



ALBERTA MOTOR VEHICLE
INDUSTRY COUNCIL

AMVIC STRATEGIC VISION

November 2020

Message from the Board Chair

On behalf of the Board of Directors and the management and staff of the Alberta Motor Vehicle Industry Council (AMVIC) I am proud to present the AMVIC Strategic Vision.

Recently strengthened consumer protection legislation (Bill 31: *A Better Deal for Consumers and Businesses Act*, the *Consumer Protection Act* and the Automotive Business Regulation) further supports AMVIC's regulatory mandate of protecting consumers from unfair practices in the automotive industry.

The transition into a public agency, was an important step in AMVIC's evolution. AMVIC has been regulating the automotive industry in Alberta for 22 years and staff work continuously to ensure a fair marketplace for consumers and businesses. A strong focus on compliance, education and communication efforts over the years has helped raise AMVIC's profile among industry and consumers, provide more supports to create well-informed consumers, create a level playing field for businesses and continue to define its regulatory role.

This strategic vision outlines AMVIC's continued commitment to its mission to protect the public interest and promote trust and confidence in the automotive industry in Alberta.

Our mandate

AMVIC is a delegated regulatory board created by the Automotive Business Regulation in accordance with s.136(5) of the *Consumer Protection Act*. The Council regulates the automotive business industry in Alberta through the powers delegated to it under the *Consumer Protection Act*.

AMVIC is responsible for maintaining a mandatory licensing program for automotive businesses and a registration program for automotive business salespersons, educating industry on regulatory compliance, informing consumers of their rights and enforcing consumer protection laws. In addition to protecting Alberta consumers from unfair business practices and working towards building trust and confidence in the automotive business industry, AMVIC is also responsible for:

- Fostering open and clear communication in the automotive business industry and supporting an honest exchange of information among industry, government and consumers.
- Assisting the automotive business industry to build best business practices upon the framework of the *Consumer Protection Act* through education, compliance and enforcement of legislation.
- Providing alternatives for resolution of consumer complaints.

With respect to the automotive business industry in Alberta, AMVIC has been delegated the following powers, duties and functions of the Director of Fair Trading under Section 136(5) of the *Consumer Protection Act*:

- Licensing and registration administration under the *Consumer Protection Act* and the Automotive Business Regulation.

- Investigations, inspections and enforcement under the *Consumer Protection Act*, the *Automotive Business Regulation*, the *Cost of Credit Disclosure Regulation*, and the *Internet Sales Contract Regulation*.
- Administration of the Compensation Fund.
- Establishment of formal and informal educational programs for industry and consumers in relation to the automotive business industry.

What our environment is signalling to us

As AMVIC's strategic environment continues to evolve and shift, the Board and management team continue to inject new perspectives into AMVIC's strategic outlook and planning. Consequently, AMVIC's strategic vision will be reviewed on an annual basis. We believe that the following factors may have a significant impact on our organization:

- Accelerated growth in online sales will require AMVIC to re-evaluate the risks for consumers in a digital environment. Furthermore, the increased integration of Artificial Intelligence (AI) technologies in the sales process will demand an assessment of the role of traditional sales associates and the financial and strategic impact this implies for AMVIC.
 - Beyond online sales, traditional means of vehicle ownership are expected to include new models such as subscription-based ownership. This will require AMVIC to adapt and keep pace with the evolution of ownership and leasing models and continue to lead in consumer protection strategies.
- Alberta's shifting economy and demographics may impact the nature and volume of demand for AMVIC services and consumer protections.
 - As Alberta's economic landscape continues to evolve, the design of AMVIC's business model requires AMVIC to adapt on a consistent basis.
 - Alberta's shifting demographics may impact the demand and delivery for AMVIC's services and consumer protections. An aging population and growth in non-English speaking Albertans demands a look at effective consumer protection strategies for these populations.
- The Government's continued focus on red tape reduction and austerity.
- An emerging post-COVID environment is signaling changes to demand in the industry.
 - A potential increase in car ownership as a result of COVID-related concerns about public transit, etc.
 - A growth in used (vs new) car sales as a result of the COVID pandemic.
- The COVID pandemic has prompted a shift to flexible work models and work from home arrangements. This shift has compelled AMVIC to look at the challenges and opportunities created by an evolving work force relative to AMVIC's desire to operate with excellence in customer service. Strategic considerations must include ways in which a flexible work model can support the achievement of AMVIC's mission and mandate.
- A continued focus on stakeholder communication has advanced AMVIC's relationship with its many and diverse stakeholders, including AMVIC's shareholder. Future strategic considerations must look at both what the organization aspires to achieve and how enhanced stakeholder relationships (collaboration) can be leveraged to amplify or accelerate traction in a new model.

- A continuously changing environment requires AMVIC to operate as a nimble, adaptable, learning organization- the ultimate expression of a contingent strategy.
- AMVIC has identified the need to continuously leverage new technologies (e.g. targeted social media marketing and AI) to serve and protect consumers and industry.
- As Alberta's automotive industry continues to evolve, the Board and management team will need to keep up with their understanding and education in terms of AMVIC's delegated responsibilities, duties, and functions under the *Consumer Protection Act* with respect to their mandate.
- Above all, consumer protection remains the core focus and reason for being for AMVIC.

Our core purpose and values

Our core purpose:

As a public agency our focus is clear: we exist to protect the public and industry from unfair practices. We serve the public interest by working with the motor vehicle industry to ensure a fair market place.

Core values:

Integrity, as the foundation of trust.
 Fairness, as the foundation of respect.
 Service, as the foundation of a relationship.
 Progress, as the foundation of continuous improvement.

Strategic direction: our vision for AMVIC

As a description of our future, our vision guides our decisions, helps us set priorities and encourages us to align our efforts as we work to make AMVIC an effective, highly valued public agency.

We are committed to building an AMVIC that operates with the trust and confidence of consumers and industry alike. We do this by operating with a steadfast focus on our core purpose and daily practice of our core values.

We envision an organization in the future defined by the following:

- A strong service mindset, approach and culture that positions AMVIC as a helpful organization to consumers and industry alike.
- Strong industry relationships that contribute to better consumer protection outcomes by working proactively with industry to identify and solve issues and opportunities in a collaborative way.
- A strong focus on consumer and industry education as a major driver of consumer protection.
- Operationally excellent processes and practices that reflect leading thinking on regulatory practices and approaches.
- A high level of compliance in the industry we serve.

Strategic priorities

This strategic vision reflects our commitment to the long-term success of AMVIC. It describes our strategic priorities – the fundamental things we must do as an organization intent on advancing our core purpose and vision for the future. In crafting these priorities, we have reflected on the past, examined the present, and made significant decisions about how we need to evolve and where we need to focus to achieve our goals. To realize our vision, we are committed to the following four strategic priorities:

1. A culture of service that earns relevance, influence and impact.

This priority is about aligning our organization around a core value of service to the public and industry. We believe that a service-oriented organization will be better positioned to develop productive relationships and work with government, industry and consumers to enhance consumer protection in the automotive industry.

Our efforts to achieve this priority will include:

- Investment in continued customer service training for AMVIC staff.
- Development of customer service definitions, standards and processes.
- Design and advancement of an organizational culture rooted in customer service.
- Optimize the use of existing resources to increase public awareness of services offered by AMVIC.
- Ensure staff have a solid understanding of applicable legislation and regulations, and are able to communicate our ability to assist and our limitations to consumers and suppliers.

2. Industry relationships that amplify our ability to achieve our core purpose.

This priority is about our continued focus on developing strong and trusted relationships with industry. By collaboratively working with industry we can better address root cause issues, identify new and emerging challenges and together, set a high standard of practice and compliance for the industry. We approach this priority with a willingness to listen, reflect and learn together.

Our efforts to achieve this priority will include:

- Develop and implement an industry relationship strategy, seeking participation from major industry influencers to ensure a fair marketplace.
- Engage with industry to communicate key messages, test ideas and solicit input and feedback.

3. Excellence in public agency governance and operations.

This priority is about a conversion to a high-performing public agency that is transparent and accountable.

We aspire to become a leading public agency that operates with excellent governance and operational practices as the foundation for a high-performing organization.

Our efforts to achieve this priority will include:

- The Board of directors continuing its governance development aimed at formalizing and adopting leading governing processes and practices.
- A focus on achieving operational excellence and continuous improvement through a structured review process of systems, processes and procedures.
- Scheduled reviews of policies and standard operating procedures to keep them current.
- Improved use of performance reporting at all levels of the organization (including reporting to the Government of Alberta).
- Benchmarking AMVIC's performance to leading public agencies and/or to other external (objective) benchmarks.
- Approaches to improve administration and effectiveness of the Compensation Fund.
- Responsible stewardship of AMVIC's limited resources.

4. A risk-based regulatory business model.

This strategic priority is about examining and refining the AMVIC business model based on an analysis of risks to consumers, industry and AMVIC. The choices and trade-offs we make about where to direct our resources (education, prevention, communication, inspections, compliance/enforcement, etc.) should be made in the context of impact on protection outcomes. Resource allocation decisions should reflect empirical data that demonstrate that a specific combination of activities produce optimal consumer protection outcomes.

Our efforts to achieve this priority will include:

- Work with industry to understand key areas of risk to consumers.
- Develop an Enterprise Risk Management plan.
- Use available data (sources include inspections, consumer complaints, investigations, etc.) to align resources to support/optimize protection outcomes by focusing on high-risk areas/transaction types.