

GAO

Testimony

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Postal Service Employment

Statement of
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House of Representatives



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POSTAL SERVICE EMPLOYMENT

Summary of Statement By

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GAO reviewed compliance by selected post offices with preemployment screening requirements for new hires, and with the requirement that the decision to move a newly hired employee from probationary to permanent status be supported by three evaluations of work performance during a 90-day probationary period. None of the post offices GAO reviewed were in full compliance with the requirements.

Preemployment screening was reviewed at 15 post offices by the Service's internal auditors (12 offices) and GAO (3 offices). Out of a sample of 1,289 newly hired employees at the 15 offices, 815, or about 63 percent, were hired without checking their job histories with former employers. Police checks were not done for 748, or 58 percent of these new employees.

GAO reviewed compliance with the probationary evaluation requirement at three post offices. GAO found evidence in personnel files that 49 of the 105 employees examined had their performance evaluated the required three times during the probationary period. No evaluation forms were found in the files for 14 of the 105 employees.

In response to GAO's recommendation, the Service will add a control to the automated hiring and testing system to detect noncompliance with the preemployment screening requirements. Selecting officials will be advised on how to proceed with the hiring process when there is incomplete information available as a result of limited access to either criminal or work history information. Officials at post offices where GAO found noncompliance with the probationary period evaluation requirement agree that controls over the process need to be strengthened.

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the results of a review requested by this Subcommittee of how the Postal Service screens applicants for jobs and evaluates work performance of those hired during their probationary periods. You have our report (GGD 88-93; June 24, 1988) on how the Service screens applicants for employment which is based on work that we and the Postal Inspection Service both have done. My testimony today covers this report as well as work we recently did on the evaluation of new employees during the probationary period.

We worked at post offices in Washington, D.C.; Denver, Colorado; and Littleton, Colorado. Washington and Denver were selected to provide insight into practices of large offices. Littleton, located near Denver, provides comparative data for a small office. The Inspection Service's work was done at 12 large post offices.

BACKGROUND

The Postal Service is one of the Nation's largest employers. Its work force numbered about 765,000 career employees at the end of fiscal year 1987. The majority of jobs are craft positions, such as city delivery carriers and drivers, clerks, and mail handlers. Approximately 75,600 career employees were hired in craft positions during fiscal year 1987.

To be considered for a career job with the Service, a person must first pass an examination and be placed on a hiring register. After selection from the register but prior to an employment offer, the Service's policy is to have each applicant's record checked with former employers and law enforcement agencies for personal suitability. The policy says that checking with former employers is necessary to verify the information an applicant gives on the application form and to obtain further information on the applicant's past work performance. The Service requires police checks to maintain the security of the mail and assure public trust in the integrity and reliability of postal employees.

Craft employees are hired subject to a 90-day probationary period. During this period they receive general orientation and craft skills training and are to have their work performance evaluated three times (at 30, 60, and 80 days). The evaluations are needed to support a decision whether to terminate or offer permanent employment to the probationary employee.

NONCOMPLIANCE WITH PREEMPLOYMENT
SCREENING WAS WIDESPREAD AT OFFICES REVIEWED

A total of 1,289 newly hired craft employees at 15 post offices were sampled by the Postal Inspection Service (1,215 cases) and us (74 cases) to determine if screening of applicants was being done as required. In summary, 815, or 63 percent, of the sampled craft employees were hired without checking their job histories with former employers. Police checks were not done for 748, or

58 percent, of these new employees. Attachment I to my statement summarizes the percentage of police and employment checks not done at the 15 locations. As the attachment shows, there was extreme variation in compliance with the screening requirements among the various locations. Philadelphia, for example, did not do any screening checks at all. St Paul, Chicago, and Houston did not do any police checks and did only a few employment checks. Detroit, on the other hand, did no police checks but almost always did employment checks. None of these 15 locations completely complied with the Service's screening requirements.

Why Screening Checks Were Not Being Done

Preemployment screening, as required by the Postal Service, is dependent on cooperation from other employers and law enforcement agencies. One reason cited for noncompliance with the requirements was that inquiries to these sources often do not result in gaining the required information. Employers may not cooperate because of concerns about being sued as the source of prejudicial information, and concerns about protecting the privacy of their employees. Policies of some state governments restrict the release of criminal history information by law enforcement agencies.

Other reasons given by postal hiring officials for not complying with the screening requirements include inadequate staff to do the work and not enough time between the hiring request and the desired reporting date to complete the screening checks. At some locations, postal personnel simply did not try to obtain screening information.

MANAGEMENT'S RESPONSE TO
NONCOMPLIANCE FINDINGS

The Inspection Service's August 1987 internal audit report caused postal management to consider ways of improving the screening of job applicants. The actions being taken include revisions in the personnel operations handbook to add a requirement that past employment checks be requested for at least a 5-year period before application and that criminal history checks be expanded to include city, county, and state law enforcement agencies. Also, to emphasize the importance of hiring practices and procedures, mandatory training seminars were given during fiscal year 1987 to hiring staff in all five postal regions. In addition, the Service has begun to automate parts of the hiring process, such as hiring registers and hiring work sheets. By automating these time-consuming manual operations, management anticipates that more time will be available for hiring personnel to carry out the required screening checks of applicants.

In commenting on a draft of our report, the Service said GAO's findings were consistent with its own internal assessments of the applicant screening process.

In response to our recommendation, the Service said it will add an edit to the automated hiring and testing system that will alert selecting officials of the status of suitability screening--complete, incomplete, or not initiated--for each applicant. In addition, specific guidance will be developed that advises selecting officials on how to proceed with the hiring process when there is incomplete information available as a result of limited access to either criminal or work history information.

PROBATIONARY PERFORMANCE EVALUATIONS
OFTEN NOT FOUND

Let me now turn to the results of the work we did on the requirement that the decision to move a newly hired employee from probationary to permanent status be supported by three evaluations of performance during the 90-day probationary period. As shown in Attachment II to this statement, the number of performance evaluations found in the personnel files for 105 employees varied from the required three evaluations for 49 employees to no evaluations for 14 employees. The 14 employees with no evaluations, as well as the others, were automatically converted from the probationary status to permanent status by the Service's computerized payroll system. The automatic conversion occurs unless action is taken to terminate the probationary employee.

A situation noted at the Denver Post Office illustrates the importance of complying with the requirement that the work performance of probationary employees be adequately evaluated three times during the probationary period. In this instance, a supervisor's recommendation that a probationary employee be terminated was not accepted because the employee had not received a 30-day evaluation and the other two evaluations lacked sufficient documentation to support a termination decision.

Officials at the three post offices are aware of the results of our work and agree with our conclusions that controls need to be strengthened to assure compliance with the probationary period evaluation requirement. Denver Post Office officials are currently taking action to strengthen controls by

-- sending delinquent notices to supervisory staff when performance evaluation reports for new employees are not

received by the personnel office within 7 days of the due date for the first and second evaluations, and within 3 days for the last evaluation,

- sending supervisory staff second notices within 3 days when the first delinquent notice remains unanswered, and
- referring the names of supervisors sent second notices to higher officials for appropriate action.

That concludes my prepared statement, Mr. Chairman. My colleagues and I would be pleased to answer questions.

PERCENT OF PREEMPLOYMENT SCREENING
CHECKS NOT DONE

<u>Locations Reviewed</u>	<u>Employees sampled</u>	<u>Percent not done</u>	
		<u>Employment checks (%)</u>	<u>Police checks (%)</u>
<u>By Postal Inspection Service^a</u>			
St. Louis	100	67.0	73.0
Indianapolis	104	21.2	14.4
Minneapolis	100	84.0	50.0
St. Paul	100	94.0	100.0
Chicago	110	97.3	100.0
Detroit	100	1.0	100.0
Atlanta	102	98.0	22.5
Baltimore	103	37.9	24.3
Birmingham	97	28.9	7.2
Houston	100	61.0	100.0
Philadelphia	100	100.0	100.0
Southern Maryland	<u>99</u>	49.5	26.3

Total no. sampled 1215
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By GAO^b

Washington, D.C.	39	92.3	33.3
Denver	25	100.0 ^c	16.0
Littleton, CO.	<u>10</u>	20.0	20.0

Total no. sampled 74
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Combined total no.
sampled 1289
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Notes

^a Postal Inspection Service data are based on postal fiscal year 1986 information.

^b GAO data are based on employees hired between January 1, 1986, and June 30, 1987.

^c Classified as not being done because claimed telephone inquiries not supported by records.

PROBATIONARY PERIOD EVALUATIONS

<u>Location</u>	<u>Number of Employees with Evaluation Forms in Personnel Files</u>				
	<u>All 3</u>	<u>2 of 3</u>	<u>1 of 3</u>	<u>None</u>	<u>Total</u>
Denver	22	16	5	6	49
Littleton	5	0	1	0	6
Washington, D.C.	<u>22</u>	<u>13</u>	<u>7</u>	<u>8</u>	<u>50</u>
Number Converted From Probationary to Permanent Status	49 ===	29 ==	13 ==	14 ==	105 ==

NOTE: Three evaluations are required during the 90-day probationary period.