

Supporting Statement
Approval Request to Conduct Cognitive and Psychological Research
(OMB #1545-1349)

Demand Migration – Benchmarking Analysis Interviews

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

As outlined in the Internal Revenue Service (IRS) Strategic Plan, the agency is working towards allocating IRS resources strategically to address the evolving scope and increasing complexity of tax administration. In order to do this, IRS must realize their operational efficiencies and effectively manage costs by improving enterprise-wide resource allocation and streamlining processes using feedback from various techniques such as focus groups and surveys.

In order to assist in achieving this goal, Wage & Investment Strategies and Solutions (WISS) is working alongside the Excellence through Productivity Improvement and Quality (EPIQ) team within Accounts Management (AM) to conduct benchmark analysis interviews for their Demand Deflection Innovation Approach project. EPIQ has been tasked with identifying opportunities within AM to redirect taxpayers away from corresponding through traditional methods to more cost effective solutions.

A similar project was conducted last year when EPIQ leveraged IRS employee expertise with inventory as well as customer experiences to identify opportunities within AM to shift demand from paper and phone to web based solutions. Several focus groups were conducted with IRS employees working in various service center offices around the country. The goal of this project was to identify several long term as well as short term high impact opportunities for change within AM that would drive taxpayer traffic and paper correspondence to lower cost web-based channels.

Using this current project as a second phase to the above, the eventual results will aid in the design of tailored service approaches with a focus on digital customer service to meet taxpayer needs, preferences and compliance behaviors in order to facilitate voluntary compliance.

2. Purpose and Use of the Information Collection

Analysis of the collected data from the proposed interviews will allow WISS and EPIQ to identify several long term as well as short term high impact opportunities for change within AM. The proposed opportunities will steer taxpayer traffic (via phone) and paper correspondence to lower cost web-based channels. The potential improvements will help determine how outside organizations achieve their high performance goals, determine what improvements can be made in AM, and analyze the gap between the current state and future desired goals. This research will not only improve the level of service taxpayers receive, but also facilitate their migration to digital customer service channels which will potentially reduce the demand on IRS staffing and training resources.

Initially, the project team will conduct exploratory research to better understand the process(es) outside organizations use to combat demand management challenges and to maintain their high performance level while continuing to provide desirable service to their customers.

The goal is to conduct a total of ten interviews, five with government agencies and five with private sector companies in order to identify their best practices for providing service to and migrating their customers to web-based service channels. The selected organizations will engage in financial transactions with customers.

3. Consideration Given to Information Technology

No online tools will be used for this study. Interviews will be conducted over the phone with participants being asked to provide responses to a short series of questions regarding the nature of their organization's business.

4. Duplication of Information

Booz Allen Hamilton (BAH) previously conducted Internet-based benchmarking research on three government agencies and five private sector companies. IRS, in an effort to improve its service channel options, worked with BAH to research and identify outside companies/agencies that have performed well in migrating customers to digital environments. BAH contacted these companies/agencies in order to gain insight on strategies used and challenges experienced to help IRS develop methods to improve its own service channels. During this second phase of the benchmarking effort, WISS will be contacting other organizations based on availability of established relationships and existing points of contact.

5. Reducing the Burden on Small Entities

No small entities are included in this research

6. Consequences of Not Conducting Collection

Without interviews to ascertain the experiences of other government agencies and private sector companies, AM/EPIQ will have limited information when developing migration techniques for their customer base. The selected outside organizations can provide insight and feedback on strategies used and challenges encountered that will be beneficial to the design of future tailored service approaches with a focus on digital customer service.

7. Special Circumstances

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

8. Consultations with Persons Outside the Agency

There were no consultations with persons outside of the agency.

9. Payment or Gift

There will be no payment or gifts for participating in this research

10. Confidentiality

No personally identifiable (PII) will be captured, collected or shared during the interviews; the name and email addresses of agency/company employees will be recorded for reference purposes only. Trained WISS interview facilitators will indicate that no names will be used in the final report. Also, the data returned to the IRS will have no identifying information relating specific records to individual taxpayers. Nonetheless, the IRS will ensure that privacy is maintained to the extent allowed by the law and security of the aggregated results will receive the utmost attention. Public and official access to the information will be tightly controlled. The computer files containing this tabulated information will remain password protected at all times. Data security approaching level C-2 will be accomplished using the Windows 7 operating system. WISS will apply fair information and record-keeping practices to ensure protection of all participants. 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 taxpayer information as well as its release 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 will use an estimated 32.34 burden hours. Initially, WISS estimates reaching 50 percent of the desired individuals for this study through customer service channels. Using this percentage, 50 companies/agencies will need to be contacted initially. The initial contact through customer service representatives will take an estimated 20 minutes per contact. Once the desired participant is identified and contacted via email, it will take an estimated ten minutes for them to confirm/decline participation and if confirming, make the project team aware of their availability. An estimated 25 percent will decline participation in the study once contacted. Of those that confirm, the project team will respond to the participant with a tentative date and time for the interview. The participant will use an estimated five minutes to confirm or propose new time for interview. There will be an estimated ten percent chance of scheduling conflicts reducing the participant population pool. Once confirmed and scheduled, the estimated time to conduct each interview will be 60 minutes. Any remaining confirmed participants will be used as alternates in the study.

Collection Activity	Minutes Per Person	Number of Participants	Total Hours
Contacting possible participants through customer service	20	50	16.67
Participant confirmation and availability or decline through email	10	25	4.17
Participant interview scheduling	5	18	1.5
Conducting interviews	60	10	10
TOTAL HOURS			32.34

13. Costs to Respondents

There are no costs to respondents.

14. Costs to Federal Government

There is no cost to the Federal Government. Information will be collected during Tax Forums.

15. Reason for Change

N/A

16. Tabulation of Results, Schedule, Analysis Plans

All interview question responses will be released in summary form only. Information from the interviews will be qualitative in nature and will be used to evaluate current and future planned migration techniques, but are not for publication or other public release. Although WISS does not publish its findings, information will be shared (when appropriate) with other organizations within the IRS, and will include specific discussion of the limitation of the data as discussed above.

17. Display of OMB Approval Date

N/A

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

Data collection will begin on May 2nd, 2016 and end on July 1st, 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

In order to be selected for an interview, participants must have the following characteristics:

- Work for a government agency or private sector company that provides service, primarily financial, to customers in the general public
- Have knowledge of the structure of the organization and their service channels
- Be able to provide information regarding previously used demand migration techniques, strategies and challenges
- Must be at least 18 years or older

Qualitative and quantitative data will be gathered, which will not be, nor presented to be, representative of the entire industry.

2. Procedures for Collecting Information

Trained WISS interview facilitators will conduct the phone interviews. The interview guide for the facilitators was developed by WISS. Each interview will last no more than 60 minutes. Prior to the start of the interview, participants will be read a disclosure statement and will provide consent or dissent of continuation. Areas of discussion are as follows:

Introduction

- Facilitator introduces self, introduces purpose for the interview, and privacy rules (presence of observers, privacy to the extent allowed by law, etc.)
- Participants will introduce themselves by first name

Discussion

- Section 1: Discussion of Services and Channels Provided
- Section 2: Discussion of Approach to Demand Management
- Section 3: Innovative Solutions for Digital Service Options
- Section 4: Strategies for Potential Pitfalls in the Digital Service Environment
- Section 5: Marketing and Change Management Efforts
- Section 6: IT/Systems in the Digital Service Environment

Conclusion

- Elicit final suggestions/recommendations from participants
- Address any additional questions from possible interview observers

3. Methods to Maximize Response

In order to maximize participant involvement, individuals will be recruited from several government agencies and private sector companies. Also, interview length is minimized to reduce participant burden and participants will be assured anonymity regarding their comments.

4. Testing of Procedures

The discussion questions and interview guide will be pre-tested with internal IRS staff before the actual testing sessions occur.

5. Contacts for Statistical Aspects and Data Collection

The statistical expertise of statisticians and operations research analysts within WISS will be sufficient for the needs of the data collected from this project.

For questions regarding the study and statistical methodology, contact:

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