



August 7, 2020

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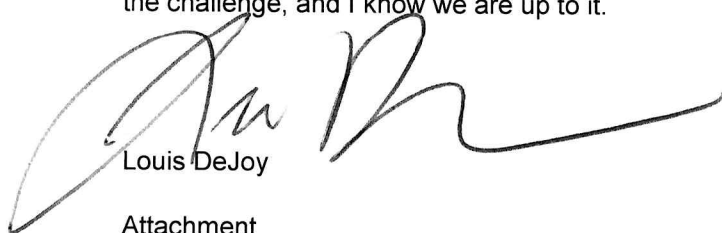
SUBJECT: Organizational Structure

Today marks the end of my eighth week as Postmaster General. I am grateful to each of you for the warm welcome you have given me, and I am thoroughly impressed by the dedication and commitment you and your teams have shown me over the past two months.

As I said in the video remarks released on my first day, "I am decisive, and ... when I see problems, I work to solve them." Early on, I concluded that our organizational structure was just such a problem to solve. I have decided we need to realign the organization to provide greater focus on the core aspects of our business and to give us a better chance for future success.

The details of the reorganization are set out in the attached memorandum from the Chief Human Resources Officer. I firmly believe these changes will transform us into a truly leader-led organization with clear lines of authority and accountability. I am excited that the current Executive Leadership Team has embraced these changes, and three of them have stepped up to take charge of the core operating units.

Together, I am confident we will chart a path forward that allows us to fulfill our critical public service mission in a financially sustainable manner. As I told our Governors this morning, I look forward to the challenge, and I know we are up to it.



Louis DeJoy

Attachment



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SUBJECT: Organizational Restructure

Our mission continues to be to serve the American people and, through the universal service obligation, bind our nation together by maintaining and operating our unique, vital, and resilient infrastructure.

To complete this mission successfully we must operate in an efficient and effective manner.

A crucial component of effectiveness is having organizational alignment in support of our mission and strategy. Our new organizational structure will align functions based on core business operations and will provide more clarity and focus on what we do best; collect, process, move, and deliver mail and packages.

Our new structure will focus around three operating units:

1. Retail and Delivery Operations
 - Basic Mission: Accept and deliver mail and packages efficiently with a high level of customer satisfaction,
2. Logistics and Processing Operations
 - Basic Mission: Process and move mail and packages efficiently to the delivery units, meeting determined standards, and
3. Commerce and Business Solutions
 - Basic Mission: Leverage infrastructure to enable growth.

Administrative support functions will have centralized reporting relationships into the corresponding headquarters organizations. These administrative support functions will continue to serve operations in a matrix structure with a dotted line relationship to the field to ensure continued and focused support.

These organizational changes will improve line of sight by creating linear scope for core business operations and administrative support functions enabling us to capture efficiencies. In that regard, this new structure will provide economies of scale that will allow us to reduce our cost base and capture new revenue.

To prepare for these future changes we will immediately implement an EAS and executive hiring freeze and will be requesting Voluntary Early Retirement Authority from the Office of Personnel Management for non-bargaining employees. These organizational changes do not initiate a reduction-in-force, and there are no immediate employee impacts.

The following outlines job roles and organizations in our future state. Over the next several weeks we will transition into this new organizational structure. Transition coordinators have been identified to aid in this change. Your immediate manager will address any specific changes with you. In the interim, continue to do what you do to deliver value to our customers.

Any function not referenced here will remain unchanged for the time being.

- Establish Chief Retail and Delivery Officer (Kristin Seaver)
 - o Establish four Vice President (VP), Retail and Delivery Areas and realign District Offices into new organization
 - VP, Area Retail and Delivery Operations Atlantic (Sal Vacca)
 - VP, Area Retail and Delivery Operations Southern (Shaun Mossman)
 - VP, Area Retail and Delivery Operations Central (Krista Finazzo/A)
 - VP, Area Retail and Delivery Operations Western Pacific (Greg Graves)
 - o Establish VP, Retail and Post Office Operations (Angela Curtis)
 - o Establish VP, Delivery Operations (Josh Colin)
- Establish Chief Logistics and Processing Operations Officer (Dave Williams)
 - o Establish two VP, Regional Processing Operations, and change the reporting relationships of the Processing and Distribution Centers and Remote Encoding Center into the new organization
 - VP, Regional Processing Operations Eastern (Dane Coleman)
 - VP, Regional Processing Operations Western (Larry Munoz)
 - o Align VP, Processing and Maintenance Operations (Mike Barber)
 - Change reporting relationships of the Network Distribution Centers and International Service Centers to the VP, Processing and Maintenance Operations, organization
 - o Align VP, Logistics (Robert Cintron)
- Establish Chief Commerce and Business Solutions Officer (Jakki Krage Strako)
 - o Align VP, Facilities (Tom Samra)
 - o Establish VP, Transportation Strategy (Kelly Abney/A)
 - o Establish VP, Business Solutions
 - o Establish VP, Business Development
- Chief Customer and Marketing Officer (Steve Monteith/A)
- Establish Chief Technology Officer (Scott Bombaugh/A)
 - o Core mission to deploy technology and data to enable the effective processing, transport and delivery of Postal products
 - o Align VP, Engineering Systems (Linda Malone/A)
 - o Align VP, Enterprise Analytics (Jeff Johnson)
- Chief Information Officer (Pritha Mehra/A)
 - o VP, Information Technology (Marc McCrery/A)
 - o VP, Mail Entry and Payment (Randy Workman/A)
- VP, Corporate Communications (Jeff Adams/A)

Reporting relationship changes for Area support functions are as follows:

- Human Resources
 - o Area HR Managers to report to the VP, Employee Resource Management
 - o Area Labor Relations Manager to report to the VP, Labor Relations
- Finance and Budget
 - o Area Controllers to report to the SVP Finance and Strategy
- Marketing
 - o Area Manager, Marketing, to report to the VP, Area Retail and Delivery Operations
- Operations Support
 - o Manager, Operations Support, will report to the VP, Regional Processing Operations

- Area Manager, Delivery Programs Support, to the VP, Area Retail and Delivery Operations
- Area Manager, In-Plant Support, to the VP, Processing and Maintenance Operations
- Area Manager, Maintenance Operations, to the HQ, Director Maintenance Operations
- Area Network Operations to the VP, Logistics
- Area Manager NOCC to the VP, Logistics
- Field Processing
 - Plant Managers report to the Manager, Operations Support

These strategies are substantial and will fundamentally change how we run our business. It is crucial that we do what is within our control to establish a sustainable business.

Future changes will occur as we continue to identify additional operational efficiencies. The next evaluation to be completed is potential district consolidations. My commitment is that as we build out the future state, we involve employees in the process and continue to communicate.



Isaac S. Cronkhite