

ESTABLISHING AND COMMUNICATING YOUR COMPLAINTS-HANDLING PROCESS

You want your clients to
have the best experience.
So do we.

Most complaints can be resolved effectively if they are dealt with promptly. Addressing complaints as soon as they arise is not only cost-effective – it's good business.

Even simple complaints can get complicated if a client doesn't understand the process or if they feel they have to fight to be heard. Having clear procedures in place makes it easier to address problems effectively and keep clients happy.

Not all firms have the ability to offer a staff member dedicated to resolving complaints. In this case, below are some alternate options:

- Assign the responsibility to an executive who is not client-facing
- Appoint a retired employee or independent person on a contract
- Use a current or former member of the board of directors

Establishing a clear and simple process

OBSI requires each participating firm to have a transparent and easily accessible complaints-handling process. This includes promoting it to your clients and across your organization.

The 5 essentials for an effective system

- 1 Designate a senior staff member to lead the process and be the OBSI contact
- 2 Keep communications about the process consistent across the organization
- 3 Make information accessible at all points of sale and client contact
- 4 Ensure all client-facing staff are familiar with the process and know where to refer clients if the complaint cannot be resolved right away
- 5 Keep clients informed of their options at every stage – including the right to escalate their complaint to OBSI (in writing is best)

The **4 steps** of addressing a complaint

Typically, a complaints-handling process includes these steps:

STEP 1: Initial complaint

Encourage clients to raise concerns with the person or department they've been dealing with, so they can be addressed as soon as possible. At branch level, this may involve a manager. Most complaints can be resolved at this stage.

STEP 2: Contacting client services

If the client is unsatisfied with the response to their complaint, some firms offer a central client services group with a mandate to resolve disputes.

STEP 3: Escalating the complaint

If a resolution cannot be reached, the client should be connected with a senior officer with the authority to resolve the dispute. This can be an internal ombudsman, a chief compliance officer (CCO) or an ultimate designated person (UDP). Once this senior officer has made a decision on the case, your firm's final response should be outlined in a letter. This should include a description of the complaint, the results of your investigation and a rationale for your decision.

The following should also be included at the end of your letter:

"If you remain unsatisfied with our response, you can forward your complaint to the Ombudsman for Banking Services and Investments (OBSI). OBSI is an independent dispute-resolution service that investigates unresolved disputes at no charge to you. An alternative to the legal system, it may recommend compensation up to \$350,000. OBSI can be reached at 1-888-451-4519 or www.obsi.ca, and must be contacted within 180 days of receiving this final response to your complaint."

STEP 4: Bringing the complaint to OBSI

If the complaint is not resolved to your client's satisfaction, or at least 90 days have passed since the complaint was filed, they have the right to bring it to OBSI.* If you have not responded within 90 days, you should let them know in writing when they can expect your decision, and that they can bring their complaint to OBSI.

*Depending on your industry, province and the nature of the complaint, you may also refer your client to self-regulatory organizations, the FCAC, privacy commissions, the AMF or other regulators/securities commissions from your respective province or territory.

Communicate the complaints process clearly – and often

Consistent and accessible communications are essential to assure clients that their complaints will be taken seriously and help staff address problems quickly and effectively.

Branches & offices

Brochures should be prominently displayed and given to clients when complaints are raised. All client-facing staff should be familiar with the process, as well as OBSI's role.

Telephone access

Client service representatives or automated attendants should address complaints or questions or direct callers to the appropriate department or person.

Website

Information should be easy to find in a section titled "Complaints," and linked from a prominent button on the home page. Search engines should direct searches for "complaints" to this page.

Account agreements

Account agreements should clearly outline the complaints-handling process for clients. Some regulators also require that informational material be provided when an account is opened.