



Better Banking Relationships = Better Business

“Trusted Advisor.” That’s the term we heard most often when we asked local bankers to describe the relationships they wanted to have with business owners.

As Matt Smith, from Union Community Bank noted, “It’s so important for business owners to have Trusted Advisors – their accountant, attorney and banker – to communicate and all be on the same page. We’re not doing the right thing if we don’t have relationships with other professionals.”

Relationships take time, though, and bankers recognize the hectic lives that business owners have. “Our model is a relationship model, not a transactional model,” Smith said. “We spend time getting to know our customers; getting to know them personally, their families, what they care about in their business and in the community. Every customer is different and we want to get to know their unique situation.”

“Occasional meetings are so helpful for us to have open communications,” added Lori Christian, with PNC. “We can be so much more helpful when we know what a company’s strategy is, what they are planning for the year, if there are any new business lines or new markets opening up. When we know what the plans are and have a good relationship, we can react to a quick need that might arise.”

Josh Griffith, with Fulton Bank, looks at the larger context of the banking environment Business Owners are currently facing. “Five years ago, your banker may not have asked as many

questions as today. This was most likely the result of a few things including the economic climate, performance of the company and changing scrutiny within the banking industry itself. While I feel that we have always done a good job at getting to know our customers and their business, there is always room for improvement. Understanding our customers and their business is a key piece in not only being able to show our regulating bodies that we understand our customers and the risks associated, but its also a key piece for us as a banker to be able to follow through on being a trusted advisor for our customers.”

Griffith notes, though, that trust is the real key in a relationship between a banker and business owner. “Don’t be afraid to bring your banker in early on when going through the exercise of launching a new business line or opportunity. While your banker is not an expert in running your business, he or she has a lot of experience in working with other business owners who have faced similar issues and can help you make better decisions by asking questions and pointing out risks that might otherwise not have been noticed.”

Michael Heller, with Integrity Bank, recommends that business owners create multiple relationships within the bank. “Banking can be a high-turnover environment – there are lots of transitions within a bank and mergers create opportunities for career advancement. So, Business Owners should get to know more people within the bank and have connections within the credit department and with other key individuals.”

Heller also noted that Business Owners should treat their personal debt like their business debt. “We look at credit scores, taxes and other things that give

Keys to Better Banking Relationships:

Relationships and Communication

Sharing Strategies and Plans

Be Transparent and Forthcoming with Good and Bad Info

Meet on a Regular Basis

Share Financials, Explain Variances

Communicate with all Trusted Advisors

us a holistic view of the owner and the company. It’s important to rectify issues quickly; like an overdraft or missed payment. We are appreciative when the Owner picks up the phone and explains what happened. It’s important to be as accurate as possible in your reporting. Knowing that the Business Owner has plans for unexpected events builds trust in our relationship.”

“The most important thing in communication is hearing what isn’t said.”

- Peter Drucker