

**OMB SUPPORTING STATEMENT  
STUDY TO MEASURE CUSTOMER SATISFACTION OF  
IRS SB/SE FIELD COLLECTION CUSTOMERS  
BPA TIRN0 10-Z-00010, Task Order #0005 (FY2011)  
APRIL 1, 2011 – MARCH 31, 2012**

**Introduction**

The IRS has replaced its traditional measures of accomplishment with a balanced measurement system consisting of business results, customer satisfaction, and employee satisfaction. The Collection section within the Compliance Operating Unit (OU) of Small Business/Self-Employed will be responsible for resolving customer account issues, providing account settlement (payment options), and working related issues. As an important customer interface for Small Business/Self-Employed, Collection will need 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. The primary goals of the survey are 1) to survey our external customers on an ongoing basis regarding their expectations, 2) track customer satisfaction progress over time nationwide, and 3) identify operational improvements with Small Business/Self Employed Division. **The feedback received will not institute new policy, yet will enable the Service to meet taxpayer needs effectively.**

**Customer Satisfaction Survey**

The customer satisfaction survey questionnaire is attached. Completion of the survey is expected to take approximately three minutes. The objective of the survey will be to gauge customer expectations and perceptions about the Collection process. The questionnaire is based on the contractor's Net Impression methodology, which asks respondents to evaluate various aspects of their experience and to provide an overall summary evaluation. The questionnaire was developed and revised based on input from focus groups with customers who had a recent closed case with Collection. The results have facilitated more effective management of SB/SE Collection by:

- Providing insight from the customer's perspective about possible improvements.
- Providing useful input for function evaluation.

The survey includes several rating questions evaluating service delivery during the Collection process as well as questions about their experience and demographic items.

In addition, ample space is provided for suggestions for improvement. Survey scoring for this contract will be based on the Customer Satisfaction Survey Score response average to the keystone question – “How would you rate your overall experience with your experience working with the revenue officer assigned to your case from the local IRS office?” Questions will utilize a 5-point rating scale, with 1 being very dissatisfied and 5 being very satisfied. All survey responses generated will be anonymous. The contractor shall ensure that taxpayers responding to the survey are guaranteed anonymity.

### **Design and Methodology**

The sample will consist of closed Collection cases from April 2011 to March 2012. The contractor will stratify the sample by eight Areas (including International), drawing 8,400 samples per year, resulting in a total of 5,040 completed questionnaires per year. These estimates assume a 60% response rate, which the contractor will aim to achieve.

The contractor will administer the survey by mail on a monthly basis. Standard procedures will be used in order to obtain the highest response rate possible for the mail survey. These will include: 1) a pre-notification letter on IRS letterhead, 2) cover letter and questionnaire, 3) a postcard reminder, and, 4) a second cover letter and copy of questionnaire to non-respondents. The contractor will, on an annual basis, summarize the quantitative ratings and produce a national report showing customer satisfaction scores on all Collection survey items and overall improvement priorities for the function. The contractor will also provide site level data in the annual report. The contractor will include any relevant database variables in the analysis and will weight the survey responses as necessary to reflect accurately the entire customer base.

One annual report of survey findings will be distributed to the IRS approximately six weeks after the survey cut-off date for the last quarter. Additionally, each quarter, an Excel spreadsheet will be delivered with % satisfied and % dissatisfied for each rating question. This analysis will be delivered approximately four weeks after each quarter's cut off date.

### **Evaluation**

For the annual report, the contractor will use basic and advanced statistical techniques including, but not limited to, analysis of variance and the prioritization of improvement priorities using the contractor's established techniques.

- Survey counts and overall response rates.
- The overall level of customer satisfaction with services provided by Collection
- The averages and frequencies for all rating questions.
- The differences in satisfaction ratings and attitudes across customer segments.

- Which areas of service, in priority order, Collection should focus its resources to improve overall satisfaction.
- Analysis of the relationship between survey responses.
- Analysis of the one open-ended question for improvement suggestions.

### **Estimates of the Burden of Data Collection**

The Collection survey has been designed to minimize burden on the taxpayer. The time that a respondent takes to complete the survey has been carefully considered and only the most important areas are being surveyed. The average time of survey completion is expected to be 3 minutes, plus 2 minutes to read the pre-notification letter. This is based on the questionnaire consisting of 14 satisfaction questions and 5 experience or demographic questions, plus one open-ended question on suggestions for improvement. The questions are generally one sentence in structure and on an elementary concept level.

We have made every attempt in designing this survey to maximize response rate. Using the response rate of 60 percent, the total burden in hours is estimated to be 532 hours, broken down as follows:

Survey respondents: 420 hours (5,040 surveys x 3 minutes / 60 minutes + 5,040 pre-notification letters x 2 minutes / 60 minutes).

Non-respondents: 112 hours (3,360 pre-notification letters x 2 minutes/ 60 minutes).

The grand total burden is estimated to be 532 hours.

### **Privacy, Security, Disclosure and Anonymity**

All participants will be subject to the provisions of the Taxpayer Bill of Rights II during this study and the contractor 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 & 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 Server 2003 operating system. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

The contractor 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 survey will not contain tax return or taxpayer information. Survey participants will not be identified in any of the documents used for this project. The contractor will limit and control the amount of information we collect to those items that are necessary to accomplish the research questions. The contractor will carefully safeguard the security of data utilized as well as the privacy of the survey respondents. The contractor will apply the fair information and record-keeping practices to ensure protection of all survey respondents. 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 information as well as its releases to authorized recipients.

### **Other Information**

The following information will be provided to the Performance Planning and Analysis Section within 60 days after the close of the survey data collection operations:

- 1) Purpose
- 2) Findings: a brief summary of significant (important) findings that were evidenced in the survey results.
- 3) Actions taken or lessons learned: a brief summary of any actions taken or lessons learned as a result of the survey findings.
- 4) Number of requests or attempts for taxpayer participation for surveys
- 5) Number of questionnaires returned or number of focus group participants
- 6) Date the data collection began
- 7) Date the data collection ended
- 8) Response rate
- 9) Actual burden hours
- 10) Cost: including reproduction costs, travel, overtime payments, stipends, and any other costs incurred as a direct result of the survey (does not include regular salaries of IRS employees or those of contractors).

The estimated cost for this project is \$85,567.

### **H. Statistical Contact**

For questions regarding the study or questionnaire design or the statistical methodology, contact:

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