

How to Choose a Banker? One Offers Some Tips

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YOUR BUSINESS is much more than a balance sheet. It is a product of your vision and hard work. It is a company that has, with strategic planning and support, immense potential to grow and develop.

So shouldn't your bank be more to you and your growing business than a glorified ATM?

To support the current and future success of your enterprise, you need to forge a long-term, mutually beneficial business relationship with a bank and people you can trust. Financial institutions offer a variety of products, services and, yes, even personalities. To find your money match made in fiscal heaven, you'll probably have to

- [tips]**
- 1** | Don't just pick the first bank that shows interest. Make a list of everything you need from a bank today and in the future.
 - 2** | By asking around, find out as much as possible about a bank and banker. Who else uses this bank? What do they like and dislike? A good banker should ask lots of good questions about your business. Fees and terms tend to vary only slightly; more important is the bigger picture.
 - 3** | Fees and terms tend to vary only slightly; more important is the bigger picture.

do a little bank dating.

But by investing time in a search for the right bank partner now, you can reap years of benefits. Consider these points as you begin your bank courtship.

Are you compatible?

Too often, clients decide to work with the first bank that shows interest in having a relationship. But a bank should never choose a client; the client should always choose the bank. And the criteria used in the selection process should focus on the potential to form a compatible, sustainable relationship. Remember, both banker and client should get something out of this relationship. In business negotiations, both parties should emerge as winners.

To find out if a bank is the right fit for you, begin by listing the services you need now and those you'll need as your business grows. Do you envision benefiting from cash management services or payroll assistance? How about revolving lines of credit, investment products, business insurance, benefits administration and credit counseling?

Remember, banks are far from equal in their offerings and how they regard clients. Look for one that takes care of clients like a small bank, but thinks

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and acts with innovative products and services, like a big bank. Don't settle for cookie-cutter solutions to your financial needs.

Do you share interests?

It's in your best interest to know as much as possible about your potential bank. Here's where networking comes in handy. Ask other small-business owners for their banking recommendations. Then ask candidate banks for references and do some follow-up research.

The flip side is making sure your potential business partner is equally interested in you and in the unique dimensions of your business. As a client, you want to find bankers who ask questions — lots of questions. It's a sign they're genuinely interested in getting to know you as an individual, personally and professionally. Ultimately, this mutual discovery process will nurture trust on both sides of the table.

You should find that the more intimately involved the bank becomes in your company's circumstances, the better prepared it will be to give you advice aimed at helping your business grow.

What's below the surface?

Banks come in all sizes and serve some business clients better than others. Shop around for a bank willing to go the extra mile for your individual business. Make it a priority to find one that places high value on meeting your needs and working with you to take your business to the next level.

While it's wise to compare fees and interest rates on deposit accounts and loans, look deeper. The fee or rate difference is often negligible compared to the real value your ideal partner will deliver — the ability to match products and services with needs you mutually identify rather than simply pushing its featured "products of the week."

Most banks offer similar products, whether its short-term working capital loans, revolving lines of credit, asset-based loans, Small Business Administration loans or longer-term

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— John Kimball, Associated Bank

loans. Your goal should be to find a bank that can deliver solutions to the challenges your business will encounter, from enhancing your competitive position without depleting working capital to providing checking and check card service options that provide the day-to-day flexibility you need.

Pay attention to a bank's technology capabilities. Will its services make it possible for your cash flow to work at peak efficiency at the lowest possible cost? Will you have 24-hour access to your account? Is technology available to handle your electronic transactions, including direct deposits, tax payments, customer collections, vendor payments and inter-bank transfers?

Also ask about availability of the bank's business expertise. Does it offer consulting services that can help your business as it evolves?

Chemistry counts

As you narrow your list of financial suitors, make appointments to interview loan officers, business development officers or banking center managers. Learn how long they've been in the business and whether they know your industry. Do you feel comfortable with them? Do they listen and seem genuinely interested in your challenges and goals?

There is significant benefit for you to be known by everyone in the bank, not just your business banker. It removes the sterility of all-too-typical banker-client relationships and ultimately enables everyone in the bank to become invested in clients' businesses and work more strategically.

When you find a bank with the right combination of value and people, you're well on your way to building a lasting relationship that will contribute greatly to the success of your business.

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