

Accountability or Expectations Management? The Role of the Ombudsman in Financial Regulation

SHARON GILAD

First published: 19 March 2008

<https://doi.org/10.1111/j.1467-9930.2008.00275.x>

✉ Address correspondence to Sharon Gilad, Department of Management, King's College London, Franklin-Wilkins Building, 150 Stamford Street, London, SE1 9NH, UK; Telephone: 44-207-8484486; E-mail: sharon.gilad@kcl.ac.uk.

I am indebted to the executive management team of the Financial Ombudsman Service and to several anonymous interviewees for the generous hospitality that I was given, their time, and their invaluable insights into the organization's work. Early versions of this article were presented at the Office of Fair Trading and the University of Exeter GRIP seminar. I thank the participants of these seminars for their comments. I also thank Michael Barzelay, Anneliese Dodds, Christopher Hood, Adam Lefstein, Adam Samuel, and three anonymous referees for their reading and comments.

Abstract

Current research of third-party complaint handling institutions evaluates their success in providing redress and advancing service improvement. This focus is driven by a normative predisposition. In contrast, this study is based on an inductive, ethnographic research of the UK Financial Ombudsman Service. This inductive analysis is employed to develop hypotheses to guide future research on third-party complaint handling. It is suggested that current literature may have overlooked the role of third-party complaint handling schemes in managing what, from a professional point of view, are citizen-consumers' excessive expectations for redress. The normative implications of this tentative empirical claim are further discussed.

REFERENCES

Adler, Michael (2003) "A Socio Legal Approach to Administrative Justice," *Law & Policy* 25: 323–53.

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

Anderson, Eugene W., and Mary W. Sullivan (1993) "The Antecedents and Consequences of Customer Satisfaction for Firms," *Marketing Science* 12 (2): 125–43.

[Web of Science®](#) [Google Scholar](#)

Ansell, Christopher, and Jane Gingrich (2003) "Reforming the Administrative State." In *Democracy Transformed? Expanding Political Opportunities in Advanced Industrial Democracies*, edited by B. E. Cain, R. J. Dalton & S. E. Scarrow. Oxford: Oxford Univ. Press.

[Google Scholar](#)

Best, Arthur, and Alan R. Andreasen (1977) "Consumer Response to Unsatisfactory Purchases—Survey of Perceiving Defects, Voicing Complaints, and Obtaining Redress," *Law & Society Review* 11: 701–42.

[Web of Science®](#) [Google Scholar](#)

Black, Julia (1997) *Rules and Regulators*. Oxford: Clarendon Press.

[Google Scholar](#)

Clarke, Michael (1999) *Citizen's Financial Futures: The Regulation of Retail Investment Financial Services in Britain*. Aldershot: Ashgate.

[Google Scholar](#)

Cowan, David, and Simon Halliday (2003) *The Appeal of Internal Review*. Oxford: Hart Publishing.

[Google Scholar](#)

Danet, Brenda (1978) "Toward a Method to Evaluate Ombudsman Role," *Administration & Society* 10: 335–70.

[Web of Science®](#) [Google Scholar](#)

Goffman, Erving (1952) "On Cooling the Mark Out: Some Aspects of Adaptation to Failure," *Psychiatry: Journal of Interpersonal Relations* 15: 451–62.

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

[Google Scholar](#) 

Hill, Larry B. (2002) "The Ombudsman Revisited: Thirty Years of Hawaiian Experience," *Public Administration Review* 62 (1): 24-41.

[Web of Science®](#)  | [Google Scholar](#) 

Hirschman, Albert O. (1970) *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*. Cambridge: Harvard Univ. Press.

[Google Scholar](#) 

Hirschman, Albert O. (1982). *Shifting Involvements: Private Interest and Public Action*. Princeton, NJ: Princeton Univ. Press.

[Google Scholar](#) 

Hochschild, Arlie R. (1983) *The Managed Heart: Commercialization of Human Feeling*. Berkeley: Univ. of California Press.

[Google Scholar](#) 

James, Rhoda (1997) *Private Ombudsmen and Public Law*. Dartmouth: Aldershot.

[Google Scholar](#) 

Leidner, Robin (1993) *Fast Food, Fast Talk: Service Work and the Routinization of Everyday Life*. Berkeley, CA; London: Univ. of California Press.

[Google Scholar](#) 

Lloyd-Bostock, Sally (1999) "Calling Doctors and Hospitals to Account." In *Medical Mishaps: Pieces of the Puzzle*, edited by L. Mulcahy M. M. Rosenthal & S. L. Bostock. Buckingham, PA: Philadelphia Open Univ. Press.

[Google Scholar](#) 

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

[Web of Science®](#) [Google Scholar](#)

Maute, Manfred F., and William R. Forrester Jr. (1993) "The Structure and Determinants of Consumer Complaint Intentions and Behavior," *Journal of Economic Psychology* 14 (2): 219–47.

[Web of Science®](#) [Google Scholar](#)

Miewald, Robert D., and John C. Comer (1986) "Complaining as Participation—The Case of the Ombudsman," *Administration & Society* 17: 481–99.

[Web of Science®](#) [Google Scholar](#)

Miller, Richard E., and Austin Sarat (1981) "Grievances, Claims, and Disputes-Assessing the Adversary Culture," *Law & Society Review* 15: 525–66.

[Web of Science®](#) [Google Scholar](#)

Morganosky, M. A., and H. M. Buckley (1986) "Complaint Behaviour: Analysis by Demographics, Lifestyle and Consumer Values," *Advances in Consumer Research* 14: 223–26.

[Web of Science®](#) [Google Scholar](#)

Mulcahy, Linda (2003) *Disputing Doctors: The Socio-Legal Dynamics of Complaints about Medical Care*. Maidenhead, UK: Open Univ. Press.

[Google Scholar](#)

Mulgan, Richard (2003) *Holding Power to Account: Accountability in Modern Democracies*. New York: Palgrave Macmillan.

[Web of Science®](#) [Google Scholar](#)

Nader, Laura (1980) *No Access to Law: Alternatives to the American Judicial System*. New York: Academic Press.

[Google Scholar](#)

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

Oliver, Richard L., and Wayne S. DeSarbo (1988) "Response Determinants in Satisfaction Judgments," *The Journal of Consumer Research* 14: 495–507.

[Web of Science®](#) | [Google Scholar](#)

Richins, Marsha L. (1987) "A Multivariate Analysis of Responses to Dissatisfaction," *Journal of the Academy of Marketing Science* 15 (3): 24–31.

[Google Scholar](#)

Roch, Christine H., and Theodore H. Poister (2006) "Citizens, Accountability, and Service Satisfaction: The Influence of Expectations," *Urban Affairs Review* 41: 292–308.

[Web of Science®](#) | [Google Scholar](#)

Samuel, A. (2005) *Consumer complaints and compensation: A guide for the financial services market*. Surrey: City & Financial Publishing.

[Google Scholar](#)

Schlesinger, Mark, Mitchell Shannon, and Brian Elbel (2002) "Voices Unheard: Barriers to Expressing Dissatisfaction to Health Plans," *The Milbank Quarterly* 80: 709–55.

[PubMed](#) | [Web of Science®](#) | [Google Scholar](#)

Scott, Colin (2000) "Accountability in the Regulatory State," *Journal of Law and Society* 27 (1): 38–60.

[Web of Science®](#) | [Google Scholar](#)

Seneviratne, Mary (2002) *Ombudsmen: Public Services and Administrative Justice*. London: Butterworths.

[Google Scholar](#)

Singh, Jagdip (1989) "Determinants of Consumers' Decisions to Seek Third Party Redress: An Empirical Study of Dissatisfied Patients," *The Journal of Consumer Affairs* 22: 229–62.

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

Steele, Eric H. (1974) "Fraud, Dispute, and the Consumer: Responding to Consumer Complaints," *University of Pennsylvania Law Review* 123: 1107–86.

[Web of Science®](#) [Google Scholar](#)

Stirton, Lindsay, and Martin Lodge (2001) "Transparency Mechanisms: Building Publicness into Public Services," *Journal of Law and Society* 28: 471–89.

[Web of Science®](#) [Google Scholar](#)

Tyler, Tom R. (1988) "What Is Procedural Justice—Criteria Used by Citizens to Assess the Fairness of Legal Procedures?" *Law & Society Review* 22: 103–35.

[Web of Science®](#) [Google Scholar](#)

Tyler, Tom R. (1994) "Psychological models of the justice motive: antecedents of distributive and procedural justice," *Journal of Personality and Social Psychology* 67: 850–63.

[Web of Science®](#) [Google Scholar](#)

Tyler, Tom R. (2006) "Psychological Perspectives on Legitimacy and Legitimization," *Annual Review of Psychology* 57: 375–400.

[PubMed](#) [Web of Science®](#) [Google Scholar](#)

Citing Literature

[Download PDF](#)

ABOUT WILEY ONLINE LIBRARY

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

- Manage Preferences
- Accept All
- Reject Non-Essential

Training and Support
DMCA & Reporting Piracy
Sitemap

OPPORTUNITIES

Subscription Agents
Advertisers & Corporate Partners

CONNECT WITH WILEY

The Wiley Network
Wiley Press Room

Copyright © 1999-2026 John Wiley & Sons, Inc or related companies. All rights reserved, including rights for text and data mining and training of artificial intelligence technologies or similar technologies.

WILEY

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential