

**OMB Supporting Statement
Wage & Investment Automated Underreporter
Customer Satisfaction Survey
FOCUS GROUPS**

Background

IRS has replaced the traditional measures of accomplishment with a balanced measurement system consisting of business results, customer satisfaction, and employee satisfaction, to assess how well it is achieving its mission and objectives. The AUR within the Compliance organization of Wage and Investment (W&I) is responsible for responding to customer technical and account inquiries, resolving customer account issues, providing account settlement (payment options), and working related issues. As an important customer interface for W&I, AUR will need feedback from customers (i.e., taxpayers) to continuously improve its operations.

This project has three primary goals: 1) to identify customer expectations of Automated Underreporter; 2) to track customer satisfaction at the three Automated Underreporter sites and nationwide; and, 3) to identify customer satisfaction improvement opportunities.

Research Methodology

Focus group interviews use interview and discussion techniques, in a small group setting, to capture qualitative information. While these interviews are not representative of any particular population, they are useful in identifying trends or areas of concern. Taxpayers will be selected from a list of customers who have volunteered in advance to participate in future research. Three groups are expected to take place in September, 2007 (two on one day and one on the following day).

PCG plans to conduct the one hour discussions and has worked closely with IRS staff to develop a screener's guide and moderator's discussion guide (attached). The purpose of the focus groups will be to ensure that the questions on the survey truly reflect the concerns of AUR customers and that the questions are stated in terminology that is easily understood and that top-priority customer concerns are reflected in the AUR customer satisfaction questionnaire.

Justification for Honoraria

W&I plans to conduct three telephone focus groups of taxpayers located across the United States. Because individuals are very busy, it is difficult to recruit participation from people with the range of experience necessary to obtain a broad perspective on customers' concerns, the industry standard for individual incentives is \$50 per person. Individuals are less likely to provide feedback about compliance agencies than about other kinds of organizations. The focus groups are to be scheduled during the day as well as during the evening for some people (depending on the time zone). The \$50 amount is consistent with what has been given to participants of similar research for W&I.

Privacy, Security, Disclosure and Confidentiality

All participants will be subject to the provisions of the Taxpayer Bill of Rights II during this series of focus groups 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 NT operating system. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

The IRS 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.

Confidentiality will be safeguarded. During the focus group and data collection process, taxpayers will be identified to the IRS by their first names only. No taxpayer names will be mentioned in the focus groups or the resulting reports.

Estimated Burden Hours

Participant Screening

Participant screening for the three focus groups is expected to take 22.5 hours. This estimate is based on the research facilities confirming 9 participants to ensure that at least six participants attend each group, and that 10 contacts will need to be made to secure one confirmation. Each contact should average five minutes per interview.

$$(9 \text{ participants} \times 10 \text{ contacts} \times 5 \text{ minutes} \times 3 \text{ groups}) / 60 = 22.5 \text{ hours}$$

Focus Groups and Travel

18 participants are expected to show up for the one-hour in-telephone focus groups with no travel time required.

$$(18 \text{ participants} \times 1 \text{ hour focus group}) = 18 \text{ hours}$$

Grand Total

22.5 hours--participant screening

18.0 hours--focus group participation

40.5 hours total burden

Cost: \$8,653.00

Contact

For questions regarding the study or discussion guide design, contact:

Elaine Lowitz
Pacific Consulting Group
399 Sherman Avenue, Suite 1
Palo Alto, California 94306
(650) 327-8108