

Why Your Business Banker Should be Part of Your Advisory Team

BY BARNEY HUGHES

THE CORONAVIRUS PANDEMIC has tested small business owners' ability to adjust their business model unlike ever before. To survive the challenges they've faced so far in 2020, they have had to be nimble, resourceful and creative.

Small business owners have also needed a strong relationship with their banker. Many Delaware business owners relied on their business banker when applying for a Paycheck Protection Program (PPP) loan earlier this year or considering other ways to navigate these uncertain times.

It's important for entrepreneurs to appreciate the importance of a strong relationship with their business banker. It's not as simple as opening an account with a bank in your neighborhood.

Here are five ways small business owners can build strong relationships with the bankers they may need to lean on when times get tough.

Touch base between transactions

Any relationship—business or otherwise—takes work. Invest the time to connect with your business banker regularly—even if you don't necessarily need his or her banking support. At a minimum, you should set up a meeting with your business banker twice a year to discuss recent successes and challenges. Doing so enables your banking team to be a true partner in the success and growth of your business.

Connect your team of professionals

It's likely that you have plenty of help when it comes to managing your businesses—from CPAs to insurance brokers to a legal team. But small business owners don't always recognize the importance of connecting these individuals. Keep in mind that this team of professional service providers are all operating with the same goal: Your business' success. It's important for your team to work together and share information to reach the best possible outcomes. They can only do so efficiently if they're connected beforehand.

Network, network, network

If you're in need of a service provider's support to find a solution to an issue, your banker probably has a few recommendations you can check

out. Similarly, you should feel comfortable introducing your connections to your banking partner, maybe even providing referrals when appropriate. Business owners who do so often have the strongest relationships with their banker.

Remember we're all people

We might be social distancing, but behind that email is a live, flesh-and-bone person. It's always beneficial to remember that and work to foster a strong and genuine relationship with any service provider you work with. It's not unusual for my colleagues to ask about their customers' families, vacations, or important milestones coming up. Maybe you and your banker are both diehard fans of the same sports team or enjoy the same hobbies. Engaging with your banker on an authentic, human level allows you to maintain a strong relationship.

Get help identifying resources

I cannot say it enough: Your business banker's goals are aligned with yours. In challenging times your banker wants to be a valuable resource, even if he or she needs to point you in the direction of other opportunities you could take advantage of. For instance, in late March the Delaware Division of Small Business announced the expansion of the Hospitality Emergency Loan Program (HELP), which made financial relief accessible to personal care and hospitality businesses that might not qualify for a PPP loan. If you're in a sticky spot your business banker can help you determine what state and federal programs you qualify for and support you in the application process.

A good banker will work for you when you need it most. Following these five tips will help ensure your email or phone call gets answered – in good times and bad. ■



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