

Baldrige Self-Assessment
2002
Feedback Report

Department of Revenue
Agency-level Report



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Overall Agency Themes

Strengths

- ◆ The Department of Revenue employees and managers create innovative working relationships with customers and stakeholders. Revenue is often the lead agency for multi-agency projects or the one that creates ideas to improve service to taxpayers that may be more universally applied throughout government.
- ◆ Divisions made significant progress on Baldrige results from 2000. Accountability measures that were built into the process through performance contracts were honored and results were achieved. Divisions received their individual 2002 Baldrige reports and progress was demonstrable.
- ◆ Training and development is a priority for the agency. Technical training and information technology training were most often cited from employees as a means whereby the agency works to ensure their skills and knowledge base is current. A Supervisory Academy was created and launched in mid 2002 to assist new supervisors to the more seasoned supervisors and managers with guidelines for training and development activities. The first Learning Forum was created and held this summer to create a forum in which managers can share information and learn together – in an effort to create a learning organization.
- ◆ The Department has a strong Strategic Business Plan. Performance contracts are aligned with the plan at the director level and with the exempt staff. Manager plans are also aligned in most divisions with the assistant director's plan and so on. Several divisions have created divisional strategic plans that align with the agency plan.
- ◆ The Department has a history of conducting employee and taxpayer satisfaction surveys. The Department has maintained trend data on these surveys. It uses the data and trend information to develop plans and strategies to improve the performance of the Department.

Opportunities for Improvement

- ◆ Performance measures continue to be an unclear area for staff. Managers are aware of the measures and generally know how to use them to create continuous improvement efforts, but most staff were not clear how managers collected or used the measures.
- ◆ While quality improvement teams are used quite often to improve key processes, it is not apparent that a system is in place to make improvements on a regular basis or that customer or stakeholder input is incorporated on a consistent basis into these key processes.

Category 1 Leadership

1.1 Organizational Leadership

Strengths

- ❑ Agency leaders set organizational direction through the strategic business plan, alignment of performance contracts, and through discussions with Executive and the Strategy Team. Governor requests, legislative mandates, national issues, taxpayer survey data, employee survey data, and other stakeholder input is all gathered and incorporated into how the agency sets direction.
- ❑ Overall direction of the organization is communicated through the production of the Strategic Business Plan which is given to every manager and office, and the plan's highlight brochure that is given to each employee, email, Intranet and Internet, and throughout the divisions through meetings. Other ways in which leaders communicate direction is through performance contract information that divisional leaders share within their divisions and the Director's contract with the Governor that is shared with agency leadership. Finally, every new employee orientation includes segments on organizational direction that come straight from top leadership.
- ❑ The values were changed from "cultural attributes" this year to "values" and new ones were generated. This process included using Strategy Team, Operations Team, and individual staff and work units contributing their ideas about values within the Department. Values were then communicated via email and special learning segments offered at the Operations Team meeting.
- ❑ Senior leaders are able to communicate expectations and direction through established formal and informal processes. The process for formal communication of expectations begins with the performance contracts with exempt staff and the (Acting) Director. Managers and employees in the Department have annual performance evaluations using a common instrument (MDPP or EDPP) where performance expectations are communicated on a one-on-one basis. Informal communication of expectations is done on a more global level through Department newsletters or when leaders visit staff in the field.
- ❑ The agency has systems in place for the divisions to track their own performance. At the agency level, performance is reviewed several times a year by the Strategy Team. Performance measures are formally reviewed once a year for clarity and need. The Strategic Business Plan, Taxpayer Satisfaction Survey, Employee Satisfaction Survey, and other major efforts influencing performance are also reviewed by the Strategy Team throughout the year and action plans made to follow up on any issues. Information is communicated to staff through their Assistant Directors, agency newsletters, e-mail, and personal visits.
- ❑ Offering training and development opportunities and involvement in quality improvement teams are two ways Department leaders demonstrate their commitment to employee learning, innovation and empowerment.

Opportunities for Improvement

- ❑ There does not appear to be a consistent method of communicating agency performance to staff, stakeholders and customers.
- ❑ It is unclear to staff as to how performance data from sessions with customers and stakeholders is used to improve organizational effectiveness.

Category 1 Leadership

1.2 Public Responsibility and Citizenship

Strengths

- ❑ Meetings with customer and stakeholder groups help to identify what is going well and what is not and that information is translated back to the agency and divisions. Attempts are made to anticipate how decisions and actions by the agency will impact others. Most divisions have informal mechanisms in place to anticipate any concerns with their operations.
- ❑ Employees were very clear on the existence and identification of legal and regulatory requirements that the agency must meet. As a state agency, it is necessary that employees be able to clearly identify the guidelines for their general work in state government and for their day to day technical operations. For the general guidelines, employees mentioned the ethics rules, The Secrecy Clause, the public information laws, and the operating guidelines from the Department.
- ❑ The Department has an active community service (REVVED) committee. Agency leadership allows the occasional use of e-mail for announcements and space to store items staff are collecting for charities. While department managers are cautious about supporting community activities and staying within State Ethics guidelines, they are generous about allowing employees the flexibility to participate in philanthropic activities by adjusting work hours or other means.

Opportunities for Improvement

- ❑ It is not clear whether there is a process for anticipating and acting upon public concerns that is fully developed and understood by employees.

Category 2 Strategic Planning

2.1 Strategy Development

Strengths

- ❑ The agency has a solid strategic plan process that has been in place since the late 1980's. The Strategic Business Plan is created every two years with a six-year emphasis. New initiatives are created, debated, and prioritized in the plan. Ongoing activities such as the biennial employee satisfaction survey, publications, quality efforts, etc., are also listed in the plan to demonstrate alignment within the agency with all performance and improvement efforts.
- ❑ The mission, vision, and goals of the Department have been established for several years. Every two years they are reviewed, during the beginning stages of the strategic business planning cycle, to ensure they are still aligned and appropriate for agency direction and inspirational to employees. The cycle included a revision in 2002 whereby a new goal was added and slight revisions to two others. These changes were brought about through listening to feedback from employees and in response to the Employee Satisfaction Survey.
- ❑ Major initiatives the divisions want to have agency-wide emphasis or resources allocated for are proposed for inclusion in one of the plan's three tiers during this process. The Strategy Team works to gather input from managers and employees of their division during all phases of the plan's creation.
- ❑ At the end of the development process, the Strategy Team creates criteria to place the initiatives in order in the three priority tiers. The Plan is then used as the driver for the biennial budget and for prioritizing IS resources for the next two years.
- ❑ Many divisions have created their own strategic plan that aligns with the agency plan. This allows for their employees to see how divisional direction supports agency direction at a much more micro level.

Opportunities for Improvement

- ❑ While there were more opportunities for employee involvement in this cycle for the strategic business plan, it is still unclear to many employees how the agency level plan is developed and how it relates to them.
- ❑ While leaders acknowledge the importance of customer and stakeholder involvement, it is unclear how they are involved in any formal way in the development of the strategic business plan.

Category 2 Strategic Planning

2.2 Strategy Deployment

Strengths

- ❑ Framed posters in every conference room, division, and public lobby display the agency's mission, vision, values and goals. They are currently being updated to reflect the value and goal changes. It is further displayed in Department publications for both internal and external audiences, written into speeches, portrayed on our Internet page, and incorporated into new employee orientation.
- ❑ The agency Strategic Business Plan is distributed to Operations Team members, Quality Council members, and every physical location has a copy for reference. The Plan lives on the Intranet and segments on the Internet. Other copies were given to key stakeholders and customers such as the Governor's Office and OFM.
- ❑ The Strategic Business Plan is monitored by each Assistant Director assigned to the Initiatives and is overall monitored by the Executives and Financial Services Manager who was responsible for designing the planning process. Once a year in a formal setting, the entire Strategy Team reviews each initiative's progress and makes any adjustments to the plan if necessary. Once a year the (Acting) Director meets with the Assistant Directors and their managers to review overall division performance—in which Strategic Business Plan initiatives are included.
- ❑ The agency budget and IS resources are driven from the priorities in the Strategic Business Plan. Resources are allocated to make sure the plan is accomplished within the priorities set.

Opportunities for Improvement

- ❑ It is unclear whether the communication methods used to deploy the Strategic Business Plan are sufficient to ensure that everyone understands how it affects them. While divisions explained the methods they used to deploy information about strategic business plan progress, many employees still do not understand how the plan is created, monitored and adjusted.
- ❑ It is not clear to many employees and some managers that the agency and divisions have identified two to five-year projections for key performance measures.
- ❑ Although a few divisions and teams within the agency have established a process for benchmarking their performance, it is not clear how the Department as a whole utilizes the benchmarking or comparison processes.

Category 3 Customer Focus

3.1 Customer Knowledge

Strengths

- ❑ The Department prides itself in being taxpayer-focused. Most employees can directly name their immediate customers. Main customers of the Department of Revenue are taxpayers, the legislature, the Governor's Office, cities, counties, other state agencies, and our internal divisions.
- ❑ A variety of methods are used for determining customer requirements. These include the Taxpayer Satisfaction Survey, Employee Satisfaction Survey, brainstorming at the divisional level, involvement with FTA and other local and national associations, current issues/national trends, quality teams, and focus groups.

Opportunities for Improvement

- ❑ While the agency works to understand the taxpayer and other key customers, there does not appear to be a formal system for determining key customer requirements. While progress has been made within divisions to gather customer requirements in a more formal way, it is still not clear that the Department gathers customer requirement data in a consistent and formal fashion.
- ❑ There does not appear to be a formal process for determining the future needs of the customer in many of the Department's key services. While the Taxpayer Satisfaction Survey solicits some response to future direction the agency is contemplating, it is not clear the taxpayer and other customers have a direct line to the agency for input into determining their future needs.

Category 3 Customer Focus

3.2 Customer Satisfaction and Relationships

Strengths

- ❑ A formal and informal process exists for customers to access the Department for assistance. The formal process includes toll free lines, field office taxpayer service counters, the Internet, fax-on-demand, speakers bureau, new business outreach workshops, tax consultation visits, e-mail, phone, and letters. The Department also has in place and encourages an informal process for customers requesting assistance such as calling personal contacts, e-mail, participating in association meetings and other stakeholder groups.
- ❑ Customer complaints are generally handled at the lowest possible level. Complaints are tracked formally through the Taxpayer Advocate Program, handled and resolved. Complaints that come in to the agency in a letter format are handled and resolved in the executive correspondence or formal letter writing systems within the divisions.
- ❑ The Department works to build and nurture customer relationships through providing outstanding service, accurate work, and being responsive to needs and concerns. The agency accomplishes this through turnaround times with customer requests, participating in key customer and stakeholder meetings, inviting customers to serve on internal improvement teams, and especially through one-on-one interactions between employees and customers.
- ❑ The agency has goals dedicated to simplicity, fairness, and one to build and strengthen relationships with its customers. Through efforts in tax simplification and overall quality improvement results, the agency is committed to meeting the customers' needs.
- ❑ The Department conducts a large taxpayer satisfaction survey every three to four years. In the interim, the agency may send out smaller, more focused surveys to other customer groups. Several divisions send out surveys to determine satisfaction and dissatisfaction with their services. The agency analyzes the results from the taxpayer surveys, creates action plans and teams to make improvements. Progress is monitored by the Assistant Directors who are charged with making improvements in the identified areas.

Opportunities for Improvement

- ❑ While the agency conducts a large taxpayer satisfaction survey, it is not clear whether a process exists to gather customer satisfaction or dissatisfaction on all agency key processes.
- ❑ There does not appear to be a formal process in place for collecting customer complaints for the agency other than the Taxpayer Advocate Program.

Category 4 Information and Analysis

4.1 Measurement of Organizational Performance

Strengths

- ❑ There are four primary macro measures of the Department's performance – Cost of Collections, Voluntary Compliance, Employee Satisfaction, and Taxpayer Satisfaction. The Department has maintained trend data on these measures for at least a ten-year period. These measures are aligned with the Department's mission, vision goals, and values. Key divisional performance measures, as well as the agency-level measures, are reviewed annually by the Strategy Team and more regularly by specific leaders within the Department.
- ❑ The divisions have performance measures that they track on a regular basis. All divisions use the agency performance measure system to input their data and track their measures. Data is analyzed on a regular basis by divisional managers.
- ❑ The agency uses the information from the four primary measures in several ways. The voluntary compliance rate allows the Department to see whether efforts in education and enforcement are having an impact. There is great emphasis placed on the employee and taxpayer satisfaction levels. Teams are formed around those areas to make improvements. And the cost of collections measure is a productivity measure—allowing Department staff to evaluate their effectiveness over time.
- ❑ There are performance contracts between the (Acting) Director and the Strategy Team members. Contracts are aligned with the Strategic Business Plan and divisional direction. Progress is checked at least twice during the year on the performance contract.

Opportunities for Improvement

- ❑ Employees are generally unclear how agency and divisional leaders use performance data to make improvements on a regular basis.
- ❑ It is not clear how leaders communicate agency and divisional performance data to staff on a regular basis.

Category 4 Information and Analysis

4.2 Information Management

Strengths

- ❑ Leaders make needed data and information available to employees and others through a variety of technological methods: e-mail, web sites, phone, computer networks and systems, as well as other personal and direct methods (meetings, one-on-one contacts). Taxpedia, research data, fax-on-demand, and toll-free lines are some of the many particular functions the agency makes available to share information.
- ❑ Leaders work with the Information Services division to ensure the quality of their information through repeated internal testing and user testing. Timeliness of projects and data needs are discussed regularly between IS and the other divisions. Security and confidentiality are ensured through various access restrictions, password requirements, firewalls, and attention to the Secrecy Clause awareness form signed by employees.
- ❑ Hardware and software reliability and user-friendliness are ensured through rigorous testing of new programs. Feedback from users is incorporated to make the products as user-friendly as possible. Information Services and other divisions also study new technologies to determine what new programs or products might improve system reliability or user-friendliness.
- ❑ Leaders and IS managers use the Strategic Business Plan process, the Technical Architect, and continued communication with clients to make sure the hardware and software in use is current with business needs and directions. The IS division and other information technology staff within the divisions pay attention to public sector developments, technology conferences, and other sources to make sure the hardware and software are kept current.

Opportunities for Improvement

- ❑ Some employees believe information is not made available to them to use in their daily jobs. Examples cited were tax information or information managers thought employees didn't need to know.

Category 5

Human Resource Focus

5.1 Work Systems

Strengths

- ❑ The agency has organized its work functionally. Agency leadership has given a great deal of flexibility and latitude to divisional leadership to organize their employees in the best manner to optimize agency goals and meet customer needs. Agency leaders share resources and people during peak workload times – providing both a productivity boost as well as cross-training opportunities to staff.
- ❑ The Department has a strong employee development program. Many training courses are offered internally and information is provided for employees to learn about other courses and opportunities offered elsewhere. The Department has a well-developed rotation, developmental job assignment, and Shadowing programs in place. Training and development is one way the agency works to help employees reach their full potential. Other ways include committee work and challenging job assignments.
- ❑ The agency uses all the available resources and strategies to attract and retain employees. The Office of Human Resources has staff dedicated to this issue and they are working with the divisions to ensure the hiring and retention factors are healthy. The agency attempts to emphasize the positive aspects of employment such as opportunities for training, challenging work assignments, and state employee benefits.
- ❑ Communicating to nearly 1,050 people spread across the state is a big challenge for the Department. Agency leaders use e-mail, the Intranet, newsletters, messages with paychecks, staff meetings, and personal visits to communicate with staff and managers.
- ❑ Many divisions with processes that function together have set up regular meetings in order to enhance communication, cooperation and knowledge. They have co-sponsored improvement teams where needed.
- ❑ Last year the Department engaged in a “You Rock” campaign that worked with employee ideas and selected seven to implement. Six of the seven were implemented within a year. Employee feedback on the service awards and placing of personal photos for their PC wallpaper was greatly appreciated.
- ❑ During this enhancement period, the agency has done remarkably well in recruiting employees for open positions. Increased recruitment efforts, focused techniques, and the economy all have contributed to this success.

Opportunities for Improvement

- ❑ While meetings have increased between divisions and work units that share functions or rely on one another, some employees still offer this as an opportunity for improved communication and cooperation.

Category 5 Human Resource Focus

5.2 Employee Education, Training and Development

Strengths

- ❑ Short-term training needs are identified at many levels in the Department. Individual supervisors are asked to engage in a collaborative process with the employee during an evaluation and offer input into training and development needs. Most division leaders collect information from their supervisors to understand the collective training and development needs of the entire division.
- ❑ The Employee Development Team also works to collect data from divisions on their immediate (six to twelve months) training and development needs and collaborate with them in developing a plan. Information Technology training is planned and offered to agency employees in a just-in-time format –so when the hardware or software is updated, employees are trained.
- ❑ Responding to employee satisfaction survey data, several training and development courses were offered. Sexual Harassment and Discrimination Prevention, the Supervisory Academy are a few examples.

Opportunities for Improvement

- ❑ While employees share training and development needs during their annual evaluations, it is not clear if they have input into other short and long-term training needs established by the agency.
- ❑ Although the Employee Development Team maintains some performance measures on evaluating training and development programs, like the number of hours employees take in training and evaluations from specific courses, it is not clear how the Department measures the performance of training and education programs.
- ❑ It is not clear whether the Department has an overall long-term training and development plan for employees.

Category 5 Human Resource Focus

5.3 Employee Well-Being and Satisfaction

Strengths

- ❑ Workplace health is a high priority for the agency. Ergonomic specialists have come in to analyze most work areas. If specialized equipment was needed for employees, the Department worked to acquire it within budget.
- ❑ Safety is taken seriously by the Department. Each office has designated safety personnel who have assigned tasks during drills and in case of an actual emergency. The Department had printed an individual copy for employees and one special for supervisors on emergency procedures. Safety checks are conducted regularly by staff and members of the union.
- ❑ The agency offers several services that contribute to well-being and morale. Flex-Place, Flextime, and part-time arrangements have been made available for many staff. Good training opportunities and challenging work were also mentioned by staff that help contribute to morale.
- ❑ Employee satisfaction is measured every two years through the agency's biennial Employee Satisfaction Survey. Data is disseminated to divisions and feedback sessions are held. Divisions select areas to improve and an area(s) is (are) selected at the agency level. Progress on the agency-level team is communicated quarterly through the Organization Development newsletter.

Opportunities for Improvement

- ❑ During the recent Employee Satisfaction survey cycle, a morale element on trust and respect was highlighted by employees as an area for improvement. The Department has a current quality team working on this issue.
- ❑ It is not clear to staff in most divisions whether a method exists for measuring the results of employee support efforts other than the next employee satisfaction survey.
- ❑ A general theme during divisional interviews was that employees believe that a diverse work environment is supported but they couldn't offer "why" or "how". Given this, it is not clear if there is evidence to demonstrate specific actions the agency is taking to support a diverse workforce.

Category 6 Process Management

6.1 Product and Service Processes

Strengths

- ❑ Key processes have been identified through defining the mission and reviewing the statutory authority given to the Department.
- ❑ The divisions know their key processes and some have established regular contacts with the customers of their processes for direct feedback.
- ❑ The Department has a well-established continuous improvement program in place. Managers and employees use quality tools and teams to make improvements to their processes. Process improvements may be written up and submitted to the Governor's Office to further demonstrate the agency's commitment to quality and to be responsive to the Governor's Executive Order.
- ❑ Many divisions monitor their performance measures in order to respond and improve on processes.

Opportunities for Improvement

- ❑ It is not clear whether there is a formal process in place to use performance measurements to determine whether the processes are working. Clear process requirements identified for each key process is not apparent.
- ❑ Although customer input is sought when new processes are created, it is not clear how that input is obtained and how the data obtained is used to regularly improve processes.
- ❑ It is not as clear to staff how performance measure data drives the continuous improvement of processes.

Category 6 Process Management

6.2 Business Processes

Strengths

- ❑ The Department's key processes are to collect revenues, administer programs to increase voluntary compliance, and advocate sound tax policy.
- ❑ Customer requirements are incorporated into these processes by responding to statute, customer focus group information, information derived from stakeholder groups and associations, and through test teams.

Opportunities for Improvement

- ❑ Although there is evidence that some feedback is requested from external customers and stakeholders, it is unclear how these needs are identified and tracked within the processes on a formal basis.

Category 6 Process Management

6.3 Support Processes

Strengths

- ❑ Many employees and managers are aware of key support processes. Internal divisions such as IS, Financial & Employee Services, and Research enable other divisions to accomplish their work.
- ❑ The Agency improves its support processes by encouraging the support functions to develop communication channels and be clear about requirements (e.g. timelines) in order for both to work mutually well.

Opportunities for Improvement

- ❑ There appears to be an informal process for improving support processes, but it is not clear if there are consistent and formal patterns of improving these processes.

Category 7 Results

7.1 Customer Focused Results

Strengths

- ❑ A majority of the respondents to the 2001 survey have a more favorable opinion of DOR employees in comparison to other state employees.
- ❑ The value of face-to-face contact with Department of Revenue staff was demonstrated by an increase of in-person visits. The number of businesses that reported they met with a DOR representative jumped 12 percent.
- ❑ Nearly 70 percent of respondents rated the home page as either useful or somewhat useful – a 25 percent improvement since the last survey.
- ❑ Nearly 17 percent of respondents indicated that they had much better or better quality of service from the Department of Revenue in the past year.
- ❑ 71 percent believe the contacts with the Department were handled courteously.
- ❑ Of those taxpayers who have used the Electronic Filing System (ELF), 88 percent rated it as excellent or good.

Opportunities for Improvement

- ❑ The overall satisfaction question posed to taxpayers was difficult to determine as a strength or opportunity. 31% of respondents indicated that they were very or somewhat satisfied with the Department. 47% offered “neutral” to that question. While only 17% offered dissatisfaction and 5% no opinion.

Category 7 Results

7.2 Financial Results

Strengths

- ❑ The Department has kept up with productivity while reducing FTE's—from a high of 1,061.5 FTE's in FY95 to 972.5 in FY01. Nearly 1,050 FTE's are allotted in FY02 and FY03 as part of an enhancement package that will bring in more revenue to the state.
- ❑ The Department has not had an audit finding from the State Auditors Office in ten years.
- ❑ The Department has always given funds back at the end of the fiscal year—demonstrating their ability to manage within the state allotment.
- ❑ The Department used Savings Incentive Program dollars to purchase a predictive dialer system for the new Initial Contact Team in Compliance.
- ❑ The Department has submitted nearly 170 quality improvements since July 1997. These have generated a savings of \$955,562 of Department funds; saved 137,008 staff hours; generated \$33,123,472 in additional revenue to the state; and saved \$4,236,258 for others.

Opportunities for Improvement

Category 7 Results

7.3 Human Resource Results

Strengths

- ❑ 75 percent of employees are satisfied with the employment at the Department of Revenue.
- ❑ 78 percent of employees believe the agency values diversity.
- ❑ The difficult “advancement is based on merit” increased by six percentage points from only 39 percent satisfaction to 45 percent satisfaction.
- ❑ 70 percent of staff believe meetings are held enough in their work unit to ensure effective communication of information.
- ❑ 78 percent of employees believe they have enough flexibility and authority to provide high quality service.
- ❑ 91 percent of staff indicated that they had an opportunity to participate in the evaluation process. That is an increase of 24 percentage points over the 1999 survey. 75 percent claim the evaluation process facilitates meaningful communication; 84 percent believe it accurately measured their work performance.
- ❑ 79 percent of employees believe their supervisors can help them get answers to technical questions.

Opportunities for Improvement

- ❑ While three-quarters of employees are satisfied with their employment at DOR, this dropped 6 percentage points since 1999 and 8 points since 1997.
- ❑ The new morale question provided insight into several areas. Trust and Respect held the widest gap between level of importance to staff and their satisfaction with it within the Department. 98 percent of employees rated trust and respect either extremely important or important – while only 49 percent rated it as extremely satisfied or satisfied.
- ❑ Employee involvement in matters that affect them dropped 3 points to 48 percent satisfaction.
- ❑ The series of sexual harassment prevention questions and related processes went down 7 percentage points to only 59 percent of employees agreeing that the agency would effectively handle a sexual harassment complaint.
- ❑ Only 54 percent of employees are satisfied with the agency-level recognition program and even less are satisfied with their region or work unit recognition. Division programs hovered on average at only 55 percent satisfaction.

Category 7 Results

7.4 Organizational Effectiveness Results

Strengths

- ❑ The Cost of collecting every \$100.00 of revenue has steadily decreased from a high of \$0.84 in 1994 to \$0.69 in 2001. The Department expects this number to go up in the next couple of years as the enhancement and cost of technology will impact it.
- ❑ The total revenue collected (in millions) in FY90 was \$6,738 and in FY01 it was \$12,501.
- ❑ The total number of registered excise tax accounts has increased each year from nearly 300,000 in 1990 to 580,599 in 2001. It is expected to rise to 694,593 by 2005.
- ❑ The number of taxpayer accounts per employee (FTE) rose from 383 in 1995 to 604.5 in 2001. It is anticipated that it will be 623.3 taxpayer accounts per FTE in 2003.
- ❑ Taxpayer Account Activity, the number of accounts opened and closed, have also fluctuated. In FY 2001 it was 130,400 accounts that opened and closed.
- ❑ In FY 02 the Telephone Information Center had 237,962 calls into its center. That is down from a high of 361,816 in FY86. The decrease is a result of efforts made by the Department to get taxpayers to use the Internet and fax-on-demand, as well as other services to help themselves.
- ❑ The number of fiscal notes and legislative analyses has been on the increase since FY90. From 177 requests in the short session in FY90 and 238 in FY91, to 219 in FY01 and 350 in FY02. There was a high of 526 fiscal notes responded to in FY97.
- ❑ The Audit division met their goal for FY 2002 in conducting at least 5,300 audits.
- ❑ The Compliance division met their collection and tax discovery goals this past year as well.
- ❑ The Property Tax division improved the ratio program so that the number is more reliable and the cost to administer the program was less.

Opportunities for Improvement

- ❑ The voluntary compliance rate has dropped from 97.2% to 96.6%.
- ❑ Total number of training hours is down by 9% from FY90 to FY01. The average training hours per employee is also down from a high of 70 in FY95 to an average of 48 in FY02.

Agency Baldrige Score

Leadership

1.1	Organizational Leadership (80 points)	<u>45%</u>	<u>36 points</u>
1.2	Public Responsibility and Citizenship (40 points)	<u>60%</u>	<u>24 points</u>
Total:		60/120 points	50% average

Strategic Planning

2.1	Strategy Development (40 points)	<u>65%</u>	<u>26 points</u>
2.2	Strategy Deployment (45 points)	<u>50%</u>	<u>22.5 points</u>
Total:		48.5/85 points	57% average

Customer Focus

3.1	Customer Knowledge (40 points)	<u>40%</u>	<u>16 points</u>
3.2	Customer Satisfaction & Relationships (45 points)	<u>60%</u>	<u>27 points</u>
Total:		43/85 points	51% average

Information and Analysis

4.1	Measurement/Analysis of Performance (50 points)	<u>35%</u>	<u>17.5 points</u>
4.2	Information Management (40 points)	<u>65%</u>	<u>26 points</u>
Total:		43.5/90 points	48% average

Human Resource Focus

5.1	Work Systems (35 points)	<u>60%</u>	<u>21 points</u>
5.2	Employee Ed, Training, and Develop (25 points)	<u>40%</u>	<u>10 points</u>
5.3	Employee Well Being & Satisfaction (25 points)	<u>60%</u>	<u>15 points</u>
Total:		46/85 points	54% average

Process Management

6.1	Product and Service Processes (45 points)	<u>30%</u>	<u>13.5 points</u>
6.2	Business Processes (25 points)	<u>60%</u>	<u>15 points</u>
6.3	Support Processes (15 points)	<u>60%</u>	<u>9 points</u>
Total		37.5/85 points	44% average

Results

7.1	Customer Focused Results (125 points)	<u>40%</u>	<u>50 points</u>
7.2	Financial Results (125 points)	<u>70%</u>	<u>87.5 points</u>
7.3	Human Resource Results (80 points)	<u>50%</u>	<u>40 points</u>
7.4	Organizational Effectiveness Results (120 points)	<u>60%</u>	<u>72 points</u>
Total		249.5/450 points	55% average

Agency Score: 528/1000