**SUGGESTED SOLUTIONS TO CUSTOMER SERVICE QUESTIONS**

1. c) Chatting with the customer
2. a) Customer Service is any contact, whether active or passive, between a customer and a company that causes a negative or positive perception by a customer
3. b) A differentiating competitive advantage
4. a) Recognize the issue
5. a) Customer Satisfaction and Operational efficiency
6. d) System processing
7. b) High Contact services
8. d) Own the problem
9. c) Personal
10. b) Engender ownership
11. C) Rewarding faithful customers
12. d) 4, 5, 6, 2, and 1
13. c) Asking the customer to wait for the manager
14. a) They adversely affect the profitability of the company
15. c) The experience they enjoy
16. a) Can identify the training and development needs
17. b) The customers are aware of their rights and the banking industry is highly regulated
18. d) Distributor
19. d) Working side by side with another person in an excellent benefits to both the help desk and support groups
20. a) Competence

**Section B Suggested solutions**

**Question 2**

**REPORT**

**To :** Head of Customer Service/Management

**From :** Princes Kalua (Customer Service Manager, Blantyre Branch)

**Date :** 1st February 2017

**Subject : Lapses in Customer Service at Blantyre Branch**

**Introduction**

This report aims at providing information on lapses in customer service at our Blantyre branch based on the customer complaints and observation during the one month period. It also suggests recommendations for improvement.

**Current situation**

**People**

A review in the customer complaints register showed some serious issues concerning our frontline staff. Customer complaints ranged from attitude to the laziness demonstrated by our staff during the course of business. Most customers complained that the front line staff does not smile at them and also they work as if they are just being forced. To conclude most of them are too slow in handling transaction. One customer even said “very soon this bank will lose all its customers, can you imagine being ignored on the queue as if you have come to beg. I wonder where they get these employees.”

**Systems**

The system down time for the branch worsened during the period. It has become like a norm that every morning when the branch is opened and during peak hours, the system will not be available. Mostly customers are frustrated at being kept for long hours waiting for the system. The ATM will also be down during this system down time forcing the banking halls to be crowded by the customers. We end up apologizing for the situation almost every day and customers have labeled us as the apologizing bank.

**Processes**

Our transaction processes have proved to be very long as opposed to the modern processes which are supposed to be simplified. For instance every withdraw from another branch regardless of the value, will have to be scanned and sent to the account domiciled branch. This process sometimes takes hours before concluded. This is working to our disadvantage over competitors. Customers are using this to discredit us on the market.

**Recommendations**

I would like to recommend the following, if we are to achieve excellence in providing service to our customers;

**People**

The staffs are key to offering service. In other words we cannot separate service from people. I strongly believe we have good staff who can work sincerely for the benefit of our customers and the bank. I would therefore appreciate if management could urgently implement the following strategies;

* Training program on customer service for all the front line staff
* Team building program for all the staff
* Attitude change training for all the staff
* Customer care program to build customer centric culture amongst all staff
* Recognition and reward system covering all staff

**Systems**

I would suggest that management should beef up the staffing in our IT department so that each region should have its personnel responsible. In that way monitoring will be easy and more important issue resolution will be fast. Management should also think of having a secondary link to cover the system when the primary link breaks down. More importantly, as System remains a key service driver, a heavy investment would tem upgrade from a lower grade to a higher grade. I believe if we do not compromise on system then service will also not be compromised.

**Processes**

From the observation, it’s indeed true that our processes are old fashioned as a result they frustrate the staff efforts to satisfy our customers. My recommendations would be to a process re-engineering exercise where by all process will be reviewed. All bottlenecks and gaps will have to be eliminated at the end of this exercise. Technology will also need to play a part in simplifying the transactional processes.

**Question 3**

1. **1. Insufficient funds:** Where the customers instruction exceeds the available credit balance or the agreed overdraft limit. The bank will not be under any obligation to honor the payment.

**2. Defective Cheques:** A bank may refuse to pay any cheque which is not complete or which bears an alteration (unless the customer has confirmed it by signing the alteration) or which is not one of the printed cheques issued for use in drawing on that account

**3.** **Legal bar:** Where there is any court order in form of garnishee order or the bank has received a notice of the customer’s death or countermand of payment. The bank will be bound by this and is entitled to refuse payment.

**4.** **Stale Cheques:** A bank may return any cheque that is over six months from the date of its issuance.

1. 1. The customer owes a bank a duty to take reasonable care in drawing his cheques so as to reduce the risk that the bank will be misled into making a payment which he has not authorized.

2. If he fails in that duty, the bank is entitled to debit the payment to his account although he did not authorize it.

3. The customer also owes the bank the duty to inform it if any known or suspected forgeries without delay.

1. 1. Where the bank is required by law to disclose: such as where the police is seeking information for purposes of criminal prosecution

2. Where there is a public duty to disclose: Such as where national security is at stake or even when national policy requires the observance of certain restrictions

3. Where the interest of the bank requires disclosure: Such as where the bank has sued the customer to recover what he owes to the bank, the writ must include a statement of claim setting out the amount due and possibly some particulars of the transaction from which the debit arose

1. A customer is an individual or organization who buys a product or a service while a consumer is a person who uses the product and service or may be affected by its purchase.

**Question 4**

1. Innovation is the process of translating an idea mostly a new one or invention into a good service that creates a unique value for which customers will pay. The new idea aims at achieving results in an economical way and also following global technological changes.
2. The extension of banking hours by the two local banks with the aim of achieving convenience for their customers can be argued especially in the modern days where the banking platform is changing.

The argument from the two officers points at the notion of carrying over the customers in the city who closes their shops after traditional banking hours. They believe these customers would be happy as the banks would be open by the time they close their shops. This would reduce the risk of holding the cash in the shops overnight. However, there are other innovative cost effective solutions that can offer more convenience to the customers without necessarily extending banking hours. Below are some of the solutions;

1. **Point of Sale (POS) Machines**. If these banks would provide the POS machines to their business customers, it would mean that customers would be purchasing using cards. Eventually cash transaction would be eliminated and they will be no need for the customers to physically visit the banks for cash deposit. A card swipe on the POS automatically credits the customer’s account in the banking system. This is more convenient and secure to both the customer and the bank. It removes the risk of loss of cash during transit or counting.
2. **Deposit taking ATMs.** The banks can invest in deposit taking ATM machines. This can enable the customers to do deposits 24/7 without using the banking halls. In most developed countries banking halls have become useless as customers do transactions using ATMs and other self-services.
3. **Online Banking.** Online banking solution like Internet banking for customers both corporate and Retail customers provides convenience. Customers would be able to do transactions right in their offices or homes without physical be in the banking halls. It only takes few seconds to do online transfers than taking physical transfer forms to the banking halls. Corporate internet banking also provides cash management solution. The customer is able to do an investment using the online banking solution.
4. **Mobile banking solution.** In today’s banking, mobile phones are replacing the mortal bricks banking. A customer can do 90% of the banking transactions using their phones. If the banks can concentrate on this latest innovation, then they will no longer be thinking of extending banking hours and not talking about branch expansion. A bank with only one branch can be able to compete on the market.

If the banks will be able to invest in the above innovation then they will be able to eliminate the burden of enormous costs of branch network as observed by Richard Pascale on the traditional banks. Manual intervention will also be eliminated which will mean reduced staff costs and this will translate to increased profits.

1. 1. **Banks**

* They will need to improve their system up time. Most ATMs, Internet banking, Mobile banking are down during peak hours. This frustrates customers who just decide to be patronizing the banking halls.
* Come up with clear strategies to drive customers outside the banking halls. i.e investments in marketing campaigns.
* Financial literacy drives instead of just throwing to the customers

2. **Customers**

- Level of illiteracy is very high hence unable to operate on alternate channels

- Resistance to change. Most customers believe in physical contacts

**Question 5**

1. **1. People.** These are front line service providers in a help desk set up. They include supervisors, or Team leader, Level one analyst, level one specialist, help desk manager and or Senior Help desk manager. Front line service providers interact directly with the customers and help desk managers. Staffing levels in a help desk depends on the size of the help desk. Small and newly set up help desk would normally comprise of very few staff and less complicated structure.

**2. Processes.** A well set up Help desk needs have clear guide lines on all the processes. This helps in efficiency towards helping the customers. When staff are used to a routine process, they master it and this replicates to customer satisfaction. Some common processes found in help desk include problem management, request management, and service level management.

**3.** **Technology.** These are the tools and technologies people use to do their work. Modern help desks use up to date technologies that facilitate smooth processes. It aids the staff to track all the logged complaints which can be recalled any time.

**4.** I**nformation.** A good help desk have data which is well organized in a meaningful way such that where a help desk analyst needs information about a particular customer, it should be available without hustles. Management will also need information to evaluate team and individual performance and identify improvement opportunities.

1. 1. **Business skills.** These are skills that are unique to the professional they support. For instance banking skills if the help desk is for the bank. The skills also include customer service skills such as understanding the importance of meeting customer’s needs.

2. **Technical skills.** These include basic computer and software skills. It also includes the use and support of specific products and technologies.

3. **Soft skills.** The skills and personality traits that people need to deliver great service, such as listening skills, communication skills, Customer service skills, problem solving skills and ability to be a team player.

4. **Self-management skills.** The skills such as stress and time management that people need to complete their work effectively, feel job satisfaction and avoid frustration or burn out.

1. 1. Help desk will ease the pressure in our branches as customers will no longer be visiting the branches to log their complaints. This will make the staff in the branches concentrate in more profitable business.

2. Help desk will provide convenient to our customers as they will only need to pick a call to log a complaint instead of physically visiting the branches. Customers will serve a lot and will turn to be loyal to us.

3. A help desk will give us an opportunity to have central repository for all our complaints. This will eventually help in our overall complaints management and analysis for better improvement in service.

**Question 6**

1. **1. Meet and get to know your team mates.** At the introduction stage, make an effort to go beyond simple introductions and get to know your team mates. During the first week or two, make it a point to have a one-on –one conversation with all your team mates.Shake their hands. Ask them different questions you might ask in order to get to know what they do. A brief conversation will help build a rapport and more importantly help each of you settle into a positive working relationship.

**2. Try to gain an understanding of the bigger picture.** Make sure you get the organization’s mission and vision statement. Understand the organizations customers and their needs. Ask for copies of the organization’s charts. Get to know the leadership and what they value.

**3.** **Learn the Lingo.** Every company and even a team within a company have their own vocabulary. The culture in organizations is mostly different. Get a glossary of terms and use it to learn the language of your new team.

**4.** **Determine exactly what is expected of you.** It is important that you ask for a job description from your supervisor. Failing to do what is expected of you can create a bad first impression that may be hard to overcome. It takes time to learn the team’s culture and it takes time to learn all the process, procedures and tools you will be using to do your work. Let your supervisor or team leader know that you want to be a team player and that you want to make contribution.

**5.** **Volunteer.** While you want to resist the temptation to bite off more than you can chew, volunteering is the best way to get involved with a team. if you see an area where you expertise can be put into use, offer it. Volunteering is an excellent way to let your personal interests and unique talents shine through.

1. Organization culture is a system of shared values, assumptions and beliefs which governs how people behave in organizations. This simply means how we do things around here. The shared values have a strong influence on the people in the organization and dictate how the dress, act and perform their jobs.

Elements of culture are;

1. Language
2. Religion
3. Symbols
4. Values and Attitudes
5. Types of norms
6. Social organization
7. High Context cultures are those in which the rules of communication are primarily transmitted through the use of contextual elements like body language, person’s status and tone of voice. These are not explicitly stated. Examples of communities with High context culture includes;
8. Japanese
9. Mediterranean
10. Asian
11. African American
12. Low context cultures are those whose information are explicitly communicated through language and rules are spelled out. Examples of communities with Low context culture includes;
13. English
14. German
15. Scandinavian

**Marking Scheme**

**Question Two**

Format set (Top part) **(3 marks)**

Introduction **(2 marks)**

Reporting the issues (People, Systems, Processes)

Any good point demonstrating current practice in the banking halls

Maximum marks **(6 marks)**

Recommendations

Any good recommendation (Minimum two per heading) Maximum marks **(9 marks)**

**Total Marks (20 Marks)**

**Question Three**

1. 2 marks per point up to maximum **(6 marks)**
2. 2 marks per point up to maximum **(6 marks)**
3. 2 marks per point up to maximum **(6 marks)**
4. 2 marks (**2 marks)**

**Total marks (20 marks)**

**Question Four**

1. 2 marks **(2 marks)**
2. 2 marks **(2 marks)**
3. 2 marks per point up to maximum **(8 marks)**
4. 2 marks per point up to maximum **(8 marks)**

**Total marks (20 marks)**

**Question Five**

1. 2 marks **(2 marks)**
2. **4** marks on any three suggestions. 2 max on Costs explanation **(14 marks)**
3. **2** marks (any one on Banks side), **2** marks (any one on Customers side) **(4marks)**

**Total marks (20 marks)**

**Question Six**

1. 2 marks per point up to maximum **(8 marks)**
2. 2 marks per point up to maximum **(8 marks)**
3. **2 marks each, any two maximum (4 marks)**

**Total marks (20 marks)**

**Question Seven**

1. 2 marks per point up to maximum **(10 marks)**
2. 2 marks for Definition and 1 mark each for any two elements **(4 marks)**
3. 2 marks for Definition and 1 mark for any two examples **(3 marks)**
4. 2 marks for Definition and 1 mark for any two examples **(3 marks)**

**Total marks (20 marks)**