



June 12, 2019

Circular no. C-06-2573

Attn:

Banking corporations and credit card companies

Re: Provision of a Professional Human Response
(Proper Conduct of Banking Business Directive no. 426)

Introduction

1. Banking corporations tend to provide their customers with service and response through a range of means of communication, and through different technologies, including through a call center. Providing a rapid and high-quality response at the call center is very important in view of the technological progress occurring in the banking industry, and particularly with regard to assisting population groups that find it difficult to switch to the digital world. The goal of this Directive is to anchor generally accepted principles that will ensure customers receive a professional and suitable phone response, taking into account the features of the activity in the banking system.
2. On July 25, 2018, Amendment number 29 (hereinafter, the Amendment to the Law) to the Banking (Service to the Customer) Law, 5741-1981, was published. It added Section 5a3, regarding a professional human response, to the Law. The goal of this directive is to regulate the banking corporation's obligation, which was established under the Amendment to the Law, according to which the length of hold time until receiving a professional human response regarding the issues noted in the Law shall not exceed 6 minutes from the beginning of the phone call, with the required adjustments in the banking system. In addition, the Directive anchors a requirement to give priority in the queue to customers above the age of 75, and defines requirements for monitoring and control of patterns of response to customers in the call center in order to improve the service.
3. After consultation with the Advisory Committee on Banking Business Affairs, and with the consent of the Governor, I have established this Directive.

The Main Points of the Directive

4. Sections 2 and 3 of the Directive establish the application of the Directive.
5. Section 4 of the Directive establishes definitions for the main concepts appearing in the Directive.
6. Section 5 defines the requirement that the banking corporation is to provide professional human response via a telephone call center (hereinafter, call center), including all the types of service defined in Section 5a3(a) of the Law, at least, during core hours.

7. Section 6 was established in accordance with the authority accorded to the Banking Supervision Department in Section 5a3(d)(1) in the Amendment to the Law. The Section establishes the permitted alternatives, as a deviation from the hold time established in the Amendment to the Law.

Explanatory remarks

Due to the complexity in an across-the-board fulfillment of the guideline established in the Amendment to the Law, the legislature authorized the Banking Supervision Department to establish that a banking corporation may deviate from the length of the hold time, as a percentage of total enquiries for a period it establishes, or within a timeframe that it establishes, in advance or retroactively. After examining the issue, the Banking Supervision Department found it proper to establish alternatives that make it possible to deviate from the hold time established in the Amendment to the Law, with the goal of granting banking corporations flexibility in managing the call centers, while maintaining the good quality of response to customers.

In this general rule, the first alternative established various permitted percentages of deviation during core hours and beyond. This alternative was intended so as not to negatively impact the incentive to operate the call centers beyond core hours. A second alternative that was established is based on a uniform permitted percentage of deviation during all hours of operation. These alternatives were established to make it possible for there to be different business models, each of which has value for customers.

In addition, with the goal of limiting the standard deviation of the permitted deviation, it was established in both alternatives that regarding phone calls in which the hold time exceeds 6 minutes from the beginning of the call, an average hold time of 8 minutes should be maintained. With regard to measuring the length of the call, it was established that it will begin at the time when the phone call begins.

According to the Amendment to the Law, the requirement to comply with a 6-minute response refers as well to phone calls related to these types of service: dealing with a malfunction, termination of a contract, and enquiries about the account. Therefore, it shall accordingly be stated that phone calls with enquiries about one's account are not included in phone calls that are essentially for the execution of activities, but rather are only phone calls intended to receive information regarding the account.

8. Section 7 of the Directive defines the requirement under which enquiries by customers who maintain an account at a banking corporation, including holders of a payment card issued by the banking corporation, and are senior citizens as defined in the Directive, who choose to receive a professional human response through the call center, shall receive priority in the bank's automatic routing of the calls, so as to receive a rapid response.

Explanatory remarks

In order to make it easier for citizens above the age of 75 when they contact the bank to receive a human response via the call center, it was established to give such citizens priority in receiving a human response.

9. Section 8 of the Directive establishes that a banking corporation shall collect and monitor data on the response patterns and time on hold for a human response for customers who contact the call center.

Explanatory remarks

In order to ensure effective, rapid, and professional handling, and in order to allow monitoring and control of the carrying out of the provisions of the Law and the Directive, a banking corporation is required to monitor and collect data on the patterns of response and wait times at the call center such as: average hold time for response at the call center, and data regarding phone calls abandoned due to extended hold time. Similarly, it is important from a managerial perspective for there to be a system of periodic reporting on the issue, which will ensure that appropriate resources are invested and that administrative processes are carried out to ensure the provision of quality and suitable service to banking corporation customers who contact the call center. The periodic reporting is to include data such as: the percentage of customer enquiries for receiving a human response, the average hold times to receive a human response, aggregative data regarding the main issues for which customers contact the center, and to highlight issues requiring systemic handling.

10. Section 9 of the Directive establishes that the banking corporation is to provide a disclosure on its website, regarding the call center's types of activities.

Explanatory remarks

It is important to publish data for customers on the means of contact and the online alternatives for receiving banking service and information by human element, such as: chat with a banker, an Internet support portal, etc.

Effective date

11. The changes to this Directive shall go into effect on the date the Amendment to the Law goes into effect (July 25, 2019), except for Section 7, which will go into effect on January 1, 2020.

Update of file

12. Update pages for the Proper Conduct of Banking Business Directive file are attached. Following are the provisions of the update:

Remove page

Insert page

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Respectfully,

Dr. Hedva Ber
Supervisor of Banks