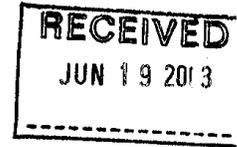




CHIEF INFORMATION OFFICER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224



June 18, 2003

MEMORANDUM FOR ACTING TREASURY INSPECTOR GENERAL FOR TAX
ADMINISTRATION

FROM:

David A. Mader 
Acting Chief Information Officer

SUBJECT:

Management Response to Draft Audit Report - End User
Equipment and Services Enterprise Service Desk Efficiency and
Effectiveness Can Be Improved
(Audit # 200220007)

Your report on our Enterprise-wide service desk performance serves to underscore our continued commitment to provide high-quality customer service in support of the IRS mission. Since its inception, the help desk has focused on providing enterprise-wide tools, policies, procedures and training for the IRS workforce. We are constantly striving to improve these services.

Indeed, we have taken several actions to improve the effectiveness and efficiency of the Enterprise Service Desk since the audit. We have added front-end prompts on the toll free number reducing customer burden while maximizing efficient call routing. We have implemented procedures to transfer calls to appropriate subject matter experts. We are now conducting quality assurance reviews on Priority 1 and 2 tickets with manual escalation and we conduct reviews on Priority 3 tickets on a weekly basis. In addition, we are collecting additional measures, including call abandon rates and call handle times, which we will use internally to manage the Enterprise Service Desk operation.

We are implementing the following best practices with their associated benefits to further protect resources while providing improved customer service:

- Conducting a staffing analysis to ensure work is commensurate with grade level. This activity is balanced with the additional tool deployment designed to increase the capability of front line assistors to provide desktop support and triage, including remote desktop support tools.
- Implementing appropriate enterprise tools for remote desktop support.

- Deploying self-service tools for password management and knowledge management. Self-service tools will not be required to be used by customers but are alternate options for customers, since not all customers can utilize web-based tools.
- Implementing call monitoring procedures and measures to evaluate call assistor performance, as negotiated with NTEU.

Potential Measurable Benefits Response

We disagree with your estimated cost avoidance of \$23.6 million over 5 years. We estimate \$9.9 million in cost avoidance over the same time period. We have shared our calculations with the Audit Manager. In addition, we will perform a complete cost analysis based on revised projections and discuss the subject of benefits with your staff.

We have included additional details on these actions in our attached management response. If you have any questions, please call me at (202) 622-6800, or Thomas Mulcahy, Manager, Program Oversight and Coordination Office, at (202) 283-6063.

Attachment

**Management Response to Draft Audit Report –
End User Equipment and Services Enterprise Service Desk Efficiency and
Effectiveness Can Be Improved
(Audit # 200220007)**

IDENTITY OF RECOMMENDATION #1

The Deputy Commissioner for Modernization & Chief Information Officer should review the ESD staffing needs to determine whether some of the assistor positions should be a lower-grade to more efficiently handle simple, repetitive calls.

CORRECTIVE ACTION #1

The Enterprise Service Desk (ESD) organization will conduct a staffing analysis to ensure work is commensurate with grade level. This activity is balanced with the additional tool deployment designed to increase the capability of front line assistors to provide desktop support and triage, including remote desktop support tools.

IMPLEMENTATION DATE FOR CORRECTIVE ACTIONS #1

COMPLETED _____ PROPOSED 10/01/2003

RESPONSIBLE OFFICIAL

Chief Information Officer
Chief, Information Technology Services
Director, End User Equipment and Services M: I: EU

CORRECTIVE ACTION MONITORING PLAN #1

The Director, End User Equipment and Services (EUES) designated senior managers in the EUES organization to ensure the staffing analysis is completed, implemented and effective.

**Management Response to Draft Audit Report –
End User Equipment and Services Enterprise Service Desk Efficiency and
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(Audit # 200220007)**

IDENTIFY OF RECOMMENDATION #2

The Deputy Commissioner for Modernization & Chief Information Officer should establish a process to ensure that calls to the ESD are screened and routed to the assistor with the skills to most efficiently resolve the problem.

CORRECTIVE ACTION #2

The Enterprise Service Desk (ESD) organization implemented front-end prompts on the toll free number to reduce customer burden while maximizing efficient call routing. The prompts or “gating” of calls are in 4 categories:

- Problem escalation
- Password Management requests
- Production Processing related calls (IDRS, CFOL, etc)
- Calls to report all non-production processing problems and request assistance

Warm transfer procedures have been implemented to transfer calls to appropriate subject matter experts including agency-Wide Shared Services (AWSS), Tax Exempt and government Entities (TEGE), and the Reports Generation System (RGS).

Additionally, the call reduction strategy is being enhanced by root cause analysis. Findings on root cause are incorporated on an ad-hoc basis into the probe and response guides, which serves as the foundation for knowledge management tools for MITS.

IMPLEMENTATION DATE:

COMPLETED 5/1/2003

PROPOSED _____

RESPONSIBLE OFFICIAL

Chief Information Officer
Chief, Information Technology Services
Director, End User Equipment and Services M: I: EU

CORRECTIVE ACTION MONITORING PLAN

N/A

**Management Response to Draft Audit Report –
End User Equipment and Services Enterprise Service Desk Efficiency and
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(Audit # 200220007)**

IDENTITY OF RECOMMENDATION #3

The Deputy Commissioner for Modernization & Chief Information Officer should ensure that the self-service desk tools are available to end-users and require the use of these tools.

CORRECTIVE ACTION #3

The Director, End user Equipment and Services (EUES) will ensure self-service tools for password management and knowledge management are deployed by October 2003. Self-service tools are optional since some customers cannot use web-based tools.

IMPLEMENTATION DATE:

COMPLETED _____ PROPOSED 01/01/2004

RESPONSIBLE OFFICIAL

Chief Information Officer
Chief, Information Technology Services
Director, End User Equipment and Services M: I: EU

CORRECTIVE ACTION MONITORING PLAN #3

Designated senior managers in the EUES organization will ensure self-service password management and knowledge management tools are deployed and utilized in adherence with established agency policies and procedures.

**Management Response to Draft Audit Report –
End User Equipment and Services Enterprise Service Desk Efficiency and
Effectiveness Can Be Improved
(Audit # 200220007)**

IDENTITY OF RECOMMENDATION #4

The Deputy Commissioner for Modernization & Chief Information Officer should develop a call reduction strategy to reduce the number of calls received at the service desk. The strategy should include a periodic (e.g., monthly) root cause analysis of the calls.

CORRECTIVE ACTION #4

At the time of the audit, End User Equipment and Services (EUES) did not have call reduction strategies in place. Status callbacks, follow up calls and multiple calls for the same problem, all contributed to help desk call volume. Since the audit, End User Equipment and Services implemented call reduction strategies, including:

- Conducting quality assurance reviews on Priority 1 and 2 tickets with manual escalation and review of Priority 3 tickets on a weekly basis.
- Evaluating the use of probe and response guides is evaluated.
- Incorporating findings on root cause and resolution analysis into the probe and response guides, which serve as the foundation for the MITS knowledge management.
- Standardizing and implementing escalation and customer notification procedures to ensure Priority 1 - 3 tickets are being addressed timely with appropriate follow up with the customer.
- Reviewing closed tickets monthly to identify potential candidates for first contact resolution.

IMPLEMENTATION DATE:

COMPLETED 5/31/2003

PROPOSED _____

RESPONSIBLE OFFICIAL

Chief Information Officer
Chief, Information Technology Services
Director, End User Equipment and Services M: I: EU

CORRECTIVE ACTION MONITORING PLAN

N/A

**Management Response to Draft Audit Report –
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IDENTITY OF RECOMMENDATION #5

The Deputy Commissioner for Modernization & Chief Information Officer should ensure that additional measures (e.g., cost per call and call abandonment rate) are established to measure the effectiveness and efficiency of the ESD program.

CORRECTIVE ACTION #5

The End User Equipment and Services (EUES) organization collects additional measures that are used internally to manage the Enterprise Service Desk (ESD) operations, including call abandon and call handle time. These measures are not reported through the Business Performance Review (BPR) process.

EUES does collect costs associated with the operation of the Enterprise Service Desk and can attribute these costs to a call.

IMPLEMENTATION DATE:

COMPLETED 1/31/2003

PROPOSED _____

RESPONSIBLE OFFICIAL

Chief Information Officer
Chief, Information Technology Services
Director, End User Equipment and Services M: I: EU

CORRECTIVE ACTION MONITORING PLAN

N/A

**Management Response to Draft Audit Report –
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IDENTITY OF RECOMMENDATION #6

The Deputy Commissioner for Modernization & Chief Information Officer should ensure that performance measures for ESD assistors (e.g., call handle time) are established and monitored to ensure the quality and efficiency of assistor performance.

CORRECTIVE ACTION #6

The Director, End User Equipment and Services (EUES) will ensure that appropriate measures are collected and utilized to evaluate call assistor performance, as negotiated with National Treasury Employees Union (NTEU).

IMPLEMENTATION DATE:

COMPLETED _____ PROPOSED 10/01/2003

RESPONSIBLE OFFICIAL(S)

Chief Information Officer
Chief, Information Technology Services
Director, End User Equipment and Services M: I: EU

CORRECTIVE ACTION MONITORING PLAN #6

Designated senior managers in the EUES organization will ensure appropriate call assistors quality assurance measures are identified, negotiated with NTEU and implemented in adherence with established agency policies and procedures.

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IDENTITY OF RECOMMENDATION #7

The Deputy Commissioner for Modernization & Chief Information Officer should ensure that efforts are continued to reach an agreement with the NTEU to allow the monitoring of ESD assistor calls.

CORRECTIVE ACTION #7

The Director, End user Equipment and Services (EUES) will ensure appropriate call monitoring and appropriate call assistor performance measures are negotiated with NTEU for implementation.

IMPLEMENTATION DATE:

COMPLETED _____ PROPOSED 10/01/2003

RESPONSIBLE OFFICIAL

Chief Information Officer
Chief, Information Technology Services
Director, End User Equipment and Services M: I: EU

CORRECTIVE ACTION MONITORING PLAN #7

Designated senior managers in the EUES organization will ensure appropriate call assistor call monitoring and quality assurance measures are identified, negotiated with NTEU and implemented in adherence with established agency policies and procedures.