of "met" (evidence of actions/activities that addressed the element with no identified gaps), "partially met" (some evidence of actions/activities to address the element, but there were gaps), or "not met" (no actions/activities addressed the element, and there were gaps). We then assigned an overall final rating using a four-

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[1]GAO, *Diversity Management: Expert-Identified Practices and Agency Examples*, GAO-05-90 (Washington, D.C.: Jan. 14, 2005). In 2005, we identified nine leading practices based on our interviews with, and literature review of publications authored by, recognized experts in the diversity management field. We found that these nine leading practices continue to remain relevant today. We also included diversity, equity, inclusion, and accessibility practices as part of diversity management in the federal workplace.

[2]Subsequent to GAO-05-90, we identified key elements associated with each diversity management leading practice. While the elements are not necessarily required to meet each leading practice, they serve as indicators toward meeting each leading practice. See GAO, *State Department: Additional Actions Needed to Improve Workplace Diversity and Inclusion*, GAO-22-105182 (Washington, D.C.: July 21, 2022 and GAO, *Intelligence Community: Additional Actions Needed to Strengthen Workforce Diversity Planning and Oversight*, GAO-21-83 (Washington, D.C.: Dec. 17, 2020).

Appendix III: GAO's Assessment of the U.S.
Postal Service's Practices Compared to
Leading Practices for Diversity Management

point scale for each leading practice based on the element ratings. Specifically, we assigned an overall rating of "fully met" when all elements were met, "mostly met" when at least half but not all the elements were met, "partially met" when fewer than half of the elements were met, and "not met" when all elements were not met.

Figure 12: GAO's Assessment of U.S. Postal Service's (USPS) Diversity Efforts Compared to Diversity Management Leading Practices

Leading practices	GAO overall rating	Elements GAO assessed for each leading practice	GAO element rating
Top leadership commitment: A vision of diversity demonstrated and communicated throughout an organization by top-level management.	●	Establish new or amend existing policies	⬆
		Develop policy statements, speeches, and plans	⬆
		Post statements and information on the internal/external website	⬆
		Appoint senior leader(s) to champion diversity and inclusion efforts	⬆
Diversity linked to performance: The understanding that a more diverse and inclusive workforce can yield greater productivity and improve individual and organizational performance.	●	Issue a policy statement supporting the value of diversity of employees, customers, or suppliers	⬆
		State a business case for diversity—that (1) achieving an inclusive organization is a critical business issue and (2) understanding customer diversity	⬆
		Develop a strategy designed for a diverse market	⬆
Recruitment: The process of attracting a supply of qualified, diverse applicants.	●	Develop a recruitment strategy	⬆
		Establish partnerships with academic institution that have a diverse student population	⬆
		Establish partnerships with diverse professional organizations	⬆

● All elements of leading practice were fully met   ◓ Elements of leading practice were mostly met   ◑ Elements of leading practice were partially met   ⬆ Met   ➡ Partially met   ⬇ Did not meet

Source: GAO analysis of USPS actions and GAO's previously identified diversity management leading practices and associated key elements. | GAO-24-105732

**Appendix III: GAO's Assessment of the U.S.
Postal Service's Practices Compared to
Leading Practices for Diversity Management**

Leading practices	GAO overall rating	Elements GAO assessed for each leading practice	GAO element rating
Succession planning: An ongoing, strategic process for identifying and developing a diverse pool of future leaders.	◓	Document succession plan to ensure diverse leaders	⬆
		Commit to professional development of promotion candidates (e.g., mentoring leadership opportunities, exposure to organization's operations	⬆
		Have diverse evaluators, reviewers, or assessors that comprise promotion panels	⬆
		Have a diverse pool of candidates identified for promotion	⬇
Diversity training: An organizational efforts to inform and educate management and staff about diversity.	◓	Provide specialized diversity and inclusion training (e.g., unconscious bias training)	⬆
		Provide teambuilding, communication, conflict-resolution training	⬆
		Require diversity training for hiring and selection panel participant	⬆
		Require diversity training for new hires	⬆
		Require diversity training for senior leaders	➡

● All elements of leading practice were fully met   ◓ Elements of leading practice were mostly met   ◑ Elements of leading practice were partially met   ⬆ Met   ➡ Partially met   ⬇ Did not meet

Source: GAO analysis of USPS actions and GAO's previously identified diversity management leading practices and associated key elements. | GAO-24-105732

Leading practices	GAO overall rating	Elements GAO assessed for each leading practice	GAO element rating
Diversity as part of an organization's strategic plan: A diversity strategy and plan that align with the organization's strategic plan.	Elements of leading practice were partially met	Have a current diversity strategic plan	Partially met
		Complete a diversity strategic plan that contains sufficient diversity-related objectives, time frames, and responsibilities	Did not meet
Measurement: A set of quantitative and qualitative measures that assess the effect of various aspects of an overall diversity program.	Elements of leading practice were partially met	Have performance measures	Partially met
		Analyze agency/element workforce composition data	Partially met
		Conduct an assessment of potential and actual barriers to equal employment opportunities within the organization	Partially met
		Gather feedback from employee resource groups, affinity groups, or special emphasis groups	Partially met
		Assess employee perceptions of diversity and inclusion	Did not meet
		Holistically assess the organization's diversity and inclusion programs, plans, and policies	Did not meet
Accountability: The means to ensure that leaders are responsible for diversity by linking their performance assessment to the progress of diversity initiatives.	Elements of leading practice were partially met	Establish diversity and inclusion performance objectives for executives, managers, and supervisors	Partially met
		Evaluate executives, managers, and supervisors based on progress for achieving diversity and inclusion goals	Did not meet
		Provide compensation based on the progress of achieving diversity and inclusion goals	Did not meet
		Take steps to implement EEO requirements	Partially met
Employee involvement: The contribution of employees in driving diversity throughout an organization.	Elements of leading practice were partially met	Encourage employee community outreach/involvement	Met
		Establish employee resource groups or affinity groups	Partially met
		Establish mentoring/networking programs to retain/develop diverse personnel	Partially met
		Establish diversity and inclusion advisory council	Partially met

Legend:
- ● All elements of leading practice were fully met
- ◕ Elements of leading practice were mostly met
- ◐ Elements of leading practice were partially met
- ⬆ Met
- ➡ Partially met
- ⬇ Did not meet

Source: GAO analysis of USPS actions and GAO's previously identified diversity management leading practices and associated key elements. | GAO-24-105732

Appendix IV: Selected Questions and Results from GAO's Survey of U.S. Postal Service Supervisors and Managers

We conducted a web-based survey from February 23, 2023, through March 26, 2023 to inform our assessment of the extent to which the U.S. Postal Service (USPS) met diversity management leading practices. We surveyed a stratified sample of current USPS operational, frontline supervisors and middle managers.[1] To select our survey sample, we stratified the population based on three variables: race (collapsed from the full range of race values in USPS data into Asian, Black or African American, White, and Other); ethnicity (Hispanic or Latino and Not Hispanic or Latino); and gender (male/men and female/women).

The overall in-scope sample size of our survey was 715. The weighted response rate for our stratified sample was 44.6 percent.[2] Not every individual responded to every question due to survey logic and question non-response. We analyzed all surveys that included responses to at least 50 percent of the survey questions. All survey responses presented in this appendix are generalizable to the population of USPS operational, frontline supervisors and middle managers unless otherwise noted. Because our estimates are from a generalizable sample, we express our confidence in the precision of our estimates as 95 percent confidence intervals.

Our survey was composed of closed-ended questions. This appendix provides the results of our survey questions, with the exception of those questions that sought demographic information from survey respondents.

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[1]See appendix I for the definition of operational frontline supervisors and middle managers.

[2] We used a weighted response rate because our survey sample incorporates strata with different probabilities of selection. A weighted response rate more accurately reflects the statistical effect of differing probabilities of selection. To calculate our weighted response rate, we used a standard definition, known as RR2, from the American Association for Public Opinion Research. See American Association for Public Opinion Research, *Standard Definitions: Final Dispositions of Case Codes and Outcome Rates for Surveys,* 9th ed. (2016)."

For a more detailed discussion of our survey scope and methodology, see appendix I.

Career Development Opportunities

Table 8: Responses Provided by U.S. Postal Service Supervisors and Managers to GAO's 2023 Survey Questions about Career Development Opportunities

Survey Questions: To what extent do you agree or disagree with the following statements regarding your ability to take advantage of career development opportunities as much as you have wanted throughout your Postal Service career?

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
Online Postal Service trainings	Strongly agree	28.2	21.3	35.1
	Agree	42.7	35.0	50.4
	Neither agree nor disagree	15.3	10.1	21.8
	Disagree	9.0	4.8	14.9
	Strongly disagree	4.7	1.9	9.5
	Do not know/Not applicable	0.2	0.0	1.9
In-person, classroom trainings from the Postal Service	Strongly agree	17.5	12.2	23.9
	Agree	33.2	25.8	40.5
	Neither agree nor disagree	18.8	12.9	26.0
	Disagree	19.0	13.2	26.0
	Strongly disagree	10.6	6.0	17.0
	Do not know/Not applicable	1.0	0.1	4.2
Temporary detail opportunities to different positions	Strongly agree	23.6	17.1	30.1
	Agree	31.2	24.0	38.4
	Neither agree nor disagree	19.8	13.7	27.1
	Disagree	15.7	10.2	22.6
	Strongly disagree	9.4	5.5	14.7
	Do not know/Not applicable	0.3	0.0	1.9
Developmental opportunities within your current role that stretch beyond your typical work assignments	Strongly agree	19.9	14.2	26.8
	Agree	32.2	24.9	39.5
	Neither agree nor disagree	18.8	13.0	25.9
	Disagree	18.7	12.8	26.0
	Strongly disagree	10.0	5.8	15.7
	Do not know/Not applicable	0.3	0.0	1.9

Source: GAO. | GAO-24-105732

Promotion

Table 9: Responses Provided by U.S. Postal Service Supervisors and Managers to GAO's 2023 Survey Questions about Promotion Opportunities

		Survey Question: To what extent do you agree or disagree with the following statements regarding the Postal Service's promotion opportunities and process?		
	Responses	**Estimated percentage**	**95 percent confidence interval—lower bound**	**95 percent confidence interval—upper bound**
I know where to look to find out about promotion opportunities.	Strongly agree	34.9	27.4	42.4
	Agree	48.5	40.7	56.4
	Neither agree nor disagree	10.0	5.8	15.8
	Disagree	4.0	1.7	7.8
	Strongly disagree	2.5	0.9	5.5
	Do not know/Not applicable	0.0	0.0	1.0
Based on my experience, job descriptions accurately describe the duties and responsibilities of the job.	Strongly agree	21.6	15.6	28.6
	Agree	42.9	35.1	50.6
	Neither agree nor disagree	18.0	12.2	25.1
	Disagree	11.6	7.3	17.4
	Strongly disagree	5.9	2.7	11.0
	Do not know/Not applicable	0.0	0.0	1.0
Almost all managers follow the established promotion process.	Strongly agree	12.5	7.8	18.7
	Agree	23.3	16.8	29.7
	Neither agree nor disagree	27.2	20.1	34.3
	Disagree	20.7	14.7	27.9
	Strongly disagree	13.8	8.9	20.2
	Do not know/Not applicable	2.5	0.5	7.1
Almost all managers make fair promotion decisions.	Strongly agree	11.9	7.4	18.0
	Agree	23.9	17.2	30.6
	Neither agree nor disagree	21.5	15.4	28.8
	Disagree	23.9	17.2	30.5
	Strongly disagree	17.1	11.7	23.6
	Do not know/Not applicable	1.7	0.2	6.0
While at the Postal Service, I have been treated unfairly in the promotion process.	Strongly agree	15.5	10.4	21.8
	Agree	17.1	11.7	23.8
	Neither agree nor disagree	25.1	18.3	31.9
	Disagree	19.9	14.0	27.1
	Strongly disagree	21.2	15.0	28.6

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
	Do not know/Not applicable	1.1	0.1	4.1
While at the Postal Service, I have observed others being treated unfairly in the promotion process.	Strongly agree	19.6	13.7	26.6
	Agree	25.5	18.8	32.2
	Neither agree nor disagree	23.6	17.1	31.2
	Disagree	16.0	10.5	22.9
	Strongly disagree	14.7	9.5	21.4
	Do not know/Not applicable	0.6	0.1	2.4

Source: GAO. | GAO-24-105732

Table 10: Responses Provided by U.S. Postal Service Supervisors and Managers to GAO's 2023 Survey Questions about Promotion Opportunities

Survey Question: You answered that you have been treated unfairly in the promotion process. To what extent do you agree or disagree that the following were factors that contributed to the unfair treatment?[a]

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
Race and ethnicity	Strongly agree	22.4	12.8	34.9
	Agree	27.0	15.9	40.8
	Neither agree nor disagree	23.1	12.7	36.6
	Disagree	5.0	0.8	15.7
	Strongly disagree	20.4	10.1	34.7
	Do not know/Not applicable	2.0	0.3	6.9
Sex and gender	Strongly agree	25.2	14.5	38.6
	Agree	22.8	12.6	36.0
	Neither agree nor disagree	24.7	13.9	28.6
	Disagree	7.2	2.0	17.1
	Strongly disagree	18.0	8.3	31.8
	Do not know/Not applicable	2.2	0.3	7.2
Sexual orientation	Strongly agree	10.1	3.3	22.1
	Agree	12.5	4.9	24.6
	Neither agree nor disagree	33.2	20.9	47.4
	Disagree	13.5	5.7	25.7
	Strongly disagree	23.8	12.9	37.9
	Do not know/Not applicable	7.0	2.9	13.8
Disability	Strongly agree	6.6	2.0	15.4
	Agree	2.1	0.3	7.1
	Neither agree nor disagree	33.7	21.4	48.0
	Disagree	23.4	12.6	37.5

	Responses	**Estimated percentage**	**95 percent confidence interval—lower bound**	**95 percent confidence interval—upper bound**
	Strongly disagree	25.7	14.4	40.2
	Do not know/Not applicable	8.4	3.2	17.3
Veterans' preference	Strongly agree	7.3	2.2	16.7
	Agree	4.2	0.7	13.4
	Neither agree nor disagree	35.2	22.7	49.5
	Disagree	20.1	10.0	34.0
	Strongly disagree	21.3	11.1	34.9
	Do not know/Not applicable	11.9	5.3	22.2
Age (40 or over)	Strongly agree	9.7	4.2	18.5
	Agree	9.1	3.4	18.8
	Neither agree nor disagree	34.4	21.9	48.8
	Disagree	18.3	8.8	31.7
	Strongly disagree	22.1	11.5	36.4
	Do not know/Not applicable	6.4	1.7	15.6
Religion	Strongly agree	6.6	2.2	14.6
	Agree	8.0	2.2	19.4
	Neither agree nor disagree	29.2	17.8	42.9
	Disagree	22.5	11.9	36.5
	Strongly disagree	23.5	12.6	37.8
	Do not know/Not applicable	10.2	4.0	20.5
National origin	Strongly agree	10.4	4.5	19.7
	Agree	16.1	7.6	28.4
	Neither agree nor disagree	24.2	13.6	37.7
	Disagree	17.5	8.3	30.7
	Strongly disagree	25.3	13.9	39.9
	Do not know/Not applicable	6.5	1.8	15.8
Color	Strongly agree	21.2	11.7	33.6
	Agree	24.1	13.5	37.7
	Neither agree nor disagree	23.2	12.8	36.7
	Disagree	7.8	2.1	19.2
	Strongly disagree	21.1	10.7	35.2
	Do not know/Not applicable	2.6	0.5	7.7
Marital/pregnancy/caregiving responsibilities	Strongly agree	10.3	3.6	21.7
	Agree	7.5	2.2	17.8
	Neither agree nor disagree	30.7	18.9	44.8
	Disagree	18.5	8.9	32.0

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
	Strongly disagree	22.6	11.8	36.8
	Do not know/Not applicable	10.4	4.7	19.2
Participation in union or management association	Strongly agree	5.8	1.9	12.9
	Agree	3.7	0.5	12.1
	Neither agree nor disagree	41.5	28.2	54.7
	Disagree	19.1	9.4	32.6
	Strongly disagree	22.6	11.7	37.1
	Do not know/Not applicable	7.4	2.4	16.5
Favoritism and/or nepotism	Strongly agree	48.5	35.1	61.8
	Agree	40.2	27.0	53.3
	Neither agree nor disagree	4.7	1.2	12.2
	Disagree	0.2	0.0	5.3
	Strongly disagree	6.1	1.1	18.1
	Do not know/Not applicable	0.3	0.0	5.3
Retaliation/reprisal	Strongly agree	40.2	26.9	53.6
	Agree	20.2	10.6	33.3
	Neither agree nor disagree	16.0	7.7	28.0
	Disagree	7.3	1.8	18.3
	Strongly disagree	12.9	4.8	26.2
	Do not know/Not applicable	3.3	0.5	10.5
Other	Strongly agree		16.3	48.8
	Agree	6.7	1.2	19.3
	Neither agree nor disagree		12.3	43.9
	Disagree	0.0	0.0	4.4
	Strongly disagree	5.3	0.5	18.9
	Do not know/Not applicable		16.5	49.7

[a]These questions were shown to respondents who answered Agree or Strongly Agree when asked whether they had been treated unfairly in the promotion process.

Table 11: Responses Provided by U.S. Postal Service Supervisors and Managers to GAO's 2023 Survey Questions about Promotion Opportunities

		Survey Question: You answered that you have observed others treated unfairly in the promotion process. To what extent do you agree or disagree that the following were factors that contributed to the unfair treatment?[a]		
	Responses	**Estimated percentage**	**95 percent confidence interval—lower bound**	**95 percent confidence interval—upper bound**
Race and ethnicity	Strongly agree	18.7	11.1	28.4
	Agree	20.9	12.5	31.6
	Neither agree nor disagree	22.2	13.4	33.3
	Disagree	15.3	7.6	26.4
	Strongly disagree	20.3	11.6	31.7
	Do not know/Not applicable	2.7	0.6	7.6
Sex and gender	Strongly agree	22.0	13.2	33.2
	Agree	23.5	14.5	34.6
	Neither agree nor disagree	21.9	13.5	32.5
	Disagree	14.4	6.9	25.2
	Strongly disagree	13.8	6.6	24.3
	Do not know/Not applicable	4.5	1.2	11.1
Sexual orientation	Strongly agree	6.1	2.0	13.7
	Agree	7.7	3.0	15.4
	Neither agree nor disagree	31.5	21.2	43.2
	Disagree	19.1	10.7	30.3
	Strongly disagree	26.8	17.0	38.5
	Do not know/Not applicable	8.9	4.0	16.6
Disability	Strongly agree	4.0	1.2	9.5
	Agree	6.3	1.9	14.5
	Neither agree nor disagree	30.5	20.4	42.2
	Disagree	19.9	11.3	31.1
	Strongly disagree	31.7	21.1	43.9
	Do not know/Not applicable	7.7	3.4	14.5
Veterans' preference	Strongly agree	6.4	2.1	14.2
	Agree	3.7	0.7	10.7
	Neither agree nor disagree	28.5	18.7	40.0
	Disagree	24.7	15.2	36.4
	Strongly disagree	27.5	17.5	39.4
	Do not know/Not applicable	9.2	4.3	17.0
Age (40 or over)	Strongly agree	7.7	3.4	14.5

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
	Agree	6.2	2.3	13.1
	Neither agree nor disagree	30.2	20.2	42.2
	Disagree	21.3	12.7	32.4
	Strongly disagree	26.6	16.7	38.7
	Do not know/Not applicable	7.9	3.2	15.7
Religion	Strongly agree	4.0	1.3	9.2
	Agree	5.5	1.5	13.4
	Neither agree nor disagree	30.9	20.7	42.7
	Disagree	25.0	15.6	36.5
	Strongly disagree	25.7	16.0	37.6
	Do not know/Not applicable	8.9	4.0	16.6
National origin	Strongly agree	7.2	3.0	14.1
	Agree	8.6	3.8	16.2
	Neither agree nor disagree	26.9	17.2	38.6
	Disagree	24.6	15.2	36.1
	Strongly disagree	25.5	15.7	37.4
	Do not know/Not applicable	7.2	2.8	14.8
Color	Strongly agree	16.7	9.5	26.4
	Agree	18.9	10.9	29.5
	Neither agree nor disagree	20.7	12.1	31.8
	Disagree	18.1	9.9	29.2
	Strongly disagree	20.4	11.6	32.0
	Do not know/Not applicable	5.1	1.6	11.7
Marital/pregnancy/caregiving responsibilities	Strongly agree	7.7	2.8	16.2
	Agree	7.6	2.5	16.8
	Neither agree nor disagree	31.5	21.1	41.9
	Disagree	19.3	11.0	30.3
	Strongly disagree	26.6	16.7	38.6
	Do not know/Not applicable	7.2	3.2	13.6
Participation in union or management association	Strongly agree	7.8	3.1	15.7
	Agree	10.0	4.1	19.5
	Neither agree nor disagree	31.9	21.3	42.4
	Disagree	22.7	13.6	34.3
	Strongly disagree	21.4	12.6	32.7
	Do not know/Not applicable	6.2	2.2	13.1
Favoritism and/or nepotism	Strongly agree	46.3	35.0	57.7

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
	Agree	43.0	31.7	54.4
	Neither agree nor disagree	4.4	1.6	9.4
	Disagree	0.0	0.0	2.1
	Strongly disagree	4.2	0.8	11.9
	Do not know/Not applicable	2.1	0.2	8.3
Retaliation/reprisal	Strongly agree	35.3	24.3	46.2
	Agree	28.9	18.9	40.6
	Neither agree nor disagree	13.3	6.8	22.6
	Disagree	10.4	4.3	20.2
	Strongly disagree	9.8	4.1	19.0
	Do not know/Not applicable	2.3	0.4	7.5
Other	Strongly agree	15.1	6.9	27.5
	Agree	9.0	2.9	20.6
	Neither agree nor disagree	28.0	15.9	43.0
	Disagree	3.6	0.3	13.8
	Strongly disagree	6.3	1.2	17.7
	Do not know/Not applicable		24.3	53.1

Source: GAO. | GAO-24-105732

[a]These questions were shown to respondents who answered Agree or Strongly when asked whether they had been treated unfairly in the promotion process.

Managing People

Table 12: Responses Provided by U.S. Postal Service Supervisors and Managers to GAO's 2023 Survey Questions about Managing People

Survey Question: To what extent do you agree or disagree with the following statements regarding managers' ability to work with people?

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
In my experience, almost all managers value differences among individuals of different backgrounds.	Strongly agree	19.1	13.2	26.2
	Agree	29.3	22.3	36.3
	Neither agree nor disagree	21.3	15.2	28.5
	Disagree	18.8	13.1	25.6
	Strongly disagree	9.8	5.7	15.5
	Do not know/Not applicable	1.7	0.2	6.0
	Strongly agree	20.2	14.1	27.4

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
In my experience, almost all managers treat me with respect.	Agree	38.8	31.1	46.4
	Neither agree nor disagree	10.5	6.6	15.7
	Disagree	18.7	12.9	25.5
	Strongly disagree	11.9	7.3	18.0
	Do not know/Not applicable	0.0	0.0	1.0
In my experience, almost all managers are held accountable for treating employees fairly, regardless of background.	Strongly agree	16.7	11.1	23.7
	Agree	22.9	16.6	30.2
	Neither agree nor disagree	17.5	11.8	24.5
	Disagree	18.7	13.1	25.5
	Strongly disagree	23.2	17.0	30.5
	Do not know/Not applicable	1.0	0.1	3.8

Source: GAO. | GAO-24-105732

Table 13: Responses Provided by U.S. Postal Service Supervisors and Managers to GAO's 2023 Survey Questions about Managing People

Survey Question: To what extent do you agree or disagree with the following statements regarding your experience working with people?

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
I have received sufficient training to manage individuals of different backgrounds.	Strongly agree	25.2	18.4	31.9
	Agree	45.9	38.1	53.7
	Neither agree nor disagree	14.5	9.6	20.6
	Disagree	10.7	6.2	17.0
	Strongly disagree	2.9	0.9	6.7
	Do not know/Not applicable	0.8	0.0	3.8
Staff that I supervise treat me with respect almost all the time.	Strongly agree	46.9	39.1	54.7
	Agree	35.8	28.3	43.3
	Neither agree nor disagree	8.4	4.6	14.0
	Disagree	4.7	2.1	9.0
	Strongly disagree	4.1	1.5	9.0
	Do not know/Not applicable	0.0	0.0	1.0

Source: GAO. | GAO-24-105732

Postal Service Climate

Table 14: Responses Provided by U.S. Postal Service Supervisors and Managers to GAO's 2023 Survey Questions about Postal Service Climate

Survey Question: To what extent do you agree or disagree with the following statements regarding Postal Service's policies and practices?

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
The Postal Service's written policies promote diversity in outreach and recruitment for hiring.	Strongly agree	32.3	25.0	39.5
	Agree	42.5	34.8	50.3
	Neither agree nor disagree	15.6	10.0	22.6
	Disagree	4.0	1.6	8.3
	Strongly disagree	2.5	0.7	6.1
	Do not know/Not applicable	3.1	1.0	7.2
The Postal Service's practices promote diversity in outreach and recruitment for hiring.	Strongly agree	25.8	18.9	32.6
	Agree	41.7	33.9	49.4
	Neither agree nor disagree	16.1	10.7	22.8
	Disagree	8.9	5.0	14.4
	Strongly disagree	3.5	1.3	7.3
	Do not know/Not applicable	4.1	1.4	9.0
The Postal Service's written policies support diversity in promotion.	Strongly agree	29.5	22.4	36.5
	Agree	42.1	34.4	49.8
	Neither agree nor disagree	17.4	11.5	24.7
	Disagree	5.0	2.2	9.6
	Strongly disagree	2.8	0.9	6.3
	Do not know/Not applicable	3.3	1.1	7.5
The Postal Service's practices support diversity in promotion.	Strongly agree	24.4	17.6	31.1
	Agree	36.7	29.1	44.3
	Neither agree nor disagree	22.8	16.4	30.4
	Disagree	8.3	4.6	13.7
	Strongly disagree	4.6	2.2	8.6
	Do not know/Not applicable	3.1	1.0	7.4
The Postal Service's written policies accommodate qualified individuals with disabilities.	Strongly agree	33.3	25.9	40.6
	Agree	42.1	34.4	49.8
	Neither agree nor disagree	17.3	11.6	24.4
	Disagree	4.2	1.6	8.7
	Strongly disagree	1.7	0.4	4.8

	Responses	Estimated percentage	95 percent confidence interval—lower bound	95 percent confidence interval—upper bound
	Do not know/Not applicable	1.4	0.3	4.2
The Postal Service's practices accommodate qualified individuals with disabilities.	Strongly agree	25.9	19.0	32.8
	Agree	42.1	34.4	49.9
	Neither agree nor disagree	21.0	14.9	28.2
	Disagree	5.2	2.3	9.8
	Strongly disagree	2.5	0.8	5.9
	Do not know/Not applicable	3.3	1.1	7.4
Employees in my office are treated fairly by coworkers regardless of their backgrounds.	Strongly agree	38.4	30.7	46.1
	Agree	43.1	35.3	50.9
	Neither agree nor disagree	8.3	4.6	13.7
	Disagree	4.8	2.0	9.7
	Strongly disagree	5.1	2.4	9.5
	Do not know/Not applicable	0.2	0.0	1.9

Source: GAO. | GAO-24-105732

Appendix V: Comments from U.S. Postal Service

JENNY D. UTTERBACK
VICE PRESIDENT
ORGANIZATION DEVELOPMENT

UNITED STATES
POSTAL SERVICE

November 17, 2023

David Marroni, Acting Director
Physical Infrastructure Issues

SUBJECT: Draft Report – Opportunities Exist to Strengthen Workforce Diversity Efforts (GAO-24-105732)

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Our deep commitment to diversity is evident in the diversity of our workforce and recognition we have received from a variety of sources, such as being ranked as a Top Employer by *Professional WOMAN's Magazine, HISPANIC Network Magazine, Black EOE Journal,* and *U.S. Veterans Magazine.* We have been recognized as a Top 20 Government Employer in the *Equal Opportunity Magazine, CAREERS & the disABLED Magazine*, and *Woman Engineer Magazine*.

In light of the Postal Service's longstanding commitment to diversity, we have concerns about the representations of our workforce and the sometimes misleading representation of facts throughout the GAO's report related to our workforce diversity efforts.

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Another concern is how the GAO determined what to include in their report. Throughout the report, the GAO explicitly chose to focus on only statistically significant findings (footnote 44). This decision resulted in a narrative that systematically ignores situations where employees have comparable outcomes regardless of their demographics. For example, their analysis found that American Indian or Alaska Native (AIAN) and Native Hawaiian or Other Pacific Islanders (NHOPI) frontline supervisors are promoted at rates comparable to (that is, not significantly different[1] from) White frontline supervisors, as shown in Table 1. Similarly, frontline supervisors with disabilities are promoted at rates comparable to those without disabilities, also in Table 1. However, these results were downplayed in the narrative.

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- 2 -

As shown in Table 2, compensation for frontline supervisors and middle managers with disabilities was not significantly different from compensation for those without disabilities. Compensation for women in middle manager and executive positions was not significantly different from men in those positions. Compensation for Hispanic or Latino middle managers and executives was not significantly different from their White counterparts. And at all levels, compensation for AIAN, NHOPI, and employees of two or more races was not significantly different from White employees. None of these findings were included in the narrative.

In Table 3, GAO compared separation rates by looking at retirements, resignations, and terminations. Although it was not referenced in the report narrative, their data show that, compared to their White counterparts, retirement rates do not differ significantly for frontline supervisors, middle managers, and executives who are AIAN, NHOPI, and two or more races. Women who are frontline supervisors and executives retire at rates comparable to men, as shown in Table 3. Resignation rates of middle managers who are Black or African American, AIAN, and two or more races are not significantly different from White middle managers. Middle managers who are women resign at rates comparable to men. Also shown in Table 3, termination rates do not differ significantly for frontline supervisors and middle managers who are Hispanic or Latino, Black or African American, Asian, AIAN, and NHOPI, compared to the referent group.

As shown in Table 4, resignation and retirement rates for employees with disabilities do not differ significantly from those without disabilities, at all levels. And resignation rates of middle managers and executives with veterans' preference were comparable to those without veterans' preference. These findings were omitted from the narrative portion of the report.

With all the statistical testing the GAO conducted, they made no effort to control for the familywise error rate. The familywise error rate is the probability of finding a false positive (Type I error), when conducting multiple significance tests. The GAO tested every comparison at the 95% level (alpha <= .05) or 99% level (alpha <= .01) probability. However, given the large number of significance tests they were conducting, they should have used a higher probability level to reduce the likelihood of identifying false positive results. This was not taken into account nor referenced in any of their footnotes, and therefore some of their findings that were statistically significant may have been a chance finding and not reflective of true differences in these personnel actions.

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The report also contains other, less consequential inaccuracies. For example, in Figure 1, GAO exaggerates the size of our workforce by counting everyone who joined and separated from the Postal Service over the course of an entire year, rather than portraying the workforce as a count of employees at a specific point in time, which is how an organization's workforce is typically represented.

GAO went on to describe our workforce incorrectly as being composed of officers, executive managers, middle managers, frontline supervisors, and craft employees, completely ignoring the professional technical individual contributor positions, such as Attorneys, Specialists, and Analysts, who staff Postal offices nationwide and perform critical functions for the organization. They also omitted some managerial positions from their count of middle managers, such as Human Resources Managers, and provided no explanation for the omission.

On page 7, they describe our craft employees as being represented by four major unions when there are five unions, and then incorrectly state that we do not consider Postal Police Officers as craft employees to excuse their decision to exclude that segment of our workforce (footnote 100). It is unclear why the GAO chose to exclude large portions of our workforce during their audit.

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In their analyses of promotions, separations, and compensation, the GAO made an effort to control for other factors that can impact these activities, such as age, tenure at the Postal Service, and tenure in position. However, in footnote 111 on page 57, they incorrectly state that "the level of an employee in an EAS schedule is analogous to an employee's grade, indicating seniority of the position." At the Postal Service, grade is not in any way comparable to seniority. It is unclear why they made that assumption and how this misinterpretation may have impacted their analyses.

The GAO proceeded to make recommendations that we believe are redundant to efforts already underway at the Postal Service, many of which began prior to the initiation of this audit.

Recommendation #1:

Develop a plan for capturing and using data from its new applicant flow tracking system to prepare the workforce tables and barrier analysis in its annual report to the EEOC.

Management Response:

Repeatedly throughout the course of this 18-month audit, the Postal Service advised the GAO that we are developing a new applicant tracking system (ATS) that will enable us to reach a larger applicant pool more effectively through updated technology and to track applicant flow data necessary to identify triggers and potential barriers in our application and hiring processes. This effort began before the GAO audit commenced, and continues now, with the initial launch scheduled for January 2024. This is a large, multi-year initiative requiring collaboration across multiple functional units and custom programming to ensure the new ATS adheres to the many policies, laws, and regulations that govern our hiring process.

We have a plan and have been following it since before the audit began. The plan includes ensuring the new system provides the necessary applicant flow data for our analyses and the MD-715 report. It is being built in part specifically for the purpose of preparing the workforce data tables and conducting the barrier analysis required by the MD-715. We would not have reached this point in the project, preparing to launch, if we didn't have a plan for this complex, multi-year initiative.

Recommendation #2:

Develop DEIA-specific strategies that include organizational DEIA goals, objectives, performance measures, time frames, and responsibilities.

Management Response:

We are proud of our continual efforts to enhance the diversity of our workforce through targeted recruitment efforts and expansion of our employee development programs.

In 2021, the Executive Diversity Council (EDC) was established to advise, assist, and recommend on diversity, equity, and inclusion matters and champion key initiatives to build USPS' leadership and organizational capabilities. We have identified opportunities to improve diversity among our leadership levels. Diversity in leadership is an important aspect to a company culture and business environment for employees, customers, and suppliers. As such, an area of focus for the EDC has been increasing diversity in leadership positions through our development programs and succession planning efforts.

In addition to leveraging our development programs in the context of succession planning, we also have a multi-faceted approach to hiring diverse talent through our university and college recruitment efforts and by providing a robust offering of training and development courses throughout the employee's career with the Postal Service. We also work with veterans'

- 4 -

organizations and organizations for people with disabilities. Our timelines for these annual efforts are outlined in the published MD-715 reports and OPM's DVAAP report.

On an annual basis, the Talent Acquisition reviews the employee demographic and leverages that to inform our college recruitment strategies in preparation for the fall and spring recruitments. The new hire demographic information is reviewed each fall to assess the hires in the entry-level development programs and the summer internship programs to better inform those recruitment strategies as well.

Additionally, in FY22 and FY23, the Talent Management organization prioritized redesigning new hire orientation, the USPS Supervisor Programs, and other our leadership programs and integrating DEIA concepts into these employee training programs. The USPS Supervisor Program was implemented in July of 2022 and the new hire orientation was rolled out in fall of 2022.

The above work is integrated into the Talent Management team's performance goals with clear expectations that DEIA is imbedded in all our employee programs. Performance goals are documented at the beginning of the FY and revisited at the midyear point.

Recommendation #3:

Develop DEIA performance objectives linked to USPS's organizational DEIA goals to ensure that managers, executives, and officers are incorporating leading diversity management practices into their individual performances. This could be through USPS's update to manager, executive, and officer performance competency models.

Management Response:

During the audit, we advised the GAO that we were in the process of updating the Officer Competency Model, and the GAO acknowledged that diversity was already incorporated into the Managerial and Executive Competency Models. The Officer Competency Model has now been updated and incorporates the diversity management practices expected of Postal leaders.

With regard to individual performance, managers of supervisory employees are responsible every day for reviewing, evaluating, and managing supervisory performance to ensure commitment to diversity and EEO principles. We utilize a management-by-objectives methodology where performance objectives are established for each manager or supervisor, to align with their roles and responsibilities in the organization. Unacceptable performance is handled through instruction, corrective action, and if necessary disciplinary action. A failure to demonstrate commitment to EEO principles can also impact performance ratings. In this way, this recommendation is already inherent in our performance management system.

Recommendation #4:

Regularly and formally gather employee feedback to assess employee perceptions of USPS's diversity efforts, such as through a diversity and inclusion advisory group, surveys, or focus groups, to measure progress toward stated DEIA goals.

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Prior to the initiation of this audit, we had established a quarterly cadence of meeting with recognized Affinity Groups to gather feedback on a variety of topics including diversity. We advised GAO of this meeting cadence. We have since established a standardized process for individuals interested in formalizing additional Affinity Groups. We plan to continue this cadence of meetings with existing and new Affinity Groups.

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Separately, we have also added questions to our Exit Surveys to gather feedback on how we can improve our efforts to recruit, hire, develop, and retain people with disabilities. These questions were added in November 2023. We will be analyzing that data for insights into how we can further enhance our recruitment, hiring, retention and employee development efforts to accommodate an increasingly diverse workforce.

Conclusion

The Postal Service remains committed to ensuring our workforce reflects the diverse communities we serve, at all levels of the organization. We will continue our efforts to continually enhance the diversity of our organization through targeted recruitment, expanding employee development opportunities, and enhancing leadership development and corporate succession planning programs.

Jennifer D. Utterback

cc: Doug Tulino
        Simon Storey
        Tom Blum
        Lia Reed
        Joseph Bruce
        Jeannine Graham
        Cara Greene

Text of Appendix V: Comments from U.S. Postal Service

November 17, 2023

David Marroni, Acting Director Physical Infrastructure Issues

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Jennifer D. Utterback cc:

Doug Tulino

Simon Storey Tom Blum Lia Reed Joseph Bruce

Jeannine Graham Cara Greene

Appendix VI: GAO Contact and Staff Acknowledgments

GAO Contact

David Marroni, (202) 512-2834, marronid@gao.gov

Staff Acknowledgments

In addition to the individual named above, the following staff made key contributions to this report: Kyle Browning (Assistant Director); Jennifer Kim (Analyst in Charge); Kevin Barsaloux; Taylore Fox; Rosa Leung; and Jill Naamane. Also contributing to this this report were Carl Barden, Sauravi Chakrabarty, Yiwen (Eva) Cheng, Delwen Jones, Suzanne Kaasa, Lydie Loth, Grant Mallie, Lisa Motley, Carl Nadler, Silda Nikaj, Rhiannon Patterson, Steven Putansu, Malika Rice, Tasha Straszewski, and Sirin Yaemsiri.

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