



**OMBUDSMAN**

**Report on the second survey of complaint handling  
in the Western Australian public sector**

December 2001

## Executive summary

The Office conducted its second survey of complaint handling in the Western Australian Public Sector during 2001. The first survey, undertaken in 1999, found that 25% of the organisations surveyed appeared to be meeting the *Australian Standard - Complaints Handling AS 4269 (1995)*. At that time the then Ombudsman said he would repeat the survey in 2001 in the hope that organisations would improve their complaint handling performance in the intervening two years.

As in 1999, the response rate to the 2001 survey was excellent, with 93% of agencies returning forms and a 94% response from the local governments surveyed in 1999. This yielded 127 survey forms for evaluation. Several new issues were included, such as measures of responsiveness and reviews of complaint systems. The Office also sought more evidence to support claims made in the responses.

The two years which have passed have seen a pleasing growth in attention to complaint handling. Improvements were seen in documentation (12%), appropriate publicity (24%), complaint data collection systems (22%), analysis of data (12% for agencies) and preparation of complaint data reports (6%).

However, requesting more supporting documentation this year revealed that considerably fewer respondents than previously thought appear to meet AS 4269. In 1999, on the basis of the respondents' statements rather than supporting documentation, it appeared that 33% of agencies and 12% of local governments appeared to meet AS 4269. The first review of the more comprehensive 2001 data showed that only five organisations were meeting AS 4269. Thinking that this must be an under-estimation, we re-evaluated all the responses, using all the elements of AS 4269. One local government was found to meet AS 4269 but no agencies. Some organisations could not be classified as meeting AS 4269 for minor omissions in complaint documentation, although most were not learning from complaints or reviewing their systems. We now consider that the 1999 survey showed how well public sector management understood the purpose of quality complaint handling systems, but not how well it had implemented them.

The Office saw some excellent complaint handling systems and we were pleased with the effort some organisations had made to implement their systems. However, too many organisations remain in the early stages of developing their complaint systems and improvement is still needed. These results are consistent with the Auditor General's recent findings in his Performance Examination of public sector complaint handling. His report entitled *Righting the Wrongs* was tabled in Parliament in October 2001.

Due to increased discussion of the issue in the past two years, Western Australian Public Sector organisations should now be aware of the essential elements of quality complaint handling. This Office will therefore include complaint handling as one of the elements considered in complaint investigations as a means to promote improvements in this area. It is therefore recommended that CEOs and senior management take action to ensure that their organisation has a proper system in place.

## Introduction

1. The Office conducted its second survey of complaint handling in the Western Australian Public Sector during 2001. The first survey, carried out in 1999, aimed to find the extent to which the public sector was responding helpfully to individual complainants and using complaint data to identify and rectify problems with services. No similar survey had been undertaken before in Western Australia so we did not know whether or not the public sector understood what was expected from modern complaint handling systems.
2. We learnt that 25% of the public sector organisations that were surveyed understood the purpose of complaint handling but that the implementation of proper complaint handling systems was in the very early stages of development. The then Ombudsman advised the public sector that we would carry out a second survey in two years time, as surveys of this kind promote improvements. This report gives the results of the second survey.
3. The second survey aimed to find out what, if any:
  - changes had occurred in public sector complaint handling since 1999;
  - further developments were needed to bring public sector complaint handling into line with current standards.
4. Ombudsmen have an interest in the complaint handling systems of the organisations within their jurisdiction. Firstly, Ombudsmen generally give the organisation an opportunity to resolve a complainant's problem before they commence an investigation. Ombudsmen are naturally reluctant to ask people to use an internal complaint handling process if they believe the complainant will find it unhelpful or if the additional step will delay the resolution of the problem unnecessarily. Surveys of internal complaint handling systems can therefore assist Ombudsmen to know whether or not a complainant is likely to receive appropriate assistance. Secondly, good internal systems will resolve most matters without the need for an external review. They therefore assist Ombudsmen's offices to deal with the more complex matters that do need the resources and investigative skills available in an Ombudsman's office.
5. The *Report of a Survey of Complaint Handling in the Western Australia Public Sector - December 1999* was distributed to the Chief Executive Officers of public sector agencies<sup>1</sup> and the local governments which had received the survey. It was also mailed to Members of the Western Australian Parliament. The report generated a great deal of interest in the topic both inside and outside Western Australia.
6. Early in 1999, public sector staff began contacting my Office for advice after the first survey forms were received. These calls increased after the report was compiled and mailed out in December 1999. We became aware of staff concerns about their organisation's complaint handling and responded by giving advice on establishing systems. The Office also responded to the demand for information in several other ways:

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<sup>1</sup> The term "agency" covers Public Service departments and statutory authorities. "Organisation" is used to refer to both public sector agencies and local governments.

- preparing a complaint handling reference list and attaching it to the survey report. An updated list is in the Appendix of this report.
  - referring callers with specific difficulties to people in other agencies who have dealt with similar problems;
  - inviting public sector agencies and local governments to attend a meeting to establish a complaint information-sharing forum in March 2000. This attracted 75 participants;
  - participating in the planning committee of the Public Sector Complaint Handling Forum which has arranged three information sessions on complaint handling; and
  - establishing a complaint handling contact list. Over 100 public sector staff receive email advice about seminars relevant to complaint handling as well as new initiatives in customer service and complaint management.
7. The contact with public sector staff has given this Office some insight into the difficulties faced by employees wishing to implement good-practice systems. The Office is often asked why agencies should go to the bother of establishing a complaint handling system. Staff also ask for a reference to a public sector administrative instruction requiring agencies to have complaint systems in place. No administrative instruction sets out specific requirements and standards for complaint handling for the Western Australian Public Sector. However, several initiatives in the past decade make it clear that responding to complaints is part of quality government administration.
8. These initiatives were outlined in the *Report of a Survey of Complaint Handling in the Western Australia Public Sector - December 1999*. One of the most important developments, the Customer Focus program launched in 1994, promoted continuous improvement and value for money from Western Australian public sector agencies. Customer Focus required agencies to develop Customer Service Charters which clearly showed users of services how they could make complaints. The Premier's Circular, *Service Improvements through Customer Focus, No 2/2000* updated previous instructions about Customer Focus.
9. During 2001 the Auditor General conducted a Performance Examination of the complaint handling processes in six public sector agencies. The report of his findings, entitled *Righting the Wrongs*, was tabled in Parliament in October 2001. The Auditor General examined the agencies' performance using the criteria set out in the *Australian Standard - Complaints Handling AS 4269 - 1995*. This requires organisations to have systems in place to react in a responsive way to complaints made against them, to improve services as a result of learning from complaints and to review the effectiveness of the complaint handling system in performing these tasks. Only two of the agencies reviewed could demonstrate a satisfactory level of performance in both managing individual complaints effectively and using complaint data to improve services. None of the six agencies had properly reviewed their complaint management system.
10. The Auditor General considered that these results were likely to be applicable across the public sector. The summary of the recommendations contained in his report stated that agencies need to:

- *demonstrate they are able to manage individual complaints efficiently and effectively, for example, by applying the essential elements of the Australian Standard on Complaints Handling.*
- *appropriately resource the complaints management function, particularly by establishing and maintaining an adequate complaints recording system and ensuring staff are trained in complaints management.*
- *demonstrate accountability for their handling of complaints by setting target timelines, monitoring progress and regularly reporting on outcomes.*
- *actively encourage communication of complaints by providing a highly visible and easily accessible process for making complaints and by assisting individuals to lodge complaints.*
- *invest appropriate resources in staff time and systems for analysing whole of agency complaints data in order to identify possible service improvements.*
- *periodically review their complaints management system with a view to improving services.<sup>2</sup>*

11. The Premier of Western Australia, the Hon Geoff Gallop, MLA, responded to questions about the Auditor General's report by stating that the whole of the public sector needs to re-gear its activities to serve people and to produce results for the public.

## Survey method and response rate

12. As in 1999, surveys were mailed to various public sector agencies and local governments. It was expected that agencies would base their answers on the situation prevailing prior to the public sector restructure that occurred on 1 July 2001.
13. A sample of 87 government departments and statutory authorities was selected for the survey. We are very pleased that 81 agencies returned survey forms. This gives a response rate of 93% which we consider an excellent result. (A further agency took the opportunity to implement a new complaint policy. After doing this, the agency returned the survey but it was too late for inclusion in the data.)
14. Concerned about the small number of local governments that had good complaint services revealed in the 1999 survey, the Department of Local Government had engaged a consultant to assist the sector to implement complaint services. The consultant needed to ascertain the number of local governments with complaint processes. To avoid two surveys being sent within weeks of each other, my Office mailed surveys to all 144 local governments. However, it was the Office's intention to focus the analysis only on the 49 local governments that were reviewed in the 1999 survey.

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<sup>2</sup> Auditor General for Western Australia *Righting the Wrongs: Complaints Management in the Western Australian Public Sector* Page 7

15. We received 105 (73%) completed surveys from the 144 local governments. Although we passed 59 of these surveys from smaller local governments to the Department of Local Government consultant for analysis, we were impressed that twelve stated that they had formal policies and procedures and that three were collating and analysing their complaint data.
16. Forty-six of the 49 local governments surveyed in 1999 returned their survey forms. Although the 1999 return rate of 100% for local government was not repeated this year we are pleased with the 94% response rate. The three local governments that did not return their survey forms advised that their complaint system had not changed since the last survey. We did not include these three local governments in the review as the current survey asked for new information and recording 1999 responses would have made analysis difficult.
17. The 1999 and 2001 surveys both take a snapshot of the state of public sector complaint handling at the time of each survey. Although this survey compares findings with the previous survey, it is not a direct comparison of the complaint handling status of the specific agencies and local governments surveyed in 1999. There are several reasons for this:
  - one agency was no longer within jurisdiction;
  - eleven agencies and three local governments responded to one but not both of the surveys; and
  - several agencies were included in this survey which were not reviewed in the previous survey.
18. A total of 127 surveys (81 agencies and 46 local governments) were reviewed plus supporting documentation – policies, procedures, data collection forms, publicity material, evidence of the use of complaint data for service improvement and evidence that respondents were reviewing their complaint system.
19. As stated in the 1999 report, surveys of complaint documentation are limited in their ability to accurately portray the effectiveness of a complaint system. The truth of this statement was confirmed by the unpublished results of the NSW Ombudsman's 1999 survey of complaint handling in the agencies and local governments within her jurisdiction. She found that far fewer agencies and local governments appeared to meet AS 4269 than was the case for this Office's 1999 survey. The reasons for the difference are discussed in greater detail below. This Office now considers that the 1999 survey over-estimated the number of respondents that met AS 4269. However, we believe that it did provide information about the level of understanding in the public sector at that time about the purposes of complaint systems.

## Survey findings

### Formal processes

20. More organisations now have written complaint policies and documentation than was the case in 1999. The 12% improvement is welcome although the documentation was still in

draft form in about 10% of the agencies. Other agencies explained that their documentation applied only to some sections of the agency. This needs to be rectified.

	<u>Agencies</u>		<u>Local governments</u>		<u>Total surveys</u>	
	1999	2001	1999	2001	1999	2001
Written Procedures (inc. drafts and some sections only)	76%	86%	55%	70%	68%	80%

21. Written complaint handling policies and procedures are key elements in good complaint handling. However, management needs to ensure that the contents of policies actually demonstrate that the organisation:

- supports complaint handling at the highest levels;
- is receptive to complaints;
- fosters a culture which acknowledges the right of users of their services to complain about any aspect of its operations; and
- actively seeks feedback from users of its services.<sup>3</sup>

22. We considered that more of the documentation submitted needed to meet these criteria. Policy statements should genuinely welcome complaints so that organisations may both solve problems and improve services by learning from this feedback.

### Authorisation to handle complaints

23. This survey asked about whether or not agencies had specifically authorised staff to handle complaints. This is an element of commitment to complaint handling processes. More local governments (50%) than agencies (37%) had authorised all staff to handle complaints. A small number of respondents had not specifically empowered any of their staff to handle complaints. More agencies (58%) than local governments (41%) had formally authorised their managers to handle complaints.

### Training in complaint handling

24. Providing training is a key element of an organisation's commitment to its complaint handling system. The survey question asked about training in generic complaint handling skills rather than just informing staff of the organisation's own processes. However, some respondents answered that they trained staff in their organisation's own processes. We believe that staff need to be trained in general complaint handling skills as well as being informed about the organisation's complaint processes.

<sup>3</sup> Australian Standard - *Complaints Handling* AS 4269-1995 Page 7

25. Responses revealed three training issues that need attention. Not enough staff who are expected to deal with complaints receive training. Nearly half of the organisations said that they did not provide any training for their contact staff or complaint system coordinator. The figure was even higher for managers even though complaint handling is a core management function.
26. The survey results also showed that organisations might have under-recorded the training their staff received. This indicates that they may not be committed to monitoring the complaint handling training their staff are receiving. The Public Sector Complaint Handling Forum presented three well attended sessions in the twelve months before the survey period. However, a number of agencies and local governments overlooked the fact that their staff had attended these sessions.
27. As in the last survey, organisations reported that their staff had attended courses on customer service, handling difficult people and other related topics. These courses are useful but do not provide all the skills necessary for quality complaint management. Staff who are expected to respond to complaints need training in complaint handling skills. At least two companies are now providing complaint handling training in Western Australia but only one agency noted that they had sent staff to one of these new courses. This low level of training in complaint handling skills was not expected although agencies have told staff from this Office that they have very limited funds for training.

	All staff		Contact staff		Coordinator		Complaint handlers		Managers	
	Agencies	Local govts	Agencies	Local govts	Agencies	Local govts	Agencies	Local govts	Agencies	Local govts
None	65%	52%	47%	43%	48%	48%	65%	76%	44%	54%
In-house	21%	20%	23%	13%	10%	7%	12%	11%	16%	20%
Customer service	7%	13%	12%	17%	8%	4%	6%	4%	11%	11%
Aussie Host	2%	0%	1%	4%	2%	0%	1%	0%	1%	0%
Telephone skills	1%	0%	4%	0%	0%	0%	1%	0%	1%	0%
Difficult people	0%	4%	2%	9%	2%	15%	0%	0%	1%	7%
PSCH Forum	0%	0%	1%	2%	3%	4%	0%	0%	0%	0%
Commercial complaint course	0%	2%	0%	4%	2%	4%	2%	2%	1%	2%
Investigation course	0%	0%	0%	0%	2%	0%	2%	0%	1%	0%
Other course	1%	0%	5%	0%	6%	7%	2%	0%	6%	0%
Blank / not stated	1%	9%	5%	7%	19%	11%	6%	7%	16%	7%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown.)

## Support for complaint handlers

28. Handling complaints on behalf of an organisation can be a stressful task at times. Staff who take complaints need to listen carefully to people who may be angry with their organisation. They may then need to seek assistance from colleagues who may not welcome negative feedback. Ensuring that staff who handle complaints have access to debriefing when they need it is an important commitment to the complaints procedure. Methods such as access to a supervisor or other staff can be very helpful in preventing “burn-out” if it is available immediately after a stressful incident.

29. Table 3 shows that over a third of agencies and local governments are not providing appropriate support for their staff who handle complaints.

	<u>Agencies</u>	<u>Local governments</u>	<u>Total</u>
None	35%	39%	37%
Supervision	25%	30%	27%
Other staff	11%	2%	8%
External counselling	6%	9%	6%
Blank	6%	7%	7%
Type not stated	5%	9%	6%
Complaint coordinator	2%	0%	2%
Additional training	2%	0%	2%
Staff meetings	2%	2%	2%
Other	5%	2%	2%
	100%	100%	100%

(Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown.)

## Publicity

30. The 1999 survey emphasised publicity as an essential element in a quality complaint handling service. We considered that organisations need to use three or more publicity methods to ensure that the people who use their services are likely to be aware of the system. We were pleased with the increase in using three or more publicity methods – 22% of agencies and 20% of local governments. Fewer agencies had no methods of publicity but this may be due to including staff advice as a publicity method in the checklist on the questionnaire. Ten agencies and ten local governments chose this as their only method of publicity. We recommend that agencies use methods that do not depend solely on the nature of the communication between complainants and staff.

31. Table 4 shows the increase in the number of publicity methods used since the last survey.

	<u>Agencies</u>		<u>Local governments</u>		<u>Total surveys</u>	
	1999	2001	1999	2001	1999	2001
0	12%	1%	42%	4%	22%	3%
1	34%	33%	24%	37%	30%	34%
2	22%	11%	24%	26%	23%	17%
3	15%	17%	2%	17%	10%	17%
4	12%	25%	4%	7%	9%	18%
5	5%	4%	0%	2%	4%	3%
6	0%	7%	2%	2%	1%	6%
9	0%	1%	0%	0%	0%	1%
Blank	0%	0%	2%	4%	1%	2%
	100%	100%	100%	100%	100%	100%

(Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown.)

32. Survey respondents continue to adopt a wide range of publicity methods for their complaint systems. The increased use of complaint pamphlets was welcome. Thirty agencies and ten local governments have now developed them whereas only thirteen agencies and three local governments used them in 1999. Sixteen respondents are using the Internet to receive feedback and complaints. We visited all websites and found most to be easy to use but considered that some should make their feedback processes more prominent. In 1999, only two agencies had a separate listing for their complaint staff in their telephone directory entry. This has increased with seven agencies now using this method of publicity. No local governments are using this method. Listing the telephone number for a staff member who can take complaints shows an organisation's commitment to handling complaints and we recommend its wider use in the public sector.

### **Scope of complaint system**

33. Being concerned about the number of organisations that had been unwilling to accept complaints about their policies in 1999, the survey again included questions about the scope of the system. Many respondents did not answer these questions - 6% of agencies and 10% of local governments. However, 86% of agencies and 78% of local governments accept complaints about their policies, decisions and staff behaviour. Six percent of respondents explained that the complaint system did not accept complaints about decisions, as there were other procedures for handling these matters.

### **Responsiveness**

34. This survey asked new questions about the responsiveness of public sector complaint systems. These covered the areas of:

- informing staff of complaint policy and procedures;
- instruction for first-point-of-contact staff about referring complaints;
- assessment of the seriousness of complaints;
- advice to complainants about their right to a review; and
- complaint performance standards.

35. Most respondents with formal procedures informed their staff about them in a variety of ways. This is important, as all staff need to be able to transfer complainants quickly to a staff member authorised to take complaints. A procedures manual and orientation sessions were the most common methods used to inform staff.

36. As speed of response is important for quality complaint handling, the survey asked if first-point-of-contact staff knew how to refer complaints correctly. Seventy-nine percent of agencies and 76% of local governments answered that first-point-of-contact staff were aware of referral procedures. Nearly half the respondents said that first-point-of-contact staff had written instructions but 25% were relying on oral instructions only. This is not ideal.

37. The survey also asked if respondents had systems for assessing the complexity of complaints to determine how they would be handled. More agencies than local governments (65% and 33%) advised that their procedures included this type of assessment. Two local governments advised that their draft systems included an assessment of how new complaints should be handled.
38. A third element of responsiveness was the extent to which agencies routinely advised complainants that they could seek a review from the Ombudsman's Office at the close of the complaint. This practice promotes quality complaint handling. It encourages accountability as organisations may be motivated to try harder to resolve complaints if they know that an external party might later review their actions. The organisation shows the complainant that it is prepared to stand by the process used to resolve the complaint and also the outcome. It also helps the complainant to accept that the organisation has taken their complaint seriously. This Office welcomes complaints that have been through an agency's internal system, as an external reviewer is sometimes in a better position to bring about a resolution. We may suggest that extra work is needed to resolve the complaint or it may be that our review is the only way to reassure the complainant that the organisation's response was reasonable and fair.
39. Over 60% of agencies and local governments stated that they routinely advised complainants of their review rights. However, only 26% of agencies and 39% of local governments provided any evidence that they were doing so. External review rights were included in their complaint documentation or complaint brochures. We were expecting that respondents would provide this evidence by attaching a document template for a closing paragraph about review rights in closing letters to complainants. We recommend that all organisations prepare standard paragraphs about review rights and use them routinely in letters to complainants at the close of a complaint.
40. The complaint literature shows that people are more likely to be satisfied when their complaint is handled quickly. This is not always possible in government where changing a decision or eligibility criteria might have unintended consequences for an organisation's budget. However, public sector organisations can increase satisfaction by informing complainants when they will receive progress reports about their complaint and the expected time for a resolution.
41. This survey therefore included questions about complaint performance standards for acknowledgment time, progress reports and resolution of complaints. Although 68% of agencies and 48% of local governments said that they had set these standards they did not all provide any evidence to support their existence. Table 5 shows the respondents who did provide evidence of complaint performance standards.

Table 5	Complaint performance standards		
	<u>Agencies</u>	<u>Local govts</u>	<u>Total surveys</u>
Acknowledgment	57%	46%	54%
Time frame	54%	39%	49%
Progress reports	40%	41%	40%

42. Forty-one percent of agencies and local governments also had procedures in place to monitor their organisation's compliance with the standards set.

### Rate of complaint

43. This year we repeated the questions about knowledge of the number of complaints and users of the organisation's services in the previous financial year. We believe that organisations need to consider how many complaints they would expect to receive in their industry. Calculating the rate of complaint helps to determine whether or not they are receiving an appropriate level of feedback from users of their services. Management can also use other sources of information about their agency to check that their formal complaint system is capturing all complaints. Customer satisfaction surveys, with questions about the experiences of lodging complaints, are one way of checking that most complaints are being recorded in the data collection system.
44. Again, more agencies than local governments were able to calculate their rate of complaint although the drop in the number of agencies producing this information was not expected. We are concerned that less than a third of the respondents provided this information which should be readily available from a data collection system.

	<u>Agencies</u>		<u>Local govts</u>		<u>Total surveys</u>	
	1999	2001	1999	2001	1999	2001
Could be calculated	44%	38%	2%	9%	29%	28%
Could not be calculated	56%	62%	98%	91%	71%	72%
	100%	100%	100%	100%	100%	100%

### Complaint statistics collection and analysis

45. The current survey again asked about data collection, as this is an essential step if organisations are to identify any patterns of problems in their services so that they can take action to prevent recurrences. There has been a 22% increase in the proportion of organisations with complaint data collection systems. More local governments (30%) than agencies (11%) have no system to collect their complaint data.
46. We asked about the source of complaint data again as we expected that more organisations would be recording their telephone complaints. Sixty-five agencies and 25 local governments were recording complaint letters in their systems. Five agencies record complaints in some parts of the agency only and have no central coordination of complaint data collection. The central coordination of complaint data is more difficult when departments are being restructured but nonetheless it is part of the commitment to quality complaint handling systems.

	<u>Agencies</u>		<u>Local govts</u>		<u>Total surveys</u>	
	1999	2001	1999	2001	1999	2001
	Letters	62%	80%	45%	54%	56%
Ministerial correspondence	55%	75%	37%	24%	48%	56%
Telephone	43%	64%	37%	43%	41%	57%
Complaint handlers	48%	41%	20%	22%	38%	35%
Other	12%	12%	20%	7%	15%	10%
Partial collection	0%	6%	0%	0%	0%	4%
No system	31%	11%	55%	30%	40%	18%

47. Accepting telephone complaints indicates a responsive complaint system and the increase - 21% in agencies and 16% in local governments - is welcome. However, telephone complaints do need to be recorded to meet AS 4269. More development is needed in this area.
48. Six agencies and four local governments had systems for collecting their complaint data but were not actually analysing it in any systematic way. Some agencies, especially larger ones, were collating data from some but not all sections of the organisation. This needs to be addressed.
49. Since the last survey this Office has become aware of some organisations, here and in the Eastern States, which have equated establishing a complaint handling system with purchasing complaint software. However, our experience is that off-the-shelf or even tailor-made software does not necessarily meet all the needs of every organisation. Organisations would be advised to decide on appropriate policies and procedures, know the number of complaints that could be expected in their industry and decide on the best means for management to learn from complaint data. This exercise would guide an agency about whether or not it needs to purchase a complaint data system at all and, if it does, what type of system is needed. Some organisations have stated that they do not need commercial complaint handling packages. They have used spreadsheets to identify recurring problems and to confirm a reduction in the number of complaints when the problem was resolved. Other agencies have been able to add complaint fields to existing management software. Although we asked questions about data analysis methods and clearly consider data analysis essential, we are not advocating the adoption of commercial complaint handling software as an essential element of quality complaint handling.
50. The survey showed a 12% increase in agencies that were analysing all or part of their complaint data. The trend in agencies appears to be towards in-house systems for analysing complaint data.

Table 8	Complaint data analysis					
	Agencies		Local govts		Total surveys	
	1999	2001	1999	2001	1999	2001
Analysis	70%	77%	63%	61%	69%	71%
No Analysis	30%	19%	37%	39%	31%	26%
Partial Analysis	0%	5%	0%	0%	0%	3%
	100%	100%	100%	100%	100%	100%

51. Although the statistics suggest little change in local government, they may be misleading. In 1999, 31% of the local governments surveyed were analysing complaint data manually but the current survey shows that only 15% continue to do this task manually. Three local governments had purchased or were arranging to purchase software so that complaints could be recorded and analysed early in the current financial year. Local government survey returns also indicated that some had incorporated complaint fields into other management software so that they could analyse the data.
52. The overall emphasis on electronic complaint data analysis methods could be a positive sign. However, we were concerned that five local governments and 25 agencies said that they analysed their data but did not answer our question about the number of complaints they received in the last financial year. This is basic information that should be readily available from a complaint system. Failure to answer this question casts some doubt about the usefulness of complaint data analysis being undertaken in those organisations.

### Complaint statistics reporting

53. The 25% increase in the number of agencies preparing reports on complaint statistics for all or part of the agency was very pleasing. The small increase of 2% for local government is likely to reflect the introduction of the new systems discussed above. As 67% of local governments were not preparing any reports, more development is needed in this aspect of complaint management.

Table 9	Preparation of complaint data reports					
	Agencies		Local govts		Total surveys	
	1999	2001	1999	2001	1999	2001
Reports	48%	62%	31%	22%	41%	47%
Limited reports	1%	12%	0%	11%	1%	12%
No reports	50%	26%	67%	67%	56%	41%
Blank	1%	0%	2%	0%	1%	0%
	100%	100%	100%	100%	100%	100%

(Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown.)

54. There was a pleasing increase in the proportion of complaint reports reaching the CEO as this is an indicator of an organisation's commitment to complaint handling. Only one local government and six agencies prepared reports but did not submit them to the CEO.
55. This year we asked whether or not organisations reported on the complaints received about their services in their annual report. Thirty-one agencies (38%) and one (2%) local government stated that this information was included in their annual report. As 16% of agencies left this question blank, the result could under-represent the agencies reporting on complaints about themselves in their annual reports.

### Learning from complaint data

56. The public sector is now aware that one of the main purposes of complaint systems is to identify and rectify problems with services. Instead of asking what organisations used their complaint data for, the 2001 survey form asked if complaint data reports included information about service improvements arising from single or recurring complaints. As discussed previously, our 1999 results were better than other similar unpublished surveys. This survey therefore asked organisations to supply documentary evidence of a connection between their complaints data and service improvements.

	<u>Agencies</u>	<u>Local govts</u>	<u>Total surveys</u>
Single complaints	16%	2%	11%
Recurring complaints	25%	4%	17%

57. The 1999 survey found that 36% of agencies and 22% of local governments advised that they used their complaint data to improve their services. For this survey the proportion fell to 16% and 2% for single complaints and 25% and 4% for recurring complaints. Some local governments submitted some thoughtful complaint reports but they omitted recommendations to prevent future complaints or information about the effects of past initiatives in preventing recurring complaints.
58. Very few organisations were undertaking any trend analysis in their complaint reports. Most only reported overall numbers per month. Rises and falls in total complaint numbers are of limited use in complaint management as they do not show up patterns of recurrent complaints. Increases and decreases in complaints about particular issues over time are more likely to be useful information especially when combined with other management information. More organisations need to report on complaints about particular issues over time. Reports should also report on the effects on complaint numbers of any initiatives designed to deal with recurrent problems.
59. The survey asked questions about reports to management as most organisations use them as the key tool to drive service improvement. However, a few agencies have quality improvement processes working independently of written complaint reports to management. This was acceptable as they were able to demonstrate that complaints had led to service improvements.

60. We also noted that some organisations which had previously been leaders in learning from complaint data, had not maintained this element of administration after there had been changes of personnel responsible for their complaint system. Complaint systems should not be dependent on the skills of one staff member to operate effectively.

### Reviews of complaint systems

61. The 1999 survey inadvertently omitted a question about the extent to which organisations reviewed their complaint system. This is an important issue and is one of the criteria of AS 4269. A complaint system which gives useful information to management, requires resources and therefore management needs to consider the benefits gained on a regular basis. Again we asked for documentary evidence to support any claim that an organisation had reviewed its complaint system as a management tool. We did not always receive copies of a report about the complaint system, but ten agencies (12%) and four local governments (9%) did provide information that indicated that they had seriously reviewed their system and made changes to it. The one respondent that met AS 4269 had produced an outstanding review of its complaint system. Five agencies had not reviewed their system as their policies and procedures and data collections systems were too new to evaluate in a meaningful way.

Table 11	Evidence of review of complaint system		
	<u>Agencies</u>	<u>Local govts</u>	<u>Total surveys</u>
Review	12%	9%	11%
No review	81%	89%	84%
Too new for review	6%	2%	5%
	100%	100%	100%

(Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown.)

### Coordination of complaint systems

62. The complaint handling literature normally promotes the authorisation of all service delivery staff - rather than the appointment of a complaints officer - to handle complaints. As the 1999 survey found a strong correlation between the presence of a staff member with responsibility to coordinate the complaint system and quality complaint handling, this issue was again included again in this survey.

63. Coordination of a complaint system requires processes to:

- receive complaints;
- allocate complaints to other staff, according to the seriousness of the complaint, to handle them;
- handle complaints or provide a review when they remain unresolved;
- collect data about all complaints received;
- analyse complaint data for recurring complaints;
- inform management so that it can determine an appropriate response; and

- undertake the required quality improvement activities or ensure that the agency does carry them out and monitor future complaints to ensure that the agency's response – service improvement or management of the public's expectations – has been effective.

64. It is possible for one staff member to carry out all these functions in a small agency. However, for larger organisations, undertaking all these tasks would be too much for one person. Overseeing all these functions could be part of a manager's responsibility.
65. More than one third of respondents had a staff member undertaking between one and six of the elements of complaint handling. Slightly under one third of agencies either had no coordination or stated that someone was coordinating all the seven elements. Fewer local governments than agencies had properly coordinated systems.

<u>Number of elements</u>	<u>Agencies</u>	<u>Local governments</u>	<u>Total surveys</u>
0	22%	41%	29%
1	1%	0%	1%
2	2%	9%	5%
3	7%	11%	9%
4	12%	7%	10%
5	2%	4%	3%
6	15%	9%	13%
7	37%	20%	30%
	100%	100%	100%

(Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown.)

66. Managers, customer service managers and quality improvement staff were most likely to coordinate complaint services.
67. We were concerned to see that in seven cases the CEO was nominated as the complaint officer. This practice does not allow complainants a right of internal review before being required to seek the assistance of a review agency such as the Ombudsman's Office. It was not clear how actively these CEOs coordinated their complaint services as the surveys from these organisations were not always consistent and the documented policy did not always indicate that the CEO had this responsibility.

	<u>Agencies</u>	<u>Local governments</u>	<u>Total</u>
No coordinator	22%	41%	29%
Managers	22%	9%	17%
QA officer	16%	0%	9%
Customer service manager	10%	13%	13%
Complaint handler	10%	0%	6%
Records manager	4%	13%	7%
Executive assistant	4%	4%	4%
CEO	2%	11%	6%
Other	10%	9%	9%
	100%	100%	100%

68. The relationship between quality complaint handling and the presence of a complaint coordinator was less clear than in the 1999 survey. Of the 13 agencies which provided evidence that they had learnt from single complaints, 12 had between 4 and 7 elements coordinated. Only one had no staff member coordinating the complaint system. Of the 20 agencies that improved service as a result of identifying recurring complaints, 19 had between 4 and 7 elements of coordination and only one did not coordinate the complaint system in any way. Ten agencies stated that they had fully coordinated systems but were clearly not gaining the expected benefits from that coordination.
69. The two local governments that provided evidence that they were learning from single and recurring complaint patterns had five and seven of the elements required for proper complaint coordination. Nine local governments stated that they had all the seven required elements of coordination but eight were not producing the results that would be expected from such coordination.
70. This Office recognises that surveys are not the ideal tool to evaluate all aspects of how a service is undertaken. An on-site audit may give a clearer understanding of the extent of the coordination. However, we consider that the public sector still needs to pay more attention to the overall coordination of complaint systems so that they can be effective as a tool for management to improve services.

### **Extent to which AS 4269 met**

71. This survey asked respondent organisations to provide more documentary evidence than the 1999 survey. It was expected that a number of organisations would find it difficult to do this and as a result the 1999 figures would be an over-estimate of the number of public sector organisations meeting AS 4269. Our initial criteria for assessing whether respondents appeared to meet AS 4269 for this survey were:

- documentation indicating responsiveness in handling individual complaints from users of services;
- evidence of the use of complaint data to improve services; and
- a meaningful review of the complaint system.

72. The initial evaluation of whether or not respondents were meeting AS 4269 showed that four agencies and one local government met AS 4269. This represented 5% of respondents and was a drop of 20% in the extent to which the public sector appeared to meet AS 4269 in 1999. We did not expect that requesting supporting evidence would lead to such a significant fall in the number of organisations appearing to meet AS 4269. The result was even more unexpected as there has been so much development in complaint handling in the public sector since the first survey.

73. Due to the extent to which we had over-estimated the public sector's compliance with AS 4269 in 1999, it was decided to adopt more detailed criteria for meeting AS 4269. We were concerned that we may have under-estimated the number of respondents that were meeting AS 4269 in 2001. All the survey forms and documentation were therefore reviewed a second time to see how respondents complied with the 12 relevant criteria set out in AS 4269. Table 14 shows that the results were worse than our original evaluation, with none of the agencies and only one local government appearing to meet AS 4269. However, one agency almost met the standard.

	<u>Agencies</u>		<u>Local governments</u>		<u>Total surveys</u>	
	1999	2001	1999	2001	1999	2001
Met standard	33%	0%	12%	2%	25%	1%
Did not meet standard	67%	100%	88%	98%	75%	99%
Total	100%	100%	100%	100%	100%	100%

74. Table 15 shows how public sector agencies complied with the criteria for AS 4269.

<u>Criterion</u>	<u>Met</u>	<u>Did not meet</u>	Met for some sections of <u>agency</u>	Too new to <u>evaluate</u>
Commitment	48%	49%	2%	0%
Fairness	35%	64%	1%	0%
Resources	35%	64%	1%	0%
Accessibility	77%	23%	0%	0%
Visibility	37%	62%	1%	0%
Assistance	53%	46%	1%	0%
Responsiveness	41%	58%	1%	0%
Remedies	43%	57%	0%	0%
Data collection	38%	52%	2%	7%
Systemic / recurring problems	16%	74%	0%	10%
Accountability	22%	77%	1%	0%
System review	12%	82%	0%	6%

75. Table 16 shows how local governments complied with the criteria for AS 4269.

<u>Criterion</u>	<u>Met</u>	<u>Did not meet</u>	<u>Too new to evaluate</u>
Commitment	13%	87%	0%
Fairness	22%	78%	0%
Resources	22%	78%	0%
Accessibility	52%	48%	0%
Visibility	15%	85%	0%
Assistance	41%	59%	0%
Responsiveness	43%	57%	0%
Remedies	24%	76%	0%
Data collection	11%	87%	2%
Systemic / recurring problems	2%	91%	7%
Accountability	2%	98%	0%
System review	11%	87%	2%

76. The main purpose of the survey was to find out how much public sector complaint systems had developed since the last survey rather than to “pass” or “fail” them on our interpretation of the many elements of AS 4269. Table 17, showing the number of criteria met, gives a more complete picture of the current status of public sector complaint handling. It shows that seven agencies (9%) are close to meeting AS 4269 as they met ten or more criteria.

<u>Number of criteria</u>	<u>Agencies</u>	<u>Local governments</u>	<u>Total</u>
0	7%	30%	16%
1	16%	11%	14%
2	10%	15%	12%
3	9%	13%	10%
4	12%	13%	13%
5	10%	7%	9%
6	9%	0%	5%
7	1%	2%	2%
8	9%	7%	8%
9	9%	0%	6%
10	5%	0%	3%
11	4%	0%	2%
12	0%	2%	1%
	100%	100%	100%

(Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown.)

77. Tables 15 and 16 showed that most respondents did not meet the criteria associated with learning from complaints and reviewing their systems. However, only one of the three agencies that met eleven of the criteria had not reviewed its complaint system. The other two agencies did not meet the Accountability and Fairness criterion. Local governments again had less-developed systems than agencies although it was pleasing to see that a number had installed systems so that they could learn from complaints. These complaint systems were too new to evaluate at the time of the survey.
78. Despite seven agencies being close to meeting AS 4269, Tables 15 and 16 show that the public sector still needs to be more receptive to individual complainants. Accessibility and Assistance were the only two criteria met by more than 50% of agencies and Assistance was the only criterion met by more than 50% of local governments. Despite the welcome increase in the essential elements of complaint handling discussed earlier in this report, we considered that the results relating to individual complainants are of concern and need to be addressed.
79. Tables 10 and 11 which show whether or not the public sector was able to learn from complaints and was evaluating complaint systems as a tool for management clearly demonstrate the need for much more development.

## Survey implications

80. The 1999 survey finding that 25% of public sector organisations surveyed met AS 4269 appears to have been an over-estimation. However, we believe that the 1999 survey did show the extent to which the public sector understood that the purpose of a complaint system was to both assist individual complainants and to use complaint data to drive service improvements.
81. The development in complaint handling since the 1999 survey is welcome. Improvements were shown in the areas of complaint handling policies and procedures, publicity, data collection, data analysis and complaint statistics reporting.
82. Public sector complaint systems are still underdeveloped to respond to individual complaints due to:
- lack of appropriate documentation of policies and procedures (20%);
  - insufficient publicity (54%);
  - no training for staff who handle complaints (69%) and access to specific training and seminars for only 2% of complaint handling staff;
  - lack of support, such as debriefing, for staff (37%);
  - lack of complaint handling performance standards and procedures in place to monitor compliance with them (35%); and
  - failure to inform complainants of their external review rights (61%).
83. Public sector complaint systems are not being used effectively to guide improvements to services due to:

- the lack of coordination of systems (29%) or failing to benefit from the coordination stated to be in place (30%);
- no system to collect complaint data (18%);
- not including telephone complaints in data collection (43%);
- no analysis of complaint data (26%);
- limited or no reports to management about complaint statistics (53%);
- most complaint reports focussing on overall numbers of complaints rather than on the analysis of trends;
- an inability to learn from single complaints (83%) or recurring complaints (81%); and
- no reviews of the complaint handling system as a tool for management to improve services (84%).

84. The 1999 survey found that the health and TAFE sectors had more developed complaint systems, possibly associated with their quality improvement programs. With two or three notable exceptions this trend was not evident in this survey.
85. The Department of Health is collating complaint statistics from the Respond database at each government metropolitan hospital. However, the survey forms from several metropolitan hospitals indicated that they were not benefiting from the full capacity of the complaint statistics package to provide information to management. It appeared that the complaint and quality officers might need more support to use the software effectively.
86. Several of the TAFE colleges surveyed have quality officers. However, they did not provide the evidence, which would be expected of a quality program, that they were improving services from complaint feedback.
87. We considered that one local government met AS 4269 and one agency would have met it if its documentation had noted the need for fairness to both parties to the complaint. Although the public sector is better equipped to respond to individual complainants than to learn from complaints, there is still room for improvement in both elements of complaint management. A great deal of attention will be required before the public sector will be able to use complaint data to improve services. It also needs to review the effectiveness of its complaint handling systems on a regular basis.

## **Future directions for public sector complaint handling**

88. Our finding that public sector complaint systems need more development is consistent with that of the Auditor General in his report *Righting the Wrongs*. It is the Auditor General's normal practice to follow up performance examinations after a couple of years. This should promote further improvements in complaint management.
89. Department of the Premier and Cabinet instructions show that the public sector is expected to take into account feedback from users of services in providing quality services. The Customer Focus program requires agencies to prepare customer service charters that include the method for lodging complaints.

90. We intend to promote better complaint handling by including it as an issue of quality administration considered in handling complaints to this Office about public sector bodies. We will ask agencies to provide evidence that they have followed their own policies appropriately and adopted good practice in responding to complaints. When appropriate, organisations will be asked to provide:

- copies of complaint acknowledgment letters;
- evidence that they have offered the complainant an opportunity to explain their complaint;
- copies of the issues of the complaint agreed to by the complainant;
- evidence of regular progress reports; and
- a copy of the data statistics collection sheet.

Where there is no complaint handling system in place and we consider that this has contributed to an unresolved complaint or an avoidable complaint to this Office, we will recommend that the organisation implement a system.

91. Australian Ombudsmen are becoming more interested in the complaint handling of the agencies within their jurisdiction. This Office may well consider a further survey when evidence is available that complaint handling processes in the Western Australian Public Sector are at a more advanced stage of development.

## Conclusion

92. There has been a pleasing increase in the development of complaint handling systems in the Western Australian Public Sector since the 1999 survey. However, much more progress is needed if organisations are to listen effectively to the people who use their services and improve their processes as a result of this feedback. Although none of the agencies and only one local government surveyed appeared to be fully meeting AS 4269, we considered that some organisations had implemented very good systems. However, 91% of the agencies and 98% of the local governments surveyed need to give their systems urgent attention.

93. Chief Executive Officers and their senior management need to increase their commitment to their organisation's complaint systems. This commitment, plus the Auditor General's further review and this Office's ongoing consideration of complaint handling as an administrative issue, should continue to promote improved complaint handling. This will assist the public sector to improve its services and increase the satisfaction of the citizens who use them.

## Recommendations

94. Chief Executive Officers of all Western Australian public sector agencies and local governments should:

- (i) give greater commitment to their complaint handling system and provide appropriate support for the staff responsible for all elements of complaint handling;
- (ii) prepare complaint documentation where it does not exist, endorse draft documentation and review all documentation to ensure that it reflects a positive complaints culture;
- (iii) ensure that all staff who may respond to complaints from the public have training in providing a quality response and that all staff know the organisation's procedures and can refer complaints quickly and correctly;
- (iv) authorise all staff who do handle complaints so that they understand the extent of their authority;
- (v) provide appropriate support, such as debriefing, at the time it is needed for staff who handle complaints;
- (vi) publicise the complaint system widely, using at least three different methods;
- (vii) develop complaint handling performance standards;
- (viii) ensure that all complainants are informed of their external review rights, such as a review by the Ombudsman, in complaint publicity and at the close of a complaint;
- (ix) implement a system - which is appropriate to the organisation's needs - to collect and analyse all complaints from every section of the organisation;
- (x) produce complaint trend analysis reports, where numbers warrant this, showing the impact on complaint numbers of any remedial action taken;
- (xi) ensure that their complaint system has sufficient resources and coordination to undertake all the tasks expected of a modern complaint management system; and
- (xii) seek the views of those who use the organisation's services and review the complaint handling system every two years to ensure that it is:
  - resolving complaints satisfactorily;
  - an effective tool to assist management to improve services: and
  - meeting AS 4269.



Alex Errington  
**DEPUTY OMBUDSMAN**  
19 December 2001

## Appendix

## Reference list

<b>Books / articles</b>	
Barlow J and Moller C	<b>A Complaint is a Gift</b> Berrett-Koehler Publishers, San Francisco, 1996
Commonwealth Ombudsman	<b>A Good Practice Guide for Effective Complaint Handling</b> Commonwealth of Australia 1997
Denham J	<b>Handling Customer Complaints – Turning Challenges into Opportunities</b> Prentice Hall Sydney 1998
Health Issues Centre, Victoria	Complaint Handling in Victoria's Hospitals Towards a Consumer Focus in <b>Health Issues</b> 29, December 1991 pp23-26
Health Services Liaison Association	<b>Every Complaint is an Opportunity</b> Tel 03 9803 0973 for purchase details
Kilner D and Deslands	<b>Complaint Handling in the Human Services An Organisational Handbook</b> Social Options Australia Pty Ltd 1999 Tel 08 8327 3460 for purchase details
Office of NSW Ombudsman	<b>Effective Complaint Handling Guidelines</b> Tel 02 9286 1000 for purchase details
Office of NSW Ombudsman	<b>Dealing with Difficult Complainants</b> September 1998 Tel 02 9286 1000 for purchase details
Standards Australia	<b>Australian Standard Complaints Handling AS 4269 – 1995</b> May be purchased from Standards Australia 165 Adelaide Tce, Perth Tel 9221 6700

<b>Videos – resource materials</b>	
Infosententials Ltd	<b>Customer Service Series – Benefiting from Complaints</b> A range of customer service videos available – 405 Riversdale Road, Camberwell, Vic 3124
Steele D	<b>First Impressions Count – A Kit for Complaint Handlers</b> Available in Western Australian public libraries.