



Candidate Resource and Assessment

BSBCMM301A

Process Customer Complaints



Whether as an individual, or as part of a group, real progress depends on entering whole-heartedly into the process and being motivated to make you a more deeply satisfied human being.

Focusing on your training needs



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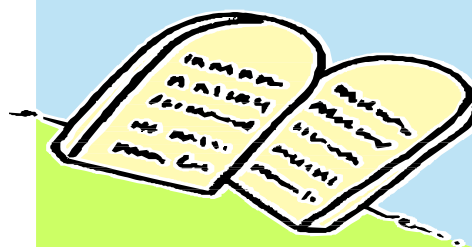
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"You're either part of the solution or part of the problem".
Eldridge Cleaver

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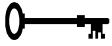
SAMPLE

Focus on

Your Area of Influence

Use considered risk taking in your 'grey' area

And others will follow you!

Legend	This course is divided into several sections of learning. Each section begins with the title of the element of the unit being taught, a quotation and a graphic related to content across the top of the page.
	This symbol indicates the beginning of new content. The bold title matches the content of the competency and they will help you to find the section to reference for your assessment activities.
	Activity: Whenever you see this symbol, there is an activity to carry out which has been designed to help reinforce the learning about the topic and take some action.
	This symbol is used at the end of a section to indicate the summary key points of the previous section.

Qualification Pathways



A goal without a plan is just a wish.

Antoine de Saint-Exupery

Qualification Pathways

This unit of competency is provided to meet the requirements of BSB07 Business Services Training Package although can be used in a range of different qualifications. The BSB07 Business Services Training Package does not state how a qualification is to be achieved. Rather, Registered Training Organisations are required to use the qualification rules to ensure the needs of the learner and business customer are met. This is to be achieved through the development of effective learning programs delivered in an order which meets the stated needs of nominated candidates and business customers.

Qualification Rules

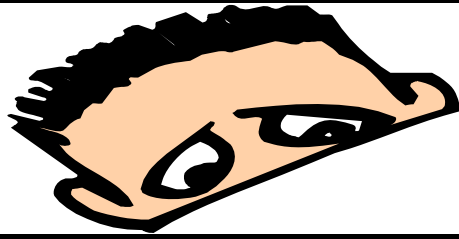
Qualification requirements include core and elective units. The unit mix is determined by specific unit of competency requirements which are stated in the qualification description. Registered Training Organisations then work with learners and business customers to select elective units relevant to the work outcome, local industry requirements and the qualification level.

All vocational education qualifications must lead to a work outcome. BSB07 Business Services Training Package qualifications allows for Registered Training Organisations (RTOs) to vary programmes to meet:

- Specific needs of a business or group of businesses.
- Skill needs of a locality or a particular industry application of business skills.
- Maximum employability of a group of students or an individual.

When packaging a qualification elective units are to be selected from an equivalent level qualification unless otherwise stated.

Introduction



"If learning comes through experience, it follows that the more one participates in guided experiences, the more one learns. Therefore venturing into uncharted waters - and experiencing the failures that may occur - is an important part of organisational learning."

Gould, DiBella, Nevis

Introduction

This unit specifies the outcomes required to handle formal and informal negative feedback and complaints from customers. It would typically apply to that part of a person's role where he/she has responsibility for or may be more concerned with the processing of customer service complaints.

These workers would be expected to have a detailed knowledge of products and customer service systems and procedures and be able to apply the organisation's procedures for dealing with customers.

This manual is broken up into three distinct sections. They are:

- 1. Respond to Complaints**
- 2. Refer Complaints**
- 3. Exercise Judgment to Resolve Customer Service Issues**

At the conclusion of this training you will be asked to complete an Assessment Pack. The information contained in this resource will assist you to complete this task.

On completion of this unit of competency you will have demonstrated your ability to deal with customer complaints.

SAMPLE

BSBCMM301A/01

Respond to Complaints



Any fool can criticize and complain - and most fools do.

Dale Carnegie



Process customer complaints using effective communication in accordance with organisational procedures established under organisational policies, legislation or codes of practice

Obtain, document and review necessary reports relating to customer complaints

Make decisions about customer complaints, taking into account applicable legislation, organisational policies and codes

Negotiate resolution of the complaint and obtain agreement where possible

Maintain a register of complaints/disputes

Inform customer of the outcome of the investigation

Keeping Customers Satisfied

It is the nature of any business to get customer complaints. And those complaints must be acknowledged and addressed. Most often, providers say, complaints concern a range of things depending on whether the organisation provides services or products and range from overall complexities of systems to misunderstandings of product to unmet expectations. It must also be acknowledged that there are going to be some legitimate mistakes. In a business involving people and when you have people dealing with customers and delivering products, you are going to have mistakes. But addressing those mistakes and handling customer complaints allows providers the chance to improve processes and service.

The worst mistake any provider can make is to ignore a complaint. The first response should be an apology. Then just listen. There are times that people need to vent, so let them vent. When we are attacked, the first response is often to try to defend ourselves. Try to overcome that and just listen.

Perception is reality. It is better to replace a product or service and keep a customer happy than to lose that customer's business.

Because listening is a learned response employees need to get extensive training in this area. Organisations tend to spend time with staff teaching them to problem solve, but it is equally important that a caring attitude is maintained and each customer is handled fairly and consistently.

Employees need to actively listen, to sit down if possible and stay at eye-level so as not to inadvertently assume a position of superiority or condescension, offer the client options. That may not give them what they want, but it does give them some control over the decision-making process.

After listening, you have to fix the problem and it is critical to keep the customer informed as you work toward a resolution. While taking the time to communicate is often difficult with employees' time pressures, it is critical. The most important thing is that you keep your customer informed of what's going on, even if the product is on back order or there is another delay.

Providers should never wait for the customer to call. We should always be calling them, so it is a proactive resolution rather than waiting to react to their complaints. Employees need to realise that customers are not an interruption of work - they are the reason we are in business.

Anytime you sell something it comes with a set of challenges. One of the challenges for any business is dealing with the customer's understanding of everything that goes into meeting their needs. Developing an FAQ (frequently asked questions) sheet that addresses and explains some of the most common complaints could help staff respond better to complaints.

Being proactive is also a part of strategy. Organisations can do full customer service training on how to not say 'We don't do that' or 'That can't be done.' employees may instead tell the customer 'This will be a little difficult,' or 'Here is another way we can achieve the same goal.' Give customers options, and try not to give them 'stopping words' that just stop the topic and put the customer on the defensive.

This leads to follow-up. If someone has a complaint and you resolve it to their satisfaction, 95 percent of those people will come back, and they will be among your most loyal customers. Satisfaction can be directly correlated to the number of referrals an organisation receives.

When you get a complaint, send a thank-you note. The truth is that if you didn't get the complaint you might continue to make the same error. Learning about a complaint gives you the opportunity to show the customer how much you care about their business. It's impressive when people can see what system you have in place for solving the problem and how you are going to fix it. Often, simple suggestions from customers lead to internal procedural changes that make a process more efficient or customer-friendly.

But what happens when a customer just cannot be pleased?

When you get a customer and all they do is complain about your competitor down the street, you can pretty much bet that in less than six months time you're going to be in the same boat as that other company. As much as we'd all like to say we're the only ones that do it right, we know other providers are doing a good job, too, and it can't always be as bad as a customer says.

If a situation gets to the point where people become verbally abusive to employees, you might just have to terminate the relationship.

Keeping Track, Taking Action

Tracking complaints can be tedious, but there are true benefits to the process. And for accredited companies, it is a requirement under the ISO quality standards. The requirement is more than just “busy work”. The whole point of doing it is to educate staff and improve business - you don't do it to throw it in a drawer.

The easiest way is to have a log that details who made the complaint, the time the complaint was received and the type of complaint, as well as a detailed description of the complaint and how it was resolved. At the end of the quarter, you summarise reports and determine what the issues were.

Some organisations use their complaint tracking policy as a place to improve quality. It begins with a form that is completed to document the complaint and ends with a benchmarking report. This becomes a benchmarking service where both good and bad comments are sent, and then the service can be rated us against other branches, departments or previous periods. It can be a great tool for quality improvement management.

It would be impractical to think that complaints could become obsolete. Yet providers can lessen their impact and use the circumstances to change processes and improve quality. More than anything else, customers just want to know that their opinions have value and that their providers are listening.

Specifically You!

What is expected of you by your organisation in relation to receiving and managing customer complaints? Where can you find a written copy of the policies, processes and expectations so you know that you and everyone else is meeting the organisational standard? Is the same process expected when you receive ‘internal’ complaints – those from other staff, teams, suppliers etc? How were the policies in place developed? Are you sure they are the best and inline with legislation or codes of practice? Let's check...

Legislation

First we must consider applicable legislation and codes of practice. Every industry will have their own codes of practice and these are developed to meet the standards of the legislation. But they do have variations, usually in excess of basic requirements. It would be impossible to cover all of the codes, so be aware of these and investigate for yourself in your industry. Likewise, there are various state and federal legislation governing sales in Australia to protect the rights of consumers but also imposes conditions on them in terms of their behaviour and expectations.

Within your industry there may be particular or special conditions. Check with your supervisor or manager to ensure that you comply with each. Basically, there are overriding conditions which affect both parties.

Customers can return something for either:

- A refund of the monies they paid;
- Repair of the goods or replacement of the goods if the goods are defective;
- The goods are not what was described by the salesperson or in advertising, both generally or at the place where you purchased the goods; or
- The customer let the salesperson know why they wanted the goods and the goods were not fit for the purpose that the salesperson told they were wanted for.

Customers do not have a right to a refund because:

- They bought goods which are the wrong size; or
- They changed their mind about the colour or decided they just do not like the goods any more.
- Some stores will give a refund or exchange the goods for other goods or give a credit note. However, they are not obliged to do so by law.

Signs, notices, explanations on sales information and dockets are all effective ways of informing the customer of the policies held by your organisation. But by far the best way is to effectively communicate in the first place. We will discuss more about communication later.

Remember:

- Find out what the customer really wants and needs.
- Ensure that the product meets those needs.
- Ensure the product is functioning and in the expected condition.

To increase the visibility of complaints, you should:

- **Listen to the Customer:** Complaints don't always identify themselves. Someone who is requesting the same information for the 5th time isn't asking for information anymore ... it's a complaint!
- **Solicit Complaints:** Everyone in the organisation should collect and report complaints. All this input should funnel to one place where your objective is to build a valid database of complaints. The more complaints you log, the better! This is one of the biggest cultural issues for organisations to overcome.
- **Record Complaints:** Create complaint categories that make sense for your organisation. For example, data that tells you that you had 123 complaints about white goods last month tells you nothing. The 123 complaints need to be broken down into categories so that you can get to a root cause analysis. If you only respond to complaints without correcting the root cause, you're spinning your wheels and you'll find yourself fighting fires instead of putting them out for good. You can identify root cause if you collect, categorise, and analyse complaints. As a result, process improvements will be complaint-driven and thus should be high-priority.

This is a customer complaint resolution process that anyone can implement:

- **Focus on the Customer:** If you can't immediately solve the problem, respond to the customer and identify an "owner" who will be responsible for final resolution. Complete the communications loop with customer. If you've referred the complaint to others, make sure there's closure. If you've left the customer hanging without a response, you've become part of the problem.
- **Focus on the Complaint:** Collect all complaints from all external customers and categorise them in a way that allows you to analyse the data to see trends, patterns, concentrations, tendencies, etc.

- **Focus on Process Improvement:** Use the database of complaints to define processes that are important from the customer's perspective and to improve the most critical ones. Based on analysis of the database, make appropriate investments to prevent issues that result in customer complaints. Look for permanent improvements to response time, cycle time, internal processes related to the complaints, and complaint frequency.

If you can think of complaints as useful data for making process improvements in your organisation, you will go a long way towards making changes that will differentiate you and make your work life easier, more fun, and more responsive to customer needs.

So how should providers handle these common complaints, or any others?

The 'Five-A' Approach to Handling Complaints

1. Attend

Dealing with customer complaints effectively requires:

- Staying calm and respectful
- Showing understanding to the customer's situation
- Listening to what the customer thinks is wrong
- Working on a solution the customer is satisfied with
- Providing a solution
- Following up with the customer afterwards

You may need to let the complainer vent. Look straight at them and listen, without interruption or defensiveness.

2. Apologise

Don't be afraid to apologise to a customer, even if you have done nothing to create the problem. Use the simple phrase, "I apologise." Not "We're sorry," not "the company regrets." Say, "I apologise."

Telling the customer that you apologise that the problem occurred does not mean you are admitting guilt. You are simply expressing concern for the customer. This lets them know their problem matters to you.

3. Acknowledge

Think about the customer's feelings. Say, "I understand you must be frustrated" (or "angry" or "disappointed"). Once the customer has finished talking, paraphrase back to them exactly what the problem seems to be. Avoid, if possible, the use of the word "you," as in "what you don't understand," or "who you'll need to speak to is"

4. Act

Offer to help. Create a solution. Is the problem solvable? What action can and will be taken? Can you promise that action now or do you need to confer with someone else in the company? When should the problem be solved?

Speak in positive, action-oriented terms: "I will, I can, the product does," not, "I can't, we won't, it doesn't." It is important to explain the steps you will take to correct the problem. You may want to consider giving the customer some options.

Keep the customer informed. Explain the next step. If you have to go through steps to solve problems, tell the customer what you are doing. If you have to leave the work area, explain why.

5. Appreciate

Never forget to thank the customer. They offered you the opportunity to solve a problem when, instead, they could have simply walked away. Initiate a corrective action.

Not Dealing with Complaints

Organisations that don't bother about satisfying their customers usually get more customer complaints. Answering them can, of course, cost the organisation money. Some organisations will try to mollify angry customers but many don't even bother.

In order to always deal with customer complaints effectively, a complaints system can be a very useful business tool. Having a system means that all staff will act the same way and that complaints are followed up. It also leaves a paper trail so you can look back and spot ways to improve your business and reduce the number of complaints.

Even if you don't refer to it very often, the act of writing it down means you are more prepared to deal with complaints when they occur. Having a written procedure can also help customers trust you and feel its worthwhile bringing the complaint to you in the first place.

What Does a Complaints System Involve?

In its simplest form, a complaints system is a set of instructions about how to deal with complaints. The instructions will suit your specific organisation and products or services, and need to be based on the key steps listed earlier.

You may find you need two or more sets of instructions if you have many staff or different forms of complaints coming in. Some examples of needing more instructions are:

- Dealing with complaints in person or by email
- Dealing with faulty products complaints or complaints about a service issue
- When to call a manager about a complaint and a procedure for managers
- Treating negative feedback (eg: an error on your website) separately to serious complaints (eg: your product was faulty)

The procedure can then be added to any other policies and procedures for your business, and possibly added to your staff manuals. In a retail business, you may wish to display a version of the procedure for customers, or at least have it available to show them if they ask.

A more comprehensive complaints procedure will include a recording system for the complaints. This could be a notebook where all complaints are written or a form for customers to fill in and the business to file.

Having a record of complaints is useful for monitoring any patterns and finding areas of improvement in the business. It is also handy as a record of dates if a customer returns to make further complaints.

As part of the recording system, make sure there is a way to tell resolved complaints apart from the unresolved ones. It could be as simple as moving a complaint form into another section of a folder or putting a red line across a complaint once it has been resolved.

A regular check of the records will then show you which complaints still need to be resolved. This way, no complaints will be left unresolved for very long and customers won't be kept waiting. Recording any follow up contact with customers is also useful for establishing an effective complaints process.

Review the process

Having a complaints procedure is a good plan for your business, but until you know it works effectively it is only a plan. In order to get the system working as well as possible, you may even ask customers if they have complaints so you can test the process.

After you have dealt with some complaints, review the procedure and see if it can be adjusted to be more effective or simple. Don't forget to ask other staff and customers how they found the process as well.

After writing a customer complaints procedure and reviewing it, you will be better placed to keep your customers happy and earn word-of-mouth advertising.



Key Points Section 1

- It is the nature of any business to get customer complaints.
- Complaints must be acknowledged and addressed.
- It must also be acknowledged that there are going to be some legitimate mistakes.
- The worst mistake any provider can make is to ignore a complaint.
- The first response should be an apology.
- Then just listen.
- Perception is reality.
- It is better to replace a product or service and keep a customer happy than to lose that customer's business.
- Tracking complaints can be tedious, but there are true benefits to the process.
- The whole point of recording complaints is to educate staff and improve.
- The easiest way is to have a log that details who made the complaint, the time the complaint was received and the type of complaint, as well as a detailed description of the complaint and how it was resolved.
- At the end of the quarter, you summarise reports and determine what the issues were.



Section 1 - 'True' or 'False' Quiz



T	F	Listening is a natural thing we do, and anyone can listen well.
---	---	---



T	F	Providers should wait for the customer to call so we can react to their complaints.
---	---	---



T	F	Employees need to realise that customers are not an interruption of work - they are the reason we are in business.
---	---	--



T	F	Give customers options, and try not to give them 'stopping words' that just stop the topic and put the customer on the defensive.
---	---	---



T	F	If a situation gets to the point where people become verbally abusive to employees, you might just have to try a little harder.
---	---	---



T	F	In its simplest form, a complaints system is a set of instructions about how to avoid complaints.
---	---	---

T	F	After writing a customer complaints procedure and reviewing it, you had better not make it public.
---	---	--



T	F	Learning about a complaint gives you the opportunity to show the customer how much you care about their business.
---	---	---