

**WALK-IN TAXPAYER
DEMOGRAPHIC & ATTITUDINAL PROFILE
PROJECT 2.02**

Customer Presentation Report

This paper was presented at the 2002 IRS Research Conference

I. INTRODUCTION

Purpose

The IRS does not have a clear picture of why taxpayers use the Walk-In and why they choose the Walk-In over the other available contact methods. This report attempts to provide that information so that the Service can make improvements to the current system that will reduce taxpayer burden and operating costs.

Objectives

- ❑ Determine who the taxpayers are who utilize the Walk-In program.
- ❑ Determine why taxpayers use the Walk-In rather than an alternative method of contacting the IRS.
- ❑ Determine whether the Service can reduce the taxpayers' need to use the Walk-In.
- ❑ Determine what changes the taxpayers would like to see made in the Walk-In program.

Methodology

We conducted 5,125 interviews (2,616 - filing season, 2,509 - non-filing season) of Walk-In taxpayers at 27 Posts of Duty in 5 districts (North Florida, Central California, Brooklyn, North Central and Houston) during calendar year 1999. The locations, days, times of day and weeks were selected to capture as much geographical spread, demographic and issue diversity as possible. The 27 Posts of Duty represented 7 large market offices, 10 medium market offices and 10 small market offices. Employee focus group interviews were conducted in Central California (2) and Houston (1) and we did Internet and Intranet web site research. After completing a literature search to learn what studies had been previously done and what Best Practices had been identified, we interviewed people at the Social Security Administration, the California State Auto Association, the New York State Department of Motor Vehicles, the Minnesota Department of Revenue, the Central Texas Workforce Center and the San Jose Department of Motor Vehicles, about their Walk-In operations.

Operational Uses

We observed some distinct demographic & attitudinal differences among taxpayers by type of service desired which could be considered in:

- ❑ What limited services to offer/not offer at non-traditional sites.
- ❑ Where to place those non-traditional sites depending on the services offered.
- ❑ How to explain to others why some Walk-In traffic cannot now be diverted to telephones/Internet even though the same type of service sought can be obtained in those ways.
- ❑ How improvements to alternative methods of contact can decrease Walk-In taxpayer burden while improving IRS productivity and minimizing IRS resource utilization.
- ❑ How and where to communicate/advertise various Walk-In services.
- ❑ How increasing the type of specific services offered on the telephone/Internet/e-mail might impact the Walk-In traffic volume for those same type services.

The Report

This is a customer-oriented version of our formal research report and is designed to supplement our presentation. For more details, data and supporting documentation, please see the formal report.

This report has 6 sections: The Introduction explains how we did our research and what we hoped to accomplish. The Demographic and Attitudinal Findings Section covers the significant survey data and our first objective. All of our conclusions and recommendations are placed at the end of each pertinent sub-section so the reader can follow the logic that led to the conclusion. The section titled, "Alternative Methods of Contact Impacting Walk-In," addresses our second and third objectives and conclusions and recommendations can be found at the end of that third section. The fourth section titled, "Taxpayer Suggestions & Comments" covers our fourth and final objective from a single open-ended question on the survey where we asked, "Do you have any suggestions for improving IRS Walk-In service?" The supporting information gleaned from employee focus groups and interviews with other government agencies and businesses, about their Walk-In operation, is summarized in Section 5. In the last section we list all of the recommendations made throughout the report.

II. DEMOGRAPHIC & ATTITUDINAL FINDINGS

Demographics

	All
Male	58%
Female	41%
Repeat Visitor	61%
Came from home	62%
Came from work	33%
Traveled 4 miles or less	38%
Traveled 25 miles or more	9%
Said W-I is in convenient location	88%
Has touch tone telephone	95%
Has Internet Access	49%
Less than 25 years old	9%
25 - 65 years old	70%
More than 65 years old	11%
Filing Status: married filing joint	45%
Filing Status: single	31%
Filing Status: head of household	8%
Education Level: less than HS grad	6%
Education Level: high school grad	22%
Education Level: some college	29%
Education Level: college grad or higher	33%
Income Level: Less than \$25K	30%
Income Level: \$25K to \$50K	34%
Income Level: \$51K to \$100K	18%
Income Level: Greater than \$100K	4%
<p>Percentages of age, income and other demographics may not total 100% due to the taxpayer's refusal to answer the question, the interviewer failing to secure the information and/or rounding.</p>	

There were no significant differences in the make up of non-filing versus filing season taxpayers except in the education level of college graduates or higher and the Married Filing Joint taxpayer demographics that differed by 10%.

All Walk-In Taxpayers

We found out the following about all Walk-In taxpayers:

- ❑ There was no significant difference between taxpayers by size of office (volume of taxpayers that walked in) as to who they were or why they walked in.
- ❑ 80% came in on an individual income tax matter only.
- ❑ 33% tried another method of contacting the IRS before they walked in.
- ❑ 57% of those who did not try another method of contacting the IRS before they walked in said Walk-In is faster/easier for the service needed.
- ❑ 49% have Internet access.
- ❑ 47% have never used another method besides Walk-In to contact the IRS.
- ❑ 52% would consider using the telephone for contacting the IRS in the future, 33% would consider e-mail and 40% would consider the Internet.
- ❑ Of the business taxpayers that were interviewed during the year, 55% were in the service industry and 35% had 1 - 3 employees.

Top 8 Walk-In Services

The survey contained 19 possible reasons for visiting the office. Taxpayers were allowed to list multiple reasons for coming in. Of the 5,125 taxpayers interviewed, 4,400 (86%) listed only one service needed for visiting the office.

The chart on the following 2 pages compares and contrasts the Top 8 services to each other as well as to all surveyed Walk-In taxpayers. The bolded numbers in each column represent those percentages where there was at least a 10% difference for that response compared to all surveyed Walk-In taxpayers.

The fractions in each of the column headings represent the number of surveyed taxpayers who only came in for that one service versus the total number of taxpayers that walked in for that service (that service plus other services).

Our subsequent comments in this particular section of the report deal only with the 3 services for which we have drawn conclusions that lead to specific recommendations.

SURVEYED TAXPAYERS WHO ONLY CAME IN FOR ONE FORM OF IRS ASSISTANCE VERSUS ALL SURVEYED WALK-IN TAXPAYERS Top 8 Services					
	1. FORMS/PUB ONLY (1332/1692)	2. PRIOR YR RET/1722 (573/649)	3. TAX LAW QUESTION (357/645)	4. MAKE PAYMENT (425/530)	ALL SURVEYED (5125)
That service alone	79%	88%	55%	80%	N/A
Filing Season TP	70%	21%	73%	20%	51%
W-I Repeater	72%	43%	63%	79%	61%
Did not try another method to contact IRS on W-I issue	75%	75%	64%	78%	68%
Tried Phone First	20%	24%	32%	22%	29%
Not consider Phone In Future	59%	23%	46%	29%	40%
Referred By IRS Phone Assistor	6%	12%	7%	9%	10%
Referred By Friend/Rel. Employer	13%	18%	13%	12%	17%
Internet access	58%	52%	46%	45%	49%
Less Than HS Grad	2%	8%	1%	8%	6%
College grad or more	47%	24%	45%	25%	33%
Income less than \$25K	18%	49%	20%	24%	30%
Income more than \$50K	32%	9%	30%	23%	21%
Said W-I is in convenient location	88%	89%	88%	88%	88%
Traveled 4 mi. or less	43%	37%	42%	40%	38%
Traveled 25 mi. or more	7%	11%	11%	6%	9%
Came from home	57%	63%	68%	55%	62%
Came from work	39%	27%	27%	40%	33%
Over 65	14%	2%	21%	9%	11%
Under 25	6%	26%	4%	3%	9%

SURVEYED TAXPAYERS WHO ONLY CAME IN FOR ONE FORM OF IRS ASSISTANCE VERSUS ALL SURVEYED WALK-IN TAXPAYERS <u>CONTINUED</u> Top 8 Services					
	5. IRS NOTICE OR LETTER (324/464)	6. RETURN PREP (249/372)	7. FILE RET. OR FORM (208/326)	8.APPLY FOR EIN/ITIN (154/190)	ALL SURVEYED (5125)
That service alone	70%	67%	64%	81%	N/A
Filing Season TP	31%	84%	47%	49%	51%
W-I Repeater	58%	53%	57%	33%	61%
Did not try another method to contact IRS on W-I issue	45%	68%	72%	67%	68%
Tried Phone First	52%	30%	25%	31%	29%
Not consider Phone In Future	30%	47%	18%	33%	40%
Referred By IRS Phone Assistor	10%	12%	13%	12%	10%
Referred By Friend/Rel. Employer	15%	29%	20%	28%	17%
Internet access	43%	31%	46%	39%	49%
Less than HS Grad	8%	15%	6%	15%	6%
College grad or more	29%	23%	28%	24%	33%
Income less than \$25K	32%	52%	31%	49%	30%
Income more than \$50K	18%	9%	20%	10%	21%
Said W-I is in convenient location	88%	87%	90%	88%	88%
Traveled 4 mi. or less	31%	37%	35%	31%	38%
Traveled 25 mi. or more	11%	7%	7%	8%	9%
Came from home	61%	79%	57%	67%	62%
Came from work	36%	15%	36%	29%	33%
Over 65	14%	17%	5%	3%	11%
Under 25	2%	12%	13%	11%	9%

Forms/Pubs/Instruction Books

While all taxpayers appear to appreciate fast service, taxpayers that walk in for forms/pubs/ books only have an expectation of fast service.

What hampers fast service for Forms Only taxpayers **before** they get to the Walk-In:

- ❑ Telephoning for a form and being told the wait is 7 - 15 days when they need/want it right away.
- ❑ Telephoning for a form, getting a recording or a live assistor and not finding out until after the order is placed that the wait is 7 - 15 days.
- ❑ Inability to download and print forms and pubs from the IRS website due to either the taxpayer's equipment, inability to understand the IRS instructions, the size of the IRS publication that would have to be printed, the taxpayer not knowing what Form/Pub is needed, etc.

What hampers fast service for Forms Only taxpayers **after** they get to the Walk-In:

- ❑ Walk-In Office parking issues.
- ❑ Not knowing the form/pub needed.
- ❑ Not finding the Form/Pub easily on the racks.
- ❑ Waiting for counter assistance for the Form/Pub because it isn't on the racks.
- ❑ Not having a separate line to handle quick in/out forms/pubs requests.

Other Findings For Forms/Pubs Taxpayers

Of the Top 8 Services these taxpayers are the most likely to have the highest income, have the highest level of education and have access to the Internet. There is only a 1% difference between taxpayers who travel 25 miles or more for a Form/Pub and say the Walk-In is conveniently located and all taxpayers who travel 25 miles or more and say the Walk-In is conveniently located. Only 5% of Forms Only taxpayers said they were referred by the Post Office and only 3% said they were referred by the Library. When asked, 44% of Forms Only taxpayers said they found what they were looking for on the racks. (Note: These taxpayers were surveyed at both the counter and the racks impacting this percentage.) Interestingly, 76% of filing season Forms Only taxpayers said they would not consider the telephones vs 18% non-filing season Forms Only taxpayers who said they would not consider the telephones.

CONCLUSIONS

- ❑ Forms Only Walk-In taxpayers have an expectation of fast service, that is, they will pick up their Form/Pub/Instruction Book and get in and out of the Walk-In quickly.
- ❑ Difficulty with parking, not finding their forms on the rack, and/or having to wait for counter service impacts their impression of Walk-In service.
- ❑ During the filing season, coming to the Walk-In for forms/pubs/instructions is preferable to most of the surveyed Walk-In taxpayers than waiting to order a form over the telephone, waiting to receive a form ordered over the telephone and/or downloading and printing forms and pubs from the Internet.

RECOMMENDATION

- ❑ Test the placement of forms, pubs and instruction books in non-traditional sites during the filing season. The sites must have the space to offer a large volume and variety of forms and offer free, accessible and sufficient parking. Test staffed and non-staffed sites to allow comparisons of cost effectiveness, customer satisfaction and reduced taxpayer burden. If a decision is made to do this it must be advertised so that the public is aware that the service is there.

Note: Recommendations involving Forms/Pubs and alternative methods of contact will be addressed in the "Alternative Methods of Contact vs Walk-In" section of this report.

Return Preparation

Since the service has considered eliminating return preparation from the Walk-In and/or moving all return preparation to VITA, we took an in-depth look at this Top 8 service:

- ❑ 33% (one third) of all taxpayers who come to the Walk-In for return prep come in for a second service or more.
- ❑ 84% of taxpayers that walk in for return prep only come in during the filing season.
- ❑ Return Prep Only (come in for one service) taxpayers are 12% more likely than all Walk-In taxpayers to be referred to the Walk-In by a friend/relative/employer.
- ❑ 87% of taxpayers that walk in for return prep only say the Walk-In is in a convenient location.
- ❑ 91% of Return Prep Only taxpayers travel within a 25 mile radius to the Walk-In.
- ❑ Compared to all Walk-In taxpayers, return prep taxpayers are 10% less likely to be a college graduate, 18% less likely to have Internet access and 12% more likely to make less than \$25K.
- ❑ 39% of Return Prep Only taxpayers said they would not consider VITA in the future and 17% said they weren't sure about considering VITA for a total of 56%.

CONCLUSIONS

- ❑ Since one-third of the taxpayers who visit the Walk-In for Return Preparation come in for an additional service, eliminating Return Prep from the Walk-In so VITA can perform the service off-site would increase taxpayer burden for one-third of the people who currently have their returns prepared. Those taxpayers will still have to visit the Walk-In for the other services needed.
- ❑ Since a majority of Return Prep Only taxpayers said either "no" or "not sure" to using VITA in the future, the Service is faced with a marketing challenge if it is to convince these taxpayers to consider VITA in the future.
- ❑ Any marketing effort to these taxpayers should involve means other than the Internet and/or IRS pubs since less than one-third have Internet access and because when someone else is preparing their return, they are less likely to read IRS pubs.
- ❑ Since these Return Prep Only taxpayers are more likely than all Walk-In taxpayers to find out about Walk-In from a friend/relative/employer and 91% travel within a 25 mile radius, the best method to communicate with them would be through various community groups such as churches, schools and businesses located near the current Walk-In Office.

RECOMMENDATIONS

Continue to offer return preparation as part of the Walk-In Office program. If, however, a decision is made to shift return preparation, from Walk-In to VITA, consider the following:

- ❑ Co-locate VITA and Walk-In since one-third of Return Prep taxpayers come in for more than one service and 87% of the Return Prep Only taxpayers say the Walk-In office is in a convenient location.
- ❑ Do not spend a lot of resources communicating a shift to VITA in IRS pubs or on the Internet since Return Prep taxpayers are less likely to look there.
- ❑ Advertise to Return Prep taxpayers within a 25 mile radius of the current Walk-In location, through local community groups, schools and local businesses, since 91% of Return Prep Walk-In taxpayers travel within that range to get to the Walk-In office and get their Walk-In information primarily by word of mouth.

Tax Law Questions

- ❑ 45% of all taxpayers that came to the Walk-In with a Tax Law Question came in for one or more additional Walk-In services.
- ❑ 45% of all Walk-In taxpayers that came in for a tax law question only did not attempt to check the pubs first.
- ❑ The percentage of Tax Law Question Only taxpayers, that checked the pub first, increases with age.
- ❑ Of the 44% of the taxpayers that did attempt to check the pub first, 58% didn't understand the instruction, 39% couldn't find the information and 3% couldn't find the pub.
- ❑ 49% of college graduates or higher, who came in only to ask a tax law question, said they didn't understand the instructions or couldn't find the information in the pubs.
- ❑ The repeat visitor rate for those Tax Law Question Only taxpayers checking the pub first versus those not checking the pub first was 68% to 61%, respectively.

CONCLUSIONS

- ❑ Since Tax Law Question taxpayers are more likely than all Walk-In taxpayers to come in for more than one service, Tax Law Questions would not be a good service to have at a non-traditional site offering limited services.
- ❑ The older a Tax Law Question Only taxpayer is, the more likely they will check the pub before they speak to a Walk-In assistor.
- ❑ Although Walk-In Tax Law Question Only taxpayers are more educated than the average walk-In taxpayer, the more educated they are has no bearing on whether they would be:
 - more likely to check the pub first before walking in.
 - more likely to find the information in the pubs.
 - more likely to understand the information in the pubs.

RECOMMENDATION

As Walk-In taxpayers who come in for a tax law question are more likely than other Walk-In taxpayers to come in for multiple services, do not offer Tax Law Questions at a non-traditional site unless it is a full service site.

III. ALTERNATIVE METHODS OF CONTACT IMPACTING WALK-IN

All Walk-In Taxpayers

68% of all Walk-In taxpayers had not tried another method to contact the IRS first tried on the issue for which they walked in. 48% of all Walk-In taxpayers stated they had NEVER tried another method of contacting the IRS. Approximately, one out of every 3 did try another method of contact first. There was no significant difference between the filing season and the non-filing season. The Top 3 Reasons why 68% of all Walk-In taxpayers did not try to contact the IRS first on the issue for which they walked in (Taxpayers could give more than one response):

- ❑ 57% said Walk-In faster/easier
- ❑ 20% said they prefer face-to-face contact
- ❑ 6% said they used the Walk-in before

We looked at 4 services that a taxpayer could get with an alternative method of contact, but did not, and the reasons they gave.

Taxpayers Who <u>DID NOT</u> Try Another Method Of Contacting The IRS First	
Forms/Pubs Only	75%
Prior Year Return/Transcript Only	75%
Tax Law Question Only	64%
IRS Notice/Letter Only	45%

Taxpayers Who <u>DID NOT</u> Try Another Method Of Contacting The IRS First - Reason			
	Said Walk-In Is Faster/ Easier for Service Needed	Said Preferred Personal or Face- To-Face Service	Said Used Walk- In Service Before
Forms/Pubs Only	75%	10%	18%
Prior Yr Ret. Transcript Only	63%	15%	12%
Tax Law Question Only	52%	29%	15%
IRS Notice/Ltr. Only	44%	45%	14%
NOTE: Taxpayers Could Give More Than One Answer			

The following table shows the 5,125 surveyed taxpayers' willingness to try an alternative method of contacting the IRS in the future:

METHOD	TAXPAYER RESPONSE		
	Willing To Try Another Method of Contacting IRS		
	Yes	No	Not Sure
Letter	43%	43%	14%
Telephone	52%	40%	8%
VITA	26%	49%	25%
Internet	40%	47%	13%
E-mail	33%	51%	15%
Fax	35%	50%	15%
CD-ROM	23%	58%	19%

Letters Writers

2% of all surveyed Walk-In taxpayers wrote to the IRS first. Of those, 46% didn't get a response, 20% didn't agree with the response and 7% didn't understand the response.

Internet Users (includes e-mail)

3% all surveyed Walk-In taxpayers tried the IRS Internet or e-mail first and found the following:

- ❑ 4% of taxpayers who walked in to ask a tax law question tried the Internet/e-mail first on the issue for which they walked in.
- ❑ 46% of Tax Law Only taxpayers have Internet access.
- ❑ 6% of Forms/Pubs Only Walk-In taxpayers tried the Internet first on the issue for which they walked in.
- ❑ 58% of Forms/Pubs Only Walk-In taxpayers have Internet access but only 24% of Forms/Pubs Only Walk-In taxpayers knew they could download forms/pubs.

Telephone Contacts

There were 1,507 (29%) surveyed Walk-In taxpayers that tried the telephones first on the issue for which they walked in.

Of those who tried the telephones first, 28% were referred to the Walk-In by an IRS telephone assistor. But, some Walk-In taxpayers called first for services not even offered over the telephone (like return prep, e-filing, tax clearance). In reading the various taxpayer comments, complaints, suggestions and fill-in responses throughout the survey we know that many Walk-In taxpayers call the 1-800 number first, not to obtain a service, get an answer to a problem or ask a question about their issue but to:

- ❑ Get the address of the local Walk-In.
- ❑ Get the directions to the local Walk-In.
- ❑ Find out what services are offered at that Walk-In.
- ❑ Get the hours/days the Walk-In is open

The responses to requests for local Walk-In addresses, directions, services and hours/days Walk-In is open are fielded by 1-800 Customer Service Telephone Assistors using the Servicewide Electronic Research Project (SERP) throughout the U.S. They cannot give directions, tell the taxpayer which office is closest to where they live or when and whether an appointment is required.

Forms/Pubs order calls were placed to the forms line and 1-800-829-1040 line during the filing and non-filing seasons. We found:

- ❑ Ordering was both automated and taken by live assistors.
- ❑ The wait time was 7 - 15 days for a form/pub/instruction book.
- ❑ The time a taxpayer had to wait for the form/pub was not given by the automated system or the live assistor until after the taxpayer had placed his forms/pubs order.
- ❑ Surveyed Walk-In Forms/Pubs taxpayers told us they would not/could not wait the 7- 15 days.

Only 22% of filing season Forms/Pubs taxpayers said they would be willing to try the telephones in the future compared to 73% of non-filing season Forms/Pubs taxpayers.

In addition to the 28% of Walk-In taxpayers who tried the telephones first and were referred by assistors, the next top experiences were:

- ❑ 12% got a busy signal.
- ❑ 11% hung up/could not wait for live assistor.
- ❑ 7% had difficulty with the telephone menu.

The remaining experiences were varied but no single other experience exceeded 5%.

The 3rd highest comment by Walk-In taxpayers, when asked for suggestions to improve Walk-In service, were complaints about the IRS telephone system. The 8th highest comment by Walk-In taxpayers, when asked for suggestions to improve Walk-In service, were complaints about the telephone assistors. 543 surveyed taxpayers offered unsolicited compliments about Walk-In. (more details in "Taxpayer Suggestions/Comments" section)

CONCLUSIONS

- ❑ There is Walk-In traffic that will never be diverted to an alternate method of contact. This conclusion is based on the number of Walk-In taxpayers: that are Walk-In repeaters; that offered unsolicited compliments; that can only get some services by walking in; that complain about the telephones; that know what's available on the IRS Internet, have Internet access but don't/wont use it for IRS services because of equipment problems, user problems, because they don't know exactly what they need or because the size of the form/pub they need is too large to print; that don't even try alternative methods of contact because they believe Walk-In is faster/easier or because they prefer personal face-to-face contact.
- ❑ Because almost every third taxpayer who walks in contacts the IRS by some other method first, there is taxpayer burden and a duplication of IRS resources utilized, especially when the first method of contact involves a telephone assistor. Using 1-800 telephone assistors to give Walk-In location addresses and hours wastes human resources that could be used be used more productively for other telephone assistance. SERP, the tool used by telephone assistors, does not provide all of the information sought by taxpayers who want to visit the Walk-In.
- ❑ Taxpayers that call the IRS are not told how long they will have to wait for a form until after they place their order. Therefore, there is duplication of IRS effort and an increase to taxpayer burden when these taxpayers decide to walk in rather than wait for the same form/pub that will be sent to them by mail.
- ❑ More than half of the Forms/Pubs Only Walk-In taxpayers that have Internet access did not know they could download forms/pubs from the IRS Internet.

RECOMMENDATIONS

- To minimize taxpayer burden and an unproductive use of telephone assistor resources, fund each Walk-In office for a local telephone number with recorded message capability. List it in local telephone books AND give the local office the ability to change it as circumstances change. The recorded message should include:
 - the street address of the Walk-In
 - directions from a main thoroughfare/public transportation.
 - specific service offered at that IRS location.
 - days of the week the office is open.
 - hours including extended hours.
 - Whether an appointment is needed & how to make one.
 - What the taxpayer must bring with them for return prep/e-filing/Letter 1722/return copies.
 - Whether bi-lingual assistance is offered.
 - Local non-traditional locations & their services.

- Provide the same information above on the Internet using a drop down menu by state with a hyperlink to list the exact offices by town/city. An example of a model Internet Walk-In website (California Dept. of Motor Vehicles) is in your handouts.

- Enhance SERP to 1) provide directions from a main thoroughfare, 2) list the services provided in Walk-In Offices that are NOT full service sites, 3) list what services the taxpayer needs an appointment for and how to make one.

- Advertise the IRS Internet website for Forms/Pubs at the forms rack in the Walk-In to promote awareness of its existence to the Forms Only Walk-In taxpayers with Internet access.

- Do not consider eliminating any Walk-In service. Diverting that traffic to a current alternative method of contact would NOT be acceptable/preferable for a large segment of the Walk-In taxpayer population.

- Rearrange the IRS forms telephone menu. Tell taxpayers at the beginning of the message how long it will take to receive IRS forms ordered over the telephone to allow them to terminate the call immediately if the wait time is unacceptable to meet their needs. Advise the live assistors to do the same. Based on our survey responses, many Walk-In taxpayers are unwilling to wait 7 - 15 days, therefore, they order the forms/pubs via telephone, then find out it will take 7 - 15 days, and then go to the IRS Walk-In to pick up the same form/pub they just ordered. Consider an increase in abandon rate after this message is moved to the beginning of the menu in a non-negative manner as it will reduce both duplication of IRS effort and taxpayer burden.

IV. TAXPAYER SUGGESTIONS & COMMENTS

General

We asked Walk-In taxpayers, “Do you have any suggestions for improving IRS Walk-In service?”

We did not solicit compliments/comments or complaints but the Walk-In taxpayers chose to use this opportunity to make compliments/comments/complaints along with their suggestions for improvement. We did not ask the taxpayers to make suggestions or comment on the IRS Telephones or Internet, however, they did. Walk-In taxpayers were free to say anything. No multiple choices were provided.

Of the 5,125 taxpayers who were interviewed, 1,829 (36%) responded in the form of suggestions, compliments, comments or complaints. 1,031 were made during the filing season and 798 during the non-filing season. Interestingly, the ratio of compliments to comments that had nothing to do with any IRS service to suggestions was similar, when the filing season and non-filing season was compared.

- 543 (30%) of the 1,829 who responded had only complimentary things to say about the Walk-In service.
- 67 (3%) of the 1,829 who responded made comments that had nothing to do with Walk-In service or any other IRS service.
- 1,219 (67%) taxpayers of the 1,829 who responded made 1,538 suggestions, comments or complaints about IRS Walk-In services or other IRS customer services.

CATEGORIES OF 1,538 TP SUGGESTIONS/COMMENTS/COMPLAINTS

Taxpayer suggestions were made in the following categories: Walk-In Employee Related (396); Furniture/Space/Equipment/Services (201); Advertising/Communication (196); Telephone Service (165); Parking (122); Hours/Days of Operation (101); Location (101); Forms (89); Signs (84); Internet Service (47); Numbering System (32).

The following table represents the top comments, made by at least 25 Walk-In taxpayers. Some have already been addressed by the FY 2000 Walk-In Program letter.

TOP WALK-IN TAXPAYER COMMENTS/SUGGESTION FOR IMPROVEMENT

(25 or more surveyed Walk-In taxpayers said each of the following. These top comments/suggestions/complaints represent 69% of the 1,538 made.)

# of TPs who said it	Taxpayer Suggestions/Comments
228	IRS needs more assistors at the Walk-In
119	IRS needs more parking/better parking/more accessible parking/free parking at the Walk-In.
95	The IRS telephone system doesn't work/is terrible/is always busy/takes too long to reach an assistor, is too complicated (various other non-assistor related telephone complaints).
61	IRS needs to extend their Walk-In daily hours of operation.
54	Walk-In assistors need more training/need to be more knowledgeable.
52	IRS should publish local telephone numbers and/or addresses in the telephone book.
46	IRS needs to do a better job with publicizing directions and the locations of the Walk-In offices.
45	IRS telephone assistors give bad advice, can't communicate or are not courteous.
44	More bi-lingual assistance is needed at the Walk-In.
40	IRS needs a bigger stock and larger variety of forms on the racks at the Walk-In.
39	The IRS needs to put a sign on the outside of the building.
37	More Walk-In locations.
36	IRS Walk-In assistors need to be more friendly/courteous/approachable.
33	IRS needs to do more advertising of Walk-In in general.
30	IRS Walk-Ins need more space/work area.
28	The Walk-In should offer weekend service.
27	The IRS needs more signs inside the Walk-In office.
25	The IRS should have local telephone numbers for local offices.
25	The Walk-In should have a greeter/receptionist/screener at the door who directs taxpayers to the right line/form, advises about wait time and validates parking.

Analysis of the Top 10 Taxpayer Suggestions/Comments/Complaints

□ IRS needs more assistors at the Walk-In.

Our data throughout this report points to the taxpayers' interest in speeding up their visit. Therefore, this Number One suggestion/comment (in both the filing season and non-filing season) of taxpayers to increase the number of assistors is consistent with the data gathered and is not a surprise. This information has been passed along to the Rocky Mountain DORA team who is working on the Taxpayer Walk-In Staffing Study.

□ IRS needs more parking/better parking/more accessible parking/free parking at the Walk-In.

Taxpayers who had positive things to say about Walk-In service still commented on the lack of parking when they arrived. Again, if speeding up their visit is their main priority they do not want to spend the time either looking for a place to park or paying for parking, especially if they are only running in for forms or to make a payment/file a return. This information has been passed along to the New England DORA team who is working on the Walk-In Post of Duty Location Model.

□ The IRS telephone system doesn't work/is terrible/is always busy/takes too long to reach an assistor, is too complicated (various other non-assistor related telephone complaints).

We did not ask the taxpayers for suggestions for improving the telephone system, we only asked about improving Walk-In. Almost one-third of all Walk-In taxpayers use another method to contact the IRS before they walk in. The fact that Walk-In taxpayers offered negative unsolicited comments about the telephones coupled with the fact that it came in as Number 3 over other actual Walk-In issues, and it does not include complaints about the telephone assistors, is worthy of attention. It should be noted that more Walk-In taxpayers expressed displeasure with the telephone system in the non-filing season than the filing season, however, it is not known when they actually called the IRS to elicit this response.

□ IRS needs to extend their Walk-In daily hours of operation.

44% of the taxpayers that made this suggestion did so in the non-filing season when few offices, if any, have extended hours. 56% of the taxpayers that made this comment did so in the filing season. Perhaps this number could be lowered during the filing season if taxpayers knew in advance that IRS does offer extended hours and when it offers those extended hours at their local office.

- **Walk-In assistors need more training/need to be more knowledgeable.**

Without knowing the specific problem experienced at the counter when they walked in or whether these taxpayers were helped by a Walk-In assistor or an employee who was filling in from another function, Research is unable to suggest any specific additional training or who should receive it at this time. The Walk-In Staffing Study will address training, knowledge, skills and abilities.

- **IRS should publish local telephone numbers and/or addresses in the telephone book.**
- **IRS needs to do a better job with publicizing directions and the locations of the Walk-In offices.**

While some perceive that they will get a better quality answer if they don't have to go through the 1-800 system, some just call the IRS to find out where the Walk-In Office is and how to get to it. Taxpayers do NOT want to wait to get to a live assistor just to get an address, hours of operation and directions. When they do reach a live assistor who can tell them the office address but can't give directions, doesn't know what services that post of duty offers or can't tell them the closest office, they become justifiably irate. Some try the Internet for this information, too, but the information is not provided there.

- **IRS telephone assistors give bad advice, can't communicate or are not courteous.**

These Walk-In taxpayers are not likely to call again. If you consider their frustrations over the telephone system (Number 3 on this list), the high repeater rate at the Walk-In, the overall satisfaction with Walk-In service, and the knowledge that almost one-third of the taxpayers who come to the Walk-In try another method of contacting the IRS first, bad telephone service will result in more Walk-In traffic.

- **More bi-lingual assistance is needed at the Walk-In.**

57% of the 44 taxpayers who mentioned this did so during the non-filing season and it was overwhelmingly "Spanish speaking" assistors when a language was specified.

- **IRS needs a bigger stock and larger variety of forms/pubs on the racks at the Walk-In.**

Only 25% of the taxpayers mentioned this during the non-filing season. Forms related comments overall were down by more than 50% in the non-filing season. If speeding up the visit is most important these taxpayers, and since more forms taxpayers than all Walk-In taxpayers are likely to come from work, it is not surprising that making them wait for their number to be called, just to pick up a form, is distasteful to them and made the Top 10.

V. EMPLOYEE FOCUS GROUPS & BEST PRACTICES

Focus Groups

There were similarities in what the interviewed Walk-In assistors thought the taxpayers wanted in Walk-In service and how the taxpayers responded to the Walk-In survey. Specifically, the employees mentioned fast, accurate, One-Stop and bilingual service as well as convenient parking, signs on the buildings and privacy when discussing tax matters. To meet those taxpayer needs, the assistors indicated they needed more staff, training on Collection issues, refresher courses, referral procedures with contact names and numbers and consistency in their guidelines. Their suggestions addressed greeters in the lobby, appointments for return prep, advertising office hours, limited services at non-traditional sites, improvements to alternate methods of contact, extended hours, communication with other government agencies, and ensuring that taxpayers bring what is needed to have their problems resolved at the Walk-In.

Best Practices

We interviewed The Social Security Administration (SSA - Headquarters), the California State Auto Association (AAA), the NY State Department of Motor Vehicles (NYS DMV), the Minnesota Department of Revenue, the Central Texas Workforce Center and the San Jose Department of Motor Vehicles about their Walk-In operations. We asked questions on the services provided, the factors used in selecting locations, how space and parking needs are determined, how their customers wait for service, what they have done to reduce wait time, how they determine staffing levels, whether their employees are specialists, if they use other people from their organization to assist during peak periods, how they advertise, and if they have made any innovations and how they measure results.

Some of these agencies and businesses are now just beginning to look into a Q-Matics type system that is already being phased in by the Internal Revenue Service. Staffing for the most part is based strictly on historical workload. Location is based on cost and availability, where their tax auditors are located or as one office pointed out, a visible building off a main road.

Although almost all offices have made changes to reduce wait time, wait time goals are varied. NYS DMV sets a goal of 30 minutes for all transactions. SSA has two wait time goals: 85% of the public with appointments - 10 minutes; 70% of the public without an appointment - 30 minutes. The San Jose DMV only has a wait time goal (10 minutes) for customers with appointments. Although all acknowledged that fast service was important to their customers, none had wait time goals that could match those of the IRS.

The Social Security Administration does not offer evening or weekend hours except under limited circumstance such as to clean up a backlog of appointments.

A number of interviewees mentioned a screener/greeter. In the NY State Department of Motor Vehicles, the receptionist/greeter is used to hand out forms, give Q-Matics tickets and direct the customer to the applicable waiting area. In the San Jose Department of Motor Vehicles they have an Information Station where they determine what line the customer should be in and, give customers the forms to fill out so they bring completed forms to the counter. The San Jose DMV also employs a lobby monitor who goes through the lines to check that the customers have filled out all of the forms properly. They also pull out customers with "quick" transactions and send them to an expedite window where they can be taken care of immediately.

We asked if they track the effectiveness of their innovations or measure customer satisfaction or the impact of their advertising. The California State Auto Association merely observes the effect of their innovations. They don't advertise their Walk-In service. They use telephone surveys, mail surveys and measure satisfaction on certain services (like cruises). They strive for a rating of 9 or 10 on each and achieved those ratings on 76% of their services. The San Jose DMV tracks wait times and hands out a survey to the last person in line every hour that gets rolled up into report. When they go to a new electronic queuing system, they will be able to measure all customers. They don't advertise Walk-In except inside the office. They do hand out customer satisfaction surveys in English and Spanish but did not elaborate on how the data is used. The Social Security Administration has conducted an annual customer satisfaction survey for the past 14 years based on a sample of 1500 customers who have had transactions posted to their case files. It is not Walk-In specific. They are, however, moving toward the establishment of an Integrated Market Measurement Process for capturing customer satisfaction ratings in all of their segments of customer service. It will include focus group tests, interaction tracking surveys and special studies. SSA also has a customer comment card that is used by local field office managers.

One interesting technological innovation is planned by the California State Auto Association. In the future, their members will be able to use a machine similar to an ATM and get maps and other travel items. Members will simply swipe their cards and choose the item they want.

The complete set of Best Practice Interviews and Employee Focus Group Interviews can be found in the Appendix of the formal report titled, "The Walk-In Taxpayer Demographic & Attitudinal Final Report."

CONCLUSIONS

- ❑ The Walk-In employee focus group anecdotal responses corroborated the taxpayers' quantifiable comments, complaints and suggestions of the survey.
- ❑ In most instances, the Internal Revenue Service has identified areas for improvement and surpasses other agencies and businesses in dealing with issues common to all Walk-In operations and important to their customers.
- ❑ The screener/greeter was mentioned by taxpayers, employees and the agencies/businesses interviewed for Best Practices and we conclude it is a proven way to speed up service. (Note: The IRS includes a screener/greeter as part of its Q-Matics implementation.)

RECOMMENDATION

- ❑ Utilize screener/greeter/receptionists in larger offices during the filing season even if those offices have not yet been phased in for Q-Matics implementation. Standardize the duties of the IRS screener/greeter/receptionist in the larger Walk-In offices during the filing season. This employee should:
 - Have knowledge of all of the services available at the site.
 - Meet taxpayers and direct them to the proper location in the office for the service they need.
 - Issue any Walk-In handouts/promotional items.
 - Give out suggestion/feedback forms to taxpayers.
 - Be aware of waiting times for individual services so they can inform the taxpayers as they arrive.
 - Have knowledge of the immediate area to be able to provide directions.
 - Accept filed returns.

VI. SUMMARY OF RECOMMENDATIONS

1. Do not consider eliminating any Walk-In service. Diverting that traffic to a current alternative method of contact would NOT be acceptable/preferable for a large segment of the Walk-In taxpayer population. (*Alternative Methods of Contact Impacting Walk-In*)
2. Test the placement of forms, pubs and instruction books in non-traditional sites during the filing season. The sites must have the space to offer a large volume and variety of forms and offer free, accessible and sufficient parking. Test staffed and non-staffed sites to allow comparisons of cost effectiveness, customer satisfaction and reduced taxpayer burden. If a decision is made to do this it must be advertised so that the public is aware that the service is there. (*Demographic & Attitudinal Findings Section*)
3. Continue to offer return preparation as part of the Walk-In Office program. If, however, a decision is made to shift return preparation, from Walk-In to VITA, consider the following:
 - ❑ Co-locate VITA and Walk-In since one-third of Return Prep taxpayers come in for more than one service and 87% of the Return Prep Only taxpayers say the Walk-In office is in a convenient location.
 - ❑ Do not spend a lot of resources communicating a shift to VITA in IRS pubs or on the Internet since Return Prep taxpayers are less likely to look there.
 - ❑ Advertise to Return Prep taxpayers within a 25 mile radius of the current Walk-In location, through local community groups, schools and local businesses, since 91% of Return Prep Walk-In taxpayers travel within that range to get to the Walk-In office and get their Walk-In information primarily by word of mouth. (*Demographic & Attitudinal Findings Section*)
4. To minimize taxpayer burden and an unproductive use of telephone assistor resources, fund each Walk-In office for a local telephone number with recorded message capability. List it in local telephone books AND give the local office the ability to change it as circumstances change. The recorded message should include:
 - ❑ the street address of the Walk-In
 - ❑ directions from a main thoroughfare/public transportation.
 - ❑ specific service offered at that IRS location.
 - ❑ days of the week the office is open/hours including extended hours.
 - ❑ Whether an appointment is needed & how to make one.
 - ❑ What the taxpayer must bring with them for return prep/e-filing/Letter 1722/return copies.
 - ❑ Whether bi-lingual assistance is offered.
 - ❑ Local non-traditional locations & their services.

(Alt. Methods of Contact Impacting W-I Section)

5. Provide the same information above on the Internet using a drop down menu by state with a hyperlink to list the exact offices by town/city. An example of a model Internet Walk-In web site (California Dept. of Motor Vehicles) is in your handouts.

(Alternative Methods of Contact Impacting Walk-In)

6. Enhance SERP to 1) provide directions from a main thoroughfare, 2) list the services provided in Walk-In Offices that are NOT full service sites, 3) list what services the taxpayer needs an appointment for and how to make one. *(Alternative Methods of Contact Impacting Walk-In)*

7. Rearrange the IRS forms telephone menu. Tell taxpayers at the beginning of the message how long it will take to receive IRS forms ordered over the telephone to allow them to terminate the call immediately if the wait time is unacceptable to meet their needs. Advise the live assistants to do the same. Based on our survey responses, many Walk-In taxpayers are unwilling to wait 7 - 15 days, therefore, they order the forms/pubs via telephone, then find out it will take 7 - 15 days, and then go to the IRS Walk-In to pick up the same form/pub they just ordered. Consider an increase in abandon rate after this message is moved to the beginning of the menu in a non-negative manner as it will reduce both duplication of IRS effort and taxpayer burden. *(Alternative Methods of Contact Impacting Walk-In)*

8. Utilize screener/greeter/receptionists in larger offices during the filing season even if those offices have not yet been phased in for Q-Matics implementation. Standardize the duties of the IRS screener/greeter/receptionist in the larger Walk-In offices during the filing season. This employee should:

- Have knowledge of all of the services available at the site.
- Meet taxpayers and direct them to the proper location in the office for the service they need.
- Issue any Walk-In handouts/promotional items.
- Give out suggestion/feedback forms to taxpayers.
- Be aware of waiting times for individual services so they can inform the taxpayers as they arrive.
- Have knowledge of the immediate area to be able to provide directions.
- Accept filed returns. *(Employee Focus Groups & Best Practices)*

9. Advertise the IRS Internet web site for Forms/Pubs at the Forms rack in the Walk-In to promote awareness of its existence to the Forms Only Walk-In taxpayers with Internet access. *(Alternative Methods of Contact Impacting Walk-In)*

10. As Walk-In taxpayers who come in for a tax law question are more likely than other Walk-In taxpayers to come in for multiple services, do not offer Tax Law

Questions at a non-traditional site unless it is a full service site. (*Demographic & Attitudinal Findings Section*)