



MINISTRY OF CONSUMER AFFAIRS
MANATŪ KAIHOKOHOKO

CONSUMER REPRESENTATION



GUIDELINES FOR CHAIRPERSONS
HELPING CONSUMER REPRESENTATIVES
TO BE EFFECTIVE

The basis for these Guidelines is the research completed by the Ministry of Consumer Affairs in 2001/2. The research looked at how to make consumer representation effective. A record of the complete study is available at www.consumeraffairs.govt.nz or through phoning the Ministry on 04 474 2750.

How important is the chairperson?

The style of management adopted by the chairperson is pivotal to the consumer representatives' effectiveness. Consumer representatives time and again talk about the difficult time they often have at meetings. Overall, they identify the outcome of their difficulties as a strong feeling of isolation within the group. They attribute this feeling to being in the minority, having a vast and diverse constituency, the requirements of tight confidentiality agreements, the effects of conflict, and the monetary costs.

Consumer representatives also know that a chairperson with a positive and participative style of group management can enable them to be effective.

Positive and participative chairperson

Consumer representatives find the following management style particularly advantageous. An environment where the chairperson has established communication rules which make it clear that members of the group are expected to

- treat each other courteously at all times
- treat every member and their ideas seriously
- acknowledge that where a member is the only representative of a large constituency, they may need to speak more often in the interests of natural justice
- make decisions as a whole group working together and reaching agreement
- not bring personal and professional differences into the group unless it is entirely appropriate
- maintain their expertise as an advisor and representative by networking with their constituency within the bounds of the confidentiality agreement.

And in addition the chairperson him/herself

- greets everyone by name and talks to all members informally during the break
- grants every member the opportunity to address each issue
- applies the rules of natural justice and
- makes it clear to all members precisely what is confidential and what can be talked about and suggests how they might do that
- involves him/herself in decisions about the payment of expenses





- makes sure everyone has access to the same information. This may mean that additional information is made available to those who are not part of the industry
- deliberately builds cohesion and trust within the group
- is open-minded and fosters respect within the group
- deals immediately and effectively with conflict, difficult situations, and difficult people.

Role of Chairperson

A chairperson's primary role is to preside over meetings and manage the group. The Chairperson is pivotal in setting the tone at meetings and influencing the way in which the group works together. S/he is also a member of the group in their own right.

In terms of their role as presiding officer, legal precedent states that the chairperson has

- a duty to see that he or she only presides over meetings which are properly convened, where a quorum is present, and where proceedings are conducted in accordance with any standing orders

- the responsibility to control the meeting and
- the responsibility to ensure that s/he does not control the content of the meeting or the content of decisions made. The chairperson cannot overrule or disregard the opinion of members. Indeed, there is a strong precedent that the chairperson must be impartial, particularly in their rulings, and using the Chair to promote your view over others can be regarded as an abuse of office.

Checklist of problems encountered by consumer representatives

1. Many constituencies

Just as there are a number of constituencies in medicine (pharmacists, surgeons, physicians, GPs, nurses, radiologists, hospital administrators) or in building (building owners, carpenters, concrete distributors, scaffolding contractors, electricians) so there are many constituencies for consumers (Maori, women/men, Pacific people born in NZ, people with low incomes, people who rent homes, people with diabetes, older people, and so on.)



As the Chairperson, knowing which constituencies are represented through the consumer representatives and which are not will help you recognise

- when you may need to consult consumers beyond those represented because the matter impacts on them too and
- the range of people the consumer representative needs to stay in touch with.

Principle of representation

The purpose of having mixed representation in a body is to improve decision-making and increase the likelihood that decisions made do offer solutions which work, and policies which can be implemented, and do achieve the improvements intended.

Each representative adds value to the decision-making process because they contribute the knowledge, experience, interests, and perspectives of their constituency and the judgement they have developed working with their constituency.

2. Minority status

Many boards, advisory bodies, departmental working parties, and committees which include consumer representation include one or two consumer representatives with 5-10 industry and/or professional representatives. This significant imbalance of numbers can cause problems and a sense of isolation for consumer representatives.

They find that

- theirs is always the different perspective, the one which has to be justified, and which is seen as a challenge by other members and
- as an individual member, they need to speak more frequently than any other because if they don't speak, the consumer perspective is not heard.

This can annoy other members and officials, especially when the consumer view is challenging, even though the consumer representative is simply doing their job.

As Chairperson you can validate there being a different view which needs to be taken into account and explain any need to speak more frequently to the members of the group, and insist on at least their toleration.





Principle of natural justice

Natural justice is the main administrative law principle a chairperson needs to keep in mind. In procedural terms, natural justice requires members to declare conflicts of interest and withdraw from debate and decision-making on that matter.

Natural justice also requires a decision-maker to, not only act without bias and in good faith but also to, ensure that any person whose interests will be affected by that decision is granted a hearing and an opportunity to rebut contrary arguments.

3. Confidentiality

Members of government bodies are now routinely asked to sign confidentiality agreements. This in itself is not a problem. There are good and sound reasons why confidentiality is required. The problem for consumer representatives comes when confidentiality clauses entirely prevent them from consulting their constituency.

The value that consumer representatives bring is their knowledge of the people they represent (especially their daily lives and opinions) and their ability to predict how

they will respond. If they are unable to consult their constituency then they become isolated from them and their ability to give value is progressively compromised.

As Chairperson you can very often ameliorate potential conflict between the need for confidentiality and the need for consumer representatives to consult. For example, consumer representatives reported that they found it enormously helpful when a chairperson spent a few minutes at the end of each meeting or item discussing exactly what must be confidential and what can be said publicly.

4. Cost

Consumer representatives almost always have no access to funding and resources which they can use at no cost to them. This can mean that one individual can end up bearing the costs of a committee getting the advice they need.

As Chairperson you can

- Use the Cabinet Office Circular CO(01)8 (Fees Framework for Members of Statutory and Other Bodies Appointed by the Crown) as a guide to making payments.
- Choose meeting days which mean that consumer representatives effectively do not suffer a loss of income because



they need to take leave without pay. Either pay fees or hold meetings at other times.

- Consider the costs of using e-mail which can be considerable for a consumer representative particularly if you are sending large files which need to be printed. Either refund the costs or, where time is not a factor, use couriers, ordinary mail, and the telephone instead.
- Suggest flexibility to officials when meetings in Wellington mean days of more than 12 hours because the consumer representative lives some distance from the airport and some distance from Wellington. It may be no more expensive to bring in such a person the night before on a cheaper flight and provide one night in a hotel.
- Use teleconferencing, it can be very efficient once people know each other.

5. Conflict

Consumer representatives find conflict between professionals very difficult. Often the presence of conflict can mean a power game is continuously being played at the table. So, ideas may be discounted or there may be a refusal to agree for reasons which are not logical.

As Chairperson you can intervene in the conflict quickly and ameliorate its effects on decision-making.

An opportunity

Consumer representative network

The Ministry of Consumer Affairs now convenes bi-annual meetings of the Consumer Representatives' Network. The Network includes consumer representatives working across the government sector.

Purpose of the Network

The Network was established 2 years ago to provide easy access for consumer representatives to

- strategic and other advice
- national and local information exchange
- training
- personal support
- mentoring.

As Chairperson you can encourage consumer representatives to attend the Network meetings and even provide financial assistance where that is necessary.





Qualities of an effective consumer representative

Cabinet accepted this description as reflecting the desirable qualities for consumer representatives. The description is not designed to be used as a tick list of qualities. The statements modify each other and give an overall description of the qualifications which need to be present if you are going to select an effective consumer representative.

Knowledge and experience requirements

- A track record of achievements for the community (they have taken an initiative(s) and seen it through to the end). The quality of the track record matters more than the length.
- Is respected for her/his integrity in the community s/he has worked in and will represent.
- Knows the realities of ordinary people's lives (especially those who are disadvantaged), knows the issues, knows the community thought processes, how decisions are made, and knows the community's wisdom and its ignorance, its breadth and its contradictions.
- Knows what's practical / possible, and sensible / rational and realistic / probable in the community.

Networking requirements

- Has broad community networks s/he consults regularly and is accessible to the community. Not someone who works alone.
- Demonstrates a comprehensive understanding of confidentiality.

Essential attributes

- Able to appreciate the common good.
- Stable, and acts consistently.
- Understands group processes and can work constructively within them.
- Addresses issues from the perspective of the consumer.
- Has strong communication skills and will be assertive and persistent if necessary.
- Strategises effectively from a minority stance and finds solutions and common ground with others.
- Exercises good judgement.
- Excellent at developing and maintaining appropriate relationships.
- Respects cultural differences.





MINISTRY OF CONSUMER AFFAIRS
MANATŪ KAIHOKOHOKO

Other Consumer Representation Resources:

Consulting Consumers

Recruiting Effective Consumer Representatives

Being a Consumer Representative

Ministry of Consumer Affairs

PO Box 1473

Wellington

New Zealand

Ph 64 4 474 2750

Fax 64 4 473 9400

Email mcainfo@mca.govt.nz

Web www.consumeraffairs.govt.nz

ISBN 0-478-26384-8

June 2004