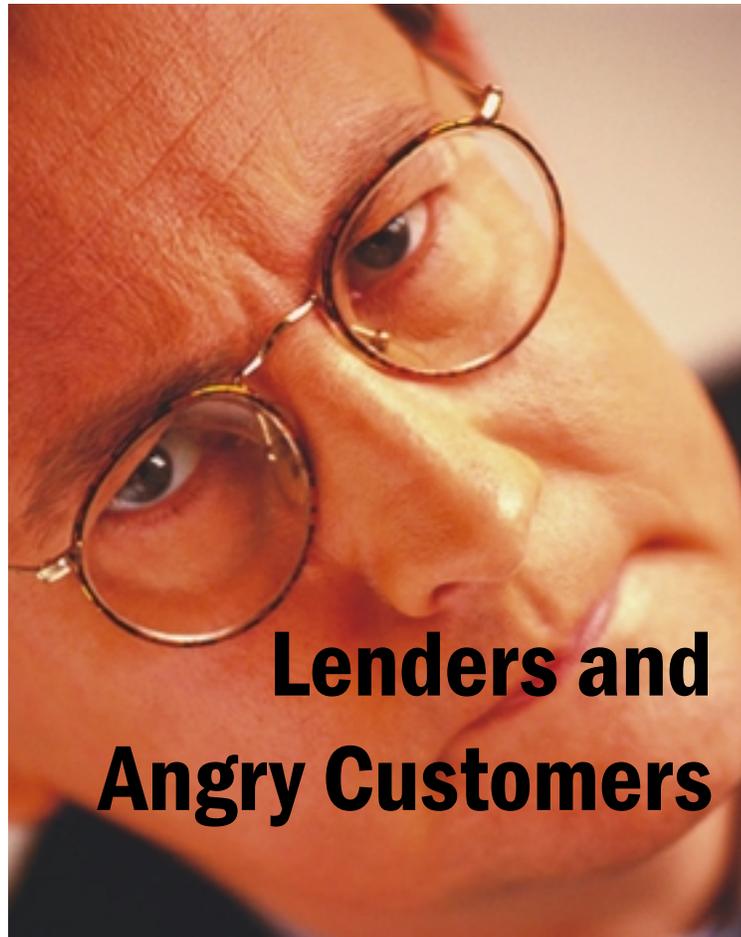


the personal nature  
of **AGRICULTURE**



**Lenders and  
Angry Customers**

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Perhaps it was John Milford's anger that caught Frank off guard. Certainly one would expect John to be upset when told his loan would not be renewed, but his intense outburst in a public place of business left Frank and his coworkers stunned. Now they are unsure of how to deal with customers' anger in the future. Anger, hostility, and abusive behavior are becoming common day occurrences in today's world. And lending institutions, which are so important to farmers' and ranchers' livelihoods, are increasingly becoming targets of this abusive behavior.

When you began a career in the lending profession, you may not have thought that so much of your professional energy would be devoted to human relations. But agricultural producers facing an economic downturn, or other setbacks outside their control, are human. If their stress and anger are directed at you, it can be an uncomfortable and potentially threatening situation.

Why is it important to learn how to defuse hostility? A recent study by the Society for Human Resource Management indicates that approximately 38 percent of all workplace violence is caused by personality conflicts and resulting stress. A workplace is not truly prepared to prevent violence un-

less its employees are aware of techniques for conflict resolution.

Robert Bacal, author of *Defusing Hostile Customers*, describes the difference between angry and hostile behaviors. Anger refers to an internal state (feeling) experienced by people. It can be shown through a raised voice, animated gestures, or turning red. Hostile behavior, on the other hand, is intended to intimidate, throw you off balance, demean or control you, or make you feel guilty. There can be some latitude when dealing with angry behavior, but employees must be on guard if the behavior appears hostile.

It is important to make safety the bottom line. Your safety and the safety of coworkers, customers, and the general public is critical. There will be times when it is impossible to defuse someone, particularly if they are irrational or prone to violence.

Always make protecting yourself the top priority. This may involve physically removing yourself from the proximity of the person who is angry.

### **Reduce hostility**

Disengaging may reduce hostility levels. Saying something such as "I can see you're angry, and I'd like to give us some time to cool off before we talk about this" shows

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Though this publication is directed toward lenders, the techniques listed are also appropriate for others—customer service and agency personnel—who have contact with producers in the course of doing business.



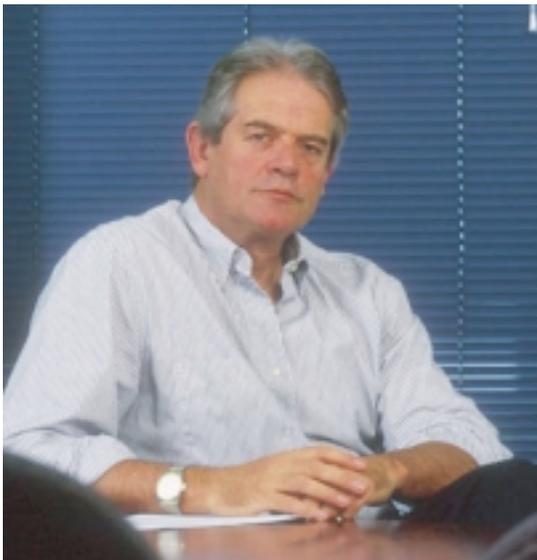
empathy and a commitment to work out the problem. It postpones dealing with the issue until emotions have calmed.

Disengaging means calling a temporary halt to the conversation. This doesn't mean leaving without a word or walking away in a huff. It means that you give a plausible reason for removing yourself from the presence of the hostile customer. You can consult a colleague or supervisor, check a file or a computer screen, or offer to get the customer a glass of water. Make sure the customer knows you are returning.

One more reason you may want to disengage or "take a time out" is to allow yourself to get your feelings under control. If you find that a person is getting to you, it may be best if you disengage for a moment, take a few deep breaths, and then return.

### **Gain control**

If a customer is venting in a common area, ask to move the discussion to a separate space. This will prevent continued disruption of the office (and embarrassment to



the customer) and also will change the environment. Offer to discuss the problem in a private office or state that you'd be happy to meet with him or her and an advisor at a convenient time to address any concerns that he or she might have. If the lender feels comfortable with the customer, the change might be to a more neutral location or, perhaps, to a less neutral but safe place such as the office of the customer's attorney.

Some customers will refuse—they want to vent their anger in a public place. If a customer continues to vent in this way, the lender and staff need to have a procedure for dealing with this. You might want to caution (not threaten) that the offer will remain open, but if they continue to disrupt the general area, you will contact the authorities.

### **AVERT violence**

If the situation is not so tense that you have to leave (or have the person removed), or if a time out period has restored some level of calm to the situation, you may want to use the following steps that can help AVERT violence. These steps are designed to reduce the level of anger so that any necessary negotiations can be more effective. (These steps, in altered form, also appear in David Burns' book *Feeling good: The new mood therapy* and in the publication *Dealing With Others' Anger* by R.J. Fetsch and B. Jacobsen.)

#### **Ask**

When confronted with an angry customer, many people react with fear or defensiveness. To avoid succumbing to these emotions, you need to find out what is really happening. It is appropriate to ask, "Can



you tell me what it is you're angry about?" and listen for the customer's unmet expectation, need, want, or demand. You may ask, "You want me to sign off on this loan?" If the customer replies, "You're d\*\*\*\* right I want you to sign it!" you now know the customer's demand—even though you may not be able to meet the expectation.

Ask the person a series of specific questions designed to find out *exactly* what he or she wants or means. If the person attacks you with vague, insulting terms, ask him or her to be more specific and point out exactly what it is the person dislikes. This initial tactic can set the stage for rational discussion.

In many situations, you will get results from asking the customer what he or she is

angry about. In other cases, however, the person may be too upset to answer in a rational manner right away. As long as you are not in danger, remain calm and let the person vent. Focus on the thought that the person is attacking the situation and not you personally. Do not intervene at this point. Avoid interruption and let the anger run its course.

## Viewpoint

Focus on seeing the situation from the customer's point of view. You may assume that you know all the "facts" of the situation. But remember that the other person may see the situation differently and even have their own version of the facts. You may need to paraphrase what the customer has said to be sure that you understand his

### What do angry customers need and want?

The obvious answer is that the customer wants the problem solved. But there are times when you simply cannot provide the solution he or she wants. One thing you always can do, though, is address the customer's secondary needs and wants.

***They want help.*** Even if you are unable to solve the problem, making a genuine effort on the customer's behalf will accomplish a number of things: it will likely make the person less hostile to you, it will provide you with the sense that you really did all you could to retain the customer, and it may even result in new avenues of problem solving.

***They want choices.*** Anger often results from feelings of frustration and powerlessness. If you can offer an angry customer some choices, his or her attitude often will improve. For example, you might say, "Ms. Gallegos is out of the office visiting property this morning. Would you prefer to call and speak with her directly after 1 p.m. when she will be available, or would it be easier if I presented the situation to her and gave you a call when we have an answer?"

***They want acknowledgement.*** This can be difficult in a professional situation, but it is an important step in dealing effectively with anger. If you are uncomfortable with the expression of strong emotion, your first instinct will likely be to try to steer an angry person directly into problem-solving mode. This may work in some cases, particularly if the person seems embarrassed by their outburst and is ready for a different vein of conversation. In other cases, however, jumping right into problem solving is the wrong approach—the angry person gets the message that you are uncaring, unfeeling, or even unhelpful because what is most important to them at the present moment is that the customer is upset. While you certainly don't have to agree with what the customer is expressing, it's appropriate to simply acknowledge that he or she is angry with the situation.



or her point of view. For example, you could say, “So, after you said I’d have to approve this loan or you’d lose the ranch and I said that bank regulations wouldn’t permit it, you felt like I didn’t understand your situation. Is that right?”

Resist the urge to jump in and defend yourself. Listen and paraphrase until the speaker indicates you’ve got the point. Guard against paraphrasing being perceived as “parroting.” Excessive paraphrasing can escalate anger, create the perception that you are trying to make the customer feel foolish, or be seen as poor communication.

### **Express agreement**

Regardless of whether the customer is wrong or right, try to find some way to agree. Taking a “we-can-solve-this-problem” attitude is always helpful. It reassures the angry person that his or her opinion is

valued. For example: “I agree that using a set of regulations to make loan decisions is sometimes a poor method when crop prices have been so low.” When a customer is attacking you, the last thing he or she expects is for you to agree with something that’s been said. When finding something with which to agree, however, make sure it doesn’t place you or your institution in a compromising position.

### **Refocus**

By the time you ask for the unmet expectation or demand, understand the customer’s viewpoint, and indicate where you agree, much of the anger often disappears. This is a time to refocus with the customer, to find out how he or she would like to proceed. The customer might say something like, “I have been a good customer at this bank for 20 years, and I want the bank to consider my history here before making this loan decision.” At this

*Empathy statements* show that you are trying to understand the other person’s emotional state. Empathy statements do not involve agreeing with the customer or condoning the behavior; they simply convey that you are concerned and that you understand. Use a calm and measured tone that indicates you are making a simple statement of fact. Examples of effective empathy phrases are:

- I realize you’ve been waiting a long time
- It must be frustrating
- I guess you feel like you’re getting the runaround
- It must be pretty difficult to make ends meet
- It must seem like these things take forever

Empathy statements must not restate the obvious. If a customer is yelling and throwing things, it is probably not a good idea to say: “It seems like you are just a touch annoyed.” Since the customer’s behavior clearly indicates he or she is furious, the statement above is inaccurate and sounds patronizing. It may be better to simply say, “Look, I know you’re upset.”

## Principles of defusing

- *Deal with feelings first.* Remember that angry people are sometimes irrational. You don't have to agree with the person, but it is important to acknowledge that they are upset.
- *Remember that each situation is different.* Some customers will respond best to empathy, but some will calm down only if you are assertive. Observe what is working and modify your approach from there.
- *If you lose control of yourself, you lose.* While it is impractical to suggest that you will never be internally affected by others' anger, you do have control over your reactions. Make a conscious decision to choose your behavior. If you lose control, not only is the interaction more likely to escalate into a verbal or physical confrontation, but there also may be work-related consequences for you.
- *Don't supply "ammunition."* There are different types of ammunition that you can actually provide to an angry customer, thereby making a situation worse for you and your employer in the long run. The first type of ammunition involves behaviors that fuel a customer's anger. These behaviors include actions such as sighing heavily, rolling your eyes, and speaking under your breath. Next, there is more overt behavior that can be used directly as ammunition against you. If you storm out of the room, slam down the phone, or are verbally inappropriate with a customer, you may have just armed that person for a complaint to your supervisor. Finally, there is the type of ammunition that can be used against the organization as a whole. In any financial institution with a number of employees, a customer may hear different information from different people. The key is to resolve discrepancies internally, as opposed to with a customer. If you contradict a coworker or supervisor, you have armed a customer with comments such as "Well, even your own staff thinks you are mistaken" for your supervisor.

(Bacal, R. *Defusing Hostile Customers*. 1998.)

point, you are moving from dealing with emotions to resolving the situation.

### Come to Terms

The terms on which you and the customer can proceed should represent a win-win situation. At this point in the conversation, you can explain your viewpoint tactfully and assertively and state what you are willing to do. For example: "Perhaps I don't know all the facts regarding your history with the bank. Let's sit down together and review the information I have and make sure I haven't overlooked something."

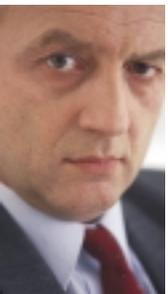
This shows a willingness to reconsider the

customer's history with the bank but doesn't negate the decision or remove the responsibility from the customer to provide all necessary information.

Remember, the AVERT technique is not intended to be a negotiation tool, but rather a method for reducing anger so rational decisions can be made and personal and workplace safety can be maintained.

### Is it okay to be angry?

Anger is not a bad emotion. Anger is like steam—not addressed, it can lead to an explosion; improperly vented, its energy can





be wasted; and properly managed, it can move a problem from contention to problem solving and solution. The lender or customer service person is likely to feel anger, fear, or a sense of betrayal after an interaction with an angry customer. Like the customer, these emotions must be recognized, acknowledged, and appropriately managed.

In the real world, personal buttons get pushed. When this happens, there are instinctual responses that may completely divert your focus from a workable plan. If you notice a physical reaction (heart pounding, pulse racing, body temperature rising rapidly) in your body, use it as a signal to pause and back up to the point where the interaction went off track. If, for example, you find your blood pressure rising during the viewpoint phase of the conversation, use this as a red flag. You may need to pause and backtrack to the part of the process where you use active listening and really ask what is the root of the problem. It is not uncommon for anger (within both the customer and lender) to re-surface many times. Self awareness is crucial to working with angry customers because it brings clarity in how you react to anger, thereby giving you valuable information that can help you be more effective.

There are cases when a customer is simply making the choice to behave in an angry, belligerent manner, regardless of your attempts to diffuse the situation. If your intuition tells you that this is the case, it may be time to cut the conversation short, remove yourself from the situation, or seek out a neutral third party with good mediation skills. Providing good customer service does not mean that you volunteer for negativity, mistreatment, or abuse.

### **Dos and don'ts in working with angry customers**

#### **Do:**

- Consider the impact of your words and actions
- Focus on the here and now
- Accept the person's feelings as legitimate, even if you disagree with what he or she says
- Ask what the other person wants
- Listen to the client for clues on his or her emotional state
- Remain calm
- Be compassionate when giving bad news
- Accept responsibility
- Be proactive and positive
- Develop office procedures for handling angry customers

#### **Don't:**

- Engage in name-calling or labeling
- Disregard the other person's feelings or say he or she "shouldn't feel that way"





- Make threats, especially those that you don't intend to or can't enforce
- Impose your personal feelings or beliefs
- Diminish the problem or ignore the issues
- Try to solve a problem that is outside your abilities or job description
- Lose your temper
- Cry
- Appear uncaring
- Place yourself in danger

(Source: USDA Farm Service Agency. "Dos and Don'ts of Workplace Safety and Dealing with Angry Customers." Casper, WY: Farm Service Agency Training, 2001.)

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