

# Bank Negara may disclose customer service index

## Index will generate long-term benefits for consumers

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**KUALA LUMPUR:** Bank Negara will consider publishing the outcome of the financial service providers' (FSPs) customer service index to generate long-term benefits for consumers who can make informed decisions and exercise their right of choice.

"Over time, the survey findings will drive industry's performance by facilitating comparison and performance measurement.

"Competition will also drive players to up their game," said Bank Negara Malaysia governor Datuk Muhammad Ibrahim in his speech at the launching of Ombudsman For Financial Services (OFS) yesterday.

The primary mandate of the OFS is to settle disputes between consumers and its members who are financial service providers licensed or approved by Bank Negara.

It will provide consumers with a user-friendly and efficient redress mechanism to resolve disputes.

This mechanism will continue to benefit both consumers and financial service providers (FSPs).

Over the past 12 years, the OFS has helped to resolve close to 25,000 financial disputes. It saved significant costs and time for both consumers and FSPs. Assuming a cost of about RM15,000 to resolve a case through a court proceeding, it will translate to a cost savings of RM375mil.

Members include banks, Islamic banks, insurance companies and takaful operators, financial advisers, and other financial institutions.

Muhammad said the establishment of the OFS would further strengthen consumer trust, confidence and market discipline in the financial sector.

"Trust is the vital ingredient for the Ombudsman for Financial Services' integrity and credibility in the delivery of its services.

"And for this to happen, there are a few fundamental principles that are absolutely critical for success; namely, independence, fairness and impartiality, accessibility, accountability, transparency and effective-



**Good mechanism:** Muhammad shaking hands with guests after the launching of the OFS, which he says will provide consumers with a user-friendly and efficient redress mechanism to resolve disputes.

ness," he said.

Muhammad added that there are three key areas that FSPs should strengthen to inspire trust, namely, instilling the right corporate culture, inspiring confidence through exceptional customer service and assisting efforts to empower consumers.

"Industry players must ensure that strategies, business models and governance arrangements are aligned with their underlying culture, shared values and an attitude that

place customers' interests at the very core of the business model.

"FSPs should also strive and commit to exceptional customer service. This should define their value propositions.

"A few things come to mind; simplify procedures to speed up service delivery, ensure complaints are properly handled, and develop a feedback mechanism that consumers can use to channel their views and concerns," he said.