

Supporting Statement
Request for Approval for the Customer Satisfaction Survey
(OMB Control Number: 1545-1432)
TITLE OF INFORMATION COLLECTION: 2015 LB&I Domestic IC/CIC Customer
Satisfaction Survey

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

As mandated by RRA 98, the LB&I implemented a Service-wide effort to establish a system of balanced organizational performance measures. The new LB&I Balanced Measurement System rates the LB&I, its managers and employees, on customer satisfaction and business results. This balanced measurement system draws on direct customer feedback through independent surveys of customers. The customer satisfaction portion of these performance standards necessitates the identification of LB&I's customers and mechanism(s) gauging the level of satisfaction with interactions and services of the Internal Revenue Service. Further, Executive Order 12862 requires all government agencies to survey their customers and incorporate customer preferences in their process improvement efforts.

LB&I 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 Cases (IC) and Coordinated Industry Cases (CIC). IC audits are traditionally conducted by one revenue agent with assistance from field specialists (e.g., economists, financial products). Customers are selected for audit using various classifying techniques with audits usually of one year extended as necessary. CIC customers are the most complex and audits are conducted by a team of revenue agents lead by a team coordinator along with assistance from field specialists. They are audited in cycles of multiple years and usually are audited every year. LB&I 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 LB&I management the opportunity to make informed business decisions to improve upon customer satisfaction. LB&I conducts annual telephone surveys of its domestic IC/CIC customers.

2. Purpose and Use of the Information Collection

The domestic customer satisfaction surveys will gauge customer expectations and perceptions about LB&I services and measure progress toward improving collaboration, transparency and certainty for taxpayers – key areas of focus within the LB&I program. Each customer surveyed will be given an opportunity to express their opinion about the services they have received and their experiences with the audit team. The products of the survey will provide specific, actionable results that may be used to guide process improvements, help LB&I achieve greater collaboration with taxpayers and help taxpayers achieve transparency and gain greater certainty regarding the resolution of their audit. It will facilitate more effective management of LB&I by providing insight from the customer's perspective about possible improvements; providing insight from the employee's perspective about possible improvements and; providing useful input for program evaluation and execution at the programmatic and field office level of service delivery.

Survey Program Priorities are to make the survey results relevant to LB&I executives, make the results actionable for managers, increase public and internal awareness of the results and recommendations of the surveys and increase public and internal dialogue on customer satisfaction improvement.

If this information is not collected, vital feedback from customers and stakeholders on the Agency's services will be unavailable. The feedback received will not institute new policy, yet enable the Service to meet taxpayer needs

3. Consideration Given to Information Technology

Electronic collection of the data is not an option for the IC/CIC domestic survey as email addresses are not available for these customers. We tested soliciting survey respondents via a letter with a web link to a survey but the response rate was very low and follow-up telephone surveys were required.

4. Duplication of Information

This survey will provide valuable information that is not available in any internal IRS data source.

5. Reducing the Burden on Small Entities

LB&I customer base are corporations with \$10 million or more in assets. Small entities are not affected by survey.

6. Consequences of Not Conducting Collection

Without these types of feedback, LB&I will not have timely information to adjust its services to meet customer needs.

7. Special Circumstances

There are no special circumstances. The information collected will be voluntary and will not be used for statistical purposes.

8. Consultations with Persons Outside the Agency

NA

9. Payment or Gift

LB&I will not provide payment or other forms of remuneration to survey respondents.

10. Confidentiality

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

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 Keith Fowler, LB&I Program Analyst by phone (513-518-4905) or by email (keith.fowler@irs.gov).

11. Sensitive Nature

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

12. Burden of Information Collection

The estimated time to complete the survey is 25 minutes for both IC and CIC customers, but some variation in the length of time required to answer the survey is expected. Assuming a 21 percent response rate across both IC and CIC (total population of 5,700 contacted), the total annual burden hours requested (880 hrs) are based on the number of completed surveys we expect to obtain over the requested period for this clearance (collection start date: July 1, 2015; collection end date: March 31, 2016).

Category of Respondent	No. of Individuals	Participation Time	Burden
Pre-note	5700	1 minute	95 hours
Invitation to Participate	5700	3 minutes	285 hours
Completing Survey	1200	25 minutes	500 hours
Totals			880 hrs

13. Costs to Respondents

No costs are anticipated.

14. Costs to Federal Government

The estimated annual cost to the Federal government is \$182,378.57

15. Reason for Change

Not applicable.

16. Tabulation of Results, Schedule, Analysis Plans

LB&I serves a return population comprised of approximately 138,000 corporations and partnerships whose assets are in excess ten million dollars. LB&I has been tasked to survey these corporations and create valid output to be used to determine the overall level of satisfaction of this group. By surveying and analyzing this customer base, it will afford LB&I management the opportunity to make informed business decisions to improve upon customer satisfaction.

Although LB&I does not intend to publish its findings, LB&I may receive requests to release the information (e.g., congressional inquiry, Freedom of Information Act requests). LB&I will

disseminate the findings when appropriate, strictly following IRS' "Guidelines for Ensuring the Quality of Information Disseminated to the Public.", and will include specific discussion of the limitation of the qualitative results discussed above.

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:

July 1, 2015; collection end date: March 31, 2016

B. STATISTICAL METHODS

The primary purpose of these collections will be for internal management purposes; there are no plans to publish or otherwise release this information.

1. Universe and Respondent Selection

LB&I 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 Cases (IC) and Coordinated Industry Cases (CIC). IC audits are traditionally conducted by one revenue agent with assistance from field specialists (e.g., economists, financial products). Customers are selected for audit using various classifying techniques with audits usually of one year extended as necessary. CIC customers are the most complex and audits are conducted by a team of revenue agents lead by a team coordinator along with assistance from field specialists. They are audited in cycles of multiple years and usually are audited every year. LB&I 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 LB&I management the opportunity to make informed business decisions to improve upon customer satisfaction.

Customers whose audits are closed are selected to be surveyed. We contact a census of CIC customers and a random statistical sampling of IC customers to complete the survey.

2. Procedures for Collecting Information

The selected customers are mailed a pre note on IRS letterhead signed by the Director, Planning, Analysis, Inventory and Research (PAIR). The pre note provides information about the reason for the survey, the contractor who is conducting the survey on our behalf and an LB&I program analyst contact information if they want to confirm the validity of the survey. The selected customers are then contacted via telephone and the survey is conducted. See Attachment A for a copy of the pre note and the survey questions, including the interviewers' script.

3. Methods to Maximize Response

Interviewers receive specific training in techniques to obtain responses. Contractor uses social exchange principles to maximize survey response rates. These include establishing trust that the survey is legitimate, establishing the anonymity of the respondent, preparing a list of frequently asked questions to help address respondent concerns, explaining the value and uses of the survey data, making multiple contacts, using a respond-by date to help motivate timely responses, making it convenient to participate, and reduce participation burden.

4. Testing of Procedures

Contractor's quality assurance process includes testing of all survey programming to ensure accuracy of content and to test programming logic and questionnaire length. IRS staff are

invited to participate in the testing of questionnaires. In addition to testing the accuracy of the questionnaires, contractor administers customer pretests to a small subset of respondents to test comprehension of survey questions, questionnaire flow, and in the case of online surveys, visual appeal.

5. Contacts for Statistical Aspects and Data Collection

For questions regarding the study or survey design, contact
Keith Fowler
Program Analyst, LB&I
Planning, Analysis, Inventory and Research
1301 Clay Street
Oakland CA 94612
513-518-4905
Keith.Fowler@irs.gov