

**INSTITUTE OF BANKERS IN MALAWI**

**CERTIFICATE IN BANKING EXAMINATION**

**SUBJECT: CUSTOMER SERVICE (IOBM – C102)**

**Date: Monday, 14th May 2018**

**Time Allocated: 3 hours (13:30 – 16:30 Hours)**

**INSTRUCTIONS TO CANDIDATES**

1 This paper consists of **TWO** Sections, A and B.

2 Section A consists of 20 multiple questions, each question carries 2 marks.

Answer **ALL** questions.

3 Section B consists of 5 questions, each question carries 20 marks. Answer **ANY THREE** questions.

4 You will be allowed **10 minutes** to go through the paper before the start of the examination when you may write on this paper but not in the answer book.

5 Begin each answer on a new page.

6 **Please write your examination number on each answer book used. All answer books without examination number will not be marked.**

7 All persons writing examinations without payment will risk expulsion from the Institute.

8 If you are caught cheating, you will be automatically disqualified in all subjects seated this semester

9 DO NOT open this question paper until instructed to do so.

**SECTION A (40 MARKS)**

Answer **ALL** questions from this section by circling the right answers in the answer sheet provided.

**QUESTION 1**

1. Reference groups are defined as:
2. Important groups in political circles that rules us
3. All those groups that have a direct influence on persons attitude or behaviour
4. All family groups that one knows
5. Groups one relies on
6. Repairing a damaged customer relationship include the following:
7. Patience and consistency follow through
8. Working as a team
9. Managing the conflict with the customer
10. None of the above
11. These are the symptoms that one experiences when getting upset or angry in customer service
12. Headache
13. Reddening face
14. Concentration loss
15. Neck and shoulder tension
16. Stomach ache
17. 1, 2, 3 and 5
18. 1, 2 and 3
19. All of the above except 5
20. All of the above
21. The basic skills for a help desk are
22. Business skills, people skills, technical skills and emotional skills
23. Business skills, technical skills, soft skills and self-management skills
24. Conceptual skills, human skills, business skills and hard skills
25. Business skills, soft skills, people skills and entrepreneurial skills
26. A service level agreement is a
27. A written document that spells out the amount of money a customer has in the bank
28. A document that shows agreement with the customer
29. A written document that spells out services that help desk will provide the customer, the responsibilities and how service performance is measured
30. None of the above
31. What best describes Customer Care
32. The management of treating customers properly
33. The management and identification of customer needs
34. The management and identification of moments of truth with the aim of achieving customer satisfaction
35. The wow factors or encounters
36. Customer service involves the following key values **except**
37. Responsiveness
38. Understanding
39. Focus
40. Recognition
41. Deliberately designing and modifying business processes so that every activity is geared to meeting the customer wants is called
42. Total quality management
43. Business Process Reengineering
44. Face to face customer service
45. Process alignment.

1. Death of a customer as a term in customer service means
2. a customer is dead
3. a relationship has come to an end
4. an oriented customer
5. a difficult or challenging customer.
6. The following are the challenges for a company that wants to develop genuinely close links with their customers **except**
7. Pampering internal customers
8. Understanding who the customer is
9. Rewarding faithful customers
10. Making the customer visible to all employees.
11. From the organisation point of view, customer care involves all the following **except**
12. Part of the overall package of purchase benefits
13. A source of customer defection
14. A source of differentiation from competing products
15. A source of employee satisfaction.

1. In what circumstances is a banker justified to refuse to pay a customer’s cheque
2. Defective cheque
3. Insufficient funds
4. Legal bar
5. None of the above.
6. Which of the following best represents the rights and duties of the customer
7. Differentiation from competing products
8. Take reasonable care in drawing up cheques
9. Being ethical in the community
10. Inform the bank of any known or suspected forgeries
    1. 1 and 2
    2. 2 and 3
    3. 2 and 4
    4. 1 and 4
11. In handling customer complaints, sympathising means
12. Accepting responsibility of blame as a bank
13. Saying sorry and acknowledging there is a problem to a customer
14. Complaining on behalf of the customer
15. Offering a helping hand to a customer
16. The following are part of the Value Chain support activities as designed by Michael Porter
17. Firm infrastructure, inbound logistics and procurement
18. Firm infrastructure, Technology and operations
19. Human resource management, technology and procurement
20. Operations, outbound logistics and marketing and sales.

1. Working side by side with another person in an effort to understand and potentially learn that persons job is referred to as
   1. Job appraisal
   2. Going the extra mile
   3. Job shadowing
   4. Job training.
2. The attributes of customer care and service include the following except
3. The quality attribute
4. The people attribute
5. The efficiency attribute
6. The effectiveness attribute.
7. Skills training in customer service include the following:
8. Listening and speaking
9. Complaint handling and knowledge
10. Team work and encouragement
11. None of the above.
12. Employees attitudes can be formed through:
13. Disciplinary action,
14. Culture
15. Induction
16. Interaction with customers.

1. Which of the following is the most effective and least expensive way to market a business?
2. Advertising
3. Effective customer service
4. Glossy colourful brochures
5. One on one service calls

**SECTION B (60 MARKS)**

Answer **ANY THREE** questions from this section

**QUESTION 2**

You work for Dzuwa Bank that has been having problems with its internal customer (employees) relationships for the past 3 years.

**Required:**

As someone who has done Customer Service with Institute of Bankers in Malawi (IOBM), write a report making **six** recommendations to the Managing Director on how Dzuwa Bank would develop positive working relationships among workers in the bank.

**(Total 20 marks)**

**QUESTION 3**

1. Define the term database. *(2 marks)*
2. Customer data can be interrogated and manipulated in various ways through a process called data mining.

**Required:**

Describe any **six** projects which can be conducted using database marketing techniques in a bank. *(12 marks)*

1. Using database is beneficial to a bank as it adds value to customer service.

**Required:**

Explain **two** key points in which the use of database adds value to a bank.

*(6 marks)*

**(Total 20 marks)**

**QUESTION 4**

1. Describe the term Customer Relationship Management. *(4 marks)*
2. The internet has brought advantages and disadvantages (problems) to customer service in the banking sector:
3. Mention **four** advantages of automated call handling. *(8 marks)*
4. List and explain **four** problems of the internet. *(8 marks)*

**(Total 20 marks)**

**QUESTION 5**

* + 1. Define the Self Reference Criterion (SRC) and how it affects decision making by a bank manager when entering new markets. *(8 marks)*
    2. Describe the **four** stages of group formation. *(12 marks)*

**(Total 20 marks)**

**QUESTION 6**

You have just been promoted from a Customer Service Officer to an Account Relationship Officer at Chiphuza Commercial Bank. Your role will now include customer visits, relationship management and sourcing new business. Your predecessor has just left you with a portfolio of difficult customers.

**Required**

1. List and explain step by step approach you can use to win the difficult customers. Mention **five** steps. *(10 marks)*
2. (i) Differentiate controllable from un-controllable reasons for customer defection,

giving examples on your arguments. *(4 marks)*

1. Give **four** examples on Controllable and **two** examples on uncontrollable for customer defection.  *(6 marks)*

**(Total 20 marks)**

**END OF THE EXAMINATION PAPER**