

**OMB SUPPORTING STATEMENT  
STUDY TO MEASURE CUSTOMER SATISFACTION  
IRS SB/SE FIELD EXAMINATION  
MARCH 2009**

**A. Introduction**

Background/Overview

IRS has replaced the traditional measures of accomplishment with a balanced measurement system consisting of business results, customer satisfaction, and employee satisfaction. As an important customer interface for the Small Business/Self-Employed Division, Field Examination needs feedback from customers to continuously improve its operations. This initiative is part of the service-wide effort to establish a system of balanced organizational performance measures mandated by the IRS Restructuring and Reform Act of 1998. 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.

Objectives of Data Collection

The primary goals of the focus groups are 1) to revise the survey of Field Examination external customers to better track customer satisfaction progress over time nationwide, and 2) identify operational improvements with SB/SE.

**B. Methodology**

Sample Design

Macro will conduct formative research that will include telephone focus groups with customers who have recently undergone a field examination. The focus groups will guide the revision of the Field Examination customer satisfaction survey.

All participants must be fluent in English. The maximum number of participants per focus group is eight. A screener guide has been prepared to use to recruit participants for each of the focus groups (see Appendix A).

Data to be Collected

The data gathered from the focus groups will be used to analyze powers of attorney and taxpayers reactions and opinions of the examination process and improve the survey instrument.

How Data are Collected and Used

Macro will conduct five telephone focus groups, each consisting of 6-8 customers who have recently undergone a field examination within the last four months. Macro will conduct two focus groups with powers of attorney and three groups with self-represented taxpayers due to varying experiences and opinions of the examination process.

The goal of a focus group is to solicit general opinions about a topic. An important aspect of focus groups is that they give rise to insights and solutions that may not be derived from other methods. Focus

group interviews are qualitative research, meaning no statistical difference between groups can be determined.

An experienced moderator from Macro will conduct the focus groups using the moderator guide developed (see Appendix B).

Each group will last approximately 60 minutes. The groups will be audio recorded and a copy of the audio will be provided to SB/SE. Audiotapes and scribes' notes will be used to assist with feedback documentation during the focus groups.

### Dates Collection Begin and End

The focus groups will be conducted between April-June 2009. Macro will conduct the focus groups.

### Stipend

The purpose of the stipend is to encourage participation, and to thank participants for sharing their time and contributions to the discussion. The stipend will be \$50 per participant for a 60 minute phone focus group session. The stipend is a reflection of the length of time required for participation in this study.

### Recruitment Efforts

Using the screener guide, Macro will recruit participants (see Appendix A). SB/SE will provide contact information, including name, address, and phone number and Macro's cleared staff in our Burlington, VT facility will recruit participants, send confirmation letters, and place a reminder telephone call 24-hour prior to the focus group.

### Cost of Study

Macro contract for focus groups: \$44,451

### Location-Region/City and Facility

- Focus groups: Conducted via telephone nationwide
- Moderator: Macro International Headquarters, Calverton, MD
- Qualitative Analysis: Macro International Headquarters, Calverton, MD

### Research Design

After some general introductory questions, participants will be asked questions regarding their experience with the field examination process. Some areas of discussion will center on their expectations throughout the examination process and the criteria used to evaluate the IRS during this process.

### Efforts Not to Duplicate Research

Direct interaction with taxpayers through focus groups has been a research design used by the IRS for a number of years. The IRS has not tested the redesign of this questionnaire or customer reaction to the Field examination process and therefore there is no duplication of research.

## Sample Plan for Focus Groups

Each focus group will have 6-8 participants. Research has demonstrated that this number of participants helps create the best group dynamics for telephone focus groups: the groups are sufficiently large to stimulate relatively spontaneous interaction, but small enough to give everyone sufficient opportunity to speak.

The screener guide will be used to qualify and select focus group participants. Macro will gather qualitative data only, which are not representative of the population.

## Participants Criteria

The focus group participant will be individual who have undergone a field examination in the last four months.

## Focus Group Arrangements

Macro will manage every aspect of recruitment. Macro will use cleared staff to recruit participants for the telephone focus groups. Using the screener guide, Macro will recruit eight participants for each focus group with a goal of having 6-8 participants for each group. Macro will ensure that:

- Each participant signs an informed consent before participating in the focus group (see Appendix C).
- All materials are ready for use in the focus group session.
- Audio equipment is operating properly.
- Honoraria are mailed to participants after the focus group is completed.
- Last names or other identifying information are NOT available to IRS personnel.

## Focus Groups Burden Hours

The estimated time to complete the participant screening is 5 minutes. The estimated time for each reminder call is 1 minute, with each focus group session lasting 1 hour. We estimate that 25 percent of the taxpayers contacted for the study will qualify and be willing to participate. Using this percentage, a total of 1,250 individuals will need to be screened to recruit the needed eight participants (six study participants and two back-up participants) for each focus group. We estimate that two people in each focus group will be no-shows.

Total Number of Potential Participants Screened	1,250
Estimated time to complete screening	5 Minutes
Reminder Phone Calls	40 Minutes (40 participants x 1 Minute Reminder Calls)
<b>Estimated Screening Burden</b>	<b>104.8 Hours (1,250 Participants x 5 Minutes + 40 Minutes)</b>
Number of Participants	30
Time to Conduct Study	1 Hour
<b>Estimated Study Burden</b>	<b>30.0 Hours (30 Participants x 1)</b>
<b>Estimated Total Project Burden Hours</b>	<b>134.8 Hours</b>

### **C. Privacy, Disclosure, and Security Issues**

All participants will be subject to the provisions of the Taxpayer Bill of Rights II during this study and the vendor will ensure that all participants are treated fairly and appropriately.

The security of the data used in this project and the privacy of taxpayers will be carefully safeguarded at all times. Security requirements are based on the Computer Security Act of 1987 and Office of Management and Budget Circular A-130, Appendices A and B. Physical security measures include a locked, secure office. Notes are stored in locked cabinets or shredded. Data security at the C-2 level is accomplished via the Windows NT operating system. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

The IRS will apply and meet fair information and record-keeping practices to ensure privacy protection of all taxpayers. This includes criteria for disclosure—laid out in the Privacy Act of 1974, the Freedom of Information Act, and Section 6103 of the Internal Revenue Code—all of which provide for the protection of taxpayer information as well as its release to authorized recipients.

The focus group data returned to IRS will have no identifying information relating specific records to individual taxpayers. Nonetheless, the IRS will ensure that privacy and security of the aggregated results will receive the utmost attention. Public and official access to the information will be tightly controlled. The computer files containing this tabulated information will remain password protected at all times. Data security approaching level C-2 will be accomplished using the Windows XP operating system.

#### **Special Tallies and Other Information**

Within 60 days after the completion of the focus groups, Macro will provide the following information:

1. Findings
2. Actions taken or lessons learned
3. Number of requests or attempts for taxpayer participation
4. Number of focus group participants
5. Date the data collection began
6. Date the data collection ended
7. Actual burden hours
8. Cost
9. Audiotapes

### **D. Attachments**

- Appendix A: Screener Guide, Confirmation Letter, Reminder Phone Script
- Appendix B: Moderator's Guide
- Appendix C: Informed Consent