OMB Clearance Package
2011 SPEC VITA Focus Group Testing

Background

The Wage & Investment (W&I) Division of the Internal Revenue Service (IRS) is committed to integrating the taxpayer experience into planning and processes as part of a balanced measurement system that has three components: business results, customer satisfaction, and employee satisfaction. The Stakeholder Partnerships, Education and Communication (SPEC) organization of the IRS fosters voluntary compliance by making W&I taxpayers aware of their federal tax responsibilities and assisting them in preparing timely and accurate returns. SPEC also develops and manages partnerships with key stakeholders, seeking to create and share value by informing, educating, and communicating with shared customers. Additionally, SPEC services W&I taxpayers through education, tax preparation, and asset building.

Objectives of Research

The primary objective of the SPEC Volunteer Income Tax Assistance (VITA) Focus Group project is to obtain input from taxpayers on their experience with the return preparation services provided by SPEC volunteer sites with the goal of integrating taxpayers' opinions to improve the VITA experience and to improve efficiency in the delivery of these services to taxpayers.

The project will explore the following topics:

- Taxpayer awareness of VITA sites and services
- Reason(s) taxpayers use VITA services for tax return preparation
- Taxpayer expectations of VITA sites and services
- Taxpayer experience at a VITA site
  - Experience with the process (including intake, return prep/review),
  - Experience with the volunteer (the main interaction point of contact)
  - Experience with other product offerings (financial literacy/education, debit and credit repair, asset building, health care information, pre-paid debit cards, RALs, banking services (i.e., est. checking accounts, matched savings accounts), home ownership, savings bonds, energy assistance)
- Overall taxpayer experience at a VITA site
- General taxpayer comments or suggestions for improvement to the VITA experience

The project will conduct exploratory research to determine the experiences taxpayers have in obtaining return preparation services at a VITA site. To achieve these objectives, WIRA plans to conduct a total of 8 focus groups, (2 per city) in 4 separate cities. Each focus group will consist of at least 7 participants, with 10 being the ideal number of participants. Upon arrival, participants will be re-screened to confirm their eligibility.

Methodology

Who is conducting the research?

ICF Macro is responsible for recruitment, participant screening, arranging appropriate focus group facilities and equipment, providing audio/video tapes of the groups, and transcripts of the groups. WIRA is responsible for conducting the focus groups, data collection, and data analysis and reporting.

Sample design

The population for this study consists of taxpayers who used a VITA site in select cities during February and March 2011. Two focus groups will be conducted in each of 4 cities for a total of 8 focus groups.

The maximum number of participants per focus group will be 10. ICF Macro will recruit a mix of participants from multiple VITA sites in each city. Prior to making recruitment calls, VITA site users will be asked to complete an interest sign-up sheet (see Attachment 1). A pre-notification letter will also be sent before recruiting calls are made (see Attachment 2). A screener guide has been prepared to recruit participants for each of the focus groups (see Attachment 3).

The focus groups will be held in geographically dispersed cities in the country, with 2 groups in each city. The focus groups will be conducted in Birmingham, AL; Denver, CO; Milwaukee, WI; and Wilmington, DE.

Data collection date

The focus group interviews will be scheduled approximately 4 weeks after OMB approval is received, to allow time for participants to be recruited. Data will be collected from mid-March 2011 through mid-April 2011.

Data to be collected

Data gathered will be information on taxpayers’ experiences with the VITA site. Data will be gathered on the following:

- Taxpayer awareness of VITA sites and services
- Reason(s) taxpayers use VITA services for tax return preparation
- Taxpayer expectations of VITA sites and services
- Taxpayer experience at a VITA site
  - Experience with the process (including intake, return prep/review),
  - Experience with the volunteer (the main interaction point of contact)

- Experience with other product offerings (financial literacy/education, debit and credit repair, asset building, health care information, pre-paid debit cards, RALs, banking services (i.e., est. checking accounts, matched savings accounts), home ownership, savings bonds, energy assistance)

- Overall taxpayer experience at a VITA site
- General taxpayer comments or suggestions for improvement to the VITA experience

How the data will be used

The data collected will be used to develop a better understanding of the taxpayer experience in obtaining return preparation services at a VITA site. It will assist the IRS in developing an understanding of the service needs and preferences of these taxpayers. 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. Specifically, they are a directed discussion with small groups of 7 to 10 people on a specific topic.

How data will be analyzed

Since the data will be qualitative in nature, WIRA will synthesize impressions and key information gathered from the focus groups. ICF Macro will provide transcripts and audio/videotape of each focus group session to WIRA. WIRA will analyze the verbatim feedback from participants to identify key themes in order to facilitate understanding of the taxpayer regarding their customer service experience.

Location—region/city and facilities

The IRS will conduct 4 focus groups (2 per city) in the following cities:

- Denver, CO
- Wilmington, DE
- Milwaukee, WI
- Birmingham, AL

Professional Focus Group Type Facilities will be arranged by the contractor, ICF Macro. The locations will be a professional focus group type facility which will include a respondent discussion room likely equipped with a one-way mirror, an observation room, and audio and video taping capabilities.

Cost of Study

The total estimated cost associated with this study is $44,828.

Stipend

The purpose of the stipend is to encourage participation, and to thank participants for sharing their time and contributions to the discussion. Participants will each receive $50 for a 1-hour session. These stipends are typical for the locations of the groups, type of individuals recruited, and in line with the industry standard.

Recruitment efforts

At each selected VITA site, customers will be given a sheet to fill out if they are interested in participating. They will be asked to provide their contact information. Prior to making recruitment calls, the contractor will mail a pre-notification letter to inform those who expressed interest in participating that they may be receiving a call from ICF Macro soon. Using the screener guide, ICF Macro will recruit participants for the focus groups.

Efforts to not duplicate research

Direct interaction with taxpayers through focus groups has been a research design used by the IRS for a number of years. Our target population has not been studied previously and therefore there is no duplication of research.

Test structure/design

Each focus group will take no more than 1 hour. Prior to the focus group, participants will be asked to read and sign a Consent Form (Attachment 4).

An outline of the areas of discussion is below. The full moderator's guide is available in Attachment 5.

Introduction

- Moderator introduces self, topic of discussion, and ground rules (audio/video taping, presence of observers, privacy, etc.
- Respondents introduce themselves by first name

General Discussion of Customer Service Expectations and Experience with VITA Site

- Taxpayer awareness of VITA sites and services
- Reason(s) taxpayers use VITA services for tax return preparation
- Taxpayer expectations of VITA sites and services
- Taxpayer experience at a VITA site
    - Experience with the process (including intake, return prep/review),
    - Experience with the volunteer (the main interaction point of contact)
    - Experience with other product offerings (financial literacy/education, debit and credit repair, asset building, health care information, pre-paid debit cards, RALs, banking services (i.e., est. checking accounts, matched savings accounts), home ownership, savings bonds, energy assistance)

Closing

- Elicit final suggestions/ recommendations from participants
- Address any additional questions from observers

WIRA staff will moderate the focus groups. The moderator's guide was developed by WIRA (see Attachment 5).

Sampling Plan

Each focus group will have 7 to 10 participants. Research has demonstrated that this number of participants helps create the best group dynamics: 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. Only qualitative data will be gathered, which will not be, nor presented to be, representative of the population.

Participant Criteria

ICF Macro will recruit participants that will create a mixed focus group in relation to annual income, whether the taxpayer has visited a VITA site in the past, marital status, number of children in the home, age, and gender. To participate in the study, individuals must have an annual income under $50,000.

Privacy, Security, and Disclosure

The data returned to IRS WIRA will have no identifying information relating specific records to individual taxpayers. Nonetheless, WIRA 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.

Audio and video tapes used to record testing sessions will be destroyed when the project is completed and there is no further need for the data.

We will apply fair information and record-keeping practices to ensure protection of all taxpayers. The criterion for disclosure laid out in the Privacy Act, the Freedom of Information Act, and section 6103 of the Internal Revenue Code, provides for the protection of taxpayer information as well as its release to authorized recipients.

Estimated 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 testing session lasting 1 hour. We estimate that 10 percent of the taxpayers contacted for the study will qualify and be willing to participate. Using this percentage, a total of 960 individuals will need to be screened to recruit the needed 10 participants for each focus group. We estimate that 16 people will be sent home because we will only need 80 to stay for the focus groups. Of those being sent home, we estimate 30 minutes of travel time.

Total number of taxpayers who complete the Interest Form (2,000 X 1 minute = 33.3 hours)	2,000
Total number of potential participants screened	960
Estimated time to read pre-notification letter (960 X 2 minutes = 32 hours)	2 minutes
Estimated time to complete screening (960 X 5 minutes = 80 hours)	5 minutes
Estimated time for reminder phone call (96 recruited for groups X 1 minute = 1.6 hours)	1 minute
Estimated participant screening burden	**146.9 hours**
Time to complete Informed Consent (96 X 1 minute = 1.6 hours)	1 minute
Total number of participants	80
Time to conduct study (including 30 minutes for travel) (80 X 1.5 hours = 120 hours)	1.5 hours
Travel time for people sent home (16 x .5 hours = 8 hours)	30 minutes
Estimated study burden	**129.6 hours**
Estimated total project burden hours	**276.5 hours**

Focus Group Arrangements

ICF Macro will manage every aspect of recruitment. They will also negotiate and arrange for professional focus group type facilities in Birmingham, AL; Denver, CO; Milwaukee, WI; and Wilmington, DE to host the focus groups.

ICF Macro will ensure that:

- Each participant receives directions to the focus group room.
- Each participant signs an informed consent before participating in the focus group.
- All materials are ready for use in the focus group session, including tables and chairs, newsprint, colored markers, note pads, pencils, and audio/video tapes.
- Complimentary refreshments appropriate to the time of day are available for the focus group participants.

- Equipment rented from the facility is operating properly.
- Stipends to participants are distributed upon the completion of the session.
- Last names or other identifying information are NOT available to IRS personnel.

Special Tallies and Other Information

ICF Macro will provide WIRA the following information:

- Number of requests or attempts for taxpayer participation
- Number of taxpayers who responded to recruitment announcement and outcome of screening interview
- Number of focus group participants
- Date the data collection began
- Date the data collection ended
- Actual burden hours
- Cost
- Transcripts and audio/video tapes.

Attachments

Attachment 1: Participation Interest Form

Attachment 2: Pre-Notification Letter

Attachment 3: Participant Screener

Attachment 4: Informed Consent Form

Attachment 5: Moderator's Guide