

**OMB SUPPORTING STATEMENT**  
**STUDY TO MEASURE CUSTOMER SATISFACTION**  
**CCE TOLL-FREE CUSTOMER SATISFACTION SURVEY– CY2010**  
**JANUARY 1, 2010 - DECEMBER 31, 2010**  
**TIRNO-05-Z-00014**

## **Introduction**

### **Background/Overview**

IRS engages a balanced measurement system consisting of business results, customer satisfaction, and employee satisfaction. The Compliance Center Exam (CCE) Toll-free function within the Compliance organization of Wage and Investment (W&I) Division is responsible for responding to customer technical and account inquiries, resolving customer account issues, providing account settlement (payment options), and working related issues. As an important customer interface for W&I, CCE Toll-free needs feedback from customers to continuously improve its operations. This initiative is part of the Service-wide 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 key goals of the CCE Toll-free Customer Satisfaction Survey are to investigate what specific actions IRS can take to improve customer satisfaction with the current CCE Toll-free W&I service and to gauge the effectiveness of changes to the CCE Toll-free W&I service. W&I uses the survey to detect changes in customer satisfaction before and after specific changes are made to the CCE Toll-free W&I services, such as adding new scripts and features to W&I CCE Toll-free.

## **Methodology**

### **Sample Design**

The automated telephone survey is based upon a sample of 7,200 attempted interviews per year with a 30% response rate, yielding 2,160 surveys completed per year. The sampling is stratified by 5 W&I CCE Toll-Free sites for 360 attempts per site per quarter. This sample size allows the vendor to focus on targeted customer groups based on specific survey responses. For instance, the IRS might want to concentrate on dissatisfied customers. This sample size allows the vendor to get valid samples for these small populations. A precision margin of 5% and confidence interval of 95% is expected.

The contractor provides the sampling specifications to W&I to apply to the sampling databases. This is the sampling methodology currently in use for the CCE Toll-free Customer Satisfaction Survey. Each site reports its sampling efforts to the vendor on a weekly basis. The contractor monitors the sampling process to ensure the procedures are providing the desired number of respondents and will coordinate with appropriate W&I personnel on sampling and related matters. Sampling is performed continuously by IRS quality control monitors in the CCE Toll-free sites according to the procedures developed by the contractor.

**Data to be Collected**

W&I CCE Toll-free taxpayer customer satisfaction responding data is collected.

**How Data is Collected and Used**

The survey data is collected via a Interactive Voice Response (IVR) phone questionnaire. The representative asks the customer to participate in the survey. Callers who agree to participate are transferred to the IRS monitor, who then transfers the customer into the automated survey which conducted by Pinpoint. This data is transferred to PCG to conduct analysis and prepare reports.

Survey scoring for this contract is based on the Customer Satisfaction Survey Score response average to the keystone question – “Everything considered, rate your overall satisfaction with the service you received during this call.” Questions utilize a 5-point rating scale, with 1 being very dissatisfied and 5 being very satisfied. All survey responses are released only as summaries. The contractor shall hold the identities, of the taxpayers responding to the survey, private to the extent permitted by law.

The collected data is used to survey and track customer satisfaction at all W&I CCE Toll-free sites, at the site level and nationally. The respondent data is analyzed with a view to:

- Provide insight from the customer’s perspective about possible improvements.
- Provide useful input for program evaluation and execution at the programmatic and area office level of service delivery.
- Provide additional information on important “drill down” areas.

**Dates of Collection Begin/End**

Data collection runs the 2010 calendar year from January 1, 2010 through December 31, 2010.

**Who is Conducting the Research/Where**

The survey is conducted by Pacific Consulting Group and their subcontractor, Pinpoint Research. The CCE Toll-free customer service call sites have identified personnel to monitor calls that match the sampling pattern and to solicit taxpayer participation in the survey. At the end of a Toll-free call, the IRS monitor notifies the IRS customer service representative that the call has been selected for inclusion in the survey.

**Cost of Study**

The estimated cost of the study is \$95,488.00.

**Expected Response Rates**

The expected response rate is 30%. The expected response rate on this survey is lower than the OMB 50% target rate since the sample consists of taxpayers with compliance issues. They either owed money to the IRS or had unfiled tax returns. This group of taxpayers generally doesn’t seek out the IRS. In addition, there are no incentives offered to encourage taxpayers to respond to the survey. With regard to the low response rate, the IRS will assume that all data collected from this survey is **qualitative in nature**, and that no critical decisions will be made by this office solely from the analysis of data from this survey. The results from this survey are simply one piece of a larger set of information needed to assess the needs related to services provided by the IRS.

**Methods to Maximize Response Rate**

The questionnaire length is minimized to reduce respondent burden; thereby, tending to increase response rates. Respondents are assured anonymity of their responses. Also, weighting procedures can be applied to adjust aggregated data from those who do respond.

**Test Structure and Design**

The CCE Toll-free questionnaire is an established and tested survey instrument. If changes are made to the questionnaire, only minor changes are expected. Revising the coding scheme for open-ended questions is one example.

**Efforts to not Duplicate Research**

The W&I CCE Toll-free Customer Satisfaction survey is currently the only CCE Toll-free study being conducted by the business operating unit of W&I Compliance.

**Participants Criteria**

Customers (taxpayers) who participate in this survey interact with the automated phone system concerning a tax related issue and speak to a Customer Service Representative (CSR) during their most recent call immediately preceding the survey.

**Privacy, Disclosure and security issues**

The IRS will ensure compliance with the Taxpayer Bill of Rights II. All participants will be treated fairly and appropriately.

The security of the data used in this project and the privacy of participants 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 A7B. Physical security measures include a locked, secure office. Audiotapes are stored in locked cabinets. Transcription of audiotapes are stored in locked cabinets or shredded. Data security at the appropriate levels has been accomplished. 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 participants. This includes criterion 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. Privacy will be safeguarded; participants will not be identified to IRS personnel. In addition, no participant names will be mentioned in the reports or data files. Participants will be advised that comments will be audio taped. Privacy is assured by virtue of agency policy.

Pursuant to the Federal Information Security Management Act (FISMA), Title III of the E-Government Act of 2002, P.L. 107-347, the contractor shall provide minimum security controls required to protect Federal information and information systems. The term ‘information security’ means protecting information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide confidentiality, integrity and availability.

The contractor shall provide information security protections commensurate with the risk and magnitude of the harm resulting from the unauthorized access, use, disclosure, disruption, modification, or destruction of information collected or maintained by or on behalf of the agency; or information systems used or operated by an agency or by a contractor of an agency. This applies to individuals and organizations having contractual arrangements with the IRS, including employees, contractors, vendors, and outsourcing providers, which use or operate information technology systems containing IRS data. The contractor shall comply with Department of Treasury Directive TD P 85-01, Treasury Security Manual TDP 71-10, and Internal Revenue Manual 10.8.1 Information Technology Security Policy and Guidance. The contractor shall comply with IRS Internal Revenue Manuals (IRM) and Law Enforcement Manuals (LEM) when developing or administering IRS information and information systems. The contractor shall comply with the Taxpayer Browsing Protection Act of 1997 - Unauthorized Access (UNAX), the Act amends the Internal Revenue Code 6103 of 1986 to prevent the unauthorized inspection of taxpayer returns or tax return information. Contractors systems that collect, maintain, operate or use agency information or an information system on behalf of the agency (a General Support System (GSS), Major or Minor Application with a FIPS 199 security categorization) must ensure annual reviews, risk assessments, security plans, control testing, a Privacy Impact Assessment (PIA), contingency planning, and certification and accreditation, at a minimum meet NIST guidance, if required by the IRS.

The contractor shall be subject to at the option / discretion of the agency, to periodically test, (but no less than annually) and evaluate the effectiveness of information security controls and techniques. The assessment of information security controls may be performed by an agency independent auditor, security team or Inspector General, and shall include testing of management, operational, and technical controls of every information system that maintain, collect, operate or use federal information on behalf of the agency. The agency and contractor shall document and maintain a remedial action plan, also known as a Plan of Action and Milestones (POA&M) to address any deficiencies identified during the test and evaluation. The contractor must cost-effectively reduce information security risks to an acceptable level within the scope, terms and conditions of the contract. The contractor shall maintain procedures for detecting, reporting, and responding to security incidents, and mitigating risks associated with such incidents before substantial damage is done to federal information or information systems. The contractor shall immediately report all computer security incidents that involve IRS information systems to the IRS Computer Security Incident Response Center (CSIRC). Any theft or loss of IT equipment with federal information / data must be reported within one hour of the incident to CSIRC. Those incidents involving the loss or theft of sensitive but unclassified (SBU) data (i.e. taxpayer, PII) shall be reported to CSIRC, first-line manager, and Treasury Inspector General for Tax Administration (TIGTA). Based on the computer security incident type, CSIRC may further notify the Treasury Computer Security Incident Response Capability (TCSIRC) in accordance with TCSIRC procedures.

### **Burden Hours**

The survey interview has been designed to minimize burden on the taxpayer. The time that a respondent takes to complete the phone survey has been carefully considered and only the most important areas are being surveyed. The average time of survey completion is expected

to be 9 minutes. The questions are generally one sentence in structure and on an elementary concept level.

Based on a sample of potential respondents of 7,200 and a response rate of 30%, we expect 2,160 survey participants, leaving 5,040 non-participants. The contact time to determine non-participants could take up to one minute , with the resulting burden for non-participants being  $5,040 \times 1 \text{ minute} = 5,040/60 \text{ minutes} = \underline{84 \text{ burden hours}}$ .

For participants, the time to complete the survey is 9 minutes. This reflects the time to get into the automated survey (1 minute) as well as the time to complete the survey (8 minutes maximum). The time burden for participants being  $2,160 \times 9 \text{ minutes}/60 \text{ minutes} = \underline{324 \text{ burden hours}}$ .

Thus the total burden hours for the survey would be  $(84 + 324) \underline{408 \text{ burden hours}}$ .

### **Attachments**

W&I CCE Toll Free survey script.