

SUPPORTING STATEMENT
Approval Request to Conduct Customer Satisfaction Research
W&I Taxpayer Assistance Center (TAC) Customer Expectations Survey, FY 2013

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Internal Revenue Service (IRS) enlists a balanced measurement system consisting of business results, customer satisfaction, and employee satisfaction. This initiative is part of the Service-wide effort to maintain a system of balanced organizational performance measures mandated by the IRS Restructuring and Reform Act (RRA) of 1998. This is also a result of Executive Order 12862 that requires all government agencies to survey their customers.

The Field Assistance (FA) operation within the Customer Assistance, Relationships and Education (CARE) Operating Unit of the W&I Business Operating Division (BOD) is responsible for providing quality face to face assistance and facilitated self-assisted service that resolve tax issues and educate the taxpaying public. W&I require feedback from customers to continually improve operations. W&I solicit this feedback through customer satisfaction research.

FA supports ongoing research regarding customer satisfaction. Since 2001, FA has implemented “Your Opinion Counts!” surveys to gauge customer satisfaction for select services. However, in a 2005 audit, the Treasury Inspector General for Tax Administration (TIGTA) emphasized that the effectiveness of the Taxpayer Assistance Center (TAC) program could not be measured due to several limitations.¹ One of those limitations was that FA had not conducted studies identifying specific characteristics of customers who seek face to face assistance or the services those customers needed.

In an effort to better understand TAC customer service needs and expectations, FA requested that Wage and Investment Research and Analysis (WIRA) conduct a study exploring these issues during FY 2010. Data from this research effort enabled FA to modify its current business model based on informed decisions regarding the expectations of TAC customers.

The proposed study seeks to administer a follow-up taxpayer expectations survey in order to identify changes in the customer base. Additionally, the FY 2013 TAC Customer Expectations Survey will gather taxpayers’ expectations of TAC service performance and the extent to which their expectations are met. Collecting this data will enhance FA’s ability to take a data-driven approach to determine the right mix of services, delivery methods, and allocation of resources. As a result, FA will be able to enhance its business model and provide more effective and efficient taxpayer service.

2. Purpose and Use of the Information Collection

¹ Treasury Inspector General for Tax Administration, *The Effectiveness of the Taxpayer Assistance Center program Cannot be Measured July 2005*, reference number 2005-40-110.

This research will provide FA with information that will identify potential service enhancements to TACs, including customizing services where feasible. In particular, the objectives are:

1. Identify the demographic characteristics of taxpayers who visit TACs.
2. Determine taxpayers' performance expectations for TACs (e.g., type and quality of service, wait and service times, issue resolution, the service process, and staff performance).
3. Identify the degree to which respondents indicate that their expectations for certain aspects of a visit to a TAC were met during the visit.
4. Identify the extent to which respondents indicate that they were satisfied with their overall TAC visit.
5. Use data on TAC customer performance expectations for and satisfaction with walk-in service to determine the extent to which the current TAC business model allows FA to meet customer expectations.

3. Consideration Given to Information Technology

The survey will be administered in person by paper.

4. Efforts Not to Duplicate Research

This will be the only research associated with TAC customer expectations until FY 2016. This survey will provide valuable information that is not available in any internal IRS data source.

5. Reducing the Burden on Small Entities Expected Response Rate

NA

6. Consequences of Not Conducting Collection

Without conducting the Expectations survey, FA would be unable to identify specific characteristics of customers who seek face to face assistance or the services those customers need. In light of limited resources, it is important for FA to identify the extent to which their customers' expectations and satisfaction is being met. It is also necessary to identify key drivers in customer satisfaction and expectations so that FA can make data-driven decisions about changes to the business model.

7. Special Circumstances

There are no special circumstances. The information collected will be voluntary. These statistics could be used in making data-driven decisions regarding enhancements to the current FA business model.

8. Consultations with Persons Outside the IRS

NA

9. Payment of Gift

Each participant will be offered an incentive; a plastic cup that costs approximately \$0.59 a piece. Without this incentive, the response rate will likely decrease and the survey administrators may not be able to attract subjects to participate in this study. Offering incentives for participating in this type of research is a standard industry practice.

10. Confidentiality

This research will not contain or collect tax return or taxpayer information. Participants will not be identified in any of the documents or files used for this project. WIRA will limit and control the amount of information collected to those items that are necessary to accomplish the research questions.

WIRA will carefully safeguard the security of data utilized as well as the privacy to the extent allowed by law of the respondents. WIRA 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.

11. Sensitive Nature

No questions will be asked that are of a personal or sensitive nature.

12. Burden of Information Collection

This research has been designed to minimize burden on the respondents. The time that a respondent takes to participate in the research has been carefully considered and only the most important areas are being discussed. This will aid in decreasing respondent burden. We estimate contacting 1,700 participants with a response rate of 72 percent. The total burden estimate for recruiting and administering the survey is 232.3 hours.

BURDEN HOURS

Category of Respondent	No. of Respondents	Participation Time	Burden Hours
Inviting 1,700 participants	1,700	1 minute	28.3
Participants	1,224	10 minutes	204
Total			232.3 hrs

Total minutes = 13,940 minutes or 232.3 hours

Total Burden = 232.3 hrs

13. Costs to Respondents

NA

14. Costs to Federal Government

\$41,000

15. Reason for Change

NA

16. Tabulation of Results, Schedule, and Analysis Plans

The survey data is collected via paper questionnaire and is an established and tested survey instrument. If changes are made to the questionnaire, they are expected to be minor. The survey includes several ratings questions evaluating service delivery during the TAC visit, as well as several demographic items. In addition, respondents are provided the opportunity to give suggestions for improvement.

WIRA will be responsible for data collection, entry, cleaning and analysis. Data collected during the first and second planning periods will be tabulated in interim power point presentations and shared with the customer. A full report will include data from all three planning periods and provided to FA upon completion of the project.

17. Display of OMB Approval Date

NA

18. Exceptions to Certification for Paperwork Reduction Act Submissions

NA

19. Dates collection will begin and end

Collection will begin as early as October 1, 2012 and will end prior to September 30, 2013.

B. STATISTICAL METHODS

1. Universe and Respondent Selection

The sampling frame for the project includes all TACs in the U.S. with the following exceptions: TACs in Hawaii (3), Alaska (2), and Puerto Rico (1). These TACs are not included due to governmental costs associated with travel for administration. Thus, the sampling frame will include a total of 392 TACs.

Respondents will include those taxpayers who visit selected TACs during the two days of survey administration that also voluntarily agree to participate.

2. Procedures for Collecting Information

During each of FA's three planning periods (PP's), WIRA and FA staff will travel to selected project sites for a two-day participant recruitment and survey effort. The two-part self-administered paper survey will enable researchers to collect information about taxpayers'

demographics and expectations for service, while the post-service questions will determine whether expectations were met and the result of the visit.

Data will be collected among taxpayers who visit a stratified random sample of 21 IRS offices (project sites) for the duration of two business days. Project sites will be selected by TAC ZIP Code population as cited in the TAB Phase II Report for each of three FA time intervals known as planning periods. Table 1 illustrates each of the project's strata and their definitions. Four low ZIP Code population and three non-low ZIP Code population (one from each of the three other ZIP Code population levels) TACs will be selected randomly and without replacement for each data collection interval.

Table 1. TAC ZIP Code Population Groups

Strata	TAB Phase II Definitions
Low ZIP Code Population	ZIP Code population is < 500 per square mile
Moderate ZIP Code Population	ZIP Code population is 500 – 2,500 per square mile
High ZIP Code Population	ZIP Code population is 2,500 – 7,500 per square mile
Very High ZIP Code Population	ZIP Code population is more than 7,500 per square mile

Methods to Maximize Response

Standard procedures will be used in order to obtain the highest response rate possible for the survey. The survey administrators will recruit participants by inviting all taxpayers that visit on the days of administration to complete a survey. To encourage participation, the survey administrator will offer an incentive, a plastic cup that promotes use of IRS.gov.

3. Testing of Procedures

The purpose for this OMB approval application is to conduct a customer expectation survey during FY 2013 of TAC visitors.

4. Contacts for Statistical Aspects and Data Collection

For questions regarding the usability test, contact:

Melissa Hayes
 Social Scientist
 401 NW Peachtree St, Mail Stop 16
 Atlanta, GA 30308
 Telephone: 404-338-9060
 E-Mail: Melissa.M.Hayes@IRS.gov

The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1432. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to the, Internal Revenue Service, Tax Products

Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.

Attachments

A: Taxpayer Assistance Center (TAC) Customer Expectations Survey FY 2013