

Useful Guidelines for Identifying “Red Flags”

Responding to complaints, claims and potential problems.

Troubleshooting, problem-solving and mitigating negative situations are part of our daily professional lives. Most of the time, experience and common sense are our best line of defense, however, there are situations when the solution may not be so simple. The temptation to satisfy the customer may put your company at risk for unwarranted liability. The following guidelines were created to give your company a baseline policy that all employees can follow.



Communication Protocol

Beware of saying too much, making commitments or accepting responsibility. A professional and empathetic reply such as “I am sorry to hear this has happened” is appropriate. Assure the customer that you will be discussing the matter with your supervisor and someone will be getting back in touch.



Reporting Cargo Claims

In the case of lost or damaged cargo, make sure the customer knows they should report the claim to their own cargo insurer if they did not purchase insurance through you. If you did not insure the shipment, do not involve yourself in the claim beyond filing claims against the responsible parties such as carriers. If the shipment moved under your house bill of lading, make sure this claim is reported to your cargo legal liability insurers. Do not hire surveyors to represent you without the approval of insurers. The more you involve yourself in the claim the more it looks like you feel responsible.



Complying with Ts and Cs

Customers are increasingly asking you to sign their contracts or agree to their terms and conditions instead of accepting yours. Always refer these incidents to management. Do not sign or agree verbally or in writing to any contracts or Ts and Cs your customer has given to you without management and insurers approval.



Managing Mistakes

Discovery of a previous mistake and the attempt to fix it or correct the information going forward, can create a ripple effect of problems. Management should be made aware of the situation and alert the client if appropriate before any corrective actions are taken.



Responding to Complaints

If a customer lodges a complaint or claim against an individual or the company, notify management immediately regardless of the nature of the complaint. Failure to notify insurers of a claim or complaint can potentially weaken your defense or even void insurance coverage.



Performance and Service Guarantees

Do not make commitments, guarantees or warranties of any kind whether verbally or in writing particularly concerning safety and timeliness of shipments or accuracy with documentation and CBP issues.



Settlements and Offsetting

Avoid resolving complaints or claims by agreeing to payment outside of your normal terms and conditions or offsetting future charges in lieu of payment. These actions may seem like a good business decision for a smaller claim. However, if a larger claim occurs and you do not want to offer similar compensation the precedent previously set can compromise your position in a new claim.



Verify Customer Instructions

If given different instructions by your customer than what was provided initially, you should verify that the request is from a valid source. Use a third party resource for a telephone number and speak with the person who appeared to be making the request to ensure its legitimacy. Fake communications can result in payments being diverted or cargo stolen even though it appeared to come from someone you already knew.

Please contact your service representative with questions or comments.