

EXCHANGE WITHOUT CAPTURE: THE UK FINANCIAL OMBUDSMAN SERVICE’S STRUGGLE FOR ACCEPTED DOMAIN

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First published: 24 October 2008

<https://doi.org/10.1111/j.1467-9299.2008.00713.x>

Abstract

This article explores the formation of public organizations’ ‘domain perception’, that is, their internal interpretation and external articulation of their role and its boundaries. The analysis is based on non-participant observation research of the UK Financial Ombudsman Service (FOS), and archival research of its predecessor organization, which handled consumer complaints regarding the retail selling of financial products. I show that the FOS’s articulation of its domain emphasized the strictly individual and confidential nature of its complaint handling, rather than formulation of general principles to guide firms’ sale practices. This domain perception embodied an implicit exchange between the ombudsman and the retail financial industry on behalf of consumers, and distinguished the ombudsman’s role from that of the Financial Services Authority and the civil courts. The case is employed as means for theory building regarding the nature of public organizations’ domain perceptions and the process by which such constructs develop in regulatory contexts.

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