



**Testimony of**

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**Before the**

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**Committee on Oversight and Government Reform**

**Subcommittee on Federal Workforce,  
Postal Service and the District of Columbia**

**and the**

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**Committee on Homeland Security and Governmental Affairs**

**Subcommittee on Oversight of Government Management, the  
Federal Workforce and the District of Columbia**

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Thank you, Chairman Davis, Chairman Akaka, Ranking Member Marchant, Ranking Member Voinovich, and members of the Subcommittees. I appreciate this opportunity to testify on behalf of the Postal Regulatory Commission at today's hearing on workforce diversity.

I am the Commission's Chief Administrative Officer, with responsibility for providing support to the Commission by recording official actions and overseeing general Commission administration, including human resources, the Dockets section, information technology, and other support services.

The Commission is an independent agency that has exercised regulatory oversight over the Postal Service since its creation by the Postal Reorganization Act of 1970. Initially, this oversight consisted primarily of conducting public, on-the-record hearings concerning proposed rate changes, mail classification or major service changes, and recommending decisions for action by the postal Governors.

The Postal Accountability and Enhancement Act (PAEA), enacted on December 20, 2006, significantly strengthens the Commission's authority to serve as a counterbalance to new flexibility granted to the Postal Service in setting postal rates. The PAEA requires the Commission to develop and maintain regulations for a modern system of rate regulation, consult with the Postal Service on delivery service standards and performance measures, consult with the Department of State on international postal policies, prevent cross-subsidization or other anticompetitive postal practices, promote transparency and accountability, and adjudicate complaints.

The PAEA also assigns new and continuing oversight responsibilities to the Commission, including annual determinations of Postal Service compliance with applicable laws, development of accounting practices and procedures for the Postal Service, review of the Universal Service Obligation, and assurance of transparency through periodic reports. New enforcement tools include subpoena power, authority to direct the Postal Service to adjust rates and to take other remedial actions, and levying fines in cases of deliberate noncompliance with applicable postal laws.

The Commission is a micro-agency, as defined by the Office of Management and Budget, referencing its term for an agency with fewer than 100 federal employees. The Commission's staff numbers 55.

It has been almost sixteen months under the leadership of Chairman Dan G. Blair and the enactment of the new law. During this time, the Commission has transitioned from its role in recommendation of postal rates and classifications into a regulator with expanded responsibilities and challenges.

On March 7, 2008, the Commission officially released its first *Strategic and Operational Plan* that details our vision and goals for the next five years. The Plan outlines the strategies and activities that we will employ to meet our goal of ensuring

transparency and accountability of the U.S. Postal Service and to foster a vital and efficient universal mail system.

The Plan emphasizes not only the operational work that must be accomplished over the next five years, but also highlights the Commission's desire to be visible and readily accessible to all stakeholders and to use the latest technology, operational systems, and organizational infrastructure to achieve our goals.

Strategic Goal 6 "ensures a system that fosters recruitment, development, and retention of a talented and skilled workforce" and recognizes that our workforce is a valuable asset, which will be the foundation for success. As stated in the Plan, the Commission is committed to a merit-based human resources program that promotes an exemplary and responsive workforce to continue our expert role as a recognized leader by the postal community.

With the enactment of postal reform and a shift in responsibilities, the Commission benefited from a thorough review of its workforce needs. Over the past year, the Commission has analyzed its workforce in terms of demographics, position characteristics, workforce trends, and competencies. As noted, the Commission's *Strategic Plan* articulates short-term and ongoing operational strategies that include recruiting to meet our expanded responsibilities, developing and implementing a succession planning management system, and sustaining a Human Capital Plan to encourage diversity and ensure that individual development, succession, and training are linked to job competencies and the Commission's mission.

Following the Commission's workforce analysis and an exacting study of the changes that would be required to implement the PAEA successfully, the Commission was reorganized. We transformed the former five offices that were focused primarily on rate and legal analyses into an organization that supports accountability and compliance, public affairs and government relations, while strengthening our Office of General Counsel and the Office of the Secretary. We have added an Inspector General and elevated the responsibility for representing interests of the general public. Using contemporary vacancy announcements, we are recruiting to fill new positions as well as vacancies created by departures.

Sixteen months ago, in January 2007, the Commission had 60 employees. Of those, 28 (46.7 percent) were female and 32 (53.3 percent) were male. There were significantly more men than women in our professional positions. In March 2007, 17.5 percent of our workforce was minority members.

As a result of attrition and retirements, today, the Commission has 55 employees. Our expectation is to grow to approximately 70 employees. Our FY 08 and 09 budget requests are predicated on this growth. Of those currently employed, 49 percent (27) are female and 51 percent (28) are male. Women have assumed leadership roles as Directors, Assistant Directors, and policy advisors. The addition of women to our

successor pools increases our opportunity to improve the representation of women in leadership positions as we experience turnover in the coming years.

Our progress in recruiting and hiring minority members is an improving story with more to be done. Last year, more than 25 percent of new hires were minorities, including two minority females; 80 percent of the new hires have been women with 30 percent of those hired into in senior leadership positions.

The Commissioners and office heads are committed to broadening our outreach actions. As one example, we are engaged in discussions with the Department of Economics at Howard University in order to assist in our recruitment efforts to fill entry level and intern positions. Managers are now accountable for their efforts to increase diversity by including provisions in their individual performance plans. There is commitment from the top down to support initiatives to recruit, develop and retain a skilled, high-achieving and diverse workforce.

The Commission has been exploring additional avenues in reaching out to recruit from diverse pools of qualified applicants. One such avenue would include participation in the Presidential Management Fellows Program (PMF). Over the years, many of those accepted into this program have gone on to become senior leaders in the Federal Government. We have entered into discussions with the Office of Personnel Management (OPM) regarding participation in this program. Unfortunately, current OPM regulations do not allow the Commission to participate this year.

Similar to the workforces in other Federal agencies, Commission employees are “graying.” By 2011, approximately 40 percent of our workforce will be eligible to retire voluntarily or to take early retirement. That includes more than half of our legal staff and one-third of our technical workforce. While we have not finalized our succession management strategy, we have taken steps to address skills gaps. For example, recent vacancy announcements for technical positions have included educational requirements that are consistent with OPM’s qualification standards for similar types of positions. Our vacancy announcements include a realistic description of the job along with a clear description of the required competencies.

In closing, I wish to reiterate the Commission’s belief that our most valuable asset is our employees. The Commission is committed to a merit-based human resources program that ensures an exemplary and responsive workforce. I thank the Subcommittee Members for their continued support of the Commission and our activities as well as your commitment to a talented and diverse Federal workforce. I will be happy to answer any questions the Subcommittees may have.