

2014-2016 Business Plan



**CONSUMER
PROTECTION BC**

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MESSAGE FROM THE CHAIR AND CEO

This document represents Consumer Protection BC's Business Plan covering the period from 2014 to 2016. Each year the Business Plan results from a collaborative process involving staff, the Leadership Team and the Board at Consumer Protection BC. This Business Plan is supported and executed through our internal operating plan and associated budget.

The 2014 to 2016 Business Plan builds on previous plans, and sets some exciting new directions in alternative dispute resolution and service delivery for Consumer Protection BC.

Our Goals for 2014 through 2016 include:

- Goal 1: Improve Consumers' Ability to Make Informed Decisions
- Goal 2: Encourage Best Business Practices
- Goal 3: Build Trust with Stakeholders
- Goal 4: Foster a High Performance Organization.

2013 was a year of significant change and transition. We experienced changes at all levels of the organization, and with this plan we are taking on new directions with new leadership. Our focus continues to support some major themes that influence and propel us forward. The challenges in our economy and consumer issues with debt, credit and overall financial literacy will shape many of our activities for the coming three years. We are expanding on our successes in alternative forms of dispute resolution - like Online Dispute Resolution (ODR) - and positioning ourselves to help a major stakeholder, the BC Government, with its justice reform initiatives.

We celebrated many successes in our social media platforms and online presence in 2013. We will use this expertise to focus our attention on specific issues impacting vulnerable consumers in the BC marketplace, mainly in the areas of debt and credit, payday lending, consumer contracts and funeral services. Our reach and our authoritative and knowledgeable voice will help bring new awareness and insight to more BC consumers than ever before.

Our licensing, compliance, call centre, enforcement and film classification programs all deliver critical services to business and consumer clients every day. We are constantly striving for new and innovative ways to improve service, create efficiency, share knowledge and increase value. 2014 will see us energize our work in online service delivery, share our results more openly online, and continue our focus on high-risk activity that impacts consumers in the marketplace. These activities support our goals of building informed consumers, encouraging best business practices, and fostering a high performance organization.

Finally, we have a number of significant priorities we will be turning to in the areas of standards and best practices in 2014. We are committed to building trust with all our stakeholders. Our reach and engagement with all sectors will continue to be a priority; however, we will bring specific focus in 2014 to work with businesses in the debt and credit sectors to bring about positive changes for both consumers and businesses.

The Board and the staff of Consumer Protection BC look forward to an exciting few years ahead, and rising to the task with new energy, new leadership and an ever-present commitment to excellence while reaching for our vision of ***'confident consumers and trusted businesses in a thriving marketplace'***.



Frank Barr
Chair, Board of Directors



Rob Gialloreto
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 marketplace trust and confidence by ensuring fair and proper business practices. We also actively educate and inform consumers about protection issues. Together, this work helps produce a 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;
- Classifying all motion pictures exhibited in BC, and approving all adult video products sold or rented to consumers in a retail context;
- 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 stakeholder relations work, our website, social media platforms and our 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 also seek opportunities that are aligned with, and support our legislative responsibilities. From this, we work together with government ministries, agencies, businesses, and organizations that engage our talents to voluntarily advance consumer protection.

We are also a source of insight on emerging issues in the BC marketplace that may warrant public policy response. We specifically seek 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

- 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;
- A safe, healthy and harassment free workplace. Dedicated to learning, teamwork, and mutual respect.

PLANNING CONTEXT

We were created in 2004 by legislation, through the *Business Practices and Consumer Protection Authority Act*. That legislation, and our related administrative agreement with the BC Government, require us to prepare a three-year business plan by December 31 of each year and make the plan available to the public.

Our Business Plan begins with the high-level vision and mission statements of the organization together with our values. The plan then details our goals, objectives, strategies, and the performance measures that will be used to determine whether or not the goals and objectives are being met.

Each year, and at several points during the year, we evaluate our external environment and note any specific factors in the political, economic, social, technological, environmental and legal spheres that represent significant potential impact on our stakeholders, and on Consumer Protection BC directly. For this three-year Business Plan, we have identified three strategic groupings of risks and opportunities that can influence our ability to meet our goals and objectives, and which require strategies and budgeted resource commitments to address.

MARKET/ECONOMY: Continuing economic challenges in the marketplace influence the industries that we regulate. Service and product providers enter and exit; alleged infractions surface, and new business models create gaps in policy. All of these changes require us to re-allocate resources to meet change on a continual basis. The explosion of social media usage, technology and changes in the profile of our consumers requires us to adapt our techniques for consumer engagement and anticipate changes to law and policy that will respond to emerging challenges.

FINANCIAL: Our mandate is funded, in a large part, by industry stakeholders and as such we must prudently manage our budget. Our last full round of fee consultations took place in 2011 with increases taking place in 2012. Our 2014 fee schedules mark the final year of approved increases and will require that we revisit our funding model and again consult on fees in 2014 for changes that will take place in 2015. As part of this plan, and our overall operations, we will review our resource usage to ensure we are appropriately balancing fees and revenues with efficiency and effectiveness in our expenses. A number of factors in our risk models will also be brought to bear on the fee-setting process to ensure we appropriately understand and are addressing our financial risks. We remain alert to emerging consumer protection opportunities that are able to be addressed on a fee-for-service basis.

STEWARDSHIP, STANDARDS AND BEST PRACTICES: While we have direct stewardship responsibilities for the Consumer Advancement Fund (CAF) and for the Travel Assurance Fund (TAF), we also regard ourselves as broader stewards of the important legislative responsibilities provided to us. We embrace those responsibilities by administering the law with a balanced approach. We use our expertise in working with stakeholders, engaging with all levels of consumers, businesses and their representative groups to understand and build solutions to emerging issues. With many new priorities emerging from a new Government in BC, we are looking for innovative and responsible ways to provide our insights on changes required to the law to reflect today's marketplace.

SUMMARY OF GOALS AND OBJECTIVES 2014-2016

GOAL 1: IMPROVE CONSUMERS' ABILITY TO MAKE INFORMED DECISIONS

OBJECTIVE 1

INCREASE AWARENESS OF OUR PRODUCTS & SERVICES

OBJECTIVE 2

STRENGTHEN OUR ABILITY TO ASSIST CONSUMERS IN MANAGING MARKETPLACE ISSUES

GOAL 2: ENCOURAGE BEST BUSINESS PRACTICES

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

ENSURE 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

Consumers and businesses alike are bombarded by daily messages from ever-widening sources of traditional and online media. Consumer Protection BC sees an expanding demand and need to be a trusted source of information to enable consumers to make smart choices in their daily lives.

We will shift our objectives in this area for the period 2014-2016. Where in 2013 we focused on improving access to consumer education services and helping consumers manage marketplace issues, we have now combined the two into a singular objective that will continue to help consumers manage marketplace issues, with education initiatives being a significant series of strategies and tactics within that business area.

To that end we will capitalize on our prominent and credible online voice that includes our corporate blog, micro-sites, Facebook, Twitter, YouTube and other digital platforms. As we believe that educating consumers successfully requires a wide diversity of communications approaches, we will continue to use conventional methods, such as brochures, media, event participation and a toll-free inquiry line, to help consumers make informed decisions. We will also partner with like-minded organizations, such as schools and immigrant support groups, to extend our reach – and theirs – to make quality information more easily accessible and to provide consumers with self-help tools to navigate a complex, sometimes risky marketplace.

While we have robust and effective tools in law to deal with complaints in the marketplace, we will be focusing our attention early in the plan to expand on a newly developed, high-quality online dispute resolution platform to provide consumers and businesses an opportunity to achieve the outcomes they desire, without necessarily incurring the time and expense of formalized court or other judicial processes.

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.
2. Leverage our licensees', partners' and stakeholders' capability to increase our profile.

OBJECTIVE 2

STRENGTHEN OUR ABILITY TO ASSIST CONSUMERS IN MANAGING MARKETPLACE ISSUES

Strategies

1. Increase consumer awareness of their rights and responsibilities
2. Enhance alternative dispute resolution (ADR) options that meet consumers' and business's needs.

PERFORMANCE MEASURE	2012 ¹	2013	2014 TARGET	2015 TARGET	2016 TARGET
% of consumers access to / awareness of our services	8%	See ⁽²⁾	12%	13%	14%

¹ For 2012, the Consumer Protection BC result was based on net unaided awareness.

² The 2013 consumer awareness results will be available in early 2014. This document will be updated at that time.

GOAL 2: ENCOURAGE BEST BUSINESS PRACTICES

We license specific businesses and occupations, conduct inspections, monitor business practices, respond to complaints and enforce BC's consumer protection laws.

The vast majority of businesses provide valuable goods and services, fully comply with consumer law, and often go much further to serve and to protect consumers. While in 2012 and 2013 we emphasized promotion of exceptional business practices, in 2014 and beyond we will shift to highlighting our demonstrated expertise in educating businesses of their obligations, and assisting in improving business practices by modernizing many of the regulatory frameworks we are responsible for overseeing. Specific focus will be brought to sectors engaged in debt and credit activity.

Encouragement of best practices often begins with our teams of licensing, compliance and enforcement professionals who focus first on opportunities to engage and educate our business stakeholders on marketplace obligations and best practices. As in 2013, we will continue to focus on improving access to inspection results and educational information. We will also focus on improving the tools our inspectors use in the field to create efficiency and improve opportunities for interaction with more businesses.

Using a risk-management model, we identify businesses and sectors where practices lead to high consumer risk. Wherever possible, we work with businesses to achieve voluntary compliance with BC laws. 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 violations 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 statutory obligations through timely feedback and targeted education materials.
2. Improve business practices by implementing improvements to regulatory frameworks.

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. Target and inspect high-risk violators based on patterns of non-compliant activity.
3. Target our enforcement resources on high impact violations in critical risk areas.

PERFORMANCE MEASURES	2012	2013	2014 TARGET	2015 TARGET	2016 TARGET
% of targeted inspections that result in high impact violations detected and rectified	67%	81% ¹	>70%	>70%	>70%

¹ Based on 377 inspections conducted to the end of October 2013. 301 of the total 377 conducted resulted in high risk activity detected and rectified.

GOAL 3: BUILD TRUST WITH STAKEHOLDERS

We have assumed many new responsibilities since our creation in 2004. As we head into our tenth year, we will celebrate our successes and reflect back on the changes that have made our organization what it is today. A large part of our success is based on the trust we have built with many of our stakeholders over the years – a trust that we value in all our activities.

As we cross that decade milestone, we will renew our efforts to strengthen consumer protection law in BC by working with government to advance many of the issues that have been raised by our stakeholders. As these processes unfold, we will also work with our stakeholders to ensure that their voices are well represented in the process and the outcomes best serve the interests of both consumers and businesses.

In parallel, we will expand our efforts to build trust in the marketplace with new and innovative services in 2014 and beyond. As we develop an increasing capacity in alternative forms of dispute resolution, and demonstrate our sound operations in the areas of administrative law, we will promote these services to those who can benefit most – with the larger goal of reducing frustration and delay in the resolution of marketplace disputes.

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. Leverage government relationships to enhance 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. Strategically engage with governments, organizations and associations to understand consumer protection priorities, address gaps and respond with required services.
2. Strategically engage with consumers and business stakeholders to better understand issues, determine impacts and opportunities, and plan responses.

PERFORMANCE MEASURE	2013	2014 TARGET	2015 TARGET	2016 TARGET
% of stakeholders satisfied with engagement	77% ¹	78%	80%	82%

¹ The measure used last year in our Business Plan 2013-15 was: “the percentage of Advisory Group respondents who were satisfied and very satisfied with: the output of the groups, our performance carrying out assigned actions, and the provision of information.” The target for 2013 was 87%. YTD for 2013 using this measure was 91% (based on a total of 22 responses).

We have replaced the Advisory Group specific measure with an industry wide measure. So for 2013, we achieved a 77% satisfaction rating with overall engagement (based on 212 responses). Targets have been adjusted accordingly.

GOAL 4: FOSTER A HIGH PERFORMANCE ORGANIZATION

Our fourth goal is an expression of our desire to achieve excellence in everything we do. The objectives in this area relate to customer experience, employee engagement, and to strong financial management. More specifically, we are narrowing our activities in this plan to ensure that we continue to operate as effectively as possible, focus on our best opportunities for employee engagement, reduce our resource usage where necessary, all the while providing excellent service, information and resources to our customers and stakeholders.

We believe that we achieve greater success when we adopt a customer focused, and not exclusively a regulator focused, mindset. We know that the majority of businesses in BC operate well within the limits of the laws we enforce, and where there are issues, our service-related strategies must seek solutions and support first, while also ensuring we have the capacity to handle the more challenging issues. We are committed to both follow through and responsiveness to our licensees, businesses and consumers, as heard through surveys and other means of feedback.

As noted in our last plan, and as we near our tenth anniversary, we will continue to upgrade our technical infrastructure. We are investing heavily over the next few years in new information technology tools that will enable our teams to work more efficiently and effectively. We are also enhancing our core operational system to better integrate with our other platforms which will result in faster service and additional transparency for all our stakeholders.

We have renewed our commitment to effective human resource management with a new HR manager. With this resource in place to assist with our strategic and daily human resource needs, we are now in a position to develop a more comprehensive and focused HR strategy that will champion the priorities identified in our ongoing engagement activities with employees. Our employees truly are our greatest asset and our goal of a high performance organization can only be met with a positive and supported collective workforce.

Strong financial management is central to our sustainability. We continue to refine our tools for detecting and responding to risk in the marketplace that impacts our operations. Where these risks materialize, we will be balanced in our approach to managing revenues and adjusting costs. We are intent on investing resources and effort where it finds the best return, and looking for ways to ensure value to our many stakeholders.

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' & customers' 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. Enhance our web and operational systems to provide integrated services both within and outside our organization.
5. Identify and develop requirements, project management and support for all administrative technology.
6. 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 on existing team connections within and between offices.
2. Ensure we have the necessary processes to get our work done as effectively as possible.
3. Strengthen employee and supervisory learning and development opportunities.

OBJECTIVE 3

MANAGING RESOURCES SUSTAINABLY FOR FLEXIBILITY AND GROWTH

Strategies

1. Create a standardized approach to assessing the impacts of new opportunities.
2. Expand our understanding of regulated industry economic drivers to anticipate impacts on our organization and consumers.
3. Identify potential for resource waste, confirm the value of the resources we consume, and pursue opportunities for efficiencies.

PERFORMANCE MEASURE	2013	2014 TARGET	2015 TARGET	2016 TARGET
% of consumers satisfied with our services when the issue is within our mandate ¹	58%	70%	75%	80%
% of businesses satisfied/very satisfied with the overall quality of our services.	78% ²	79%	80%	80%

¹ For 2013, this measure was amended from the 2013-2015 Business Plan and the collection methodology was changed. The 2013 result is based on 260 responses.

² Based on 398 responses to the licensing, classification and compliance team customer satisfaction surveys conducted up to October 31, 2013.

% of businesses satisfied/very satisfied with the quality of our processes.	76% ¹	77%	78% ²	78%
Overall Employment Engagement Score – scale 100	See ⁽³⁾	68	70	70

¹ Based on 398 responses to the licensing, classification and compliance team customer satisfaction surveys conducted up to October 31, 2013.

² Amended from previous year of 50%. Shifts to our compliance, licensing and classification processes are yielding better than expected responses from businesses.

³ The 2013 employee engagement results will be available in early 2014. This document will be updated at that time to reflect those results.

OPERATING AND CAPITAL BUDGETS

The following operating and capital budgets outline the financial and human resources required to deliver the 2014-2016 Business Plan objectives. We continue to pursue efficiencies and cost-savings wherever possible, as well as pursuing new business opportunities that will create profitable growth throughout the term of this Business Plan. The following is a continuation of the strong financial direction that the organization has taken since we started in 2004.

CONSUMER PROTECTION BC

OPERATING BUDGET - BUSINESS PLAN 2014 TO 2016

Resources & Outputs	Fiscal year (\$ 000's)			
	2013 ¹⁰	2014	2015	2016
Revenues	5,544	5,686	5,499	5,455
Operating Expenditures	5,391	5,685	5,492	5,443
Excess of Revenue over Expenditures	153	1	7	12
FTEs ¹¹	42	42	42	42

CAPITAL BUDGET - BUSINESS PLAN 2014 TO 2016

Resources & Outputs	Fiscal year (\$ 000's)			
	2013 ¹²	2014	2015 ¹³	2016
Priority Projects	301	150	74	-
Base Purchases ¹⁴	25	25	25	25
Total	326	175	99	25

¹⁰ **2013 Revenue & Expenditure** projections based on October 31, 2013 year to date actuals and projected amounts for the remaining 2 months of the year.

¹¹ **FTEs** based on projected and approved usage for 2013 to 2016.

¹² **2013 Expenditure** projections based on October 31, 2013 year to date actuals and projected amounts for the remaining 2 months of the year and includes major systems refresh incurred prior to the end of 2013.

¹³ **2015 and 2016 Budget** includes initial provisions for priority projects and base purchases with specifics to be determined during the prior year planning processes.

¹⁴ **Base Purchases** equal capital assets required to carry out day to day operations over a threshold of \$500 per purchase.

Mailing Address:

Consumer Protection BC
PO Box 9244
Victoria, BC V8W 9J2

Headquarters:

307 – 3450 Uptown Boulevard
Victoria BC
V8Z 0B9

Contact Our Inquiry Centre at:

Phone: 604.320.1667
Toll Free: 1.888.564.9963
Fax: 250.920.7181
Email: info@consumerprotectionbc.ca

Contact Our Licensing Department at:

Phone: 604.320.1664
Toll Free: 1.888.777.4393
Fax: 250.920.7181
Email: operations@consumerprotectionbc.ca

Website: www.consumerprotectionbc.ca

Blog: www.consumerprotectionbc.ca/blog

Facebook: www.facebook.com/ConsumerProtectionBC

Twitter: @ConsumerProBC

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