I will submit exhibit E, the Civil Service Commission's "Highlights of the POD Personnel Management System."
(Exhibit E follows:)

EXHIBIT E—HIGHLIGHTS OF POST OFFICE DEPARTMENT PERSONNEL MANAGEMENT SYSTEM (CIVIL SERVICE COMMISSION)

Background information—Post Office Department

The Commission's inspection of personnel management programs and operations in Federal agencies includes the Post Office Department. Inspections were completed in 111 postal installations in fiscal year 1967 and 150 inspections are programed for fiscal year 1968. Inspection coverage is limited primarily to compliance with Civil Service regulatory requirements, plus a review of personnel management programs. Some general findings can be drawn from these inspections.

1. There is a great deal of variation among local post offices. Much depends

on the managerial ability of the individual postmasters.

2. The program for promotion to first level supervisory positions now in effect is regarded generally as an improvement over previous methods of selection. Candidates are ranked on a combination of written test scores and seniority. Selection may be made from among candidates in the zone of consideration, which varies with the size of the register. The zone is the top 15 percent of the register, except that a larger proportion is used when the register is small. The maximum number of eligibles who may be included in the zone is 100. The employee organizations, nevertheless, are definitely interested in restricting selection to the top ranking candidate.

3. Performance evaluation is not being used effectively as a management tool to identify either unsatisfactory or superior postal clerks. Scheme examinations have fixed passing scores, and the employee's capability is thus clearly established. There is no standard of performance on the job, however, which may be used to measure in terms of quantity or quality the degree to which the clerk is utilizing

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4. The incentive awards program in both its aspects (suggestion awards and performance awards) suffers from the same problem: fear that an award will be looked upon as evidence of favoritism. Contributing to the problem is the absence of an objective, systematic approach to performance evaluation. Another factor is the recurring shortage of funds, which prevents the granting of awards

even though they have been approved.

5. Training in the art of supervision is in need of great expansion. Offices with fewer than 500 employees are not authorized any training positions as such, and the training effort is a secondary responsibility for, perhaps, the personnel clerk. The Post Office Department regional offices should assume leadership in training programs to coordinate the effort and provide thorough and progressive training for all supervisors.

Mr. Belen. The primary objective of this program is to encompass virtually all aspects of personnel administration. We have an Assistant Postmaster General in charge of the Bureau of Personnel.

We also include in the Bureau of Personnel the safety program and

the labor-management program that I described earlier.

H. GENERAL ACCOUNTING OFFICE REPORTS

Mr. Brooks. Has the General Accounting Office issued any audit reports on the overall operations of your agency, that is, reports not directed at a functional program of the agency, but rather to the management and administration of the agency?

Mr. Belen. To my recollection, sir, no. They have all been directed to

a specific program like buildings or rural carriers' allowance.

Mr. Brooks. We have exhibits F and G which I will submit for the record. These are summaries of GAO reports on ownership versus leasing of public facilities, a problem we touched on earlier.