

BSBCMM301

Process customer complaints

Release 1

Learner guide

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Aspire Version 1.1

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BSBCMM301 Process customer complaints Release 1

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Before you begin

This learner guide is based on the unit of competency *BSBCMM301 Process customer complaints*, Release 1. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: www.training.gov.au.

How to work through this learner guide

This learner guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the learner guide you need to read, and which practice tasks and learning checkpoints you need to complete. The features of this learner guide are detailed in the following table.

Feature of the learner guide	How you can use each feature
Learning content	Read each topic in this learner guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples and case studies	Examples of completed documents that may be used in a workplace are included in this learner guide. You can use these examples as models to help you complete practice tasks and learning checkpoints. Case studies highlight learning points and provide realistic examples of workplace situations.
Practice tasks	Practice tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which practice tasks to complete.
Video clips	Where QR codes appear, learners can use smartphones and other devices to access video clips relating to the content. For information about how to download a QR reader app or accessing video on your device, please visit our website: www.aspirelr.com.au/help
Summary	Key learning points are provided at the end of each topic.
Learning checkpoints	There is a learning checkpoint at the end of each topic. Your trainer will tell you which learning checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.



Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table outlines specific foundation skills noted for your learning in this learner guide.

Foundation skill area	Foundation skill description
Reading	<ul style="list-style-type: none"> Recognises, identifies and interprets textual information to determine legislative, regulatory and organisational requirements
Writing	<ul style="list-style-type: none"> Documents complaints and actions taken in accordance with organisational requirements Records spoken information clearly and accurately for future reference
Oral communication	<ul style="list-style-type: none"> Presents or requests information using words and non-verbal features appropriate to the audience and context Uses listening and questioning techniques to gather information and confirm understanding
Navigate the world of work	<ul style="list-style-type: none"> Takes personal responsibility for following organisational policies and procedures and legislative requirements
Interact with others	<ul style="list-style-type: none"> Follows organisational communication practices and procedures when referring complaints, seeking advice or negotiating outcomes
Get the work done	<ul style="list-style-type: none"> Takes responsibility for planning, sequencing and completing tasks to achieve required outcomes Addresses less predictable problems applying problem solving processes in determining solutions that meet organisational requirements Uses the main features and functions of digital tools to complete work tasks

What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome	Rate your confidence in each section
Topic 1: Respond to complaints	1A Process customer complaints	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1B Document and review customer complaint reports	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1C Make decisions about customer complaints	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1D Resolve customer complaints	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1E Maintain a register of customer complaints	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1F Communicate with customers about complaint outcomes	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
Topic 2: Refer complaints	2A Identify complaints to be referred	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2B Refer complaints to appropriate personnel	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2C Forward documents and investigation reports	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2D Follow up complaints	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident

Topic	Key outcome	Rate your confidence in each section
Topic 3: Exercise judgment to resolve customer service issues	3A Identify the impact of customer service issues	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3B Negotiate options for resolving issues with customers	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3C Propose suitable solutions for resolving issues	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3D Ensure unresolved matters are referred to appropriate personnel	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident

Topic 1

Respond to complaints

No matter how efficient, organised and productive an organisation is, there will still be complaints. Customers may telephone, email, visit, write a letter or submit a feedback form saying they are unhappy with a product or dissatisfied with the customer service they received. The way an organisation responds to such comments can have a significant effect on its success. The important thing is that customer complaints are handled well, resolved promptly, recorded and reviewed.

Customers must be happy with the way their complaint is dealt with and satisfied with the outcome. If handled successfully, customer complaints are an opportunity for an organisation to identify its strengths and weaknesses, and improve its products, services and image.

In this topic you will learn how to:

- 1A Process customer complaints
- 1B Document and review customer complaint reports
- 1C Make decisions about customer complaints
- 1D Resolve customer complaints
- 1E Maintain a register of customer complaints
- 1F Communicate with customers about complaint outcomes

1A

Process customer complaints

Complaints are powerful things. Even the simplest complaints, such as 'I'm sick of waiting to be served', may harm an organisation's reputation and result in angry or lost customers.

There is a saying that 'A happy customer tells a friend; an unhappy customer tells the world'. Whether or not this is true, it does take more effort and expense to acquire a new customer than to retain an existing one.

It is very easy to lose an existing customer. Just one incident of poor communication, bad service, rudeness, unreliability or being ignored can cause a customer to go elsewhere. Customers expect professional, efficient and prompt service in all their dealings. If they don't receive it, they may make a complaint.

Worse, they may not make a complaint but simply disappear – to shop with your competitors. For this reason, organisations should actually encourage customers to complain or provide feedback when they are dissatisfied.

Here is some information about dissatisfied customers.

Why don't dissatisfied customers speak up?

- Think they may be at fault
- Dislike conflict
- Think that nothing will be done
- Don't know how to complain
- Don't know their rights
- Don't want to cause a fuss

The power of complaints

Dissatisfied customers cost organisations time and money. If customers do complain, the majority of them will work with the organisation to solve their difficulties; however, some customers may take the complaint further and tell their friends, write a letter to a newspaper, involve a consumer affairs organisation or notify an ombudsman.

This can be harmful to an organisation's reputation. It may even become a story on social media, talkback radio or a current affairs television program.

Complaints are valuable opportunities.

Dealing effectively with complaints can help an organisation:

- identify weaknesses
- improve performance
- avoid damage to its reputation
- improve its image
- retain existing customers
- attract new customers.

Deal successfully with customer complaints

To be able to deal successfully with all types of complaints and provide excellent customer service, employees must have a thorough knowledge of the complaints they are likely to receive and their own roles and responsibilities when handling customer issues.

You need to know:

- how to receive and record a complaint
- your organisation's products and services
- your organisation's customer service systems and complaints procedures
- consumer protection legislation and industry codes of practice.

Types of complaints

The types of complaints an organisation receives depend on the kind of business the organisation conducts, the types of products and services it offers, the size of the company and the level of customer service it provides. For example, organisations that deal with large sections of the public every day regarding personal matters such as money, employment and community services are more likely to receive regular complaints than small businesses dealing with a niche-market product or service, such as high-quality homewares.



The number of complaints an organisation receives also depends on its attitude towards customer service and the skills of its employees in handling difficulties. Many organisations have a customer service charter that states the standard of performance customers can expect from the staff of the organisation. Such charters often define the types of complaints the organisation will respond to in order to give customers an idea of when they have a right to complain.

Typical situations when a customer has the right to complain are the following:

- The organisation fails to deliver a promised service.
- The service provided is below the standard outlined by the organisation.
- A product does not comply with safety regulations.
- The organisation has discriminated against its customers.
- The organisation has violated a customer's right to privacy.

Example: refund and exchange policy

Jetson's Baths displays a refund and exchange policy at the point of sale. There is a sign at the counter, a leaflet included with mail-order catalogues, and terms and conditions on its website. This is so all customers understand exactly when the company will, and will not, give a refund or exchange an item. If customers read the policy before they make a purchase, this helps avoid complaints.

continued ...

... continued

Jetson's Baths – Refund and exchange policy

Change of mind

If you are not fully satisfied with your new Jetson's product, simply return it to the store where it was purchased, along with your receipt, within 14 days.

We will happily provide an exchange or refund, providing the product is in new condition. This means that the packaging has not been damaged and the product has not been used or damaged.

When providing a refund:

- If the product was purchased by cash, we will provide a cash refund.
- If the product was purchased on a credit or EFTPOS card, we will credit the account with the refunded amount.

Please note that we are unable to offer 'change of mind' returns on custom-made items, such as monogrammed bath robes.

We do not cover the cost of return postage for 'change of mind' returns.

Faulty products

We will arrange a repair, refund or replacement for faulty or incorrect items in accordance with Australian Consumer Law.

We will reimburse the cost of return postage for faulty items and incorrect deliveries.

Thank you for reading these conditions and for your understanding. We hope to provide the best possible service to you, so please let us know if you have any questions or concerns.

Complaints from external customers

External customers are people from outside an organisation who interact with it, whether this is regularly, occasionally or even just once. They include clients who purchase products or services, suppliers who provide specific products or services, consultants, contractors and people from other businesses or agencies.

Complaints received from external customers may range from minor dissatisfaction with a service ('I had to wait two hours for my sofa to be delivered') to a major complaint regarding the organisation that could have serious consequences ('I'm going to sue your company for selling me that children's swing – it's dangerous and its poor quality shows your blatant disregard for my child's safety').

External complaints commonly relate to:

- incorrect advertising
- inaccurate information
- rude employees
- faulty products
- inadequate service.



Complaints from internal customers

Colleagues complain too. ‘There’s never enough coffee in the kitchen’ is a complaint that can be easily resolved. But how would you handle a complaint with more serious and far-reaching implications, such as ‘I have been sexually harassed’ or ‘I’m going to take the company to court for the illness I got from the air-conditioner’?

Each time a complaint is made, it affects those concerned in different ways. For example:

- The person making the complaint is likely to be angry, frustrated or confused.
- The person receiving the complaint may feel defensive, offended or upset.
- The manager will be concerned with how the complaint affects staff morale and whether legislative requirements have been breached.

The following shows some typical internal complaints.

To staff members

‘This is the third time this week that you’ve been late.’
‘You must try not to be so abrupt with customers.’
‘I needed that report yesterday.’

To management

‘I was injured while working on the factory floor.’
‘I am not being paid award wages.’
‘I was sexually harassed by a colleague.’
‘The air-conditioning is too cold. I can’t work comfortably.’
‘I am going to complain to the privacy commissioner because you gave out my personal details.’
‘The ordering system doesn’t seem to be working.’

Roles and responsibilities with customer complaints

The type of complaints received and the way they are handled depend on the role of the staff member and the level of authority they have. Some staff have regular encounters with customers – receptionists, salespeople, accounts payable staff and help desk officers, for instance. Other staff do not come in contact with external customers, but support customer service internally by preparing invoices, handling requests, providing information to colleagues, maintaining databases, assisting managers or organising meetings and training sessions.

Staff must understand their role and the customer service responsibilities they have in their organisation. This is usually clearly outlined in the position description. Ask a supervisor or manager when unsure about any duties.

Be clear about the following areas of responsibility.

Complaints you are responsible for

Be familiar with the types of complaints you are responsible for handling. For example, you may be responsible for correcting administrative errors, following up delivery mistakes, replacing damaged goods, or preparing and sending acknowledgment letters.

Complaints you are not responsible for

Know the type of complaints that need an expert or someone more senior in the organisation to resolve. Examples are serious complaints relating to discrimination, safety or privacy and complaints relating to a specific product.

Also know who to refer a complaint to if it is outside your area of responsibility or is a serious matter; for example, you may need to refer a complaint to a manager, a colleague with expertise in the area or a manufacturer.

Deal with a complaint

Understand what procedures have to be followed. Use specific communication strategies such as active listening, empathising and asking follow-up questions to clarify the situation. There may be formal procedures to follow, such as completing a complaint record.

Many of the complaints received will relate to the organisation's products and services. The more staff know about these, the easier it will be for them to provide explanations to customers and to follow up complaints.



Legislative and organisational requirements

All interactions with customers must be conducted in accordance with legislative requirements and company policies on maintaining privacy, not being discriminatory and complying with consumer and trade practices Acts. An organisation's compliance-related policies and procedures should be developed in accordance with relevant Acts. Complaints relating to breaches of these Acts may result in legal action.

Even though staff members don't need to memorise all the Acts, they must understand the essence of the legislation and how it may relate to the complaints they receive.

This table summarises the Acts and industry codes that you should familiarise yourself with.

Anti-discrimination

Australian Human Rights Commission Act 1986 (Cth)

This Act established the Australian Human Rights Commission (previously called the Human Rights and Equal Opportunity Commission), which is charged with protecting human rights in Australia. The Commission is responsible for administering the following Commonwealth laws:

- *Age Discrimination Act 2004* (Cth)
- *Disability Discrimination Act 1992* (Cth)
- *Racial Discrimination Act 1975* (Cth)
- *Sex Discrimination Act 1984* (Cth)

When processing complaints, you must treat all co-workers and customers equally. You must not discriminate against a person because of their sex, age, disability, race, sexual orientation, marital status or religion.

Privacy

Privacy Act 1988 (Cth)

Under this Act, organisations must:

- only collect information from customers that is necessary
- only use or disclose personal information for the purposes for which it was collected
- take reasonable steps to ensure the information is accurate
- have clear policies to manage personal information
- provide people with the option of not identifying themselves when entering transactions
- protect customers' privacy if information is sent outside Australia
- not collect unnecessary and sensitive information from customers.

When processing customer complaints, you must abide by the Privacy Act. For example, you must not use or disclose a complaining customer's personal information for anything other than processing their complaint.

Competition

Competition and Consumer Act 2010 (Cth)

This Act exists to restrain anti-competitive behaviour and promote competition in the marketplace. It is enforced by the ACCC and aims to enhance the welfare of Australians by promoting competition and fair trading.

Consumer rights

Australian Consumer Law

Australian Consumer Law is the overall name for the various state and territory laws that protect consumers.

When processing customer complaints, you must follow the rules set out in legislation about when customers are entitled to a refund, repair, exchange or compensation.

You must also make sure not to mislead customers.

Codes of practice

Depending on the industry sector you work in, you may also be required to follow specific standards or codes of practice when dealing with customer complaints. For example, there are codes of practice that relate to complaints about advertising, insurance, lotteries and service delivery by government departments.

These codes are voluntary (not required by law) so you need to know which codes or standards your organisation has made a commitment to comply with.

Work health and safety (WHS)

Work Health and Safety Act 2011 (Cth)

This Act exists to make sure that all employees and others are safe at work. Employers and employees have a responsibility to keep the workplace safe. This means following safe work procedures, and reporting and removing risks and hazards.

The law also protects people's psychological safety by making bullying and harassment illegal and recognising that stress is a WHS issue.

Process customer complaints

Different types of complaints warrant different formalities and procedures. A complaint about a faulty product could be handled by the customer service manager and/or the quality control officer. A complaint about a workplace hazard could be handled by the WHS officer and the property manager.

Processing complaints is about the actions taken towards resolving a problem. Efficient and successful handling of complaints is a very important aspect of quality customer service.

Here is information about the customer complaints process.

Customer complaints process

- Identify the nature of the complaint.
- Document the complaint.
- Investigate the complaint.
- Negotiate a solution.
- Follow up with the customer.

Customer complaints process

The customer complaints process allows an organisation many opportunities to demonstrate its goodwill and so win back dissatisfied customers.

In order to handle a complaint efficiently and fairly, you need to:

- deal with the complaint in a structured way
- refer the complaint to another appropriate person when necessary
- ensure all parties are treated fairly and in accordance with organisational policies and legislative requirements
- document the complaint for organisational or legal purposes
- keep the customer informed of the progress of the complaint.

Organisational procedures

Most organisations have systems or procedures for receiving, analysing and processing complaints, and employees are required to follow these.

Complaints must be processed in accordance with work health and safety laws, anti-discrimination laws and privacy laws, as well as company policies.

Example of an organisational complaint procedure

- Supervisors must refer staff complaints relating to WHS issues to the WHS officer and record the matter in the WHS complaint logbook. The complainant must check and initial the logbook entry.
- The customer service team will acknowledge customer complaints within 48 hours of receipt with an email, telephone call or letter. If the customer has not nominated a preferred form of response, a letter is the default option.
- Sales assistants must call the floor manager if a customer wishes to return a faulty product or make a complaint about customer service.
- Department managers will analyse the complaints logs each week and prepare a monthly report for their staff and the management team.
- The customer service manager will review the complaints system twice a year as part of the continuous improvement cycle.

Receive complaints

The manner in which a complaint is made – by letter, email, telephone, in person or by word of mouth – may have no relation to the severity of the complaint.

Complaints must be investigated on merit. For example, a customer may suffer a severe injury while using a product they have just purchased and decide to telephone the company and lodge a verbal complaint. On the other hand, a customer may count the number of nails in a packet they have bought and find there are three fewer nails than stated on the box, and write a formal letter of complaint.

The first example is a serious matter that could lead to legal action, product recalls and major financial loss for the company. The second is a minor matter that can be rectified by sending the customer a complementary packet of nails. Just because the second complaint is written in a formal manner does not make it more important or serious.

Identify the complaint

When complaints are received, you need to categorise these complaints by their nature and who they are from.

You should consider the following questions:

- Who has made the complaint; for example, a customer, supplier, member of an association or board, colleague, someone from a government organisation?
- Is the complaint due to simple dissatisfaction or is it more serious?
- Does the complaint reflect a genuine problem or is it the result of a misunderstanding?
- Does the complaint have potentially serious implications, such as a product recall or legal action?
- Does the person have a history of making vexatious (unjustified) complaints?

Deal with the complaint

When complaints are received, you need to identify the best way to deal with them.

Customers dislike being passed from person to person, repeating their story again and again, only to find they are still not speaking to 'the right person'.

It is important to make an accurate assessment on the spot in order to get the complaint process underway as soon as possible.

Consider these questions:

- Can I handle the complaint myself?
- Is the complaint covered by the organisation's complaints procedures?
- Should I refer the complaint to someone with more authority?
- Should I refer the complaint to someone with specialist knowledge?
- Does the complaint have potentially serious implications?

Provide excellent customer service

Good communication is an important skill in responding to complaints. When you are handling a complaint, your aim is to satisfy the customer. The way you communicate with customers affects how they feel about the organisation. You must not be patronising (talk down to someone) or make them feel they are being unreasonable. Be sure the customer knows you are taking their complaint seriously.

Here is more information about how to handle complaints.

Be prompt

When a customer complains, they are usually annoyed or even angry. They may become more upset if you keep them waiting or fail to offer a solution. Customers want to know you are trying to address the problem and find a solution.

Tell them whether:

- you can deal with the issue and resolve it immediately
- you need to follow it up and get back to them
- you need refer them to someone else and who that is.

Keep the customer informed of the steps you are taking to process their complaint, especially if you realise it may take some time to resolve the situation.

If you refer the complaint to a colleague or a manager, make sure you do it promptly. They may handle the complaint themselves or they may need to contact an authority outside the organisation. Remember to follow up with the person to ensure the problem has been resolved.

Address complaints as soon as possible, even if you can't resolve them immediately. Of course, the faster the complaint is processed, the happier your customer will be. However, customers are also satisfied if they are kept informed and know they haven't been forgotten.

Be helpful

Regardless of the nature of the complaint, apologise immediately. There's no sense in arguing, defending your organisation or blaming someone else. People are often afraid to apologise in case it indicates that they are in the wrong. But by apologising, you are simply saying you are sorry the situation has arisen and you will do your best to resolve it. It does not necessarily mean you are accepting the blame.

Customers will be impressed if you show them you want to help. Listen carefully and make them feel comfortable. Show them you understand their complaint and will do whatever you can. Customers will be appreciative, even if you are unable to resolve the matter straight away.

Take care that your helpfulness does not stray into making promises you cannot keep or exceeding the authority of your job role.

Be polite

Always be polite when handling a customer complaint. If you lose your temper or behave rudely, you will inflame the situation and make the customer angrier. Part of being polite and courteous is the ability to remain calm, regardless of how the customer behaves. Don't let difficult customers upset you.

Your customers come from a diverse range of social, cultural and ethnic backgrounds. They may have physical or mental disabilities or be unwell. They may be drug affected or emotionally distressed. These factors may affect the way they behave, speak or negotiate.

Treat all customers with respect and tolerance. If you are friendly and courteous to the customer, this helps build rapport and trust, which will be an advantage when processing their complaint.

Customers find it more difficult to yell at a friendly customer service person than a person who is abrupt, rude or unsympathetic.

Be calm

Don't become defensive when you receive a complaint and don't take the matter personally. It is human nature to want to make excuses or blame someone else when faced with someone complaining. But be objective, stay calm and put yourself in the customer's shoes. They are angry at something that has happened, not at you. Your job is to fix the problem for them, not to lay the blame.

Responsibility for the problem will be established later, when the complaint is analysed internally.

Communicate appropriately

You can communicate with customers in a range of ways. Choose the most efficient way to handle a complaint according to the nature of the complaint and the customer you're dealing with.

The following describes communication methods and examples of when they could be used.

**Telephone**

If the customer is from interstate or they need to know something urgently, a telephone call may be appropriate.



Formal letter

If the customer has complained with a formal letter, it may be appropriate to respond with a formal letter.



Fax

If the complaint is regarding an administrative error, a fax could be sent to the customer to show them the error has been amended.



Email

If the complaint is minor, you may be able to deal with it via email. However, emails can be risky, as the tone can be difficult to judge from the message.



Face to face

If the customer comes into the office or workplace wanting to speak with a customer service representative, a face-to-face meeting in a quiet environment can be helpful.

Listening skills

When a customer has a complaint, the first thing you should do is listen. Pay full attention to the customer. Sometimes, before a complaint can be dealt with and processed, customers need to 'let off steam'.

Remember to remain calm, even if the customer is speaking in a distressed or aggressive manner. If you remain calm and show you are interested and willing to listen to them, they may calm down.

If you are in a public area, you may find that other customers are listening too. If possible, take the complaining customer to a quiet area where your conversation is less likely to be overheard by other customers and members of the public. If you need to talk to the customer privately, let a colleague know that you don't want to be interrupted.

Use active listening skills. This kind of listening requires you to concentrate on what the person is saying. For example, you can repeat things back to the customer to check you have heard correctly. You can also ask questions to clarify what has happened and why they are upset. Give the customer the opportunity to confirm their request.

Let the customer know you are listening in these ways. If you are face to face with them, they will know you are listening by the way you nod or smile. Make sure you use eye contact.

Don't interrupt the customer or complete their sentences for them. This is rude and can also cause you to miss some of what they are saying.

Remember to take notes when a customer is explaining the details of their complaint to you. Your notes will help you remember the important points of the complaint and will serve as a record of the conversation.



Consider your customers

When dealing with customer complaints, be aware of the person's age, sex, religion, culture and experience. Use language that is suitable, based on what you see and hear. Ask the person how they prefer to be addressed (John, Mr Smith). Talk with people in ways that are best for them.

If you are going to have an extended interaction with someone – such as dealing with a complaint relating to complex or personal matters – you may need specialist help to facilitate communication.

Be mindful of cultural factors such as the following:

- Some types of nonverbal communication (body language), like looking someone in the eye, are seen as positive in some cultures, negative in others.
- There may be a protocol about who you should communicate with; for example, in some cultures you need to deal with the senior male family member.
- A person may not speak English well enough to discuss legal, medical or financial matters, even if they appear to be fluent in general conversation.

Speak clearly and avoid jargon

Always speak clearly and in a pleasant tone to customers. When you are talking to a customer, the way you speak sets the tone of the conversation. This is particularly true of telephone conversations. You should sound concerned, informed, empathetic, patient and pleasant. A bored-sounding customer service officer can be infuriating to an already angry customer.

Focus on the conversation and make sure you are speaking clearly and at a volume and speed that the customer can comprehend. If you have a naturally quiet voice or feel shy about talking to people, you need to practise your verbal communication skills. Ask a confident friend or colleague to coach you.



Remember that you know a lot more about your organisation's products and services than the customer. For this reason, be sure to avoid using jargon – words that are used in your industry but may not be familiar to the customer.

Communicate effectively in writing

When responding to a customer complaint in writing, whether by email, fax or letter, select your words very carefully. Badly written correspondence can inflame an already difficult situation.

Here is more about communicating effectively in writing.

Email and faxes

While many people use email to write short and informal letters to friends and colleagues, using email to respond to a customer complaint is a different matter. Because email exists mainly as a speedy and efficient form of communication, it's good to keep your emails short and to the point. However, you should address the customer formally, sign off formally and write your message in full sentences. You also need to write a subject in the subject line.

Faxing is a good way to send documents that need to be signed or forms that need to be filled in.

Letters

Follow your organisation's policies and procedures when responding to a customer by letter, in the language and stationery you use and the information you disclose. Once again, avoid jargon and use simple language (plain English) to keep the letter short and to the point.

Get a colleague or manager to check the letter before you send it to the customer. A written document is very important. If you write something incorrect or damaging in the letter, there may be legal ramifications for your organisation.

Nonverbal communication

Nonverbal communication is what you convey without actually speaking. You create an impression by the way you stand or sit, the way you move and the way you look at someone.

Body language can be revealing. You could be speaking to a customer and saying one thing while your body language says another. For example, you may be telling the customer, 'Yes, I understand that would be very annoying' while looking past them out the window. Your body language lets the customer know whether you are really paying attention.



If you have an open stance and a friendly, concerned look on your face, this will help the customer feel their complaint is being taken seriously. Try not to fold your arms, as this can look confrontational.

You can read how the customer is feeling by their body language too. If they are punching the desk, going red in the face or pointing a finger at you, you know they are furious. If the customer is calm and still, they are probably going to be easier to deal with. Look out for these signs and try to gauge how the customer is feeling from their body language.

Review your performance

Part of your responsibility at this level is to manage your own performance by regularly monitoring and evaluating it. How well are you following organisational policies and procedures, communicating with customers and processing complaints?

It is your job to keep up to date with changes and feedback. For example:

- Complaints procedures may change.
- New products and services may be introduced.
- New legislation relating to consumer protection may be introduced.
- Customer feedback may indicate there is dissatisfaction with the way you have handled and resolved a complaint.

You should seek out learning opportunities to improve your performance.

Review your performance on a regular basis:

- Analyse a situation that you handled successfully – what techniques did you use and how could you generalise this experience?
- Check your knowledge of legislation, the organisation's products and services, and organisational procedures.
- Review your written and verbal communication – do you need to improve your grammar and spelling, or could your telephone manner be clearer?
- Ask a colleague or your supervisor to comment on your performance.
- Check the feedback forms filled in by customers you have dealt with.
- Discuss your work at a formal performance appraisal session with your manager.

Seek learning opportunities

Part of managing your performance is taking responsibility for seeking learning opportunities whenever you can. For example, if you have identified that your listening skills could be improved, think of ways to seek help or advice in this area.

Here is more about learning opportunities.

Learning opportunities

- Asking to be coached
- Arranging to have a mentor
- Asking questions at team meetings
- Observing an experienced person interacting with customers
- Reading business journals, books and blogs
- Applying for a course that relates to a training need

Deal with complaints

Here are some tips for dealing with complaints.

Tips for dealing with complaints:

- Have empathy with the customer
- See the complaint from their point of view
- Think about how you would like the problem to be dealt with if you were the customer
- Show you understand how they feel
- Do not make unrealistic promises or fob them off with excuses to get rid of them quickly
- Tell them what will happen next and follow through on your commitment

Ask appropriate questions

When you are trying to get to the root of a problem and understand a customer's complaint, you should ask appropriate questions. In most cases, open-ended questions are the most useful. These are questions that can't be answered with just a 'yes' or 'no'. Use open-ended questions to encourage the customer to describe the problem and the solution they want.

Start your questions with 'what', 'when', 'how', 'where' and 'why'. For example, 'When did the problem occur?' and 'How can I help you with this?'

However, sometimes you only want a 'yes' or 'no' answer; for example, you may ask the customer, 'Would you be happy with a replacement?' If you are not looking for any extra information and you need to confirm something, closed questions like this are appropriate.

You may also ask questions that involve paraphrasing what the customer has said, to confirm that you have understood them; for example, 'So you would like us to send someone to your house today to take a look at the leaky pipe?'

Be careful when using the word 'you' with customers. In some cases, it can sound like an accusation; for example, 'So you couldn't get it to work?' You may need to rephrase this question; for example, 'So it wasn't working?'

Listen carefully to your customer's answers and take note of important points.

Example: ask appropriate questions

In this conversation between a staff member, Becky, and a client, open-ended questions help Becky identify what the real issue is.

- Becky:** Good afternoon, Mrs King. How may I help you?
- Mrs King:** The gardener your company sent me doesn't know what she's doing.
- Becky:** What has she done that causes you to say that?
- Mrs King:** She weeded the driveway and pruned all my roses!
- Becky:** What was it that you wanted done?
- Mrs King:** Just mowing the lawns!
- Becky:** Oh, I see. If you don't mind waiting one minute, I'll check on your order.



continued ...

... continued

I've got your order in front of me now, Mrs King. The mix-up seems to be that on the order form you faxed us, the box for general garden maintenance was ticked. This includes weeding and pruning. How would you like us to deal with this?

Mrs King: Oh dear, I must have ticked the wrong box. Well, I guess next time I just want the lawns mowed.

Becky: Certainly, Mrs King. I will change the records and let Janelle, the gardener, know. Is there anything else I can do for you today?

Mrs King: That's all, thank you.

Practice task 1

Read the scenario, then answer the questions that follow.

Scenario

You work as a receptionist in a marketing agency. An unhappy client phones to say they are waiting on a statistics report that is well overdue. You contact the account manager for that client, Rika, and refer the matter to her. You provide her with all the details of the complaint.

Rika then goes to Geoff, who is in charge of preparing the statistics report. He works part time, so she can't speak to him until the next morning.

Geoff says he is waiting on information from the research department in order to compile the report. He calls the research department in London, a different time zone, and leaves a message to ask when the information will be sent.

Meanwhile, the client has been waiting 24 hours since the initial contact. He phones you again and asks why no-one has got back to him.

1. What has gone wrong in this situation?

continued ...

... continued

2. How could this complaint have been dealt with effectively?



3. Who in this agency needs to be educated on the importance of effective communication?



1B

Document and review customer complaint reports

An efficient complaint-handling process involves gathering all relevant reports relating to the complaint, which may include completed complaint forms, reports, correspondence, photographs, affidavits and audio recordings. These must be collected, reviewed, collated and stored.

Record complaints

Organisations record and document complaints in different ways and all staff should be aware of the system in place at their organisation. Most organisations have a system whereby all complaints are immediately recorded, generally on a central electronic database.

Always keep in mind that, under the *Privacy Act 1988* (Cth), when a customer gives you their personal details and makes a complaint, you are required to keep this information confidential. This means that you must not disclose the details to anyone who is not directly involved in dealing with the complaint. It also means that you can only use the customer's details for the purpose for which they were intended.

The only times you can disclose a customer's information are when you have their consent and when instructed to do so by law.

The following information should be recorded about a complaint:

- Customer's name
- The name of their organisation, if appropriate
- The date of the complaint
- The nature of the complaint
- The name of the person who received the complaint
- The name of the person who handled the complaint
- The action taken
- A list of supporting material such as complaint forms, photographs, statements
- Follow-up action required

Forms

Once you have identified the complaint, you may need to complete the appropriate forms. You may need to complete different forms for different complaints, such as organisational forms, official forms for an external body or forms for recording supporting evidence such as photographs or customer statements. Organisations use a variety of forms for recording and documenting complaints.



Customer complaint forms can be electronic or paper based. It may be your responsibility to fill out the form, ask the customer to complete the form or help them to do so. Increasingly, organisations provide an online customer feedback form on their website for customers to complete and submit. Organisations have found these to be an efficient method of collecting customer information. Customers like them because they can complete them quickly. To be effective, online forms must be tracked and monitored regularly.

Some organisations have separate forms for different complaints; for example, an organisation may have one form for customer service complaints and another form for complaints relating to products and services. Other organisations have the one form for all types of complaints. Some organisations may require you to document the complaints yourself, using your own form or system.

Supporting evidence

All documentation relating to a complaint must be collected, stored and made easily accessible. If there is confidential material, you may need to store this in a locked cabinet or password-protected database. Because much of the supporting evidence may not be computer based, you should probably prepare a manila folder to store the information.

Documentation should be backed up – electronic files should be copied to a back-up server and paper files should be copied and held at a separate location.

What the folder may contain

- Completed feedback form
- Internal reports
- Correspondence – notes, letters, emails, faxes
- Photographs
- Affidavits, statutory declarations and witness statements
- Medical reports
- Audio or video recordings of telephone calls or meetings
- Delivery slips, invoices, receipts, contracts

Reports

You may be required to write a report about the complaint. Your manager may require a full report if the customer decides to take legal action. If a customer telephones your supervisor to ask what has been done about their complaint, your report will be evidence of the action you have taken. Therefore, your supervisor will want a comprehensive report that includes the form you initially filled in.

Use your written communication skills to present the information in an honest, straightforward, unbiased way. Remember to use plain English. You may need to attach supporting documentation to your report.

A complaint report may contain:

- A summary of the complaint
- The measures taken to solve the problem
- Who was involved
- The outcome of the complaint

Review complaint reports

Before filing complaint forms, make sure all the necessary details have been included. The forms may be needed at a later date to confirm or to follow up a complaint. When a complaint has to be investigated further, all the documentation may need to be reviewed to ensure it is accurate and appropriate.

For example, if a form has not been signed and dated, there is no evidence that it was prepared at the time of the complaint. This could lead to allegations by the customer that nothing has been done to answer their complaint.

If a complaint record identifies an attached report, correspondence or photographs, make sure these are included in the file.

Example: report on customer complaint

This is an example of a brief report compiled by a business support officer. The report was needed after a customer contacted the organisation saying that nothing had been done about her complaint.

Report on customer complaint

Date: 3 October 2016

Summary of complaint

The customer, Ms Micalizzi, originally contacted Magazines Inc. in an email dated 20 September 2016 to complain that she had paid her yearly subscription to the weekly New Magazine but had not received her magazines for the past four weeks. A copy of her email is appended.

She telephoned on 30 September to lodge a second complaint, saying that she had not received any response to her email of 20 September.

Action taken

Ms Micalizzi was sent a letter on 21 September 2016 and told that she would receive a free six-month subscription to New Magazine when her current yearly subscription ended, and that steps would be taken to ensure she received her magazine every week without fail. A copy of the letter is appended.

Staff involved

Zoe Danos filed the complaint email and sent the reply letter.

Complaint status

Zoe assumed that the customer had received the letter. She did not follow up with a telephone call to see whether the customer was satisfied. As a result, when Ms Micalizzi did not receive the letter, she telephoned on 30 September to lodge a second complaint. She has since cancelled her subscription and demanded a refund.

The matter is unresolved. Further action is needed to explain to Ms Micalizzi about the lost letter in order to try to retain her custom.

Correspondence appended

- Email from Ms Micalizzi to subscription department, dated 20 September 2016
- Letter from Zoe Danos to Ms Micalizzi, dated 21 September 2016



continued ...

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Date: 20 September 2016
From: Irene Micalizzi
2 Barkly St, Ivanhoe VIC 3489

To: Magazines Inc.
456 King St, Washington NSW 2908

To whom it may concern

I have been a subscriber to New Magazine for two and a half years. I have paid my yearly subscription for 2016 but for the past four weeks I haven't received my copies of New Magazine!

I run a business where it is imperative that I keep up to date with the latest scientific discoveries. I depend on New Magazine.

This situation is most distressing and I can't imagine why you have suddenly stopped delivering my magazines. It makes no sense. Please make sure I receive my magazines in future.

I would also like to be compensated in some way for the four magazines I have not received.

Yours sincerely,

Ms Irene Micalizzi

Date: 21 September 2016
To: Ms Irene Micalizzi
2 Barkly St, Ivanhoe VIC 3489

Dear Ms Micalizzi

I am extremely sorry to hear that you have not received your copies of New Magazine for four weeks. Magazines Inc. recognises that you are a long-time subscriber and, of course, your custom is important to us. We want to serve you as best we can.

For this reason, I would like to offer you a free six-month subscription to New Magazine, to take effect when your yearly subscription runs out.

I will also see to it personally that you receive your magazine every week without fail from now on.

I hope that you will be happy with this outcome and that you will be satisfied with any service you receive from Magazines Inc. in the future.

Kind regards,

Zoe Danos

Business Support Officer

Magazines Inc.
456 King St, Washington NSW 2908
Tel (02) 1111 0000 Fax (02) 2222 1111
web.magazines.com.au

Practice task 2

Read the scenario, then answer the question that follows.

Scenario

A client makes a complaint about the slippery floor in an office after she falls over and hurts her wrist. She insists that she does not want an ambulance called, so the work health and safety officer attends to her and says it is probably a sprained wrist. The WHS officer helps the customer to complete a complaint form and advises her to see her doctor.

The customer goes to her doctor, who discovers the injury is more serious: a fractured wrist. The customer discusses the incident with a lawyer and decides to make a claim for medical expenses and loss of income. This is now a serious matter. The WHS officer and company manager consult the company's insurer and lawyer, and arrange a meeting to review the matter.

As the business support officer, you are responsible for gathering all the necessary documentation for this meeting.

1. What kind of documentation will the organisation need to have?

1C

Make decisions about customer complaints

Once the nature of the complaint has been identified and the evidence and documentation collected, and you have discussed the complaint with the customer or another colleague, you can reach a decision on what to do.

Your organisation's policies and procedures will guide you in making the decision. In many cases, making these decisions will be easy, especially if you are authorised to fix a problem immediately and you follow the organisation's procedures.

Resolve complaints

The following are some common complaints that can be rectified promptly, with reference to company policy and codes of practice.



Incorrect customer details on invoice/in system; for example, customer's name spelt incorrectly

- If you have access to customer details in the computer system or on hard copy, you can amend the file immediately.
- If you don't have access to customer details, you can ask a colleague who does to make the amendment. You need to follow this up.
- Log the customer contact in the file, making a note of what took place (this may be done automatically in electronic records).



Incorrect amount on invoice; for example, customer is overcharged for service

- If you are authorised to handle payments, you can check the customer's receipt to confirm they have been overcharged, then refund the difference.
- If you are not authorised to handle payments, you can take the customer's details and a copy of their receipt and ask a colleague to amend the mistake. You need to follow this up.
- Log the correction according to your organisation's financial procedures.



Wrong product/service delivered; for example, paper towels delivered instead of toilet rolls

- Check the order and find out where the error occurred. Tell the customer you will arrange for the correct goods to be delivered and the incorrect ones picked up.
- Contact the distribution officer or delivery person to find out where the error was made and arrange the new delivery. You need to follow this up.
- Log the matter according to your organisation's procedures for incorrect deliveries.



Faulty items

- If the item was faulty or damaged when the customer purchased or received it, they are entitled to a repair, refund, exchange, replacement or compensation under Australian Consumer Law.
- If you are not authorised to handle returns, ask your supervisor or manager to deal with the complaint.
- You may need to organise pick-up of the faulty item and delivery of a replacement.
- Log the matter according to your organisation's returns procedure.



Refunds and credit

- Australian Consumer Law does not require organisations to give a refund or exchange for 'change of mind', but some organisations offer this as part of their customer service strategy.
- You need to check your organisation's policies to ascertain whether a refund or credit is allowed. It is always a good idea to check with a manager before providing a refund or credit.
- Log the matter according to your organisation's returns procedure.

Practice task 3

Read the case study, then answer the questions that follow.

Case study

Sanji works in a garage. Mr Lando, a customer, comes in with a serious complaint. Mr Lando is angry because Sanji's boss told him last week that the brakes on his car were fixed and safe. But Mr Lando says that when he was driving home, the brakes were not working properly and this caused him to rear-end another car. No-one was hurt, but both cars were damaged. Mr Lando tells Sanji that he blames the garage for the accident.

Sanji feels that if he apologises to Mr Lando, he will get into trouble for admitting fault before there has been an investigation. Sanji knows that this complaint is too serious for him to handle. He listens carefully and writes down Mr Lando's details and the complaint details. He tells Mr Lando he will ask the boss to contact him as soon as possible.

After Mr Lando leaves, Sanji makes a paper file for his boss. In it he places Mr Lando's details, the details of the complaint and a print-out of the history of Mr Lando's car repairs. Then Sanji rings his boss and tells him to come to the garage straight away.

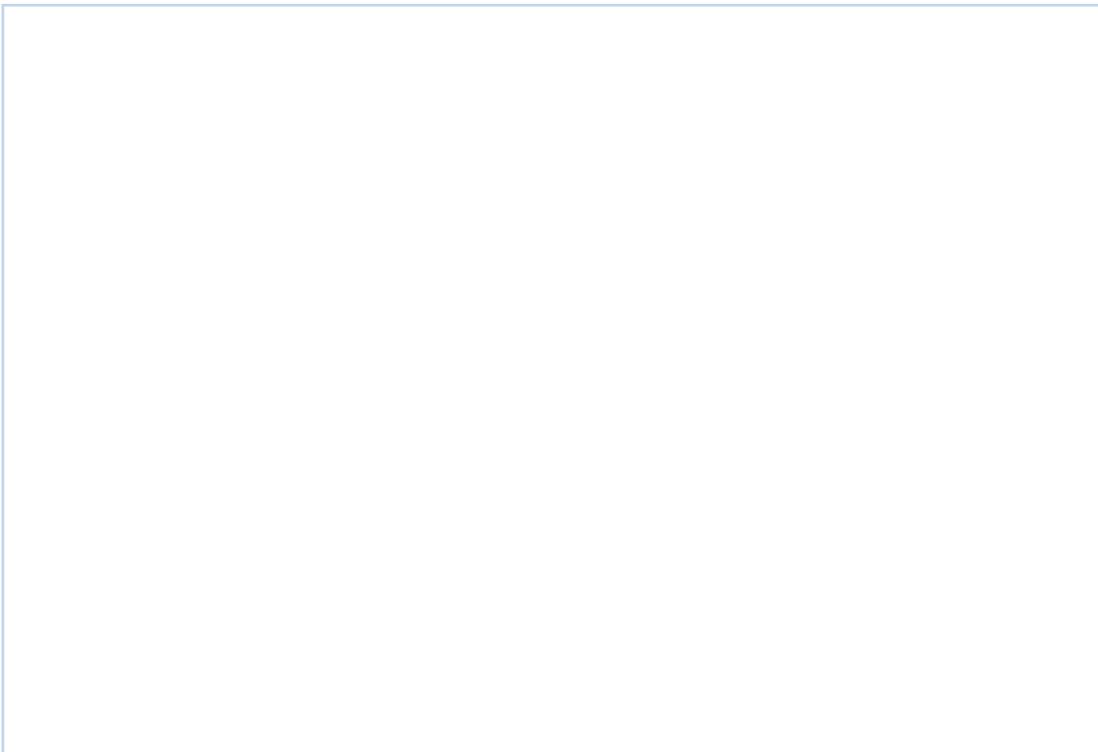
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1. What do you think might have happened if Sanji had apologised for Mr Lando's accident on behalf of the garage?



2. Why do you think Sanji made the file for his boss?



1D

Resolve customer complaints

Whatever a customer complaint may be, you or someone else in your organisation should try to resolve the complaint so the customer is satisfied with the decision you have made; for example, 'I'll make sure this doesn't happen again, Mr Dutton. In the meantime, I'll send you a new copy. Are you happy with that?'

If the complaint involves investigation that may take some time, keep the customer informed of every step you are taking to resolve their complaint. Even if you are having trouble, the customer should know what you are doing. Sometimes customers think that nothing is being done about their complaint. Customers will appreciate it if you keep them informed of progress.

You may need to negotiate the outcome of a complaint with a customer to find a solution that suits both the customer and your organisation. This means the solution has to be within the boundaries of your enterprise's policies and procedures.

If, at any point in the process of resolving complaints, you and the customer reach a stalemate and cannot agree, you may need to refer the complaint to someone else.

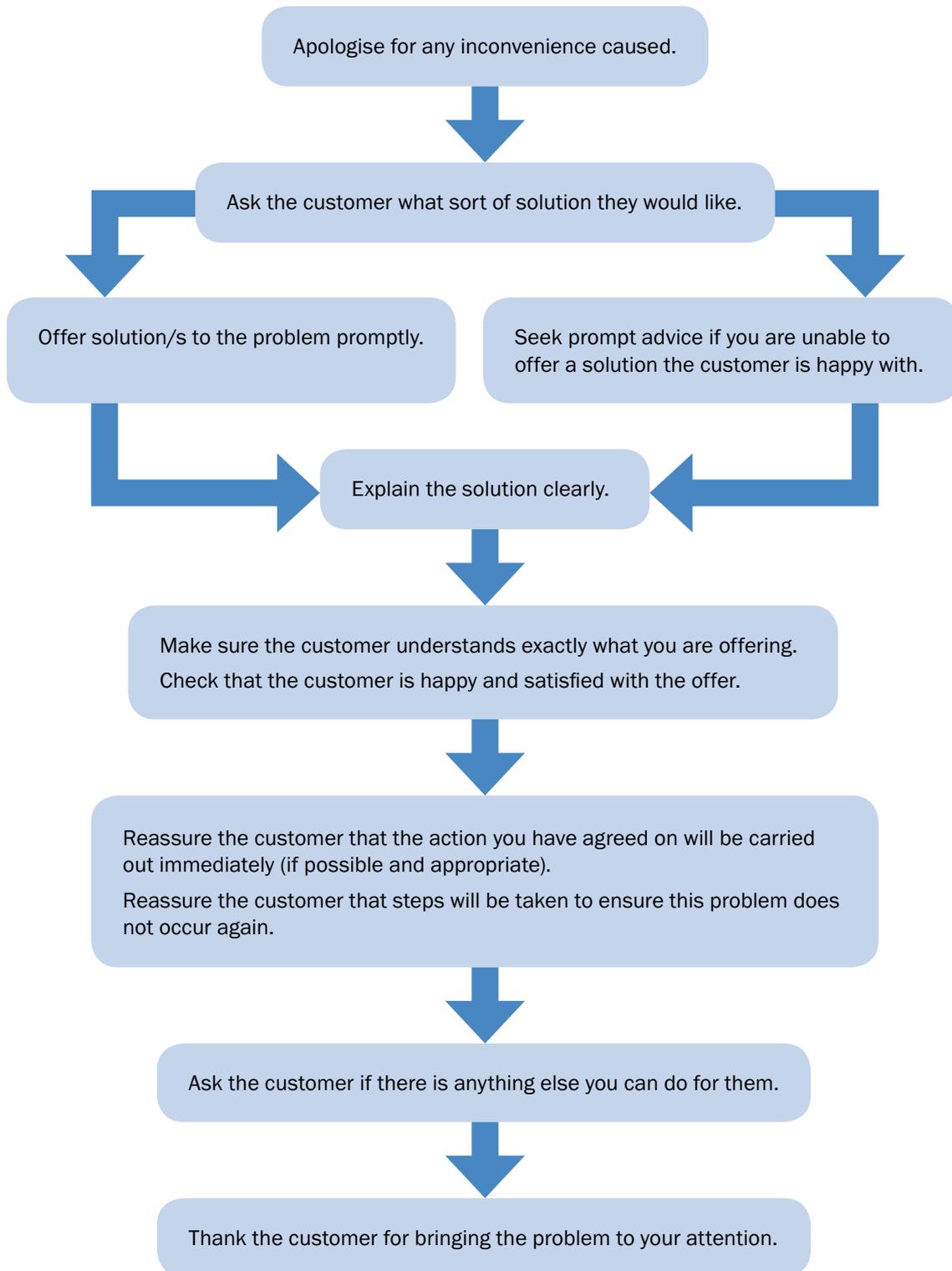
Sometimes you will not be able to meet a customer's needs at all. This may be because your organisation's policies and procedures prevent you from doing so or it may be because the law prevents you from doing so. For example, if a customer who is intoxicated is complaining because you won't serve her any more alcohol, you have to explain that this would be illegal.

In situations like this, it doesn't matter how much the customer insists; you have to follow policies, procedures and legislation. In such cases, negotiation is not possible. Be as tactful and sympathetic as you can. Make sure you fully explain the situation so they know the matter is out of your hands.



Steps to resolve customer complaints

The following flow chart illustrates the steps you should take when negotiating and resolving customer complaints.



Practice task 4

Read the scenario, then answer the questions that follow.

Scenario

You work in a homewares store that sells crockery, vases and general glassware. A regular customer, Berri Rossman, comes into the store. Ms Rossman has an angry look on her face as she approaches the counter. She pulls out a painted china vase she bought from your store for \$12.95. The vase is scratched inside.

You sold Ms Rossman the vase two days ago, and you know it wasn't scratched when you sold it to her because it is store policy to check all goods for scratches or marks before you sell them. You remember checking this very vase. Ms Rossman tells you she is furious because when she got the vase home, it had scratches all over the inside.

You explain to Ms Rossman that you check every item before you sell it. She replies, 'Well, you must have missed this one.' You wonder if Ms Rossman scratched the vase herself by putting something sharp or metallic in it, but you don't accuse her. You feel upset because you have had a good relationship in the past and the vase only cost \$12.95.

Ms Rossman says she wants to return the vase for a refund. You show Ms Rossman your refund and exchange policy, which clearly states that, 'A refund will only be supplied on proof of purchase and for products that are in new condition. Products must not have been used'.

This makes Ms Rossman even angrier as she tells you she has never used the vase. Other shoppers are staring.

1. Why is it important that you calm Ms Rossman down?

2. What options do you have for resolving the problem and negotiating a solution?

3. Why is it important to explain the solution clearly to the customer?

1E

Maintain a register of customer complaints

It is a good idea to maintain a register of customer complaints because they contain valuable and important information for the organisation, including the following:

The complaint

A record detailing a complaint and the steps taken to process the complaint provides a reference allowing anyone in your organisation to see what happened. Your manager may want to read your documented complaint to learn what happened and how you dealt with the situation. A colleague may receive the same complaint you received and wish to refer to your documents to find out how you dealt with it.

Proof

You may be required to prove that you took action following a customer complaint. For example, a customer may say nothing was done after they made a complaint to you. If you have a record stating the actions taken following the complaint and the date the actions were taken, it is easier to prove your competence as a customer service officer. You may also need a record of the customer's details for future reference.

Some disputes involve a lot of discussion, correspondence and supporting evidence such as invoices and copies of policies that must be filed with the original complaint form. Such documents need to be provided if the complaint is serious and is referred to an external organisation such as the police, an ombudsman, a lawyer or a consumer affairs organisation.

Learning

Complaints provide an opportunity to improve an organisation's service. Reviewing complaints is something you, your colleagues and your manager can do to ensure that situations leading to complaints are not repeated. Reviewing complaints is also an opportunity to rectify any outstanding problems.

The organisation may track the nature of complaints over a period of time to learn how, when and why they occur. The register of complaint documents should be regularly maintained. This allows for ongoing review.

If you deal with a complaint by putting 'a patch' on the problem, the same complaint may keep occurring. For example, if a customer complains that a salesperson was rude and you give the customer a complimentary product to apologise, this solves the immediate problem of the angry customer; however, if the salesperson concerned is not spoken to, these complaints may continue.

Documentation

You may be required to store documented complaints in a paper-based filing system or a computer database. Be sure to date and label the files clearly and store them according to organisation procedures. This way, the files will be easy to locate and access.

Some organisations document complaints using audio or video recordings of telephone calls or meetings. These records must also be stored safely for future reference.

Practice task 5

Read the case study, then answer the questions that follow.

Case study

Oscar's manager at a computer training centre asks him to review and update workplace practices. Oscar decides that the best way to do this is to look at areas that need improvement.

Oscar goes to the complaints file and looks at all the complaints he has documented over the last year. He sees that the majority of complaints are from customers who were kept waiting for appointments. He also checks the feedback forms he instituted two weeks ago. Already, four customers have suggested reminder calls or text messages for appointments. He checks the appointment records and sees that there are an average of two 'no shows' per week.

Some complaints are directed at the customer service officer's lack of knowledge of products and services. It seems that she did not know whether a product was the latest version or if a new model was due for release soon.

Oscar decides more time needs to be allowed for appointments in case they run over. He also decides to implement a reminder call or text message on the day before appointments. The text messages can be sent automatically and 90 per cent of their customers have a mobile number on file. A calendar reminder can be used to prompt calls to the remaining 10 per cent.

Oscar presents his ideas to his manager. They agree on a three-month trial, after which the complaints log will be reviewed again to see what effect the measures have had.

By studying the complaints register, Oscar has been able to implement changes to improve the practices and procedures of the office, and so better meet the needs of customers.

1. List all the positive actions that Oscar has taken.

2. Has Oscar missed anything important from the complaints file?

1F

Communicate with customers about complaint outcomes

Always let customers know about the outcome of an investigation into their complaint. If the customer has no idea what you have done or are doing about their complaint, they are likely to become angrier or more frustrated and make further complaints.

Some complaints may be particularly complex and the investigation process may be long. By the time you come to the end of it, you may forget to tell the customer. You need to tell them briefly what was involved in the investigation process, the outcome of the complaint and the justification behind the outcome.



Practice task 6

Read the case study, then answer the questions that follow.

Case study

Claire works in a travel agency. She deals with many clients every day and every client has specific requirements that she needs to meet.

Claire is organising a holiday for Miss O'Neill, who has a habit of making last-minute bookings. However, because she is a good customer, Claire always goes the extra mile to help her. Miss O'Neill wants to fly to Cairns on 3 July, arrive mid-morning, then travel by bus to Port Douglas and stay at a resort for five nights. Miss O'Neill has a wedding to attend on 4 July in Port Douglas, so she wants to get there the day before to settle in.

Claire then checks the flights and finds that the only available flight that will get Miss O'Neill to Port Douglas on 3 July has her landing in Cairns at 10.00 pm. She books this flight anyway. She also books airport transfers and accommodation.

Claire then faxes Miss O'Neill an itinerary, but forgets to explain the situation with the flights. Miss O'Neill rings the travel agency in a very bad mood.

'I told you I wanted to arrive mid-morning on 3 July!' she yells at Claire.

Claire explains that there was nothing else available. She tells Miss O'Neill that she will let her know if a seat becomes available on any other flights. Claire calls around for any cancellations. On her third try, she finds a seat on a flight arriving in Cairns at 10.00 am on 3 July. 'Perfect!' she thinks.

Claire cancels the original flight booked for Miss O'Neill. She has found a flight that arrives mid-morning and she has booked a lovely resort for Miss O'Neill. She feels proud of herself.

At the end of the day on 3 July, Claire gets a call from Miss O'Neill, who is at the airport. She is furious. She thinks she is booked on a 6.00 pm flight to Cairns, but the airline has no record of her booking. Claire realises her terrible mistake in not letting Miss O'Neill know about the change of flight.

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1. How do you think Claire got herself into such an embarrassing situation?

2. What do you think Claire could do to ensure this situation does not happen again?

Summary

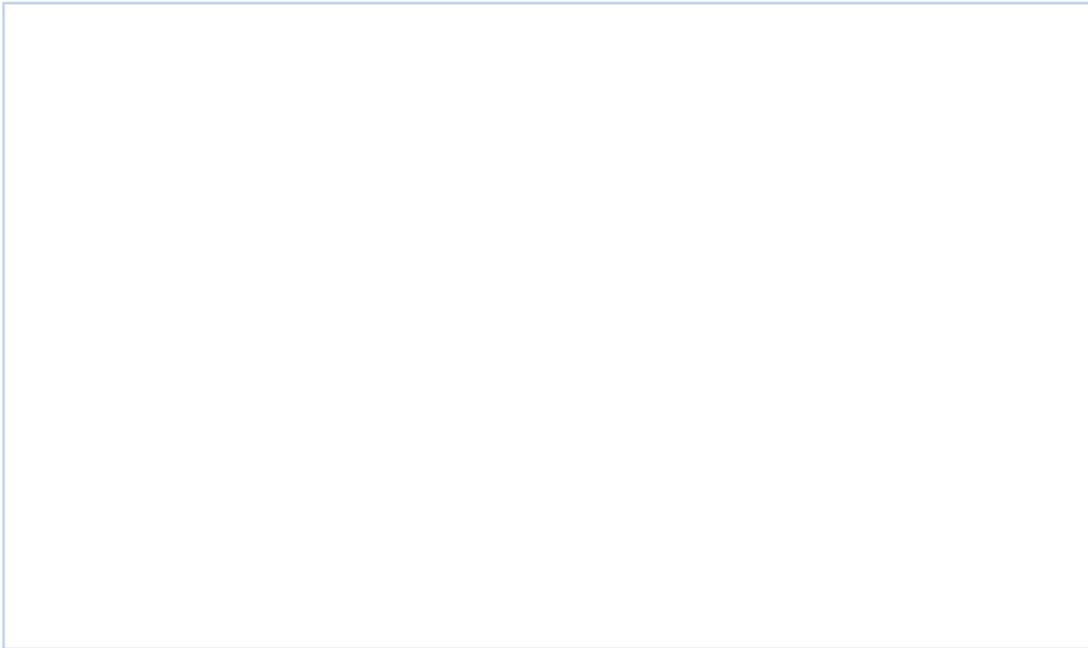
1. Successfully dealing with complaints will have a positive effect on your organisation.
2. A complaint can come from an internal or external customer.
3. You must treat all complaints seriously, regardless of their nature or the way they are communicated to you.
4. To cultivate good customer relations when dealing with complaints, you must be prompt and efficient, willing, helpful, polite and friendly.
5. You need to know who in your organisation has the knowledge or authority to deal with different types of complaints, so that when necessary you can refer customers to someone who can resolve their complaint.
6. In order to deal effectively with customers, you need to speak clearly and avoid industry jargon.
7. Communication skills such as listening, empathising, asking the right questions and writing clearly are essential.
8. Documenting complaints and filing any relevant material mean that you and others can refer back to the complaint in the future.
9. Keeping the customer informed of the progress and outcome of their complaint will maintain a positive relationship between your organisation and the customer.

Learning checkpoint 1 Respond to complaints

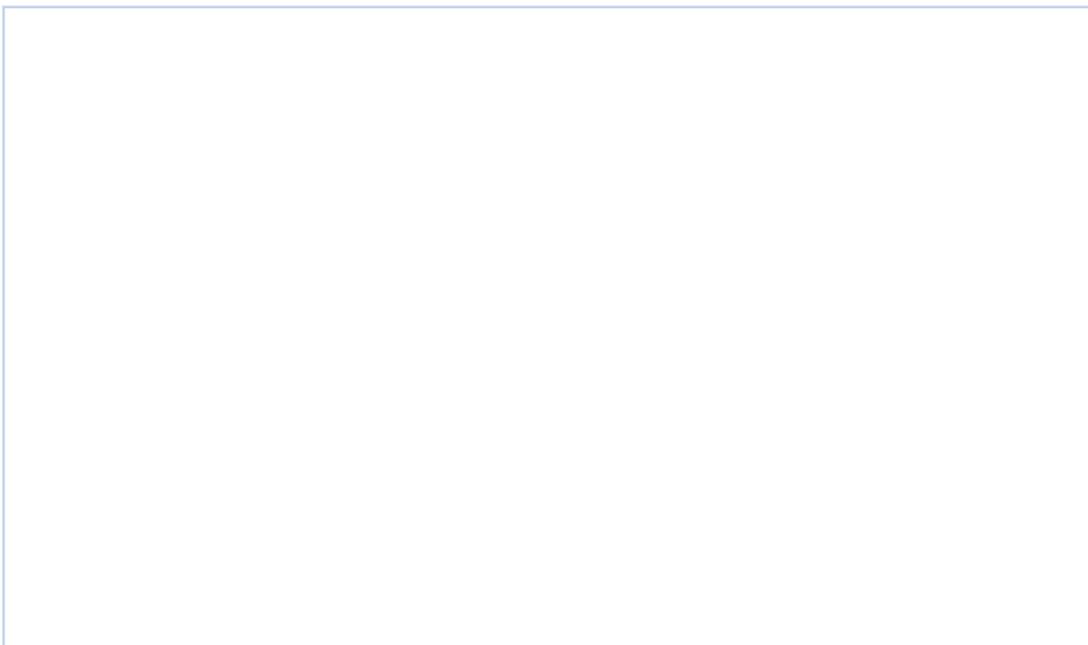
This learning checkpoint allows you to review your skills and knowledge in responding to complaints.

Part A

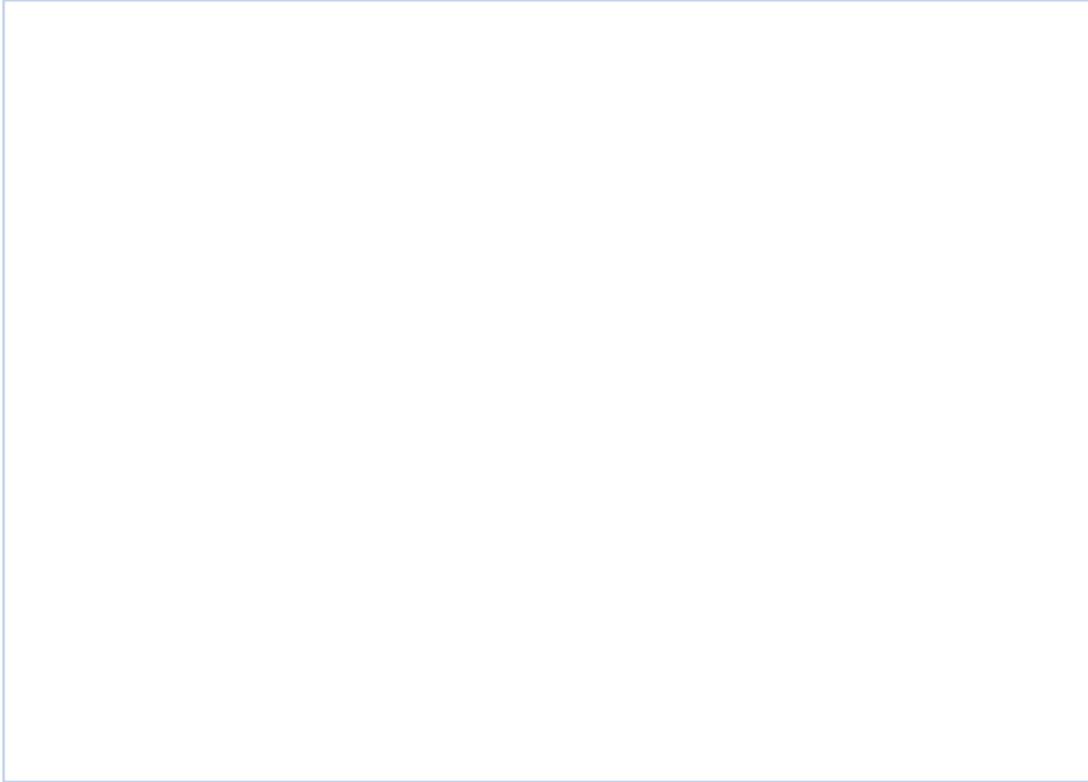
1. List three advantages to an organisation of having a complaints-handling system that all staff members can understand and follow.



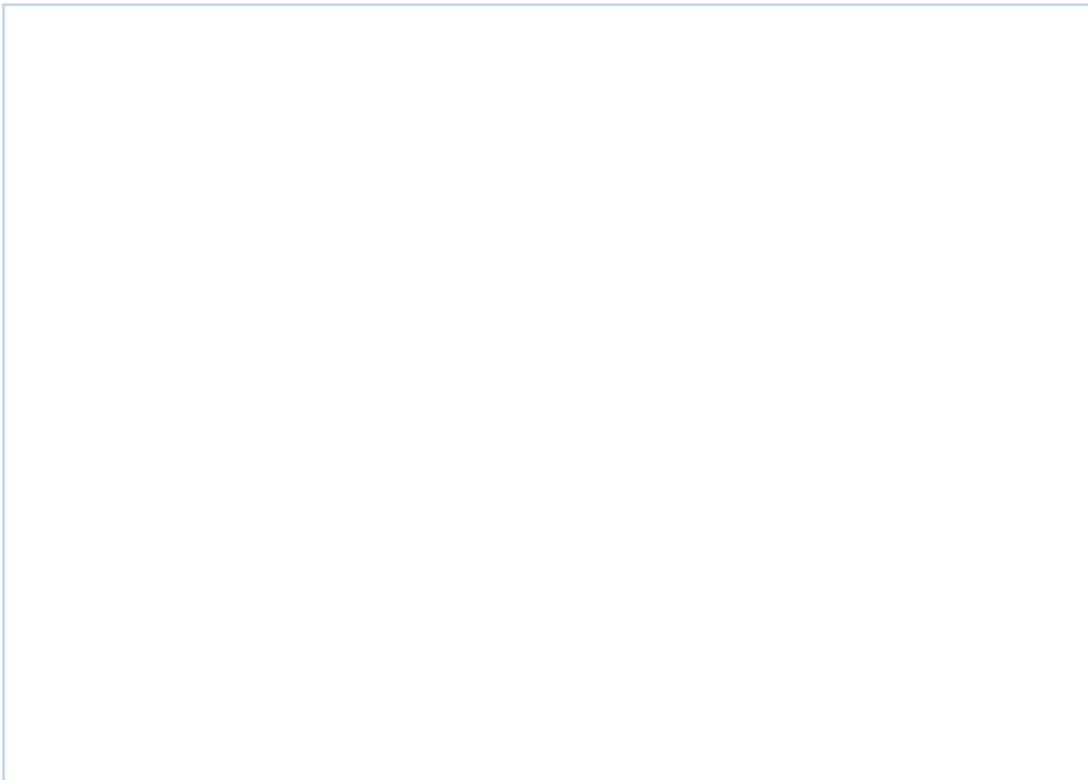
2. Explain in three paragraphs why someone who deals with external customers' needs to understand the basics of consumer protection law.



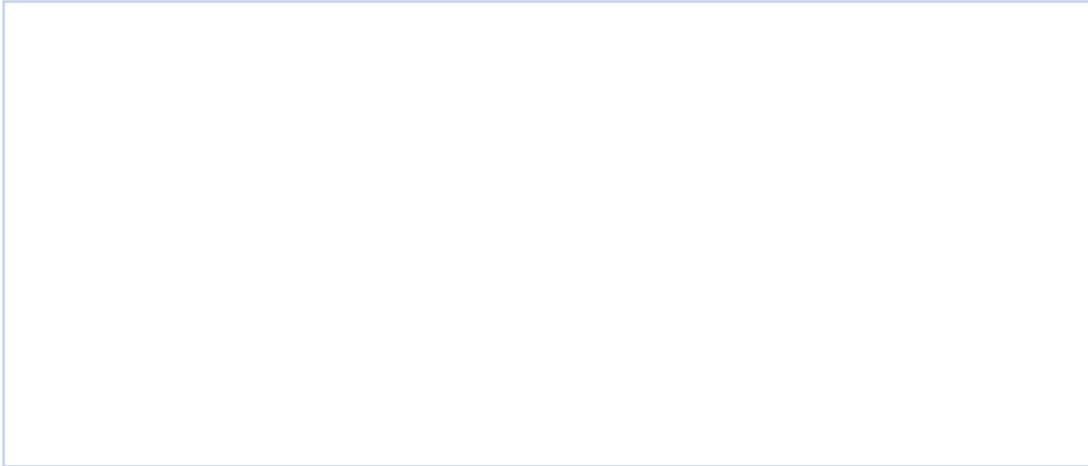
3. Find out why organisations must:
- always disclose additional costs
 - not make false or misleading claims
 - handle refunds and exchanges appropriately.



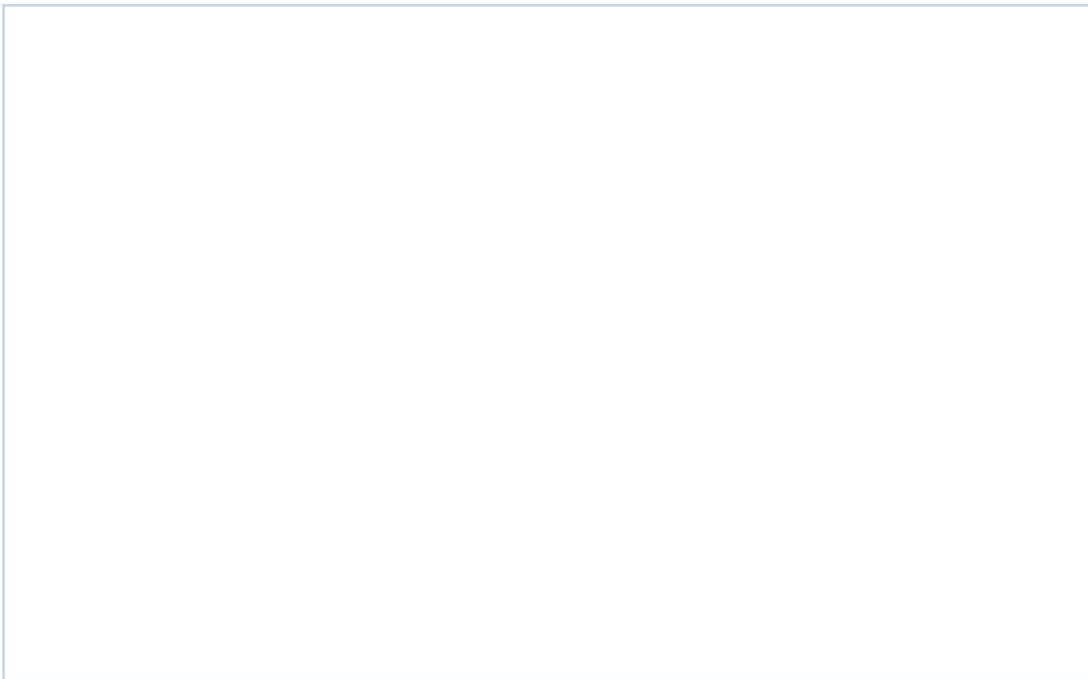
4. List five strategies you can use to manage your customer service skills.



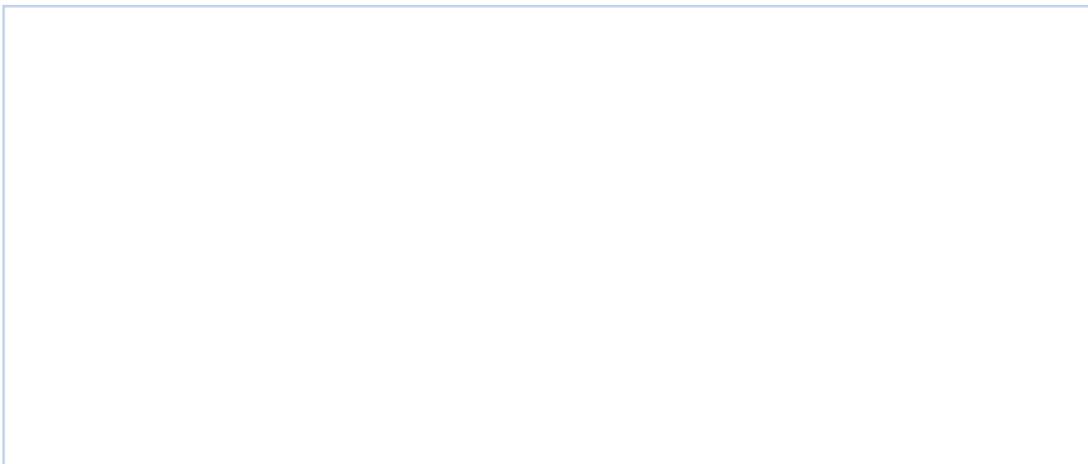
5. Why it is important to communicate with customers appropriately?



6. Why it is important to document complaints?



7. What does it mean to negotiate an outcome?



8. Explain in one paragraph why an organisation should keep a register of the complaints it receives. In your answer, identify the benefits that keeping a complaints register can bring to an organisation.

9. In the table below, list three communication skills and the relevant techniques you can use to help show you understand a customer's complaint.

Communication skill	Strategy

Communication skill	Strategy

Part B

Read the two scenarios, then complete the tasks that follow.

Scenario 1

Your manager complains to you that a report he asked you to complete is overdue. He is due to present this report to an important client at an interstate meeting in three days and would like time to review and edit the report before the meeting.

You tell your manager that you have completed your section, but the report needs some research results that you are waiting on from the sales department. A week has gone by and they have not supplied you with the data, even though you have telephoned and emailed the responsible person three times.

Your manager reminds you that you must always inform him if any difficulties arise that may cause you to miss a deadline.

Scenario 2

A customer has been told that some car seat covers sold by your company are ideal for station wagons. Later, he phones your organisation and says, 'I was given incorrect advice that has cost me a lot of time and inconvenience'.

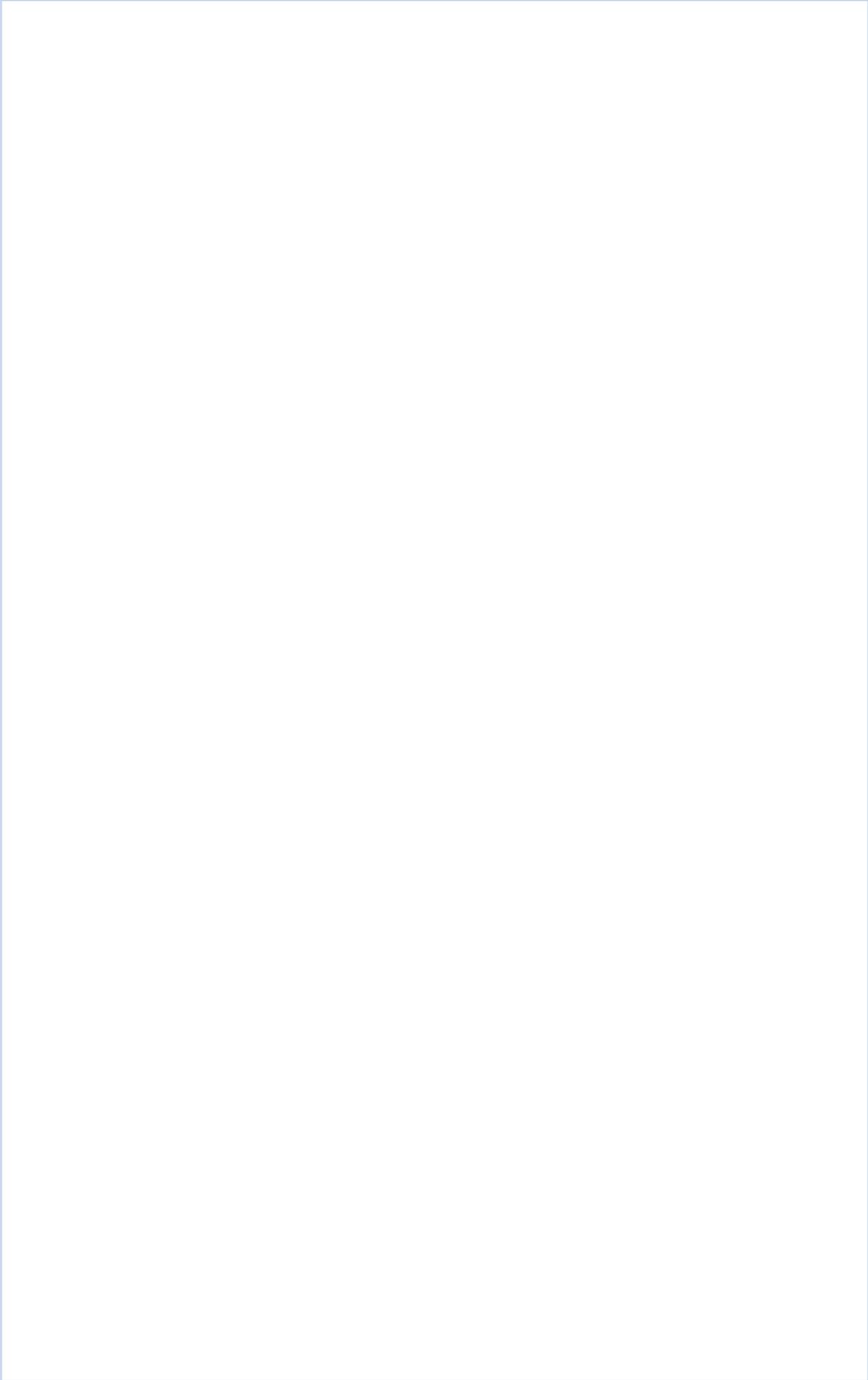
The customer says that the sales assistant who served him did not tell him that the seat covers would only fit certain models. The seat covers he purchased do not fit his station wagon.

The seat covers in your shop are clearly labelled – with shelving signs and on the packaging – stating which models they fit.

For each scenario, describe in one page how you would handle this complaint from start to finish. Make sure to cover:

- the communication strategies, including the communication medium, you would use
- the policies or legislation you would have to comply with
- the documents you would gather and prepare as part of the complaints-resolution process
- how you would negotiate with the other person to resolve the situation and ensure they were satisfied with the outcome
- how they would be informed of the outcome
- how the complaint-handling process could be improved.





Topic 2

Refer complaints

You may receive customer complaints that you are unauthorised or unable to process. When this happens, you need to know the procedure for referring complaints to other people and who to refer complaints to.

In this topic you will learn how to:

- 2A Identify complaints to be referred
- 2B Refer complaints to appropriate personnel
- 2C Forward documents and investigation reports
- 2D Follow up complaints

2A

Identify complaints to be referred

To decide on the appropriate person to handle a complaint, you need to work out the nature of the complaint and determine its seriousness. Think about the issues the complaint raises. Are they issues you know how to handle? Are they issues you are allowed to handle?

Also refer to your organisation's policies and procedures when deciding who should handle complaints.

Refer complaints to others

Different people are authorised to handle different complaints. These include WHS officers, specialist workers, managers, police, ombudsmen, state and territory consumer affairs bodies, and the Australian Competition and Consumer Commission (ACCC).

If the complaint is straightforward and you are authorised to handle it, you do not need to refer the complaint. However, if the issue is a matter you are unauthorised to handle or you do not have the knowledge or expertise needed, refer it to someone more appropriate. For example, if a customer complains that they are having trouble using a product because the instructions are not clear, you could refer them to a specialist who knows the product well.



When a complaint involves an allegation of legal infringement, such as sexual harassment or some form of discrimination, an external body such as the police or the Australian Human Rights Commission may become involved.

For a serious complaint, check your organisation's procedures so you know who to refer the matter to. You may need to refer the matter to a senior manager. You may need to make an appointment with them, prepare a written summary and gather all the existing information (such as complaint letters and other documents) for them. Your manager may give you instructions as to how to proceed.



2B

Refer complaints to appropriate personnel

When you refer a complaint to another person, be sure to supply that person with all the details of the customer and the complaint.

Complaint details include:

- when the complaint was made – the date and time
- who the complaint was made to – the employee's name and job title
- how the complaint was made; for example, through an online feedback form
- the customer's name, address and telephone numbers
- the details of the complaint – when the problem occurred, what the problem is and who is involved
- other documentation; for example, police report, delivery slip, feedback form
- what the customer has been told; for example, that the complaint has been referred to a manager and they should expect to hear from the organisation within two working days.

Methods for referring complaints

Use your judgment to determine the best way to refer a complaint to a colleague. If the complaint is urgent, phone them straight away. For example, there are often product recall reports in the media that alert customers to faulty products and so they contact the company. These complaints must be treated seriously and promptly.

The person you refer the complaint to must know everything they need to know about both the customer and the complaint. This way they can deal confidently and effectively with the customer.

Keep the customer informed by explaining that you have referred their complaint and someone more appropriate will be handling it. Let them know when they can expect to hear back about progress.

You can refer a complaint to a colleague in a number of ways, as follows.

Referring complaints to colleagues

- Transfer a customer on the telephone directly to the relevant staff member
- Email the staff member
- Telephone the staff member
- Send the staff member a fax
- Write the staff member a letter
- Visit the staff member in person
- Complete a request form asking the staff member to deal with the complaint

Practice task 7

Read the case study, then complete the questions that follow.

Case study

Zara has just started work as an advertising assistant for a suburban newspaper. The newspaper reports on local news and events, and relies on advertisements from local businesses for its revenue stream.

Mr Tang comes in to complain. The latest edition of the local paper has been delivered and an advertisement that he paid for has not been included. Mr Tang says he has lost potential customers and wants his money back. Other clients in the reception area are listening with interest.

Zara checks on her computer and finds that Mr Tang is correct. She apologises profusely and says she will get the advertising manager to come and speak to him immediately. But Zara's manager is out at lunch.

Mr Tang says 'Out to lunch – that'd be right. She's probably spending my money on a second bottle of red!'

Everyone in the reception area laughs and Zara feels she must appease Mr Tang. So she says that to make up for the newspaper's mistake, she will make sure his advertisement is published on page two of the next issue. Mr Tang is pleased by this and agrees.

Zara writes an email to her manager describing what happened and how she has handled the situation with Mr Tang. When Zara's manager returns and reads the email, she is furious. The next edition has already been designed and the advertising was all sold months ago. Now she will have to tell Mr Tang that his advertisement can't go on page two.

1. Where did Zara go wrong?

2. What should Zara have done when Mr Tang made his complaint?

3. What could Zara's manager do to make sure this kind of situation doesn't happen again?

2C

Forward documents and investigation reports

The person you refer a complaint to may request more information relating to the complaint. Your job may be to gather additional information. Different levels of documentation will be required depending on the nature and severity of the complaint.

For example, you may have to do some research to find out about privacy and data collection legislation.

If there is a complaint about an incident that has also been witnessed by other people, you may need to contact those people to obtain witness reports. You may even need to contact the police for a copy of a record that might be relevant to the complaint.

If the complaint was made directly to you, you may be expected to write a report about it. To write a thorough report, you may need to consult other people for additional information.

Any relevant information you have or can obtain will be helpful in resolving the complaint. This may include completed complaint forms, reports, correspondence, photographs, affidavits and audio recordings. These must all be forwarded to the appropriate person when referring a complaint.

Practice task 8

Read this email, then answer the questions that follow.

To: paul@cometdeliveries.com.au

Subject: Customer complaint

Hi Paul,

Here are the details of a complaint I received at 10.00 am today (9 July 2016). I believe you are the best person to handle this complaint, as you are in charge of deliveries and have records of where and when everything is delivered.

Customer name: Simon Bell

Customer phone number: (09) 2222 3333

Customer address: 87 Rivers Rd, Darwin NT 5000

Customer email: sball@optis.net.com.au

Mr Ball phoned to say that the parcel he sent with Comet never arrived at its destination. He said it contained something of great sentimental value and he is outraged that we lost track of it. He is questioning whether to continue using our services.

I apologised to Mr Ball for the inconvenience and informed him that the parcel may still turn up, as it may have been delayed in our recent rush on deliveries. I informed him that I would follow up his complaint by contacting you. I told him your name and said you would be in touch with him by the end of the day with an answer or a solution of some description.

Please follow this up as soon as you can.

Please find attached a copy of Mr Ball's 'Request for delivery' form. His order number is 79022714.

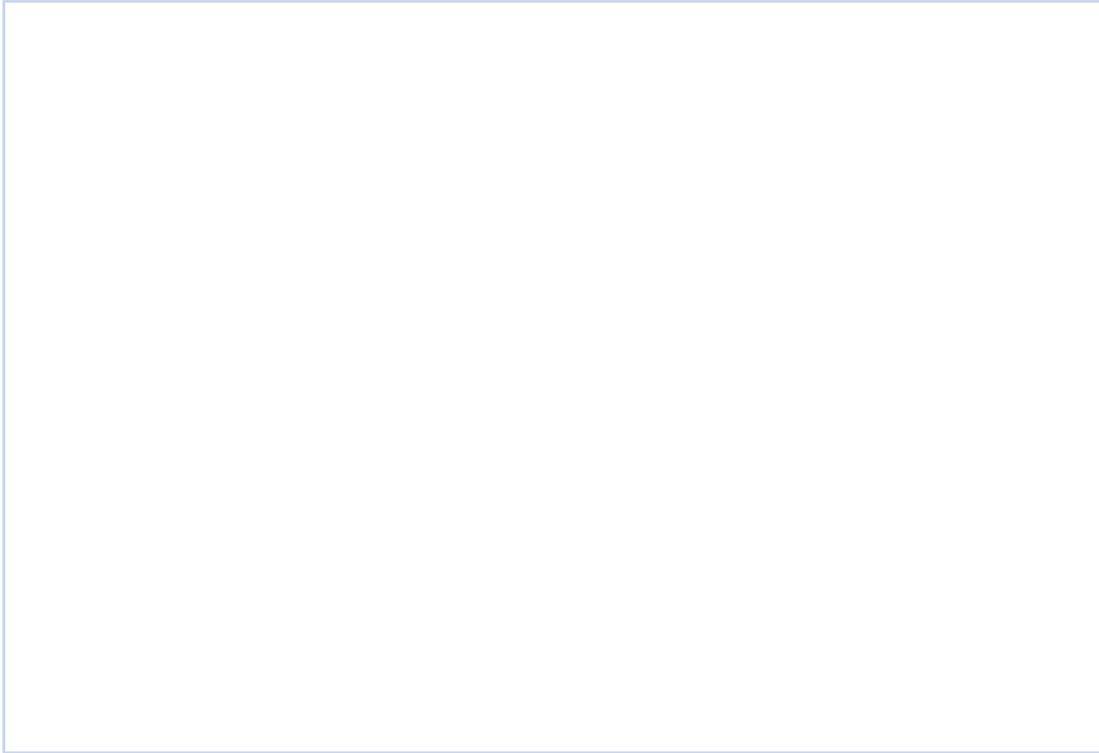
Cheers,

Darren

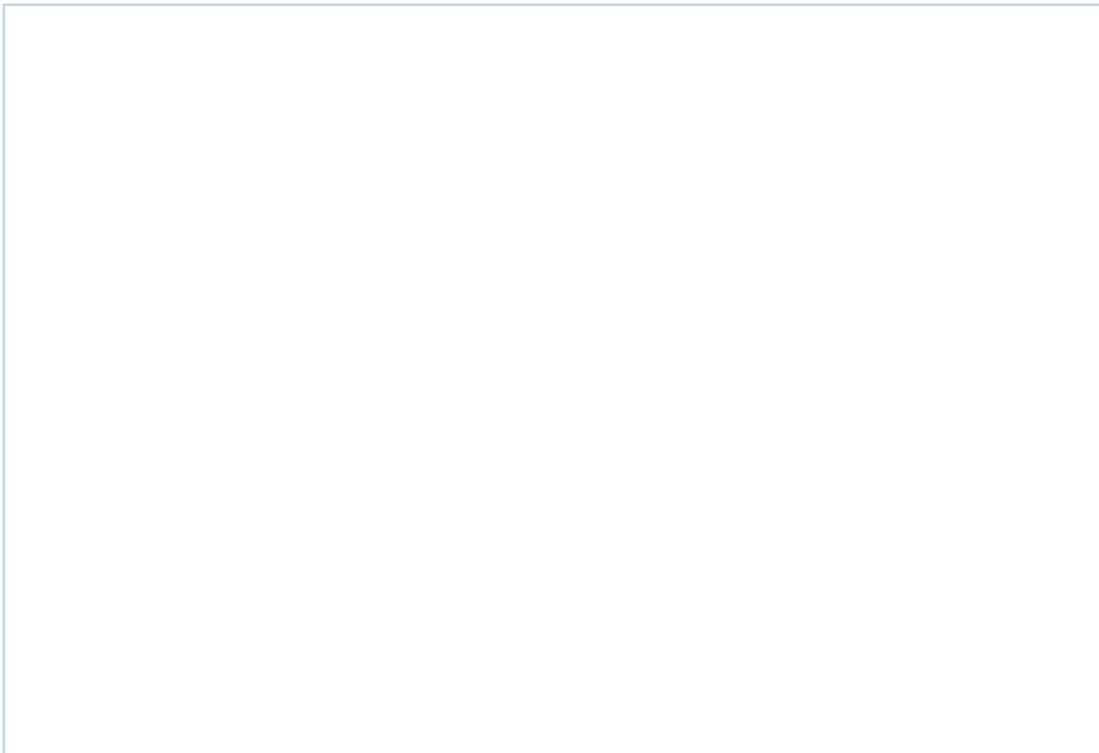
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1. Why does Darren attach Mr Ball's 'Request for delivery' form to the email?



2. Does Darren need to do anything else or can he leave the investigation up to Paul?



2D Follow up complaints

After you refer a complaint to someone else, this does not mean the complaint is out of your hands. You still have a responsibility to ensure the complaint is processed and a solution is negotiated and communicated with the customer.

If you refer a complaint to another employee by email, speak to that employee to confirm whether they received the email. After an appropriate length of time, ask them whether a solution has been negotiated. Prompt decisions must be made to process the complaint quickly and effectively. You or the employee must then inform the customer of the outcome of the complaint.

Many organisations make a point of contacting the customer at a set time (for example, two weeks) after the complaint to check that they are happy with the outcome and ask whether there is anything else that can be done. Some organisations ask the customer to fill out a questionnaire to ascertain whether or not they were happy with the customer service and the way the complaint was handled.

After referring complaints, make sure:

- the action you recommended has been (or is in the process of being) carried out
- the client knows what is happening
- the client is happy with the process and the outcome.

Example: customer complaints questionnaire

Following is an example of a questionnaire that can be used by organisations to work out whether they have successfully processed a complaint to the customer's satisfaction. This form is sent to the customer after the complaint has been sorted out.

Customer complaint questionnaire			
Dear			
We value your custom and thank you for bringing the following matter to our attention:			
Your response to the following questions will help us improve our service to you.			
	Yes	No	Somewhat
Was your complaint dealt with professionally and courteously?			
Was the reason for the problem explained clearly to you?			
Was the complaint dealt with promptly?			
Were you kept informed while the complaint was being processed?			
Are you satisfied with the outcome of the complaint?			
Is there anything we can do to make your experience with us better in the future?			

Practice task 9

1. After referring a customer complaint, what should you make sure happens?

2. Why is a customer complaint questionnaire a valuable tool for organisations?

Summary

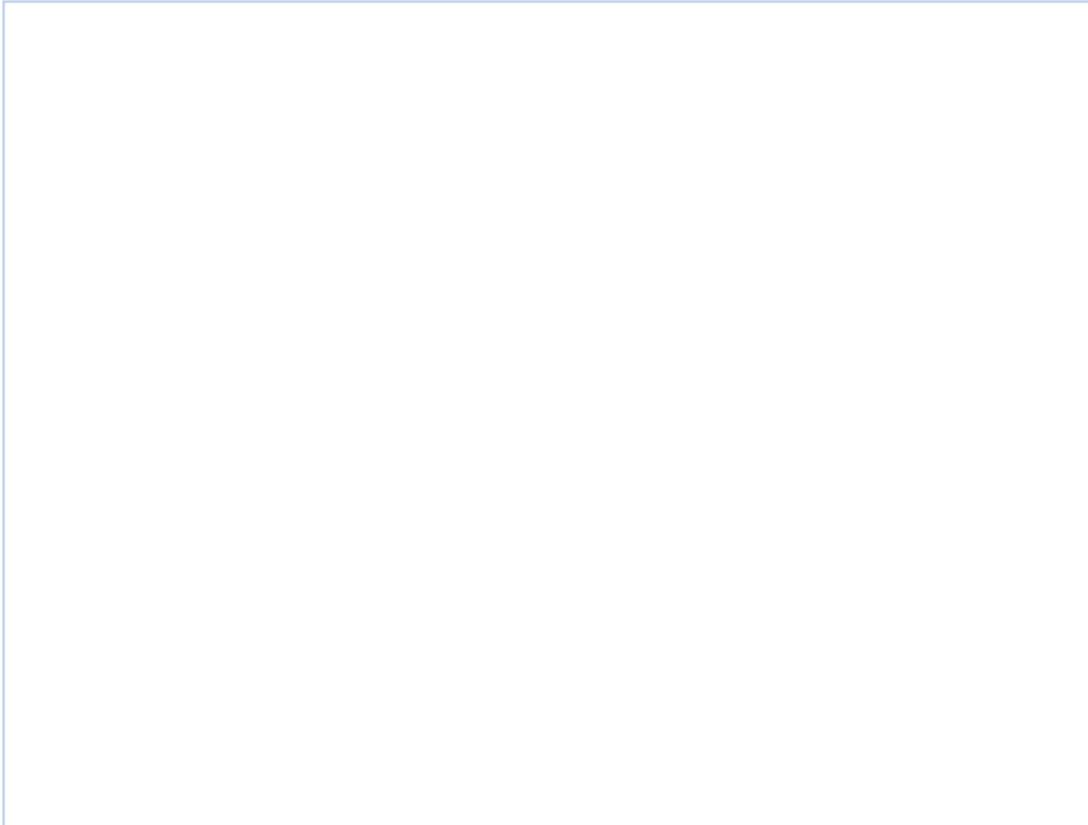
1. Complaints that are outside a person's experience, expertise or authority to resolve must be referred to colleagues, managers or external bodies.
2. Serious complaints must be referred to senior specialist personnel.
3. When referring a complaint to another person, make sure they are supplied with all necessary information, including customer details, the nature of the complaint and relevant documentation.
4. Documentation you forward along with a complaint may include completed complaint forms, reports, correspondence, photographs, affidavits and video or audio recordings.
5. To follow up a complaint, you should contact the person you referred the complaint to after an appropriate amount of time and confirm that the complaint has been dealt with.
6. You should also contact the customer to find out whether they are satisfied with how the matter was resolved; some organisations send out a standard questionnaire.

Learning checkpoint 2 Refer complaints

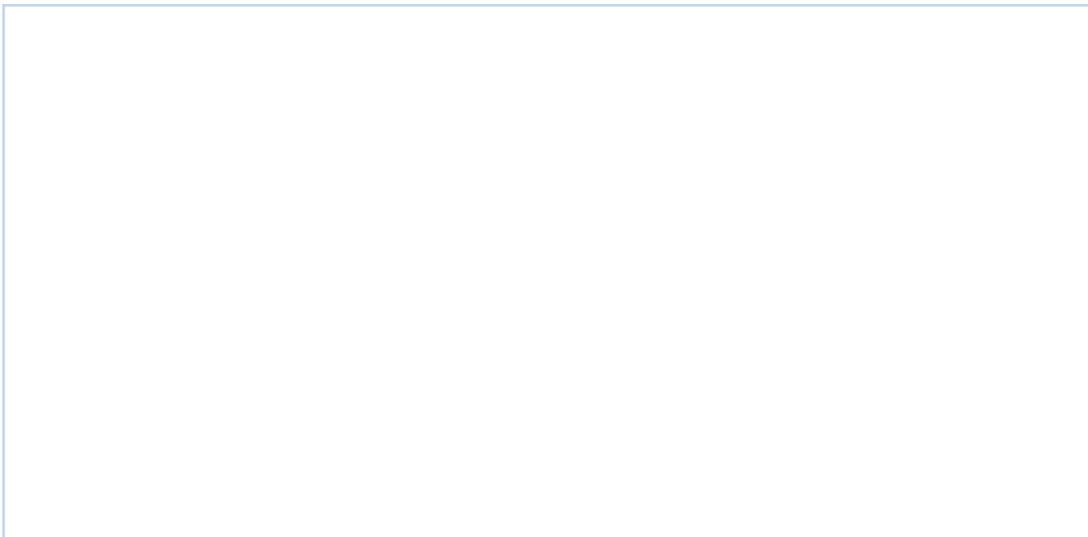
This learning checkpoint allows you to review your skills and knowledge in referring complaints.

Part A

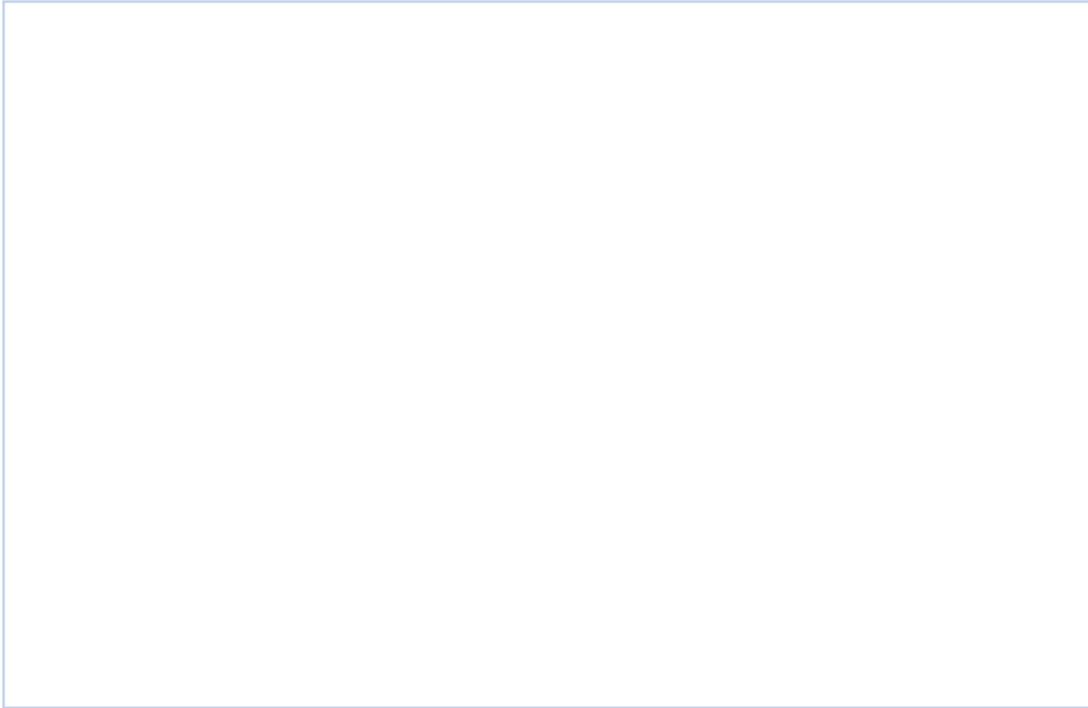
1. How can an organisation ensure all staff know when they should refer a complaint?



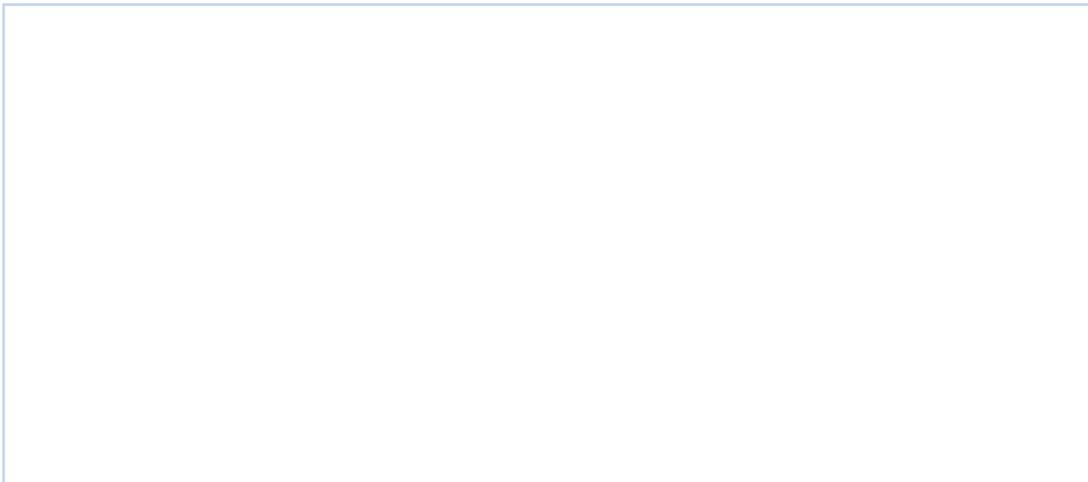
2. How can an organisation ensure all staff know who they should refer complaints to?



3. Draw a flow chart of the procedures you follow when referring a complaint.



4. How would you decide on the appropriate person to deal with a complaint?



Part B

Read the case study, then answer the questions that follow.

Case study

James works in the office of Blaine & Associates, a real estate agency. A tenant calls to complain that he and his wife have just received a 'pay now or be evicted' notice from the company, even though they have paid their rent on time for the past five years. He is furious and says his wife is extremely upset.

James is not responsible for dealing with these types of complaints. He knows he has to forward such complaints to the finance manager, Grant.

1. What should James tell the tenant over the telephone?

2. Write a summary of the situation that James could email to the finance manager.

3. List the documents James should collect to forward to the finance manager along with the complaint information.

4. What should James do to ensure this complaint is followed up?

Part C

Read the scenario, then answer the questions that follow.

Scenario

You work in the office of an office supplies company. On 6 September 2016, a customer, Barry Hare, complains to you that he received the wrong type of paper in a delivery from your company. He says this is not the first time there has been a mix-up. Here are his details:

- Phone number: (07) 9999 8888
- Email address: bhare@keynet.net.au
- Delivery address: 484 Robisons Road, Adelaide SA 4039
- Invoice number: H275

He says he needs the paper he ordered urgently. You tell him you need to speak to the person in charge of distribution and will get back to him.

1. What should you do before contacting the distribution officer? Explain why.

2. Explain how you would refer this complaint to the distribution officer. Explain why you would choose this method of contact.

3. Prepare a short information sheet about this customer and his complaint for the distribution officer. Don't forget to specify which one of you is to contact the customer to keep him informed and negotiate a solution.

Topic 3

Exercise judgment to resolve customer service issues

Every organisation has a different culture. This means that every organisation has a different way of doing things and a different way of approaching issues. Some organisations are very formal and staff must follow structured rules and procedures. Other organisations are more relaxed and staff have the autonomy to make decisions about how to handle situations.

Whether organisations are formal or informal, large or small, they all must follow legislation and statutory requirements, and all organisations should have policies and procedures that govern their business practices.

In this topic you will learn how to:

- 3A Identify the impact of customer service issues
- 3B Negotiate options for resolving issues with customers
- 3C Propose suitable solutions for resolving issues
- 3D Ensure unresolved matters are referred to appropriate personnel

3A

Identify the impact of customer service issues

You need to have good understanding of the organisation you work for. If you are very familiar with the way things are done and you understand your level of responsibility, you will find it easier to make decisions about how to process customer complaints.

You must process complaints in the way that your organisation wants you to. Even when you are dealing with an unusual complaint that is not mentioned in the organisation's policies and procedures, you should still have a general idea about how the organisation would like you to handle it.



Use your judgment

Aside from following your organisation's policies and procedures, there are times when you must use your judgment when handling a complaint. Try to gauge the situation – think about how the customer is feeling. Think about what they need to hear. Think about what to tell them and how best to tell this to them.

Use your common sense and be sensitive and perceptive. Think about what would be best for both the customer and the organisation.

Here are examples of how a complaint can be turned into a learning opportunity.

Turning customer complaints to your advantage
A complaint is an opportunity to turn a dissatisfied customer into a happy customer.
A complaint can be used to improve service and product ranges.
A complaint can lead to a better understanding of client needs.
If handled correctly, a complaint can increase client and brand loyalty.

Understand implications

When a customer is dissatisfied with the products or services they have received from an organisation, there are many implications for the organisation – both positive and negative.

Here is more information about these implications.

Negative implications

When a customer experiences poor service or buys a faulty product, the negative implications for the organisation are likely to be:

- a reputation for poor products and services
- loss of customers
- loss of revenue.

Positive implications

When an organisation receives a complaint, this provides an opportunity to identify where it is going wrong and how it can better foster customer relationships. Complaints give organisations a chance to put things right and turn dissatisfied customers into happy ones. Complaints should be seen as a continuous improvement tool that the organisation can use to regularly improve and increase customer satisfaction.

Is the customer always right?

Even though in most cases it is best to try to satisfy a customer and meet their needs, sometimes an organisation will be better off without a particular customer.

Staff members may spend a lot of time and effort in trying to please a customer who will never be satisfied, regardless of the measures taken. This can be an emotional drain on staff and keep them from helping genuine customers.

When difficult customers complain, it may be best to say 'no' to them and risk losing their custom. In these instances, you should consult with your supervisor before taking any action.

Here are the types of customers that an organisation can do without.



A customer who does not pay their bills and is constantly in debt to the organisation

The organisation is not making money out of this customer. Staff are spending time chasing payment that never comes. The relationship is not profitable for the organisation.

**A customer who is aggressive, offensive or threatening**

Staff have a right to feel safe, respected and happy in the workplace. Other customers also have this right. Customers who do not respect these rights are not good for the organisation.

**A customer who breaks a contract**

Customers and organisations sometimes enter into agreements or contracts. If a customer does not comply with the terms of a contract, they may not be worth keeping.

**A customer who is demanding and critical**

Some customers are never satisfied, no matter how much time and effort staff members invest in trying to please them. They may complain to see what they can get from an organisation in the way of free products or because it is a way of getting attention.

Practice task 10

Read the case study, then complete the questions that follow.

Case study

Rupert works on reception for a recruitment agency. Today is an important day for the agency because the executive director has meetings with representatives from three major corporations – corporations that the agency is hoping to sign on as new clients.

While a representative of one of the major corporations is in the waiting room, an angry woman bursts into the office. Rupert recognises her as being on the agency's 'active list' for data entry work. But today her behaviour seems a little out of control.

'I'm sick of these jobs you've been giving me – a day here and a week there. I need a proper job! When are you gonna get me a proper job?' the client asks Rupert aggressively.

Rupert is shocked and dumbfounded. The representative in the waiting room looks appalled and Rupert is worried that the agency may lose their business because of the situation.

1. What do you think Rupert should do?

2. What effect do you think a client like this has on an organisation?

3. What do you think the representative would be thinking of the organisation?

3B Negotiate options for resolving issues with customers

To analyse a difficult situation or complaint, it is important to break it down into parts and look at how those parts relate to each other. For example, if you were to analyse a complaint about expired food being sold to a customer, you might look at the store that sells the food, the distributors that deliver the food, the day the food was sold and the food itself.

There are many aspects to every complaint. Some are more complicated than others, but you still need to analyse every complaint you receive. Look at complaints from every angle and think of every component or contributing factor that will affect how the complaint is handled.

When a complaint is received, the employee concerned should seek out the source of the error or problem. It may well be the fault of a team member, a colleague in another department or a supplier; however, this is information for the organisation, not the customer. Once the source of the problem has been identified, the organisation should take steps to eliminate the circumstances that caused the situation in the first place and ensure it doesn't happen again.

Here are five steps that are great options when it comes to resolving issues with customers.

Analysing complaints in five steps



Step 1

Look at the problem from the customer's point of view.



Step 2

Trace back from when the customer contacted the organisation to complain to when they purchased the service/product.



Step 3

Investigate all documentation.



Step 4

Identify where the problem occurred.



Step 5

Seek resolution to the problem to satisfy the customer.

Negotiate a solution

Sometimes you will not be able to give the customer what they want immediately. When seeking a solution to a complaint, you may need to offer several options before the customer is satisfied. Carefully explain these options – remember that customers do not know your products and services as well as you do, and many customers are fearful that they are being taken advantage of. Make sure they understand what you are offering.

You will follow your organisation’s policies and procedures, and comply with legislative requirements; but, when looking for solutions to complaints, there will be times when your judgment is your best guide to offering the right option.



Practice task 11

Read this case study, then complete the questions that follow.

Case study

Brea works as the office manager on the tenth floor of a corporate building. Staff come to Brea with complaints and feedback about the office. One day, Aviva comes to see her. Aviva is upset because the air-conditioning in her office is too cold; because of this she feels her skin is always drying out and she is often getting sick. Brea tells Aviva she understands her concern and will look into some options for overcoming this problem.

Brea analyses the complaint and writes down all the factors she can think of:

- Aviva is distressed and this means her work will suffer.
- The organisation has a responsibility to ensure staff are comfortable and their working conditions are adequate.

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- Even if Aviva is not actually getting sick from the air-conditioning, the stress of the situation could be causing her absences and this costs the organisation time and money.

The building superintendent controls the temperature of the office. The building is on a central heating/cooling system, which means that to change the temperature in Aviva's office, the temperature of the entire floor would need to be changed. No-one else has complained about feeling cold in the office.

Brea looks at her list of factors and thinks of possible solutions:

- She could purchase a rug that Aviva could use to keep warm in her office.
- She could talk to the superintendent and get the central heating/cooling system adjusted, but this would affect everyone in the building.
- She could offer Aviva a small portable heater to keep in her office.
- She could move Aviva into a different office.

Brea goes to see Aviva and suggests she uses a rug to keep warm when she is in her office. Aviva is annoyed. 'That's not a solution, Brea,' she says. 'I'll still be blasted by the air-conditioner and I'll still get sick.' Brea then suggests Aviva could use a small portable heater in her office. Aviva does not like this idea either. She thinks portable heaters are dangerous.

Brea goes to her manager and explains the situation. Her manager gives Brea permission to offer Aviva a different office.

Brea goes back to Aviva. 'The only other thing I can suggest is that we move you to another office, Aviva. It seems your office is the coldest because it is in the corner. I'll give you all the help you need to move and it shouldn't take us long. I think you'll be much more comfortable and happier in another office. Would that suit you?'

'I suppose if that's the only option, I'll have to take it,' Aviva replies. 'Thanks, Brea. I appreciate the effort you've gone to over this situation.'

1. What steps did Brea take to find a solution to Aviva's complaint?

2. What was particularly good about the way Brea posed her final solution for Aviva?

3C

Propose suitable solutions for resolving issues

All options offered to a customer must comply with legislative requirements. For example, the *Competition and Consumer Act 2010* (Cth) relates to unfair or deceptive practices and is specifically designed to protect consumers. Australian Consumer Law states that consumers are entitled to seek compensation for faulty goods or substandard services.

Employees must follow their organisation's policies and procedures in relation to its business practices, which should comply with federal and state or territory law.

Comply with legislation and workplace policies

Providing accurate information is crucial. If a customer has made a complaint and an employee is trying to offer solutions to satisfy the customer, all options must be explained in terms that are not misleading, inaccurate or unclear.

For example, if you offer an alternative product that is of lower quality than the product they wish to exchange, you must explain this clearly to the customer.

An organisation must:

- provide accurate information
- offer goods or services that match the description supplied at the time of purchase
- compensate a customer if they have purchased a defective product or substandard service
- allow goods to be exchanged or money refunded according to Australian Consumer Law
- provide warnings and instructions for the safe use of a product
- use a customer's information only for the purpose for which it was obtained.

Practice task 12

Read the case study, then complete the questions that follow.

Case study

A customer visits a homewares store to return an item recently purchased online. She ordered a set of pale blue towels, but wishes to exchange them for dark blue ones. The organisation's policy is that unused items may be exchanged within 30 days providing the sales receipt is produced.

Hong, the sales assistant, accepts the receipt and the item from the customer to perform the exchange. However, the original range of towels is no longer available and a higher priced range has been substituted. Hong tells the customer, 'I'm sorry, but you have to pay an extra \$12 because we have run out'.

The customer hands over the money because there is a queue of people behind her, but leaves feeling dissatisfied.

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1. Describe the conversation Hong should have had with the customer.

2. If Hong wasn't authorised to offer other options, what else could she have done?

3D Ensure unresolved matters are referred to appropriate personnel

If a customer refuses to accept any of the solutions you propose, you should refer the complaint directly to your manager or a person in a position of authority in your organisation.

What happens when it seems there isn't a mutually agreeable solution to a complaint? The matter may need to be resolved with help from an independent party such as a mediator or an ombudsman.

A mediator is a person who helps people who are having a disagreement to discuss the problem and reach a solution. People often use mediation to avoid the expense and delay of going to court.

An ombudsman is an independent official person who investigates serious or long-standing disputes. An ombudsman may become involved when customers have complaints against state and federal government agencies or against major service providers such as telecommunications and energy providers.

Other independent bodies that may become involved include state and territory consumer affairs bodies and the Australian Competition and Consumer Commission (ACCC).

Businesses as well as customers can contact their state or territory consumer affairs body for advice.

A customer may choose to take a dispute to court or a small claims tribunal. At a small claims tribunal, the customer presents their case and seeks compensation.

The executive director or most senior member of an organisation is nominated to represent an organisation in such matters, but employees may be required to give evidence or assist in the investigation.



Practice task 13

1. What happens when a customer and an organisation cannot find a mutually agreeable solution to a complaint?

2. What is an ombudsman?

Summary

1. Every organisation has a different culture and a different approach to handling complaints.
2. In order to address a complaint, you need to see things from the customer's perspective.
3. There are negative implications if a complaint is not handled well, including angry customers and loss of reputation and business.
4. There are positive implications if a complaint is handled well, including increased customer loyalty, a better understanding of customers' needs and good publicity.
5. Not every customer is worth keeping.
6. When attempting to find a solution to a complaint, all options should be analysed.
7. Proposed solutions need to be carefully explained to a customer and negotiation needs to be carried out until a solution is reached that is acceptable to both the customer and the organisation.
8. All organisations must handle complaints in accordance with the law.
9. You will need to use your judgment in some situations, as well as complying with legislation and organisational policies, if you are to find an acceptable solution to a complaint.
10. If an organisation and a customer cannot reach agreement, an independent third party such as a mediator, ombudsman or government agency may be involved or the customer may decide to take legal action.

Learning checkpoint 3

Exercise judgment to resolve customer service issues

This learning checkpoint allows you to review your skills and knowledge in exercising judgment to resolve customer service issues.

Part A

1. Explain how a complaint can be positive for an organisation.

2. Explain how a complaint that is not handled well can have a negative effect on both the organisation and the customer.

Part B

Read the case study, then answer the questions that follow.

Case study

Oliver is the office manager for his organisation. A staff member, Nick, comes to see him with a complaint. Nick has noticed that most of the office staff do not observe recycling or waste-reduction principles. He says people throw recyclable items in the rubbish, leave lights on when rooms are not being used and do not print draft documents on both sides of the paper. He also just found out that a tap in the women's toilets has been leaking for a month but no-one has reported it. Nick feels that with a new recycling policy and some energy-saving guidelines, the company could do its bit to help the environment.

1. Describe, in half a page, the steps Oliver could take to propose a solution to Nick's complaint.

2. Explain whether you think Oliver should refer this complaint to anyone else and who he should involve in finding a solution. Give reasons for your answer.

Part C

Read the case study, then complete the questions that follow.

Case study

Candice wants to reward two of her staff for doing an excellent job on a project. She decides to buy them movie tickets for the upmarket Super Duper Class Cinemas with plush seats and snacks and drinks brought into the cinema during the movie.

Candice telephones the cinema to see how much these tickets cost. The customer service officer explains that tickets cost \$39.95 and are valid for 12 months from the date of purchase. She thanks them and says she will come down to the cinema complex to purchase four tickets that morning.

Candice drives 15 minutes to the cinema complex, parks her car (which costs her \$5) and goes in to buy the tickets. The customer service officer informs her that they have run out of tickets and she will have to come back that afternoon, when the new tickets are due to arrive. Candice is annoyed that she has wasted her time and asks to speak to the manager.

1. Explain how you would negotiate a solution to this problem if you were the cinema manager so that a positive outcome is reached for Candice, her staff and the cinema.

2. What could the cinema learn from this complaint?