

Customer Satisfaction Survey of Indian Tribal Governments



Office of Indian Tribal Governments
Tax Exempt Government Entities Division

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2006 ITG Customer Satisfaction Survey

Balanced Measures and the Office of Indian Tribal Governments

The Office of Indian Tribal Governments (ITG) is located within the Tax Exempt/ Government Entities (TE/GE) Business Unit. ITG's customers are 564 federally recognized tribes. ITG seeks to provide all of the services that tribes need in order to fully administer federal tax laws and to provide tribes with information they require to further their economic development without risk of federal tax concerns.

As part of the IRS, the Office of Indian Tribal Governments (ITG) is required to utilize balanced measures for employee satisfaction, business results, and customer satisfaction. The use of measures across these three areas allows the organization to better assess the effectiveness of its programs.

The balanced measure "Customer Satisfaction" is one of the "five levers of change" identified by former Commissioner Rossotti to modernize the Internal Revenue Service (IRS). Each of the Balanced Measures is supported by three strategic goals: Service to Each Taxpayer; Service to All Taxpayers; and Productivity through a Quality Work Environment. This research will allow us to determine the level of customer satisfaction espoused by our customers. It will also allow us to evaluate our programs to see where we need to improve our performance.

Purpose

ITG conducted the 2006 Customer Satisfaction Survey to obtain feedback from our customers that will allow us to measure customer satisfaction with our products and services. This research is an important part of measuring our performance within the context of the aforesaid "Customer Satisfaction" balanced measure. This report summarizes the findings ITG obtained from the survey. The information collected from this survey is important for several reasons.

One, it will enable ITG to identify program areas where we are meeting our customers' expectations as well as those areas where improvement is needed. The survey feedback will allow ITG to reallocate/assign resources within our annual Work Plan to produce and/or improve those products/ services that are important to our customers.

Two, it will allow us to contrast the level of customer satisfaction espoused by our customers with the results from an identical surveys conducted in 2003, 2004, and 2005. This annual assessment will create opportunities for us to identify areas where our initiatives are working or have failed, and will allow ITG to modify and/or design new programs and initiatives to better address our customers' needs.

Background

Our research began in April 2001, when a group of our employees met in a brainstorming session to develop a list of products and services that we thought were important to the tribal governments. We broke the list down to find the positive aspects and negative attributes of each product/service and created measures. The measures were then ranked in terms of the perceived importance to the tribes. Next, we met with representatives of the Five Civilized Tribes for a focus group to determine their needs and concerns.¹ After studying the results of the focus group we changed the ranking of our measures, as our perception of the tribes' needs was slightly different from their perception.

As part of this effort, we prioritized and selected the measures best suited to fit the needs of our customers. The aforementioned measures were then used to develop a customer satisfaction questionnaire. The questionnaire was slightly modified over the years, largely to provide additional clarity to certain questions. A copy of the 2006 survey questionnaire is included in the Appendix. An implementation plan for the survey was drafted that included the questionnaire. A copy of the implementation plan can be obtained by calling the Manager for ITG Group 7289. The implementation plan was subsequently approved by the Office of Management and Budget. Finally, we successfully conducted a mail survey this past fall with our customers.

Response Rate

The questionnaire was mailed out to 562 federally recognized tribes beginning on October 4, 2006. The survey officially ended on November 17th, but responses were tabulated through December 8th. The following actions were taken by ITG to boost our response rate:

- ITG management reminded the tribes about the survey, and encouraged their participation in the survey during various meetings that were held prior to the survey effort.
- ITG Specialists asked tribes to participate during all contacts with tribes during the period of the survey
- ITG News issuances for July 2006 contained a national article on the pending survey, and were used to promote the survey and seek participation.
- The Director, ITG, personally signed a cover letter that accompanied each survey mailed to tribes in which she asked for their participation.
- Telephone and e-mail contacts were made with tribal designees to alert them to the mailing of the survey and to encourage them to respond.

ITG received 179 responses from the tribes during this period. This results in a response rate of 32%. From "The Survey Research Handbook," by Alreck and Settle, the researchers state, "Mail surveys with response rates over 30 percent are rare. Response

¹ The Five Civilized tribes are located in Oklahoma.

rates are often only about 5 or 10 percent."² Previous contact with the National American Indian Housing Council indicated they have 500-600 customers and mainly deal with the housing authority within federally recognized tribes. Our contact said they have conducted many surveys and they usually receive a response rate between 7-13%.

In addition, ITG called a company named Tribal Data Resources (TDR) to discuss their experiences in contacting tribes. TDR is a privately owned company that compiles data on tribes such as tribal membership, current political leaders, etc. TDR updates their database annually, and they must contact each tribe to accomplish this task. We spoke with the office manager, who stated that anyone who achieved a response rate of 25-30% was doing "really well." Based upon the aforesaid historical response rates, ITG is pleased with a response rate of 32%, which represents an improvement from the 24% level achieved in 2003, but is a slight decrease from the 35% response rate in 2004 and the 33% rate in 2005.³

Response Bias

There are a number of ways the results from a survey may contain some bias. One example might include the survey instrument itself, the questionnaire, which may be written in a manner that yields biased responses. ITG has made several efforts to try and eliminate the possibility that our survey results are biased. Some of these efforts were included in the design of the questionnaire and/or the implementation of the survey (e.g. allowing the respondents to the survey to maintain their anonymity). ITG cannot say definitively that these and other actions have precluded any response bias. Rather, ITG can say that concrete steps were taken to try and minimize the potential for response bias.

Yet another type of bias is called *non-response bias*. This situation may occur when the opinions, values, etc. expressed by the respondents are quite different from those held by the customers who did not reply. If the non-response bias is severe enough, it can render the results of the survey invalid. In other words, the results reported from the survey do not accurately reflect the opinions, values, etc. the survey researcher intended to measure for the survey group. In this survey, we are cognizant of the possibility that the opinions of the tribes that did respond to our survey may be more favorable than the opinions of tribes that did not respond. Given that 2/3rds of our customers did not respond, the reader is advised the opinions reflected in our responses may be slightly more favorable than those opinions held by tribes that did not respond. ITG has made an effort to discern if our respondents are generally representative of the different market segments of tribes that we have previously defined in our market segmentation report. For example, we used geographic location of the tribe to generate the results shown in Table 1. From Table 1, the reader can ascertain that ITG received 39 responses from tribes located in Alaska. This represents a 17% response rate for all federally recognized tribes that reside in

² Page 35.

³ ITG recognizes the Office of Management and Budget standards are higher. ITG will continue to look for ways to improve our response rate.

Alaska.⁴ The remaining 140 responses come from tribes located in the continental United States.

Table 1 Survey Responses by ITG Field Group

2006 ITG Customer Satisfaction Survey Results		
Group	Responses	Percent of Tribes Responding
7280	26	39.4%
7281	24	38.7%
7282	35	60.3%
7283	41	33.6%
7284(w/o Alaska)	14	33.3%
Alaska	<u>39</u>	17.2%
Total	179	31.9%

The 140 responses represent a 42% response rate for all federally recognized tribes located in the continental U.S.⁵ Based upon these results, we feel that our market segments (i.e., tribes located in Alaska without class III gaming and tribes located outside of Alaska with or without gaming) are fairly represented. This finding is important because the needs for assistance with federal tax administration vary considerably among tribes located in these two market segments.⁶ We are also cognizant that this year’s survey had a much lower response rate from the FY 2005 level for tribes in Group 7284 outside Alaska. ITG will need to determine the cause of the significant decrease in the response rate.

Findings From 2006 ITG Customer Satisfaction Survey

The Questionnaire Scale

The reader is reminded that a Likert Scale was used for most of the questions. On this scale, a “1” indicated the respondent strongly agreed with the statement. A response of “5” indicated the respondent strongly disagree with the statement. A response of 3 indicated the respondent was neutral on their agreement/disagreement with the proposed statement. For purposes of analysis, we have lumped together the “1s” with the “2s” and the “4s” with the “5s”.

The reader is also reminded that some of the proposed questions (statements) were written such that an answer of “5-strongly disagree” was a good response. We have reversed the results from these statements to ensure they are readily comparable to

⁴ 227 federally tribes reside in Alaska. Hence 39/227 equals 17%.

⁵ 335 tribes reside in the continental United States. 140/335 equals 42%.

⁶ The slightly lower response rate for tribes located in Alaska, 17%, is not surprising given the relatively meager staff resources these tribes have.

statements that were written in the affirmative to maintain a consistent presentation of our findings. This change is reflected in the Tables.

The “lumping” of scores together is an approach the IRS has used to evaluate scores received during the Employee Satisfaction Survey. We hope the consistent use of this approach will make it easier to understand the results from our customer satisfaction survey and enhance their usefulness.

Survey Results

The results from the survey are summarized in the following Tables 2 and 3. We created a measure equal to the difference between the aggregate number of “good” and “bad” scores. This measure is shown in the right columns of Tables 2 and 3, with results from the current survey contrasted to the results from the FY 20054 and FY 2004 surveys. The lower the difference the greater the perceived dissatisfaction expressed by our customers. The “difference” is a useful measure in that it allows one to quickly identify those areas where ITG has pronounced differences in customer satisfaction. Table 2 reflects the response rates in order of the questions (statements) asked on the questionnaire.

Table 2 2006 ITG Customer Satisfaction Survey Results-by question order

Question	Questionnaire Response Scores (percentages)			Difference (Good-Bad) FY 2006	Difference (Good-Bad) FY 2005	Difference (Good-Bad) FY 2004
	Good	Neutral	Bad			
1	109	32	31	78	100	119
2	112	33	28	84	75	109
3	134	25	14	120	125	119
4	112	35	25	87	86	93
5	144	24	6	138	133	139
6	104	50	16	88	54	57
7	126	34	13	113	98	122
8	108	51	15	93	88	71
9	103	47	20	83	72	97
10	92	47	29	63	59	76
11	121	36	13	108	89	119
12	82	73	12	70	69	95
13	129	32	10	119	121	143
14	126	35	9	117	98	134
15	102	45	24	78	72	82
16	129	32	10	119	108	125
17	105	52	13	92	92	111
18	138	27	6	132	126	147
19	145	22	4	141	135	149
20	109	47	12	97	88	107
21	109	46	12	97	45	43
22	85	59	22	63	59	71
23	120	35	14	106	106	118
24	98	53	16	82	76	99
25	96	57	13	83	70	96
26	131	28	12	119	113	131

One can see that in Table 3 we have taken the questions in Table 2 and rearranged them by ascending order of those that have the smallest difference between the “good” (1/2) and “bad” (4/5) scores. The narrower the difference the greater the need to address the issue raised within the question (statement). For example the lowest figure calculated in the difference column in Table 3 was 63, which occurred with question (statement) 22. Question (statement) 22 reads, “The Office of ITG works with the Tribe to explain filing

requirements for members.” This is one area where ITG might reexamine its products/services and the way they are delivered to see if any changes can be made that would improve the tribes’ satisfaction with our performance in this area.

Table 3 2006 ITG Customer Satisfaction Survey Results-by rank

Question	Questionnaire Response Scores (percentages)			Difference (Good-Bad) FY 2006	Rank FY 2006	Difference (Good-Bad) FY 2005	Rank FY 2005	Difference (Good-Bad) FY 2004	Rank FY 2004
	Good	Neutral	Bad						
22	85	59	22	63	1	59	3	71	4
10	92	47	29	63	2	59	4	76	5
12	82	73	12	70	3	69	5	95	8
15	102	45	24	78	4	72	7	82	6
1	109	32	31	78	5	100	18	119	16
24	98	53	16	82	6	76	10	99	11
25	96	57	13	83	7	70	6	96	9
9	103	47	20	83	8	72	8	97	10
2	112	33	28	84	9	75	9	109	13
4	112	35	25	87	10	86	11	93	7
6	104	50	16	88	11	54	2	57	2
17	105	52	13	92	12	92	15	111	14
8	108	51	15	93	13	88	12	71	3
21	109	46	12	97	14	45	1	43	1
20	109	47	12	97	15	88	13	107	12
23	120	35	14	106	16	106	19	118	15
11	121	36	13	108	17	89	14	119	18
7	126	34	13	113	18	98	16	122	19
14	126	35	9	117	19	98	17	134	22
16	129	32	10	119	20	108	20	125	20
26	131	28	12	119	21	113	21	131	21
13	129	32	10	119	22	121	22	143	24
3	134	25	14	120	23	125	23	119	17
18	138	27	6	132	24	126	24	147	25
5	144	24	6	138	25	133	25	139	23
19	145	22	4	141	26	135	26	149	26

In examining those areas that have relatively low scores, ITG should consider several factors in evaluating what type of follow-up action is warranted. These factors include:

- The degree of control ITG has on the aforesaid area (e.g., ITG has less control over the ease of understanding forms and publications)
- The amount of resources needed to make an improvement(s) in one area where ITG scored low vis-à-vis other areas with similar scores
- The perceived impact on the IRS mission from making an improvement(s) in a given area
- The impact external factors have on customer satisfaction within the given area (e.g., tribes may view certain legislation passed by the U.S. Congress as unfair and a sign ITG does not want to work with them even though ITG had little if any influence over the legislation)

Conversely, in Table 3 one can observe the widest difference was 141, which occurred with question (statement) 19. Question 19 reads, “The Tribe will contact the Office of ITG when it has a problem and/or question”. ITG scored relatively high in this area. It would be a good idea to share this information within the ITG organization to let the employees know where ITG is performing relatively well.

Table 3 also shows relative consistency of responses between the 3 surveys conducted to date. For example, questions 10 and 22 have ranked in the top 5 in each of the surveys, indicating that ITG still needs to effect improvements in the opinion of their customers. Conversely, ITG has made significant progress over the past 3 surveys in areas relating to questions 6, 8 and 21. ITG should review the issues/actions that relate to those areas to see if it can leverage from those efforts to effect similar improvements in other areas.

Table 4 2006 ITG Customer Satisfaction Survey Scores-by components of Customer Satisfaction

Area*	Questionnaire Response Scores (percentages) FY 2006			Questionnaire Response Scores (percentages) FY 2005		
	Good	Neutral	Bad	Good	Neutral	Bad
Recognition	72%	23%	6%	61%	26%	9%
Burden/Delivery of Information	69%	21%	11%	64%	31%	9%
Protocol/Horizontal Equity	71%	21%	8%	65%	25%	5%
Collaborate	59%	30%	11%	54%	34%	3%
Accuracy/Timeliness/Honesty	60%	31%	10%	54%	35%	5%
*See the ITG Balanced Measures Task Force Report for a detailed explanation of these areas.						

In Table 4, we have provided the survey findings broken out among the five components that make up our customer satisfaction measure. The areas of our customer satisfaction balanced measure where ITG scored the lowest include those falling under “Collaborate” and “Accuracy/ Timeliness/ Honesty”. The low scores are common across all 6 ITG areas. The specific questions in these areas with the lowest scores are numbers 15, 22, 24, and 25. These are prime areas for further study and remedial action by ITG. Surprisingly, tribes that indicated they had been subject to an examination or compliance check by ITG gave more favorable ratings in these 4 questions than tribes who indicated they had not been subject to such activities.

Finally, in Table 5 we have provided the survey results broken out by ITG Field Group.⁷ From Table 5, one can see that tribes located in Alaska have the lowest level of satisfaction with products and services produced by ITG. Only 59% of the tribes in Alaska rated their overall satisfaction with ITG’s products and services as “good”, however this is an increase from 2005, and continues an upward trend from that area. An even more significant finding is the 73% level of overall satisfaction from tribes in the Southwest, which is one of the two areas where overall satisfaction significantly decreased from FY 2005. with the North Central area being the other.

Table 5 ITG Customer Satisfaction Survey Scores- by ITG Field Group

	7280		7281		7282		7283		7284		AK	
	FY 2005	FY 2006										
Burden/ Delivery of Information												
Satisfied	60%	83%	76%	72%	82%	56%	71%	76%	60%	82%	57%	57%
Neutral	30%	9%	18%	21%	11%	26%	22%	16%	29%	15%	32%	29%
Dissatisfied	10%	8%	6%	7%	7%	18%	7%	8%	11%	3%	12%	14%
Collaborate												
Satisfied	72%	72%	75%	58%	77%	60%	68%	71%	38%	48%	45%	42%
Neutral	22%	20%	19%	36%	21%	25%	26%	20%	54%	40%	41%	43%
Dissatisfied	6%	8%	7%	6%	2%	15%	6%	8%	9%	12%	14%	15%
Recognition												
Satisfied	75%	82%	80%	73%	84%	69%	76%	84%	55%	73%	58%	52%
Neutral	21%	11%	16%	22%	14%	20%	18%	10%	36%	23%	36%	38%
Dissatisfied	4%	8%	3%	5%	2%	11%	6%	5%	9%	4%	6%	10%
Protocol/ Horizontal Equity												
Satisfied	73%	88%	75%	71%	72%	69%	70%	79%	51%	66%	51%	57%
Neutral	25%	6%	25%	25%	22%	25%	29%	17%	46%	26%	43%	36%
Dissatisfied	2%	5%	0%	4%	6%	6%	1%	3%	3%	8%	5%	8%
Accuracy/ Timeliness/ Honesty												
Satisfied	63%	73%	68%	49%	72%	55%	66%	72%	46%	63%	45%	48%
Neutral	28%	21%	27%	40%	28%	28%	30%	24%	52%	31%	49%	40%
Dissatisfied	8%	6%	4%	11%	0%	18%	4%	4%	2%	6%	6%	12%
Overall Satisfaction												
Satisfied	77%	88%	87%	78%	92%	73%	88%	86%	57%	85%	56%	59%
Neutral	19%	4%	13%	22%	8%	15%	12%	8%	29%	8%	39%	33%
Dissatisfied	3%	8%	0%	0%	0%	12%	0%	5%	14%	8%	5%	8%

⁷ See the ITG Balanced Measures Report for a complete description of the areas that make up our customer satisfaction measure.

Recommendations

ITG should take the following actions relevant to Customer Satisfaction:

- Post the results of the survey on the ITG web site
- Share the results with all ITG employees
- Review areas where ITG scored relatively low, revisit the corresponding program/ services relevant to those areas, and develop actions to implement methods to improve performance
- Review areas where ITG scored relatively high to see what program /services are working and if any best practices might be ascertained
- Utilize the regional Consultation Listening meetings (four per year are scheduled in differing BIA regions) in areas where further study is needed to ascertain the reasons for responses/response rates.
- Continue to implement innovative alternative approaches for delivering products/services to tribes located in Alaska
- Develop and implement communication mechanisms to address the issue of horizontal equity, through ITG News and Consultation Listening meetings
- Review the effectiveness of the survey effort to determine what changes should be made for next year's survey

Appendix

IRS Satisfaction Survey

OMB Control#1545-1432

The Office of Indian Tribal Governments (ITG) within the IRS is asking for your input to help us evaluate how well we are serving your needs. Your responses will help us identify the areas where we can improve our products/services. Thank you for your input.

Please read each question carefully, and then pick a number from the scale to show how much you agree or disagree with each statement and write it in the space provided to the right of the statement.

Strongly					Strongly
Agree	Agree	Neutral	Disagree	Disagree	Disagree
1	2	3	4	4	5

- | | | |
|----|---|-------|
| 1 | It is hard to call and reach the Tribe's assigned Specialist. | _____ |
| 2 | The Tribe rarely needs to talk to more than one employee to get an answer to a question. | _____ |
| 3 | It is easy to access the IRS internet site. | _____ |
| 4 | It is hard to get the tax information by calling the Office of ITG. | _____ |
| 5 | Forms, Publications & other written materials are available on the IRS internet site. | _____ |
| 6 | ITG has specific tax publications that meet tribal information needs | _____ |
| 7 | Specialist(s) provide explanations the Tribe can understand. | _____ |
| 8 | The IRS internet site is <u>not</u> user friendly. | _____ |
| 9 | The Office of ITG assists the Tribes in avoiding penalties. | _____ |
| 10 | The Office of ITG does <u>not</u> explain how tax law changes will affect the Tribe. | _____ |
| 11 | The Office of ITG works with the Tribe to help resolve any tax issues. | _____ |
| 12 | Assistance given by the Office of ITG interferes with Tribal sovereignty. | _____ |
| 13 | The Office of ITG seeks to build a respectful relationship. | _____ |
| 14 | The Office of ITG wants to work with the Tribe to administer the tax law. | _____ |
| 15 | The Office of ITG does <u>not</u> clarify tax issues that are unique to the Tribe. | _____ |
| 16 | The Office of ITG helps the Tribe comply with the tax law. | _____ |
| 17 | The Office of ITG is respectful of Tribal culture. | _____ |
| 18 | The Office of ITG is courteous in its contacts with the Tribe. | _____ |
| 19 | The Tribe will contact the Office of ITG when it has a problem and/or question. | _____ |
| 20 | The Office of ITG works with the Tribe on a government to government basis. | _____ |
| 21 | ITG always explains the reason for their compliance contact | _____ |
| 22 | The Office of ITG works with the Tribe to explain filing requirements to tribal members. | _____ |
| 23 | The Office of ITG provides a timely response to the Tribe's questions. | _____ |
| 24 | The Office of ITG does <u>not</u> keep the Tribe informed of its actions to resolve an issue. | _____ |
| 25 | The Office of ITG fairly applies the tax law to the Tribe. | _____ |
| 26 | Overall, the Tribe is satisfied with the products and services provided by the Office of ITG. | _____ |

Please answer yes or no to the following question :

- 27 Within the past year, has your tribe had its books and/or records reviewed in a compliance check or examination by the IRS? Yes No
- 28 **Using the map on the reverse side, please provide the area where the Tribe is located:** _____.

Please add any comments you wish to make (please include examples/ideas of how ITG could better assist you):

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

Please use this map for Question 28

