

# Overseas Students Ombudsman

Ensuring quality through better  
complaints resolution



**Dr Geoff Airo-Farulla, Director, Overseas Students Ombudsman**

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# Overseas Students Ombudsman

- We investigate complaints from overseas students about private registered education and training providers
  - More than 1,000 complaints received since we began operating in April 2011
  - About 250+ different providers all over the country
  - We see good and bad practices
  - We recognise the diversity of the industry and take a principles-based approach

# Overseas Students Ombudsman

- We provide information and support about best practice internal complaints handling to private education providers
  - Better Practice Guide
  - On-line complaint handling training module planned for 2014



## Complaint Handlers' Checklist

- ☐ Do you have written complaint handling procedures? Are they easy to understand and apply?
- ☐ Do you acknowledge complaints promptly?

ACKNOWLEDGE  
all complaints quickly





# The Value of Complaints

- Many problems can be identified and resolved early by providers when they have and promote a good internal complaints and appeals process
- Complaints provide critical feedback to organisations on areas of weakness and possible improvements
- Complaints provide opportunities to re-engage customers who might otherwise go elsewhere



# The Value of Complaints

- Research shows:
  - for every customer complaint, there are 26 other unhappy customers who haven't complained
  - 96% of unhappy customers don't complain, however 91% of those will simply leave and never come back
  - A dissatisfied customer will tell between 9-15 people about their experience, around 13% of dissatisfied customers tell more than 20 people
  - Customers who get their issue resolved tell about 4-6 people about their experience
  - Dissatisfied customers whose complaints are taken care of are more likely to remain loyal satisfied customers
  - A customer is 4 times more likely to defect to a competitor if the problem is service related than price or product related
  - It costs 6 – 7 times more to acquire a new customer than retain an existing one



# Standard 8 Requirements

- Providers must:
  - Have an internal complaints and appeals policy for dealing with formal complaints and appeals where concerns cannot be resolved informally
  - Create a written record of the complaint or appeal
  - Commence the complaints process within 10 working days of the complaint being lodged
  - Give the complainant an opportunity to present his or her case at minimal or no cost
  - Provide a written statement of the outcome of the complaint, including reasons



# Standard 8 Requirements

- Providers must:
  - Provide an external complaints and appeals body
    - Must be independent and impartial
    - Preferably statutorily independent – OSO, SATA in South Australia
  - Advise students of their right to access the external appeals process at minimal or no cost
  - Implement their external body's decision or recommendation if it is in the student's favour.

# Better practice complaint handling

1. **Recognise** that there is a complaint
2. **Acknowledge** the complaint quickly
3. **Assess** the complaint complexity
4. **Resolve** the complaint if possible
5. **Plan** the investigation
6. **Investigate** the complaint
7. **Respond** to the complaint
8. **Provide** access to an external complaints and appeals process
9. **Improve** systemic issues





# Tips for managing complaints

- Ensure your complaints and appeals policy is easily accessible
- Acknowledge promptly, and keep students advised of progress
- Investigate complaints and consider appeals with an open mind
- Give students an opportunity to comment or show cause, before making a decision not in their favour
- Provide a written explanation of your reasons
- Advise students of their right to complain or appeal to OSO



# Case Study 1

## Helping students access your internal complaints & appeals process

A number of students complained to the OSO. We asked the students if they had accessed their provider's internal complaints process. The students had been emailing the staff member responsible for internal appeals. However, instead of advising the students to lodge an internal appeal, and providing a written response explaining the reasons for the decision, the staff member engaged in an ongoing argument with the students via email. When we asked the provider if it considered the students had accessed their internal appeal process, the PEO said "no". We recommended the provider assist the students to use the formal internal appeal process and to appoint a different staff member to consider their appeals given the previous unproductive interactions between that person and the students. The PEO readily agreed. We emphasised the need for staff members dealing with dissatisfied students to direct the student into the formal internal complaints and appeals process, and to provide a written outcome with reasons.



# Case Study 2

## Ensuring access to your internal complaints & appeals process

A provider refused a student's deferral request even though the student had medical evidence that he was seriously ill and unable to attend class. The provider then sent a notice of intention to report for unsatisfactory attendance. The student tried to lodge an internal appeal, but the provider refused to consider the appeal on the basis that the student was behind in his fees. We formed the view that the provider had breached Standard 8 by refusing to give the student appeal rights prior to reporting him, and that the provider had incorrectly reported the student to DIAC for poor attendance. We recommended the provider write to DIAC and the student to advise them of this. The provider implemented our recommendations.



# Case Study 3

## Ensuring access to your internal complaints & appeals process

A student lodged an external appeal with the OSO concerning her provider's intention to report her to DIAC for unsatisfactory attendance. The provider advised us that her attendance was less than 70%. However, the student submitted new evidence to our office, including medical certificates, that she had not previously provided to the provider. Taking this into account, her attendance was 73%, and the provider had a discretion not to report her if she was making satisfactory course progress. We asked the provider if it was willing to reconsider the internal appeal based on the new information. The provider agreed, and decided to use its discretion not to report the student based on the new evidence.



# Case Study 4

## Advising students of their internal appeal rights

We see many cases where students have enquired at the provider's student administration desk about getting a release letter, and have been told that they are ineligible because they have not completed 6 months of their principal course. The students have not been invited to formally request a release letter and explain why the transfer would benefit them, so that the provider can properly assess whether the transfer would be to the student's detriment. By only dealing with the request informally, providers deny students the right to present all the circumstances, to receive a written explanation of the reasons if their request is refused, and to receive information about their external complaints and appeal rights. Best practice is to give the informal response, but invite the student to lodge a formal request, and provide them with a written outcome including advice of their appeal rights if they are unsuccessful.



# Case Study 5

## Helping students access the internal appeal process

A student complained that her provider had let her defer the previous semester to care for her seriously ill husband, but refused her request to defer for a second time. We experienced a delay in being able to contact the student due to her being out of the country. When we got in contact with her, we identified that she had not lodged an internal appeal, and it was the last day for her to do so. We contacted the provider and asked if they would be willing to give her an extension of time to lodge the internal appeal, rather than our office considering the appeal without the provider having a chance to first do so. The provider agreed to give her an extension of time and allowed her to access the internal appeal process. She did not lodge an external appeal with our office after that time so it appears the matter was resolved internally.



# Further Resources

- OSO Provider e-newsletter
- OSO Better Practice Guide
  - [OSO Website: http://www.oso.gov.au](http://www.oso.gov.au)
- AS ISO 10002—2006 Customer satisfaction—Guidelines for complaints handling in organizations
  - SAI Global website: [www.saiglobal.com](http://www.saiglobal.com)
- Value of complaints statistics
  - <http://www.beyondphilosophy.com/blog/the-value-of-complaints/>



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