

Characteristics Pertinent to the Ombudsman's Offices: Evidence in Banks in Brazil

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Abstract

Brazilian regulations determined from the 2nd half of 2007, the establishment of the ombudsman's offices as an organizational component of banks giving them authority to mediate conflicts. The objective of this study is to identify the characteristics pertinent to the ombudsman's offices of 26 banks operating in Brazil. Parallel to that it is sought to verify whether these characteristics showed significant differences in the analyzed period, from January 2008 to June 2011, and met or exceeded the regulatory forecast. A descriptive study is carried out, one that includes literature review and documentary research, analyzing the content of public documentation regarding the ombudsman's offices. The non-probabilistic sample was based on the '50 Largest Banks' report of the Central Bank of Brazil, June 2011. The analyses employed 2 items ('Characteristics of Management' and 'Characteristics of Corporate Governance') and 19 sub-items based on literature review and expert opinion on the items and sub-items. Non parametric tests were employed in the analyses. From the 494 observations on the sub-items, the main results show that the item 'Characteristics of Management' has 67.09% of sub-items present, and the item 'Characteristics of Corporate Governance' has 70.77% of sub-items present. There were no significant differences between the percentages of sub-items associated with these two items, and among the sub-items present, those which meet the regulatory forecast prevailed. The study can subsidize reflections of academics, regulators, customers, users and other stakeholders in the characterization of the ombudsman's offices, and can help to understand the influence of regulation on the disclosure of ombudsman's offices in banks in Brazil.

Keywords: ombudsman's office, bank, regulation

1. Introduction

At present, the availability of the mechanisms for handling complaints is aligned with recommended principles for financial consumer protection endorsed by G20 (Note 1) (Organisation for Economic Co-operation and Development, 2011). According to the Joint Forum (Note 2), in the international financial sector there is evidence that the ombudsman (Note 3) is included among these mechanisms (Joint Forum, 2008). There may be ombudsman's offices (the offices headed by the ombudsman) with their own legal form or as an organizational component of financial entities.

The regulation (Note 4) of Brazil became mandatory, from the 2nd half of 2007, the establishment of the ombudsman's office as an organizational component of banks (Note 5) with the assignment to act as a communication channel between customers and users of products and services, including the mediation of conflicts (National Monetary Council, 2007 & 2010). Despite the potential of ombudsman in preventing risks (Note 6) that banks may be subject to, there are few academic studies about these ombudsman, especially those displaying details that are pertinent to the characteristics of the ombudsman's offices and consider the regulations of Brazil, an emerging economy with international projection.

The main objective of this study is to identify the characteristics pertinent to the ombudsman's offices of 26 banks operating in Brazil. Parallel to that, it is sought to verify whether these characteristics showed significant differences in the analyzed period, from January 2008 to June 2011, and met or exceeded the regulatory forecast. A descriptive study is carried out, aiming at a review of the literature and documentary research, analyzing the content (Bardin, 2000) of public documentation about the ombudsman's offices. The non-probabilistic sample was based on the '50 Largest Banks' report of the Central Bank of Brazil, June 2011. The analyses employed 2

items ('Characteristics of Management' and 'Characteristics of Corporate Governance') and 19 sub-items, based on literature review and expert opinion on the items and sub-items. Non parametric tests were employed.

Among the arguments to justify the question investigated, this paper provides one of the first empirical examinations about ombudsman's office as a complaint handling mechanism in banks in Brazil. Additionally, the study can help to understand the influence of Brazilian regulation on the disclosure about characteristics pertinent to the ombudsman's offices in banks. This disclosure can reduce asymmetry of the information about ombudsman's offices, deserving attention of academics, regulators, customers, users and other stakeholders.

2. Theoretical Review

2.1 Ombudsman's Offices

A reference in the study of ombudsman's office is the establishment of the ombudsman in Sweden in 1809 (Amaral Filho, 1993). In its classical conception, the ombudsman was appointed by the legislature to monitor and regulate the activities of the executive. Currently, the ombudsman is present in many countries and can be studied as an alternative dispute resolution (Rowe, 1991). Furthermore, the study of the ombudsman can entail standards recommended by associations, such as the American Bar Association that determined standards for the establishment and operation of the ombudsman (American Bar Association, 2004), and the International Ombudsman Association, which established standards based on and derived from ethical principles disseminated in its code of ethics (International Ombudsman Association, 2009).

The ombudsman's office grant their presence in various business segments (Reif, 2004), including the financial sector. There is evidence that the ombudsman's offices may have legal personality or may belong to organizations (Joint Forum, 2008). According to Rawlings and Willet (1994), "different ombudsman agencies can be seen as a response to the impact of the law, practice and policy context of the particular industry to which they are associated" (p. 333). This comment has scope for analysis of the financial ombudsman's offices in several countries, considering the influence of the institutional environment in each country (North, 1994). At present, the study of the financial ombudsman's offices may improve the understanding about the complaint handling mechanisms in several countries (Organisation for Economic Co-operation and Development, 2011; Kumar & Mohanty, 2012).

In England, for example, there is the Financial Ombudsman Service, organization that serves all the financial sector and which was established by the Financial Services Markets Act, of 2000 (Financial Ombudsman Service, 2008). A case study about Financial Ombudsman Service documents and seeks explain its interactions with firms (Gilad, 2009). The role of the Financial Ombudsman Service "[...] included an explicit commitment not merely to resolve individual disputes, but to help them come to a resolution as soon as possible, and try to reduce the sources of complaints by providing information on lessons learned" (Merricks, 2007, p. 136). In this scope, the Financial Ombudsman Service contributes to the resolution of disputes between customers and entities of the financial system, and the effect of its decisions is binding for these entities (Gilad, 2008).

In Canada, there is the internal and external ombudsman. In a study about the Canadian financial sector, it appears that the internal ombudsman: a) completes an independent review of complaints from users, b) in conducting this independent review may recommend systemic changes in policies and procedures of the financial intermediaries (Williams, 2004). In the role of external ombudsman, the following entities may be remembered: Canadian Life and Health Insurance OmbudService (entails life and health insurance), General Insurance OmbudService (entails cars and buildings) and the Ombudsman for Banking Services and Investments (entails the banking sector). The three entities form a cooperative network in Canada that embodies the Financial Services OmbudsNetwork (Ombudsman for Banking Services and Investments, 2010).

Regarding Brazil, the financial ombudsman's offices are internal and have their establishment supported by specific regulations (Note 7). In the insurance sector, the Resolution of the National Council of Private Insurance 110 of 2004, established rules and minimum standards to be observed by insurance companies, for recognition of their ombudsman's offices by the Superintendency of Private Insurance (National Council of Private Insurance, 2004). The institution of ombudsman's offices in the securities market was regulated in 2012 according to Instruction 529 (Brazilian Securities Commission, 2012). In banking, the ombudsman's offices have been regulated since 2007 by the National Monetary Council and the Central Bank of Brazil, as detailed in the following.

2.2 Ombudsman's Offices in Banks in Brazil

Resolution of the National Monetary Council 3.477 ordered in 2007 the establishment of ombudsman's office as organizational component of banks in Brazil (National Monetary Council, 2007). In 2010, Resolution of the

National Monetary Council 3.849 revoked Resolution 3.477 keeping in its writing that the ombudsman's office has the responsibility as seeing to and dealing with customer and user complaints ultimately; propose improvements in procedures and routines based on the complaints received and report to the entities of corporate governance (Note 8) as far as the ombudsman activities are concerned (National Monetary Council, 2010). Based on Brazilian Institute of Corporate Governance (2009), the term 'entities of corporate governance' is restricted to the board of directors, independent audit, internal audit and the audit committee (if established in the bank). If the board is not established, their responsibilities fall on the executive directors (National Monetary Council, 2010).

The Brazilian regulation also indicates that the bylaws of banks must include, among others, the following evidences: the assigns of the ombudsman's office, the criteria for appointment and removal of the ombudsman and the duration of their tenure (National Monetary Council, 2010). The regulation does not preclude the possibility that other evidence about such ombudsman's office may be published. The Central Bank of Brazil Circular 3.370, of 2007, subsequently revoked by the Central Bank of Brazil Circular 3.503, of 2010, complements the regulation of National Monetary Council providing even on the preparation of semiannual report prepared by the executive director responsible for the ombudsman's office (Central Bank of Brazil, 2007, 2010). This director is appointed by the bank and cannot manage third-party funds.

Aspects associated with the operation of the ombudsman's office in meeting their regulatory responsibilities (such as handling complaints from customers / users of products and services of the bank and propose improvements to procedures and routines based on the analysis of these claims) are covered in this research between characteristics of management pertinent to the ombudsman's office (National Monetary Council, 2010; Brazilian Institute of Corporate Governance, 2009).

It is also possible to reflect upon the aspects associated with the responsibilities of the board of directors, the executive directors, internal audit and audit committee on the information received from the ombudsman's office, as well as to the commitment of the bank as to reduce conflicts of interest and the enforcement powers of the ombudsman's office with transparency, independence, impartiality and exemption. Such aspects are covered in this research between characteristics of corporate governance pertinent to the ombudsman's office.

Finally, the distinction between characteristics of management and characteristics of corporate governance is based on the Brazilian regulation (National Monetary Council, 2010) and recommendations of the Brazilian Institute of Corporate Governance (2009). Such regulation and recommendations are respectively manifestations of formal and informal constraints (North, 1994) that exist in the Brazilian institutional environment.

3. Methodology

This study is descriptive and aims at a theoretical review and document research. The following are the population and sample collection techniques, processing and analysis of data and nonparametric tests used in this study. Initially, the population is comprised of banks in the report entitled '50 Largest Banks', June 2011 (Central Bank of Brazil, 2011b). In this report, banks belong to the Consolidated Banking I and were sorted by total deposits, totaling 100 entities. The sample is non probabilistic by data accessibility and the following three steps were performed to select the sample:

Step 1 - from the population, 90 active banks were selected, beginning in the 1st half of 2008 to the end of the 1st half of 2011, from the records of banks published by the Central Bank of Brazil. The banks were active operationally independent from other banks throughout the period.

Step 2 - among the 90 banks of Step 1, 30 of them were selected for being present in the Complaint Rankings released by the Central Bank of Brazil of the 1st half of 2008 to the 1st half of 2011. Banks presented relevant complaints to the respective ombudsman's office in the period.

Step 3 - among the 30 entities selected in Step 2, 26 banks were selected for presenting comparable financial information for the 1st half of 2008 to the 1st half of 2011, plus the ombudsman, and a director responsible for the ombudsman's office as well as for the website shown (Central Bank of Brazil, 2011c). The comparability of the information was based on information provided by the banks themselves. Table 1 illustrates the sample.

Bradesco was not included because the sample did not present valid complaints pertaining to the ombudsman's office during the studied period. Nor are included in the sample: Nossa Caixa, BESC and BEP (integrated into BB); Unibanco (integrated into Itau), ABN Amro (integrated into Santander) and IBI (integrated with Bradesco). Banco Panamericano was not included in the sample since the information available did not allow for comparability across time. Banks GE Capital, Maxima and Schahin did not integrate the sample because the financial information available did not address all of the research period.

Total deposits represented 79.44% of the sample of Consolidated B-I, the base date of June 2011, and the sample included 60.35% of total customers guaranteed by Credit Guarantee Fund (Note 9) on that date basis. These evidences are used to indicate the representativeness of the sample in total deposits to the Consolidated B-I and number of customers for the National Financial System. To achieve the objectives of the study there was no need to identify the banks. Henceforth they will not be named, assigning a random number to preserve their identities.

The data collection included bylaws, minutes of meetings, minutes of meetings of the board of directors, annual reports and other documents present in the websites of banks, Brazilian Securities Commission, Stock Exchange, Commodities and Futures, the Boards of Trade of five Brazilian states (São Paulo, Rio de Janeiro, Paraná, Minas Gerais and Rio Grande do Sul), in the Official Gazette of the State of São Paulo, and in a newspaper circulating in Belo Horizonte - Brazil, between July and December 2011. Three banks were requested the bylaws or the information where they were available. Additionally, it was collected information about the sample of banks available in the websites of the Central Bank of Brazil, Procon-SP Foundation, Ministry of Justice / Department of Consumer Protection and Defense, Brazilian Federation of Banks and National Confederation of Enterprises General Insurance, Private Pension and Life, Supplementary Health and Capitalization. The documentation refers to the period of the 1st half of 2008 to the 1st half of 2011.

Table 1. Sample (sorted by position-total deposits as of June 2011)

Reduced Name	Deposits	Customers	Reduced Name	Deposits	Customers
BB	396.818.224	31.906.339	CRUZEIRO DO SUL	4.236.304	2.819
CEF	234.461.509	43.025.756	DAYCOVAL	4.210.544	4.827
ITAU	222.193.756	21.815.790	BVA	3.924.534	4.835
SANTANDER	121.749.414	21.447.571	PINE	3.269.368	997
HSBC	76.126.806	4.678.251	RURAL	3.124.321	7.772
VOTORANTIM	23.632.411	7.328	BASA	2.523.835	278.161
BANRISUL	20.056.515	1.985.263	BANESE	2.075.039	508.448
SAFRA	15.287.902	155.683	BONSUCCESSO	1.570.723	1.722
CITIBANK	15.279.285	206.433	J.MALUCELLI	1.476.900	1.083
BIC	9.224.525	8.988	SOCIETE GENERALE	1387.358	459
BMG	6.383.631	2.870	INDUSTRY OF BRAZIL	1.128.928	1.057
INDUSTRY OF BRAZIL	6.340.787	396.399	MATONE	794.242	564
FIBRA	5.935.454	3.282	BASEMSA	459.524	783

Source: the authors, adapted from Central Bank of Brazil (2011a, 2011b) and research data.

Notes: 'Reduced Name' contains the name of the bank reduced; 'deposits' corresponds to the total deposits of the bank (in R\$ thousand), 'Customers' shows the number of customers guaranteed by the Credit Guarantee Fund.

The data analysis included the categorical thematic content analysis (Bardin, 2000) and the Appendix shows a checklist with 2 items and 19 sub-items used in this analysis. The item 'Characteristics of Management' is associated to 9 sub-items, and the item 'Characteristics of Corporate Governance' is associated with a 10 sub-items. The checklist is based on references from literature review, especially in Brazilian regulation relevant to the ombudsman's office for banks (National Monetary Council, 2010) and Brazilian Institute of Corporate Governance recommendations (2009).

The items were not given different weights, based on a previous study about information disclosure made by the Basel Committee on Banking Supervision (2003). Furthermore, the association of sub-items to items relied on prior exploratory research, in which it was verified the percentage of agreement of 24 experts in ombudsman's offices (Hornik, 1988; Siegel & Castellan Jr., 2006). The evidences in this paragraph indicate that the checklist found in the Appendix is reliable.

It is found the presence of seven disclosure sub-items provided in Brazilian regulations in the period referred to the survey, and twelve sub-items whose disclosure was not provided in this regulation. The presence or absence of each subitem considered verbs and nouns evidenced in the texts analyzed. We verified the amounts and percentages of sub-items present and absent for subitem and totaled by item, and nonparametric tests were applied (Table 2) to give significance to the results.

Table 2. Non-parametric tests used in the research

Used Test	Test Objective
Binomial	-Check the differences between the presence and absence of each subitem associated with items 'Characteristics of Management' and 'Characteristics of Corporate Governance'.
Wilcoxon ^a	-Check the differences between the percentages of the sub-items assigned to the item 'Characteristics of Management' and the item 'Characteristics of Corporate Governance'.

Source: the authors, based on Siegel and Castellan Jr. (2006).

Notes: a - employee after the findings of non-normality based on Shapiro-Wilk test.

4. Results and Analysis of Data

This part shows the results and analysis of data. Initially, the results of analysis by subitem are shown (Topic 4.1) and next the results of the analysis by item (Topic 4.2). There were 234 observations for sub-items associated with the item 'Characteristics of Management' and 260 observations for sub-items associated with the item 'Characteristics of Corporate Governance', totaling 494 observations. All 19 sub-items mentioned in the results are listed in the Appendix, which details the sub-items of mandatory disclosure and sub-items of voluntary disclosure.

4.1 Analysis by Subitem

This part shows the results and analysis of the data by subitem. Initially, the sub-items associated with the item 'Characteristics of Management' are shown in Table 3, numbered 1) to 9). The table indicates the percentage of institutions in each subitem was present. Table 3 shows the results of binomial tests used to check possible differences between the presence and absence of each subitem.

Table 3. Results for subitem - 'Characteristics of Management'

	1)	2)	3)	4)	5)	6)	7)	8)	9)
A	0	0	0	1	25	24	18	0	9
P	26	26	26	25	1	2	8	26	17
P%	100,00	100,00	100,00	96,15	3,85	7,69	30,77	100,00	65,38
Sig.	0,0000 ^a	0,0755 ^b	0,0000 ^a	0,1686					
D	Reject (P> A)	Reject (P> A)	Reject (P> A)	Reject (P> A)	Reject (A> P)	Reject (A> P)	Reject (A> P)	Reject (P> A)	Do not Reject

Source: Research data.

Notes: 1) to 9) indicate the sub-items; 'A' - Absent; 'P' - Present; 'P%' - Percentage of banks in which subitem was present; 'Sig.' - Significance of the binomial test, D - Decision based on the significance of the binomial test. Remarks: a - significant at the 5% b - significant at 10%.

It was found in Table 3 that the sub-items 1) to 4) and 8) were predominantly present in the analyzed documents (P> A). In contrast, sub-items 5) to 7) were predominantly absent (A> P), and the last one at a significance level of 10%. For subitem 9), the null hypothesis was not rejected, indicating no significant differences in the presence and absence. The five sub-items predominantly present beheld the mandatory disclosure sub-items 1), 3), 4) and 8), and the voluntary disclosure subitem 2). In total, 77 were cleared absences and 157 presences (67.09% attendance).

Table 4 shows 10 sub-items associated with the item 'Characteristics of Corporate Governance', enumerated 10) to 19), indicating the percentage of institutions in each subitem was present. Table 4 shows the results of 10 binomial tests used to check possible differences between the presence and absence of each subitem associated to the referred item.

Table 4. Results by subitem - 'characteristics of corporate governance'

	10)	11)	12)	13)	14)	15)	16)	17)	18)	19)
A	18	0	15	21	18	0	0	0	0	4
P	8	26	11	5	8	26	26	26	26	22
P%	30,77	100,00	42,31	19,23	30,77	100,00	100,00	100,00	100,00	84,62
Sig.	0,0755 ^b	0,0000 ^a	0,5572	0,0025 ^a	0,0755 ^b	0,0000 ^a	0,0000 ^a	0,0000 ^a	0,0000 ^a	0,0005 ^a
D	Reject (A> P)	Reject (P> A)	Do not Reject	Reject (A> P)	Reject (A> P)	Reject (P> A)				

Source: Survey data.

Notes: 10) to 19) indicate the sub-items; 'A' - Absent; 'P' - Present; 'P%' - Percentage of banks in which subitem was present; 'Sig.' - Significance of the binomial test, D - Decision based on the significance of the binomial test. Remarks: a - significant at the 5% b - significant at 10%.

It was found in Table 4 that the sub-items 11), 15) to 19) were predominantly present in the analyzed documents. In turn, the sub 10), 13) and 14) were predominantly absent. The sub-item 12) showed no differences in the presence and absence in the documentation reviewed. The six sub-items predominantly present beheld the mandatory disclosure sub-items 15), 16), and 18), and the voluntary disclosure sub-items 11), 17), and 19). Table 4 shows a total of 76 absences and 184 presences (70.77% attendance).

Considering the results in Tables 3 and 4, it was found that 11 of the 19 sub-items were predominantly present in the documentation reviewed, 5 sub-items associated with the item 'Characteristics of Management' and 6 sub-items associated with the item 'Characteristics of Corporate Governance'. While the 7 mandatory disclosure sub-items were predominantly present, only 4 of the 12 voluntary disclosure sub-items were predominantly present. These findings revealed, among sub-items present, predominantly those that meet the regulatory forecast.

4.2 Analysis by Item

This part shows the results and analysis of the data by item. We sought to check the differences between the percentages of these sub-items assigned to the item 'Characteristics of Management' and the item 'Characteristics of Corporate Governance'. Table 5 shows the number and percentage of sub-items gifts totaled by item. The percentages were 66.67% more frequent for the item 'Characteristics of Management' and 60% for the item 'Characteristics of Corporate Governance'.

Table 5. Number and percentage of sub-items present (aggregated per item)

Institution	GE	GE(%) ^a	GC	GC(%) ^a	Institution	GE	GE(%) ^a	GC	GC(%) ^a
1	5	55.56	5	50.00	14	7	77.78	6	60.00
2	6	66.67	6	60.00	15	6	66.67	7	70.00
3	7	77.78	8	80.00	16	7	77.78	9	90.00
4	7	77.78	8	80.00	17	6	66.67	7	70.00
5	6	66.67	7	70.00	18	5	55.56	5	50.00
6	7	77.78	10	100.00	19	5	55.56	5	50.00
7	7	77.78	10	100.00	20	8	88.89	9	90.00
8	6	66.67	7	70.00	21	6	66.67	6	60.00
9	6	66.67	6	60.00	22	5	55.56	6	60.00
10	5	55.56	9	90.00	23	7	77.78	8	80.00
11	5	55.56	7	70.00	24	6	66.67	8	80.00
12	6	66.67	6	60.00	25	5	55.56	6	60.00
13	5	55.56	5	50.00	26	6	66.67	8	80.00

Notes: 'GE' is the amount present of sub-items for the item 'Characteristics of Management'; 'GE (%)' is the percentage of sub-items present for the item 'Characteristics of Management'; 'CG' is the amount present of sub-items for the item 'Characteristics of Corporate Governance'; 'GC (%)' is the percentage of sub-items present for the item 'Characteristics of Corporate Governance'. Remark: a - GE (%) and GC (%) showed no significant differences at 5%, based on the Wilcoxon test.

The percentages in Table 5 allowed the application of the Wilcoxon test for paired samples (Siegel & Castellan Jr., 2006). The null hypothesis for the test was that there were no significant differences between the percentages of sub-items given to the items 'Characteristics of Management' and 'Characteristics of Corporate Governance'. The alternative hypothesis was that there were significant differences between percentages. The result of the Wilcoxon test ($Z = -0.9284$; Sig. = 0.3532) did not allow rejecting the null hypothesis at a significance level of 5%.

Thus, the items did not differ for percentage of sub-items present, i.e., the items 'Characteristics of Management' and 'Characteristics of Corporate Governance', based on the literature review, especially in Brazilian regulations relevant to the ombudsman's office for banks (National Monetary Council, 2010) and Brazilian Institute of Corporate Governance recommendations (2009), did not differ as to the identification of the characteristics pertinent to the ombudsman's office during the period analyzed. Such regulation and recommendations from Brazilian Institute of Corporate Governance are respectively manifestations of formal and informal constraints (North, 1994) that exist in Brazilian institutional environment.

5. Conclusions

The main objective of this study is to identify the characteristics pertinent to the ombudsman's offices of 26 banks operating in Brazil. Parallel to that it is sought to verify whether these characteristics showed significant

differences in the analyzed period, from January 2008 to June 2011, and met or exceeded the regulatory forecast. This paper provides one of the first empirical examinations about ombudsman's office as a complaint handling mechanism in banks in Brazil. Furthermore, the study may be useful to understand the influence of Brazilian regulation on the disclosure about characteristics pertinent to the ombudsman's offices in banks.

This study is descriptive and includes theoretical review and document research. The theoretical review cited the ombudsman's offices, with emphasis on ombudsman's offices in banks in Brazil. In the empirical part we sought to examine the contents of documents published from January 2008 to June 2011 with respect to the ombudsman's offices of those banks. The non-probabilistic sample was based on the '50 Largest Banks' report of the Central Bank of Brazil, June 2011. The analysis used a checklist with 2 items ('Characteristics of Management' and 'Characteristics of Corporate Governance') and 19 sub-items described in the Appendix. The items and sub-items were based on the literature review and the association of sub-items to items relied on prior exploratory research where expert opinion was collected. Non parametric tests were employed in the analyses.

The findings can subsidize reflections of academics, regulators, customers, users and other stakeholders about the characterization of the ombudsman's offices in banks in Brazil. From the 494 observations on the sub-items, the main results show that the item 'Characteristics of Management' has 67.09% of sub-items present, and the item 'Characteristics of Corporate Governance' has 70.77% of sub-items present. Based on the Wilcoxon test, there were no significant differences between the percentages of sub-items associated with these two items. Thus, the two items based on the literature review did not differ as to the identification of the characteristics pertinent to the ombudsman's offices during the period analyzed.

Additionally, the findings can help to understand the influence of regulation on the disclosure of characteristics pertinent to the ombudsman's offices in banks in Brazil. Considering the results in Tables 3 and 4, it was found that 11 of the 19 sub-items were predominantly present in the documents reviewed. While the 7 sub-items of mandatory disclosure were predominantly present, only 4 of the 12 sub-items of voluntary disclosure were predominantly present. These results revealed, among sub-items present, predominantly those that meet the regulatory forecast.

Finally, this study is limited to the sample tested and its results considered regulations in the period to which the data was collected. As a suggestion for future studies, the items and sub-items showed in the Appendix can be used in research on the characteristics pertinent to the ombudsman's offices of other financial entities. Another suggestion is to compare the regulation of ombudsman's offices in Brazil with the regulations in other countries, showing the similarities and distinctions inherent in the institutional environment of each country.

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Notes

- Note 1. The G20 is a forum for cooperation among the advanced economies and the emerging economies of the world established in 1999. (Banco de Portugal, 2011).
- Note 2. The 'Joint Forum' term includes the following standard setting bodies: 1. Basel Committee on Banking Supervision, 2. International Association of Insurance Supervisors, 3. International Organization of Securities Commissions.
- Note 3. the swedish term 'ombudsman' can be found inflected in gender and number. However, the use of the invariant term is recognized in academic context (Rowe, 1987) and is henceforth adopted in this research.
- Note 4. In this study, the regulation can be understood as a manifestation of the formal constraints in the institutional environment. The institutional environment and institutions are concepts from the New Institutional Economics perspective. The institutions "are the humanly devised constraints that structure human interaction. They are made up of formal constraints (e.g., rules, laws, constitutions), informal constraints (e.g., norms of behavior, conventions, self-imposed codes of conduct), and their enforcement characteristics" (North, 1994, p. 360).
- Note 5. In this study, 'Bank' may consolidate its financial statements and includes at least one type of financial entity that works as 'commercial bank' or 'bank with commercial portfolio' (Central Bank of Brazil, 2011b).
- Note 6. An example of these risks are the legal risks of the likelihood of losses in judicial disputes involving customers and users dissatisfied with products and services offered by the bank.
- Note 7. In Brazil, the financial ombudsman's offices have their establishment supported by tripartite financial regulation: insurance regulation, securities markets regulation and banking regulation.
- Note 8. "Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined" (Organisation for Economic Co-operation and Development, 2004, p. 11).
- Note 9. The Credit Guarantee Fund is a private, nonprofit Brazilian organization that administers a mechanism of protection to depositors, savers and investors which allows them to recover credits or deposits held in financial institution in the event of bankruptcy or liquidation. Banks in Brazil contribute a percentage of deposits to keep the The Credit Guarantee Fund (Central Bank of Brazil, 2011a).

Appendix. Checklist used to identify characteristics pertinent to the ombudsman's offices

Sub-items associated with the item 'Characteristics of Management'

1) Functions of the ombudsman's office (M), 2) Difference between the ombudsman's office and other service channels (V) 3) Form of access to ombudsman's office (includes free phone) (M), 4) Deadline for final response to complaints received in ombudsman's office (M), 5) Certification of the ombudsman's office staff (V), 6) description of qualifications and / or experience of the ombudsman (V) 7) Information about the complaints received in the ombudsman's office (V) , 8) institution's commitment to ensure that the ombudsman access the information needed to draw up response to complaints received (M); 9) Other information (eg: performance of ombudsman's office helping prevent risks, awareness of the staff of the institution regarding the ombudsman's office activities, possible indicators that contribute to understanding the performance of the ombudsman's office) (V).

Sub-items associated with the item 'Characteristics of Corporate Governance'

10) Responsibility of the board / executive directors regarding recommendations proposed by the ombudsman's office (V); 11) Responsibilities of the executive director responsible for the ombudsman's office (V); 12) Responsibilities of internal audit and audit committee (if established in the bank) regarding the report of the ombudsman's office and / or the report of the executive director responsible for the ombudsman's office (V); 13) Responsibility of the independent audit regarding the report of the executive director responsible for the ombudsman's office (V); 14) Location the ombudsman's office in the organizational structure (V); 15) Criteria for appointment / removal of the ombudsman (M); 16) Mandate of the ombudsman (M); 17) Indication whether the ombudsman is appointed executive director responsible for the ombudsman's office (V); 18) expressed commitment of the bank to create conditions for the functioning of the ombudsman's office based on transparency, independence, impartiality and exemption (M); 19) Other information (eg: budget of ombudsman's office, purview of ombudsman's office, segregation between internal audit and ombudsman's office) (V).

Source: Research data.

Notes: M - mandatory disclosure subitem according to brazilian regulation; V – voluntary disclosure subitem.