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Final Copy of Case Study

LOCATION:
Redwood Shores, CA, US

YEAR:
2011

STATUS:
Laureate

CATEGORY:
Collaboration

ORGANIZATION:
Internal Revenue Service

ORGANIZATION URL:
http://www.irs.gov/

PROJECT NAME:
Virtual Environment

PROJECT OVERVIEW

"Enterprises often undertake e-learning or Web conferencing projects to save money quickly, but these projects can save far more if the enterprise continually improves its virtual environment over several years. The experience of the U.S. Internal Revenue Service (IRS) provides valuable guidance for e-learning and collaboration managers who are leading such initiatives." – Gartner, December 2010 The Internal Revenue Service's (IRS) ongoing Virtual Environment collaboration project had its genesis in 1997, when reports that showed that IRS customer service assistors from different call centers were not providing the same answers to the same tax questions. This was followed by President Clinton's mandate that government agencies were to convert as much learning as possible to an e-learning format by 2007. And so the IRS began its march towards an agency-wide virtual environment for training, continued professional education, meetings and certification/accreditation – a project that is helping drive a reinvention of service at the IRS and that has resulted in almost $¼ billion in savings to date. The IRS had to select a collaboration tool that: • Could be built inside the IRS firewall • Used very low band width • Would work using the existing infrastructure As the leading collaboration solutions from that time were tested, it was found that only Saba Centra offered a solution that could be built as a stand-alone tool inside the IRS firewall. Solutions requiring builds outside the firewall could not work without extensive changes to the security firewall, a risk the IRS could not take. The initial Virtual Environment deployment was small, focusing on the continued professional education of senior Revenue Agents and Tax Specialists within a single division. Based on success there, the implementation expanded with incremental investments made each year until FY2009. At that point, the IRS purchased new hardware, and a universal license for Saba Centra, to migrate the application to the enterprise level within its Enterprise Architecture. Aside from the firewall issue previously addressed, other implementation issues included the IRS's WAN routers were old and required upgrading before many of the video and audio features of Centra could be turned on. There were delays in doing this, but the network backbone was eventually improved and these

features are now fully online and utilized. User adoption was always a top-of-mind concern, and the IRS was careful to build an easy-to-use system that would attract and delight users. Key stakeholders were thus identified and involved at each step throughout the trial phase. By FY2006, all IRS operating divisions and business units had used the Virtual Environment for training and meetings, and the agency has saved over $60 Million in training travel expenses since FY2001. Today, Centra's Virtual Environment is one of the office tools that all IRS Project/Program Managers, Trainers and Executives think of when they need to quickly and economically share information, get a group of remotely located individuals together, or create a recorded message to deliver to a large audience.

SOCIETAL BENEFITS

The use of the Virtual Environment for sharing and collaboration has led to a more informed IRS workforce, at a low cost. The millions upon millions of callers into IRS call centers now benefit from uniformly knowledgeable and capable agents who all use Centra for critical training.

PROJECT BENEFIT EXAMPLE

Since deploying its Virtual Environment in 2001, "the US Internal Revenue Service has realized close to a quarter of a billion dollars in savings associated with the training of our employees," said Mitch Chazan of the IRS' Planning, Analysis & Performance Management Branch. "Saba Centra has allowed our distributed workforce to collaborate more effectively and usage of (the Virtual Environment) continues to rise in our organization." On cost savings alone, the project has been an enormous success. Travel-time to meetings and training sessions, and lost worker productivity is a drain on large organizations like the IRS. Each time an employee doesn't have to travel to a meeting or a learning session, the IRS saves $800, according to agency estimates. From FY2001 to FY2006, the agency saved over $60 Million as a result of the Virtual Environment. As of 2010, it is saving almost $62 million annually. Data point: In FY2009, IRS planned to hire 2,800 new employees. After an initial onsite orientation, all new hire training was delivered using Centra. This saved the 5 weeks of travel expenses, as the normal 6 week new hire course had traditionally been delivered using the classroom method. Such savings are helping the overall organization, which can easily find other places to allocate the saved dollars. But cost-savings aside, the project is also delivering benefits to individual users within the organization and, by extension, to the tax-paying public. Revenue Agents and instructors alike are delighted with the time savings enabled by the project – agents, because they escaped the disruption of having to travel to sessions and instructors, because they can pack in more education now that travel-time no longer factors into training sessions. Naturally, the positive experiences of early users of the system were a major factor in getting others to use the Virtual Environment. Data point: when the new "Cash for Clunkers" or the Economic Stimulus legislation was passed that required IRS to distribute funds to taxpayers, these new processes and procedures needed to be taught to our employees quickly. Centra was exclusively used to deliver this new training, just in time. Data point: In FY2001, 46 virtual events were held with 552 attendees; in FY2010, there were 28,249 events with 116,180 attendees. What users find is that the Virtual Environment enables participants to study and discuss live course content in any Windows-based program and interact dynamically. They also find a great deal of flexibility. For example, IRS call center agents include people who are blind and require Section 508 compliant software. Hence, through Centra, the Virtual Environment provides: • Closed Captioning for live events that can also be recorded • Auditory alerts turned on by each blind user • Keyboard shortcuts to access the participant and leader interaction tools It is the tax payers who are the ultimate beneficiaries by virtue of being able to deal with better

trained and informed IRS personnel – which is a significant advantage given the dynamics of the tax environment.

IS THIS PROJECT AN INNOVATION, BEST PRACTICE? Yes

ADDITIONAL PROJECT INFORMATION

A note on the virtues of starting small, and proving value as you go: What the IRS started with in October 1999, i.e. FY2000, was quite small, and testing was specific to a group of Revenue Agents within the Large and Mid-sized Business (LMSB) Operating Division. They were able to deliver their FY2000 CPE training using Centra, delivered training for 1600 Revenue Agents in record time and within their training and travel budget, which had been significantly cut. It was this small success and their willingness to try out a new delivery method that provided the specific savings data needed to purchase additional licenses. As stated earlier, IRS then made incremental hardware and license purchases through FY2009 when the Workforce of Tomorrow Coalition approved the purchase of new hardware to migrate the application to the enterprise level. In taking a serious look at the functional requirements regarding the use of a collaboration environment, the IRS's eLearning Coalition (that was established in FY2000 and continues to meet today) set up a team in FY2005 to come up with the most significant requirements or needs they had in order to maximize the use of a collaboration environment. They determined the following requirements: • Speedy 24/7 access which would provide: • IT support both technical and logistical • Upgrades and downloads that were automatic or self-installed • File sharing • Intranet Video and audio streaming • Online video conferencing • Wireless connection This was all delivered by FY2009. On January 5, 2010, the IRS upgraded the Virtual Environment to v7.6 SP1. This version of the Virtual Environment powered by Centra provided additional benefits previous versions did not have. • Improved Section 508 Accessibility • Closed Captioning for live events that can also be recorded • Auditory alerts that are turned on by each blind user • Keyboard shortcuts to access the participant and leader interaction tools Along with this version update, new distributed development, production, and disaster recovery environments were implemented. Implementation is complete as of FY2010, although the user community continues to grow.