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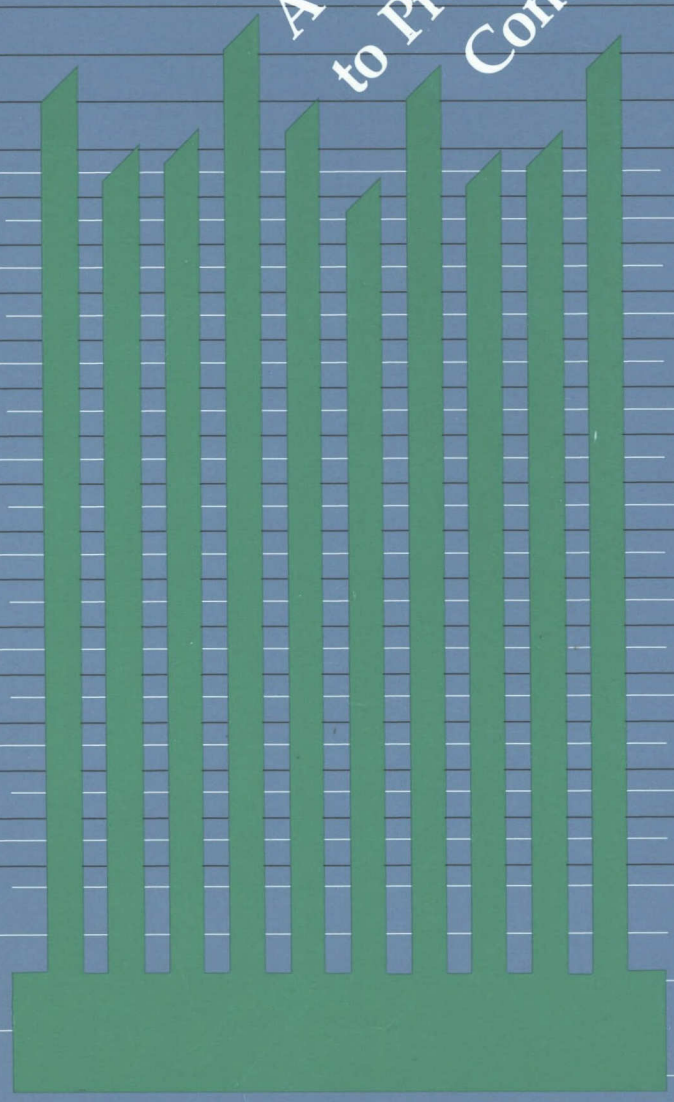
Seeking Funds To Address An Issue?

A Practical Guide to Project Contributions



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Seeking Funds to Address an Issue?

A Practical Guide to Project Contribution

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INTRODUCTION

The marketplace is made up of three key participants — business, consumers and government — each with certain responsibilities to ensure that fairness prevails. The marketplace has changed since the 1960s; new attitudes and ways of doing things have emerged. Businesses keep a competitive edge by listening to customers; the confrontation tactics so widely used in the past do not seem to work today. Raising public awareness for a consumer issue is a major task; yet, it is still a credible way of bringing about change in the marketplace.

Since 1984, the Grants and Contributions Program of Consumer and Corporate Affairs Canada has assisted consumer and voluntary organizations to address issues that affect consumers across the country. Regional and local projects may be considered if they impact across Canada. This publication is intended as a working tool for consumer and voluntary organizations who wish to make the marketplace better for consumers. It outlines how they should go about obtaining funds from Consumer and Corporate Affairs Canada to represent the interests of consumers. The approach to representing consumers outlined in this document will help organizations achieve results. The fictitious example used illustrates the steps involved in preparing an application and carrying out a project.

The Contribution portion of the program provides funding through contributions to specific projects, and not through grants. The funded organizations are accountable for the funds, and projects must have clearly identified objectives, to be achieved in a specific period of time. Each project should suggest a strategy for addressing a particular problem experienced by consumers in the marketplace. Whenever possible, government, industry and non-profit organizations should be involved in the solution. A budget of $1 216 000 has been allotted to the Contributions Program.

A FICTITIOUS WORKING EXAMPLE: THE COMMUNITY VOLUNTEER ORGANIZATION (CVO)

Background

The Community Volunteer Organization was formed in the late 1960s to provide badly needed social services to a mixed clientele, including the elderly, youth and handicapped persons. Well known and respected for its commitment to local community service, the CVO is funded by grants from municipal and provincial governments and through revenue from its annual funding drive and membership renewal campaign. It boasts 200 active members and a dedicated Board of Directors.

The CVO's Consumer Information Desk (CID) was originally created to respond to client inquiries and consumer complaints. It later conducted information sessions on consumer rights and responsibilities in the marketplace and offered credit counselling under the guidance of one full-time officer. Recently, the organization has been meeting a pressing need for adult literacy classes for new Canadians and those who are unable to function in today's marketplace.

TABLE 1

LEADERSHIP

Definition: **Anticipating** and **acting** on changes in the marketplace that may affect consumers, rather than merely reacting to changes after they occur.

When an **ORGANIZATION** deals with **ISSUES**, it attracts **ATTENTION**

- from consumers — increased membership
- from media — increased coverage
- from industry — increased credibility
- from government — increased consideration

Leadership in Consumer Issues*

As some of the CVO's funding sources were no longer supporting the operation of the Consumer Information Desk, the need for a new orientation became obvious. According to the CVO chairman, **"Without LEADERSHIP, an organization simply blends into the marketplace and fades from consumer memory."** While the CID was appreciated by its clientele, the organization felt that it could serve the membership more effectively by getting to the root of consumer issues rather than by merely reacting to them. Clients and members would benefit directly, and all consumers would benefit in the long term from an improved marketplace. The organization's higher profile would undoubtedly improve the CVO's standing in the community. Getting involved in solving a problem in the marketplace would also boost the **LEADERSHIP** capabilities needed by the organization in order to remain successful.

The CVO therefore decided to represent consumers when an issue of interest to its members as consumers was identified. In order to address the issue, it would request specific funds, which would not be considered part of the CVO's yearly operating budget.

Establishing Issues**

While the CVO had information on various consumer concerns, the organization determined that an issue important enough to be addressed has to meet certain requirements. It had to be a conspicuous concern, important to members as consumers, and relevant to the organization's goals; most of all, its resolution had to be feasible (i.e., others could be made aware of the issue and use their resources to resolve it).

Getting Involved in a Consumer Issue

One issue that seemed to meet all the requirements emerged from an increased number of complaints by elderly CVO clients about telephone solicitations. The theme of the complaints was identified by the CID as loss of privacy.

Preliminary inquiries to the Canadian Radio-television and Telecommunications Commission and provincial regulatory authorities confirmed that, although a problem was presumed to exist, little was being done about it. Information gathered from those involved in and affected by telemarketing could help reveal the scope of the problem and suggest ways of addressing the issue in the consumer interest.

* See Table I
** See Table II

TABLE II

SOURCES FOR IDENTIFYING CONSUMER ISSUES

A **consumer issue** can arise whenever the marketplace fails, or may in future fail, to meet reasonable consumer standards regarding availability, cost or quality of goods or services in the public and private sectors.

Information on the issue can be obtained from:

MEMBERSHIP
complaints, inquiries and information gathered from members and supporters

PUBLIC
complaints and inquiries received from the public

INTEREST GROUPS
exchange of information with consumer and voluntary organizations

MEDIA
scanning of local and national electronic and print press

OPINION LEADERS
exchange of information with experts in the field

GOVERNMENT AND INDUSTRY ORGANIZATIONS
exchange of information on an identified issue (was it dealt with, by whom, and with what results?)

IMPORTANT

When an issue is identified by one source, it should be verified by at least one other type of source

- to evaluate its importance, and
- to establish what has been done about it so far, by whom, and with what results.

Obtaining the Facts

As there was little hard analytical data regarding which consumers were most affected and what bearing telemarketing had on their privacy, the CVO was concerned that telemarketers could question the validity of the findings gathered to date and "smother" the consumer issue before it could be effectively addressed. Moreover, the organization wanted to proceed cautiously to avoid the loss of credibility suffered by other organizations as a result of poor research, incomplete data, and general clumsiness in communicating their position to the press and the marketplace. The following course of action was therefore recommended:

1. Study the consumer perception of telemarketing through a statistically valid consumer survey;
2. identify the specific telemarketing problems relating to different categories of consumers; and
3. bring these new data to the attention of government and industry in order to elicit a response.

To avoid undue criticism or accusation of bias, the data would have to be reliable and credible, and the strategy and approach as sound and objective as possible.

Tackling the Issue

Reliable and useful data can best be obtained when a sound structure is devised for the steps of the project. The CVO's strategy would be to prove a causal relationship between telemarketing and consumer dissatisfaction. Data would be gathered to measure the dissatisfaction experienced by specific classes of consumers, and to ascertain the possible causes.

Faculty members from the local university helped formulate working hypotheses that could systematize the mass of information to be collected and prevent project staff from straying into side issues or dead ends.

A workplan outlined the definite stages for carrying out the project. In the first stage, data would be gathered and organized. In the second stage, the validity of the data would be assessed against the working hypotheses, and conclusions, recommendations and possible solutions would be formulated. Finally, the project results would be communicated to the public so that positive changes might result in the marketplace.

In addition, once the project was nearly complete, its progress would be evaluated in order to help in the planning of future projects and to determine some of the relative strengths and weaknesses of the organization.

TABLE III

WORKPLAN

ISSUE STATEMENT	What is the issue?
OBJECTIVE STATEMENT	To articulate the consumer problem(s) associated with the issue.
WORKING HYPOTHESES	State what needs to be proved, disproved or known in order to confirm the validity of the objective statement.
METHODOLOGY	**Research:** Gather the information needed to prove or disprove the working hypotheses. What do we need to know? What are the sources and means of obtaining the information? **Analysis:** Analyse all the gathered information to prove or disprove the working hypotheses. How valid is the objective? Formulate conclusions, recommendations and possible solution. **Communication:** Inform appropriate industry and government organization and consumers of project results and of recommendations to address the issue.
EVALUATION	Was the project objective achieved? What were the results? Did any other issues emerge from the project research and analysis?

Drafting the Project Proposal

As a rapid estimate determined that the CVO could not assume the full cost of the project, the organization applied for Project Contributions funding under the Consumer and Corporate Affairs Canada Grants and Contributions Program. The program gives priority consideration to projects that address issues of importance to a majority of consumers across the country. Regional and local projects may be considered if they are applicable to other regions of Canada, as was the case with the CVO's project. Contributions are more likely to be awarded to projects based on a workplan* that demonstrates the organization's basic understanding of the issue; identifies the consumer, industry and government organizations involved in the issue; and suggests a strategy for addressing the issue effectively in the interest of a majority of Canadian consumers.

Prior to requesting funds, an applicant organization must therefore do some preliminary work in order to show a sound grasp of the consumer problem it has identified. The amount of preliminary work needed will depend on the consumer issue and on the resources and information available to the applicant, but doing more research before preparing a funding proposal often improves the substance and presentation of a project.

As applicant organizations may be intimately familiar with the issue, they should be particularly careful not to omit important facts and details corroborating the problem they have identified. All relevant data should be included in the proposal.

Because limited contribution funding must support projects on a variety of consumer issues, organizations must devote considerable thought and energy to drafting a sound project proposal.

* See Table III

What CCAC Needs to Know about Your Project

As implied by the name "project contribution," activities to be funded are considered as a project. Funding applicants must provide a full outline of the proposed project in a set format. Because Treasury Board requires contribution payments to be made quarterly in the fiscal year (which begins on April 1 and ends on March 31 of the next year), the application form is designed so that project activities can be displayed in three-month periods. Ideally, the workplan submitted with a proposal will consist of a logical and manageable framework for organizing project activities and achieving conclusions and will meet the reporting and accountability requirements for contributions.

Unlike grants, contributions are conditional payments, for which recipient organizations are accountable and subject to audit. As part of their accountability for project activities, recipients are asked to forecast project expenditures for each three-month period of the project. They must also provide quarterly progress reports and a year-end report on the entire project.

On the following pages is a description of how our fictitious organization might draft its proposal and how the proposal would be assessed by CCAC. Also outlined are the reporting requirements for contribution funding. Prospective applicants will learn how consumer issues can be identified and how participation in the program can enhance their organization's image and provide meaningful results for consumers.

Do not be concerned if your organization lacks the CVO's experience or access to telephone sources, which provided preliminary data on the consumer issue. Applicants for contribution funding do not necessarily require the background or the precise knowledge reflected in this simulated application, which is intended only as a model.

TABLE IV

CONSUMER ISSUE

Consumer issue is a situation which can arise whenever the **marketplace fails,** or **may in future fail,** to **function according to reasonable consumer standards** regarding **availability** or **cost,** or **quality of goods or services** offered in the marketplace through the **public** and **private sectors.**

marketplace fails, or may in future fail	Telemarketing techniques appear to be annoying consumers in the privacy of their homes.
function according to reasonable consumer standards	Consumers generally expect to receive commercial information without having their privacy jeopardized.
availability, or cost, or quality of goods or services	Major concerns are the lack of choice by consumers in determining whether they are to receive telemarketing calls and the limited availability of recourse.
public and private sectors	Telemarketing is conducted by the private sector and is not regulated by provincial or federal legislation with respect to consumer privacy.

THE PROPOSAL (Section II of application)

A. THE ISSUE

1. Briefly describe the **consumer issue*** which this activity intends to address and state why this is an important issue to consumers, and how it relates to the marketplace. Attach as Appendix II.A.1. (See guide for working definitions.)

An increasing number of consumers, particularly the elderly, have complained about telephone solicitations. They resent being disturbed by such telephone calls at all hours of the day and evening. Most complaints seem related to the loss of privacy.

While telemarketers suggest that consumers like receiving such calls and that some welcome them as an opportunity for conversation, feedback received by the CVO indicates that consumers are angered and annoyed by these commercial messages. Telemarketing calls are seen as disruptive of routine and privacy. Yet, as consumers assign a personal rather than commercial value to the home telephone, they feel compelled to answer a ringing telephone in their home. While they do expect advertisement and promotional campaigns, which ensure competition and provide information on available products and services, they are intolerant of the telemarketing format.

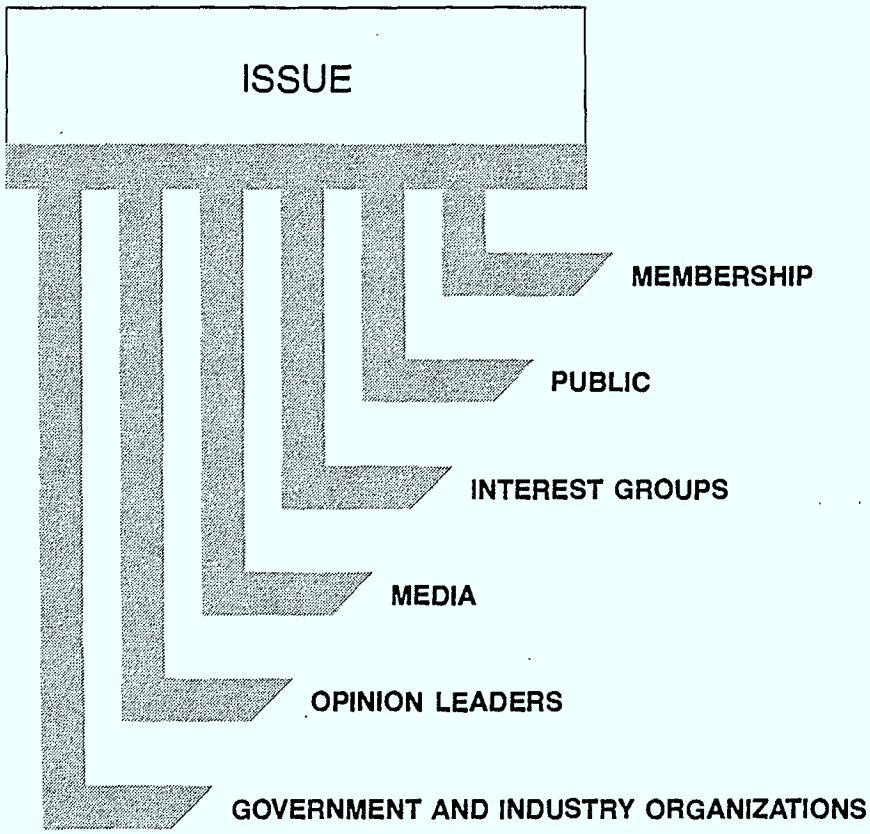
The purpose of the project is to measure and make known the relationship between telemarketing and consumer dissatisfaction. We will measure the extent to which specific classes of consumers consider the increased use of telemarketing to be an encroachment on their privacy; we will identify the causes of this dissatisfaction and propose solutions. Revealing the possible negative impact of telephone solicitation on consumers may compel advertisers to limit the use of telemarketing as a promotional tool.

* See Table IV

TABLE V

BACKGROUND INFORMATION

Background information: All the pertinent information gathered from **Issue Identification Sources**



ISSUE ANALYSIS

IS ESSENTIAL

When an issue is identified by one source, it should be verified by at least one other type of source.

- in evaluating the scope of the issue; and
- in establishing what has been done, by whom, and with what results.

TO ESTABLISH THE STARTING LINE OF THE PROJECT

THE PROPOSAL (Section II of application)

A. THE ISSUE

2. Provide **background information*** that is considered relevant to the issue. Attach as Appendix II.A.2

Following up on the increasing number of complaints, the CVO has already carried out a sampling of its clients and Board members to obtain feedback on experiences with telephone solicitations. Provincial and federal regulators of telephone utilities were also called to discuss the issue.

The information obtained confirms that telephone solicitation is a problem and that the scope of the problem has not been analysed. There also appears to be a lack of quantitative data on consumer reaction to telemarketing.

* See Table V

TABLE VI

OTHER PARTICIPANTS IN THE PROJECT

Other organizations: Identify and define the role of all key players in the marketplace who are involved in the issue and will need to be consulted.

■ **Consumers**	Which classes of consumers are most likely to suffer from the issue and could provide feedback on it?
■ **Industry**	Which sector of industry needs to be consulted to identify possible causes of the issue?
■ **Interest groups**	Which non-profit organizations may be of assistance in gathering data or providing expertise on the issue?
■ **Public and private organizations**	Which government and industry agencies have a regulatory or self-regulatory role influencing the issue?

A. THE ISSUE

3. Identify **other organizations*** (including branches and affiliates) which **will participate in the project** and **describe their role in addressing this issue.** Attach as Appendix II.A.3.

The following private and public organizations will be consulted to provide expertise on the issue, information on recent studies or means of addressing the issue.

Canadian Direct Marketing Association (CDMA) — an industry-sponsored organization that represents the telemarketing interest and handles consumer complaints about the industry.

Better Business Bureau Council of Canada (BBB) — an industry-sponsored, self-regulatory organization that disciplines unfair trade practices and mediates consumer complaints.

Federal and provincial regulators of telephone utilities — the CRTC, which regulates Bell Canada in Ontario, Quebec and the Territories, and B.C. Tel in British Columbia; and provincial authorities that regulate telephone utilities in other provinces.

Local university — the director of the Journalism Department and volunteer students, who will review the consumer survey questionnaire, confirm the survey methodology, assess the results, and analyse the scope of the problem of telemarketing with respect to privacy.

U.S.-based consumer association that published a study last year on the impact of telemarketing on the marketplace.

* See Table VI

TABLE VII

OBJECTIVES AND STEPS

■ **Objectives**	To prove or disprove a series of hypotheses in order to determine the consumer interest on a given issue. (Analytical data must be gathered to support the conclusion.)
■ **Steps**	Describe the actions to be undertaken by the organization to: ■ research and analyse the issue, ■ communicate the results, and ■ evaluate the project.

B. THE WORKPLAN

1. Briefly identify and describe the objectives* of the project and the steps to be taken to arrive at the stated objectives. Attach as Appendix II.B.1

Objective To measure and make known the source and extent of dissatisfaction experienced by specific classes of consumers from the increased use of telemarketing, by testing the following **hypotheses**:

1. Consumers value telemarketing as an important source of commercial information.
2. Consumers react positively to telephone solicitation.
3. Consumers react positively to Automatic Dialing Announcing devices.
4. Consumers make purchases as a result of telephone solicitation.
5. Consumers are more likely to listen to a sales call for a charity than for a business.
6. Certain groups of consumers (the elderly, new Canadians, etc.) are more vulnerable to telephone solicitation.
7. Consumers with higher levels of education and income are more likely to hang up.
8. Male customers are more likely to hang up.
9. The more calls consumers receive, the more they consider telemarketing to be a nuisance.
10. Consumers want some restrictions on the use of their telephone for unsolicited sales, promotions and polls.
11. Consumers consider the commercial information value of telemarketing to outweigh any possible threat to privacy.

* See Table VII

Steps		
	Research	Compile the data needed to prove or disprove the working hypotheses. Collect data directly by conducting an extensive consumer survey and indirectly by gathering complaint and inquiry statistics from industry and government agencies and requesting these agencies to complete relevant questionnaires.
	Analysis	Analyse data to prove or disprove research hypotheses. Analyse specific problems faced by consumers and formulate specific recommendations for addressing the issue.
	Communication	Implement a communications strategy to inform pertinent industry and government agencies of the project results and make recommendations in the consumer interest, while aiming at a positive and productive relationship with industry. Release the final report to the media and public.
	Evaluation	Assess the progress and impact of the project, with particular attention to new consumer issues that emerge from the research, analysis and communication stages.

B. THE WORKPLAN

2. Attach a schedule of the activities which will be undertaken each quarter to attain the project goals. This information must relate directly to and support the project budget. Attach as Appendix II.B.2.

DETAILED WORKPLAN

1ST QUARTER: RESEARCH
April, May, June

- Carry out staff orientation and organization.
- Prepare and send out questionnaires to 15 industry and government organizations.
- Prepare and review consumer survey questionnaire and develop survey methodology.
- Survey at least 500 households in the immediate district.

2ND QUARTER: ANALYSIS
July, August, September

- Tabulate and analyse data.
- Perform initial evaluation of data.
- Draft recommendations in consultation with an expert in the field.
- Revise and adapt the communication plan for the next quarter and prepare information material to focus public and media attention on the issue.

3RD QUARTER: COMMUNICATION
October, November, December

- Complete information material on project findings and recommendations to pertinent industry and government agencies.
- Meet with industry and government agencies to discuss the issue and possible solutions.
- Coordinate a media campaign for the public release of the project results.
- Prepare responses to possible criticism of project methodology, results and recommendations.

4TH QUARTER: EVALUATION
January, February, March

- Evaluate project methodology, results, and feasibility of proposed solutions.
- Evaluate the success of the communication strategy.
- Identify other consumer issues emerging from the project.
- Prepare preliminary research and planning activities for tentative projects based on new issues.

C. THE BUDGET

1. Attach a budget* breakdown which supports the workplan and clearly indicate the amount of funds required for direct and indirect project costs. (See guide.) Attach as Appendix II.C.1.

PART A

Paid Staff

Coordinator/researcher – 12 months	26 000
Administrative assistant/data and word processor – 10 months	16 000
Part-time secretary	7 500

Volunteer Staff

10 pollsters

- University Department of Journalism
  - review of questionnaire and methodology
  - one-hour training sessions for pollsters

Proofreader

Travel	1 100
Materials (postage, printing of questionnaires, tally sheets, etc.)	5 700
Accounting	1 000
	57 300

PART B

Rent and public utilities (5 additional telephone lines for 2 months)	5 600
Equipment (computer, word processor and photocopier)	3 600
	9 200

PART A	57 300
PART B	9 200
Total project cost	$66 500

* See Table VIII

TABLE VIII

BUDGET

Allowable Expenses	Examples
PART A	
Salaries and benefits	For project employees
Contracts for services	For research, special assistance, contract employees
Travel expenses	For project employees or for the Board of Directors when project approval is sought from the Board
Materials	Office supplies, printing, postage, courier services
Accounting	Bookkeeping and audit fees for the contribution
Other (specify)	Related to the project objective only
PART B	
Rent and public utilities	Office rental, hydro, heat, telephone
Equipment and usage	Rental of office equipment specifically requested in the project proposal and approved by CCAC
Other (specify)	Related to the project objectives only; may include liability insurance

Note: **Fifty percent** or more of the total project expenditures must appear under Part A allowable expenses.

FUNDING SOURCES

PART A	CVO	CONTRIBUTION PROGRAM
Salaries and benefits	7 500*	42 000
Contracts for services		—
Travel	100	1 000
Supplies	700	5 000
Accounting	—	1 000
	$ 8 300	$ 49 000

PART B		
Rent and utilities	600	5 000
Equipment and usage	600	3 000
	1 200	8 000

PART A	8 300	**PART A**	49 000
PART B	1 200	**PART B**	8 000
Total	$ 9 500	Total	$ 57 000

* There is no standard formula for estimating the dollar value of volunteer work. However, contracting pollsters and a proofreader would significantly raise the total cost of the CVO's project.

What CCAC Looks for

Because the funds available under Project Contributions are limited, applicant organizations are encouraged to emphasize an understanding of the identified consumer issue and the relationship of the other marketplace participants, such as business, trade associations, government and voluntary associations, that may help resolve the issue. Projects must also include realistic strategies to address the issue in the interest of consumers.

When CCAC receives a project proposal, the Department thoroughly examines the workplan and assesses the credibility of the applicant organization and its capacity to represent the consumer interest. Experts are consulted to substantiate the issue identified and assess the project's methodology and chances of success. CCAC attempts to fund projects on a variety of consumer issues, rather than on merely a few. Before funding recommendations are made to the Minister, both the organization and its project proposal are thoroughly assessed.

TABLE IX

ASSESSING THE ORGANIZATION
(Guidelines for CCAC officials)

Competence

Assess the following abilities:

- Fund-raising ability:
  - the ability to acquire funds from a variety of sources
- Problem-solving ability:
  - the ability to encourage participation and self-reliance in resolving issues
- Communications ability:
  - the ability to keep its members/volunteers, peer groups and general public well informed of its activities
- Project management ability:
  - the ability to manage a project successfully, considering the review of the application and competence of the organization

Confidence

Assess the organization's ability to represent itself to its members and peers. Consider whether the organization has indicated a track record with other organizations to address consumer issues.

Credibility

Assess the organization based on its reputation, past performance and the perception of other organizations in the marketplace. Consider whether the organization works with other voluntary organizations to address issues.

Accountability

Assess the organization's degree of responsibility and responsiveness to achieve its goals in co-operation with its constituency and the general public.

- Consider whether the organization attached an audited statement from the previous year's income and expenses, along with the auditor's name and address.
- Consider whether the organization informs its membership and the general public about its activities and achievements.
- Consider whether the structure of the organization is conducive to participation, self-reliance, and self-help initiatives.

Note: Assess how project results could cause other voluntary, government or industry organizations to carry out further work on the issue or to spend resources with a view to possibly resolving the issue.

Assessing the Organization*

In assessing the applicant organization, CCAC considers the following questions: Does the organization possess the expertise required to manage a project successfully? What is the organization's reputation and relationship with other organizations in the marketplace? Is the organization responsible and responsive enough to achieve its goals in co-operation with its constituency?

Rating the CVO

The organization was well known by CCAC officials because of previous funding by the Department and because of its reputation in the community for helping consumers. Over the years, it had demonstrated its ability to acquire funds from a variety of sources and inform its members, other groups and the community of its activities. Regional CCAC officials provided background information on the organization and its community programs.

Also mentioned in documents attached to the proposal was the CVO's accomplishment in the community. Although the CVO had never executed a consumer issue project, it had a proven record of achieving its goals in co-operation with its constituency, private and public organizations, and the general public.

The assessment of the organization was positive, and CCAC officials could therefore proceed to step two — assessment of the project proposal.

* See Table IX

TABLE X

ASSESSING THE PROJECT PROPOSAL
(Guidelines for CCAC officials)

The Issue

- Does the project proposal demonstrate a good understanding of the issue; has the issue been defined in terms of the definition in the Applicant's Guide and could the issue be addressed more appropriately by other federal departments or other levels of government?
- Does the issue provide a good basis for the proposed project and will the project address a consumer issue of importance to a majority or at least large classes of consumers?
- Does the project involve other marketplace participants, e.g. business, trade associations, government and other voluntary associations in addressing the issue?

The Workplan

- Are the project objectives clear, realistic and results oriented?
- Are the activities planned to address the issue measurable; do the objectives reflect this?
- Does the project as proposed have a definite beginning and end — a definite life span?
- Does the project demonstrate that members, volunteers and other organizations will be involved in the project?
- Does the workplan provide clear evidence that this project will enhance the consumers' understanding of the issue or that the issue will be addressed?
- Does the workplan clearly support the budget, is it feasible and do the steps follow logically to achieve results?

The Budget

- Does the budget clearly support the workplan and does it indicate which funds are required for direct and indirect project costs (that the total amount for Part A allowable expenses exceeds 50 percent of the total request for the project)?
- Is an audited statement of the organization's previous year's income and expenses, along with the auditor's name and address, provided?

Assessing the Project Proposal*

Project proposals are evaluated on the basis of the importance of the issue identified, the feasibility of the workplan, and the reasonableness of the budget. The first step is to ascertain whether the reported consumer issue actually is preventing or may prevent the marketplace from working effectively in the interest of a majority of consumers. CCAC officials consult the appropriate experts to determine the scope of the issue. It is thus important for an applicant organization to state its case clearly, provide sufficient details corroborating the issue, and indicate who has been consulted on the matter. The application must also demonstrate that the organization is aware of other marketplace participants, such as business, trade associations and governments, that may help provide expertise or address the issue.

Rating the CVO's Proposal

Experts consulted to review the CVO's project proposal confirmed that the intrusion of telemarketing appeared to be a concern to a majority of Canadian consumers — a concern that would become more pronounced with the increased use of telemarketing. They also stated that the organization had obviously checked with other sources to determine that the concern was an issue and verified what had been done about it, by whom, and with what results.

The experts described the project objective as worthwhile and useful, since no organization had yet measured consumer dissatisfaction with the increasing use of telemarketing and its impact on privacy. The methodology to achieve the objective was realistic and would provide results of interest to industry as well as consumers. Project findings could meet an important need in the industry for information on consumer reaction to telemarketing.

The workplan showed that the project has a specific duration of one year, within which time the organization would gather data and expert advice from a number of government and industry organizations to address the issue and would prepare recommendations. The proposed budget clearly supported the workplan and included a substantial contribution of volunteer work to the project.

* See Table X

Reporting Requirements

When CCAC approves funding for a project, it draws up a Contribution Agreement, which outlines the organization's duties to provide progress reports. While the quarterly reporting requirements under the Contribution Agreement are considered by some organizations to be an administrative burden, they are regulated by Treasury Board guidelines for project contributions. If an organization fulfills its quarterly reporting requirements in the prescribed time, the next cashflow forecast can be processed and payments made more quickly.

When CVO organizers were informed that the project had been approved for funding, they were very aware of the work that would be entailed by this major consumer project during the next 12 months in addition to the regular services and quarterly newsletter. They established controls to avoid overspending and delays. The project co-ordinator was required to report monthly to the Board of Directors on whether the workplan and budget had been carried out as planned and, if not, to explain why, and how project results had been affected. At the end of each quarter, these monthly progress reports could be used in completing the required Quarterly Progress Report and Actual Expenses-Cashflow Forecast on time, to avoid any payment delays.

The project co-ordinator was also asked to report every month on new issues emerging from project research and analysis. Focussing on potential issues could provide information for the next year's project proposals.

Project Results

The last step for organizations receiving Contributions Program funding is the project evaluation, which the CVO might have presented as follows:

During the project, no major difficulty occurred to delay the workplan or cause additional expenses.

The data from industry and government organizations on consumer complaints and inquiries proved too general to substantiate concerns about telemarketing and loss or privacy. However, questionnaires answered by government and industry representatives provided an interesting insight on the perceived consumer concern about telemarketing.

The consumer survey required much more time than initially estimated. Fortunately, two additional people volunteered to poll consumers and help complete the survey. The Department of Journalism of the local university provided useful advice on the questionnaire and methodology, and helped assess survey results.

Project results revealed that, regardless of age or income, most consumers considered telemarketing calls to be disruptive, annoying and, in some instances, an invasion of privacy. Consumers who received more calls were proportionally more resentful of the calls. The report's main recommendation was that consumers should have the right to choose whether they would receive sales or solicitation calls in their homes.

Copies of the project's final report were distributed and representations were made to appropriate industry and government agencies. At first, industry reacted negatively, questioning the organization's motive and methodology and doubting project results. CVO had in its communication strategy prepared information to dispel doubts and reassure industry. The telemarketing industry later realized that if it is to grow and prosper, service must be its first obligation. It examined the information seriously and made efforts to correct the problem.

Press releases were written in a style compatible with media formats. The media publicized the project results, thus focussing public attention on consumer concerns about telemarketing. Media coverage publicizing the quality of the CVO's work helped boost the organization's funding drive, which was scheduled for that period. Membership and support increased steadily.

Although extremely busy with the project, media relations and increased membership, CVO organizers did not neglect the long-term perspective: they actively conducted preliminary research on two possible issues emerging from the project and developed tentative strategies for investigating them.

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