

Supporting Statement
Approval Request to Conduct Customer Satisfaction Research
(OMB #1545-1432)

FY 2014 Taxpayer Advocate Service Customer Satisfaction Survey

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Executive Order 12862 requires all government agencies to survey their customers, and incorporate customer preferences in their process improvement efforts.¹

Internal Revenue Bulletin 2005-45 (November 7, 2005) describes that: “The customer satisfaction goals and accomplishments of operating units within the IRS will be determined on the basis of information gathered through various methods.² For example, questionnaires, surveys and other types of information gathering mechanisms may be employed to gather data regarding customer satisfaction. Information to measure customer satisfaction for a particular work unit will be gathered from a statistically valid sample of the customers served by that operating unit and will be used to measure, among other things, whether those customers believe that they received courteous, timely, and professional treatment by the IRS personnel with whom they dealt. Customers will be permitted to provide information requested for these purposes under conditions that guarantee them anonymity. For purposes of this section, customers may include individual taxpayers, organizational units, or employees within the IRS and external groups affected by the services performed by the IRS operating unit”.

2. Purpose and Use of the Information Collection

It is through this process that the Taxpayer Advocate Service (TAS) is able to establish and maintain an awareness of customer expectations, to identify gaps between customer expectations and organizational performance, and to better calibrate its services to meet customer expectations. Data collected will help TAS to identify the underlying causes of customer dissatisfaction in different types of case work and in specific organizational locations, and provide the basis for implementing appropriate organizational changes. TAS provides remedial services to 230,000 – 300,000 taxpayers per year; obtaining customer feedback about the timeliness and quality of TAS’s services from a sample of this group will enable TAS to improve its operations for the whole population.

TAS will collect, analyze, and interpret information gathered to identify strengths and weaknesses of current services and make improvements in service delivery based on feedback. The solicitation of feedback will target areas such as: timeliness, communication, knowledge, fairness and resolution of issues. Responses will be assessed to plan and inform efforts to improve or maintain the quality of service offered to the public.

3. Consideration Given to Information Technology

¹ Reference: <http://govinfo.library.unt.edu/npr/library/direct/orders/2222.html>

² Reference: http://www.irs.gov/irb/2005-45_IRB/ar12.html

TAS will administer its customer satisfaction survey using multiple platforms including the internet and telephone options. TAS requested quotes from potential customer satisfaction vendors that included proposals for internet survey options. Pacific Consulting Group (PCG) was selected as the survey contractor. PCG subcontracts with Pacific Market Research (PMR) for the survey administration work (telephone). Similar to FY 2013 customer satisfaction survey, the TAS survey administration will include internet and telephone survey options. As part of the “multi-mode survey” process, taxpayers, or their authorized representatives, will receive an invitation to take an internet survey. The invitation (sent either by paper letter or e-mail³), will allow the potential survey respondent to contact the vendor to schedule a phone survey or request not to be contacted again. If the invitee has not taken the survey within a specified period of time, the vendor will attempt to contact the individual by phone. At this time, the individual can opt out, take the survey by telephone during the call, or schedule another time to take the survey by phone.

4. Duplication of Information

No similar data are gathered or maintained by TAS nor available from other sources known to TAS.

5. Reducing the Burden on Small Entities

Small business or other small entities may be involved in these efforts but TAS will minimize the burden on them by sampling and communicating with their representatives when appropriate. Additionally, this survey is voluntary, these entities have the option of not participating. Approximately 8 percent of the total responses are expected to be from small businesses assuming they participate at the same rate as others in the sample population.

6. Consequences of Not Conducting Collection

Without this feedback, TAS will not have timely information to adjust its services to meet customer needs or address specific areas of customer dissatisfaction.

7. Special Circumstances

There are no special circumstances. The results received will not institute new policy, yet will enable the Service to effectively meet taxpayer needs.

8. Consultations with Persons Outside TAS

Not applicable.

³ Included in the Task with PCG is an option to allow for sending a “pre-notification” notice by e-mail. However, TAS is not collecting e-mail addresses due to the restriction on using e-mail addresses to communicate with taxpayers by e-mail. In the event that IRS does allow using e-mail addresses (and TAS starts collecting e-mail addresses), TAS will have PCG send the pre-notification notice by e-mail to those individuals who have provided their e-mail addresses.

9. Payment or Gift

TAS will not provide payment or other forms of remuneration to respondents of its customer satisfaction survey.

10. Confidentiality

Respondent's privacy will be protected to the extent allowed by law. Pacific Market Research (PMR), the firm that conducts the telephone survey for Pacific Consulting Group (PCG) will inform participants that it will keep their answers private to the extent allowed by law and any data provided to TAS will be completely anonymous. In addition, the research firm, PCG, will not provide TAS with results of fewer than ten respondents. As part of the security clearance package, all interviewers and project staff who have access to sensitive information, sign and return a non-disclosure agreement. Data provided to the PCG by TAS are used for the purpose of selecting a sample and conducting the survey. PCG is prohibited from using this data for any other purpose. Specific identifying characteristics of taxpayers or their powers of attorney are used only for the purpose of establishing contact for the survey and for ensuring contractor accountability in the event that a taxpayer initiates an inquiry about the conduct of the survey. PCG is responsible for limiting access to the data based on a need to know basis. PMR employees who conduct interviews have access only to enough information needed to initiate contact with prospective subjects of the survey (e.g., name and phone number). Survey respondents who don't take the internet survey will be called by a computer queuing system. Access to all case-related data are maintained by PCG on a secure computer system to which access is restricted to the respective firm's project manager and/or the employees (statistician/programmer) who are responsible for selecting the targeted survey population and establishing the queuing system.

All data containing specific identifying characteristics of either the taxpayer or his/her authorized representatives responding on behalf of the taxpayer (e.g., name, address, phone number, case number, etc.) are removed by the PCG after the survey is completed and the data are returned to TAS. The PCG is responsible for sanitizing the data provided to TAS, i.e., removing all taxpayer-specific identifying characteristics and for ensuring the subsequent validity, accuracy and completeness of the data set that is returned to TAS. The data available to TAS therefore is restricted to: (a) responses to the survey questions; and (b) case characteristics.

11. Sensitive Nature

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

12. Burden of Information Collection

Our method of collection will be by internet and telephone interview to administer one survey. The survey contractor may contact approximately 38,328 individuals to yield approximately 15,561 respondents.

The annual burden hours requested of 3,232 hours are based on the number of collections we expect to conduct over the requested period for this clearance with an expected response rate of 40.6 Percent.⁴

⁴ Response rate calculation provided by the research contractor, PCG, based on FY 2012 survey results. All estimates are based on the 1) current response rate and 2) expected number of 15,561 respondents.

Estimated Annual Reporting Burden				
Type of Collection	No. of Respondents	Annual Frequency per Response	Hours per Response	Total Hours
Individuals who are called	38,328	--	1 minute or less	639
Individuals who respond when called or respond to internet survey	15,561	--	10 minutes	2,593
Totals				3,232

13. Costs to Respondents

No costs are anticipated.

14. Costs to Federal Government

The anticipated cost to the Federal Government is approximately \$492,000. These costs are comprised of: 1) contractor payments of approximately \$480,000 and 2) printing costs of \$12,000.

In FY 2014 using TAS will provide multiple options for taxpayers to take the TAS customer satisfaction survey, either using the internet or telephone. The short-term and long-term costs for a customer satisfaction survey are reduced substantially if an acceptable number of taxpayers participate in the internet survey (and the number may gradually increase with the expansion of access to the internet).

In addition, if TAS begins collecting email addresses from taxpayers and their representatives, the research contractor for TAS will be able to send email invitations for the survey. The advantages of this option include less cost for printing and postage and the ease for respondents of taking an internet survey accessible via direct email.

15. Reason for Change

N/A

16. Tabulation of Results, Schedule, Analysis Plans

Feedback collected provides useful information, but it does not yield data that can be generalized to the overall population. Findings will be used for general service improvement, but are not for publication or other public release. IRS will hold the identities of respondents private to the extent permitted by law.

17. Display of OMB Approval Date

We are requesting no exemption.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

These activities comply with the requirements in 5 CFR 1320.9.

19. Dates collection will begin and end

October 2013 to October 2014

B. STATISTICAL METHODS

1. Universe and Respondent Selection

The sample will be randomly selected by an independent contractor from case data extracts provided by the Government Task Manager.⁵ The contractor, in collaboration with TAS, will design the sample to ensure that each TAS office is provided with a statistically valid report of its customer base on an annual basis.

The contractor will administer the survey, analyze the data, provide sanitized copies of the data each quarter, and produce reports on the results at both the office and global level. The contractor will stratify the sample to produce survey estimates with at least a 95 percent confidence interval with a precision level of 5 percent at the local office/campus office level. A sampling plan that is currently in use for FY 2013 covering each office is attached to the Request for Approval under the "Survey Clearance for the Collection of Customer Feedback" document.

2. Procedures for Collecting Information

The current TAS customer satisfaction survey, utilized since 2001, is a telephone survey of taxpayers or their authorized representatives who have had a closed case with TAS. TAS is continuing its surveying of taxpayers into FY 2014, however, TAS will use a "multi-mode" survey methodology (internet and telephone). A sample of taxpayers or their representatives who had a case closed with TAS are sent a pre-notification letter inviting them to take an internet or phone survey. Customers who do not take the internet survey within a specified timeframe will be contacted by the contractor and asked to participate in a phone survey. An option is also given for respondents to contact the contractor directly to schedule a phone survey. If, in the future, TAS secures email addresses, TAS will pursue an option for sending the survey request to taxpayers or their representatives via email. During the phone survey, an interviewer asks participants questions regarding their experience with TAS. In the internet survey, taxpayers will self-select the responses which best apply to the written questions. Taxpayers or their representatives are randomly selected by the contractor from a twice a month extract database of closed cases.

3. Methods to Maximize Response

Given recent experience with TAS's recent telephone surveys, a predictive response rate of approximately 40 percent is expected using AAPOR RR1 calculations.⁶ This response rate is similar to other response rates for customer surveys at the IRS. The contractor will analyze non-response in two ways. First, the contractor will compare the demographics or other information about survey respondents to the sampling frame. This will determine face validity. Second, the contractor will

⁵ Case data is derived from the Taxpayer Advocate Management Information System, (TAMIS)

⁶ This information is provided from our current survey contractor, PCG. PCG uses the American Association for Public Opinion Research (AAPOR) Response Rate #1 (RR1) formula for its response rate calculations.

analyze the results of late responders (*e.g.*, individuals who responded after 4 callbacks), who are often viewed as a proxy for non-respondents, to early respondents.

If response rates are low, TAS will assume that the data collected from this survey is qualitative in nature, and that TAS will make no critical decisions 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 taxpayer/practitioner needs related to services provided by TAS.

4. Testing of Procedures

The research contractor, PCG, conducted a cognitive pre-test in FY 2013 to ensure that the respondents understand the questions correctly and clearly, and to test the flow and length of the question set. Since no changes were made for the FY 2014 survey questions or methodology, no testing of the questions or the procedures will be necessary.

5. Contacts for Statistical Aspects and Data Collection

The statistical expertise will be available from the contractors and TAS will include the names and contact information of persons consulted in the specific information collection requests submitted under this OMB clearance.

ATTACHMENTS (see file "OMB Application for Taxpayer Advocate Service")

Exhibit A – Survey Instrument

Exhibit B – Pre-notification letter

Exhibit C – Sampling Plan

Exhibit D – Introduction to Online Survey