Snapshots: Banks Empowering Customers and Fighting Exploitation

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AARP®
Real Possibilities
AARP’s Public Policy Institute (PPI) informs and stimulates public debate on the issues we face as we age. Through research, analysis, and dialogue with the nation’s leading experts, PPI promotes development of sound, creative policies to address our common need for economic security, health care, and quality of life.

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AARP’s BankSafe™ initiative presents 18 case examples of “promising practices” in age-friendly banking that have been adopted by financial institutions. The case examples are based on interviews conducted by AARP.

Financial institutions are understandably careful about how they spend their time, effort, and money to serve customers’ needs. Yet in examining BankSafe efforts worldwide, AARP has repeatedly found that financial institutions are able to provide BankSafe practices and tools with minimal costs to better serve customers. The following case examples of BankSafe illustrate promising practices making the banking environment easier to access.
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Barclays has implemented a training program—the “Community Driving License”—that teaches all employees how to better interact with vulnerable customers. Employees receive online training on fraud and exploitation, dementia, vulnerabilities, and accessibility.

Barclays uses data analytics to proactively identify customers at risk of fraud or exploitation. The analysis focuses on the characteristics that put customers at higher risk of becoming a victim of fraud. Barclays is now testing how it can proactively provide education to protect these customers.

Bank of American Fork promotes an age-friendly culture by having “Age-Friendly Champions.” Each branch has an Age-Friendly Champion who receives extra training on how to spot fraud or a stressed caregiver. The Age-Friendly Champion is a source of information and support for employees in addressing the needs of older adults. Champions hold quarterly meetings to receive additional training and to share best practices from their experiences, which has empowered employees and increased morale. Bank of American Fork has stated that it has a duty to put safeguards in place to protect its older customers and to provide a safe and trusting environment for the older adults and caregivers in its community.
BANK TRAINING

OREGON BANKERS ASSOCIATION

Oregon Bankers Association, in conjunction with the Oregon Department of Human Services, Oregon Department of Justice, and the AARP Oregon office, developed a training kit aimed at preventing elder fraud and exploitation. The kit has been distributed to banks across the nation. This kit helps bank employees identify possible cases of financial exploitation and raises their confidence in reporting suspected cases.

Every bank in Oregon, as well as banking associations in all 50 states, has received the kit. Due to this training and outreach, banks in Oregon are now the second-largest reporter of abuse in the state, and bank reporting of abuse in Oregon has increased by 287 percent since its inception in 2006. Oregon Bankers Association’s kit has been widely distributed and adopted throughout the country.

FRAUD BUSTERS PROGRAM

FIRST FINANCIAL BANK

First Financial Bank launched a program called “Fraud Busters” to stop exploitation. The 2-year-old initiative has saved First Financial customers over $1 million. The program focuses on three key fraud-fighting components: (a) prevention, (b) apprehension, and (c) education. The bank trained its 1,200 employees at more than 70 locations to identify scams as part of its Fraud Busters program. The tellers know when to report an incident to a manager, and when employees catch a scam, they’re given a Fraud Busters pin to wear at work. Colleagues and customers notice those wearing the Fraud Busters pin, which serves to reinforce the program.

EMPLOYEE TRAINING

WELLS FARGO ADVISORS

Wells Fargo Advisors made their training on exploitation mandatory for all employees. The training covers 10 questions related to spotting and reporting cases of financial exploitation and provides employees with three rules to intercede: negotiate, isolate, and tattle. Negotiating for more time allows the advisor to contact a trusted family member and create enough of a delay to make the scammer run. Isolating the older person from the “new friend” allows the advisor to gather more information in a private context. The advisor is also encouraged to “tattle” with any concern and worries to the centralized elder unit (described in more detail later) at Wells Fargo Advisors.

DETECTING UNUSUAL PATTERNS

COVENTRY BUILDING SOCIETY

In the United Kingdom, the Coventry Building Society offers a service to monitor accounts for financial fraud and exploitation. The bank’s software identifies a transaction that is unusual for the customer because of its size, timing, or location. The customer is contacted and asked to confirm the transaction. While speaking to the customer, the staff of the branch or call center raises the issue of fraud in a sensitive way; for example, by saying, “We would like you to be aware that scam artists sometimes use the following technique [technique described]. If you feel you may have been affected by this situation, please call us back.” The suspect transaction is delayed for a few hours—within the legal time limit—to allow time for the customer to reflect on the antifraud message. Experience shows that many customers realize within a few hours that they have been subjected to fraud and call back to cancel the transaction.
Chapter 2

Empowering Financial Caregivers & Customers with Dementia

Financial caregiving is often needed when a loved one’s capacity or ability to manage his or her own finances declines. A total of 18.5 million Americans are currently financial caregivers to people ages 50 and older, and this figure will only increase as the population ages. Financial institutions can provide tools and services to ease the burden on those with dementia as well as their financial caregivers. The following case examples examine products and services that financial institutions and innovative companies provide to address these needs.

**READ ONLY ACCOUNT**

**BANK OF AMERICAN FORK**

Bank of American Fork highlights existing banking features and tools in its “Account Tools for Seniors and Caregivers.” This makes it easier for employees and customers to identify senior-friendly products and features such as third-party monitoring to a checking account, power of attorney, automatic bill pay, and a payable-upon-death account. Third-party monitoring, also known as “read only,” authorizes a family member or friend to monitor a senior’s account for irregularities in a format that allows monitoring but does not provide access to funds or the ability to make transactions. The third party monitors the account through online banking or monthly statements.

**DATA ANALYTICS**

**EVERSAFE**

EverSafe has developed software that focuses on early detection and prevention of exploitation before it occurs. This service scans financial accounts daily and issues timely alerts to customers and a third-party monitor about any suspicious activity. It helps protect customers by detecting abnormal spending patterns, unusual credit card charges, missing deposits, unauthorized cash withdrawals, and identity theft. The service includes over 50 alerts that respond to patterns unique to cases of elder financial abuse. EverSafe provides its service directly to consumers and works with financial institutions to improve their detection algorithms.
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<th><strong>CAREGIVING TOOLS</strong></th>
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<td><strong>BARCLAYS</strong></td>
<td><strong>WELLS FARGO ADVISORS</strong></td>
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<td>Barclays has worked with organizations in the UK to help caregivers manage an older adult’s finances while ensuring that the older adult could not be taken advantage of. Barclays created a network of informational resources that can ease the burdens of managing a loved one’s finances. Barclays is developing prepaid cards and wearable bands that are loaded with limited funds to give caregivers flexibility in accessing funds.</td>
<td>In response to Wells Fargo Advisors noticing that their customers were falling for third-party scams or were experiencing challenges due to dementia or diminished capacity, the bank developed the Elder Strategy Group. The Elder Strategy Group’s goal is to have centralized reporting and lawyers, from all 50 states, who financial advisors can contact with suspicions of elder financial abuse, third-party scams, and anything related to dementia or diminished capacity. The team of attorneys is dedicated to gathering information on suspected fraud or financial exploitation, and responding to advisors’ calls from the field. The team is responsible for following through on any reports of suspicious activity, including referring the matter to adult protective services or, in grievous cases, contacting law enforcement. Centralizing these cases allows the Elder Strategy Group to be the expert at Wells Fargo Advisors for handling exploitation and dementia cases.</td>
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<td><strong>DEMENTIA FRIENDLY</strong></td>
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<td><strong>LLOYDS BANKING GROUP</strong></td>
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<td>Lloyds Banking Group (with input from the UK’s Alzheimer’s Society and 24 financial service companies) developed the “Dementia-Friendly Financial Services Charter,” a guide for all financial services organizations to help make the industry more dementia-friendly. The guide identifies ways this can be done, such as providing customers with signature cards that don’t require the customer to remember long passwords, preventing the sale of inappropriate products to those with dementia, and promoting an environment where those with dementia can easily discuss their customer needs. Another suggestion is to appoint a champion who drives the principles of the charter at each branch—a principle that the Bank of American Fork adopted for its age-friendly champion program. Lloyds Bank trains all of its 35,000 employees on understanding the issues that confront people with dementia and how employees can make small changes to better address the needs of those with dementia. Over 9,000 Lloyds employees are now dementia friends in support of the Dementia Alzheimer’s program—a program that teaches people what it’s like to have dementia and ways people can help. Lloyds has made 18.3 million media impressions worth almost $1 million.</td>
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Older adults have unique financial needs, as they may experience cognitive and physical decline. Hearing, vision, and mobility issues can make certain banking tasks—such as reading statements, standing in line, and communicating with tellers—more challenging. By addressing these needs, financial institutions can better serve their customers and garner loyalty and trust. The following case examples examine how financial institutions have adapted to meet the evolving banking needs of older adults.

**NOTING CUSTOMER NEEDS**

**LLOYDS BANKING GROUP**

Lloyds has committed to making its branches more accessible for people with physical or cognitive impairment. Lloyds operates a disability services support team, which helps front-line colleagues with disability-related questions. This program includes a form that asks the customer about his or her needs and preferences, including the use of a quiet room or extra time to make financial decisions. These preferences are listed as part of the customer’s account and allow front-line employees to address them when the customer contacts the bank. Lloyds has noticed a substantial reduction in bank complaints as a result of this program.

**LONGER CALL HANDLING TIMES**

**ROYAL BANK OF SCOTLAND & NATWEST**

In the UK, Royal Bank of Scotland (RBS) and NatWest removed call-handling target times and introduced a strategy called “be the difference.” This strategy encourages staff to take the time on calls “to better understand the nature of the customer’s call and spot any anxiety that might indicate that an older adult is struggling with his or her finances or may be the victim of financial fraud or exploitation.” To facilitate this strategy, RBS and NatWest identified routine transactions for which they could introduce customers to self-service, freeing up staff time for more complicated calls with customers who need more help.
SENSITIVITY TRAINING

PEOPLE’S UNITED BANK

People’s United Bank provides sensitivity training to educate employees about how to provide better customer service to older adults with specific needs related to dementia and cognitive or physical decline. The Senior Sensitivity Training helps employees understand the challenges seniors face because of hearing or vision impairment, Alzheimer’s disease, dementia, and other ailments that affect older adults. During the training, participants experience what it is like for an older individual to make a transaction. Employees and community partners talk about how to identify fraud and exploitation, how to identify dementia or cognitive decline, and how to understand the challenges that affect older Americans physically. As a result of this training, employees are better at understanding and addressing the needs of those with cognitive or physical decline, and the development of community partnerships has allowed employees to better respond to and resolve cases of suspected fraud and exploitation. People’s United Bank also offers this training to first responders (police, fire, and EMS personnel).

BIOMETRIC DEBIT CARDS

ZWIPE

Zwipe is a company that uses biometrics fingerprinting to protect debit cards from being used to defraud customers. This technology eliminates the hassle of remembering a PIN while protecting customers and decreasing the chances they will fall victim to identity theft. The value of this product is in providing increased protection against financial fraud and exploitation with virtually no learning curve for consumers.

DIGITAL LEARNING

BARCLAYS

Barclays is engaged in a massive digital transformation. Barclays offers free technology assistance for anyone, including older adults, to become more comfortable with online banking. Over 140,000 people have received help. The bank has offered over 3,000 “tea and teach” classes specifically to help older adults use the Internet. As part of these classes, Barclays has written guides on how to use the Internet, including how to conduct a video conference, use e-mail, and shop online.

Barclays also offers a “play” version of its online banking so customers can practice performing online transactions in a safe and comfortable environment before making transactions from their own account.

DEBIT CARDS

BARCLAYS

Barclays has developed debit cards with older adults in mind. One debit card has directional arrows that show which way to put the card into the ATM. The cards also have high-contrast colors so that customers can easily read the numbers on their cards. Barclays offers a chip-and-signature debit card for those who are unable to use or remember a long password.

NOTING CUSTOMERS’ NEEDS

BARCLAYS

Barclays notes its customers’ needs in their file. For instance, if a customer is deaf in the left ear, the teller knows to speak closely to the customer’s right ear. Barclays is also testing an app in 10 branches that allows customers to tell employees about any disabilities—like poor vision—as they walk through the door. Employees then know how to cater to the customer without an explanation, which makes it easier for the customer.

Barclays also has developed tools to allow customers to choose the products and services that would best suit their needs. These tools and services are developed with an inclusive design in mind so that they may address the needs of the widest possible audience, irrespective of age or ability.
Conclusion

Older Americans are a large segment of financial institutions’ customer base, and they have unique and changing banking needs. These needs include fraud protection, knowledgeable financial caregivers, and accessibility. By addressing the needs of people ages 50+, financial institutions garner customer trust and loyalty, and they have an opportunity to protect themselves from losses due to fraud and financial exploitation against their customers. There is no single right way to meet these needs. One bank may have customer needs in exploitation but not accessibility.

The case examples in this brochure provide insight into the banking needs of older Americans and the most promising practices being implemented by financial institutions to address these needs. Every bank’s journey will be different, but all banks have a common need to discover their customers’ needs and to learn how to address these issues effectively, not only for the sake of their customers but also for the bank.