

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

**A. Justification**

**1. Circumstances Making the Collection of Information Necessary**

Executive Order 12862 directs Federal agencies to provide service to the public that matches or exceeds the best service available in the private sector. In order to work continuously to ensure that our programs are effective and meet our customers' needs, Internal Revenue Service (IRS) seeks to obtain OMB approval of a generic clearance to collect statistical quantitative feedback on our service delivery.

This collection of information is necessary to enable the IRS to garner customer and stakeholder feedback in an efficient, timely manner, in accordance with our commitment to improving service delivery. The information collected from our customers and stakeholders will help ensure that users have an effective, efficient, and satisfying experience with the IRS's programs. This feedback will provide insights into customer or stakeholder perceptions, experiences and expectations, provide an early warning of issues with service, or focus attention on areas where communication, training or changes in operations might improve delivery of products or services. These collections will allow for ongoing, collaborative and actionable communications between the IRS and its customers and stakeholders. It will also allow feedback to contribute directly to the improvement of program management.

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

The Compliance Assurance Process (CAP) pilot program for large corporate taxpayers is being expanded and made permanent. Under CAP, participating taxpayers work collaboratively with an IRS team to identify and resolve potential tax issues before the tax return is filed each year. With the major potential tax issues largely settled before filing, taxpayers are generally subject to shorter and narrower post-filing examinations.

The objective of this research is to track ongoing satisfaction among CAP customers and to identify top improvement priorities. Taxpayer feedback on the expanding CAP program will assist the Large Business and International (LB&I) Division in refining the service elements of the program.

Specific research topics include:

- Satisfaction with elements of the CAP program, including CAP preparation, CAP features, issue identification, issue resolution, account coordinator, team manager, specialists, proposed adjustments, and overall satisfaction.
- Benefits of CAP and attaining tax certainty
- Defining success of CAP
- Barriers in the CAP process
- Suggestions for improvements to the CAP program

The data collected will only be used internally for service improvement. The results of the review will be used to determine the success of CAP and its impact on customer service. Overall, the research will help inform service improvement efforts.

### **3. Consideration Given to Information Technology**

The surveys will be administered online and managed by our data collection contractor, Pacific Consulting Group. PCG meets all moderate-level disclosure and privacy safeguard provisions required under our 2010 BPA with the IRS. Every other year, the IRS reviews our data security procedures, including background investigations, computer protections, physical security mechanisms, data transfer methods, staff training, contingency planning, and documentation. We hold all of our subcontractors on IRS projects that require access to SBU to the same rigorous security standards. In addition, we only allow PCG, or subcontractor, staff members who have been granted staff-like access to sensitive but unclassified information by the IRS to have access to taxpayer information.

### **4. Duplication of Information**

No similar data are gathered or maintained by LB&I or are available from other sources known to the LB&I.

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

Small businesses or other small entities are not involved in this research study.

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

Without collecting taxpayer feedback about the CAP program, the IRS would not have timely information that could be used to identify potential areas where service improvements could be made.

### **7. Special Circumstances**

N/A

### **8. Consultations with Persons Outside IRS**

Pacific Consulting Group

### **9. Payment or Gift**

The IRS will not provide payment or other forms of remuneration to survey respondents.

### **10. Confidentiality**

No personally identifiable information (PII) will be collected. LB&I personnel will ensure the privacy, disclosure, and security of the survey results as allowed by law. Public and official access to the information will be tightly controlled as stipulated by the security requirements of the Computer Security Act of 1987 and Office of Management and Budget Circular A-130.

## 11. Sensitive Nature

The surveys will not contain any questions that are of a sensitive nature.

## 12. Burden of Information Collection

The LB&I CAP Customer Satisfaction Survey is designed to minimize burden. The average time of survey completion is expected to be less than 10 minutes. The questions are generally on an elementary concept level easy to read. Additionally, when designing the survey, we considered the amount of time it would take to complete the questionnaire. Accordingly, only the most important areas are being surveyed and each survey question ties back to a research question.

Based on a potential sample of 125 and a response rate of 79% percent, we estimate 99 respondents. The burden hour estimate follows below.

Type of Collection	Number of Respondents	Minutes per Response	Total Hours
Prenote	125	1	2
Invitation to Participate	125	1	2
Survey	99	10	17
<b>Total Burden</b>			<b>21</b>

## 13. Costs to Respondents

No costs are anticipated for respondents.

## 14. Costs to Federal Government

LB&I estimates that the total costs will include survey administration and data collection: \$38,994 (contractor cost)

## 15. Reason for Change

N/A

## 16. Tabulation of Results, Schedule, Analysis Plans

The survey contractor, Pacific Consulting Group (PCG) will perform the analysis for this study. Data analysis techniques used will include frequency distributions, calculation of mean scores, improvement prioritization analysis, select cross-tabulations, significance testing, and analysis of open-ended comments. PCG will create a report that presents the findings from the survey data. All relevant variables (from the survey) will be included in the analysis, and the survey responses will be weighted as necessary. Again, the findings are intended to improve taxpayer services provided by the IRS.

LB&I will disseminate findings to CAP and LB&I management. LB&I may also receive requests to release the information (e.g., congressional inquiry, Freedom of Information Act requests).

**17. Display of OMB Approval Date**

We are not requesting an exemption.

**18. Exceptions to Certification for Paperwork Reduction Act Submissions**

The data collection activities comply with the requirements in 5 CFR 1320.9.

**19. Dates Collection of Information will Begin and End**

July and August 2012

## **B. Statistical Methods**

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

The sample will include individuals, such as senior tax counsel staff and chief tax officers, from all organizations participating in CAP.

### **2. Procedures for Collecting Information**

The CAP survey will be administered online. CAP participants will receive an online invitation to participate in the survey and a URL link to complete the survey itself. The survey asks respondents to evaluate various aspects of their experience with CAP. The survey also asks respondents to provide an overall summary evaluation of their experience and seeks suggestions for improvement.

All of the surveys will be returned to PCG where analysts will extract the data into a database and perform necessary analyses. The analysis will include any relevant database variables in the analysis and weight the survey responses as necessary.

### **3. Methods to Maximize Response**

This study will invite every taxpayer organization who is a participant in CAP to complete the customer satisfaction survey which is intended to maximize the response rate. The survey length has also been minimized to reduce burden on the respondents which tends to increase response rates.

### **4. Testing of Procedures**

Pretesting may be conducted with PCG and internal IRS staff.

### **5. Contacts for Statistical Aspects and Data Collection**

For questions regarding the study, survey design, or statistical methodology, contact:

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## **Attachments**

CAP Customer Satisfaction Survey