

**SUPPORTING STATEMENT**  
**Approval Request to Conduct Customer Satisfaction Research**  
**W&I Taxpayer Assistance Center (TAC) Customer Expectations Survey, FY 2016**

**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.<sup>1</sup> 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. Three years later, during FY 2013 WIRA partnered with FA to re-administer the TAC customer expectations survey to continue measurement of service needs and expectations.

The proposed study seeks to administer the taxpayer expectations survey in order to identify changes in the customer base and changes in taxpayer expectations in light of several changes to the FA business model since FY 2013. The FY 2016 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 in the future. As a result, FA will be able to continue to enhance its business model and provide more effective and efficient taxpayer service.

**2. Purpose and Use of the Information Collection**

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<sup>1</sup> 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 2019. This survey will provide valuable information that is not available in any internal IRS data source.

### **5. Reducing the Burden on Small Entities**

NA

### **6. Consequences of Not Conducting Collection**

Without conducting the customer 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 met, while the organization undergoes changes to its service delivery model. It is also necessary to identify key drivers in customer satisfaction and expectations so that FA can make data-driven decisions about any additional 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**

NA

**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 2,500 participants with a response rate of 64 percent (2500x64/60=1600 respondents and 900 non-respondents. The total burden estimate for recruiting and administering the survey is 308.34 hours.

**BURDEN HOURS**

Category of Respondent	No. of Respondents	Participation Time	Burden Hours
Inviting 2,500 participants	2,500	1 minute	41.67
Participation	1,600	10 minutes	266.67
<b>Total</b>			<b>308.34 hrs</b>

Total minutes = 18,500 minutes or 308.34 hours

**Total Burden = 308.34 hrs**

**13. Costs to Respondents**

NA

**14. Costs to Federal Government**

WIRA estimates the total cost for survey administration including travel costs for WIRA analysts to visit 21 sites will be \$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 November 20, 2015 and will end prior to September 30, 2016.

## **B. STATISTICAL METHODS**

### **1. Universe and Respondent Selection**

The sampling frame for the project includes all TACs in the U.S. Thus, the sampling frame will include a total of 383 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 participant recruitment and the survey effort. The two-part self-administered paper survey will enable researchers to collect information about taxpayers' demographics and expectations regarding face to face service. Post-service questions will determine whether expectations were met and the result of the visit.

### **3. 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.

Data will be collected among taxpayers who visit a stratified random sample of 21 IRS offices (project sites) for the duration of two to four business days depending on TAC volume. Project sites will be selected by service environment type for each of three FA time intervals known as planning periods. Table 1 illustrates each of the project’s strata and their definitions. One TAC from each of the five service environment strata will be selected, while two TACs from the last strata will be selected for each planning period. TACs will be selected randomly and without replacement for each data collection interval.

**Table 1. TAC Service Environment and Delivery Strata**

TAC Cluster Descriptions			
TAC Service Environment Type	Description	TACs per PP	Total TACs
High Volume, High Wait	TACs with substantial volume where taxpayers experience the highest average wait and service times. These TACs have moderately low service rates and overhead.	1	3
Moderate Volume, High Overhead	TACs with moderate volume and high proportion of quick tasks. Taxpayers average wait times are less than 30 minutes with moderate service times. These TACs, comparatively, have the highest service rates and overhead.	1	3
Moderate Volume, Low Overhead	TACs with second highest volume where there is a high proportion of quick tasks. Taxpayer average wait times are near the 30 minute threshold, while service time is moderate. Overhead is low and the service rate is moderate to high.	1	3

<p>Low Volume, Less Complex Tasks</p>	<p>TACs with low volume where taxpayer service needs are less complex, service rates are moderate to high, and overhead is lowest. These TACs have the lowest service time with comparatively low wait times.</p>	<p>1</p>	<p>3</p>
<p>Low Volume, Complex Tasks</p>	<p>TACs with lowest volume where taxpayer service needs are generally more complex and service rates are the lowest. Wait times are low and service times are moderate.</p>	<p>1</p>	<p>3</p>
<p>Appointment Based Service Only</p>		<p>2</p>	<p>6</p>

**4. Testing of Procedures**

The purpose for this OMB approval application is to conduct a customer expectation survey during FY 2016 of TAC visitors.

**5. 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.*