

India post strategy

[Business](#), [Strategy](#)



\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [Operations Constraints Matrix](#) \n \t
2. [Mail Services Letter](#) \n \t
3. [Registration](#) \n \t
4. [Media Post](#) \n \t
5. [Bluedart Courier](#) \n \t
6. [Transportation Service](#) \n

\n[/toc]\n \n

Operations Constraints Matrix

Flexibility is about the operation being able to change what it does quickly.

How quickly can the organization change the mix of products and services it is offering to the customer? Changing consumer tastes affects demand levels and the product range desired.

For an organization to stay competitive, it needs to be able to respond to these changes with flexibility.

- Can the organization react to demand changes and increase or decrease the volume of output in response?
- Is a wide range of products or services on offer? Can the organization bring new product/service designs to market quickly so it is in a position to meet changing customer needs?

Providing flexibility in delivery options, both the manner and the timing give an opportunity for differentiation. In case of Indian Postal Service, they are high on flexibility parameter.

The range of products / services for Indian Post suits to people from all economic level, almost all customers can avail all the services of India Post in all location. India Post postal services are under two heads, Mail services and Premium Services.

Mail Services Letter

The communication is enclosed in an envelope and addressed Inland letter card Communication is contained on a sheet of paper with prescribed size & folding, for transmission within India only. Post card Open communication on a card of prescribed size. Available in two varieties: Single & reply post card. Post cards are for transmission within India only.

Printed Post card Post cards containing communication recorded by printing, cyclostyling or by any other mechanical process are classified as 'Printed Post Cards'. Printed matter includes printed pictures also. Blind literature packet Papers of any kind, periodicals and books impressed in " Braille" or other special type for the use of blind are allowed to be transmitted by post as Blind literature packets. Parcel Anything can be sent in a parcel excepting articles whose transmission is prohibited.

Registration

The postal article that is registered is given identification and is recorded at every stage of handling.

Letters, letter cards, Book and Pattern Packets, Parcels, News papers prepaid with postage may be registered for transmission at any post office. The registered postal article is delivered specifically to the addressee. VPL/VPPTThe Value Payable Letter or Value Payable Parcel is paid for at the time of receipt. Premium Services Speed PostSpeed Post is market leader in domestic express industry, for providing time-bound and express delivery of letters ' documents and parcels across the nation and around the world Express ParcelExpress Parcel Post is an ideal service for sending the parcels up to 35 kg within India.

It is fast and reliable, provides door-to-door convenience and pick-up from customer's premises service. Business PBusiness Post is a one-stop shop service to manage entire mail-out process. It provides cost-effective and professional mailing services, including printing, collating, inserting, sealing, and addressing to meet specific business needs.

Media Post

Media Post is an innovative and effective vehicle for Brand and Marketing Managers to communicate their corporate message across the nation.

Greeting PostGreeting Post is an innovative product of India Post comprises of a card with envelop with pre-printed postage stamp upon the envelope. It used to express yourself perfectly on every occasion, festival or event. Logistics PostLogistics Post caters to any demand for moving goods, parcels and consignments in terms of delivery deadline and quality of service. It offers the possibility of monitoring the delivery progress at all times.

Comparison with the other players in Postal / Courier service India PostDTDC Courier

Bluedart Courier

No fixed delivery time guarantee
Service include next business day delivery guarantee
Service include next business day delivery guarantee
Media post offer advertisement opportunity to marketing manager
Dedicated for courier and parcel delivery, no specific service like advertising
Dedicated for courier and parcel delivery, no specific service like advertising
Wide reach within India, specifically high penetration in rural India
Wide reach but rural penetration is not as deep as India Post
Wide reach but rural penetration is not as deep as India Post
Offers registered post service, where consignment is handed over to only specific addressee
General service, and couriers can be received by any individual within corporation / home
General service, and couriers can be received by any individual within corporation / home
Consignment tracking is limited to premium products delivery
Consignment tracking facility is available for all kinds of deliveries
Consignment tracking facility is available for all kinds of deliveries
Prices band is high and weight range starts from as minimum as 25gms for delivery
Price band is narrow and weight range starts usually from 500gms
Price band is narrow and weight range starts usually from 500gms
Single delivery timing, no customized service as customer requires, although service for guaranteed timely delivery available
Consignment delivery can be defined by customers with a minimum duration of Next business day 1030AM within same time zone
Consignment delivery can be defined by customers with a minimum duration of Next business day 1030AM within same time zone
No special facility for

weekends like Saturday or Sunday
Special pick up facility for Saturday and delivery on Sunday
No specific delivery facility for weekends
Proof of delivery is claimable on paid basis
Proof of delivery is visible online for free
Proof of delivery is visible online for free
Greeting card delivery, special printed card delivery service
No special greeting card delivery service at present
No special greeting card delivery service at present
Freight on delivery service available business
Freight on delivery service available business
Freight on delivery service available business
International deliveries service available with maximum weight of 100kg
International deliveries service available with maximum weight of 10000kg
International deliveries service available with maximum weight of 100kg
No packing, box packaging service, pick up service available on paid basis
Provide packing, loading, box packaging service, free pick up service
Provide packing box, box packaging services, free pick up service
Cost is the last objective to be discussed but clearly not the least. For organizations that have adopted a low cost strategy it is the most important objective. The lower the cost of producing the goods the lower price that can be offered to customers, which in turn will boost sales and profits. Even organizations that seek to gain their competitive advantage through differentiation are keen to lower their cost basis because that will lead to improvements in profit levels. To be able to deliver a cost advantage an organization has to analyze where operation costs are incurred.

When considering a service industry, like hospitals, the biggest cost element will be staff costs, then facility and technology costs followed by bought-in materials and services. Many costs in a hospital operation are fixed and will not vary according to the number of patients treated. That is to say those

facilities like beds, operating theatres or laboratories are as expensive as are the highly specialized staff. These are all needed to be available if not all of the time, then most of it. That obviously has cost implications. Generally, the level of costs depends on the volume and variety of output and how variable is demand. Variety of outputs leads to greater levels of complexity and therefore increased costs. Cost is dependent on the other performance objectives.

Improvements in each of the other four will lead to cost reductions. The relative priority of the performance objectives is determined by the demands of customers and the actions of competitors. Making these decisions on priorities links back to the statement in the strategy of what business the organization is in and who are its customers. Selling to customers who insist on error-free products requires the organization to concentrate on its quality performance. Consumer segments that are looking for low-priced products or services will lead the organization to emphasize its cost performance. In case of India Post, reaching to the mass is part of their mission.

They operate at locations where, revenues do not even cover 15% of expenses. They have more than 89% of their offices in rural areas, where the cost of operation is usually higher than revenues. Even the post office in urban areas, the target given is to earn a profit of 5% beyond their operating cost. India Post caters primarily in rural areas and therefore its emphasis on offering very low / economical prices to customer irrespective of their operating cost. Private postal service agencies have their motive of earning profit from business, therefore they highly emphasize on providing value

service to their customers. They focus on limited services designed to fulfill general need of customers.

Their service portfolio is transforming from delight services to order winning services. They emphasize on excelling in providing order winner services and compete in limited range of services. Pricing offered by India Post: India post premier service of simple post card is in no comparison with any other service agency. It is most cost effective way of mail hitherto in India. Apart from post cards, letters, India Post offers standard fixed rates for all customers depending on distance (irrespective of place of origin or destination). Speed Post: WeightLocal (within municipal limits)Upto 200 Kms201 to 1000 Kms1001 to 2000 KmsAbove 2000 Kms Up to 50 gramsINR 15INR 35INR 35INR 35INR 35 1 grams to 200 gramsINR 25INR 35INR 40INR 60INR 70 201 grams to 500 gramsINR 30INR 50INR 60INR 80INR 90 Additional 0.5 kg or part thereofINR 10INR 15INR 30INR 40INR 50 Express Parcel Post: WeightLocal (within municipal limits)Upto 500 Kms. 501 to 1000 Kms. 1001 to 2000 Kms. Above 2000 Kms. Up to 2kg3550607090 Additional 1kg or part thereof58122535 India Post does not offer the air-mail service for domestic deliveries, whereas private players like Bluedart, DTDC, and Firstflight etc have the air mail service that offers next day delivery guarantee. Therefore, the prices of services offered by different agencies can be compared on the surface mode. Cost of parcel up to 500gms 500gmsIndia PostBluedartDTDC within city30200 Ambala50200 Amritsar60200 Mumbai80200 Calicut90210 Cost of parcel up to 10kg 10kgIndia PostBluedartDTDC within city75250 Ludhiana114250 Ahmadabad156290 Mumbai270290 Calicut370290 India post is more cost effective and

economical than other private players. It is high on providing cost effective services to its customer than its competitors. Due to its pan India reach, and easy access in rural areas, other private players cannot compete in cost factor. Quality, whether you are running a hospital or a retail superstore, is about doing things right so that error-free goods and services are delivered that are fit for their purpose.

Quality encompasses both the quality of the design of the product in terms of aesthetics, reliability and performance and the quality of the process that delivers the product or service. Quality of delivery process has direct impact on costs and dependability. Quality is a major source of customer satisfaction or dissatisfaction. Poor quality products or poor quality of service are likely to put the customer off returning, leading to future lost sales. For service sector like postal / courier service, the primary quality factors can be following:

- Ease of accessibility – availability, easy reach
- Customer focus – language, service, waiting time Reliability of service design – useful for customer, trust on the service
- Conformance to specifications – delivery on time as committed, rates as specified, influence to change or modify requisite service
- High delivery performance – delivery at the right place, right time, right person Speed Speed is all about how long customers wait before receiving their service.

Addressing the speed objective requires the organization to pay attention to the cycle time involved in their new product development. An organization also has to pay attention to its scheduling and capacity planning as well as

inventory management to be able to deliver on the speed objective. Reducing inventory will also impact on obtaining a cost advantage. Speed is an important factor considering that a lot of parcels are required to reach on time and are often related to business.

As such, almost all the courier services have a special service catering to this constraint. In case of India Post, . No. Services/TransactionSuccess IndicatorsService StandardsUnit AService Standards of various services for Departmental Post Offices 1MailsTime from posting / booking to delivery

- Excludes day of posting, holidays and Sundays.
- Maximum time.
- Articles posted before cut off time. Unit in Days /Minutes etc.

1. 2Delivery of First class mail i. e. , letters, postcards, Inland letter cards, etc. Local* and between Metro Cities** * Local – within Municipal City limits ** Metro- Delhi, Mumbai, Kolkata, Chennai, Hyderabad and Bengaluru. 2Days Rest of India4-6 1. 3Delivery of :

- Registered / Insured articles Express Parcel Post
- Second Class Mails i. e. Parcels, Book Packets, Registered Newspapers, etc. Local* and between Metro Cities** * Local – within Municipal City limits ** Metro- Delhi, Mumbai, Kolkata, Chennai, Hyderabad and Bengaluru. 3Days Rest of India5-7

1. 4Delivery of Speed Post articlesLocal* and between Metro Cities** * Local – within Municipal City limits ** Metro- Delhi, Mumbai, Kolkata, Chennai, Hyderabad and Bengaluru. 2Days Rest of India4-6 1. 5International EMS articles• All International Mail articles are subject to customs examination.

Period for customs examination/detention is not included in the service standards. 4-10Days

DTDC on the other hand provides a lot of services catering to this need which is case specific: DTDC Domestic 2-7 days Normal deliveries (city specific) Value added service (Speed) Days to deliver Specifications DTDC Plus Assured Next business day delivery • To metros and major cities in India Prime Time Plus (PTP) PTP 10. 30 and PTP 12. 00 within the next possible business day • Time-critical Business to Business (B2B) and Business to Customer (B2C) Segments. From select origins to select pin codes at Metro locations. DTDC Blue assured second business day delivery • To places far and wide across the country In addition to it, DTDC provides money back guarantee in case a delivery is not made on time on its Value added services. Blue dart Dart Surfacing 2-7 days Distance specific Premium Services

Dart Apex 1-2 days For commercial shipments Domestic Priority Next day For time-critical parcels DP 10. 30 and DP 12. 00 Time specific, within a day Blue dart, like DTDC provides money back guarantee in case a delivery is not made on time on its premium services. As such, Speed of India post is comparable to most of its competitors as far as value based services are concerned. Though, at few places delivery is guaranteed the very next day and before a specific time, which is not provided by India post. Some services like Air to Air which ask customers to collect the post from the Airport for a faster delivery is provided by some of its competitors.

Also, unlike DTDC and Blue Dart do not provide money back guarantee on a delay though they provide money back guarantee if a parcel is lost or <https://assignbuster.com/india-post-strategy/>

damaged. This feature allows other players to create a better perception among consumers with respect to speed. Dependability Dependability is, of course, about consistency. An organization's processes have to be geared up to consistently meeting a promised delivery time for a product or service. Customers are unlikely to be satisfied by an increase in delivery speed if it is not matched by consistent performance. This will require that an organization has systems in place to identify problems early and be flexible enough in its planning to be able to move to a plan B as necessary. The dependability of India post is an issue.

Though its registered post is known for dependability in terms of security and handling, but the consistency in speed is still a concern in terms of dependability. The targeted dependability of 95% deliveries on time is far from the reality. Though a lot of premium services are delivered on time, but the general posts are often delayed or sometimes are even lost. When talked to an employee working in India Post, Dependability came out as one of the major reasons why people prefer high priced courier services provided by competitors over India Post. Structural Decisions An effective operations organization is one that meets the need of strategic business units competitive strategy.

Therefore, once the type of differentiation has been specified, management must ensure that its operations organization is configured and managed in such a way that there is no one best way for dealing with any business problem – whether one is making, delivering, or selling a service, designing a management information / quality system, or measuring performance. In every situation, one must make choices that reflect one's context, goals,

resources and personnel. Translating the business strategy into appropriate tangibles and intangibles involves different structural and infrastructural decisions and tradeoffs. The structural and infrastructural decisions in service industry are derived from manufacturing operations. Structural decisions address all the issues that are relevant to Capacity, Facilities, Process Technology and Sourcing (vertical integration). Capacity

Capacity management is defined as “ ensuring a service has the capability to meet the demand experiences, like wise capacity management is a response to demand”. Service delivery process depends on three basic factors to achieve the expected output:

1. Service load that illustrates the variety of service being offered, the variation of demand and the management of demand
2. Capacity task that illustrates forecasting methods, scheduling, bottleneck management, prioritizing and altering capacity that are used to manage capacity task successfully
3. Capacity leakage, in other words the degree that there are quality failures, scheduling losses, labor lateness, labor underperformance and changeovers Facilities

Facility network is the configuration of an operating network in allocating various service centers and contact points. In Mail Service industry, facility is the reach of agency to the customers at different location and various services that can be offered in that service center keeping in mind the objectives and goals of company. India Post has one of the objectives as “ To provide basic postal facilities, i. e. , collection and delivery of mails, within easy reach (1. 5 kms) of all people and businesses. This is to be achieved

through opening of more post offices, relocation of existing post offices, giving out franchisees to individuals, shops, institutions, self-help groups, etc. In order to achieve this objective, they constantly strive to open new service centers at desirable places and shutoff from redundant locations. Apart from post offices, there are approximately 5.7 lacs letterboxes, processed by network of Mail Offices and conveyed by rail, road, and airlines all over the country to reach the customers. Postal operations at the post office counter encompass the entire gamut of basic postal service that include sale of stamps, booking of registered articles, insured articles, value payable articles, booking of parcels and other banking transaction. Below data shows the penetration of India Post in rural and urban segment.

Year 2011 2010 2009 2008

Urban 13904089. 78% 13918289. 81% 13914489. 76% 12548980. 94%

Rural 1582610. 22% 1579710. 19% 1587110. 24% 2954619. 06%

Total 154866100. 00% 154979100. 00% 155015100. 00% 155035100. 00%

State wise presence of post offices in India: Andaman 102 Dadar and Nagar

Haveli 39 J&K 1656 Andhra Pradesh 16152 Daman & Diu 20 Jharkhand 3092

Arunachal Pradesh 295 Delhi 531 Karnataka 9761

Assam 4023 Goa 263 Kerala 5054 Bihar 9015 Gujarat 8934 Lakhasdweep 10

Chandigarh 51 Haryana 2662 MP 8031 Chattisgarh 3119 Himachal

Pradesh 2778 Maharashtra 12490 Manipur 697 Rajasthan 10338

Meghalaya 475 Sikkim 209 Mizoram 409 Tamilnadu 11897

Nagaland 328 Tripura 710 Orissa 8192 U. P. 17584

Pondicherry 91 Uttarakhand 2719 Punjab 3842 W. B. 8700

Each facility center in the network is independent in itself, thereby satisfying the condition of Horizontal Networks, but each central / metro / common facility center is dependent on the traffic / mail at other service centers also, thereby working as Mixed Network Structures. India post has about 387 mail offices to process the mails through its network and conveyed by rail, road, and airlines all over the country. Facility decision in mail service sector includes the office layout, customer support, guidance, and customer interface with employees, basic facilities for employees and services available. India Post is oldest mail service in India and some of the offices of India Post are very old.

The ambience, infrastructure, facilities is not comparable to private agency offices, which are equipped with modern infrastructure and facilities. “Project Arrow” is a step toward modernization of post offices. It focuses on creating conducive and friendly work environment for staff and customers, information technology enabled services and improving the quality of core business services, primarily focusing in rural areas. It has been implemented in more than 15000 post offices and more post offices are in process of implementation. In comparison to private service providers, India Post has maximum reach, are available at the last mile. Private agencies are working for profit maximization therefore they operate in limited space, and their presence is limited to metro cities and some critical business locations. Due to limited offices and service centers, they have made their offices IT enabled and customer friendly. Process Technology The meaning of the process technology lies behind the meaning of focus. Well-managed service

organizations are characterized by a high degree of focus. Better focusing such as the utilization of classification schemes, refers to

- to delivery systems that allow customers to have high contact with the system
- easy segregation / sorting of mails
- ease of tracking
- improving the quality of delivery
- connection of various location with centralized database
- management information system and database maintenance

Automation and information technology leads to cost savings, consistent and reliable services, it helps to increase the availability of a service operations and the speed of service delivery process that helps in marketing and customer benefits. In mail service, the level of automation depends on amount of load, types of services, quantity of parcels, cost, and risk appetite of the company. For India Post, the scope of Automation and upgradation in process technology can be defined in many areas:

- Computerized booking of mails and parcels
- Segregation / sorting of mail according to destination through bar code scanner
- RFID technology to track the consignment location in real time
- Hand held devices to confirm the delivery status on real time basis
- Centralized data management Automatic loading of mails in the Transporting Mode
- Automatic packing of goods and mail to utilize as full load (except in case of lower quantity)

- Connectivity of all facility centers to check the system information in real time
- Advance booking and pick up parcel
- Centralized database to better control the address database of customers India Post is lagging in automation of its process.

It has implemented barcode technology in most of its services, but it is not fully supported by its aging staff. Most of the post offices in the rural areas are manually functioning. Many post offices, Mail offices, Administrative offices are not yet computerized.

Automatic letter sorting machine is under installation in four metropolitan cities of India, which can increase the sorting speed to approx. 35000 per hour. In addition, Mixed Mail sorting machine are also under process of implementation to sort large size letters, parcels/packets to the speed of about 16000 per hour. These machines will help to automate the process with better speed, quality and efficiency. As compared to private mail service providers, most of the offices are fully computerized, with full system integration with centralized server. Their offices are connected with real time information system and the core business functions are controlled through IT. Sourcing and Vertical Integration

Sourcing is an important structural aspect of an operations organizations encompasses decision regarding how much of the total work required to create and deliver its services will be done internally and how much can be outsourced from outside organizations. In service industry, outsourcing can reduce the cost of operation. Strategic control in the operation decides the level of outsourcing in mail service. India Post is operating under huge

geographical exposure. As a part of its public service, it has to reach to the last consumer in the map. Establishing self-employed service centers at all operating location is costly proposition, therefore to maintain the presence and cost effectiveness it has to outsource some of its activities in the extreme areas of operation. Apart from its front office activities, India Post has scope for outsourcing at almost every stage of operation. Post office maintenance at certain location as per India Post terms and Condition

- Transportation of dak / mail by road, rail and air through third party agency rather than self procuring the trucks and loaders
- Deploying a local team for post office maintenance at distant location, but centralized control through district head or regional head post office
- Dealership and franchise network apart from regular staff
- Liaison with government organizations and PSU's to deliver all the mails of govt. institutions through India Post Front office counter franchise India post has a franchise scheme that offers various products and services in urban and upcoming urban areas.

Basic features of the Urban franchise model:

- It provides only counter services, delivery and transmission lies with India post.
- Provision of services under franchise across the counter for a minimum defined time schedule with flexibility to work round the clock Products and services offered
- Sale of Stamps and stationery

- Booking registered articles, speed post articles, money orders, e-post etc.
- Functioning as an agent for PLI and provide related after sales service, including collection of premia (subject to fulfillment of criteria for PLI agents).
- Marketing products for which the Department has a corporate agency or tie-up and provide related follow up services (subject to agreement with the other organizations involved). Providing retail and bill/tax/fine collection/payment services of the Department (Subject to agreement with the other organizations involved)
- Facilitating the provision of e-governance and citizen-centric services (subject to agreement with the other organizations involved)
- Any other service introduced by the Department in future through its outlets which is considered amenable to the franchisee model. (subject to agreement with the other organizations involved)

Transportation Service

The transportation of mail is through various modes

1. By hand
2. Surface line, road transport
3. Surface line, rail transport
4. Air line, Plane transport

India Post has manages mail transportation with their own facilities as well as third party service providers. India post has huge employee base to deliver the post by hand to the recipients, but for the transportation on

surface and air, it has its own vehicles and also arrangements with third party logistics vendors.

Air transport - international deliveries, India Post has tie-up with premier DHL logistics Mail Motor Services (MMS) - For transmission of mail between mail offices and post offices between cities, India Post has its own fleet of 1282 vehicles, full-fledged maintenance workshop facilities Rail transport - for long distance transmission of mails, India Post has tie-up with Indian Railways

Scope for Sourcing

1. Road transportation - India post can outsource the transmission of mails between cities and reduce the load of maintenance and fixed fleet expenses, third party service dedicated to India Post can help in focusing on timely delivery and maintenance of quality service. It offload the risk of transportation, maintenance expenses, buying-selling of vehicles etc
2. Franchise for rural areas - India Post franchise scheme is primarily for Urban Areas where the post office is justified but cannot be opened.

For India Post, the focus of expanding the reach should be associated with cost factor. As in urban areas, the cost of opening a post office would be high. Similarly, operating cost in the far distant rural areas will also be high. In order to minimize the cost of operation, India Post can outsource some of its urban offices, and similarly rural office, where the cost of operation for local would be lesser than setting up self-employed service centers.

3. Long-term contracts with Customers - India Post can leverage on its wide presence, and govt. institution tag for getting long-term contracts with other govt. institutions and PSUs for delivery of all mails through India Post.

This will ensure dedicated source of Income for India Post, and beyond that, it will be a great financial assistance to serve the rural areas. Infrastructural

Decisions A company's operations infrastructure is composed of its policies and systems governing a number of activities, from capital budgeting and equipment selection to organizational structure. Each of these systems often has repercussions and implications for other infrastructural and structural elements. Resource allocation and capital budgeting systems Human Resource systems India Post has workforce, which is old aged, there has been no fresh recruitment in India Post from many years for junior and senior level management positions.

In the present system, where consumer are growing at fast pace, and the technology and information system is growing in the industry, there is need of well-informed and responsive workforce that can understand the existing IT and customers need. Due to aging workforce, computer literacy among the employees is not at par and training and development of employees has taken a back step in the policies of India Post. Although, India Post organizes many training program for its middle / senior level management employees but due to aging factor, the life expectancy in the organization as well the contribution in the organization is limited. Work Planning and Control systems Quality systems

The quality system has been focused upon by India post since 2005-06. With the prioritization of computerization in 2006-07 for the development of India post, the Government has laid focus on improving service levels and to enable electronic networking of about 1, 30, 000 rural Post Offices. Recently, A Plan costing Rs. 1877. 2 Crores has been formulated to computerize the Post Offices in Rural areas to further improvise on this front. Project Arrow was launched in April 2008. The project envisages up gradation of Post

Offices in urban and rural areas both in terms of upgrading and enhancing the quality of service in " core areas" and improving their " look and feel".

The project aims at creating a conducive and friendly work environment both for the staff and the customers visiting the Post Offices, providing all IT enabled services through secure connectivity, improving the service quality levels in the core business areas e. g. Mail delivery, Remittances both electronic and manual and Postal Savings schemes. The " Look and Feel" activity focuses on improvement in Branding, Information Technology, Human Resource and Infrastructure. Based on the audit report of Project Arrow conducted over 50 post offices of 10 states: 1. In terms of Performance on Mail Delivery, Registered letter performances were 99 %, where as the figures for Ordinary mail varied between 94 to 100%. For Speed post it ranged between 98 to 99 %. 2.

In terms of time taken for delivery of letters, post offices scored between 90 to 92% during the 3 rounds of Audit though a higher score was expected. Till June 2012, the Project has been implemented in respect of monitoring of core areas in more than 15, 500 Post Offices and " Look and Feel" has been improved in 1, 530 Post Offices. The Government has recently started a new Automated Mail Processing Centre (AMPC) in Delhi on August 20, 2012 to improve mail quality with next-generation sorting centres and to modernize the mail processing operations at India Post. The new letter sorting machine can sort 35, 000 letters per hour, while the mixed mail sorter can process 20, 000 letters, packets and small parcels an hour.

The automated sorting systems should “ considerably” improve sorting errors and improve the quality of mail services, the government said, with <https://assignbuster.com/india-post-strategy/>

the new mixed mail sorter scanning tracking barcodes automatically as items are being sorted. Processing efficiency should also improve because mail can be sorted in a single run, while manual sorting had required a second stage of sorting. As per an interview given by Siemens, the developer of AMPC, to the media; “ The automation route will “ significantly” reduce processing time and save “ considerable” cost for the Indian postal department. Handwriting or language is no longer a barrier as the special IVR by Siemens can read various scripts e. g. Greek, Cyrillic, Arabic, Chinese, English, Hindi.

For the postal centers at Delhi and Kolkata, this machine will be able to read English and Hindi and as a result will enable Department of Post to provide better and more efficient services with high level of productivity” . From quality aspects as such, the ministry is taking measures like the introduction of AMPC and Project Arrow to improve the quality. Still, a lot of rural villages are not computerized and timely delivery of mails has been a major issue. Also, the technologies like AMPC need to reach out to more major cities for further reducing the cost and improve service levels. The Government provides money bank guarantee of Rs 500 on damage or loss of any parcel but no specifications regarding this are provided.

As such, a lot of people prefer other courier services to send valuable or important mails/parcels. Measurement and reward systems One of the major problems with India post is the undefined promotion structure. The employees are bound for a fixed pay and no variable pay/ Incentives are provided. The promotion is based on experience rather than utility/ quality and irrespective of poor showing at work, job security is provided which

makes the system lazy. Frequent transfer of employees and low growth potential for an individual are few other concerns which needs to be addressed upon along with a continuous feedback system of employees.

Product and process development systems

India Post although the oldest and most significant player in mail service but with time the competitors has taken a lead and the social obligation of India Post has put them in back step in process development, improvement and fast implementation. The project team for process improvisation works on the guidelines given by the members after approval for the Ministry of Telecommunications and IT, larger projects has to get the approval from the ministry before commencement. Organization structure The organization structure of India Post is a complex organization structure (Exhibit 1). It has many vertical layers and simultaneously horizontal divisions. India Post is a government body, therefore the bureaucratic organization structure is inevitable, it has members deputed by Govt. of India as well as personnel that are recruited by India Post itself.

Due to various business dimensions (postal mail service, PF fund, MNREGA fund, Bank, Finance, Forex etc) of India Post, each business vertical is treated as separate business unit and therefore makes the structure more complex. The organization structure is a centralized, and bureaucratic, power to take decision lies with the senior management and staff is primarily to do the regular business / operational activities. Operations Strategy for India Post Considering, the fact that India post is the Govt. institutional body and their prime focus is to serve the mass market by offering its services at lowest possible rates with high quality and good speed.

In addition, India Post desires to be self-sustaining organization, it involves trade-offs between operation strategy matrix parameters (Price, Quality, Dependability, Flexibility and Speed). They can make their product primarily in two segments: 1. Business Mails 2. General Mails General Mails – it is for mass market focusing on public, for cost sensitive customers (primarily poor people), delivery of mails to any location with a specified time delivery. Business Mails – it is specialized service, other than just sending mails (other than General Mails), the prices should be competitive with other private players, delivery time specified, service customization as required by the customers. E. g. speed post, registered post, logistics, parcels and box parcel etc. Exhibit 1 : Organization Structure, India Post