

# 2013-2015 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 2013-2015. Each year the Business Plan results from a collaborative process involving staff, the Leadership Team and the Board at Consumer Protection BC.

The 2013-2015 Plan builds upon its predecessor. For 2012-2014 our goals were:

- Goal 1: Improve Consumers' Ability to Make Informed Decisions
- Goal 2: Reduce the Incidence of Violations
- Goal 3: Build Trust with Stakeholders
- Goal 4: Foster a High Performance Organization

We are very proud of our work in 2012. Our recognition of the many ways that consumers receive and offer information has propelled us to build a strong social media capability and partnerships to access and offer a rich mix of timely and relevant information. As only one example of the increasing reach of our dialogue with consumers, we have grown our Facebook fan numbers from 4,500 to over 12,000 over the last year. 2012 was also a record year for us in terms of assistance to media with an increase of 166% in media interviews. We are recognized as an authoritative source of information to consumers on the sectors we license and regulate, as well as on a myriad of consumer issues ranging from the spa and esthetics industry to fitness centre contract matters.

Some of the information we share is of primary interest to consumers; some is targeted to businesses. Considerable work was undertaken in 2012 to simplify licensing and reporting requirements for business. Also, for the benefit of both businesses and consumers, we now offer a comprehensive database of recent enforcement actions – situations where violations have occurred. That information, together with our actions, is made available to all stakeholders.

Debt and credit issues continued to dominate our agenda. A significant determination was made relating to one payday licensee's activities around cash card issuance. Compliance efforts continue to generate refunds for affected consumers of that licensee, and to ensure ongoing protection for borrowers across the payday loan sector.

It is noteworthy that our goals, as documented above for 2012-2014, and the objectives beneath them, have remained consistent for 2013-2015. This attests to a strong planning process that identifies risks and issues, and allows us to continue with a steady focus on key protection issues. One significant change to our goals is found in Goal 2, where we've previously talked about reducing violation incidence. In 2013 we are beginning to take a different view – that we should encourage exceptional business practices. This language reflects the work on, and learning from, our 5 Shield program. 5 Shield is a broad program that we have developed and now offer on a voluntary basis to sectors that wish to achieve a form of self-regulation and strengthen consumer protection. Participation in 5 Shield allows a business to "raise the bar", to promote their commitment to best practices and to provide consumers with greater confidence knowing that they are meeting minimal standards. We are piloting our program now in the spa and esthetics sector, and are confident that our 5 Shield tag-line signals wider success – *Recognizing Exceptional Service and Quality*.

The Board and the staff of Consumer Protection BC look forward to working on our legislative responsibilities and delivering voluntary business programs, knowing that in so doing we advance 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 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;
- 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. In this, we work together with 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

Legislation and our administrative agreement with 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.

For this three-year business plan, we have identified four 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 changes. The explosion of social media usage and changes in the profile of our consumer targets requires us to change our techniques for consumer engagement.
- **FINANCIAL:** As an organization whose legislative mandate is funded by industry stakeholders, we must prudently manage our budget. Following two years of fee rationalization to reflect our costs of services, we foresee only modest changes to licensee fees over the 2013-2015 period. We will review our resource usage routinely to ensure balance, efficiency, and effectiveness. Our risk models assist us to anticipate and manage structural industry change that affects consumer protection and our operations. And we are alert to emerging consumer protection opportunities that are able to be addressed on a fee-for-service basis.
- **STEWARDSHIP:** 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. The same approach is used in providing our insights to government on changes required to the law to reflect today's marketplace.
- **GROWTH AND OUTREACH:** Consumer Protection BC is advancing consumer protection by working with other organizations to ensure the best possible outcomes for BC consumers. Through innovative new programs and relationships, we are offering our considerable knowledge, skill, and understanding of consumer protection issues to others seeking to "raise the bar" with their stakeholders on a voluntary basis.



## SUMMARY OF GOALS AND OBJECTIVES 2013-2015

### 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: 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

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

As already noted, consumers and businesses alike are bombarded by daily messages from ever-widening sources of media and social media. Paradoxically, Consumer Protection BC sees no diminishment in the need for a trusted source of information to enable consumers to make smart choices in their daily lives. We are building a reputation for being that trusted source of information on a wide variety of topics.

To that end we are investing in building our voice using both the latest in online technology – blogs, micro-sites, facebook, twitter, and with conventional media – brochures, media availability, event participation and a toll-free inquiry line. We partner with like-minded organizations to extend our reach – and theirs – to make quality information more easily accessible and provide consumers with the self-help tools to navigate a complex, sometimes risky marketplace.

Our voluntary programs for business allow consumers to directly voice both their kudos and their concerns. We host a high-quality on-line dispute resolution platform to enable consumers and businesses both 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 using digital media and other technology.
2. Leverage our licensees', partners' and stakeholders' capability to increase our profile.

### OBJECTIVE 2

#### IMPROVE ACCESS TO CONSUMER EDUCATION SERVICES

##### **Strategies**

1. Increase consumer awareness of their rights and responsibilities related to debt issues and financial literacy
2. Target outreach to vulnerable consumers using online consumer education and training tools.
3. Develop and proactively focus consumer education content on marketplace issues.

### OBJECTIVE 3

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

##### **Strategies**

1. Respond to 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. Enhance alternative dispute resolution (ADR) options that meet consumers' and business's needs.

PERFORMANCE MEASURE	2011 <sup>1</sup>	2012 <sup>2</sup>	2013 TARGET	2014 TARGET	2015 TARGET
% of consumers access / awareness of our services	18%	8%	10%	12%	13%

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<sup>1</sup> For 2011, Consumer Protection BC survey methodology changed from telephone surveys to online surveys and result based on partially aided awareness.

<sup>2</sup> For 2012, Consumer Protection BC result based on net unaided awareness.

## GOAL 2: ENCOURAGE BEST BUSINESS PRACTICES

Under a legislative mandate, 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. Against our traditional role of focusing on reducing infractions, we are also beginning to emphasize promotion of exceptional business practises, supporting sectors in their self-management focus on consumer protection and insight.

Encouragement of best practises 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 practises. In 2013, this will include improved licensee access to inspection results and voluntary education programs. Voluntary business program participants will receive feedback, support, and recognition from our registration, marketing and communication teams.

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. 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 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. Promote business practice excellence through voluntary programs.

### 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	2011	2012	2013 TARGET	2014 TARGET	2015 TARGET
% of targeted inspections that do not result in high impact violations detected and rectified	49% <sup>1</sup>	33% <sup>2</sup>	30%	28%	27%

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<sup>1</sup> This number was adjusted from the 77% originally reported for 2011. Resulted from a reclassification of unlicensed inspection outcomes from low to high risk.

<sup>2</sup> Based on 439 inspections conducted to the end of November, 2012.

### GOAL 3: BUILD TRUST WITH STAKEHOLDERS

Our organization's creation in 2004, and the responsibilities we have assumed over time, reflects the trust that the province and other stakeholders have invested in Consumer Protection BC. We recognize the need to strengthen that trust on an ongoing basis.

Legislative authority must be paralleled by the authority that arises from our responsiveness, 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 and other stakeholders must be upheld in our day to day work in the marketplace. In 2013, to support voluntary efforts at broader consumer protection, we will expand our service offerings in a way that provides important feedback to consumers and businesses alike and contributes to an atmosphere of trust and confidence.

Building trust and confidence also requires that we anticipate and prepare for upcoming consumer protection issues. Our 2013 plans see us achieving a stronger understanding of consumers' perspectives and business challenges across a spectrum of industries, and being in a unique position to offer valuable input to those entrusted with consumer protection policy decision making.

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	2013 TARGET	2014 TARGET	2015 TARGET
% of stakeholders satisfied with engagement <sup>1</sup>	86%	87%	88%	89%

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<sup>1</sup> This represents 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.

## GOAL 4: FOSTER A HIGH PERFORMANCE ORGANIZATION

Goals 1, 2, and 3 are our intentions to ‘do the right things’, and this goal of fostering a high performance organization reflects our intent to do those things right. Our objectives relate to customer experience, to employee engagement, and to strong financial management.

While we recognize that our licensees are not customers as strictly defined, we begin with that mindset for both licensees and for businesses who voluntarily work with us. Each of our service related strategies are fundamental, and we are committed to both follow through and to being responsive to the voice of our licensees and customers as heard through surveys and other means of feedback.

As we near our tenth anniversary, we will be upgrading our technical infrastructure. We are investing heavily over the next three years in new networks, hardware, software and enterprise collaboration and business intelligence 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 web and social media systems – all resulting in faster service and more transparency for all our stakeholders.

We are asking employees to be more versatile, and to take an active stance where we can make a difference with businesses and with consumers. We have increased our resources devoted to assisting employees with their performance management and development planning and with supplementing their knowledge base. Also priorities for us are solutions to address workplace stressors, as well as building on teamwork and provision of best tools to do the job.

Strong financial management is central to our sustainability. 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. 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.
3. Identify potential for resource waste, confirm the value of the resources we consume, and pursue opportunities for efficiencies.

PERFORMANCE MEASURE	2011	2012	2013 TARGET	2014 TARGET	2015 TARGET
% of customers satisfied with our services <sup>1</sup>	61%	62%	75%	77%	78%
% of businesses satisfied/very satisfied with the overall quality of our services.	74% <sup>2</sup>	77% <sup>3</sup>	78%	79%	80%
% of businesses satisfied/very satisfied with the quality of our processes.	n/a <sup>4</sup>	71% <sup>5</sup>	77%	77%	50%
Overall Employment Engagement Score – scale 100	63	63	66	68	70

<sup>1</sup> For 2012 the measure includes respondents where Consumer Protection BC provided the respondent with the information that was needed (satisfaction 88%) plus respondents whose issues were referred to other organizations (satisfaction 50%). Total # of respondents= 443, # of respondents where Consumer Protection BC provided the respondent with the information needed = 186, # of respondents referred = 143.

<sup>2</sup> Based on 80 responses to the licensing and classification customer satisfaction surveys conducted between July and November 2011.

<sup>3</sup> Based on 110 responses to the licensing, classification and compliance team customer satisfaction surveys conducted in 2012.

<sup>4</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.

<sup>5</sup> Based on 110 responses to the licensing, classification and compliance team customer satisfaction surveys conducted in 2012.

## OPERATING AND CAPITAL BUDGETS

The following operating and capital budgets outline the financial and human resources required to deliver the 2013-2015 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 2004.

### CONSUMER PROTECTION BC

#### OPERATING BUDGET - BUSINESS PLAN 2013 TO 2015

Resources & Outputs	Fiscal year (\$ 000's)			
	2012 <sup>11</sup>	2013	2014 <sup>12</sup>	2015
Revenues	5,409	5,685	5,837	5,772
Operating Expenditures	5,398	5,650	5,775	5,804
<b>Excess of Revenue over Expenditures</b>	<b>11</b>	<b>35</b>	<b>62</b>	<b>(32)</b>
FTEs <sup>13</sup>	38	39	39	39

#### CAPITAL BUDGET - BUSINESS PLAN 2013 TO 2015

Resources & Outputs	Fiscal year (\$ 000's)			
	2012 <sup>14</sup>	2013 <sup>15</sup>	2014 <sup>16</sup>	2015
Priority Projects	325	383	460	175
Base Purchases <sup>17</sup>	25	25	25	25
<b>Total</b>	<b>350</b>	<b>408</b>	<b>485</b>	<b>200</b>

<sup>11</sup> **2012 Revenue & Expenditure** projections based on September 30, 2012 year to date actuals and projected amounts for the remaining 3 months of the year.

<sup>12</sup> **2014 and 2015 Budget** includes amortization expense relating to significant proposed Information Technology infrastructure investments – reference Goal 4. The investment is subject to a requirements analysis to take place in 2013. Amounts included as amortization expense in 2014 and 2015 are \$69,000 and \$144,000 respectively. No provision is made for any operating efficiencies that might result.

<sup>13</sup> **FTEs** based on projected and approved usage for 2012 to 2015.

<sup>14</sup> **2012 Expenditure** projections based on September 30, 2012 year to date actuals and projected amounts for the remaining 3 months of the year and includes tenant improvements incurred prior to the end of 2012.

<sup>15</sup> **2013 Budget** includes IT Network and Systems Refresh, Disaster Recovery Plan implementation, mobile strategy implementation and other priority projects.

<sup>16</sup> **2014 and 2015 Budget** includes initial provisions for priority projects and base purchases with specifics to be determined during the prior year planning processes.

<sup>17</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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