

Telefilm Canada

**Client Satisfaction
and Needs Identification Study**

FINAL REPORT

Prepared for Telefilm Canada by
Omnia Communications Inc. & POLLARA Inc.

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Client Satisfaction and Needs Identification Study

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Report Summary

Project Scope & Procedure

In September 2001, Omnia Communications Inc. and POLLARA Inc. were retained by Telefilm Canada to undertake a client satisfaction and needs identification study.

The main study population – Telefilm’s “clients” – was defined as all Canadian firms engaged in production or distribution in film, television or new media, and which had applied for Telefilm support at least once in the previous three years. Three complementary groups were also incorporated into the study: creators, stakeholders and non-clients.

In addition to formal consultation sessions with Telefilm staff, five sets of telephone interviews were carried out over the course of the study, three of them qualitative and two quantitative. The main research instrument was a quantitative survey in which all members of the client population were canvassed for participation and 238 interviews were completed.

The issues highlighted in the larger quantitative survey were reflected in the results of the survey of creators, as well as in comments made to the interviewers in the three qualitative surveys. In addition to the client ratings, the study used a regression analysis on the main survey data to determine what weight or priority should be assigned to the various performance scores.

Research Findings

In the main survey, respondents were first asked about their previous dealings with Telefilm. On average, respondents had applied for support more than four times in the preceding three years, while 86% had success with at least one application. The distribution of interviewees by industry sector in the main survey was as follows: film, 62% of respondents; television, 63% of respondents; new media, 21% of respondents.

Respondents were asked to rate Telefilm on a battery of performance attributes drawn from an analysis of Telefilm operations and procedures. All of the ratings questions used a 10-point scale, with “1” being the least favorable score (“not at all satisfied”) and “10” the most favorable (“very satisfied”).

The main survey respondents gave Telefilm an average overall performance rating of 6.95 (on a scale of 1-10). A mean score of 6.95 amounts to a failing grade on the broader normative scaling applied by the consultants. A commercial organization rated below 8 by its clients or customers is likely to be experiencing customer dissatisfaction and an actual loss of customers to competing organizations.

The overall mean satisfaction score of 6.95 was entirely consistent with other major findings in the research. The mean scores for all 14 leading performance attributes measured in the main survey fell well below the threshold of 8 for satisfactory performance. Only three rated above 7: quality of information (7.17), disbursement (7.53) and contract management (7.02).

The results suggest that while clients are frustrated by certain aspects of Telefilm's procedures and structure, they are fairly positive about how Telefilm staff have been acquitting themselves. For example, in the set of questions on the applications process, the mean score in response to the question of the accessibility of staff is 7.35, and on the issue of staff being helpful the score is 7.42, two of the highest across the whole survey.

Two major themes run through the client responses: Telefilm is out of touch with its clients and the industry in which they work; and the agency is not fair, equitable and transparent in its dealings with applicants. The idea that Telefilm is out of touch with its constituents is reflected in at least five of the 14 survey attributes: responsiveness to the market (Q.27A), responds quickly to market changes (Q. 27B), regional office structure (Q.34), national office structure (Q.35F) and level of industry consultation (Q. 37).

In the main survey, both attribute ratings and open-ended suggestions for improvement reflect concerns about whether funding decisions are made in a way that treats all applicants equally and fairly. For example, the question as to whether application criteria are perceived as "fair" rated only 6.50. For the related question as to how to improve the application process (Q. 14B), the top mention involved making application criteria fairer, clearer, more relevant, etc.

A large majority of respondents also expressed concern about a bias they perceived in how companies receive support – 71% on the issue of bias to large companies and 80% as to whether a previous relationship boosts chances of funding. Respondents in the main survey were also asked what they felt Telefilm's planning priorities should be for the next three years. The top mention, at 18% of all respondents, was an increased focus by Telefilm on supporting small and medium companies.

The study respondents were selected from three distinct sub-groups, i.e. industry sector, region and language, and some differences were found between the groups in question, especially for Vancouver and the film group. The Vancouver responses on overall satisfaction amount to 6.78, slightly lower than the national average (6.95), Toronto (7.18) and Montreal (6.99). Similarly, the overall film score, at 6.57, is lower than the national average score, in addition to being lower than the scores from the other two industry sectors (television, 7.06; new media 7.29). The discrepancies between those who responded to the survey in French and those who responded in English was negligible.

The creators survey, which involved interviews with 54 screenwriters and independent directors, supported the conclusions of the main quantitative survey. In response to the general question on Telefilm's overall performance, the creators interviewed rated the corporation somewhat lower than respondents in the main survey, i.e. 6.55 versus the main survey score of 6.95.

Regression Analysis of Main Survey Data

Regression analysis was used to identify attributes which combine a low mean score (as rated by the clients) and high influence over the general satisfaction rating (as determined by the regression). Four attributes were found by the regression to have the most significant role in explaining the satisfaction rating: the application process, information, contract negotiations, and products and services. The model then identified a total of 15 sub-attributes as being most important for weighting purposes.

By assessing the mean scores and weightings for the most significant attributes and sub-attributes, the consultants were able to identify the most urgent priorities for remedial action.

Workshop on Study Results

The consultants were asked to identify follow-up measures that could be considered by Telefilm as part of a plan for remedial action. Telefilm commissioned the consultants to design and facilitate a day-long workshop with senior management, which took place in Ottawa on February 5, 2002. Using a template derived from previous customer satisfaction projects, the consultants developed worksheets that were used as orientation and working documents.

The workshop group agreed that the major challenge facing Telefilm is to be fair and transparent in its procedures without sacrificing due diligence or the quality of results. Discussion focused on eight major items.

- Telefilm should make clear to all applicants what is negotiable and what is not. Recoupment should be standardized and excluded from application assessments; for television, this would mean reducing creative review.
- Smaller applicants, and any applicant seeking limited support, should be allowed to short-cut the detailed tasks required of applicants seeking more substantial support. Telefilm would still expect all clients to meet their negotiated financial obligations.
- Support should be coordinated across as many agency efforts as possible. Coordination should include the use of common forms and databases.
- Measures should be taken by Telefilm to improve all its client communications channels, including the corporate Web site and telephone triage system. In addition to technical changes, improvements should be made in how staff use their time in direct client contacts.
- Seminars and other forms of training should be provided to Telefilm's clients to keep them abreast of the agency's policies and procedures. These should be communicated by more accessible methods, especially for the benefit of new clients.
- Telefilm should tailor its feedback procedures as closely as possible to the needs of clients, in terms of both the size and type of client firms and the areas in which firms feel feedback is necessary.
- Telefilm should develop a good understanding of all sectors of the industry and the factors that determine success. Industry intelligence compiled by Telefilm should be made available to all its industry partners and stakeholders.
- Telefilm should develop a client service charter that not only specifies what the client can expect from Telefilm but also what Telefilm expects of the client in return for excellent service.

The group acknowledged that these major discussion points reflected the main findings of the survey and would play a crucial role in improving Telefilm's future operations.

Telefilm Canada

Client Satisfaction and Needs Identification Study

A. Project Scope & Procedure

In September 2001, Omnia Communications Inc. and POLLARA Inc. were retained in a competitive bid by Telefilm Canada to design and execute a client satisfaction and needs identification study. This was the first such study to be carried out since 1996, when ISOGroup provided Telefilm with the findings of a limited series of qualitative interviews conducted with industry personnel.

Under the terms of reference of the new study, the consultants were tasked with surveying Telefilm's client base to achieve the following goals:

1. assess and measure satisfaction with Telefilm Canada's service delivery and program offering;
2. determine which service improvements are its clients' first priorities;
3. identify what service standards Telefilm Canada's clients expect from the Corporation;
4. identify key issues that have a significant impact on clients and that are important to them (validation of challenges identified in Telefilm Canada's Corporate Plan);
5. determine the role Telefilm Canada could play to better respond to industry needs, challenges and opportunities.

A.1. Design & Methodology

The main study population – described in this report as Telefilm's "clients"— was defined as all Canadian firms engaged in production or distribution in film, television or new media (whether separately or in combination), and which had applied for Telefilm support at least once in the previous three years. A careful effort was made throughout the research, particularly in the main quantitative survey, to ensure that recruitment of participants for interviews reflected the makeup of the industry population on three basic dimensions: official language, region and industry sector (i.e. film, television, new media).

Three complementary groups were also incorporated into the study: “creators,” i.e. directors and screenwriters who had applied for Telefilm support as individuals rather than corporations; stakeholders, i.e. senior staff of industry associations and public agencies having a direct interest in Telefilm’s mandated activities; and non-clients, i.e. personnel from production and distribution firms that had *not* previously applied for funding from Telefilm.

Five sets of scheduled interviews were carried out over the course of the study, all by telephone, divided into qualitative and quantitative formats. The “qualitative” (or “in-depth”) interviews were conducted, in typical industry practice, using a loosely structured interview guide, allowing for open-ended discussions between interviewer and interviewee. The quantitative interview format, used in the main survey and the creators survey, was based on a fixed questionnaire which usually prompted for simple, closed-ended responses such as “yes” or “no,” or a numerical rating on a 1-10 scale. All interviews were conducted on the understanding that none of the participants would be identified to Telefilm.

The five sets of interviews were as follows:

Qualitative

1. *Clients*: preliminary in-depth interviews (24 interviewees)
2. *Stakeholders*: 10 interviewees
3. *Non-clients*: 8 interviewees

Quantitative

4. *Clients*: main survey (238 interviewees)
5. *Creators*: 54 interviewees

A.2. Steps in the Research

The study proceeded in four distinct but overlapping stages, including both prior consultations and follow-up statistical analysis:

- Formal consultation sessions with Telefilm staff (Sept-Oct. 2001)
- In-depth client interviews (Nov. 2001)
- Main survey and complementary interviews (Nov-Jan. 2001-02)
- Regression analysis of main survey data (Jan. 2002)

i) Consultations with Telefilm staff

Once the final project design, schedule and budget were approved, the first task was to hold discussion groups with Telefilm staff. Known as subject-matter expert groups or SMEs, their purpose was to allow the researchers to better understand Telefilm operations; to begin to identify potential problem areas; and to develop themes for both the in-depth interviews and main telephone survey. The groups, moderated in French and English by one of the consultants, were held at each of Telefilm's four regional offices (Halifax, Montreal, Toronto, Vancouver).

ii) In-depth client interviews

The preliminary client interviews, 24 in number, had two purposes. First, they provided an opportunity to test out with the clients themselves some of the ideas gleaned from the SME sessions with Telefilm staff (see above). Second, they allowed the consultants to draw up a list of issues to be explored in the main quantitative survey.

The 24 interviewees were chosen by the consultants from a large database of clients segmented by region and provided by Telefilm. The group included 21 current or former clients, two screenwriters and one stakeholder; all but the single stakeholder had previously applied for and received funding from Telefilm. Respondents numbered eight from the Toronto area, four Francophones from within Quebec, two Francophones from outside Quebec, as well as five respondents from each of Western and Eastern Canada. A detailed written report was prepared for Telefilm on these interviews.

iii) Main survey and complementary interviews

Using information gathered from the SMEs and 24 preliminary client interviews, the consultants designed and fielded a questionnaire in November 2001 covering all aspects of Telefilm's programs and operations. As this was the main quantitative instrument in the project, *all members of the client population* – not just a sample – were canvassed for participation. Working with several databases supplied by Telefilm and covering applications from the preceding three years, the consultants consolidated the entries, eliminated duplications and out-of-date information, and ended up with a list of approximately 700 client firms. (This list included all those clients who had been proposed but not chosen for the preliminary qualitative interviews.) As many as 11 callbacks were made in the attempt to reach all firms on the master list.

By the December closing date, 238 interviews had been completed, a response rate of about one in three, which is remarkably high for a business survey of this kind. The remaining clients from the original list either could not be reached or declined to participate. In addition to the numerical target, the list of completed interviews was vetted at several points to ensure it was representative of the linguistic, regional and sectoral balance of the industry as a whole. Detailed information on the survey findings is provided below in Section B.

During December 2001 and January 2002, the three sets of complementary interviews were completed: the survey of individual creators (screenwriters and directors), carried out in conjunction with the main survey and using a similar questionnaire; and the other two qualitative surveys, with stakeholders and non-clients respectively. As explained below, the findings of these three complementary sets of interviews were consistent with the findings of the main survey.

iv) Regression analysis of main survey data

The final stage of the project, prior to in-person presentations of findings to Telefilm management, was a regression analysis carried out on the main survey data. Regression analysis is a formal statistical technique that looks for relationships between some measured outcome (a dependent variable), in this case the overall satisfaction rating given Telefilm by its clients, and attributes or drivers (independent variables) that help to explain or predict that outcome – in this case a set of client ratings concerning Telefilm’s performance in areas like the funding application process. The analysis was carried out by computer using SPSS software (Statistical Package for the Social Sciences).

A regression analysis of this kind has a crucial purpose in client satisfaction studies. Whereas the mean scores given by clients or customers indicate where the subject organization is doing well or poorly in its perceived performance, *such scores do not by themselves indicate how much weight or importance is to be assigned to each individual score* in terms of the role it plays in determining overall satisfaction.

Low scores on particular attributes of performance do not necessarily imply that these attributes require more remedial attention than attributes which have achieved higher scores. This technique helps to identify attributes which combine a low mean score (as rated by clients) with high leverage or influence over the general satisfaction rating (as determined by the regression). Details will be found below in Section C.

B. Research Findings

The study findings detailed below are drawn in large part from the main quantitative survey, with supporting evidence from other areas of the study.

Proportion of respondents that applied to Telefilm for support	100%
Proportion of respondents that ever received support from Telefilm	86%
Average number of times respondents applied for support (previous 3 yrs)	4.4

In the course of the main survey, respondents were asked about their previous dealings with Telefilm. The aggregate responses to three of these questions are shown in Table 1. As indicated, the level of respondent familiarity with Telefilm and its procedures is high: on average, respondents had applied for support more than four times in the three years preceding the survey, while the overwhelming majority (86%) had success with at least one of their applications.

The distribution of interviewees by industry sector in the main survey was as follows: film, 62% of respondents; television, 63% of respondents; new media, 21% of respondents. As the percentages indicate, a substantial number of interviewees reported doing business in more than one sector. Within each of the film and TV sectors, the distribution of respondents in the main survey by business activity is shown in Table 2.

TABLE 2. DISTRIBUTION OF RESPONDENTS WORKING IN FILM, TV, NEW MEDIA INDUSTRIES		
	Yes	No
<i>Film Industry Overall</i>	62%	38%
Film development	84%	16%
Film production	78%	21%
Produce for other companies	22%	78%
Produce own projects	96%	3%
Film distribution	13%	85%
<i>Television Industry Overall</i>	63%	37%
Television development	85%	15%
Television production	86%	14%
Produce for other companies	28%	72%
Produce own projects	97%	3%
Television distribution	19%	81%
<i>New Media Industry Overall</i>	21%	78%

B.1. Interpreting the Findings

In interpreting the research findings, it's important to bear three things in mind.

- i) *Supporting evidence.* The issues highlighted in the larger quantitative survey are reflected in the results of the smaller quantitative survey of creators, as well as in comments made to the interviewers in the course of the three qualitative surveys. This kind of corroboration is of course one of the purposes of carrying out complementary research in the first place, to avoid dependence on a single instrument and a single line of questioning. Moreover, a review of the ISOGroup survey alluded to above revealed that many of the same issues noted here were being identified by Telefilm clients as far back as 1996. Feedback reported at the time included complaints such as: Telefilm “favors large companies,” “needs to be more sensitive to industry”, “lacks flexibility” and “needs to be more transparent”.

Figure 1

Attitudes Toward Negative Decisions

	Yes	No	Don't Know
Received Negative Decision in past 3 years:	57%	43%	–
Satisfied that decision was fair	36%	53%	11%
Received constructive feedback	31%	65%	4%

ii) *Mix of decisions.* Although as noted in Table 1 well over four in five (86%) of the main survey respondents had received at least one positive decision, a majority of respondents overall (57%) had also been turned down on one or more occasions. And as Figure 1 shows, a negative decision was likely to make respondents feel much more negative about both whether the decision involved was “fair” and whether respondents felt they received “constructive feedback” from Telefilm. In fact, among those reporting a negative decision, respondents were almost 1.5 times more likely to say the decision was not fair, and over twice as likely to say they had not received constructive feedback. In other words, the reader should be aware that the survey responses flow from a mixture of positive and negative decisions.

iii) *Normative scaling.* The meaning of the various performance scores discussed below must be understood in the context of similar client satisfaction research carried out by the consultants. All of the ratings questions posed to respondents used a 10-point scale, with “1” being the least favorable score (“not at all satisfied”) and “10” the most favorable (“very satisfied”). This scale was used not only for internal consistency, but also because it allowed the consultants to compare the performance scores provided by Telefilm’s clients to analogous ratings provided by respondents in other customer satisfaction surveys.

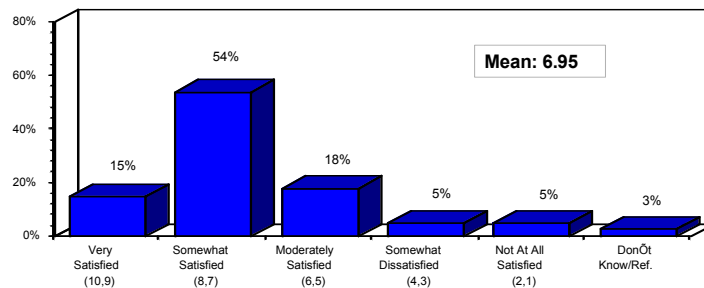
In addition to the client ratings themselves, the Telefilm study was designed with another feature in mind: the application of a regression analysis to the survey data in order to determine what weight should be assigned to each of the performance scores. The combination of a 10-point rating system and a standard regression analysis, used over a number of different studies, yields a normative scaling that gives the Telefilm scores some meaning beyond the numbers themselves.

B.2. Survey Highlights

As shown in Figure 2, clients gave Telefilm an average overall performance rating of 6.95 (on a scale of 1-10). Although more than half (54%) of respondents indicated they were “somewhat satisfied” with Telefilm’s performance, a mean score of 6.95 amounts to a failing grade on the broader normative scaling applied by the consultants. The appropriate benchmark here is not a standard pass-fail threshold like 5, but rather the score below which, in practice, *customer loyalty and retention drop off significantly*.

Figure 2

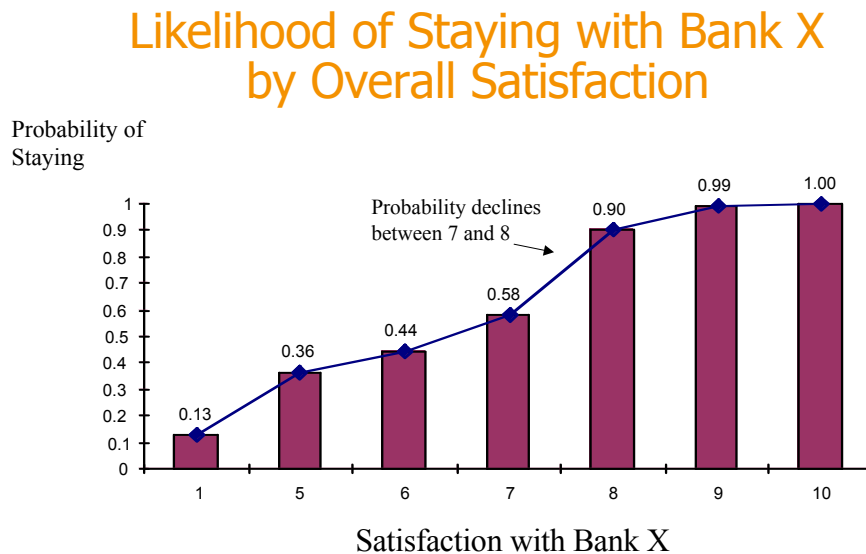
Overall Rating of Telefilm’s Performance as an Organization



In the experience of the consultants, the threshold score that divides organizations perceived as successful from those perceived as having serious performance problems is approximately 8 on this same 10-point scale. That is, an organization rated below 8 by its clients or customers is likely to be experiencing customer dissatisfaction and an actual loss of customers to competing organizations.

This problem is illustrated in Figure 3, adapted from an actual study carried out by the consultants for a Canadian bank. This chart plots satisfaction as rated by customers (on the X-axis) against the probability of customers staying with the institution – as calculated using a regression analysis on the related satisfaction scores (Y-axis). As the curve shows, a score of 8 or above is correlated with a high probability of staying with the institution (0.9, i.e. 90% or better). However, a drop in the satisfaction score from 8 to just 7 is associated with a drop of 36% in the probability of staying – from 0.90 to 0.58. Once a satisfaction score dips under 7, this bank, or any similar organization, is at risk of losing half or more of its customers. In practical terms, no profit-oriented business operating in a competitive environment could afford to let its customer satisfaction rating deteriorate to this point.

Figure 3



These principles have to be applied to Telefilm with some qualifiers. Telefilm is a not-for-profit public agency that operates without competition, like a monopoly. Its clients are not likely to express their dissatisfaction with the agency by looking elsewhere for public support, since other such support simply doesn't exist (except on a much more limited and conditional scale at the provincial level). It might therefore be more meaningful to compare Telefilm's rated performance to that of other sole-source public agencies, rather than to private firms such as banks. The countervailing argument can be made that since Telefilm represents the lifeblood of the Canadian film and television industry, it should be measured against private-sector benchmarks.

The clients surveyed for this study expressed their dissatisfaction with Telefilm’s performance through not just one but several surveys – including opportunities for clients to identify problems and suggest solutions in their own words. As the other scores noted below reveal, the overall mean satisfaction score of 6.95 was not anomalous; on the contrary, it was entirely consistent with other major findings in the research. In the preliminary qualitative interviews, for example, the overall mean rating given to Telefilm by 23 respondents was 7.2 (though it should be noted that *by itself* the mean rating given by a group of this size would not necessarily be representative of the industry as a whole).

TABLE 3. MEAN SCORES ON MAIN PERFORMANCE ATTRIBUTES	
Overall rating of Telefilm’s performance (Q. 8)	6.95
*Quality of, access to information (Q. 11)	7.17
*Application process (Q.14A)	6.58
Decision-making (Q.18A)	6.34
*Contract negotiations (Q.20A)	6.99
Disbursement phase (Q. 22A)	7.53
Contract management phase (Q. 23E)	7.02
Responsiveness to market (Q.27A)	5.79
Responds quickly to market changes (Q. 27B)	5.57
*Programs & services (Q.32)	6.82
Regional office structure (Q.34)	6.82
National office structure (Q.35F)	6.48
Level of industry consultation (Q. 37)	5.69
Telefilm’s performance <i>given current mandate</i> (Q. 38)	6.47

(* indicates attribute found to be significant in predicting overall performance score)

Table 3 lists the 14 leading performance attributes measured in the main survey (question numbers are shown beside each). Once again, these means reflect the standard 10-point scale, with 1 being “not at all satisfied” and 10 “very satisfied.” Compared to the normative scaling discussed above, all these scores fall well below the threshold of 8 for satisfactory performance. Only three rated above 7: quality of information (7.17), disbursement (7.53) and contract management (7.02).

Each of these 14 attributes was explored with respondents in considerable detail through a series of questions about various sub-attributes, all chosen to coincide as closely as possible with the actual structure and administration of Telefilm programs. In the case of quality of information, for example (Q.11), respondents were also asked to rate Telefilm on the following sub-attributes (the mean score for each is in brackets):

- availability of staff to ask additional questions after consulting the Web site and printed documents (7.45)
- accessibility of information about Telefilm programs and procedures (7.30)
- comprehensiveness of the information being provided (7.27)
- clarity of the information being provided (7.19)
- ease of use of the Web site (7.28)

The quality of information attribute is one of the four found in the regression to have a significant role in predicting the overall performance score of 6.95: the other three are the application process, contract negotiations, and programs and services (marked * in Table 3). What is significant about this result of the regression is that these four areas have the most weight in explaining Telefilm’s overall performance, *even though they did not by any means rate the lowest scores*. It should also be remembered that this weighting does not flow from subjective client or Telefilm priorities but from the statistical model developed through the regression.

For the applications process, the sub-attributes probed were even more extensive:

- having access to Telefilm staff to answer questions about filling in forms (7.35)
- being informed in advance that applicants can contact Telefilm for help (6.75)
- staff being helpful (7.42)
- staff providing useful advice (6.62)
- application forms being easy to use (6.95)

- supporting documents being relevant (6.84)
- criteria being fair (6.50)
- criteria being relevant to your type of project (6.68)
- deadlines being clear (7.18)
- deadlines being appropriate (5.64)
- feedback on each of creative, financial and marketing aspects of projects being useful (5.76, 6.31, 5.18 respectively)

The other main study attributes were explored with respondents in a similar fashion.

B.3. Leading Client Concerns

The responses given to these and other questions suggest a bifurcation in client perceptions of how Telefilm is doing. On one hand, clients are frustrated by certain aspects of Telefilm’s procedures and structure; on the other hand, they are fairly positive about how Telefilm staff have been acquitting themselves. Thus, in the set of questions outlined immediately above on the applications process, the mean score in response to the question of the accessibility of staff is 7.35, and on the issue of staff being helpful the score is 7.42, two of the highest across the whole survey. In the report on the 24 preliminary client interviews, it was noted that

the primary finding from this sample group is a high level of respondent satisfaction with staff at Telefilm. In numerous instances, staff were described as “great,” “competent,” “entirely knowledgeable,” “fast and helpful”, etc.

By contrast, aspects of the application process rate much lower: criteria being “fair” earned a 6.50, while deadlines being “appropriate” earned 5.64. Here it is assumed that clients do not perceive “rulebook” items like formal deadlines as reflecting on the performance of individual staff members as they go about their dealings with clients.

These findings point in turn to two major themes that run through the client responses, in both the numerical ratings and the open-ended questions asked of clients in the qualitative and quantitative surveys. These are first that Telefilm is out of touch with its clients and the industry in which they work; and second that the agency is not fair, equitable and transparent in its dealings with applicants.

Out of touch. The idea that Telefilm is out of touch with its constituents is reflected in at least five of the 14 attributes outlined in Table 3: responsiveness to the market (Q.27A, 5.79), responds quickly to market changes (Q. 27B, 5.57), regional office structure (Q.34, 6.82), national office structure (Q.35F, 6.48) and level of industry consultation (Q. 37, 5.69). Three of these – the two market responsiveness questions and the consultation question – have the lowest mean scores for any main attribute (5.79, 5.57, 5.69).

Other survey questions suggest the same result, such as the one noted above on whether deadlines are “appropriate” for the respondent’s sector (5.64). Note in this particular case that the parallel question about whether deadlines are clear and easy to understand (Q. 13I) drew the much more positive response (mean score) of 7.18. A reasonable interpretation is that clients are more dissatisfied with the corporate priorities that go into the setting of application deadlines than they are with how these deadlines are handled once an applicant begins discussing a project with Telefilm staff.

Fairness. As to the idea that Telefilm is not fair, equitable and transparent in its dealings with applicants, respondents expressed their views in a number of ways. Lack of transparency was one of the themes of the preliminary qualitative interviews, particularly in connection with the question on the decision-making process and the communication of decisions (Q. 4). As the report notes:

There is some feeling that the decision-making process could be more “transparent”, which seems to suggest that applicants would like the judging criteria to be clearer, the evaluation personnel more public and the project-scoring results to be made public as well.

In the main survey, both attribute ratings and suggestions made for improvement reflect concerns about whether funding decisions are made in a way that treats all applicants equally and fairly. As already noted, the question as to whether application criteria are perceived as “fair” rated only 6.50. For the related question as to how to improve the application process (Q. 14B), the top mention (at 17%, among the 94 respondents who rated the process less than 7.0) had to do with making application criteria fairer, clearer, more relevant, etc.

In an echo of the preliminary interviews, the main survey questions measuring satisfaction with the decision-making process identified concerns about whether the process is “fair and equitable” (Q. 15A), as well as about decisions being “transparent” (Q. 15B). These rated a 6.16 and 5.60 respectively. Another aspect of the fairness issue was probed in connection with whether decision-making is seen to be consistent across all of Telefilm’s offices: the score here was 5.45 (responses later in the survey to Q. 34B indicate that two-thirds or 68% of respondents had had dealings with the national office).

In the same series of questions, respondents were asked about two other perceptions relevant to the fairness issue. First (Q. 18B), what suggestions did they have for improving the process? Once again the top mention (among the 60 respondents rating Telefilm on this dimension at less than 7) involved the criteria or standards for decision-making, which 13% of respondents felt should be clarified or improved in some way.

Figure 4

Perceptions of Applicant & Funding Preferences

Do you feel that	Yes	No	Don't Know
larger companies in the industry are more likely than smaller companies to receive Telefilm support?	71%	22%	7%
companies that have previously received funding from Telefilm are more likely to receive support?	80%	14%	7%
Telefilm should fund small and medium companies primarily?	81%	15%	4%

The other series of questions associated with decision-making concerned an issue that came up in several contexts during the course of the study: namely, whether clients perceive Telefilm as favoring large companies, as well as those that had previously received support.

As Figure 4 indicates, a large majority of respondents expressed concern about this perceived bias in how companies receive support – 71% on the issue of bias to large companies and 80% as to whether a previous relationship boosts chances of funding. Contrary to this state of affairs, more than four in five respondents (81%) expressed the desire to see Telefilm support go mainly to small or medium-sized companies. In the report on the preliminary qualitative interviews, “Telefilm’s perceived preference for large companies” was singled out as one of the themes running through the interviews. (Readers should note that in reporting interview responses of this kind, the writers make no assumptions about the actual veracity of claims about Telefilm’s performance.)

One other question in the main survey explicitly addressed fairness or transparency, and that was in connection with the contract negotiating process. In Q. 19B, respondents were asked to rate their satisfaction with the negotiating process being “transparent”. The mean score for this question is 6.90.

B.4. Views on Telefilm Priorities

Respondents in the main survey were asked at several points in the interview what suggestions they would have for improving a particular process or procedure. They were also asked at the end of the interview what they felt Telefilm’s priorities should be for the next three years. The questionnaire provided for up to three mentions from each respondent.

Figure 5

Suggested Priorities for Telefilm Over Next 3 Years (All Respondents)

	Top Mentions
Focus On/Support Small/Medium Companies	18%
Support Culture/Canadian Culture	13%
More Money/Funding/Easier Access To	13%
Supporting Industry Promotion	10%
Support Content Creation Through Development	8%
Providing Professional Development Of Independent	8%
Better Communication/Between All Parties	8%
Providing Market Intelligence	7%
Support To Co-Productions	7%
Support Content Creation Through Production	6%
Providing Matchmaking Service	6%
Support Regional Development/Participation	6%

As Figure 5 indicates, the top mention, at 18% of all respondents, was an increased focus by Telefilm on supporting small and medium companies. The reader will recall that a large proportion of respondents (71%) were also of the view that larger companies are more likely to receive support than smaller companies.

Respondents seemed to be of two minds when it came to the next highest mentions. On one hand, 13% expressed the desire to see more support for “culture”, perhaps at the expense of purely industrial and business development initiatives. Yet an equal number said they placed priority on more money being available or being made more accessible. This apparent ambivalence about Telefilm’s dual role as a promoter of both Canadian culture and the film and television industry is also reflected in the responses given to Q.36 in the main survey, which reads as follows:

What about addressing the cultural versus the industrial side of the mandate? By cultural, I mean focusing on the Canadian content of individual projects, and by industrial I mean focusing on developing individual companies. Is Telefilm keeping the right balance between the cultural and the industrial side of its mandate?

Among those who had an answer (13% were “don’t knows”), there was an almost even three-way split:

They [Telefilm] have the right balance	31%
Culture is too heavily emphasized	29%
Industrial side is too heavily emphasized	28%

B.5. Differences among Client Groups

The preceding discussion of the main survey findings is based on data collected from the Telefilm client base as a whole. Because respondents were selected from several distinct sub-groups, defined by industry sector, region and language, this section is devoted to a brief look at what differences, if any, exist between the various groups in question. (For the present purposes, the industry sectors are film, television and new media; the regions refer to the four Telefilm catchment areas based in Vancouver, Toronto, Montreal and Halifax; and the language groups are French- and English-speaking respectively. Clients interviewed for the main survey from the Halifax/Atlantic region were too few in number to be considered as a separate part of the quantitative analysis.)

TABLE 4. SATISFACTION SCORES BY CLIENT GROUP	
Overall Satisfaction	6.95
<i>Region</i>	
Montreal	6.99
Toronto	7.18
Vancouver	6.78
<i>Language</i>	
English	6.92
French	7.01
<i>Industry Sector</i>	
Film	6.57
TV	7.06
New Media	7.29

The appropriate starting point for these comparisons is the single most important variable in the survey data, i.e. the overall performance ratings given Telefilm by the various client groups. Table 4 shows the breakdown of scores by client group.

The only systematic differences concern the scores for Vancouver and the film group. The Vancouver responses on overall satisfaction amount to 6.78, lower than the national average (6.95) and lower than both Toronto (7.18) and Montreal (6.99). Similarly, the overall film score, at 6.57, is lower than the national average score, in addition to being lower than the scores from the other two industry sectors (TV 7.06, new media 7.29). On the other hand, the discrepancy between those who responded to the survey in French (7.01) and those who responded in English (6.92) is negligible. As other scores by client group indicate, these differences are quite consistent throughout the results, i.e. ratings are generally lower on other dimensions for both the Vancouver and film groups.

The reader should recall that “film” and “TV” are not mutually exclusive categories in this study. When asked about the sector they work in, respondents were allowed to answer more than one, as many in fact did, reflecting the multi-disciplinary nature of most firms. Thus, 62% of all respondents said they work in some area of film and 63% in some area of TV, with 21% answering new media (see above, Table 2). For the purposes of this analysis, the data have been organized so that the respondents in TV and film respectively could be looked at independently. In other words, the generally lower scores given by respondents associated with the film sector can be considered as a separate set of results, despite the overlap in actual working activities.

One other consideration to bear in mind is that the data indicate a preponderance of film clients based in Vancouver, compared to the number of such clients in other regions of the country. This fact complicates the analysis somewhat, since the lower scores from Vancouver-based clients have undoubtedly been influenced in certain cases by the fact that these same clients work partly or wholly in the film sector. Nevertheless, the evidence indicates that the Vancouver region has experienced client-related problems at least in part because of its sheer distance from head office, with the corresponding lack of opportunity for meaningful interaction between Vancouver clients and head office staff. This observation is based on several findings related to regional issues, such as the following:

- Vancouverites give a 6.44 rating when asked if they are satisfied with the programs and services offered in Telefilm’s regional offices, compared to a 7.22 for Toronto and 7.30 for Montreal.
- When asked how satisfied they are with the national office structure and approach, Vancouver scores Telefilm a 6.10, with Toronto at 6.63 and Montreal at 6.66.
- When asked if they are satisfied that “some of the decisions are made by the national office,” Vancouverites scored a 6.07, compared to Toronto’s 7.24 and Montreal’s 7.21.

As noted earlier, the writers make no judgment as to the veracity of client perceptions concerning potential bias in the way Telefilm operates. On the other hand, a national organization run from Montreal by a largely francophone staff is likely to be perceived as operating on somewhat different sets of standards as between central Canada and the West, whatever the reality.

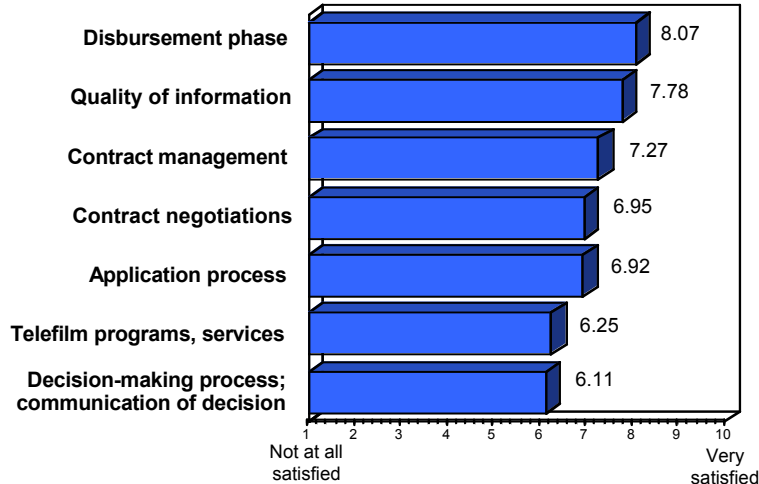
B.6. Highlights of Creators Survey

It was noted earlier that the creators survey, which involved interviews with 54 screenwriters and independent directors, supported the conclusions of the main quantitative survey. In response to the general question on Telefilm’s overall performance, the creators interviewed rated the Corporation somewhat lower than respondents in the main survey, i.e. 6.55 versus the main survey score of 6.95. These results are remarkably close and indicate that concerns about Telefilm are not confined to a single client group – especially in light of the further results described below.

Figure 6 shows the mean scores given by the creators on seven other dimensions measured in the main survey. They form a very close match to the equivalent scores shown earlier in Table 3, not only in their rank ordering (disbursement ranks highest in both, decision-making lowest), but also in the proximity of the individual scores.

Figure 6

Creators: Satisfaction with Selected Activities



In general, the creators are a little more generous, and four of their scores are slightly higher: disbursements (8.07 vs 7.53), information (7.78 vs 7.17), contract management (7.27 vs 7.02) and applications (6.92 vs 6.58). Two of the creator scores are lower – programs (6.25 vs 6.82) and decision-making (6.11 vs 6.34). The difference in contract negotiations is negligible – 6.95 from the creators vs 6.99 from the main survey respondents. On three of the four attributes found by the regression to have the most significant role in predicting the overall performance measure in the main survey, the creators scores, like those of the main respondents, fall below 7: these are negotiations, applications and programs.

C. Regression Analysis of Main Survey Data

C.1. Results of Regression

Some background on the regression analysis was provided in Section A.2 above. To recapitulate, regression analysis is a formal statistical technique that looks for relationships between some measured outcome (a dependent variable), in this case the overall satisfaction rating given Telefilm by its clients, and attributes or drivers (independent variables) that help to explain or predict that outcome – in this case a set of client ratings concerning Telefilm’s performance in areas like the funding application process.

Whereas the mean scores given by clients or customers indicate where the subject organization is doing well or poorly in its perceived performance, such scores do not by themselves indicate how much weight or importance is to be assigned to each individual score in terms of the role it plays in determining overall satisfaction. Regression analysis helps to identify attributes which combine a low mean score (as rated by clients) with high leverage or influence over the general satisfaction rating (as determined by the regression). The regression analysis discussed in this section was run on the data from the main survey only.

Figure 7

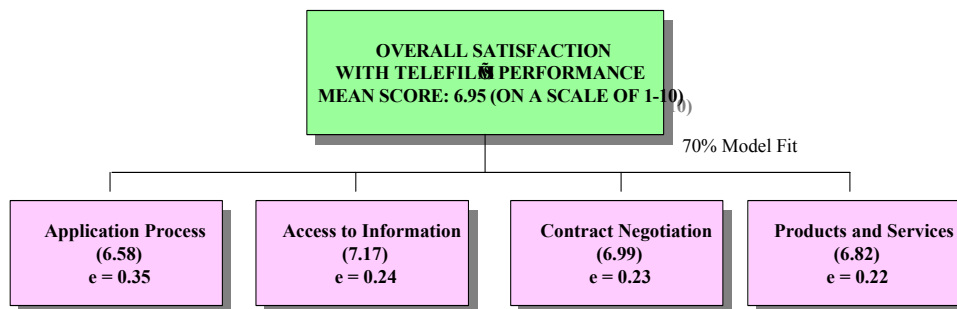


Figure 7 identifies the four attributes (in the four lower boxes) found by the regression to have the most significant role in explaining or predicting the overall satisfaction result, i.e. the mean respondent score of 6.95 (in the upper box). The “e” factor indicated in each of the lower boxes is the weight assigned by the regression to the attribute in question. As can be seen, the application process, at a weighting of 0.35, is well ahead of the other three – 0.24 for information, 0.23 for contract negotiations, and 0.22 for products and services.

These four attributes together account for all of the performance score of 6.95 that can be reliably accounted for using this kind of methodology: they add up to 104, the equivalent of 100% (but a little higher for technical reasons). Note, on the other hand, that the same four main attribute weights are considered to explain or predict 70% of the variance or “spread” in the individual respondent ratings (cf. “70% Model Fit” in chart). This level of predictive power is very high for a regression run on data of this kind.

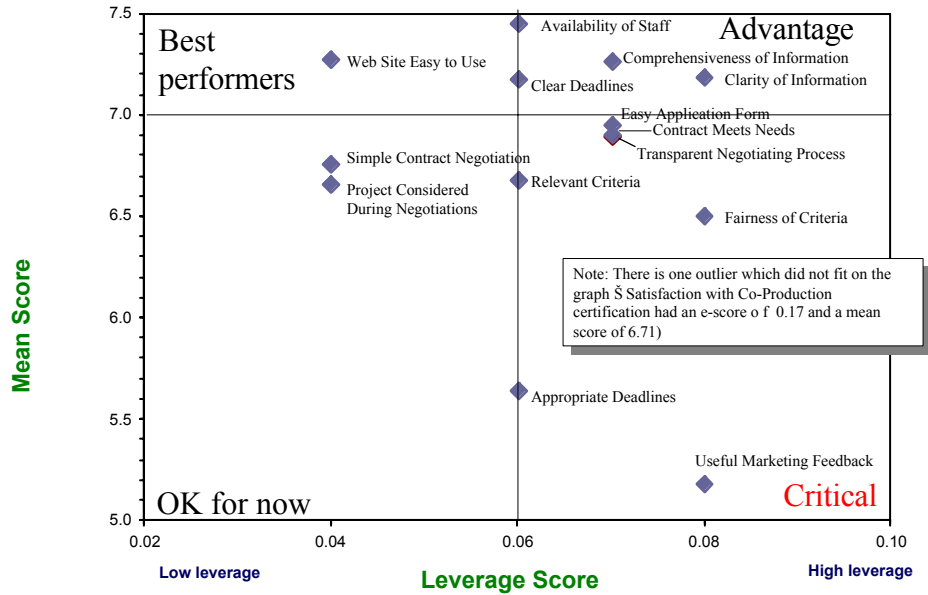
All the other attributes and sub-attributes from the main survey questionnaire were considered in the running of the regression model. The model identified a total of 15 sub-attributes as being most important for weighting purposes.

C.2. Applying the Regression

The high-level results of the regression and their implications for possible remedial measures are shown in Figure 8. This diagram graphs the two key study measures that have been discussed here, namely the leverage score from the regression on the X-axis and the mean score for each attribute and sub-attribute on the Y-axis, as calculated from the scores given by the survey respondents.

The graph is divided into four quadrants by separating low and high leverage (regression) scores at the 0.06 point (X-axis), and low and high mean (survey) scores at 7.0 (Y-axis). The 13 most central sub-attributes are distributed across the four quadrants according to where their scores intersect.

Figure 8



As the graph labels show, starting from the upper-left quadrant and moving clockwise:

- “Best performers” are those sub-attributes that combine a high mean score with a low leverage score.
- “Advantage” sub-attributes combine a high mean score with a high leverage score.
- “Critical” sub-attributes combine a low mean score with a high leverage score.
- “OK for now” sub-attributes combine a low mean score and low leverage score.

The sub-attributes of primary concern to any client in this analysis are those falling into the “Critical” quadrant. The sub-attributes in this quadrant can be considered to have a greater urgency than those in the other three quadrants. Whether they should therefore have a higher *priority* in corporate planning is another question, since management has to weigh other considerations when planning what course to take – e.g., budget, timing, staff responsibilities for the procedures in question, remedies already undertaken, the tractability of certain problems and feedback from other interested parties.

Regardless of how they are applied in a remedial program, however, the results of the regression must be viewed as the objective outcome of a formal mathematical procedure that does not depend on subjective judgments or external supporting evidence – even though such evidence is of course a welcome aid in planning remedial action. In other words, the issues map provided in Figure 8 can be read as a self-contained guide to the issues raised by clients in the research.

On the other hand, an issues map such as this is only as good as the research inputs that allowed the regression to be run in the first place. For that reason, one of the principal quality controls implemented throughout this study was a template that mirrored the entire chain of events likely to be encountered by any would-be Telefilm applicant, from initial information searches to disbursement of funds. This template, developed from weeks of research and discussions with the parties involved, formed the basis for the qualitative interview guides and quantitative interview schedules.

D. Workshop on Study Results

As part of their assignment, the consultants were asked to identify follow-up measures that could be considered by Telefilm as part of a plan for remedial action. Telefilm staff made it clear they wished to take full advantage of the client satisfaction study by integrating the results into its management decision-making over the next 12 months, or until another client satisfaction survey is undertaken. As part of this process, Telefilm subsequently commissioned the consultants to design and facilitate a day-long workshop with senior management, including the Executive Director and incoming Chairman of the Board. The workshop took place in Ottawa on February 5, 2002.

Using a template derived from previous customer satisfaction projects, the consultants developed worksheets that were used as orientation and working documents for the Ottawa sessions. The worksheets were designed to elicit responses and consensus around a chain of decisions, starting with the sub-attribute scores and culminating in detailed implementation plans. The major decision points for the workshop sessions included:

- sub-attribute details with client scores and regression weights
- internal processes related to each sub-attribute
- ability to improve in each area
- internal corrective measures and action items
- staff training
- IT and Web-related considerations
- corporate communications
- time required for implementation

Staff and the facilitators summarized the results of the day's sessions, and the agreed summary points are outlined below. Since time constraints prevented the group from addressing detailed improvements to Telefilm's programs and operations, this summary should be taken as indicative only, rather than as reflecting a definitive planning agenda. Nevertheless, there was a clear consensus that improvement in several important areas was both desirable and achievable.

The major challenge facing Telefilm is to be fair in its procedures without sacrificing due diligence or the quality of results. The group acknowledged that the organization must simplify the applications process for new applicants in order to reduce the more onerous tasks associated with the process, for both clients and Telefilm staff.

D.1. Applications Process

The group agreed that the critical issues centre on the ability to simplify and streamline the applications process, particularly for smaller clients who are applying for the first time. They are experiencing the greatest degree of frustration with the system, in large part because they have less access to the resources necessary to negotiate a positive outcome. Some clients, even those who were successful, noted in the survey that the process required engaging costly professional help outside of their companies; that the process was typically repetitive; and that, as a result, it was inherently unfair.

Inter-agency cooperation. Clarification and simplification of both the criteria and the process are important. At the same time, since many agencies work with the same client pool, it was also suggested that support should be coordinated across as many agency efforts as possible. Coordination with other agencies of forms and databases would help the process overall.

Small company streamlining. To expedite funding, the group agreed there should be a streaming process that allows smaller applicants to short-cut some of the detailed tasks that would still be required of those applicants seeking more substantial support. Such shortcuts would only be implemented on the understanding that clients accepting Telefilm support would be held strictly accountable for their responsibilities. Telefilm would still expect all applicants to meet their negotiated financial obligations.

Communications channels. While Telefilm wishes to support the industry to the greatest degree possible, it also recognizes that the use of staff time for routine one-on-one tasks is highly inefficient. Clients must be made aware that part of their responsibility is to acquaint themselves with details of the applications and funding process. Measures will be taken by Telefilm to improve client communications channels such as the corporate Web site and an IVR system that will upgrade the current telephone triage system, while other improvements will be addressed in how staff use their time in direct client contacts.

Centralized client training. Staff at the workshop suggested that some centralized client training sessions be held by Telefilm using industry consultants, in order to instruct new or prospective clients in the art and science of application-writing. This would allow Telefilm to utilize scarce resources in group settings rather than ad hoc and one-on-one.

Implementation of improvements. The group agreed that many of the above-noted goals, although desirable and necessary, would have to be debated more thoroughly at future staff meetings to determine feasibility, timing, resource allocation and the like.

D.2. Contract Negotiations

Along with the streamlining of applications, Telefilm should determine for all clients what is negotiable and what is not negotiable – and communicate this information to clients from the outset. This procedure might include standardized recoupment and exclusion of recoupment from the evaluation of applications; for TV, it might mean reducing the creative review component.

D.3. Market Intelligence

Telefilm should undertake to provide better market intelligence to allow clients to be successful in the marketplace, particularly under competitive circumstances, and when looking for other support or assistance.

D.4. Client Service Charter

Telefilm should develop a “client service charter” that not only specifies what the client can expect from Telefilm but also what Telefilm expects of the client in return for excellent service. This approach should make it clear that the relationship requires clients to live up to their responsibilities and not to depend upon Telefilm to an inappropriate extent.

D.5. Access to Information

In order to navigate the Telefilm process, clients must have access to a database of information on applications, contract negotiations, products and services. Such access is one of the critical drivers of customer satisfaction, and an area in which Telefilm scored relatively highly among its clients. Nevertheless the group recognized that there could be improvements in this area (in addition to those noted above, such as client training), and the group made a number of recommendations in that respect, as follows:

Communications. In addition to other methods of communication, the Web site should be enhanced to include the most recent and complete sets of documents about Telefilm's activities. There is an immediate need to better develop FAQs, for example. The Web site is currently being revamped and is expected to incorporate these recommendations within a few months.

Telefilm needs an improved interactive voice mail system with an effective triage to direct calls to relevant departments. The group also agreed that Telefilm should institute different telephone numbers for the corporate head office and the Quebec regional office respectively.

Targeting. Telefilm should differentiate between regular clients and new or prospective clients, whose information and access needs are different. The group also noted that staff are offering information, particularly over the telephone, that should not be part of its routine services, particularly since this practice increases work load for staff, who are already overburdened.

Staff roles and training. Because there is often no clear process owner (i.e. a lack of clarity over internal roles and responsibilities), Telefilm staff do not necessarily know where to direct incoming calls and information requests. With a shift to a more client-centred organization – one of the main goals discussed in the workshop – comes a need for increased staff training. Creating awareness of new and revised practices and procedures is particularly important for front-line staff, who have a great deal of direct client contact and yet are often the least well informed about internal procedures.

The group also agreed that Telefilm should differentiate more clearly in its practices between corporate head office and the four regional offices, particularly with regards to administrative services as opposed to operations. Overall, the group agreed that Telefilm needs to become more adept at balancing client needs and corporate resources at the point of contact, in order to direct inquiries quickly and efficiently to the appropriate staff member.

Better documentation. The group acknowledged that published documents must always be as up to date and complete as possible. The benefits will be fewer client calls for simple information requests, better performance on applications and less use of staff time responding to minor issues.

D.6. Products and Services

Clients in the survey were particularly dissatisfied with the co-production process. Staff at the workshop suggested that the source of this dissatisfaction was the slow pace of the approvals process. The options for resolving this problem are to add staff or simplify the process. Since the complexities of co-production require considerable due diligence, however, the group felt the only practical option is to increase the staff assigned to this activity.