

University of Arkansas, Fayetteville

ScholarWorks@UARK

---

Supply Chain Management Undergraduate  
Honors Theses

Supply Chain Management, J. B. Hunt Transport  
Department of

---

12-2022

## Renewed Relevance for the United States Postal Service: A Return to Supply Chain Values

Sydney Skrivanos Oliver  
*University of Arkansas, Fayetteville*

Follow this and additional works at: <https://scholarworks.uark.edu/scmtuht>



Part of the [Operations and Supply Chain Management Commons](#)

---

### Citation

Skrivanos Oliver, S. (2022). Renewed Relevance for the United States Postal Service: A Return to Supply Chain Values. *Supply Chain Management Undergraduate Honors Theses* Retrieved from <https://scholarworks.uark.edu/scmtuht/37>

This Thesis is brought to you for free and open access by the Supply Chain Management, J. B. Hunt Transport Department of at ScholarWorks@UARK. It has been accepted for inclusion in Supply Chain Management Undergraduate Honors Theses by an authorized administrator of ScholarWorks@UARK. For more information, please contact [scholar@uark.edu](mailto:scholar@uark.edu), [uarepos@uark.edu](mailto:uarepos@uark.edu).

**Renewed Relevance for the United States Postal Service:  
A Return to Supply Chain Values**

**By**

**Sydney Skrivanos Oliver**

**Advisor: Shaughan Sparks Cummings**

**An Honors Thesis in partial fulfillment of the requirements for the degree Bachelor of  
Science in Business Administration in Supply Chain Management**

**Sam M. Walton College of Business  
University of Arkansas  
Fayetteville, Arkansas**

**December 8, 2022**

## **Table of Contents**

<b>Abstract.....</b>	<b>3</b>
<b>Establishing Foundational Logistical Values.....</b>	<b>4</b>
<b>The Post Office in Crisis and the Correlation to Foundational Logistical Values.....</b>	<b>6</b>
<b>Exacerbating the Crisis.....</b>	<b>6</b>
<b>Current Supply Chain Strategies.....</b>	<b>9</b>
<b>Conclusion.....</b>	<b>13</b>
<b>Discussion.....</b>	<b>14</b>
<b>References.....</b>	<b>15</b>

## **Abstract**

Despite acknowledging crisis, the United States Postal Service (USPS) can remain relevant in the United States by relying on foundational logistical values to guide the implementation of their current supply chain strategies.

The idea of intentional focus dedicated to the advancement of the postal service's supply chain is an underlying reason why USPS was able to be so successful at its formation. From its founding, the national postal service focused on many logistical values, as the success of executing these values was necessary to the nation's establishment and survival. Three of the most prominent logistical values from creating the national postal service include connectivity, flexibility, and reliability.

These values still apply to USPS. A potential "north star" whenever the postal service needs revitalization. For it seems that losing focus on these three supply chain strategies allows crisis to disrupt USPS's model.

For USPS, much of its present day crisis stems from internal issues such as financial unsustainability, and lack of service excellence. If evaluated in light of the foundational logistical values, connectivity, flexibility, and reliability, these challenges could potentially become sources of competitive advantages. And, while much of USPS's present crisis is due to internal issues, many such issues have been exacerbated by external factors. Such as the COVID-19 pandemic, indirect competitors, and direct competitors.

Both internal and external factors contribute to USPS's current challenging climate. So, whether these disruptions come in the form of internal issues, competitors, changing economic climates, or a combination of factors, all threaten the relevance of USPS. As such, an intentional focus on advancing USPS's supply chain strategies, specifically relating to connectivity, flexibility, and reliability, may restore the postal service's relevance.

## **Establishing Foundational Logistical Values**

“No experiment can be more interesting than that we are now trying, and which we trust will end in establishing the fact that man may be governed by reason and truth. Our first object should therefore be to leave open to him all the avenues to truth. The most effectual hitherto found is the freedom of the press,” a quote from Thomas Jefferson on the relevance of the postal service at the time of the founding of the United States (“From Thomas Jefferson to John Tyler, 28 June 1804,” 2017).

The national postal service was created at the formation of the United States as an independent nation. As such, the values that became central to the foundation of the postal service in the U.S. were born out of a response to the needs of the nation at that point in history. While many of those original values are still necessary to USPS today, three logistical values, connectivity, flexibility, and reliability, are foundational logistical values that if executed effectively may still benefit the postal service’s current supply chain strategies.

There are two major factors that led to the establishment of the national postal service’s incorporation of specific values: the revolution of the colonies, and the establishment of Benjamin Franklin as postmaster general.

As talks of revolution became more serious throughout the colonies, the revolution’s leaders, men representing each colony, met at the Second Continental Congress (Getchell, 2022). Here, the men discussed and implemented many concepts central to the eventual winning of the revolution as well as the establishment and running of the newly formed nation (“The Second Continental Congress and the Declaration of Independence,” 2018). One such concept was the need for a national communication service. This service would need to connect the people all across the colonies in order to unify the revolutionaries. This service would also need to be reliable in terms of timeliness and security. Successfully delivering on-time would allow the colonists a competitive advantage over the British. It would prevent delays in relevant actions, resulting in an informational advantage. From a security aspect, the colonists needed a system that would keep this advantageous information from their enemies. Finally, a postal service that maintained a state of flexibility would be able to best adapt to an ever changing environment of war. Thus, the postal service’s foundational logistical values of connectivity, flexibility, and reliability truly emerged in response to the war-time climate of the nation’s founding.

The national postal service’s centrality to the revolution and the formation of the nation as a whole is exemplified in the establishment of the national postal service, itself, which predates the very founding of the nation (DeCicco, 2022). With its necessity to the success of the revolution, the appointment of a leader to the postal service’s functioning was of high importance. Thus, Benjamin Franklin was named postmaster general. Franklin was a natural choice due to his extensive resume under British authority (“Benjamin Franklin: Postmaster General July 26, 1775, to November 1776,” 2021). While Franklin was stepping into a role that was being applied for the first time to the new nation, the operations itself were not foreign to Franklin. As a young boy, Franklin gained experience in printing, writing for, publishing, and distributing papers. Franklin’s first position as postmaster came in 1737 under Britain, when he

was appointed postmaster of Philadelphia. He would later move into acting as Postmaster General for the Crown in America. As postmaster, Franklin had the power to decide what papers could travel in the mail; having had his own newspaper previously barred from travel, Franklin knew the power of the Postmaster and the mail system to uphold the freedom of speech and ideas (“Benjamin Franklin: Postmaster General July 26, 1775, to November 1776,” 2021). Franklin's experiences with the tension of freedoms of speech and ideas would significantly influence the way he managed the national postal service. Because he understood and valued freedom of the press, he embedded connectivity, flexibility, and reliability in the postal service’s very structure.

While Franklin developed many of these strategies while in service of Britain, he gained experience and knowledge that would ensure successful implementation of those strategies for the colonies.

Regarding reliability, Franklin first focused on financial strategies, to lay a secure foundation for the postal service. He “introduced a simple accounting method for postmasters... He encouraged postmasters to establish the penny post, a British idea he had implemented while postmaster of Philadelphia, whereby letters not called for at the Post Office were delivered for a penny...[and] He also ordered postmasters to print in newspapers the names of people who had letters waiting for them” (“Benjamin Franklin: Postmaster General July 26, 1775, to November 1776,” 2021). The accounting method created reliability and an opportunity for quicker execution of tasks. Notifying people of their letters eliminated extra transportation services, lowering costs, and in turn generating revenue that could ensure the longevity of the postal service. In this way, Franklin maintained reliability.

In regard to flexibility, Franklin implemented night riders to deliver the post at more flexible hours. This allowed for timely information and flexibility in managing available labor, hours, routes, and delivery times. Night riding also allowed for expedient service, which contributed to overall popularity of the postal service and a reputation for excellent service (“The United States Postal Service: An American History”, 2022).

Finally, Franklin prioritized connectivity by “extensiv[ly] survey[ing]... post roads and Post Offices from Virginia to New England. Putting an odometer on the axle of his carriage, he personally measured distances between Post Offices, traveling approximately 1,600 miles” (“Benjamin Franklin: Postmaster General July 26, 1775, to November 1776,” 2021). The success of this value is evident in Franklin’s route optimization. By surveying the best routes, Franklin efficiently managed riders, connecting more Americans in less time.

The revolutionary climate and Franklin’s appointment as postmaster general combined to develop connectivity, flexibility, and reliability as the postal service’s foundational logistical values. In other words, Franklin’s personal values caused him to establish logistical values that reflected the values of the emerging nation. These values made the postal service relevant in the 1770s and can help reestablish its relevance today (Gallagher, 2020).

## **The Post Office in Crisis and the Correlation to Foundational Logistical Values**

Today, the United States Postal Service finds itself in a state of crisis. This crisis revolves around two key points. A lack of financial sustainability, and a lack of service excellence. In terms of keeping the three foundational values, financial turmoil belies unreliability, and subpar service points to a lack of connectivity, flexibility, and reliability (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

It is important to examine the antecedents to both aspects of the crisis. The U.S. Government Accountability Office identifies and categorizes USPS’s financial viability into five sections of interest. These sections include: leadership commitment, capacity, action plan, monitoring, and demonstrated progress. Of the five sections, two are identified as not met and two as partially met, resulting in the U.S. Government Accountability Office declaring USPS to be at high risk for financial viability as of 2020 (“USPS Financial Viability,” 2020). The findings of this assessment support a lack of financial sustainability.

USPS Office of the Inspector General identified some of the most common service failures. The first failure is staffing and the second is delays. In transportation, processing and delays are primarily caused by misrouting. Both overarching staffing issues and organizational issues, contribute to subpar or lackluster service (“Audit Report: Nationwide Service Performance,” 2021).

Current and future organizational strategies must target these internal issues, to maintain USPS’s relevance. Once again, both of these overarching issues of financial viability and service excellence could be remedied by managing USPS in line with its foundational values.

### **Exacerbating the Crisis**

Outside of primarily internal factors’ contribution to USPS’s current crisis, three major external factors have exacerbated the crisis: COVID-19, indirect competitors, and direct competitors.

USPS incurred increased expenses to fight COVID-19, just like most businesses. In addition, maintaining a consistent workforce became more difficult as more workers became infected by the virus. In the midst of these increasing expenses, however, USPS observed a net revenue increase. This revenue expansion came primarily by way of a rise in demand for packages as more and more of the population became confined to their homes. This demand coupled with an increased postal rate, contributed to USPS reporting their net revenue increase. Unfortunately for USPS, even the increased revenue could not offset the expenses incurred as a result of the pandemic. This combined with underlying organizational issues led to a net loss in the midst of the pandemic. Thus, COVID-19 contributed to the worsening conditions for USPS and their fight for relevance (“U.S. Postal Service: Volume, Performance, and Financial Changes since the Onset of the COVID-19 Pandemic,” 2021).

The second major external factor contributing to the crisis is indirect competitors. With the rise of the Internet and smart phones, USPS has lost much of its market share to emails, texting, or calling, all viable substitutes to letters. These seem to be the most obvious of the

indirect competitors, but the increasing trend towards digitalization also increases competition. A decline in physical mail such as bills, and bank statements continues to hurt USPS. What was once sent by way of physical mail is almost certainly a thing of the past in today's technological society. Sending a letter by mail cannot compete with several competitive advantages of digital information sharing. For example, while writing times for an email and letter might be comparable, the added steps of having to physically send a letter creates an added inconvenience that emails do not have. This inconvenience is exacerbated by the cost of sending a letter, think buying stamps, stationary, etc., that an email does not necessitate. Furthermore, society today pushes instant gratification. Digital information sharing satisfies the desire for instant gratification where letters do not.

Solidifying the permanence of digital information sharing is its incorporation into businesses. Digital information sharing increases the timeliness of information in a way letters do not. COVID-19 further added to the permanence of digital information sharing by demonstrating its essential use in non-traditional work environments. Businesses were able to continue operating despite a global pandemic due to the timely connections digitalization provides. Digital information has also allowed for more flexible hours. Workers are no longer only reachable at work. While not beneficial to all workers, the flexibility allowed by digital information sharing creates an opportunity for flexibility that physical mail cannot compete with. The advantages of digital information sharing produce a superior means of communication to physical mail. As a result, the physical mail as it pertains to these indirect competitors is likely no longer a reliable source of revenue for USPS, therefore adding to the crisis revolving around financial viability.

The third major external factor contributing to USPS's crisis is direct competitors. With the decline in letters, USPS began to capitalize more on its market for packages. However, unlike letters, USPS does not have a monopoly on packages (Summers, 1976). Three major competitors include UPS, FedEx, and Amazon. UPS, FedEx, Amazon, and USPS all engage in the strategic phenomenon of related diversification in order to gain market share.

The first of the major competitors, emerged in 1907 as a package delivery service called the United Parcel Service ("More than 100 years of innovation," 2021). UPS predated the USPS offering delivery services. However, by 1913, the USPS began offering Parcel Post. The United States government created Parcel Post in direct response to the rise in package shipping companies such as UPS. The government argued that, "competition from a public entity was the only way to keep the express companies in check" ("100 Years of Parcel Post," 2013). Thus, USPS diversified into the package shipping industry with the aim to create direct competition backed by the government.

UPS instituted novel supply chain strategies. Such as using motor vehicles for last-mile delivery, refining sorting practices, and expanding to serve the entire U.S. ("Frenemies: The complex relationship between the Postal Service, FedEx, and UPS," 2015). Essentially, UPS is focusing on the three foundational logistical values initially developed by USPS. By using motor vehicles for last mile delivery, UPS is able to create an element of flexibility as motor vehicles allow for easy reroutes. A commitment to sorting practices creates a sense of reliability for UPS



to its customers. And finally, a goal of expanding to serve the entire U.S. increases connectivity. Because of UPS's ability to harness strategic advantages in the realm of supply chain strategies, UPS is able to create a level of customer satisfaction unmet by USPS. Thus, UPS has rivaled USPS primarily by creating a brand that customers see as superior to USPS (Bhasin, 2011).

Founded in 1971, the second major direct competitor to USPS is FedEx ("FedEx History, 2022). FedEx, also competes in the packaging industry, with a supply chain strategy primarily focused on drawing advantages from air transportation. While USPS relied on passenger planes to get their parcels across the nation, FedEx was founded utilizing the idea of airlines dedicated only to shipping. As such, FedEx's competitive advantage came through the speed through which it was able to deliver packages, often in one night ("Frenemies: The complex relationship between the Postal Service, FedEx, and UPS," 2015). FedEx's supply chain strategy continually demonstrates the importance of maintaining a flexible mindset. By not being hard set in the ways of the packaging industry, FedEx was able to create a competitive advantage untapped by UPS or USPS.

The third of the major direct competitors is a bit unique in the amount of markets in which it operates. Amazon, while a direct competitor to USPS due to its work in transporting packages, holds competitive advantages by way of their end to end logistical strategies. Amazon is successfully executing supply chain strategies that reflect all three foundational logistical values of connectivity, flexibility, and reliability.

Amazon's flexibility comes from a wide range of sources. One of those sources being the openness to using what they as a company learn in one area of their business and applying and expanding that concept to other areas of their company. In other words, Amazon capitalizes on its own internal transfer of knowledge and core competencies. While Amazon has not always been a competitor on the logistical side of things, the knowledge it gained from operating in other areas of business has allowed it to expand into the package delivery market, and thus, become a main competitor in logistical and supply chain strategies for USPS today.

Amazon's reliability strategies are central to their company's focus. Amazon is built around an idea they have termed a "Day 1" mentality. The idea is to bring the attitude one would bring to the first day of a new organization and let that attitude drive you every day ("Who We Are," 2022). This idea is central to Amazon being viewed as reliable by its' customer base. According to Amazon itself, "working to earn and keep our customers' trust is the single biggest driver of Amazon's day 1 approach" ("Who We Are," 2022).

Amazon's focus on connectivity may pose the largest direct threat to USPS. At the heart of Amazon's connectivity is its rapid expansion across the nation. "The online giant... grew from 473 sites from the end of 2019 to 1,237 by December 2021. Another 93 warehouses have been approved to open in 2022 and 2023" ("Amazon's Warehouse Expansion Included 171 Sites in Trump-Sponsored Opportunity Zones," 2021). This expansion not only allows Amazon's independent ability to reach the nation increase, but it also rivals that of USPS while directly decreasing revenue for USPS. This is done in two ways, one more obvious way is by the direct taking of consumers in the market as Amazon has proven to be a desirable substitute in regards

for deliveries compared to USPS. The less obvious way Amazon is able to directly decrease revenue for USPS is by becoming independent. This independence lessens the need for USPS to be utilized where Amazon once needed them. This is because, as Amazon continues to improve upon its ability to connect with consumers across the United States, the company's need for USPS acting as a "middle-man" of sorts becomes less necessary. This, in turn, contributes to more loss on the side of USPS. This is evident in Amazon's warehouse expansion as mentioned earlier.

While all three of these major companies compete with USPS, it is important to note that despite this competition, UPS, FedEx, and Amazon, still collaborate with the United States Postal Service. This collaboration, whilst among competitors, benefits both parties. However, USPS relies more heavily on the benefits than some of the other carriers. USPS gets paid to complete the delivery of many ground packages for UPS and FedEx, but pays UPS and FedEx for air transportation ("Competition and Collaboration," 2022). This collaboration helps boost USPS's revenue. Because USPS has nationwide access to every single mailbox, UPS, FedEx, and Amazon partner with USPS to capitalize on this infrastructure. So, USPS often takes care of the last-mile delivery for its competitors. As mentioned earlier, one of the threats to this current revenue stream is the moving away of competitors, specifically Amazon, as they begin to build their own nation-wide infrastructure.

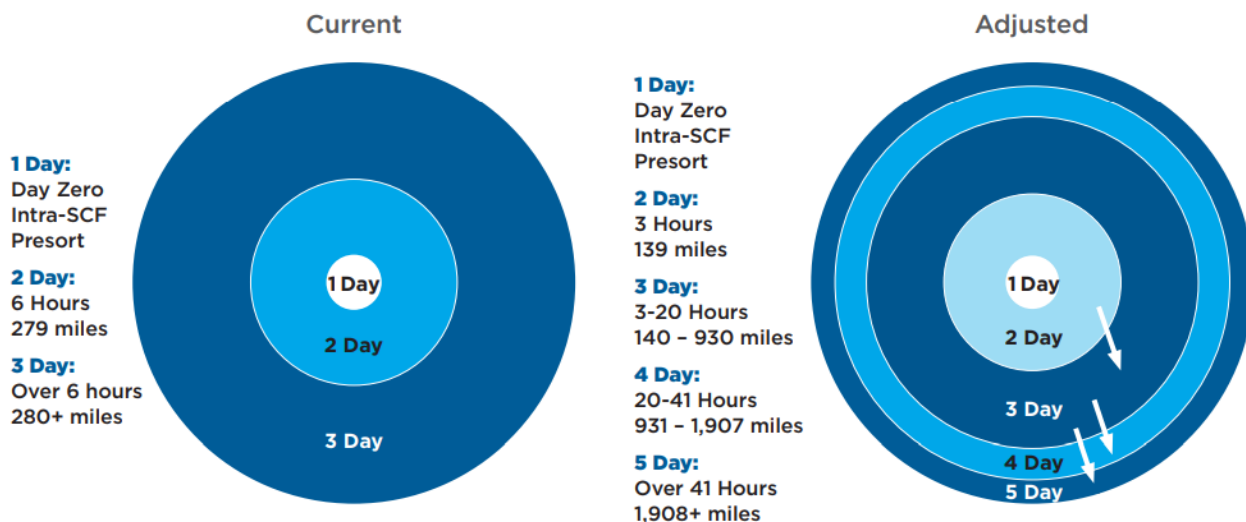
As demonstrated by this section, while many of the postal service's issues are internal, external factors amplify the organization's struggles. With COVID-19's impact leading to less workers and an increase in expenses despite a demand increase, the pandemic intensified staffing issues and financial turmoil. The rise in indirect competitors eroded USPS's market share. And finally, the rise in success of competitors such as UPS, FedEx, and Amazon, further erodes USPS's market share in part, because all three companies outcompete the postal service at connectivity, flexibility, and reliability.

### **Current Supply Chain Strategies**

In light of all of the internal and external factors affecting USPS, the supply chain strategies they intend to employ are critical to their continued relevance. In March of 2021, USPS released a ten year plan addressing several key issues already identified in this paper ("Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence," 2021). These issues include goals of increased public service as well as increased service excellence. USPS's public service mission is one "that embraces [their] role as a critical part of our government's infrastructure and in binding the nation together" ("Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence," 2021). While USPS's public service mission is to serve the nation as a part of the government, its goal of increased service excellence is a focus on attainable service levels. In the past, USPS has operated under a one-to-three day service standard. USPS has adjusted to a one-to-five day service standard as of October 1st, 2021 (Christensen, 2021). This is illustrated

in the graphic below (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

**FIGURE 38: Current vs. Adjusted FCM Service Standard Breakdowns**



This adjustment allows for increased reliability and delivery predictability. In addition, USPS has adjusted their service standards to account for a decreased demand in mail volume (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

There are also goals set to increase reliability by targeting financial stability, and employee turnover. Additional goals are looking at the way the postal service is structured as far as connectivity is concerned. And in regards to flexibility, several goals target increased efficiencies. (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

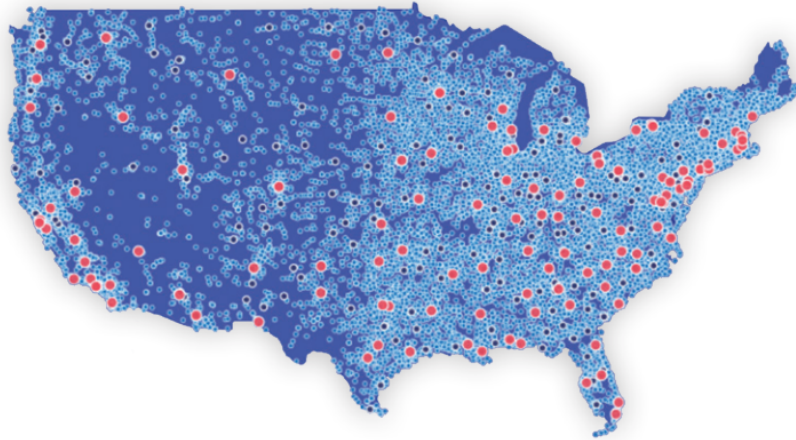
USPS’s current supply chain strategies focus on expanding package delivery. While direct competitors are taking market share from USPS, the packaging market is projected to continue to increase, which could allow USPS to increase market share if they are able to successfully compete for that growing share (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021). USPS plans to harness their nation-wide network and begin prioritizing logistical efficiencies. By utilizing their infrastructure, USPS aims to expand its logistical capabilities to decrease package delivery times, to meet growing demand for timely delivery (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021). This restructuring should allow USPS to increase revenue and the overall reliability of its organization. The following graphic shows the infrastructure of the postal service that is capable of achieving same-day to one- to two-day service levels (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

**FIGURE 13: Powerhouse Network and Logistics Infrastructure – Distribution centers, cross-dock facilities, Delivery Units, and retail locations capable of same day to 1- to 2-day service**

**Future State of the Network:**

Through strategically placed distribution centers, businesses can reach up to 90 percent of the population in one day and more than 95 percent of the contiguous U.S. population in two days.

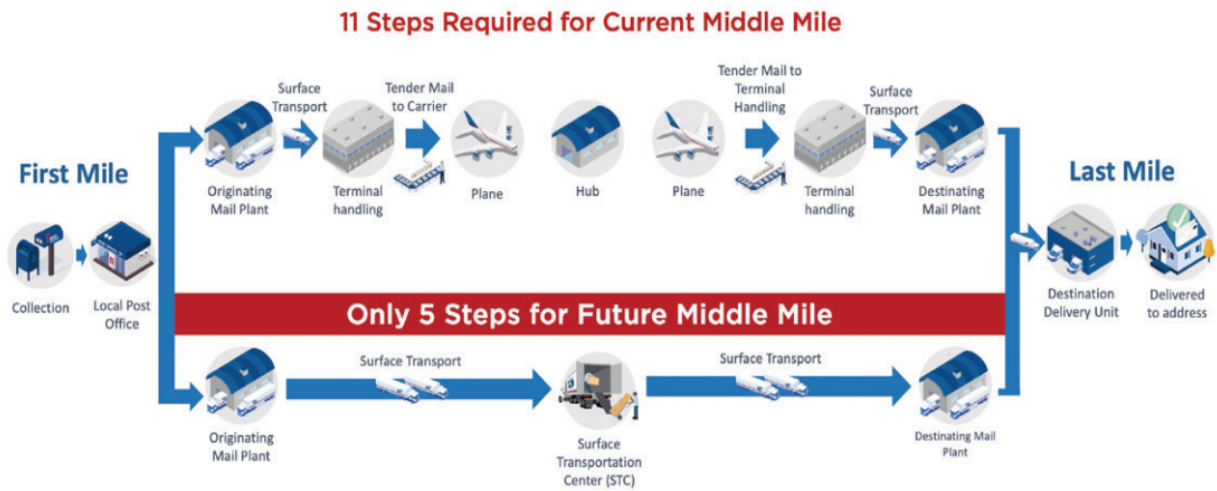
Through our retail and delivery networks, businesses can reach over 160 million addresses every day, six to seven days per week.



● Distribution Centers      ● Processing Facilities      ● Delivery Units and Retail Locations

Also in relation to reliability, are plans to simplify their transportation network. Currently, USPS relies on multiple unnecessary touches to get the mail to consumers. One of those touches includes air transportation, which tends to be one of the most expensive ways to transport products. USPS already has infrastructure that could support an alternate supply chain network. Thus, it proposes to cut out several middle-men and replace them with more reliable surface transportation that USPS has the capabilities to support. This should increase efficiencies and decrease costs for transporting mail. In addition, the transition to surface transportation and the elimination of several middle-men should increase the overall predictability and reliability of USPS, positively affecting consumer perceptions, which could spur increased usage and grow profits (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021). The following graphic from the Ten-Year Plan illustrates the current state of the postal service’s overall transportation network from first mile to last mile. The graphic also illustrates the proposed elimination of several touches (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

**FIGURE 17: Simplified Transportation Network for Increased Reliability**



In regard to flexibility, USPS aims to utilize new delivery vehicles. These vehicles will allow for greater flexibility integrating new features within the vehicles to increase efficiencies. The features include greater loading and cargo space, a walk-in cargo design, and right-hand drive configuration to allow for curb-line deliveries (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

“Additionally, to ensure flexibility in our fleet and to meet ongoing needs, [USPS] will continue to make use of commercial-off-the shelf (COTS) vehicle acquisitions” (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021). These features will increase efficiency by allowing more mail to be transported at a time and by decreasing the total miles traveled. These features also allow for optimized organization, which decreases the overall number of errors. With less time spent on errors, drivers are able to complete a greater number of accurate deliveries, therefore increasing efficiency. Increased efficiency should drive revenue growth, which should allow for greater flexibility in USPS logistics as stability is gained. Installing a new fleet pairs with the strategy of eliminating the middleman, primarily air transportation, to ease access to all parts of the nation and significantly decrease costs. While flexibility is a key component of this strategy, increased reliability and connectivity are also threaded throughout the strategy.

In relation to reliability, the new vehicles intend to install greater safety features for the drivers to create a safer, more reliable working environment for carriers (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021). This should decrease driver turnover ratio, and therefore, increase the overall stability and reliability of the postal service’s workforce. The new vehicles will facilitate connectivity on the final mile of delivery compared to air transportation. The following graphic illustrates the new design and features of the proposed vehicles (“Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence,” 2021).

**FIGURE 22: NGDV Feature Highlights**



And finally, a current supply chain strategy being utilized by USPS highlighting connectivity is the rollout of USPS Connect. USPS Connect, launched February of 2022, encompasses four delivery solutions: USPS Connect Local, USPS Connect Regional, USPS Connect National, and USPS Connect Returns (“USPS Connect,” 2022). The solution’s purpose is to offer mailing services that can be easily tailored to meet the delivery needs of any size business. On the service, the current Postmaster General and CEO of USPS stated, “USPS Connect provides businesses of all sizes what they have been asking for – an affordable way to meet consumer demand for fast delivery... A pivotal point in our *Delivering for America* plan, it positions us to more fully leverage our network capacity to increase volume and revenue so we can continue to serve the American people with affordable, reliable mail and package delivery” (“National News: Postal Service Expands Next-Day Delivery Options for Businesses With Rollout of USPS Connect,” 2022). By offering USPS Connect, the postal service expands its connectivity by catering to a wider market of potential consumers.

## **Conclusion**

Although currently in crisis, USPS can remain relevant by turning to the logistical values of connectivity, flexibility, and reliability. When the service emerged in response to the Revolutionary War, the postal service connected the nation, flexibly and reliably protecting each

individual's security and freedom of speech. These values drove the founding fathers, in particular, Benjamin Franklin, to implement logistic values in the postal service, which led to the organization's success. If USPS can refocus and execute these foundational logistical values, it can remain relevant in the United States today.

As outlined, internal and external factors have led to major setbacks on behalf of USPS. Many of these setbacks result from competitors harnessing USPS's foundational logistical values of the postal service while USPS neglects these values. Consequently, competitors have been able to compete with and, at times, outcompete USPS.

The atmosphere of industry competition and collaboration, has both benefitted and harmed USPS. While industry competition has become inevitable, USPS can collaborate more successfully by implementing more attractive logistical strategies. This would encourage competitors to continually utilize USPS's services, therefore driving USPS's business growth. Additionally, there is potential for USPS to better develop their collaboration with competitors to drive their overall profit.

Finally, the current supply chain strategies USPS plans to implement based on their Ten-Year plan, if executed properly, should exponentially help many aspects of the postal service. The postal service's renewed focus on the key logistical values that drove its initial success can potentially create lasting competitive advantages for USPS – allowing the service to remain relevant.

## **Discussion**

The information presented can be interpreted in many ways. However, evaluating the past successes of the post office through the lens of three logistical values – connectivity, flexibility, and reliability suggests a path to success. While the argument could be made that that success is unattainable by those values in today's economic climate, the evaluation of the current success of direct competitors UPS, FedEx, and Amazon all contradict that notion. As shown, all of these competitors take advantage of the values outlined and provide evidence of successful results. As such, as reflected in their potential supply chain strategies for collaborations as well as those outlined in the Ten-Year plan, USPS, by structuring their current and future supply chain strategies around these values of connectivity, flexibility, and reliability can begin to reverse the trend of decline and ultimately prove relevant to the United States and its postal consumers in today's market.

## References

- Audit Report: Nationwide Service Performance.* Office of Inspector General United States Postal Service. (2021, September 20). <https://www.uspsoig.gov/sites/default/files/document-library-files/2021/21-120-R21.pdf>.
- 100 Years of Parcel Post.* United States Postal Service Office of Inspector General. (2013, December 20). [https://www.uspsoig.gov/sites/default/files/document-library-files/2015/rarc-wp-14-004\\_0.pdf](https://www.uspsoig.gov/sites/default/files/document-library-files/2015/rarc-wp-14-004_0.pdf).
- Amazon's Warehouse Expansion Included 171 Sites in Trump-Sponsored Opportunity Zones.* Good Jobs First. (2021, December 23). <https://goodjobsfirst.org/amazons-warehouse-expansion-includes-171-sites-trump-sponsored-opportunity-zones/>.
- Bhasin, Kim. (2011, September 6). *Here's The Real Reason Why the Postal Service Can't Compete.* Business Insider. <https://www.businessinsider.com/Us-postal-service-congress-2011-9>.
- Benjamin Franklin: Postmaster General July 26, 1775, to November 1776.* United States Postal Service. (2021, July). <https://about.usps.com/who/profile/history/pdf/pmg-franklin.pdf>.
- Christensen, Michelle D. (2021, October 14). *USPS Changes Postal Service Standards.* Congressional Research Service. <https://crsreports.congress.gov/product/pdf/IN/IN11776>.
- Competition and Collaboration.* United States Postal Service. (2022). <https://facts.usps.com/ups-and-fedex/#nav>.
- Coyle, Marcia. (2020, August 17). *The Postal Clause's grant of 'broad power' to Congress over a system in crisis.* National Constitution Center. <https://constitutioncenter.org/blog/The-postal-clauses-grant-of-broad-power-to-congress-over-a-system-in-crisis>.
- The United States Postal Service: An American History.* United States Postal Service. (2022). <https://about.usps.com/publications/pub100.pdf>.
- Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence.* United States Postal Service. (2021, March 23). [https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS\\_Delivering-For-America.pdf](https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS_Delivering-For-America.pdf).
- DeCicco, T. (2022). *The Great Link Between Minds: The United States Postal Service.* Fraunces



Tavern Museum. <https://www.frauncestavernmuseum.org/post-office#:~:text=The%20American%20post%20office%20served,General%20George%20Washington%20and%20Congress.>

*FedEx History*. FedEx. (2022). <https://www.fedex.com/en-us/about/history.html>.

*Frenemies: The complex relationship between the Postal Service, FedEx, and UPS*. The Postal Record. (2015, June). [https://www.nalc.org/news/the-postal-record/2015/june-2015/document/06-2015\\_frenemies.pdf](https://www.nalc.org/news/the-postal-record/2015/june-2015/document/06-2015_frenemies.pdf).

“From Thomas Jefferson to John Tyler, 28 June 1804,” *Founders Online*, National Archives, <https://founders.archives.gov/documents/Jefferson/01-43-02-0557>. [Original source: *The Papers of Thomas Jefferson*, vol. 43, *11 March–30 June 1804*, ed. James P. McClure. Princeton: Princeton University Press, 2017, pp. 666–667.]

Gallagher, W. (2020, October). *A Brief History of the United States Postal Service*. Smithsonian Magazine. <https://www.smithsonianmag.com/smithsonian-institution/brief-history-united-states-postal-service-180975627/>.

Getchell, Michelle. (2022). *The Second Continental Congress*. Khan Academy. <https://www.khanacademy.org/humanities/us-history/road-to-revolution/the-american-revolution/a/the-second-continental-congress>.

Huebner, Francis C. (1996). *Our Postal System*. Historical Society of Washington, D.C. [https://www.jstor.org/stable/pdf/40066939.pdf?refreqid=excelsior%3A3fb3207a45cb96435269de32da90983e&ab\\_segments=&origin=&acceptTC=1](https://www.jstor.org/stable/pdf/40066939.pdf?refreqid=excelsior%3A3fb3207a45cb96435269de32da90983e&ab_segments=&origin=&acceptTC=1).

*More than 100 years of innovation*. United Parcel Service of America. (2021). <https://about.ups.com/mx/en/our-company/our-history.html>.

*National News: Postal Service Expands Next-Day Delivery Options for Businesses With Rollout of USPS Connect*. United States Postal Service. (2022, February 22). <https://about.usps.com/newsroom/national-releases/2022/0222-postal-service-expands-next-day-delivery-options-for-businesses.htm>.

Panzar, J. (2015, November). *Cooperative Competitors*. United States Postal Service Office of Inspector General. <https://www.uspsoig.gov/blog/cooperative-competitors>.

Passell, Peter. (1997, May 15). *Competition at Every Turn Has Post Office on the Run*. <https://www.nytimes.com/1997/05/15/business/competition-at-every-turn-has-post-office-on-the-run.html>.

*Postal Leadership: Louis DeJoy*. United States Postal Service. (2022, November). <https://about.usps.com/who/leadership/officers/pmg-ceo.htm>.

*Postmaster General*. Benjamin Franklin Historical Society. (2014). <http://www.benjamin-franklin-history.org/postmaster-general/>.

Summers, B. (1976, March 1). *The Postal Monopoly*. Foundation for Economic Education. <https://fee.org/articles/the-postal-monopoly/>.

*The Second Continental Congress and the Declaration of Independence*. National Park Service U.S. Department of the Interior. (2018, September 1). <https://www.nps.gov/inde/learn/historyculture/resources-declaration-secondcontinentalcongress.htm>.

*UPS Mail Innovations*. UPS Supply Chain Solutions. (2022). <https://www.ups.com/us/en/supplychain/solutions/mail-innovations.page>.

*U.S. Postal Service: Volume, Performance, and Financial Changes since the Onset of the COVID-19 Pandemic*. U.S. Government Accountability Office. (2021, April 29). <https://www.gao.gov/products/gao-21-26>.

*USPS Connect*. United States Postal Service. (2022). <https://www.uspsconnect.com>.

*USPS Financial Viability*. U.S. Government Accountability Office. (2020). <https://www.gao.gov/highrisk/usps-financial-viability>.

*Who We Are*. Amazon. (2022). <https://www.aboutamazon.com/about-us>.