



Research report

Agents Qualitative Research

Exploring Agent and Staff perceptions of HMRC Service Quality and Delivery

Business Customer Unit

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Agents Qualitative Research

About the Business Customer Unit (BCU)

Business Customer Unit (BCU) is part of Business Tax responsible for ensuring businesses pay the right amount of tax whilst improving our customer's experience and the overall UK business environment.

The BCU role is to help colleagues make customer focus a reality by understanding our Business Customers needs better and using that understanding to design better products, processes and service delivery.

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Introduction

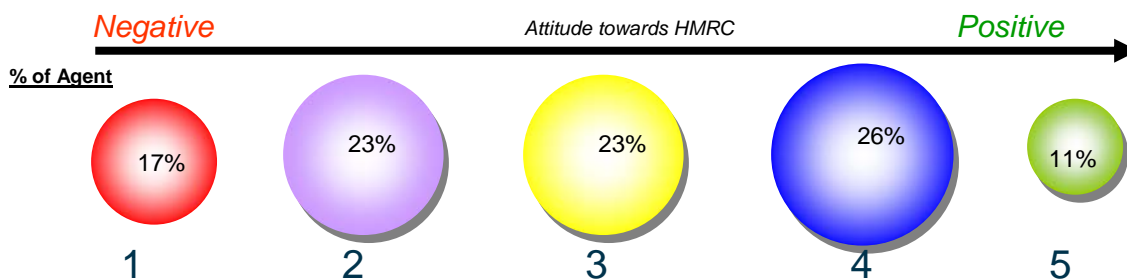
This report documents the findings of qualitative research which explored Agent and Staff perceptions of HM Revenue and Customs (HMRC) service quality and delivery. This research was conducted by GfK NOP.

Background and Objectives

It is estimated that the 'paid' Agent community, those with more than five clients, is around 43,000 strong, and it is this sector HMRC wishes to understand in more detail.

The relationship between HMRC and Agents is a critical one. HMRC understands that there is some dissatisfaction among Agents with some aspects of the service that HMRC provides to them, including that offered by the Contact Centre business model and by recent developments and changes to processes. HMRC is committed to providing a good service to Agents, while at the same time delivering value for taxpayers.

Prior to the research reported in this document, a Usage and Attitude research study was conducted with Agents which identified areas HMRC wished to explore in more detail. In addition, a segmentation was developed, identifying five distinct Agent groups along an attitudinal spectrum, from negative to positive (see below). The qualitative research reported in this document was designed to explore relevant issues with Agents from across this attitudinal spectrum.



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The purpose of the research

Previous research found that the most influential driver for Agent satisfaction is 'How well or poorly did staff treat you?' A key objective of the qualitative research was to understand in detail what represents good or poor staff treatment, and what Agents understand by a quality service, process or product. Thus the research was designed to:

- Determine and fully understand what Agents perceive to be a 'quality' service. HMRC wished to understand the key factors in detail,
- Break out results by key products / services, and by the different categories of staff.

HMRC intends to use the findings from the research to aid in taking important decisions related to the future relationship with Agents, and to answer questions such as:

- Should efforts be concentrated on particular products / services; elements of 'quality'; elements of staff treatment, and so on?
- What impact might the results have for staff training?
- Do needs differ across Agent segments?

Methodology and Sample

Agents

The research with Agents consisted of 30 in-depth interviews, each lasting up to one hour, plus four two-hour focus groups. Outlined below is a summary of the agent sample composition:

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Agent sample

<p>30 x depth interviews: England, Scotland and Wales</p>	<p>Six respondents from each of HMRC's five Agent segmentation categories (A to E)</p>
<p>4 x two hour focus groups: Two groups in London One group in Manchester One group in Newcastle</p>	<ul style="list-style-type: none"> ➤ two groups containing a mix of the top two 'positive' categories (D and E) ➤ two groups containing a mix of the bottom two 'negative' categories (A and B)

HMRC provided questions to enable GfK NOP to identify respondents from the different segments. Overall, the sample included individuals with responsibility for the various tax areas of interest to HMRC: Self Assessment (SA); Pay as you Earn (PAYE); Corporation Tax (CT); Value Added Tax (VAT); Construction Industry Scheme (CIS); Tax Credits; Capital Gains Tax; Import/export taxes; Inheritance Tax; and Stamp Duty.

In addition, respondents had experience of the relevant Agent processes (64/8 authorisation, Unique Taxpayer Reference and Tax codes) and, to a lesser extent, of Agent specific services: Working Together; Agent Dedicated Lines (ADLs); Agent Update; Agent Account Managers (AAMs); and Customer Relationship Managers (CRMs).

Research with HMRC Staff

In addition to the research with Agents, this qualitative study also included 20 in-depth interviews with HMRC staff. These interviews took place at the respondent's place of work, and lasted around one hour. Names of relevant staff were given to GfK NOP by HMRC, and these staff members were contacted by telephone in order to arrange an appropriate time for interview. The staff interviews included employees from the following HMRC work areas:

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- Agent Account Manager
- Agent Dedicated Line
- Customer Relation Manager
- Charities, Assets and Residence
- Construction Industry Scheme
- Enquiry Centre
- Customer Operations
- Local compliance
- Agent Authorisation (64/8)

Thus, some staff participants had more general experience of Agents, while others might have experience in only one specific area, for example, Inheritance Tax.

All interviews / groups were conducted under the Market Research Society Code of Conduct, and anonymity and confidentiality were promised to all participants. Fieldwork took place between 27 February and 31 March 2009.

Main Findings

The key findings in relation to the overall and specific research objectives are summarised below.

The Agents taking part in the research provided a clear and consistent picture of what they understood to be a quality service. There was little variation across the different attitudinal segments. While Agents often claimed that the loss of local offices was to blame for what they saw as a decline in service quality, the research suggests that the real issue is the loss of what the local offices were perceived to deliver to Agents: direct access to relevant and timely advice and expertise from a person with local knowledge; empathy and an understanding of the Agent and their business issues; a sense that HMRC was working in partnership with Agents; and speedy responses and timely case resolutions.

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The research has shown that Agents considered the key elements of a quality service to be:

- Speedier solutions to problems, with issues being closed down more rapidly: Agents explained that delays in dealing with issues could be embarrassing for them in dealing with their clients, even when they had no control over the delays. In addition, delays could be costly for clients, who were paying for the Agent's time.
- Easier access to appropriate members of HMRC staff: some Agents felt that call handlers acted as gatekeepers, putting barriers in the way of access to 'real' technical experts who would be able to help them deal with an issue.
- The ability to work with HMRC in a professional partnership, and with mutual respect: while Agents acknowledged that they might not always be the easiest people to deal with, the research found examples of HMRC staff who promised to phone back, but did not, or who called at times that were inconvenient, and did not call again. In addition, Agents felt that staff often did not understand their business issues, or the implications for their business of lack of access to appropriate individuals or up-to-date information, and delays in dealing with problems.
- Thus, Agents included as a key element of a quality service HMRC staff who:
 - Take time to listen to their issues
 - Manage phone calls in a courteous and helpful fashion
 - Understand the Agent's business issues
 - Provide reliable, consistent advice
 - Answer the phone promptly
 - Arrange ring-backs at a time convenient to both parties

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- Key areas causing problems for Agents were:
 - Agent authorisations, when these had been completed correctly by the Agent, but could not be found by HMRC staff
 - Access to Unique Taxpayer Reference numbers
 - Security procedures which rely on the end client giving HMRC and the Agent the same information
 - Postal backlogs
- Agents reported that the following HMRC areas were meeting their expectations, and providing an acceptable, or high, quality of service: VAT; SA; PAYE; CT; CGT; Customer Relation Managers and Agent Account Managers, and Technical Advisers. VAT was singled out for particular praise, combining the required degree of expertise with operational efficiency.
- In addition to the key areas causing problems for Agents outlined above, HMRC areas where particular quality issues were experienced included: Construction Industry Scheme; Tax Credits; Tax Codes
 - These findings are broadly consistent with the earlier quantitative Usage and Attitude study conducted by HMRC
- There was a relatively low awareness of agent specific services (among both Agents and staff).
- In many areas the HMRC staff taking part in the research reinforced the views of Agents. This was particularly true of staff views of 64/8s, postal backlogs, and the time taken to resolve problems. In addition, some staff reported that they did not feel they receive the recognition they deserve from line managers.

Summary

In summary, Agents were looking for: simple, straightforward processes; the minimum of wasted time, effort or resources; HMRC staff who understand Agents' needs and help them to do their job; and an organisation that works with them, and not – as some felt – against them.