

IMPLICATIONS OF THE USPS-DOGE AGREEMENT

Early in March of this year, the US Postal Service (USPS) signed an agreement with the Department of Government Efficiency (DOGE) in regard to cost savings and eliminating waste. The news came in a March 13 letter sent by Postmaster General Louis DeJoy to congressional leaders. He cited a cost-cutting initiative that includes a reduction of 10,000 USPS workers (out of a workforce of 635,000 employees) through a voluntary early retirement program.

The agreement with DOGE raises questions about the future of the USPS and follows the news from mid-February when DeJoy notified the Postal Service Board of Governors that he would be leaving as Postmaster and that they should begin the process of identifying his successor. He officially resigned on March 24.

Outgoing Postmaster General Louis DeJoy's wish list

Appointed during Donald Trump's first administration, DeJoy has headed the USPS for five years. The USPS is now into the fourth year of his "Delivering for America" plan, a ten-year timetable intended to put the agency on "a path toward financial sustainability and operational high performance." As he departs, at the top of DeJoy's list are changes to:

- **The USPS Workers' Compensation Program:** DeJoy notes that the mismanagement of this results in approximately \$400 million a year in excessive charges. He says that this could be resolved by the Department of Labor through Congressional legislation.
- **Unfunded mandates:** Imposed by legislation, these require the USPS to provide services without any supporting funding. DeJoy estimates that this costs the USPS between \$6 billion and \$11 billion annually.
- **The Postal Regulatory Commission (PRC):** DeJoy does not believe that the PRC is necessary and states that it has caused more than \$50 billion in damage to the USPS through defective pricing models and onerous bureaucratic processes. In response, the PRC said that the commission does not have control over the price cap, which is governed by law.

These wish list items line up closely with DeJoy's message in November when he spoke about the USPS's fiscal 2024 results. One important point he made at the time was that nearly 80% of the USPS's fiscal woes could be solved by legislative action. That, however, seems unlikely to happen anytime soon.

Conclusion

The agreement with DOGE and DeJoy's departure will bring in a new era for the USPS. One would have thought that DeJoy, as a Trump appointee, might have had some level of job security in a second Trump administration. DeJoy's decision to leave throws his whole Delivering for America plan into question. With legislative action unlikely and DOGE strategies more aligned to cutting and slashing, this leaves the USPS in a precarious position at a time when talks of privatization come back around and with DOGE axes at the ready.

Let's not forget the USPS's universal service obligation "to provide prompt, reliable, affordable and efficient postal services to all Americans, regardless of where they live" (and without tax dollars to fund that obligation). It seems unlikely that any private entity would have an appetite to take on all of these needs. This is particularly the case with rural deliveries, which are never going to be moneymakers.

Source: Jim Hamilton, Green Harbor Publications, www.greenharbor.com.

...NEARLY 80% OF THE USPS'S FISCAL WOES COULD BE SOLVED BY LEGISLATIVE ACTION. THAT, HOWEVER, SEEMS UNLIKELY TO HAPPEN ANYTIME SOON.

-Former Postmaster General Louis DeJoy

- **USPS retirement assets:** DeJoy cites the mismanagement of the Postal Service's self-funded retirement assets and the actuarial miscalculations of its retirement obligations, which he says result in several billion dollars a year in additional charges. Any changes would need to be addressed by the Office of Personal Management and the Treasury Department and relate to legislation enacted by the Congress.
- **The investment of USPS retirement funds:** These are currently invested in US Treasury bonds, but could benefit from higher-yielding investment opportunities.

MEMBER NEWS

EMPLOYEE SPOTLIGHT: SANDRA RODRIGUEZ AND BRETT CHASE



Sandra Rodriguez and Brett Chase each came to PIA in 2017 with a single-minded purpose: To help build up PIA's Employment Services Department, with a focus on greatly relieving the burden of recruitment for our members. And as so many PIA members can now attest, this dynamic duo has definitely succeeded in this task. Best of all, their services are included at no extra cost with your PIA membership!

Years of expertise

Sandra came to PIA with a decade of recruiting experience helping clients in a variety of different types of businesses, including companies in the printing industry, to meet their employment needs. Before joining PIA, Brett's background included several years of recruiting as well as exposure to the graphic communications industry when he worked at the Los Angeles Times.

Today both Sandra and Brett have extensive expertise on the specific needs of the graphic communications industry. "We understand most of the terminology in the ever-changing print world," Brett points out. "We are aware of what is required for different positions, and can tell if someone is likely to be a good match. For example, if a member is looking for someone to run a five-color offset press, we know that a candidate whose experience is all with digital will not have the requisite skills."

A very hands-on approach

"Although I also speak with PIA members," Sandra explains, "I primarily focus more on the candidate side. I do a lot of sourcing, including sorting through

resumes, screening potential candidates and even going out to schools to promote our industry at career fairs. I find that by being relatable and an attentive listener to both member and candidate needs, I'm able to build a relationship that helps make a better match for both parties involved."

Like Sandra, Brett also sources and interviews candidates. In addition, Brett is usually the point of contact for PIA members who are looking to fill open positions. As such, he often provides advice and consultation as part of the process, whether it be with job descriptions, compensation rates or the current state of the market.

Sandra and Brett are also responsible for updating and maintaining the Employment Services Department's database – a key driver of the department's success. As this database shows, since 2017 the two of them have successfully placed over 700 candidates at PIA member firms!

A huge benefit for PIA members

The many benefits of using PIA's Employment Services include...

- **The human touch** – Brett and Sandra do not use algorithms or artificial intelligence (AI) for sourcing candidates. In addition to the inherent advantages of human intelligence, this also shields you from the potential legal issues associated with the use of AI in hiring decisions.
- **Significant monetary savings** – Traditional recruiting firms charge 20% of a person's annual salary, so just placing a \$40K/year driver will cost you \$8,000! In comparison, there is no fee at all for PIA members to use PIA's Employment Services.
- **Significant time savings** – Finding and screening candidates is very time-consuming. This service takes that off your plate, including handling the job postings for you. Plus, surprisingly, there are no other recruiters west of Texas who are specifically focused on the printing and packaging industry. So you also save time explaining your needs to someone with insufficient knowledge of what you do.
- **A bigger pool of potential candidates** – Sandra and Brett spend a lot of time building relationships with both members and candidates. Not only does this help them to better understand your company and its needs, it also means that people that they've successfully placed in the past often refer their

friends and family members to PIA. Job postings are great for reaching one pool of candidates. These referrals bring a completely different group of people into the database.

- **An advocate who will "sell" the position** – "Candidates often ask us to tell them about the company," Sandra notes, "especially if they've heard negative things about it in the past. Part of our service is to 'sell' them on the benefits of working for you. And because of the relationship that we've built with you, we understand what these benefits are."
- **A "no poaching" policy** – PIA's Employment Services will never present a candidate who is currently working for another member... unless that person is being laid off. That said, if you are in the position of having to lay off good employees, please contact Sandra and Brett so they can help these soon-to-be-unemployed people find new jobs.

Interestingly, if you ask Sandra or Brett what they like most about what they do, they'll both give you the same response: They love the deep satisfaction that comes from helping people find work. "That's my greatest joy!" Sandra exclaims. "I love when they tell me that they got a job and thank us for assisting them with that." Or, as Brett puts it, "I help hundreds of families pay the bills. And I help businesses succeed. It's a good feeling!"

Available to help you

For more information about taking advantage of PIA's Employment Services please contact Brett at 323-728-9500 Ext. 219 or brett@piasc.org, or Sandra at 323-728-9500 Ext. 231 or sandrar@piasc.org.





ON OUR RADAR

Proposed regulations and other issues that we're following:

- **Pay Data Reports** – If passed, SB 464 would expand the requirements for the pay data reports that California employers with more than 100 employees must file each year. This would include providing additional data on sexual orientation, making the data public (provided it is “reasonably calculated to prevent the association of any data with any individual person”) and imposing new penalties for non-compliance.

Approved regulations and other issues that we've been following:

- **“Illegal DEI”** – The Equal Employment Opportunity Commission (EEOC) and the Department of Justice (DOJ) have jointly released guidance regarding complying with recent executive orders prohibiting “illegal diversity, equity and inclusion (DEI) initiatives. For more information, see that article at bit.ly/EEOC-DOJ-ShedLight.
- **Workplace Violence Prevention Plans** – Don't forget to comply with the annual requirements of the new Workplace Violence Prevention Plan that you had to put into place by July 1, 2024. This includes the annual plan review and employee training.

HUMAN RESOURCES

SHOULD YOU USE A PERFORMANCE IMPROVEMENT PLAN?

A Performance Improvement Plan (“PIP”) is a long-standing HR tool for managing underperforming employees. Employers often use a PIP to document deficiencies and outline specific goals the underperforming employee must reach within a specific timeframe.

While PIPs sound good in theory, they have recently come under criticism from employees, HR professionals and even employment lawyers. A primary criticism is that PIPs are used as a check-the-box step before an employee is fired. Employees often view them as a sign their job is already lost, leading to disengagement rather than improvement. Because of this, they are often viewed as a cost-cutting measure used in an effort to get employees to resign rather than go through a PIP.

From a legal standpoint, a PIP can help defend against wrongful termination claims—but only if truly fair and well-documented. If an employee is fired for performance issues, their counsel may question why they weren't given a chance to improve and argue that a PIP should have been used first.

Practical considerations

PIPs can serve a useful purpose but do not necessarily fit every situation. The following are points that should be considered when considering if a PIP is the right performance-management tool:

- Determine if the issue with the employee is a performance issue or a misalignment of expectations.
- Have there been discussions with the employee regarding performance issues prior to the PIP?

- Has the employee received clear and consistent feedback before the PIP?

The employer must examine each situation to determine whether to engage in a PIP. If that examination leads to a conclusion that the specific performance issues or the personality of the employee or the supervisor make it highly unlikely that the PIP will be successful, then it should not be used.

If a PIP is not appropriate, the employer should instead consider terminating the employee at the time, providing it is confident that termination is justified.

If a PIP is determined to be advantageous to the situation, the PIP should be aligned to identify specific, measurable, objective and realistic performance goals. The PIP should also allow for a reasonable time to ensure the employee is given proper time to adjust the employee's work to meet the performance expectations. Improvement takes time. If it is not reasonable, it will be negative evidence rather than positive evidence if the employee is terminated or demoted.

HR should be involved, if not also legal, to ensure consistency and to monitor the conduct of both the supervisor and the employee during the PIP. It is also important to ensure supervisor buy-in and to determine whether the supervisor is doing their share to properly performance-manage the employee.

Employers should also ensure that PIPs are fairly applied among all employees to avoid allegations of discrimination and unfair treatment.

The PIP should provide for regular meetings and feedback. The employer should be committed to those dates, and if, for some reason, a meeting has to be moved, it should be rescheduled as soon as possible.

A record should be kept providing information regarding the feedback on the PIP and the meetings that occurred during the PIP. The input should acknowledge any improvement that is made.

At the end of the PIP, the employer should evaluate the employee's performance under the PIP. The employer can remove the employee from the PIP

with a communication that the improved level of employment needs to continue, choose to extend it if there has been improvement but not enough for satisfactory completion, or terminate the employee if appropriate in consultation with HR and Legal.

Consider alternatives

Some companies have moved away from PIPs and instead use:

- Regular feedback loops and coaching sessions
- Collaborative performance plans where the employee and supervisor create an improvement strategy together
- Severance agreements, if both parties agree that parting ways is the best option or it is determined that the performance issues cannot be corrected



Takeaways for employers

A PIP can be a useful tool to address performance issues. It is not a one-size-fits-all tool. As a result, the employer should carefully evaluate the situation and seek legal counsel, as appropriate, before and at the end of the PIP. If you're an employer considering a PIP or interested in other performance-management strategies to best fit your company culture, consult with an employment lawyer to ensure that the plan is appropriately structured and does not inadvertently create more risk than it mitigates.

Source: *Timothy Howlett, Dickinson Wright, www.DickinsonWright.com*

CLASSIFIED

LOOKING FOR:

Wide Format Inkjet Printer 24” for educational High School Program. Donations can go through PIA's R.A.I.S.E. Foundation. Contact Kristy Villanueva, kristy@piasc.org.

Washout booth for educational High School program. The program has received a screen printer and is looking for a donation, which can go through PIA's R.A.I.S.E. Foundation. Contact Kristy Villanueva, kristy@piasc.org.

Halm Super Jet 2 or 4 Colors Envelope Press. Please Contact Bill Rivera at brivera@thedotcorp.com or (949) 422-8330.

Crathern Glue Laminator. Contact Tammy Weatherly at tammy@piasc.org

FOR SALE:

Konica Minolta 3080 Digital Press purchased in 2019. Clicks: 391,808 black & white; 2,528,092 color.

Konica Minolta 4080 Digital Press purchased in 2023. Clicks: 47,348 black & white; 177,371 color.

Also for sale: book binder, paper drill, light tables and much more. Contact Tammy Weatherly at tammy@piasc.org.

CONTACT US

ADDRESS

5800 S. Eastern Avenue,
Suite 400
Los Angeles, CA 90040
P.O. Box 910936
Los Angeles, CA 90091
Phone: 323.728.9500
www.piasc.org

KEY CONTACTS

LOU CARON
President/CEO
Ext. 274
lou@piasc.org

KATHY SCHMIDT
Director, Insurance Services
Ext. 223
Kathy.schmidt@piascins.com

EVIE BAÑAGA
Employee Benefits
Ext. 224
evie@pibt.org

KRISTY VILLANUEVA
Member Services
Ext. 215
kristy@piasc.org

SUSAN LEVI
Human Resources
piasc@jinjhr.com

EVENTS CALENDAR

For full list of events, please visit www.piasc.org/events

RICHARD SMITH GUITAR CONCERT
Sunday, May 18, 2025
International Printing Museum
Carson, CA
bit.ly/RichardSmithGuitarConcert

UTAH 1ST ANNUAL PAR-TEE ON THE GREEN
Tuesday, June 3, 2025
Stonebridge Golf Club
West Valley City, UT
bit.ly/PIA-UTGolf

AMPLIFY PRINT 2025
June 10 – 12, 2025
Rosemont, IL
<http://amplifyprint.org>

PACK EXPO LAS VEGAS
September 29 – 30, 2025
Las Vegas, NV
<https://packexpolasvegas.com>

SPOTLIGHT EVENT

**GRAPHICS NIGHT:
ONCE UPON A PRESS**
Thursday, May 29, 2025
Disney's Grand Californian
Hotel & Spa
Anaheim, CA

Graphics Night, PIA's annual celebration of print, is just a few weeks away. From the cocktail reception and live entertainment to the recognition of the PIA Executive of the Year, opportunity to oggle the winning entries in the Print Excellence Awards, and more, this fun evening will have it all! Invitations have now been mailed to all PIA members. For more information contact Kristy at kristy@piasc.org or Karissa at karissa@piasc.org.

IN THIS ISSUE:

MEMBER NEWS
EMPLOYEE SPOTLIGHT:
ANDRÉS RODRIGUEZ AND
BRETT CHASE

HUMAN RESOURCE
SHOULD YOU USE
A PERFORMANCE
IMPROVEMENT PLAN?

GOVERNMENT & LEGISLATIVE
ON OUR RADAR
USPS-DOGE AGREEMENT
IMPLICATIONS OF THE

Services for Graphic Communications
PIA
5800 S. Eastern Ave., #400
Los Angeles, CA 90040

PIA NEWS
MAY 5, 2025 | ISSUE 181
NATIVE

