

## LEGISLATIVE REQUIREMENTS IN CUSTOMER SERVICE

Information on the rights and responsibilities of all parties can be obtained in:

### Customer rights

- Fair Trading
- Workplace Health and Safety
- Anti-discrimination
- Equal opportunity
- Contract law
- Protection from violence and bullying
- Training legislation and standards

### Customer Service Operations:

- Health and safety regulations
- Trade practices
- Contract law
- Export and import regulations
- Food safety
- Labelling codes
- Standards
- Safety standards
- Risk and hazard management
- Training legislation and standards
- Industry Codes of Practice



### Employees:

- Equal opportunity
- OH&S
- Protection from violence and bullying
- Industrial relations
- Employer/employee agreements
- Enterprise bargaining
- Workers compensation
- Training legislation and standards
- Employer policies and procedures

## **BUSINESS LAW IS COMPLEX**

There are some major acts which cover the rights of consumers and business operators:

### **The TRADE PRACTICES ACT covers:**

- trade and business relations that cross state boundaries
- misleading advertising and representation
- product and services information
- product safety and warranties
- creation of restrictive trade practices such as monopolies and unfair barriers
- importing and exporting practices

### **STATE CONSUMER LEGISLATION covers:**

- trade practices contained within State boundaries
- systems of fair trading
- provision of accurate and reliable information to consumers
- sales techniques and advertising claims
- products and product safety standards
- mediation and remediation provision for breaches in Fair Trading and other consumer protection acts
- warranties and conditions of sale
- credit and payment schedules and conditions

You need to make yourself familiar with these two sets of legislation and you can get up to date information at any time from business advisors or the Department of Fair Trading

While every effort has been made to make the information in this manual as accurate as possible, the law changes from State to State, between State and Commonwealth and over time.

Legal determinations made in case law can completely change the application of the Laws in everyday life. This results in Statute Law (the ones that Parliament pass) are not the definitive word, so you and your employer should always obtain any updates on the Regulations under the Act, which tell you how the Law is to be applied.

Your State Government Information Office can advise you on the documents you need. Many of the legal documents are now also available on government web sites. All you need to do to access this information is to type in the initials of your State followed by gov.au (as in [www.nsw.gov.au](http://www.nsw.gov.au)) in the URL dialog box and this will lead you straight to the site you want.

## RIGHTS AND OBLIGATIONS WITHIN CONTRACTS

Contract law covers contracts with:

- customers
- suppliers
- lease of premises and equipment
- agency agreements
- joint venture trading

The onus is on the parties involved to make sure the terms and conditions are able to be met on both sides.

The contract must state:

- the nature and quantity of the goods and services being exchanged
- the delivery dates and conditions
- the payment conditions

If the goods or services are offered under lease, hire purchase, rent-to-buy or direct sales agreements they must show:

- the duration of the lease or contract
- details of any cooling off or sale-or-return conditions
- nature of any options
- the amount of rentals or lease payments, including interest rates and depreciations
- a full financial statement of all fees, deposits, pay-out figures and penalties for late payment
- requirements for insurance protection
- any maintenance agreements the contract involves
- the rights of both parties in disputes or failure to honour the contract
- terms for early cancellation of the contract

When a customer signs a contract they have a right to expect that the goods and services will be supplied as specified in the contract and to make payments at the specified times and dates.

The supplier has an obligation to meet the terms of the contract.

Compensation can be claimed by either party where loss or damage occurs because either party wishes to break a contract.

A contract is considered to be discharged under law when all its conditions and terms have been fulfilled by both parties, including all provision of stated warranties, conditions and after-sales service.

You are legally obliged to ensure that the client fully understands the terms and conditions of any contract you present to them. Your employer should have legally and morally appropriate policies and procedures for handling contracts. You must follow any instructions which are legal and appropriate.



## ETHICS AND DUTY OF CARE

**Duty of Care is owed to your customers to ensure that they come to no harm and suffer no losses with respect to:**

- deliberate act
- neglect
- accident
- psychological trauma
- physical abuse
- faulty merchandise
- misrepresentation
- harmful advice
- short changing
- fraud



**Even the most ethical people can get into trouble if they fail to:**

- obtain the necessary permission or clearance for an action
- explain any possible side effects from using a product or service
- check that the customer understands the proper use of equipment and products
- check that the product or service is free from errors, omissions or defects
- provide a safe working and public access environment
- refer customers appropriately for any area of service outside of their own expertise
- provide proper chaperonage, particularly of under-age customers
- maintain appropriate professional detachment

It is permissible to give an honest and true assessment about the qualities of rival products when making comparisons.

An ethical person will always point out the good points of the rival product first and then move on to explain why their product performs better.

**To make sure that you stay within the law**

- check on any legal obligations or restrictions that apply to your customer interactions
- obtain all necessary licences and qualifications for the job
- keep the business premises and equipment in good repair, clean and in a safe condition
- use warning notices and machine guards wherever appropriate
- explain all procedures, actions and possible side effects of using products and services to customers
- ensure that customers fully understand the implications to any matter to which they give their written consent
- dispose of wastes (especially biological wastes) in accordance with public health and environmental regulations
- store and use all dangerous substances as directed by the manufacturer's label or legal requirement
- behave in an ethical and professional manner at all times
- respect privacy and Freedom of Information legislation when handing on information to a third party

**These practices are unethical, some of them are also illegal**

- breaches of confidentiality
- conflicts of interest
- some non-returnable, breakage and no-refund policies
- discussing staff with clients and other staff
- disciplining staff in front of clients and other staff
- making comments, other than favourable, on competition
- inflated claims about benefits of products and services
- using coercion or pressure to gain consent or make sales
- subliminal persuasion

### **Protect yourself against libel, slander and defamation**

Giving a honest and true negative statement about another person can lead to defamation charges, even where no malice is intended. Avoid joining in gossip about other people and being drawn into factional politics.

*"If you can't say something nice, say nothing at all."* Old proverb.

*"If you have to make the choice between being right and being kind, choose to be kind."*  
Wayne Dyer

### **Safety in the customer service environment**

With respect to Workplace Health and Safety, the National Occupational Health and Safety Commission defines duty of care as requiring:

*"Everything 'reasonably practicable' to be done to protect the health and safety of others at the workplace. The duty is placed on:*

- *all employers*
- *their employees: and*
- *any others who have an influence on the hazards in a workplace."*

This includes both people contracted to work in the workplace and those who involved in the production, installation and supply of any plant, equipment and materials used in the workplace.

*"Reasonably practicable' means that the requirements of the law vary with the degree of risk in a particular activity or environment which must be balanced against the time, trouble and cost of taking measures to control the risk. It allows the duty holder to choose the most efficient means for controlling a particular risk from the range of feasible possibilities, preferably in accordance with the 'hierarchy of control."*

Your employer is legally obliged to train you in workplace health and safety and to make sure that the environment and practices are safe for all who work or visit the organisation.

You are legally obliged to make sure that you follow safe working practices at all times and that you report any immediate or potential hazards to your supervisor or manager for rectification.

You also have a legal responsibility to make sure that you report all accidents and incidents, no matter how trivial they may seem.



**Please go to pages 26-28 of your Assessment Manual and complete Task Ten.**

**ASSESSMENT RECORD**

Student Name:

Student Number:

Postcode:

e-mail:

Assessor/Trainer:

Telephone:

e-mail:

<u>Assessment for module:</u>	<u>Date</u>	<u>Pass</u>
1: Identifying the customers		
2. Establishing client wants and needs		
3. Turning the customer service triangle upside down		
4. Listeners quiz		
5. Personal values in customer service		
6. Conflict resolution case studies		
7. Two client calls		
8. Surveying customers		
9. Moments of Truth		
10. Legal and ethical obligations		
11. Continuous quality improvement of service strategies		
12. Review report		
Practical skills assessment (assessor or supervisor)		

Assessor's comments:

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Assessor Signature: \_\_\_\_\_

Student Signature: \_\_\_\_\_

Sign-off date: \_\_\_\_\_





In order to make sure that my customer service procedures are ethical and legal I must: *(list the ten most important guidelines you must follow)*

Handwriting practice lines consisting of 20 horizontal dashed lines for writing.

SAMPLE

