

By ANDY ZAVOINA, CRCM

### Talk-Offs

**YOU ARE WALKING THROUGH YOUR BANK'S LOBBY** and you pause for a quick compliance check of some of the required signage. While your eyes are checking out the content, your ears can't help overhearing the nearby conversation between one of your tellers and a customer:

**TELLER:** *I am sorry for the misunderstanding, but the check was bad and you owed this back to us. You shouldn't have spent it until it had cleared.*

**CUSTOMER:** *The person who bought my stuff on eBay sent me a cashier's check for too much and asked that I wire them the overage. When I deposited that check I asked the teller how long it would take until I knew it was good. The girl told me to call in a couple of days.*

**TELLER:** *You deposited it last Friday. And when did you call?*

**CUSTOMER:** *I called in on Tuesday. I didn't talk to that same teller but the man I spoke with said that your policy was to make cashier's checks available the next day. I asked him if that meant I could use the money and he said yes.*

**TELLER:** *But just because we make it available to you doesn't mean it has cleared. Your check came back as a counterfeit.*

**CUSTOMER:** *But when I called and asked if it was good he said yes, use the money. It was a cashier's check. I can't afford to pay this because you screwed up.*

**TELLER:** *We didn't make an error. Do you really think that check made its way from here to a bank in Nigeria that fast?*

**CUSTOMER:** *When I write a check at Wal-Mart they pass that check through a scanner and give it back to me. It comes out of my account right away. Sure you could have verified that check that fast.*

**TELLER:** *Just because we tell you a check is good, doesn't mean it has cleared.*

**CUSTOMER:** *When you tell me it is good and I can spend it, if it isn't good it is your fault.*

This conversation could go on and on. Had a talk-off been used, the language would have been clearer, the communication better understood, and the intent known.

A talk-off is a script that predicts the questions that will arise in common situations. Talk-offs may be used for everyday situations such as when funds will be available and how that does not mean that a check has actually cleared the payment system, as well as for unique situations such as preparing for implementation of multifactor authentication.

Talk-offs accomplish a number of objectives simultaneously:

- They prompt a team working on the implementation to ask themselves what the customer will think and what

the customer will want to know.

- Predicting what will be asked assures that you will also have addressed the answers.

- Scripting helps provide uniform answers so the implementation team and senior management know the bank staff is telling the customer what is and is not correct, avoiding misunderstandings.

- The scripted questions and answers will also help the bank staff understand what is happening and this then acts as a training tool for staffers.

Talk-offs are often employed in the teller area, new accounts, lending, and the call center. Generally, all areas that meet and greet customers should have talk-off scripts. But again, as a training tool, all areas may be asked to review

these and use them as the multi-purposed training tools they are.

It is not necessary that each employee memorize the talk-off scripts. It is not intended that each employee parrot the others or that they sound like robots providing corporate answers. What is important is that they understand the root of each question and that they reply with answers similar to other employees', but in their own cordial way and with compassion. The answer should always meet the spirit and intent that is at the heart of the scripted answer. It should not be verbatim, and I cannot emphasize enough that compassion be included. Just as employees should smile when speaking over the telephone because that puts a friendly tone in their voices,



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they should handle problems with customers with compassion. This customer may have misunderstood what was happening and they may well be facing unexpected costs that will potentially destroy their paycheck to paycheck budget. While the bank cannot always refund fees, we can listen and respond in a friendly and concerned manner. While we want to live by the agreement made when the account was opened, we hope the customer will understand what happened and why, and still be our customer tomorrow. The chances of this happening when a customer with a financial problem gets different answers to the same question is greatly lessened because of “the run-around.”

Talk-offs can be very specific for some questions and very broad for others. It depends on the topics you are addressing and where these will be used in your bank. Some will be written to be used enterprise-wide. An example

of this would be privacy. This is a topic that can arise in every department and each employee needs to understand how the bank safeguards its customers’ information, whether this information is ever shared, and steps taken to ensure it remains confidential, including with any vendor the bank has had to share it with. General questions would also include the following:

- Why was this privacy notice sent to me?
- Does this new notice mean that you changed something?

Common responses could include the following:

- We send these to all our customers every year. It is a reminder to you that we take your privacy as seriously as you do. And if you do not want us to share your information when we don’t have to, it gives you the option once again to opt out and we will then not share unless it is necessary to the transaction.

- Nothing has changed in our privacy policy. We are simply reminding you of our policy and that you have the option to opt out of information-sharing practices.

Note that the answers provide factual information to the questions plus information—a spin, if you will—so that customers understand how the policy provides them with options and protections. This tells them how you are looking out for their financial welfare; the hope is that they will have those “warm fuzzies” that will keep them as your satisfied customer. If the customer was complaining about receiving this notice again, you could add a footnote to the talk-off that these are sent based on banking law and even though there has not been a change, you have to obey laws in the banking industry just like the customer does on the highway.

Some talk-offs will be department- or scenario-specific. All employees do

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not need the same amount of proficiency or training on all the talk-offs you employ. For example, lenders need less operational training than do tellers and new accounts staff. You may author a script responding to questions about overdrafts. These could address the different products you have, the fees associated with those products, and how they work.

When a customer complains about an overdraft fee, you might respond with a talk-off that cross-sells a balance transfer service from an ATS or NOW account to the customer's checking account. The talk-off should include limited ownership restrictions that are necessary to those account types. This avoids the selling of a product or service that they are not allowed to have, which would make a bad situation worse when you have to go back and close that new account because of your error.

The reverse holds true as well. Lenders and those who quote interest rates will need scripts so that the corresponding annual percentage rates are disclosed on loans subject to Regula-

**Table 1—Member Banks, by Classification, 2005**

Classification	Number
Regulation B (Equal Credit Opportunity) . . . . .	29
Regulation C (Home Mortgage Disclosure Act) . . . . .	0
Regulation E (Electronic Fund Transfers) . . . . .	30
Regulation H (Bank Sales of Insurance) . . . . .	2
Regulation M (Consumer Leasing) . . . . .	0
Regulation P (Privacy of Consumer Financial Information) . . . . .	4
Regulation Q (Payment of Interest) . . . . .	0
Regulation Z (Truth in Lending) . . . . .	187
Regulation BB (Community Reinvestment) . . . . .	2
Regulation CC (Expedited Funds Availability) . . . . .	18
Regulation DD (Truth in Savings) . . . . .	37
Fair Credit Reporting Act . . . . .	96
Fair Debt Collection Practices Act . . . . .	40
Fair Housing Act . . . . .	2
Flood Insurance . . . . .	3
Regulations T, U, and X . . . . .	4
Real Estate Settlement Procedures Act . . . . .	6
Total . . . . .	460

tion Z. This requires the APR to be quoted in oral disclosures (Section 226.26). Using talk-offs is one way to ensure it becomes a standard part of all these discussions. Either the employee

has the capability to compute an APR on a transaction, or they refer to a table of examples that will help you comply with the disclosure requirements.

Where else might you need talk-

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Table 2 Category	Credit Card	Checking Accounts	Mortgage Loans
TILA	52%		5%
Cust Service	18%	37%	53%
FDCPA	13%	3%	10%
FCRA	9%	2%	5%
ECOA	5%		4%
Other/Misc	3%	3%	8%
UCC		21%	
EFTA		16%	
Bank charges		8%	
EFAA		8%	
TISA		2%	
RESPA			15%

offs? The answer depends on you, and each bank is unique even if there are some industry standard questions. As with so many compliance issues today, a needs assessment is necessary. Look at your complaints file. Your customers complain to your state and federal agencies as well as to Better Business Bureaus and similar organizations. These are customers who were angry over some issue and remained that way long enough to write a formal complaint. Review

these. Did you lose a customer over it? Would you rather have retained that customer? In some cases the answer is no, but in most it will be that you would rather have had them making deposits and paying fees for their services. Look to the reports and presentations by the ombudsman of your regulatory agency, and others you have access to. Look for trends and similarities. The Federal Reserve publishes an annual report that includes a section on complaints.

Table 1 categorizes complaints from the *92nd Annual Report, 2005*.

The following information, drawn from a presentation by the OCC's ombudsman's office, may assist you in detecting troublesome areas. This reflects three categories of areas and the percentage of complaints for each (See Table 2.).

The next place to look is inside your own walls by polling the customer contact employees who currently handle these calls from customers. Ask them to log the complaints they receive and then categorize them. Do this in the same manner as you will address them, by department, product, or service. And don't forget to make this a part of implementation planning. When you have a new product or service or changes to one, anticipate the common questions that will arise. Answer them in advance and make those questions and answers part of the implementation training.

Other areas that will benefit from talk-offs include employee support areas. One example is your information



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technology help desk. Assume that they have just instituted a new spam filtering program. There is one level that acts on a corporate level and another that is employed on each PC that will allow you to filter and prioritize your e-mail. When newly instituted, messages you want may be filtered at the corporate level. There should be a standard talk-off at the help desk explaining what information is needed in order for them to find the messages you want delivered and for them to add the sender to the approved list. There should also be talk-offs telling the user how to establish rules that categorize their incoming e-mail so that it is both prioritized and not lost in a spam-filtered box that still needs periodic reviewing.

Human resources is yet another area that may need talk-offs. When there is a change to your benefits package, you could anticipate similar employee questions coming in over what the changes are, who is affected, how and what the choices and ramifications of these will be.

Talk-offs not only answer questions, but they also cross-sell products and services, aid in your attempts to have all transactions be compliant with banking laws, regulations and internal policies, and provide a uniform reply to customers and employees. This uniform reply

in a sense means that all employees are acting as one. This promotes the level of confidence your customers need in the business that is holding their money. As the compliance officer, this gives you yet another opportunity to share your knowledge of the enterprise-wide products and services in a problem-solving manner. All the departments have common goals; they want to cross sell, up-sell, answer customer questions and both retain and grow in market share. Rather than be called a cost center, compliance

is able to provide answers to each department's needs and serve its own needs at the same time. You know that compliance is more profit preservation than cost, but it is the customers that pay the salary and keep the doors open. In that, we all have common goals. Talk-offs are one tool we have at our disposal that will help us all. If you haven't had formal talk-offs I'd be willing to bet that you had informal ones. Perhaps it is time to formalize yours and make maximum use of these. **BC**

#### ABOUT THE AUTHOR

**Andy Zavoina, CRCM**, is an executive vice president with the Glia Group, best known for its involvement with *BankersOnline.com*, where he is also a *Bankers Online Guru*. He joined *Glia* in 2003.

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