



MINISTRY OF CONSUMER AFFAIRS
MANATŪ KAIHOKOHOKO

CONSUMER REPRESENTATION



RECRUITING EFFECTIVE
CONSUMER REPRESENTATIVES





Don't get stuck on the terminology

The term consumer representative is a generic term for layperson, community representative, and consumer representative.

This booklet is designed to help you set up effective consultation with consumers through consumer representatives, to use their wisdom to extend yours. It talks about when to consult, how to consult, the costs of consultation, and, most particularly, how to locate consumer representatives who can give you the quality of advice you need.

Value of Effective Representation

The purpose of representation is to bring the full range of relevant perspectives to bear on decision-making. An effective consumer representative is someone who brings the consumer perspective to the consultation and decision-making just as effective industry or professional representatives bring theirs.

Effective representatives can describe what their constituency does (not just what they

themselves do), how they do it, when they do it, and why. They can either see how their constituency's knowledge and experience relates to that of the others being consulted or they can work towards an understanding of those relativities and relationships. They can also predict accurately the consequences for their constituency of any decisions.

This means that together representatives bring the knowledge and experience that enables officials to develop a clear understanding of the elements of a successful solution and a clear understanding of the consequences of particular decisions for those groups represented.

Identifying Effective Consumer Representatives

Qualities of an effective consumer representative

Cabinet accepted the following description as reflecting the desirable qualities for consumer representatives. The description is not designed to be used as a tick list of



qualities. Instead, the statements modify each other and give an overall description.

Knowledge and experience requirements

- A track record of achievements for the community (they have taken an initiative(s) and seen it through to the end). The quality of the track record matters more than the length.
- Is respected for her/his integrity in the community s/he has worked in and will represent.
- Knows the realities of ordinary people's lives (especially those who are disadvantaged), knows the issues, knows the community thought processes, how decisions are made, and knows the community's wisdom and its ignorance, its breadth and its contradictions.
- Knows what's practical / possible, sensible / rational and realistic / probable in the community.

Networking requirements

- Has broad community networks s/he consults regularly and is accessible to the community. Not someone who works alone.

- Demonstrates a comprehensive understanding of confidentiality.

Essential attributes

- Able to appreciate the common good.
- Stable, and acts consistently.
- Understands group processes and can work constructively within them.
- Addresses issues from the perspective of the consumer.
- Has strong communication skills and will be assertive and persistent if necessary.
- Strategises effectively from a minority stance and finds solutions and common ground with others.
- Exercises good judgement.
- Excellent at developing and maintaining appropriate relationships.
- Respects cultural differences.

The Ministry of Consumer Affairs' says that every consumer representative must have consumer experience and consumer knowledge, strong communication skills, good networks, work well in a group, and exercise good judgement.





Four Steps To Locating Effective Consumer Representatives

1. Terms of Reference
2. Selection criteria
3. Terms of Appointment, and
4. Provide full information to nominators.

STEP 1 | Terms of Reference

Here is a list of the typical questions you will answer in order to set the Terms of Reference for a project. Be ready to add questions which apply just to your project.

Why consult consumers?

The purpose of consulting consumers is to add value and integrity to the decision-making process.

- Consumers may be directly or indirectly receiving services from the industry.
- Consumers may be the purchasers of the product produced by the industry.
- The matter under consideration may impact on consumers or has implications for consumers.

OR

You may accept that as the United Nations states consumers have

- the right to express consumer interests in the making and execution of government policy, and
- the responsibility to organise with other consumers to promote and protect consumer interests.

OR

You may recognise that having the consumer perspective present will mean that it is more likely that decisions made offer solutions which work and policies which can be implemented and do achieve the results desired.



What do you want to know?

You may want to know

- how consumers define the problem
- what their response is to your proposal
- how their perspective relates to others'
- what they see as the priorities in this situation / decision
- what solutions they offer
- how they predict their constituency will respond to this or that proposal (developed during the meeting)
- and in every case you will always want to know why and how consumers have arrived at their conclusions. What experience, what knowledge, what perspective are they working from. How they justify the advice they are giving.

What information / material will you supply?

The best consultation occurs when those consulted have read and understood all of the material which backgrounds the proposal being discussed or the problem being described. The reason is that then all representatives start from the same point.

Identify the groups to be consulted

Weigh the involvement of consumer representatives alongside the involvement of the government sector and the private sector (industry and professionals)

- in terms of role and
- in terms of the value they will bring to advice or decision-making.

It's useful to list both the kinds of people and the relative numbers.

In particular, note here the proportion of professionals and technicians to consumers. If you wish your consultation to be effective then you do need to ensure that where there is a group substantially in the minority, they are not just one representative on their own and they are experienced in similar forums.

Timeframe

How much time is there before you must have the answer?





STEP 2 | Selection criteria

Criteria for the selection of consumer representatives

There are two parts to the selection criteria for consumer representatives. First, their constituency (who they have the knowledge and experience to represent) and second, the level of their knowledge and experience, their networks, and their personal meeting skills.

What is the mix of consumer constituencies you want represented?

Experience, ethnicity, gender, age, geographical location, and relative economic advantage / disadvantage are relevant factors in identifying constituencies.

You need to identify the consumer constituencies you want represented.

For example

You may want to consult Maori, pakeha, Pacific, and Asian New Zealanders who primarily span middle age, but are able to reference to people in their early twenties, and who regularly purchase a particular

product or service. You may also wish to specifically include young and senior New Zealanders with physical handicaps, and mothers with very young children.

To facilitate this spread of representation, you will probably need 3-5 consumer representatives.

What is the person specification?

You may simply apply the description of the Qualities of a Consumer Representative on page 2 & 3 and add it as an appendix. You may also wish to indicate that certain attributes are particularly important.

For example

“The Ministry is particularly looking for consumer representatives who have previous experience on government committees as a consumer representative” OR “who have a good knowledge of health / leaky buildings / retail or banking complaints procedures from the consumer perspective” OR “who can demonstrate a strong history of working constructively in groups”.



STEP 3 | Terms of appointment

Is this just a short term advisory activity or is it a group which will live longer than that. If you can, provide dates, likely time commitment and so on.

When and where will the meetings occur?

The timing and location of meetings needs to take into account the lives of all involved. While face-to-face meetings are essential for people to get to know each other, thereafter telephone conferences are a very real option as long as meeting papers are received in time.

Consumer representatives can be faced with the need to take leave without pay to attend meetings. This must be taken into consideration unless you prefer the most available consumer representative to the best.

Choosing the location which is closest for the majority is always worth consideration.

Fees

Cost is a real barrier for consumer representatives. In general, fees should be paid on the basis of Cabinet Office Circular CO(01)8 (Fees framework for Members of Statutory and other bodies appointed by the Crown).

Where consumer representatives indicate that they need to take leave without pay to attend meetings on work days then wherever possible action needs to be taken. Either the meeting day needs to be moved to a non-work day, or fees need to be paid, or another acceptable compromise needs to be developed.

Expenses

Travel

Travel expenses are usually paid for consumer representatives who travel more than 20-25 kms.

Other expenses

A common problem for consumer representatives is the cost of communication. The increasing use of e-mail can carry with it considerable costs





especially where people do not have a computer. Expenditure may include the costs of computer hardware and software, printer cartridges, and paper (especially where the files sent are large). But there are other options. You may rethink the timing of correspondence and response times and use ordinary mail and telephone and simply meet the costs of tolls, or you may provide an 0800 number so that people can phone the service base at no cost. It is simply a matter of identifying the actual costs and working things through with those concerned.

Confidentiality

Consumer representatives are as good as their knowledge of the people they represent. If they are unable to consult their constituency because of confidentiality agreements then not only are they isolated, their ability to give value is compromised.

Confidentiality agreements need to take into account the needs of all parties, and respond to the need for the consumer representative (and probably others) to network and consult their constituency.

STEP 4 | Provide full information to nominators

Contact the Ministry of Consumer Affairs and NGOs

NGOs and the Ministry can source nominations for you. The emphasis they give to this in their work will depend on the relationship you have with them and the quality of the information you provide. The more detail you are able to give and the more developed your relationship is with them, the more likely it is that they will supply good nominations.

In particular, provide a description of the consumer constituency and try to be as specific as you can. Similarly provide a copy of the Terms of Reference and Terms of Appointment. Often it is uncertainty about these matters which cause people to decide against being nominated, or limit the people who will be asked to consider the possibility of nomination.



The Ministry's nomination process

The Ministry of Consumer Affairs has an active nominations process. It takes each request for assistance and puts it out to its Network Nominations Group asking for nominations. Nominations include a statement from the nominator saying why they have made their nomination, and why this person is particularly suited for this position. We also refer to nominations received previously and ask nominators what they think in terms of the new position.

This means that we are consistently recruiting new people as they develop their skills in the community and also taking advantage of people who are already known to the Ministry.

The Ministry then passes the nomination on with information about why the nominee(s) has been chosen and why they would be able to make an effective contribution as a consumer representative in the particular case.

NOTE

You will help the Ministry to build its process if you advise them when one of their nominees has been appointed.







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Other Consumer Representation Resources:

Guidelines for Chairpersons

Being a Consumer Representative

Consulting Consumers

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