

From The Editor...

ESTABLISH A GREAT BANKING RELATIONSHIP

Establishing a great banking relationship is a must for any business of any size. Even if you don't have a need to borrow money, you have to utilize a financial institution of some kind to maintain your business's depository relationship. However, in today's business world I see too many clients with no idea who the individual is at their bank who is assigned to their account. Further, over and over again I hear business owners who are discontent, dissatisfied and in some cases, downright angry with their bank.

From the bank's and banker's perspective the banking industry has changed dramatically over the past twenty, ten and even five years. Electronic banking has been moving at a very fast pace, and banks have had to make large capital investments to just keep up with technology. In addition, regulatory actions, whether warranted or not, have put a huge burden on financial institutions and added costs which produce no revenues. Further, banks for the most part have taken the decision-making process on nearly every transaction out of the hands of their employees who are on the front line and either automated the process and/or kicked the final decisions to what seems to be the highest person in the organization (who I call "The Wizard"). Most bankers today are overworked, under great pressure to bring in new business, to service a larger portfolio of loans, to attend training programs, seminars and endless internal meetings; most are underpaid for all they are required to do, mistake free.



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There is nothing we, as business owners, can do to change the bank's internal policies, procedures and/or processes, so why waste the time and effort to do so? Let's come at this issue from we can do and have control over.

First, I would recommend that you become proactive with your banking relationship. Ask to meet with the banker who is assigned to your account. If no banker is assigned to your account, ask for one to be assigned. If your bank tells you that it doesn't or can't do that, might be a good idea to change banks.

Second, ask your banker to come to your place of business to show him or her around your operation and to introduce the key people in your business. Next, explain to the banker what your business does, who your clients are and what your plans are to expand or grow your business. As part of the conversation be straightforward and ask the banker how the bank can help you grow your business.

Third, if you know you presently have a need, or will in the near future, to expand your bank relationship with additional services, like a loan for a new piece of equipment, don't wait until crunch time. Plan ahead and meet with your banker to explain what your needs are and ask if the bank can provide financing for them. The same holds true if you know you are going to have

a cash squeeze, don't just write a check and hope that the bank will pay the overdraft. Go see your banker, tell him or her your situation, and ask for help. Bankers do not like surprises. If you expect a quick answer from your banker in these situations, it will probably be NO.

If you need assistance with your banking relationship, I recommend you seek a business advisor, consultant or mentor: Contact a **Silver Fox Advisor**. Remember, having experience on your side always helps. We encourage you to visit our Website at www.silverfox.org or www.silverfoxadvisors.com to select a **Silver Fox Advisor** and also to learn more about the **Silver Fox Advisors**, as well as our great programs and community outreach endeavors. ♦

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