

**OMB Supporting Statement
IRS Large & Mid-Size Business Division
CUSTOMER SATISFACTION SURVEY 2009**

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. This is the seventh 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 pre-note letter provided by IRS and mailed by contractor soliciting their participation.

Information Collection Dates

The survey data collection is conducted twice a year. Customers will be surveyed in September-October 2009 for cases closed the previous October-March and in November- December for cases closed the previous April-September. Approximately

600 Industry Case (IC) customers are surveyed for each period for a total of 1200. Approximately 75 Coordinated Industry Case (CIC) customers are surveyed in each period for a total of 150.

Data to be collected

A scripted survey with questions that 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.

Estimated Burden Hours

Each interview will take about ten minutes. Based on average survey population and response rates from FY 2008 completed surveys, total hours would be 286 hours.

Industry Customers	$1200 \times 10 \text{ minutes}/60 = 200 \text{ hours}$
Coordinated Industry Customers	$200 \times 10 \text{ minutes}/60 = 33 \text{ hours}$
Combined Non-Response Customers	$1052 \times 3 \text{ minutes}/60 = 53 \text{ hours}.*$

*Response rates for FY 2008 survey for IC was 55% and for CIC 74%. Thus non response estimated for FY 2009 is 982 for IC (1200/.55 less 1200 completed surveys) and 70 for CIC (200/.74 less 200 completed surveys)

The answers provided are used to report summary data to IRS. Raw data is provided to IRS but without any identifying information so that IRS can not attribute an answer to an individual customer. Customers 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.

How data will be used

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.

How data will be analyzed

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”. Subsets of scores will be derived for each of the six key areas.

Who is conducting research?

LMSB Planning, Quality, Analysis and Support contracts the survey which is conducted by an outside contractor, Pacific Consulting Group (PCG) and their subcontractor Schulman, Ronca and Bucuvalas, Inc (SRBI).

Anonymity, Disclosure, and Security

All survey responses will be released only as summaries. No individual answers will be reported and survey responses will have no effect on individual tax accounts. Customers 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).

Estimated Cost

The total estimated cost associated with this study is: \$240,000.

Contact

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

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Attachments

A: Pre-Note Letter

B: Scripted Telephone Questionnaire