

**OMB Supporting Statement  
IRS Large & Mid-Size Business Division  
CUSTOMER SATISFACTION SURVEY 2006**

**Background**

In an effort to improve on the three pillars of balanced measures, a Large and Mid Sized Business (LMSB) Measures Taskforce was formed to design organizational-level balanced measures for the new LMSB operating division. One of the immediate needs identified was the determination of the level of satisfaction of our external customers. To this extent it was recommended that a customer survey be distributed. This initiative is a part of the Service-wide effort to establish a system of balanced organizational performance measures as mandated by RRA 98. This is also a result of Executive Order 12862, which requires all government agencies to survey their customers and incorporate customer preferences in their process improvement efforts.

LMSB serves a return population comprised of approximately 138,000 corporations and partnerships whose assets are in excess ten million dollars. This customer base is further broken out into two distinctive classifications: Industry and Coordinated Industry. LMSB has been tasked to survey these two distinct groups and create valid output to be used to determine the overall level of satisfaction of these groups. By surveying and analyzing this customer base, it will afford LMSB management the opportunity to make informed business decisions to improve upon customer satisfaction. The survey is conducted by an outside contractor, Pacific Consulting Group (PCG) and their subcontractor Schulman, Ronca and Bucuvalas, Inc (SRBI).

This is the sixth year LMSB has conducted this survey.

**Objective**

A primary goal for the contractor shall be to use the customer feedback to identify and prioritize service improvements the IRS should make in the improvement of overall customer satisfaction. The survey questions will be designed to gather customer feedback and experiences with regard to courtesy, professionalism, fairness, resolution, timeliness and communication. The objective of the customer satisfaction survey scores will be to gauge coordinated industry and industry casework customer expectations and perceptions about LMSB services. Each customer surveyed will be given an opportunity to express their opinion about the services they have received. The product of the customer satisfaction survey scores should facilitate more effective management of LMSB by:

- Providing insight from the customer's perspective about possible improvements.
- Providing useful input for program evaluation and execution at the programmatic and field office level of service delivery.

## **Research Methodology**

The methodology used in this survey will be via telephonic contact with the taxpayer using a scripted survey questionnaire. Prior to the first call the taxpayer will receive a letter provided by IRS and mailed by contractor soliciting their participation. The culmination of the responses will create a score that will be tabulated based on numerical scores given on the response questions. Scoring for this contract will be based on the Customer Satisfaction Survey Score response average keystone question – “Regardless of the outcome of the exam, rate your overall satisfaction with the audit process”. Questions will utilize a 1-5 rating scale, with 1 being very dissatisfied and 5 being very satisfied. Questions for both surveys (Coordinated Industry and Industry) will cover the following six key areas:

- Taxpayer Treatment
- Issue Management Programs
- Audit Planning Process
- Audit Team
- Audit Conclusion
- Demographics

For Industry closed cases, a sample will be drawn for each category to achieve a 95% confidence level and +/-7.5% precision on an annualized basis based on a prior average satisfaction rate of 75% for each category. For Coordinated Cases, because of the small number of total cases per category, a census will be taken. Approximately 1200 Industry customers and 200 Coordinated Industry customers are surveyed each year. Coordinated industry customers are surveyed twice, once pre-audit after the formal opening conference and once post-audit after the audit is completed.

## **Information Collection Dates**

The survey is conducted twice a year. Industry Case customers are usually surveyed in May-June for cases closed the previous October-March and in October-November for cases closed the previous April-September. Approximately 600 customers are surveyed for each period for a total of 1200. Coordinated Industry Case customers are usually surveyed in October-November for cases closed during the previous fiscal year October-September. These dates may fluctuate slightly due to contract negotiations, budget cycle and other external factors.

## **Draft Pre Note Solicitation**

FROM: Kelly Cables  
Director, Performance Management, Quality Assurance, and Audit Assistance

SUBJECT: Customer Satisfaction Survey Initiative

The IRS Restructuring and Reform Act of 1998 (RRA'98) established several mandates for the Internal Revenue Service (IRS) to fulfill. One of those mandates was to survey our customers to determine their level of satisfaction with the IRS's overall job performance, and to solicit ideas for the improvement of our services.

The Large and Mid-Size Business Division (LMSB) of the IRS has recently begun polling taxpayers to obtain feedback on overall performance with recently closed examinations. LMSB is not contacting taxpayers directly but is utilizing the contractual services of Pacific Consulting Corporation and their sub contractor Schulman, Ronca and Bucuvalas, Inc. This company is acting on behalf of LMSB and all information conveyed will be confidential. They will be contacting you via phone and asking for your participation in a 10 minute survey. Please take the time to participate in this study and use this opportunity to be candid about our performance.

If you have any questions about the objectives of this study please contact Jim Morton, Program Analyst at 404-338-7127 or [jim.morton@irs.gov](mailto:jim.morton@irs.gov). He will be more than happy to discuss the process with you. Thank you in advance for your interest in improving our services.

### **Estimated Burden Hours**

Each interview will take about ten minutes. Based on average survey population, total hours would be 250 hours (1200 industry customers x 10 minutes/60 = 200 hours + 200 coordinated customers x 10 minutes/60 = 33 hours + 350 combined customers contacted but choosing not to participate X 3 minutes/60 = 17 hours). The answers provided are confidential and the business and individual identity information is not shared with the IRS. They are under no obligation to continue with the interview, it is completely voluntary. However, the interviewer notes that their answers will help the IRS provide better service to the business community.

### **Confidentiality, Disclosure, and Security**

The answers provided are confidential and the business and individual identity information is not shared with the IRS. They are under no obligation to participate or complete the survey, it is completely voluntary. However, the participation solicitation will encourage their participation so that their answers will help the IRS provide better service to the business community. Our contract with PCG authorizes them to collect taxpayer specific information. Therefore responding to the survey is not an unauthorized disclosure of taxpayer information. Prior to taking the survey, each participant who would like to verify the authenticity of the survey request, may contact Jim Morton, LMSB Program Analyst by phone (404-338-7127) or by email ([jim.morton@irs.gov](mailto:jim.morton@irs.gov)).

Total estimated cost is \$260,000.

## **Contact**

For questions regarding the study or discussion guide design, contact:

Jim Morton

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