

Skills for Work:  
**Financial Services**  
**Intermediate 2**

Building Positive Relationships with  
Customers and Colleagues



Support Material

May 2006  
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# Financial Services: Building Positive Relationships with Customers and Colleagues

## DM7V 11

### Introduction

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Marketing Officer - Communications  
The Scottish Further Education Unit  
Argyll Court  
Castle Business Park  
Stirling  
FK9 4TY

Website: [www.sfeu.ac.uk](http://www.sfeu.ac.uk)

Further information regarding this Unit including Unit Specification, National Assessment Bank materials, Centre Approval and certification can be obtained from:

The Scottish Qualifications Authority  
Optima Building  
58 Robertson Street  
Glasgow  
G2 8DQ

Website: [www.sqa.org.uk](http://www.sqa.org.uk)

## **Class Sets**

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Elanders Hindson  
Merlin Way  
New York Business Park  
North Tyneside  
NE27 0QG

Tel: 0191 280 0400

Email: [info@elandershindson.co.uk](mailto:info@elandershindson.co.uk)

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## **Reference Section**

## What are Skills for Work Courses all about?

Skills for Work Courses are designed to help candidates to develop:

- skills and knowledge in a broad vocational area
- Core Skills
- an understanding of the workplace
- positive attitudes to learning
- skills and attitudes for employability

A key feature of these Courses is the emphasis on **experiential learning**. This means learning through practical experience and learning by reflecting on experience.

### Learning through practical experience

Teaching/learning programmes should include some or all of the following:

- learning in real or simulated workplace settings
- learning through role play activities in vocational contexts
- carrying out case study work
- planning and carrying out practical tasks and assignments

### Learning through reflecting at all stages of the experience

Teaching/learning programmes should include some or all of the following:

- preparing and planning for the experience
- taking stock throughout the experience
- reviewing and adapting as necessary
- reflecting after the activity has been completed
- evaluating, self-assessing and identifying learning points

The Skills for Work Courses are also designed to provide candidates with opportunities for developing **Core Skills** and enhancing skills and attitudes for **employability**.

## Core Skills

The five Core Skills are:

- Communication
- Numeracy
- Information Technology
- Problem Solving
- Working with Others

## Employability

The skills and attitudes for employability, including self-employment, are outlined below:

- **generic skills/attitudes valued by employers**
  - understanding of the workplace and the employee's responsibilities, for example time-keeping, appearance, customer care
  - self-evaluation skills
  - positive attitude to learning
  - flexible approaches to solving problems
  - adaptability and positive attitude to change
  - confidence to set goals, reflect and learn from experience
- **specific vocational skills/knowledge**

Course Specifications highlight the links to National Occupational Standards in the vocational area and identify progression opportunities

Opportunities for developing these skills and attitudes are highlighted in each of the Course and Unit Specifications. These opportunities include giving young people direct access to workplace experiences or, through partnership arrangements, providing different learning environments and experiences which simulate aspects of the workplace. These experiences might include site visits, visiting speakers, role play and other practical activities.

*A Curriculum for Excellence* (Scottish Executive 2004) identifies aspirations for every young person. These are that they should become:

- successful learners
- confident individuals
- responsible citizens
- effective contributors

The learning environments, the focus on experiential learning and the opportunities to develop employability and Core Skills in these Courses contribute to meeting these aspirations.

## The Course in Financial Services (Intermediate 2)

### Course Rationale

This Course is intended to equip candidates with the necessary knowledge and skills which will enhance their prospects for employment in the wide range of opportunities within the financial services industry. The Course will allow candidates to develop a range of employability skills which are of particular relevance to the financial services industry. Core Skills of numeracy, information technology and problem solving will also be developed throughout the course where opportunities arise. The Course will offer a variety of approaches to learning and teaching and will include a strong element of experiential learning. It is intended that some of the course will be delivered and assessed in a different learning environment to that of the school through a partnership arrangement with a college, training provider or employer.

The primary target group for this Course is school candidates in S3 and S4. However, the Course is also suitable for S5/S6 candidates and adult candidates who are seeking to enhance their employability and vocational skills in the financial services sector, as well as inductees/new entrants within the financial services industry.

The general aims of the Course are to:

- widen participation in vocationally-related learning for 14-16 year olds
- allow candidates to experience vocationally-related learning
- provide candidates with a broad introduction to the financial services sector
- enhance the candidates' financial literacy
- encourage candidates to foster a good work ethic, including timekeeping, a positive attitude and other relevant employability skills
- provide opportunities to develop a range of Core Skills in a realistic context
- encourage candidates to take charge of their own learning and development
- provide a range of teaching, learning and assessment styles to motivate candidates to achieve their full potential
- facilitate progression to further education and/or training

In particular, the aims of this Financial Services Course are to:

- encourage candidates to consider a career in the financial services industry
- develop an awareness of what opportunities there may be within the sector in terms of the types and range of career options
- provide candidates with knowledge and skills which are directly relevant to employment within the financial services sector

- provide opportunities for the personal development of skills and attitudes which will improve the candidates' employment potential within the financial services sector
- develop the candidates' awareness of their individual strengths and weaknesses in relation to the requirements of the sector, and to reflect on how this affects their employability potential
- raise awareness of the impact of the financial services industry on modern society
- raise awareness of the responsibilities of the financial services industry in modern society

## **Summary of Course Content**

Candidates will explore the variety and range of employers and the career opportunities which exist within the financial services sector. Candidates will become familiar with key words and terms used in the sector, and will develop an awareness of the impact of the sector on modern society. Personal development of employability skills will be the main focus across the course with each Unit aiming to enhance such skills. The development of financial acumen and personal financial responsibility are also given high profile. While candidates will be required to develop an awareness of the impact of legislation on the financial services sector, detailed technical knowledge will not be covered in this Course.

## **Unit Specification: statement of standards**

### **Unit: Financial Services: Building Positive Relationships with Customers and Colleagues (Intermediate 2)**

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit Specification. All sections of the statement of standards are mandatory and cannot be altered without reference to the Scottish Qualifications Authority.

#### **Outcome 1**

Gather and analyse information relevant to customer needs.

##### **Performance Criteria**

- a) Identify customer needs.
- b) Gather current information relevant to the identified needs of the customer.
- c) Analyse information gathered in relation to the identified needs of the customer.
- d) List a range of financial products appropriate to the identified needs of the customer.

#### **Outcome 2**

Communicate relevant product information to the customer.

##### **Performance Criteria**

- a) Present a summary of the product information accurately and clearly to the customer.
- b) Use appropriate business terminology throughout the communication.
- c) Demonstrate positive behaviour throughout the interactions.

### **Outcome 3**

Demonstrate knowledge and understanding of how financial institutions establish and build relationships with existing customers and how they attract prospective customers.

#### **Performance Criteria**

- a) Describe ways in which financial institutions attract prospective customers.
- b) Identify ways in which financial institutions build relationships with existing customers.
- c) Explain the effects of poor customer service on the business and the customer.
- d) Explain the benefits of good customer relationships on the business.

### **Outcome 4**

Work with others to produce a good practice guide for customer relations.

#### **Performance Criteria**

- a) Agree the roles and responsibilities of all those involved in the task.
- b) Agree time limits and deadlines for steps involved in the task.
- c) Monitor progress with others in order to complete the task.
- d) Interact constructively with others throughout the task.
- e) Contribute to the production of a good practice guide

## Evidence requirements for the Unit

Written/oral evidence, performance and product evidence is required which demonstrates that all Outcomes and Performance Criteria have been achieved.

**For Outcomes 1 and 2** candidates will undertake an assignment in which they will analyse and present product information to customers. The assignment will cover:

- a minimum of four customers, at least one being a prospective customer and at least one an existing customer
- products should cover loans, mortgages, investment products and savings
- information should relate to one company
- communication modes should cover:
  - one e-mail
  - one letter
  - one telephone conversation
  - one interview role play

In at least one of the written communications, reference should be made to the *Data Protection Act, 1998*.

Written/oral evidence will be required to demonstrate that the customer's needs have been identified and information on appropriate products has been summarised. An assessor observation checklist will be required to show that both written and oral communication with customers has been effective.

**For Outcomes 3 and 4**, candidates will undertake an assignment as follows:

- answer questions on two case studies on customer service
- work in groups (minimum of 2) to plan and produce a guide to good practice in customer relations within a given timescale; this may be written/graphical/ presented orally
- complete a log sheet giving details of the group experience

Written/oral evidence is required to demonstrate knowledge and understanding for Outcome 3 and an assessor checklist and product evidence is required for Outcome 4.

The National Assessment Bank item (NAB) for this Unit provides details of the product information assignment, an assessor observation checklist, two case studies, an assessor checklist and log sheet for the group exercise. The NAB exemplifies the national standard. Centres wishing to develop their own assessments should refer to the NAB to ensure a comparable standard.

**NB Centres must refer to the full Unit specification for detailed information related to this Unit.**

## **Careers Scotland Support for School-College Collaboration for Scotland's Colleges in the Scottish Enterprise area**



In August 2006 Careers Scotland (SE and HIE areas) received funding from Scottish Executive to support college/school collaboration and encourage and promote vocational educational choices for pupils in schools. Following consultation each area produced a local action plan outlining how they intended taking forward key activities. Careers Scotland's focus is to support the career guidance needs of all S2-5 pupils involved in the opportunities which school/college collaboration brings, supporting them to make vocational educational choices, and with particular consideration for those young people at risk of becoming not engaged in employment education or training.

Skills for Work (SfW) courses are a key aspect of enhanced school/college collaboration and Careers Scotland has an important role in selection and recruitment and pre-entry career guidance, as well as ongoing support and pre-exit career guidance, to ensure the pupils' experience of SfW is capitalised upon in any future career planning. Careers Scotland also supports the career guidance needs of pupils involved in other vocational/pre-vocational programmes where relevant. Career Box delivery is a valuable tool in helping meet the needs of school pupils and lessons reflect options available within colleges; both at school and post school.

Careers Scotland activity takes place at local and national levels. This may involve a combination of any of the following services which can be tailored to local needs:

- awareness raising of Skills for Work courses (and other vocational programmes where relevant) – for pupils, teachers and parents - demonstrating how these educational choices have implications for future career options, and support the achievement of future career goals
- careers guidance support for individuals and groups, before, during and after involvement in SfW courses, resulting in better informed career decisions and effective transitions
- providing support for pupils who have been unsuccessful in attaining a place on a SfW course
- providing transitional skills development for those completing SfW courses
- capacity building through relevant shared CPD events, for Careers Scotland staff, teachers and college lecturers
- capacity building through the development of resources to support pupils, parents or teachers
- delivery of relevant Career Box lessons, where appropriate
- making connections with other existing support for pupils

- participation in local planning and management arrangements
- contributing to local and national discussions on provision and strategic development
- capturing good practice and evaluating effectiveness, using the community of practice site on our website ([www.careers-scotland.org.uk](http://www.careers-scotland.org.uk)) and sharing successes and concerns

In addition there are opportunities for developmental activities which can help to take forward CPD, good practice, resource development and learning opportunities for Skills for Work for young people, teachers, college lecturers, parents, Careers Scotland Advisers and employers.

For further information on Careers Scotland (SE)'s involvement in school/college collaboration in your college, please get in touch with one of our Careers Scotland Regional contacts:

**South East Region                    (Edinburgh and Lothians; Forth Valley; Borders)**

Stephen Benwell    01786 452043            stephen.benwell@careers-scotland.org.uk

**North East Region                    (Tayside; Grampian; Fife)**

Pat Pugh                    01224 252044            patricia.pugh@careers-scotland.org.uk

**South West Region                    (Dumfries and Galloway; Ayrshire; Lanarkshire)**

Jean Geddes            01698 742192            jean.geddes@careers-scotland.org.uk

**West Region                            (Glasgow; Dunbartonshire; Renfrewshire)**

Sandra Cheyne            0141 204 8338            sandra.cheyne@careers-scotland.org.uk

## Employability skills profile

In addition to the specific, vocational skills developed and assessed in this Course, employability skills are addressed as detailed in the table below. For the purposes of the table, the Units are referred to as A, B, C and D as indicated.

Financial Services: <b>Introduction</b>	=	<b>A</b>
Financial Services: <b>Personal Finance Awareness</b>	=	<b>B</b>
Financial Services: <b>Building Positive Relationships with Customers and Colleagues</b>	=	<b>C</b>
Financial Services: <b>Employability Skills</b>	=	<b>D</b>

Employability skill/attitude	Evidence
• customer care skills	C
• ability to work in a team	C
• communication skills – writing and talking	C, D
• awareness of roles and responsibilities of self and others	A, D
• ability to follow instructions	C, D
• positive attitudes and willingness to learn	D
• confidence to seek feedback	D
• timekeeping	D
• appropriate appearance	C, D
• awareness of external regulations/legislation	A, B, C
• awareness of health and safety issues	A
• ability to self evaluate skills and performance	D

### Assessment evidence in all Units:

- A = Written test of knowledge and understanding of regulations and legislation (Including health and safety) within the sector; portfolio of evidence on career pathways including roles and responsibilities of self and others
- B = Portfolio of evidence including legislation on customer protection for financial transactions
- C = Assessor observation checklists of practical activities including team working, verbal and written communications to others, appreciation of role and responsibilities of self and others and demonstration of positive attitudes
- D = Assessor observation checklists for practical activities in demonstrating skills valued by employers in the financial services sector

## **Tutor Support Section**

## How to Use the Pack

The teaching material included in the pack can be used at the discretion of the tutor. Centres are free to adapt the materials to suit the different needs of learners (eg. the ages and stages of different groups).

Some of the activities in the pack make reference to knowledge gained in the Units *Financial Services: An Introduction* and *Financial Services: Personal Finance Awareness*. It's therefore recommended that the units are delivered sequentially.

The Student support materials follow the Unit Specification sequentially.

**Section 1** provides an introduction to some of the more general concepts of Customer Service as well as the knowledge and skills required to complete Outcomes 1 and 2 of the unit. It covers the Modes of Communication in which learners will be required to demonstrate competency – both written and verbal.

**Activity 14** in Section 1 should ideally be undertaken using a 'realistic' telephone simulation. If possible the call-maker and call-taker should be in separate rooms – they must not be able to see each other.

In **Activity 17** the students undertaking the Adviser and Customer roles should not see each other's instructions before the role play is carried out.

When considering face-to-face communication and body language it may be useful to introduce some body language exercises. Useful exercises can be found on [www.rider.edu](http://www.rider.edu) (type body language in the search window). These will also be useful for Unit 4.

Section 1 concludes by investigating the types of information that need to be gathered and analysed before relevant product information can be communicated to customers.

It is assumed that learners will have already acquired relevant product knowledge within the Unit *Financial Service: Personal Finance Awareness*.

**Section 2** of the Support Pack considers how financial institutions establish and build relationships with both existing and new customers and how they attract prospective customers.


**Section 3** considers the importance of being able to work co-operatively with others in the modern business environment and the dynamics of team working.

## Unit delivery

In the delivery of this Unit, as in the other units of the course, teachers and lecturers should bear in mind the underpinning focus on employability skills and should take every opportunity to highlight these throughout the unit. Many of the skills which learners develop through undertaking this Unit will be of use in working towards the successful completion of the Employability Skills Unit. Tutors should therefore ensure that they are also aware of the content and evidence requirements of the Employability Skills Unit to ensure that appropriate integration of content can be built in to their teaching plan.

This Unit aims to help candidates develop the inter-personal and business skills needed to successfully handle customer queries and to be able to interact appropriately with customers and colleagues. It also aims to raise learners' awareness of the importance in the modern workplace of building good customer relationships and providing excellent customer service.

The Student Support material includes a number of activities that are designed to enable learners to practise these skills in a non-threatening environment and prepare them for both the assessments they will have to undertake and the world of work.

Student tasks and activities in both sections are identified with the symbol 

Some of the activities in the Support Pack will require the learners to be involved in class and group discussions as well as group activities and role-plays. Therefore, learners will need to be able to move around the room and make noise. The teaching environment should be able to accommodate this.

Access to computer facilities and telephones is desirable – a simulated office or call centre environment would be ideal.

## Learning and teaching with under 16s

Scotland's Colleges have made significant progress in meeting the needs of young learners. Our knowledge of the learning process has increased significantly and provides a range of strategies and approaches which gives us a clear steer on how lecturers can add to their skill repertoire. Lecturers can, and do, provide a stable learning environment where young students develop a sense of self-respect, learn from appropriate role models and see an opportunity to progress. There are basic enabling skills for practical application which can further develop the learning process for this group of students. So what are the characteristics of effective learning and teaching which will help to engage young learners?

### Ten ways to improve the learning process for Under 16s

(This list is not exhaustive!)

1. **Activate prior knowledge and learning** – ascertain what the learner knows already and teach accordingly. Young people do have life experience but it is more limited than adult learners and they may not always be aware of how it will assist them in their current learning.

**Tips** - Question and answer; Quick Quiz; Quick diagnostic assessment on computer; present key words from the course or unit and see how many they recognise or know something about.

2. **Tune learners into the Big Picture** – the lecturer knows the curriculum inside out and why each lesson follows a sequence, however the young learner does not have this information and is re-assured by being given the Big Picture.

**Tips** – Mind map or concept map; use visuals, for example wall displays of diagrams, photographs, flow charts; explain the learning outcomes in language they will understand; We Are Learning Today (WALT) targets and What I'm Looking For (WILF) targets; give clear and visible success criteria for tasks.

3. **Use Advance Organisers** – these are lists of the key concept words that are part of the course or unit.

**Tip** – Highlight on any text the concept words that you will be using; make a visible list and put it on display – concept words can be struck off or referred to as they occur (NB this helps with spelling and independent learning as they do not have to keep checking meaning); highlight essential learning and action points.

4. **Vary the teaching approaches.** The two main approaches are instructing and demonstrating, however try to provide opportunities to facilitate learning.

**Tips** – Ask students what they know now that they did not know before, or what they can do now they could not do before, at appropriate points in the lesson or teaching block; ensure there are problem solving activities that can be done individually or in groups; ask students to demonstrate what they have learned; use a range of question and answer techniques that allow

participation and dialogue, eg. provide hints and cues so that they can arrive at answers themselves.

5. **Preview and review of learning.** This helps to embed previous learning and listening skills and provides another opportunity to elicit learner understanding. Consolidates and reinforces learning.

**Tips** – At the beginning of each lesson, or session, review previous learning and preview what is coming up; at the end of each lesson or session, review what has taken place and what will be focussed on next time – these can both be done through question and answer, quizzes and mind mapping activities.

6. **Language in the learning environment.** Do not assume that the language which is used in the learning environment is always understood by young learners, some words may be familiar but do not have the same meaning when used vocationally.

**Tips** - At appropriate points ask students what words mean; explore the various meanings of words to find out if they may have come across this language in another context; by looking at the structure and meaning of words there is an opportunity for dialogue about learning and to build vocabulary.

7. **Giving instructions in the learning environment.** This is one of the most difficult tasks a lecturer has to do whatever the curriculum area. With young learners this may have to be repeated several times.

**Tips** – Ask a student to repeat back what you have asked them to do before beginning a task; ask them to explain the task to one of their peers; use the KISS principle – Keep It Short and Simple so that they can absorb and process the information.

8. **Effective feedback.** Feedback is very important for the learner to assess their progress and to see how and what they can improve. Provide opportunities to engage in dialogue about the learning function of assessment – provide details of the learner's strengths and development needs either in written or spoken form. With younger learners identifying one or two areas for development is sufficient along with acknowledgement of what has been done well.

Essentially, learners are helped by being given a **specific** explanation of how work can be improved. You can also use summative assessment formatively, ie. as an opportunity to identify strengths, development needs and how to improve.

**Tips** – Ask students themselves to identify their own strengths and development needs – self evaluation; peer evaluation of work can be successful once they have been taught how to do it; the lecturer can produce a piece of work and ask students to assess it anonymously; have a discussion about the success criteria for the task and ensure the students are clear about them; allow learners to set criteria for success and then measure their achievements against these.

9. **Managing the learning behaviour.** Under 16s are coming into Scotland's Colleges and training establishments from largely structured and routine-driven environments in schools and early feedback indicates that they very much

enjoy the different leaning environment that colleges and other training providers offer. Remember though that these are still young learners. They will still expect lecturers to provide structure and routine and will perform best in a calm, orderly learning environment. Young students will respond to firm, fair and consistent management. Such routines have to be established quickly and constantly reinforced.

**Tips** – Health and safety is non-negotiable and consequences of non-compliance with the regulations should be made clear and adhered to at all times; set out your expectations from day one and provide a consistent message; have clear beginnings, middles and endings for each session; be a positive role model for your students, ie. be there before they are and manage the learners with respect; always deliver what you promise; build up good relationships and get to know the learners, make the curriculum interesting and stress the relevance of the learning; set up a positive behaviour management system. By following these guidelines you will build up two-way respect, which, while sometimes challenging to achieve, can be very powerful and work to everyone's benefit.

10. **Care and welfare issues.** School/college partnerships mean increasing numbers of young learners in college. Lecturers have to be aware of their professional responsibilities and mindful of young people's rights. However lecturers have rights too, in terms of feeling safe and secure in working with young people and there are basic steps staff can take to minimise risks. It is essential that colleges ensure that lecturers have a working knowledge of the Child Protection policies (local authority and college documentation) and follow procedures and policies diligently. School/College Liaison Officers will be familiar with these documents and can provide support and advice. There are also training sessions on Child Protection available from SFEU (see below)

**Tips** – Avoid one-to-one situations with young students in a closed area: do not do or say anything that could be misinterpreted; if the opportunity arises, do some observation in schools to see and discuss how teachers use the guidelines for their own protection as well as the young person's.

Most young people are a delight to work with and they will positively enjoy the experience of learning in college however, there will inevitably be some who are disengaged, disaffected and who have not yet had an opportunity to experience success. 'Skills for Work' is a unique educational initiative that young people can be motivated to buy into—you as the lecturer are key to the success of these programmes.

### **Skills for Work Workshops**

To take this 10 point plan forward and to add to it, you can attend one of SFEU's 'Get Skilled Up' half day workshops for lecturers delivering Skills for Work Courses, when we explore further the learning process and look at a range of specific teaching and learning techniques to use with the under 16 age group. To find out when the next event is, visit our website [www.sfeu.ac.uk](http://www.sfeu.ac.uk) or contact the Learning Process team at SFEU on 01786 892000.

### **Child Protection Workshops**

These are run on a regular basis by staff at SFEU in Stirling and also in colleges. For more information on these workshops please contact members of the Access and Inclusion team at [www.sfeu.ac.uk](http://www.sfeu.ac.uk) or contact the team at SFEU on 01786 892000.

## Suggested solutions to student activities

### Activity 1

#### Why?

- People sometimes don't know their own financial needs.
- People don't always make financial plans.
- People don't understand the products available or are not aware of them.
- People sometimes listen to adverts or what other people say without realising that products may not be appropriate for them.
- People don't always understand tax and financial legislation.

#### Ways to Help

- Industry advisers can discuss individual financial circumstances.
- Advisers can help people to consider their needs and priorities.
- Advisers can explain products properly.
- Advice can be tailored to meet individual needs taking into account tax and legal requirements.

### Activity 2

No standard answer. Students are likely to come up with a range of answers which can be used as the basis for discussion.

### Activity 3

List could include:

<b>Buyers/Users</b>	<b>Agents</b>
<ul style="list-style-type: none"><li>• Account-holders</li><li>• Borrowers</li><li>• Savers</li><li>• Other members of staff</li></ul>	<ul style="list-style-type: none"><li>• IFAs</li><li>• Appointed Representatives</li><li>• Other Financial Services institutions</li></ul>

#### **Activity 4**

No standard answer. Students are likely to come up with a range of answers which can be used as the basis for discussion.

#### **Activity 5**

Customers' needs can be identified by:

- using Questionnaires (Fact Finds),
- talking to them in the branch,
- carrying out surveys:
  - face to face or telephone,
  - looking at patterns of activity on accounts.

#### **Discussion Point:**

- Good Communication Skills
- Listening Skills
- Verbal Skills (no jargon, no interrupting, explaining and recapping)
- Good Questioning technique
- Proper written communications
- Open body language

#### **Activity 6**

- Name and Address should be to the left
- No date
- Incorrect spacing
- Spelling mistakes
- Lack of punctuation
- Tone and language
- Incorrect closing greeting

 **Activity 7**

No standard answer – follow conventions

 **Activity 8**

No standard answer – follow conventions.

 **Activity 9**

No standard answer. Students are likely to come up with a range of answers which can be used as the basis for discussion.

 **Activity 10**

The answers to this will be personal to the student.  
Better ones are upbeat, controlled tone, warm and understanding, clear and natural.

 **Activity 11**

Possible alternatives:

1. Can I help you?
2. Can I take a message? Can I be of assistance?
3. Would you mind holding for a moment?
4. Pardon?
5. She's not available at the moment. Can I help?
6. Never say this!
7. Can I get ? to call you back in an hour?
8. I'm sorry ? is out of the office at the moment. Can I help?
9. I will do that
10. I'm sorry I cannot hear you properly
11. Never be rude
12. Could you repeat that, please?
13. I'm sorry you were kept waiting. What can I do for you?
14. Make a positive action statement
15. Never play the blame game

 **Activity 12**

Correct ones are:

Thank You/ Yes/ Good Morning/ One moment, please/ Who is calling?/ Pardon/ Goodbye.

If a less formal call - OK and Cheerio may be acceptable

 **Activities 13 – 23**

No standard answer

 **Activity 24**

Answers could include:

- keeping accurate information
- reliability
- responding quickly to problems
- treating customers with respect and empathy – staff should treat customers as they would like to be treated
- treating customers as individuals
- exceeding expectations.

 **Activity 25**

No standard answer

 **Activity 26**

True, True, False, True, False, True, True

 **Activities 27 – 28**

No standard answer. Students are likely to come up with a range of answers which can be used as the basis for discussion.

 **Activity 29**

External customers want:

- The right product
- The right price
- At the right time
- In the right place
- Helpful service
- To be understood
- To be listened to
- To be cared for
- To be treated as an intelligent human being
- To be treated as an individual

## **Student Support Section**

## **Tutor Note on Student Activities**

This section includes both student notes and activities. Use of these materials is not mandatory. Rather, they are offered to centres as a flexible set of notes and activities which can be selected, altered and used in whatever way suits individual centres and their particular situation - for example as a supplement to centres' own tried and tested materials. In the case of the student activities you may want to explain and discuss the instructions with the learners before issuing on paper as reminders. Likewise, tutors should decide how much support students will need with notes and information sheets prior to issuing them. In some cases they may be issued designed to reinforce knowledge gained through practical activities or following discussion of specific issues or underpinning knowledge

**This section should not be issued as a pack of student notes in its entirety.**

## **Section 1:**

### **Gather and analyse information relevant to customers' needs and Communicate product information to the customer**

You'll be aware after studying Units 1 and 2 in the *Skills for Work – Financial Services* programme that everyone is affected by financial matters and has to make financial decisions from time to time. Some of these decisions will be much more important than others and some can have a real effect (good or bad) on your future wealth and lifestyle.

You'll also be aware that there are a great many different financial products available and a great many providers. No wonder then that many people feel overwhelmed when trying to decide not only which types of products they need, but also which product provider to use. Add in the complex legal and tax implications that accompany some products and you can see why most of us will need to find some good advice as we go through life.

However, when seeking out that advice, it's important that people are confident that the person who gives them advice is qualified to do so – and trustworthy. As you know, the Financial Services Authority has some very strict rules to safeguard us all from unscrupulous financial advisers but sometimes people also have to be protected from themselves!



## What is a customer?

Before investigating the ways that information about customers is gathered and analysed we need to ask some more questions.



### Activity 2

What do you think a customer is? Write your definition in the box below.



### Activity 3

Who are the external customers of financial institutions? Make a list in the box below.

An initial simple definition for **Activity 2** might be, 'People who buy goods or services from a business'. However, this is probably too simple.

**The Institute of Customer Services** suggests that there are two types of customer:

- internal and
- external.

**External customers** are those who are not employed by the organisation and to a large extent fit the above definition.

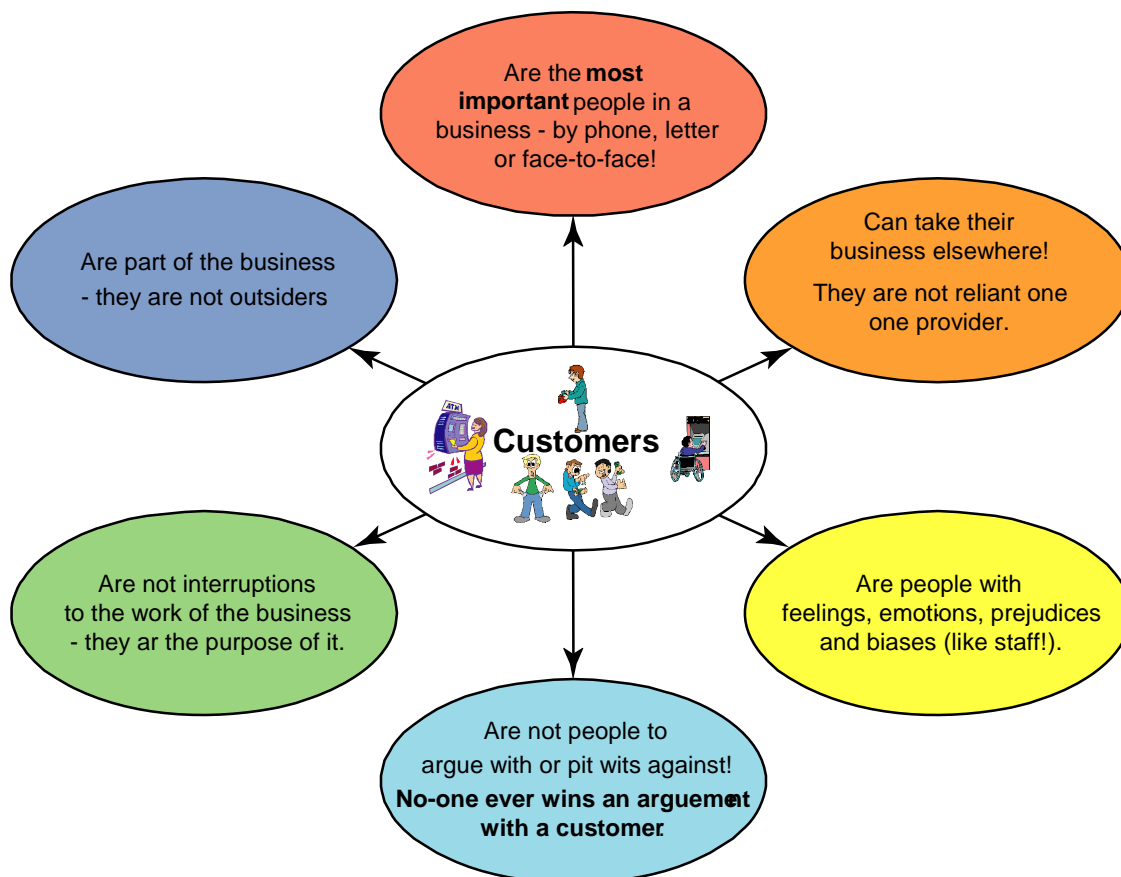
Are your answers to **Activity 3** all 'personal' customers? What about other businesses?

**Internal Customers:**

Staff in an organisation will always need help from colleagues to do their job properly – this could be providing information, giving advice, booking meeting rooms, delivering mail, discussing a problem among other things. This two-way relationship means that all employees are Internal Customers of the organisation they work for. A business may have many departments or sections. One department may rely on 'inputs' for example, information or sales figures from another department to be able to function properly. They may then modify or 'add value' to these inputs before they 'output' them to other departments – your tutor will give you examples of this. In this way departments act as customers for one another. If one department does not do its job properly this has an effect on the other department(s).

 **Activity 4**

Thinking back to Unit 1, *Financial Services: Introduction* when you looked at the structure of financial organisations, give examples of some of the internal customer relationships for two organisations. Write your answer below.



Customers of financial institutions are many and varied. Their financial needs will also be many and varied. Therefore, to be able to identify and meet the needs of each customer, financial services providers need to gather some information about them.

 **Activity 5**

The first step in the Financial Planning Process is the identification of a customer's need(s). However, it's impossible to accurately identify customers' needs unless relevant information about the customer is collected and evaluated.

List as many ways as you can think of in which a customer's needs can be identified.

Organisations need to 'get to know' their customers and keep accurate records about them (remember the obligations of the *Data Protection Act, 1998*?)

 **Discussion Point**

What obligations does the *Data Protection Act, 1998* place on Financial Services providers with regard to the collection and storage of personal information?

When a customer first makes contact they will probably provide a brief outline of their wants:

- “I want to open an account”
- “I’ve got a part-time job and my employer wants to pay my wages into a bank account”
- “I’ve been given £500 by my grandparents and want to save it”
- “I’d like to borrow some money to go on holiday with my friends”

However, you will need to find out a lot more about them before you can even begin to discuss specific products or services. To gather relevant information from the customer you will need to ask relevant questions – and to do this you will need to possess good communication skills.



**? Discussion Point**

What do you think these are? List some good communication skills.

## Modes of communication

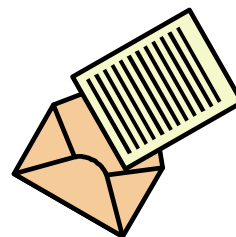
Different types of communication skills are needed when using different **modes of communication**. After all, you wouldn't provide information in a letter in the same way as you would say it to someone, would you? Also, e-mail tends to be a little less formal than letters and speaking on the telephone is different to speaking face to face.



## Written communication

### Business letters

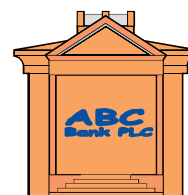
Letters are normally used between companies and individuals. They are not usually used for internal communication (from a work colleague to another work colleague). Business letters are **formal** – they often carry a feeling of importance and should be written in a respectful manner. They use formal English and should follow strict conventions like:



- Headed Notepaper – this contains details of the company like the address, telephone number, e-mail address and business logo.
- The date appears on the left hand side of the page followed by a blank line.
- The Recipient's (ie. the person it's being sent to) name and full address are then shown with no commas at the end of each line.
- The letter begins with a formal opening greeting (known as the salutation). The salutation used will depend on whether the writer knows the name (and title) of the recipient.
- A subject heading may appear below the salutation – this gives the recipient an idea about the letter's contents.
- The letter itself should be written in short paragraphs, each one getting to the point quickly while remaining respectful.
- The closing greeting then follows. It is formal:
  - **Yours sincerely**, when the writer knows the name of the recipient and
  - **Yours faithfully**, when the writer does not know the recipient's name (note – only the **Yours** has a capital letter).
- This is followed by a space (usually about 4/6 lines) for the sender's signature.
- The letter ends with the sender's printed name and job title.

Here is an example of a Business Letter – read this letter carefully and note on it how the writer has followed the business letter conventions:

**ABC Bank PLC**  
**12 Midway Close**  
**Aberdeen**  
**AB12 34Y**



**Tel: 10234 567890 Email [enquiries@Abonline.co.uk](mailto:enquiries@Abonline.co.uk)**

10 May 2006

Mr John Gold  
7 Cedar Lane  
Castleton  
Aberdeen  
AB1 2CD

Dear Mr Gold

**Investment Bond Number – 987654 J Gold**

Thank you for your recent enquiry regarding increasing your investment in the above bond.

Unfortunately, this bond was a fixed investment bond for two years and we cannot accept any additional payments. However, we are currently offering a new 2 year fixed investment bond that may be of interest to you.

I have, therefore, enclosed some leaflets detailing the terms of this Bond together with our other investment products which I hope you will find useful. Please note that the opportunity to invest in the new bond is limited and the closing date for the receipt of applications is 10<sup>th</sup> June 2006

If you wish to take advantage of this investment opportunity or to discuss your financial arrangement please call us and we will arrange for one of our Financial Advisers to speak to you.

Yours sincerely

*Jane Wilson*

Jane Wilson  
Customer Service Officer

## Language

There are also some ‘Dos’ and ‘Don’ts’ about the use of language in formal business writing:

- **do write concisely** (short and to the point) – if it can be said in 10 words instead of 20 – use 10!
- **do use punctuation** – commas, full stops etc help to convey meaning
- **do avoid clichés and clumsy words** – write elegantly (‘we received your letter’ instead of ‘we got your letter’)
- **do make sure your meaning is clear**
- **do use spelling and grammar checks**
- **do not use contracted words** (‘I’ve’ instead of ‘I have’, ‘can’t’ instead of ‘can not’).

 **Activity 6**

What is wrong with this letter? Highlight or circle the errors.

**Caledonian Bank PLC**  
**22 Regent Square**  
**Jamestown**  
**Glasgow**  
**G1 OPW**  
**Tel 07879 443875**

Mrs R Roberts,  
12 The Beaches,  
Ayr

Dear Mrs Roberts,  
Account Number 6579032 M Roberts  
This account which belongs to your sun Michael is in arrears he owes us £250 and this needs to be paid for now. We are telling you this because you are the guarantor for this account.

Please get Michael to pay this off right away or we will not be able to allow any more payments to be made from his account and we will have to pass this to the Bad Debt department who may take legal action against either Michael or you.

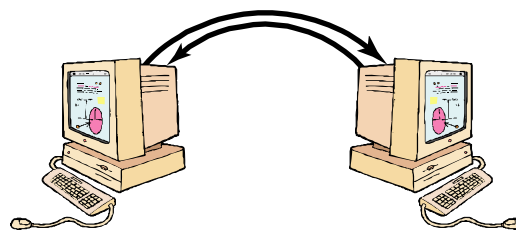
Yours,

*A Hall*  
Customer Service Assistant

Re-write this letter in the proper manner.

## E-mails

E-mails are generally used for internal communications within an organisation (one colleague to another, one department to another). However, they are increasingly being used to communicate with external organisations and individuals.



E-mails:

- are an extremely fast way of communicating – messages can be sent from one desk to another, or one country to another in seconds.
- allow staff to work more flexibly (perhaps from home)
- can be used to share one message with a large number of people very quickly.
- can also be printed off to provide a paper record.

However, they also have drawbacks!

- Because they are fast they don't always allow people to think about what they've written – it's not unheard of for people to respond to an e-mail while they are angry and they then regret sending it.
- Once you've sent an e-mail you have no control over who it is forwarded onto – whilst this is true of all written communications, e-mail makes it easier by giving access to a very large amount of people at the touch of a button.

Unlike business letters, there are very few strict **conventions** regarding e-mails, but here are some of the main ones:

- the 'To' line contains the recipient's address
- the 'Subject' line contains an indication of the content
- use of a greeting depends on personal choice – some writers don't use a greeting at all, others simply say 'Hello'. However, if a business e-mail is being sent a Salutation will probably be used.
- E-mails are generally relatively informal so the normal rules of grammar and punctuation are sometimes relaxed. However, the text has to make sense to the reader so sentences, paragraphs, full stops and commas are still required – particularly with business e-mails.
- E-mails can often have a chatty tone – especially when being sent between colleagues. However, care should always be taken – business e-mails should always be respectful and have a degree of formality.
- Closing greetings are not always required or may be relatively informal. Business e-mails should have a closing greeting and may need the sender to identify their organisation and their position within it.
- E-mails should always be proof-read and spell-checked before they are sent.

Here's an example of a Business e-mail. Make a note of the conventions on it.

**To: JBrown@Geomix.co.uk**

**CC:**

**From: IHussain@ABCBank.co.uk**

**Subject: Debit and Cheque Guarantee Cards**

---

Mr Brown,

Your Debit Card and Cheque Guarantee Card are now available to be collected from your Branch.

Please bring 2 forms of identification with you when you call to collect these – between them they must contain a recent photograph of yourself, a signature and your current address. Acceptable forms of identification are a current UK Passport or a Photographic Driving Licence, a utility bill or a bank statement.

If you need any further help please contact your Branch or me.

Yours sincerely,

Imtiaz Hussain  
Administrator -Card Services  
ABC Bank Plc.

 **Activity 7**

Here is a copy of an e-mail sent from one work colleague to another:

**To:** John Doyle

**From:** Toni Bradley

**Subject:** You've got to be kidding.....

-----

I got your email about the new checking procedures that are to come into force from tomorrow. **THIS IS NOT GOOD ENOUGH – I NEED MUCH MORE NOTICE THAN THIS TO GET MY STAFF READY TO IMPLEMENT A WHOLE LOT OF NEW PROCESSES AND PROCEDURES, JUST BECAUSE U LOT HAVE GOT NOTHING MUCH TO DO DOESN'T MEAN THE REST OF US ARE SITTING ABOUT ON OUR BACKSIDES WAITING ON U LOT COMING UP WITH EVEN MORE WAYS TO MAKE OUR LIVES DIFFICULT!**

I am taking this to my Head of Dept and she can sort it out with yours.

Toni

PS stop leaving your smelly egg sandwiches in our fridge!!!

- a) In groups of 2/3 discuss what is wrong with this e-mail.
- b) Re-write it in a more appropriate manner.

 **Activity 8**

You are a Customer Service Adviser at ABC Bank PLC and your Supervisor has asked you to do the following:

1. Send a letter to Elspeth Gray informing her that her overdraft limit has been extended to £500 as she is nearing her current limit of £400.
2. Send an e-mail to Bushytails Cuddly Toy Co reminding them that they need to apply by Friday if they wish to keep their current business overdraft.

Show your letter and e-mail to your Tutor.

Remember, all written communication presents an impression of both your organisation and yourself to the reader – **you must** ensure that it is a positive impression. If there are mistakes in a Business Document it suggests to the reader that the writer and, therefore, their employer are not professional and pay little attention to detail. This is unlikely to make the reader trust the organisation – and trust an essential part of the relationship between financial service organisations and their customers.



**? Discussion Point**

Why is trust between financial services organisations and their customers so important?

## Verbal communication

When engaged in business communications either on the telephone or face-to-face we have to take account of many other factors which can influence the outcome of the communication – positively or negatively. After all, you can't take something back after it's been said!

### Telephone calls

Telephones are such a regular feature of modern life that it is easy to take them for granted and assume that everyone knows how to use them properly. In business the use of the telephone is still increasing, with more than 25 million business calls being made in the UK every day. The telephone, after all, has many **advantages**:



- You can normally gain access to the person you want to communicate with
- more easily, conveniently and quickly than if you had to set up a meeting with them face to face.
- Calls are usually much shorter than face-to-face conversations – so you can achieve more in a shorter period of time.
- As the call is usually between two people it's much easier for you to take control of the conversation.

Maybe you can think of some other advantages:

When we speak to people on the telephone our perception of them is determined entirely by what we hear through the earpiece. When we talk to customers on the telephone their impression of us and the organisation we work for is determined entirely by what they hear. Therefore, it's essential that communication carried out on the telephone is clear and effective.

Just as there are advantages, there are also a number of **disadvantages** with telephone use:

- It's more difficult to build rapport with customers on the phone as we can't see the body language they are using – we can't see their facial expressions, mannerisms or reactions.
- When we call a customer we can't see what they are doing or what else is demanding their attention – we can assume that it is convenient for them to talk when it actually isn't.
- We can't lip-read what they are saying – which can mean asking them to repeat themselves
- If the customer doesn't understand us we can't use gestures or illustrations to help them understand.
- The caller can also be distracted. Most information reaches the brains of sighted people through the eyes – but sight is the most easily distracted of the senses. Although the eyes are mostly redundant during a telephone conversation – they carry on working!

 **Activity 9**

In pairs, discuss the things that annoy you when using the telephone. List them below:

Now discuss this with the rest of the class – you may be surprised at how many of you are annoyed by the same things!

## Using the telephone effectively

### Telephone manner

It's not just what we say but **how we say it** that creates a good or bad impression on customers. People often adopt a 'telephone voice' which they use during business telephone calls. This is generally acceptable as long as it doesn't sound 'false'. The tone of voice we use on the telephone can mean the difference between a successful communication and an unsuccessful one.

### Activity 10

Different voice styles are listed below. Which best describes yours? Tick beside the statement(s) that apply to you.

My voice gets louder and agitated when I get angry	
My tone of voice is upbeat	
I can usually control my tone of voice	
I speak faster when I'm nervous	
My tone of voice is warm and understanding	
My voice is very soft	
I speak slowly and/or quietly when I'm tired	
My voice is clear and natural	
I sound serious and snooty	
I can sound authoritarian when required	

Which ones do you think are better when dealing with customers?

Of course, **what** we say is also important. It's often possible to say the same thing in a number of ways – some of which give a negative impression while others create a positive impression.

 **Activity 11**

Can you think of better ways to say (or should they be said at all)?

1. What do you want? .....
2. What do you want to talk to him about? .....
3. Hold on! .....
4. What? .....
5. She's too busy to talk to you .....
6. It wasn't my fault .....
7. Call back in an hour .....
8. He's not in .....
9. OK, will do .....
10. For the 3<sup>rd</sup> time – I can't hear you .....
11. Don't shout, I'm not deaf .....
12. Speak up, you're mumbling .....
13. Sorry you had to wait – our receptionist is hopeless .....
14. I hope this will solve your problem .....
15. Didn't Customer Service help you? .....

You may think that some of these statements are acceptable. However, none of them will impress your external customers or colleagues! Remember, you must **never** make customers feel that they are a nuisance for calling.

In addition, if you imply that someone else in the organisation is not doing his or her job properly you present a very poor image of the whole organisation to a customer. This doesn't mean that you try to cover up mistakes – just don't keep 'passing the buck'. Customers usually just want someone to take ownership of their problem – that someone is you!

 **Activity 12**

Which of the following words and phrases should be used in telephone communication? Tick those which you think are acceptable.

OK		Thank You		Hello?	
Yes		Ta		Good Morning	
Hang on		Who are you?		Right-oh	
One moment, please		Who is calling?		What?	
Pardon?		Eh?		Cheerio	
Bye-bye		Hi there		Goodbye	
Naw		Call back later		It wasn't me	

## Answering the telephone

Answering the telephone in a professional manner starts before the call is answered. You need to have the correct mental attitude in place before picking up the call.

Therefore, you should take a breath, prepare to concentrate on the call and smile! If you smile when answering the telephone this will be projected in your voice and picked up by the caller – thus helping to start the call on a positive note. It might be useful to tape the word **'Smile'** on your phone.



The telephone should also be answered promptly – within **3 rings**.

### 1. Opening the call

Most organisations have a standard opening for telephone calls. The conventions are usually:

- **Greet the caller** Good Morning/Afternoon
- **State your organisation/department** Customer Services
- **Introduce yourself** Mary Middle speaking
- **Offer of help** How may I help?

You must sound enthusiastic and sincere as you answer the call – if you sound robotic and tired the caller will not feel welcome and the call is less likely to progress well.

### 2. During the call

You must remain focussed during the call and actually **listen** to the caller. This means you need to:

- **Stop talking!** Most people can't talk and listen at the same time!
- **Put the caller at ease!**
- **Remove distractions!** Focus on the call -don't doodle, tap, shuffle papers
- **See the caller's point of view** – and try to meet it half-way
- **Be patient.** Make sure the caller has finished speaking before you speak.
- **Avoid interrupting** – there are ways to deal with rambling callers
- **Don't get irritated** – do not allow the caller's manner or attitude distract you.
- **Listen to the caller's tone** – you can then judge the caller's reaction.
- **Try to use the caller's name** – but be sure you have it right!
- **Take notes** – and check their accuracy with the caller
- **Ask Open Questions to establish what the customer wants**

## Questioning technique

There are a variety of question types that can be used to elicit information. The most commonly used questions are:

- **closed questions** and
- **open questions.**

### Closed questions

Closed questions are used to obtain specific information like full name, date of birth, marital status. Examples would be “What is your full name?”; “What is your date of birth, please?”

Often the answer to a closed question will simply be ‘yes’ or ‘no’ eg. “Do you live in rented accommodation?”

Closed questions are useful for gathering a lot of information in a short period of time. However, they can make the person answering the questions feel as though they are being interrogated and they will lose interest in the process quite quickly. Also, no rapport is being built and information may be missed.

### Open questions

Open questions are questions that require more than Yes, No or one word answers. They allow people to express their views and feelings and give longer responses. Examples would be “How do you feel about investments which can go down in value as well as up?” “What are your priorities for the next 5 years?”

These types of question help to build rapport and trust. They are also useful if you are going to have to make product recommendations.

**Phrasing the question** properly is also very important. You should avoid using technical terms (often called jargon eg. “Are you a member of a PPS?” “What are your net relevant earnings?”). The customer may not understand you and will have to ask you to explain or they may not wish to admit that they don’t understand so just give you an answer which might be incorrect. This is not a good basis for making recommendations.

Also, be careful not to seem critical when asking questions (eg. “Did you not realise that the value of that policy could go down as well as up?” “What on earth made you take out a policy with them?!”).



### Activity 13

Write down some examples of open and closed questions which you could use to get a clearer picture of someone's financial situation.

### 3. Closing the call

Again, many organisations will have a standard closing statement. The conventions here are usually:

- **Thank the caller**
- **Let them know you appreciate their business or comments**
- **Tell the caller what will happen next**
- **Leave the caller with a positive feeling**

Often, closing a call professionally is the most difficult thing to do. Here are some examples of closing statements:

- “Thank you for calling, Mr Morgan. We will send the quote to you today.”
- “I’m glad we were able to help. Thank you for calling.”
- “Goodbye and thanks for calling.”
- “The information pack will be sent out today. Thank you for calling.”

**Let the caller hang up first** – it allows the caller to add to what they have said and is really just good manners.

### Complaint calls

Most customers complain when they have or believe that they have a valid grievance. Businesses should actually welcome complaints – after all, how do you know something is not working if no-one tells you? Also, 96% of unhappy customers do not complain – they just take their business elsewhere and they tell on average another 10 people about their bad experience (they also tend to exaggerate). Therefore, the business doesn’t just lose one customer – it loses potential customers too.



Complaints usually fall into one of two groups – justified and unjustified. However, you won’t know which type you’re dealing with until you have established some facts – so you’ll have to listen carefully to the customer and ask some questions.

It’s also important to remember that most complaining customers are upset, annoyed or even angry with your organisation – it is not personal. When you answer a complaint call you are the representative of your organisation and customers may vent their frustration in what seems to be an angry attack on you. However, what you are hearing is the customer expressing their frustration or anxiety – they are probably very nice people in normal circumstances.

The telephone makes it easier for people to vent their anger – most people wouldn’t dream of shouting or acting aggressively in a face-to-face meeting but seem to forget this when using the telephone. This may be because they can’t

see the person on the receiving end and are not picking up the non-verbal signals you get when you can see the other person.

**Dos** and **Don'ts** for dealing with difficult or complaining callers:

- **Do** listen with understanding. Take ownership of the complaint and show concern – say things like “Tell me what happened so that I can help you”
- **Do** make sure the customer knows who they are talking to
- **Do** be sincere and friendly and reassuring
- **Do** take a deep breath before responding – think about your response
- **Do** take notes and check their accuracy
- **Do** take the callers name and telephone number
- **Do** ask questions
- **Do** be sympathetic without being disloyal to your company
- **Do** apologise, if the company is at fault
- **Do** be confident – take control by asking relevant questions
- **Do** stay calm
- **Do** decide on the best course of action and get the caller to agree
- **Do** try to finish on a positive note
- **Do** keep your promises. If you say you will call back within half an hour – do it (even if it's only to say “I still don't have an answer but I will by tomorrow”).
- **Do** Take action and follow up
- **Do** Inform the caller of the action that has been taken

 **Activity 14**

What do you think are the five most important **Dos**? Number them 1 – 5

- **Don't** be defensive or make excuses
- **Don't** argue with the customer
- **Don't** tell the customer that they are wrong
- **Don't** jump to conclusions
- **Don't** tell them to write in
- **Don't** interrupt
- **Don't** make promises you cannot keep
- **Don't** tell them it's not your fault
- **Don't** lose your temper

 **Activity 15**

What do you think are the five most important **Don'ts**? Number them 1 – 5

 **Discussion Point**

Maybe you can think of some Dos and Don'ts of your own?

## Activity 16

Divide into groups of 3. You will be given one of the situations below to act out. Decide who will be the caller, who will be the call taker and who will be the observer.

Each of you should take 5 minutes to plan what you are going to say.

The observer should observe the call-taker and complete the Feedback Sheet which follows.

### **Situation 1**

**Caller:** You have never been a customer of a Bank. You have just started work and your employer says you have to have a Bank account to pay your wages into. You also want to save some money to buy a car. You want to organise this over the phone and are determined you will not go into a Branch.

**Call-taker:** You receive a call from a young potential customer who has little knowledge of Bank Accounts. You will need to explain some options to him/her and persuade him/her to go into their local Branch with Identification.

### **Situation 2**

**Caller:** You are a customer of a large insurance company. You invested £5000 with them 2 years ago in a Stockmarket Bond. You have received your annual statement and it shows the value of your investment as £4,600. You thought your investment was safe and you are quite annoyed about this. You want an explanation and a note of your options.

**Call-taker:** You receive a call from a customer who invested £5000 with your organisation 2 years ago. It is now worth £400 less than originally invested due to charges being deducted and poor stockmarket returns. These charges and risks should have been explained to the customer before the investment proceeded.

### **Situation 3**

**Caller:** You have held a Current Account with your bank for 10 years. You have always kept the Account in credit and have always been a model customer! However, you recently changed employment and you are being paid on a different day of the month. As a result one of your Direct Debit payments fell due before your wages were paid in. The bank honoured the DDM payment but this left you with an unauthorised overdraft of £72.

You received a letter from the bank today confirming this and telling you that you have been charged £30 for the letter and you will incur charges on your account for the rest of the quarter.

You are very angry.

**Call-taker:** You receive a call from an established customer of the Bank who has accidentally become overdrawn. You will need to get some details from the customer before resolving this situation. The customer is very angry.

### **Situation 4**

**Caller:** You wish to set up a savings policy but you are a bit unclear about what is available and what would suit you best. You also don't really like talking on the telephone and often come across as vague.

**Call-taker:** You receive a call from a customer who seems quite vague and a bit unfriendly. The customer wants some details about savings products.

<b>Feedback Sheet</b>	<b>Yes</b>	<b>No</b>
<b>Did the call taker:</b>		
use a standard opening statement?		
give the customer their name?		
use the customer's name?		
ask open questions?		
listen?		
take control of the call?		
remain polite and helpful?		
make positive statements?		
use a standard closing statement?		
deal effectively with the call?		
<b>Observer Comments:</b>		

This should be discussed with the others in the group.

## Face-to-face communication

When we meet people for the first time we tend to make judgements about them very quickly – we do, unfortunately, tend to judge a book by its cover. Our perceptions and expectations of people are influenced, initially, by what we see – the way they are dressed, their hair, the way they stand, their facial expression.



Customers will also make the same judgements about employees of the organisations they deal with – and they will assume that this perception is also true of the company (after all, it employs them). Therefore, first impressions do count – and you only get one chance to make a first impression!

Remember, people form 90% of their lasting impressions ..... in the first 90 seconds!

It is, therefore, very important that you project a positive image of yourself to customers and this happens before you even say a word!

## Appearance

We should wear appropriate dress at work and be clean and tidy. After all, we reflect the image of our organisation. We have considerable control over our appearance in terms of what we wear (much more control that we have over the shape, size and features of our bodies). Therefore, what we choose to wear says something about us and this message is picked up by those who come into contact with us even before we are introduced.



### Activity 17

In groups of 3 or 4 discuss what you think is appropriate business dress for work in a finance organisation. Write your answers on flip-chart paper and share them with the rest of the class.

When dressing for work you don't have to wear the most fashionable clothes (often these are not appropriate anyway) or very expensive suits. You only need to ensure that your appearance 'fits' the organisation's image. That is why some organisations have a uniform for staff – particularly those who will be seen by customers. Even when this is so there are still some aspects of our appearance which we need to attend to:

- **Cleanliness**

There is nothing more likely to put a customer off than dealing with someone who appears dirty or has BO or bad breath. Therefore, you must:

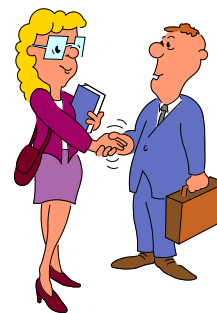
- keep nails clean and either short or manicured. If nail varnish is being worn it must not be chipped.
- keep hair clean, neat and tidy. Long hair should not be allowed to straggle across your face.
- make sure that your breath does not smell (watch what you eat for lunch) and your teeth look clean.
- use deodorant – but not too much!
- use perfume/aftershave sparingly – just because it's your favourite doesn't mean that others will like it. Overpowering smells can be very off-putting!
- clean your shoes – you'd be amazed at how many people notice dirty shoes. Your whole appearance can be let down by this.

- **Other Factors**

- **Make-up** – if worn this should be kept discreet and not smudged. Make sure mascara stays on the eyelashes (not the cheeks) and lipstick stays on the lips (not the teeth).
- **Jewellery** – this should also be discreet. With jewellery less is definitely more – leave the bling for the weekend.
- **Shoes** – as well as being clean shoes should also be appropriate. Killer heels may not be a good idea if you are standing for most of the day. Shoes should not be worn down or scuffed.

## Approaching the customer

The way that you approach the customer will have an effect on how the meeting progresses – you can make a customer relaxed or uptight simply by your body language. So to deal effectively with other people you need to be able to build rapport with them.



### How to approach customers:

- **Smile** – as you approach a customer (or they approach you). This puts people at ease and makes you seem open and friendly. Just make sure it looks sincere!
- **Eye Contact** – you need to look at the customer - but get the balance right. If you use too much eye contact (ie. stare) you will make the customer feel uncomfortable and intimidated but if you use too little you'll seem shifty or nervous! Having eye contact about 60/70% of the time is probably about right.
- **Shake Hands** – whether you should shake hands or not may depend on the type of meeting you are having. A formal meeting will probably begin with a handshake but an informal one may not.

Where handshakes are exchanged it's important that they are undertaken properly – neither too limp nor too strong.



What do you think of this handshake?



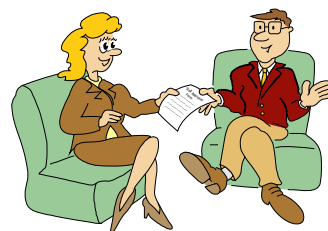
Would you like to be on the receiving end of this handshake?

Practise your handshake with those around you.

- **Personal space** – everyone has their own personal space and people can feel intimidated when it is invaded. Therefore, it's important to keep a safe communications distance from the customer. Try this out with a partner and work out how close and how far away you need to be for both of you to start to feel uncomfortable
- **Customer's name** – use the customer's name in a formal way (Mr Brownlie, Mrs Hart, Dr Khan). Ask the customer if you are unsure – don't make assumptions.

## Conducting a meeting with customers

When meeting with customers on your premises it is important to do the following:



- **Make time** – give customers your undivided attention. Do not answer the telephone or allow interruptions while you are with them. So, divert the telephone and ensure other members of staff know that you are with a customer.

If the customer will be talking about personal or sensitive matters make sure that their privacy is assured.

- **Seating** – invite the customer to sit down and make sure that your seat is not too close to the customer.

The seat can be to the side of the customer or opposite to them. However, it may be appropriate to have a desk between you – particularly if you are noting details about the customer.

## Body language

### Be aware of body language

Your body language during a meeting or any other face to face situation can give away much more about you to the customer than you might think!



### Activity 18

What do you think is meant by body language? What does it include? In small groups and using pictures from magazines, your own cartoons or drawings make up a poster display to illustrate what body language means. Your group should then present this to the rest of the class.

Body Language includes all of the following:

- **Facial Expressions**

Our faces often reveal much more than we really want them to! The face is highly visible and flexible and can convey our innermost feelings to other people. Our faces often display our emotions even when we are trying to disguise them.

However, facial expressions can also help us to gauge other people's reactions and feelings. Facial expressions give us feedback on whether the listener has understood what we have said or is happy/unhappy with what we have said or agrees with us etc.

- **Gaze**

Like eye contact, this is about getting the balance right. You should have established eye contact with the customer as you approached them. During the meeting this has to be maintained.

A strong gaze shows that you are being attentive and concentrating on what is being said. However, if you tend to shift your eyes around when speaking, or look at the ceiling or the floor, you will not inspire the customer to trust you.

Therefore, you should have eye contact with your customer, which is occasionally broken by a blink or by looking away. This will help to make the customer feel comfortable – after all staring is not helpful either.



**? Discussion Point**

Think about the eye contact other people establish with you  
– does it make you feel uncomfortable or at ease?  
Can you tell whether they want to talk to you or just feel obliged to?

- **Posture**

The way that we move our bodies, stand, sit and position our arms and legs all reflect our attitudes and feelings.

When we like someone or want to seem friendly we tend to lean towards them or sit with our legs slightly apart and our arms unfolded.



However, if we don't like someone or we don't like what they are telling us we tend to turn away from them (even slightly) or face them with our arms folded and/or our legs tightly crossed.

But we have to remember that other factors can also affect body language – someone may have their arms crossed because they are cold! When interpreting someone's posture we need to take into account other signs and signals coming from them.

How we stand also sends out a message. If you stand very straight with your chin up and 'looking down your nose' you may seem aloof and arrogant whilst standing with your shoulders slouched and your head down may make you appear unconfident, timid or even lazy.

If you think any of the above applies to you – don't worry! You can control your posture and change it – being aware of it is the first step.

- **Gestures**

Gestures can be used to replace the need for words or to emphasise or explain what is being said.

Many of our gestures are subconscious – and they often tell what we are really feeling or thinking. Some of our gestures can be annoying to others (eg. making big hand movements while talking or playing with change in our pockets).



If you constantly fidget or play with your hair or jewellery you will give the impression that you are a nervous person whilst stroking your hair or rubbing your face might indicate that you are uneasy – maybe even lying! Often when people lie they subconsciously put their hands or finger over their mouth.

Similarly, when we don't like what we're hearing or we don't want to hear anymore we scratch just behind our ear, while pulling our earlobe says we're not sure that we agree with what is being said.

However, like posture we can control this aspect of our body language and actually learn to use positive gestures.

## Interpreting body language

Remember, body language is more than just one characteristic. When we are interpreting someone's non-verbal messages we look at how all of these elements come together – and we often do this without being aware that we are doing it.

Here are some of the common signs which people use to show they are:

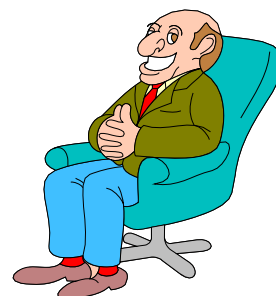
- **Listening/Willing to Listen**

- Rub hands together (but not wringing them)
- Lean towards the speaker
- Sit with their body forward
- Look directly at the speaker
- Nod in agreement
- Make affirmative comments (ah, yes; that's right)
- Rest chin on the palms of their hands
- Smile often



- **Friendly/Agreeing**

- Smile
- Make eye contact
- Static body and posture
- Open, unfolded arms and legs
- Facing you
- Non-threatening gestures – handshakes, palms of hands on show
- Make conversation and use humour
- Polite



- **Frustrated**

- Downward hand gestures (pointing, stabbing)
- Hit hands together or off the desktop
- Tighten clothing
- Become red in the face
- Raise their voice
- Tone of voice rises
- Withdraw from conversation



- **Threatened**

- Fold arms tightly and/or cross their legs
- Frown
- Withdraw eye contact
- Raise their voice – level and tone



So, if you want to appear friendly and co-operative you should:

- Look at the other person's face
- Smile
- Nod your head as the other person speaks to you (but not like a nodding donkey!)
- Open hand movements
- Uncross arms and legs
- Lean forward slightly
- Move closer to the other person (but not too close)

## **Ending a meeting**

### **End positively**

Ensure that the customer knows what will happen next and thank them for coming in to see you.

Use the customer's name when saying goodbye and shake hands (if appropriate).



## Activity 19

Break up into groups of 3. Two of you will act out a scenario given to you by your teacher. You must not discuss this with anyone else.

Take 5 minutes to plan what you will say.

The Observer should complete the Feedback Sheet and then lead the discussion at the end.

### Customer Instructions

**Scenario 1** You have recently inherited £8000 from your grandmother and you want to keep it somewhere safe and secure. You are a basic rate taxpayer and you would like to use some of the money for a special holiday in 6 months time. You are a cautious investor and you want to be able to get access to your money when you need it. You have an appointment to see your Bank's Customer Adviser.

**Scenario 2** You have just started your first job and will be earning £10,000 per annum. The only problem is that your place of work is difficult to get to using public transport. You need to buy a car as soon as possible but don't have any savings. You'll need to borrow about £5000. You are seeing the Lending Adviser today.

**Scenario 3** You have just received a letter from the Mortgage Lending Dept which says that because you have not yet provided proof of income you will not be able to get the special mortgage deal you wanted. You handed in the proof of income to the local branch a week ago. You are very annoyed.

### Adviser Instructions

**Scenario 1** You are a Customer Adviser in a Bank. It is your job to meet customers, take their details, and do an initial needs assessment. You are authorised to discuss basic savings products with them. If a customer requires more complicated financial or investment advice you must refer them to the Financial Adviser.

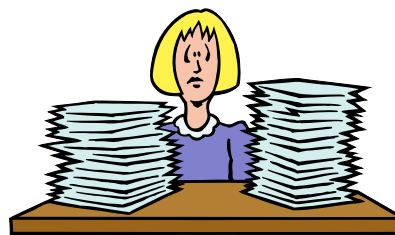
**Scenario 2** You are a Lending Adviser. It is your job to meet customers, assess their needs, discuss appropriate products and determine the customer's suitability.

**Scenario 3** You are a Customer Account Adviser in the local branch. It is your job to greet customers and deal with general problems and enquiries.

<b>Feedback Sheet</b>	<b>Yes</b>	<b>No</b>
<b>Did the adviser:</b>		
smile at the customer?		
tell the customer their name?		
ask the customer to sit down?		
act courteously and politely?		
gather relevant information?		
listen?		
use open questions?		
establish the customers need?		
clarify understanding?		
use appropriate language?		
conclude the interview on a positive note?		
<b>Observer Comments:</b>		

## Gathering information

Before we can provide information about products to customers we need to identify their specific needs. To do this we need to collect relevant information about them – some of which may be quite sensitive or highly confidential.



The information to be gathered may not simply be factual information. Different people with similar financial circumstances may have very different priorities, plans and attitudes – particularly their attitude to investment risk. Therefore, there is no one product that will suit everyone.

In order to collect enough information to be able to select appropriate financial products a relationship of trust needs to be built. The customer needs to understand why information is required, be assured that it will be treated in confidence and know that it will only be used for the purpose for which it has been gathered.

### **?** Discussion Point

Have a general discussion about these:

- What do we mean by 'attitude to risk'?
- What might people's different priorities be?
- What kind of information might be sensitive?
- How would you reassure a customer?
- Which regulatory requirement governs this?

## Required information

The main types of information likely to be required before any products can be selected are listed below. Some information will be more relevant to some products than others.

### Activity 20

Note beside each category which products you think the information would be required for (and why).

Personal Information	Products
<p><b>Name, address and contact details:</b></p> <p>This should include the customer’s full name (including any middle names), address (including postcode) and telephone numbers.</p> <p>Spelling should be checked and also whether anything is likely to change in the near future.</p> <p>A contact number should be noted – this may not be the same as their home number.</p>	
<p><b>National Insurance number:</b></p>	
<p><b>Marital and family information:</b></p> <p>The customer’s marital status should be checked – do not assume that a couple are married.</p> <p>The number, if any, of dependants should be checked – dependants are not necessarily children.</p>	
<p><b>Employment details:</b></p> <p>It is necessary to establish whether a customer is employed, self-employed, retired. This gives an indication of the security of the customer’s income.</p>	
<p><b>Income details:</b></p> <p>The customer’s income needs to be established – this includes income not just from employment but also from any other sources (eg investment income, rental income).</p>	

**Outgoings:**

The amount the customer spends each month also has to be established. It is usually a good idea for people to write down their outgoings and review them – people are often surprised when they do this to see how much money they spend on unnecessary things.

The main outgoings which people might have are listed below:

- Mortgage or Rent
- Loan and/or credit card payments
- Insurance payments
- Pension contributions
- Regular savings
- Utility Bills (Gas, Electricity, Telephone)
- Council Tax
- Food (including takeaways) and housekeeping (including newspapers, magazines etc)
- Holidays
- Car/Travel expenses
- Leisure costs (including hobbies, club memberships, going out)

This list is not exhaustive so a general question like “Are there any other regular expenses that need to be taken into account?” will need to be asked.

**Other financial details**

It’s important to get a complete picture of a customer's financial situation. So you may need to find out about your customer’s:

- Home - its value, any outstanding loans secured against it.
- Loans and Credit Agreements
- Bank/Building Society Accounts
- Savings and/or investments
- Pension Arrangements

Why do you think it’s important to get this information?

## Objectives/attitude

You will also need to find out what the customers objectives are before discussing products. After all there's no point discussing long-term investment policies with a customer who is just starting to save for the deposit on a house.

You may also need to find out the customer's attitude to risk – are they willing to possibly lose some of their money in return for a higher potential reward?

### Activity 21

Make a list of your weekly outgoings. Make sure you include **everything** that you spend your money on.

Can you make any savings?

Weekly Outgoings	Possible Savings

The information gained from income/outgoings will give a clearer picture about how much a customer can afford to devote to other financial expenditure.



## Activity 22

Produce a list of questions that you would ask a customer in order to identify their financial needs.

 **Activity 23**

Make a list of typical customer finance needs (you may need to think back to Units 1 and 2 but some examples are given to start you off).

Provide a list of the financial products which meet the customer’s identified needs.

Customer Needs	Financial Products
David wants to buy a new car.	
Your brother wants to buy his first flat.	
You are going to university and need money to support yourself without working all hours.	
Your grandparents have bought a cat and want to cover themselves in case the cat gets sick.	

You are now ready to complete your Portfolio of evidence for Outcomes 1 and 2. Your teacher will tell you what you need to do

## Section 2:

### Financial institutions: establishing and building relationships with prospective or existing customers

As you know from Unit 1, *Financial Services: Introduction*, the Financial Services industry is a highly competitive one. It is made up of many different organisations and businesses with one thing in common – they need to sell products or services to customers to make profits. But there is also a great deal of overlap in the products and services offered.



Financial Service companies do not provide physical goods to customers – you cannot consume the goods or get immediate gratification from them. Therefore, customers buy services which will benefit them in some way – current accounts for paying bills by Direct Debit, savings accounts for security, insurance policies for peace of mind.

When a customer tries to compare high street Banks or Building Societies or Insurance Companies they often find that they are very similar in terms of the products that they offer or the interest rates that they pay or charge. Indeed, often the only real difference which is obvious to the customer is the service that they offer – or rather the **quality of that service**.

#### Activity 24

What kind of things do you think would add quality to a Financial Service?

Before looking at Customer Service more closely, we need to know how the financial institutions attract new customers and build relationships with existing customers.

In recent years customers have become much better informed about financial services and products. They can access information from many sources including:

a) Internet:

- companies' own sites
- information sites like [www.moneysavingexpert.com](http://www.moneysavingexpert.com) and [www.moneysupermarket.com](http://www.moneysupermarket.com)
- government agency sites like [www.fsa.gov.uk](http://www.fsa.gov.uk)

b) Newspapers and magazines

c) Television programmes (Working Lunch, the Money Programme)

All of this has led to increased competition between financial service providers to both attract new customers and keep existing customers.

## New customers

Financial Service Organisations need to attract new customers in order to continue to 'grow their business'. In highly competitive industries like Financial Services, businesses which do not adapt their products to meet the changing needs of customers and, as a result attract new customers, will eventually fail.



However, attracting new customers is time-consuming and can be expensive. It means that organisations need to undertake **Marketing Activities**. Marketing includes:

- identifying new markets
- analysing the needs of customers in these markets
- designing new products to meet these needs
- promoting these products to potential customers

Marketing activities are usually undertaken at both Head Office and local level.

The Marketing Department, usually based in Head Office, will undertake **market research** and decide the organisation's **marketing strategy**. They will also design new products/services and manage the promotion of them.

## Market segmentation

When designing new products/services the Marketing Department will have to categorise customers into groups whose needs can be predicted. This is called **Market Segmentation**. In other words, different customers of Financial Service providers want the organisation to do different things for them (eg. wealthy customers might want a Bank to provide them with investment facilities while less wealthy customers might want savings facilities).

### ? Discussion Point

What's the difference between Savings and Investment?

So, the Marketing Department has to design products to meet the needs of particular market segments and then promote the product to them. This leads to a large number of products having to be developed and is one of the main reasons for the huge growth in the range of financial products over the last 20 years. This growth has also led to increased costs in providing financial products/services. As the range of products/services broadens staffing levels have to increase and staff training has to be undertaken regularly.

Once a product or service has been designed it must be promoted to the potential customers.

It is likely to include an element of **Advertising**. The Marketing Department will first try to promote the name of the organisation and keep it in the minds of consumers. This is called creating a **Brand Image**.

 **Activity 25**

Pick three Financial Services providers and describe their 'Brand Image' in the box below. You could look up some internet sites to help you.

Discuss your answers with the rest of the class.

The aim of this type of advertising is to distinguish the organisation from its competitors in the minds of consumers – in a positive way! It is very important then that the image which has been created is based on reality. If not, customers are likely to be dissatisfied.

Once a brand image has been established, the Marketing Department will try to raise consumer awareness of the products/services offered and how they can fulfil the needs of different consumers.

As we discussed earlier people do not buy goods or services – they buy **satisfaction of their needs**. Therefore, product advertising will concentrate on the **benefits** of the product to the customers or in convincing people of the need for it.

For example:

1. When promoting a new lending product a Bank might show a young couple enjoying a new car by driving it around Europe ( to demonstrate that they could have both the car and their holiday because of the low, fixed monthly interest rate).
2. When promoting Private Medical Insurance an Insurance Company might show two workers with back problems. Worker A has Private Medical Insurance and Worker B does not. Six months later Worker A is back at work having had an Operation while Worker B is still in the NHS queue for an operation (making people think that they cannot rely on the NHS and need PMI to get quicker solutions to health problems).

**? Discussion Point**

Can you think of any other examples from current adverts?

## Target audience

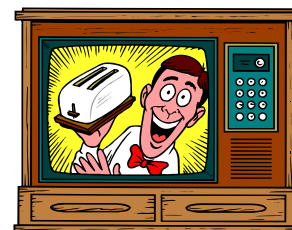
Product advertising has to be aimed at a **target audience**. This will usually be to the specific market segment that the product itself is aimed at. This will be done in a number of ways including:

### ► Introducers

The organisation promotes itself to other businesses or individuals who can then promote it to their clients/members (stockbrokers, solicitors, Independent Financial Advisers, Accountants, Trade Unions, Staff Associations). The financial services organisation will try to convince the potential introducer of the value of their product/service in the hope that they, in turn, will influence their clients/members.

### ► Television

TV advertising reaches a large number of people at the same time. However, it is the most expensive way to advertise and the advert will also be watched by a large number of people who have little or no interest in the particular product. Therefore, it is not suitable for targeted promotions. TV advertising has to be limited to basic points which can be made in a short period of time. It is probably best for **brand imaging**.



### ► Radio

Is really only suitable for simple advertisements. It can be used to target audiences as it is known that certain stations attract certain types of listener (eg. Classic FM will attract a different audience from Virgin Radio). Local radio however – such as Forth FM or Radio Tay – is a very good medium for running local campaigns.

### ► Newspapers and Magazines

These can be used to advertise nationally or to a specific market segment. Broadsheet newspapers tend to be read by a different group of people to tabloids (although a lot of people read both). Also, some newspapers have national coverage whilst others cover a certain geographical area.



Magazines cover almost all market segments – some magazines are aimed at a very large group of people ('women's weeklies') while others are aimed at very specific specialist groups (trade magazines).

### ► Direct Mail (Mailshots)

This can be used to send promotional materials to selected potential customers. Once the customer base for a product has been identified, promotional material can be sent to people who fit the profile. This means that the advertising can be either large scale or very targeted.

However, mailshots can be easily ignored by recipients. The sender has no control over what happens to the material once it has been sent out.

### ► Posters/Leaflets/Brochures

Posters can be placed on billboards or within the organisation's premises (particularly if they have a large, branch network). However, their message is very restricted and they are not always looked at by consumers.

Leaflets and brochures are really point of sale aids. They are very useful for providing extra, particularly technical, information and may help to convince a customer to go through with a purchase. They can be used to help convert 'potential' customers into 'actual' customers but they will not always attract potential customers.

► **The Internet**

The internet is used more to provide information to consumers rather than actively advertise products. Almost all Personal Finance providers have a website.

It is now very common for people to use the internet to compare prices, features, costs and returns on products. An organisation which does not have a website is now less likely to be considered by new customers.

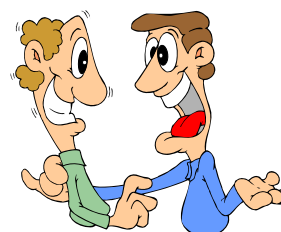


► **Telesales**

Some financial service providers employ people to telephone potential customers to promote their products/services. Others have 'outsourced' this to specialist companies.

► **Word of Mouth**

Although this is not a form of advertising or promotion all businesses are aware of the effect 'word of mouth' has on their reputation and business. This can affect potential customers' perceptions of the organisation.



► **Special Deals**

Some organisations use special deals to attract customers to specific products. This can be anything from an extra % interest if customers invest within a certain period of time to free gifts if they open a certain account.

**? Discussion Point**

What do you think would be the best ways to promote Financial products/services to young people?

## Existing customers

While Financial Service organisations need to attract new customers they also need to care for their existing customers and ensure that they continue to meet their needs. After all, it is cheaper to keep an existing customer than it is to recruit a new one.

Existing customers are also the main source of ‘word of mouth’ advertising as they are likely to tell their family, friends, work colleagues etc about their experiences. If these are positive this will enhance the organisation’s reputation.

When promoting targeted products it is much easier (and often more profitable) to introduce them to existing customers first. Companies will have databases containing the personal details of all their customers. This database will also contain information about the types of products/services they already use and, perhaps, other information that the customer has given during interviews with the company. This means that particular products can be matched with particular customers.

These products can then be promoted to existing customers using mail shots or special deals (eg. restricting the product to existing customers or giving them the first opportunity to purchase the product).

Some organisations have introduced **Customer Relationship Accounts** – particularly with business customers. Where these are offered, a named Customer Relationship Manager will be assigned to a customer. They will get to know the customer and the customer’s business and build a rapport with the customer. They will also keep in regular contact with the customer in order to find out about changes in the customer’s circumstances and to check satisfaction. They will also discuss any areas for improvement with the customer and make the customer aware of any new products/services that may be beneficial.

## Customer service

The products offered by many of the Financial Service organisations are, in reality, very similar. This is true of both the product itself and the price. If you compare the products of two high street Banks or two Building Societies you may find it difficult to see any real differences in terms of product.



This is also true of many other industries nowadays. In fact, many industries and businesses now have to compete on the basis of the service that they offer their customers rather than on product alone – it is a way of adding value for customers. Bill Gates (Microsoft) said “Customer Service will be the primary value-added function in every organisation.”

A Daily Telegraph/ BT survey showed that ‘**21%** of a typical business’ customers left a previous company due to bad service and **67%** of customers who take their business elsewhere do so because they felt that the people they had to deal with were indifferent to their needs’ (ie. didn’t really care) Businesses then need to bear the cost of attracting new customers to take the place of those who have left – and we know that it is more expensive to attract new customers than to keep existing customers.

*Source: Daily Telegraph/BT Survey of 600 Senior Managers*

Increased competition in the Financial Services industry has increased customer choice. Customers are also better informed about the industry, its products and their rights as consumers. This has put pressure on companies to provide **Quality Customer Service** to stand out from the crowd, attract new customers and keep existing customers.

Providing Quality Customer Service is not just good for companies – it also provides many personal benefits to a company’s employees.

 **Activity 26**

Answer the following statements as True (T) or False (F) – based on your own feelings.

	T/F
Working with Customers is usually more enjoyable than working on routine or technical tasks	
Providing the best possible customer service is challenging but keeps a job interesting	
Most top executives have few or no customer relations skills	
Being good at providing quality customer service can lead to better job security and promotion	
Jobs dealing with the public are easier than technical jobs	
In Customer Service your attitude is more important than your technical skills	
Smile and the whole world smiles with you!	

**Are you cut out for a career in a Customer Service environment?**



### Activity 27



1. We've all experienced good and bad customer service at some point. Write down your definition of Customer Service

2. Now think of your experiences (and those of people you know) as a customer and fill in the table below giving examples of good and bad customer service and suggesting some ways to improve it overall.

<b>Good Customer Service</b>	<b>Bad Customer Service</b>	<b>Ways to Improve the Service</b>

 **Activity 28**

Break into small groups and discuss your findings from Activity 27. Think about how the experiences (good and bad) made you feel and what you did about the bad ones. Jot your answers down in the box below and then use these for a class discussion.

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 **Activity 29**

List 10 aspects of good customer service that external customers expect

1.
2.
3.
4.
5.
6.
7.
8.
9.
10.

## Customer dissatisfaction

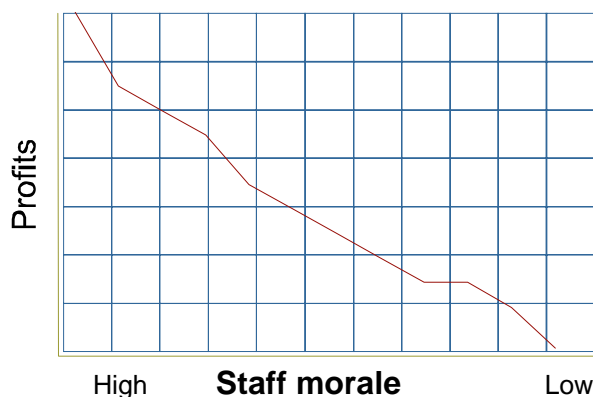
When customers don't get what they want they become dissatisfied customers. Dissatisfied customers tend to:



- **stop buying from you**
- **tell other people about their bad experience – usually 9 or 10 others**
- **exaggerate the bad stories**
- **tell your competitors**
- **usually don't tell you**
- **don't come back!**

Poor customer service can be very costly for a business. It can damage the reputation of a business. Once a business gets a reputation for being poor at customer service it begins to lose its competitive edge.

If the business continues to provide poor customer service the number of complaints will increase. Most staff don't like having to deal with complaining customers – even those staff who are good at dealing with them. So if the number of customers complaining goes up staff morale tends to go down (dealing with complaints all day can make people feel dissatisfied with their work and lead to stress and illness). This can become a vicious circle – as staff morale decreases, absenteeism increases and with fewer staff customer service becomes even poorer and complaints continue to increase. All of this could lead to the business making less profit and, eventually, going into liquidation (going bust).



However, successful businesses are very aware of the negative effects of poor customer service and have put customer service programmes at the heart of their business. In the Financial Services industry most organisations are aware that it is very often customer service that can make the difference between attracting customers and losing them. Many organisations are now striving to provide Excellent Customer Service.

To be able to provide excellent customer service businesses have to invest in their staff – providing training to better their product knowledge and in customer service skills. This can have the following results:

- ◆ the number of complaints decreases
- ◆ helps customers to have confidence in staff
- ◆ customers are more likely to receive the correct information about products and services as staff have been well trained and their product knowledge has been kept up-to-date.
- ◆ a more pleasant atmosphere which encourages customers to come back.
- ◆ customers who experience excellent customer service usually feel that they are important to a business and that they matter as individuals. This leads to satisfied and loyal customers.
- ◆ they recommend the business to their friends and family
- ◆ staff morale and is improved and absenteeism decreases
- ◆ staff are more inclined to stay with the business than to move on

Of course, excellent customer service will not stop all problems from arising. But companies who have a culture of excellent customer service can usually react quickly to and deal with problems quickly and effectively. Most customers are satisfied if their complaint is taken seriously and dealt with quickly.

This all helps to build a good reputation for a business and that encourages new customers. This all leads to business success and increased profit.

In summary then, Excellent Customer Service is about:

- ☺ exceeding the customer's expectations
- ☺ resolving issues quickly and efficiently
- ☺ being patient with customers
- ☺ listening to customers
- ☺ following through with promises
- ☺ helping customers with problems find satisfactory solutions.

You are now ready to undertake the Assessment for Outcome 3.

## Section 3:

### Working with others

In the workplace of today it's more than likely that you'll have to work co-operatively with others (and you may not even like some of them!). Employers are always on the lookout for what they call 'team players' and you'll need to learn how to be one pretty fast! Because you may have to carry out structured tasks with other people as part of a group or team, it's important that you understand how groups or teams behave and how you should behave so that you can enjoy your work and make a positive contribution.



Teams usually have a formal leader such as a Supervisor or Manager. But sometimes an informal leader emerges within the team – this can work well if the informal leader has the same aims and goals as the formal leader. (However, if their aims and goals are different conflict can arise.)

An expected standard of behaviour will probably emerge. This may be dictated by the business's culture and working practices or it may be influenced by the behaviour of the formal or informal leader.

However, in every case, all the members of the group must be motivated and work together making best use of the strengths of each person in the team if the team is to achieve its goal. This means that each person's individual strengths will need to be identified.

Teams generally need people with a mix of qualities and strengths. They need:

➤ **Leaders**

Draw out the best in everyone, listens to others, makes confident decisions.  
Pull the team along.

➤ **Thinkers**

People who generate ideas and have a creative streak.

➤ **Organisers/Implementers**

Tackle tasks that need to be done – even when they are not interesting to do.  
Work in an orderly way for the good of the organisation.  
Promote unity and harmony in the team – a calming influence.

➤ **Finishers**

Analyse problems and evaluate ideas.  
Ensure jobs are finished to the required standard.  
Finish what has been started.

 **Activity 30**

1. Which are you – Leader, Thinker, Organiser/Implementer or Finisher? Give reasons for your answer.

2. Now think of a time when you were involved in doing something as part of a group or a team. It could be to do with school / college, in your part-time job if you have one, as part of a club or just with friends in your spare time.

a) **First, describe what the task or objective was:**

b) **Did the team complete the task?**

c) **Did it all go according to plan?**

- d) **If it did, try to think of some of the reasons that it worked well. If it didn't work out, write down some of the reasons why.**

- e) **What would you do differently next time?**

## The who, what, where, when and how of task management

1. When a team has a task to do it must first **analyse** the task. This means looking at the task and working out what will need to be done to complete the task (the components of the task). This could be done by having a brainstorming session where everyone says what they think needs to be done and everything is written down on Flip Chart Paper. It could be written as a mind map or spider diagram or a bullet point list.
2. Once the components of the task are known the team will need to start **planning** the task. This will mean deciding on the roles and responsibilities of all team members. It might be worth asking everyone what they identified themselves as – ie. Leader, Thinker, Organiser, Finisher, before allocating roles and responsibilities.
3. The activities to be undertaken will need to be written down with planned **completion dates**. Someone should be given responsibility for doing this. It's often a good idea to have a Group Planning Sheet like the one on the next page:
4. While undertaking the task progress should be monitored regularly. This will mean having regular meetings where team members can update the rest of the team on progress. Someone should have responsibility for **monitoring progress and keeping records**. A written record of all team meetings should be kept. If completion dates look likely to be missed or planned activities need to be changed the Group Planning Sheet must be amended.
5. It's a good idea for every team member to keep a personal record of work where they can note down when they have undertaken a task and what they actually did (eg. internet research, telephoning, visiting, writing up).

**It's important that everyone in the group works together in a responsible, mature and co-operative manner. So everyone:**

- ☺ does a fair share of the work
- ☺ works as a team member – not just for their own benefit
- ☺ strives to meet deadlines
- ☺ participates
- ☺ treats others with respect and values their input
- ☺ accepts responsibility.

because:

**Together Everyone Achieves More!**







Scottish Further Education Unit  
Argyll Court  
Castle Business Park  
Stirling  
FK9 4TY