

## Complaint Handling

### A. Aim of Subject:

To provide an introduction to the key skills required for financial services practitioners in the satisfactory resolution of customer complaints

### B. Subject Specific Learning Outcomes

#### Outcome 1

Define what is meant by customer complaints.

#### Knowledge, Understanding and Skills

- Explain what constitutes a complaint
- State why customers make complaints
- Describe the positive aspects of receiving complaints
- Explain the use of customer service standards in the avoidance of complaints
- Outline the legislative and regulatory landscape for complaint handling within the financial services industry
- Describe the FSA's 2010 Review of Complaint Handling
- Distinguish between regulated and non-regulated complaints
- State what the current trends in complaints are
- Explain what the business impacts of complaints are

#### Outcome 2

Describe the structure and key organisations in the financial services industry today

#### Knowledge, Understanding and Skills

- Explain the current structure of the UK financial services industry
- Describe the role of the key organisations within the industry with regard to the pursuance and regulation of customer complaints

#### Outcome 3

Outline the background and impact of TCF

#### Knowledge, Understanding and Skills

- Explain what is meant by TCF
- Describe the behavioural drivers and customer outcomes of TCF
- State the impact of TCF on your organisation
- Outline the impact of TCF on complaint handling

#### **Outcome 4**

Describe the aspects of legislation and regulation which relate to complaint handling

#### **Knowledge, Understanding and Skills**

- List the FSA's complaint handling procedures
- Outline the effects of:
  - The Data Protection Act
  - Anti-Money Laundering Regulations
  - The Financial Services Compensation Scheme
  - The Payment Services Directive
  - BCOBS
  - The Lending Code
- Describe the banker/customer relationship
- Explain the workings of a Compliance Function

#### **Outcome 5**

Demonstrate the interpersonal skills required for the effective resolution of complaints

#### **Knowledge, Understanding and Skills**

- Explain the key skills and models to be used when resolving complaints:
  - Communication techniques
  - Rapport and relationship building
  - Assertive behaviours
  - Transactional analysis
  - The use of positive language
  - The complaints resolution model
  - Service recovery techniques
- Respond successfully to typical complaints as presented in case studies (including levels and types of redress)
- Investigate, make decisions and offer appropriate compensation across a range of complaints
- Recognise a Complaints Handling Procedure

#### **Outcome 6**

Explain what root cause analysis is and what management information should be maintained regarding complaints

#### **Knowledge, Understanding and Skills**

- Identify common failings in customer relationships
- Explain what pre-emptive action can be taken to minimise complaints and their impact
- Describe what record keeping should be maintained with regard to complaints
- State how root cause analysis can be used when investigating complaints
- Explain how root cause analysis can be linked to ARROW visits

#### **Outcome 7**

State what a culture of fair complaint handling is

- Describe the effect of quality assurance on the handling of complaints
- Explain the importance of positive behaviours when dealing with complaints
- Recognise the importance of the "right first time" philosophy when dealing with complaints.

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