

# 2012-2014 BUSINESS PLAN



**CONSUMER  
PROTECTION BC**

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## MESSAGE FROM THE CHAIR AND CEO

We are pleased to present Consumer Protection BC's Business Plan covering the period from 2012 to 2014. Like our preceding three year Business Plans, this plan results from an active process involving the Board, the Leadership Team and all staff at Consumer Protection BC.

Our goals for 2011-2013 were:

- Goal 1: Improve consumers' abilities to make informed decisions
- Goal 2: Reduce the incidence of violations
- Goal 3: Build trust with Consumer Protection BC stakeholders
- Goal 4: Foster a high performance organization focusing on service delivery, employee engagement, and financial sustainability

In 2011, we undertook a review of our corporate vision, mission and values. This engaging process, involving staff from everywhere in the organization, resulted in a redefined, clearer and outward looking focus for Consumer Protection BC as we move into 2012 and beyond.

We are proud of our work in 2011. We are very aware that consumers and businesses now access information in many different ways, both on and off line. Consumer Protection BC continues to enable easier access to information and services. To support consumers in making smart choices and managing marketplaces issues effectively, we use a variety of public education tools. We strengthened the information and self-help resources available on our corporate website and built an engaged online community on our three social media platforms. We also participated in public events and initiatives such as National Fraud Prevention month in March by working with partners and sharing weekly consumer case studies with the media.

In 2011, we also launched several new industry microsites (web portals) for our licensees and consumers. These online sites provide an enhanced gateway to information and online services. Consumers have access to industry specific information, and many licensees can now access their licence accounts online, perform updates, and even renew their licenses.

Our compliance and enforcement function continues to focus on specific risks in the sectors we licence and regulate. 2011 aimed at unlicensed activity in the travel and motion picture retailing sectors. Our compliance team also strengthened their ability to issue administrative penalties where patterns of non-compliance emerged, with attention on the debt and credit sectors. 2012 will bring more emphasis to debt and credit issues, as well as enhanced activity in the non-regulated sectors such as fitness clubs and direct sales contracts.

Finally, we deepened our relationships with many entities who share our interest in effective consumer protection, such as the Motor Vehicle Sales Authority, the Financial Institutions Commission, the Insurance Council of BC, Better Business Bureaus, government ministries and agencies, private sector business and associations, and others. These relationships help us advance consumer protection in BC, share best practices and build our capabilities to augment our core services. These relationships also help us to further our business development objectives.

We see opportunities that align with and can support our legislative responsibilities as well as activities that encourage voluntary efforts to enhance consumer protection.

The Board and the staff of Consumer Protection BC look forward to implementing the 2012-2014 business plan, knowing that it gets us closer to our vision of '**confident consumers and trusted businesses in a thriving marketplace**'.



Frank Barr  
Chair, Board of Directors



Scott McBride  
President and CEO

## CORPORATE OVERVIEW

### WHO WE ARE

Consumer Protection BC was established in 2004 as a not-for-profit corporation to strengthen consumer protection in BC. We build trust with our work in ensuring fair and proper business practices; we actively educate and inform consumers. Together, this work helps produce a vibrant and thriving marketplace.

Administering our province's consumer protection laws is our first priority, and we also seek opportunities to serve government, business, and consumer stakeholders more broadly where a need exists.

### WHAT WE DO

We deliver consumer protection services throughout BC through our core business operations which include:

- Responding to inquiries and complaints from BC consumers and businesses;
- Educating consumers and businesses about their rights and responsibilities;
- Licensing specific businesses and occupations;
- Inspecting licensed businesses and occupations to ensure they are in accordance with BC's consumer protection laws;
- Investigating alleged violations of consumer protection laws and following up with progressive enforcement action;
- Providing recommendations to government regarding enhancements to BC's consumer protection laws.

We provide information on how to become a more informed consumer through our website, social media platforms and toll-free inquiry line. We also investigate complaints when it appears there may be a violation of BC's consumer protection laws.

We work to ensure that the businesses we license meet certain standards, including financial, education and reporting requirements. Consumer Protection BC is responsible for licensing and regulating the following businesses and occupations:

- Travel (travel agencies and wholesalers);
- Telemarketing;
- Debt collection (including debt collection agencies, debt collectors, bailiffs and debt poolers);
- Cremation, interment and funeral services (including funeral service providers, funeral directors, embalmers, cemeteries and crematoria);
- Motion pictures (including video retailers, motion picture distribution and theatres);
- Home Inspectors;
- Payday lenders.

We seek opportunities that are aligned with and support our legislative responsibilities. In this, we work together with ministries, agencies, businesses, and organizations that seek to engage our talents to voluntarily advance consumer protection.

We also identify and address emerging issues in the BC marketplace that may warrant public policy response. The intent is to ensure that businesses communicate clearly and honestly to consumers in offering them products or services, in their marketing, advertising, and in contracts.

## OUR VISION, MISSION AND VALUES

### OUR VISION

Confident consumers and trusted businesses in a thriving marketplace.

### OUR MISSION

As a highly valued marketplace guardian, we engage, educate, empower, and enforce to build confidence and trust.

### OUR VALUES

We are

- Professional, impartial and ethical in all our dealings;
- Accessible and helpful in sharing our knowledge;
- Transparent, accountable and consistent in our approach;
- Collaborative, innovative, and proactive, focused on achieving outstanding results;
- Dedicated to learning, teamwork and mutual respect;
- A safe, healthy and harassment free workplace.

## PLANNING CONTEXT

We are required by legislation and an administrative agreement to prepare a three-year business plan by December 31 of each year and make the plan available to the public.

Our business plan includes our goals, objectives, strategies, and performance measures that will be used to determine whether or not the goals and objectives are being met. It includes the high level vision and mission statements of the organization as well as our values.

For this three-year business plan, we have clarified many of the risks and opportunities that were identified for 2011 and which have significant potential to influence our ability to meet our goals and objectives, and which require strategies and budgeted resource commitments to address.

We have grouped risks and opportunities into four categories to guide our strategies and budget decisions:

- **MARKET/ECONOMY:** The unrelenting challenges in the economy affect the industries that we regulate differently – in fluctuating licensee numbers, alleged infractions, and new ways of doing business that create gaps in policy - requiring that we re-allocate resources to meet changes. Market changes to the age, background and communication preferences of British Columbia consumers necessitate different approaches to consumer engagement.
- **FINANCIAL:** As an organization funded by industry stakeholders, we must prudently manage our budget. In 2011 we carefully reviewed our costing and fee models and streamlined our resource usage to balance our costs and services among the groups we regulate and oversee. This theme will continue in 2012 through 2014 as we deepen our understanding of the business landscape to anticipate structural industry change that would affect consumer protection and our operations. And we will continue to manage our operations closely to focus resources on priority issues that provide sustained consumer protection.
- **STEWARDSHIP:** Reflecting the dynamic nature of the marketplace, and the goods, services and potential risks that it provides to consumers, we must recognize and anticipate fresh offerings and technological changes that alter relationships between buyers and sellers. We must also leverage technology to increase our reach to consumers that are receptive to accessing information in new ways.
- **GROWTH:** Consumer Protection BC can advance consumer protection by working with other organizations to ensure the best possible outcomes for BC consumers. We are offering our considerable knowledge, skill and understanding of consumer protection issues to others who seek a greater degree of professionalism and excellence in their business practices and consumer relations.

## SUMMARY OF GOALS AND OBJECTIVES 2012-2014

### Goal 1: Improve Consumers' Ability to Make Informed Decisions

#### OBJECTIVE 1

INCREASE AWARENESS OF OUR PRODUCTS & SERVICES

#### OBJECTIVE 2

IMPROVE ACCESS TO CONSUMER EDUCATION SERVICES

#### OBJECTIVE 3

STRENGTHEN OUR ABILITY TO ASSIST CONSUMERS IN MANAGING MARKETPLACE ISSUES

### Goal 2: Reduce the Incidence of Violations

#### OBJECTIVE 1

EDUCATE BUSINESSES TO FOSTER A CLIMATE OF VOLUNTARY COMPLIANCE

#### OBJECTIVE 2

FOCUS ON HIGH IMPACT VIOLATIONS OF CONSUMER PROTECTION LAW

### Goal 3: Build Trust with Stakeholders

#### OBJECTIVE 1

STRENGTHEN STRATEGIC STEWARDSHIP OF CONSUMER PROTECTION LAW

#### OBJECTIVE 2

ENHANCE COOPERATIVE RELATIONSHIPS WITH STAKEHOLDERS

### Goal 4: Foster a High Performance Organization

#### OBJECTIVE 1

DELIVER SERVICES & PRODUCTS THAT RESULT IN AN OUTSTANDING CUSTOMER EXPERIENCE

#### OBJECTIVE 2

FOCUS ON THE BEST OPPORTUNITIES TO IMPROVE EMPLOYEE ENGAGEMENT

#### OBJECTIVE 3

MANAGE OUR RESOURCES SUSTAINABLY FOR FLEXIBILITY AND GROWTH

## GOAL 1: IMPROVE CONSUMERS' ABILITY TO MAKE INFORMED DECISIONS

Informed consumers are the cornerstone of effective consumer protection. Consumer Protection BC has a history of providing valuable educational information to British Columbians to assist them in making smart consumer choices in their daily lives. We are building a reputation for being a trusted source of information for consumers across the province on a wide variety of topics.

Improving our capability to meet consumer needs when and where they need it is a challenge we meet online, offline, and with effective partnerships. We believe that raising awareness of consumer rights and responsibilities, making quality information easily accessible and providing consumers with the tools to help themselves builds a more informed marketplace and minimizes the risk to consumers.

We continue to expand our repertoire of innovative tools to help consumers access the information they require and achieve the outcomes they desire, without necessarily incurring the time and expense of formalized court or other judicial processes. To support our commitment to consumers, Consumer Protection BC performs public education through our website, social media platforms, traditional media relations, publications, events, a toll-free inquiry line and by building solid relationships with like-minded organizations as well as our licensees.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below.

### OBJECTIVE 1

#### INCREASE AWARENESS OF OUR PRODUCTS & SERVICES

##### Strategies

1. Market Consumer Protection BC services in a cost effective manner using digital media and other technology.
2. Leverage our licensees and partners' capability to increase our profile.
3. Increase consumer awareness about rights and responsibilities related to debt and credit.

### OBJECTIVE 2

#### IMPROVE ACCESS TO CONSUMER EDUCATION SERVICES

##### Strategies

1. Target outreach to vulnerable consumers with greater reliance on youth/senior/immigrant agencies.
2. Develop and focus consumer education content to respond to emerging marketplace issues and media opportunities.

### OBJECTIVE 3

#### STRENGTHEN OUR ABILITY TO ASSIST CONSUMERS IN MANAGING MARKETPLACE ISSUES

##### Strategies

1. Respond to recurring consumer issues through development of self help tools and templates for use by staff and the public.

2. Work effectively with partners who have recognized expertise and an ability to provide timely resolution information to consumer issues.
3. Pilot and implement alternative dispute resolution (ADR) options that meet consumers' and business's needs.

PERFORMANCE MEASURE	2010	2011 <sup>1</sup>	2012 TARGET	2013 TARGET	2014 TARGET
% of consumers access / awareness of our services	5%	18%	25%	30%	33%

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<sup>1</sup> For 2011, Consumer Protection BC changed our survey methodology from telephone surveys to online surveys.

## GOAL 2: REDUCE THE INCIDENCE OF VIOLATIONS

We license specific businesses and occupations, conduct inspections, monitor business practices, respond to complaints and enforce BC's consumer protection laws. We recognize that the vast majority of businesses provide valuable goods and services. They support consumer protection by voluntary compliance with BC consumer laws, and many go much further to serve and to protect consumers.

Our teams of licensing, compliance and enforcement professionals focus first on every opportunity to engage and educate our business stakeholders on their marketplace obligations. In 2012, this will include more access to information for licensees, as well as detailed and timely feedback on their inspection results. In 2013 and 2014, we will capitalize on our knowledge of consumer law and expand our education role to include more formal programs and certifications for some groups, and a broader focus on business practice excellence for all.

Using a risk-management model, we identify high-risk businesses and their practices, and monitor potential offenders. Wherever possible, we work with businesses to achieve voluntary compliance with BC laws. However, where this is not possible, we undertake enforcement activities to reach compliance, whether voluntary or through specific action such as the issuance of orders, penalties or even prosecutions. Reducing violation incidence increases consumer protection and ensures fairness to businesses.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below:

### OBJECTIVE 1

#### EDUCATE BUSINESSES TO FOSTER A CLIMATE OF VOLUNTARY COMPLIANCE

##### Strategies

1. Build awareness of obligations through timely feedback and targeted education materials.
2. Educate businesses and their employees with new education programs and certification services.
3. Promote business practice excellence.

### OBJECTIVE 2

#### FOCUS ON HIGH IMPACT VIOLATIONS OF CONSUMER PROTECTION LAW

##### Strategies

1. Streamline administrative processes to focus resources on the risk of violation.
2. Identify and inspect high-risk violators based on patterns of non-compliant activity.
3. Focus our enforcement resources on high impact violations in critical risk areas.

PERFORMANCE MEASURES	2010	2011	2012 TARGET	2013 TARGET	2014 TARGET
% of targeted inspections that do not result in high impact violations detected and rectified	49%	77%	30%	20%	15%

## GOAL 3: BUILD TRUST WITH STAKEHOLDERS

Our organization's creation in 2004, and the responsibilities given to us over time, reflects the trust that the province has invested in Consumer Protection BC. In order to be sustainable, we recognize the need to strengthen that trust on an ongoing basis.

We also acknowledge that our legislative authority must be augmented by the authority that arises from our fairness, our technical expertise, and our ability to effectively balance the interests of business and consumers at the highest level. The trust placed in us by the province must be paralleled in our day to day work with consumers and with businesses. We'll build on this foundation in 2012 and beyond with new and expanded services that will assist both consumers and businesses achieve excellence in their interactions. This builds confidence and trust in both parties.

Building trust also requires that we anticipate and prepare for upcoming consumer protection issues. By understanding consumers' perspectives and business challenges, we will be in a stronger position to meet both parties' needs, as well as be able to be a credible source of information for consumer protection policy decisions.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below:

### OBJECTIVE 1

#### STRENGTHEN STRATEGIC STEWARDSHIP OF CONSUMER PROTECTION LAW

##### Strategies

1. Work with business and government to focus on commonly identified issues relating to existing consumer protection law.
2. Identify and respond to emerging marketplace issues by developing collaborative solutions with our stakeholders.

### OBJECTIVE 2

#### ENHANCE COOPERATIVE RELATIONSHIPS WITH STAKEHOLDERS

##### Strategies

1. Engage strategically with governments, organizations and associations to understand consumer protection priorities, address gaps, and respond with required services.
2. Engage consumers and business stakeholders to better understand issues, determine impacts and opportunities, and plan responses.

PERFORMANCE MEASURE	2012 TARGET	2013 TARGET	2014 TARGET
% of stakeholders satisfied with engagement	Baseline	+2%	+2%

## GOAL 4: FOSTER A HIGH PERFORMANCE ORGANIZATION

If the goals that we have set out for consumer protection on the foregoing pages represent a desire to 'do the right things', this goal of fostering a high performance organization is our corollary; to 'do things right'.

Enhancing customer experiences for both consumers and businesses continues to be a primary focus for us. 2012 and beyond will be a continued focus on both process and service. We will be investing more heavily in both our systems and our people to bring greater service levels to customers in different ways.

Our employees continue to be our key assets. As such, we commit to providing them with a workplace that is respectful and fosters their engagement. We will also focus on providing our staff with leadership and management developmental opportunities through the anticipated growth in our organization. These opportunities will complement our efforts in building on our already strong internal knowledgebase to ensure we maintain a high performing organization.

Finally, we are conscious of the need to ensure sustainability by ensuring deep knowledge of our operations and the ways that we must protect them with business continuity risk mitigation.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below:

### OBJECTIVE 1

#### DELIVER SERVICES & PRODUCTS THAT RESULT IN AN OUTSTANDING CUSTOMER EXPERIENCE

##### Strategies

1. Increase the efficiency of our processes to improve our stakeholders' experience.
2. Increase the effectiveness of our services to provide superior customer service.
3. Advance our information technology infrastructure to meet the current and future needs of our organization.
4. Ensure that business continuity risks are managed with documented and tested plans and programs.

### OBJECTIVE 2

#### FOCUS ON THE BEST OPPORTUNITIES TO IMPROVE EMPLOYEE ENGAGEMENT

##### Strategies

1. Build a well-trained and resourced staff complement with a focus on customer service.
2. Strengthen the employee performance management process.
3. Address other human resource priorities identified through the ongoing engagement survey process.

### OBJECTIVE 3

#### MANAGING RESOURCES SUSTAINABLY FOR FLEXIBILITY AND GROWTH

##### Strategies

1. Create a standardized approach to assessing the impacts of business development opportunities.

2. Expand our understanding of regulated industry economic drivers to anticipate impacts on our organization and consumers.

PERFORMANCE MEASURE	2010	2011 <sup>2</sup>	2012 TARGET	2013 TARGET	2014 TARGET
% of customers satisfied with our services <sup>3</sup>	57%	61%	73%	75%	77%
% of businesses satisfied/very satisfied with the overall quality of our services (licensing and classification).	76%	74% <sup>4</sup>	86%	87%	87%
% of businesses satisfied/very satisfied with the fairness of our processes.	64%	n/a <sup>5</sup>	75%	77%	77%
Overall Employment Engagement Score – scale 100	66	63	80	83	85

<sup>2</sup> For 2011, Consumer Protection BC introduced a new in house ongoing, survey methodology. Data is available for July to November 30<sup>th</sup>.

<sup>3</sup> For 2011 the measure includes respondents where Consumer Protection BC provided the respondent with the information that was needed (satisfaction 86%) plus respondents whose issues were referred to other organizations (satisfaction 47%). Total # of respondents= 186, # of respondents where Consumer Protection BC provided the respondent with the information needed = 135, # of respondents referred = 51.

<sup>4</sup> Based on 80 responses to the licensing and classification customer satisfaction surveys conducted between July and November 2011.

<sup>5</sup> Due to the shift in survey methodology, there was not sufficient response to the survey involving administrative actions to report on this measure in 2011.

## OPERATING AND CAPITAL BUDGETS

The following operating and capital budgets outline the financial and human resources required to deliver the 2012-2014 business plan objectives. In 2011, we reviewed our costing and fee models and streamlined our resource usage to balance our costs and services among the groups we regulate and oversee. We will continue with a number of cost saving options that were implemented in 2011 throughout the term of this Business Plan that will minimize the financial impact on our stakeholders. The following is a continuation of the strong financial direction that the organization has taken since 2004.

### CONSUMER PROTECTION BC OPERATING BUDGET - BUSINESS PLAN 2012 TO 2014

Resources & Outputs	Fiscal year (\$ 000's)			
	2011 <sup>6</sup>	2012	2013	2014
Revenues	4,792	5,785	5,882	5,939
Operating Expenditures	4,792	5,721	5,849	5,865
<b>Excess of Revenue over Expenditures</b>	<b>nil</b>	<b>64</b>	<b>33</b>	<b>74</b>
FTEs <sup>7</sup>	35	39	41	41

### CAPITAL BUDGET - BUSINESS PLAN 2012 TO 2014

Resources & Outputs	Fiscal year (\$ 000's)			
	2011 <sup>8</sup>	2012 <sup>9</sup>	2013 <sup>10</sup>	2014 <sup>11</sup>
Priority Projects	180	325	370	100
Base Purchases <sup>12</sup>	25	25	25	25
<b>Total</b>	<b>203</b>	<b>350</b>	<b>395</b>	<b>125</b>

<sup>6</sup> **2011 Revenue & Expenditure** projections based on September 30, 2011 year to date actuals and projected amounts for the remaining 3 months of the year.

<sup>7</sup> **FTEs** based on projected and approved usage for 2010 to 2013.

<sup>8</sup> **2011 Expenditure** projections based on September 30, 2011 year to date actuals and projected amounts for the remaining 3 months of the year and includes digital projector purchase anticipated to be made prior to the end of 2011.

<sup>9</sup> **2012 Budget** includes estimates for IT Network and Systems Review, IT Refresh – Phase 1 and Disaster Recovery Plan implementation.

<sup>10</sup> **2013 Budget** includes IT Refresh – Phase 2, industry certification and education Programs and mobile strategy implementation.

<sup>11</sup> **2014 Budget** includes initial placeholder for 2014 priority projects and base purchases with specifics TBD during subsequent year planning processes.

<sup>12</sup> **Base Purchases** equal capital assets required to carry out day to day operations over a threshold of \$500 per purchase.

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