Driving Branch Small Business Growth

Practical Strategies to Accelerate Attraction, Retention, and Expansion

No bank has mastered "the secret sauce" for growing business with small businesses in their branches. That said, Clarity Advantage sees five high-impact strategies that make a difference as we help banks roll out small business strategy to branches and small business bankers:

1. **Focus on households, not accounts**

   Pay more attention to customers after they open their accounts. The value in "small business" is the leverage from business + personal + employees, not the checking accounts themselves. 20% of your consumer customers are likely to be small business owners you don't bank. 70% of your small business customers probably have personal and investment accounts somewhere else. Systematically call existing branch small business customers to re-open dialog and look for opportunities for the "whole relationship." Continue branch sales efforts with new customers assertively during the first 90 – 180 days after account opening.

2. **Emphasize specific high-value business types**

   Tell your branch staff and small business sales teams *exactly* on which types of businesses—existing customers and new prospects—to focus. Focus on the business types that bring the most deposits and the broadest business + personal + employee relationships. Develop your staff's expertise, your sales process, and your products so that it's very clear why those businesses should bank with you.

3. **Measure looking forward**

   If your branch scorecards focus more attention on consumer banking than small business, respond with very strong sales management . . . and . . . supplement the scorecards with *leading* indicators such as small business sales activity frequency, focus, and quality and pipeline development to assess and guide your small business sales efforts.

4. **Carve out branch sales time**

   "No time to sell to small business" is a killer, particularly in the branches. We've had banks tell us their branch managers can't make even two telephone calls a day to their top small business customers. Define roles, expectations, and selling time as a "set." Fifteen minutes, standard, every day is better than none. If "no time" persists, use pro-active phone representatives to call your unassigned small business customers at least once/year.

5. **Provide specialized business training and extra coaching**

   Typically banks train branch staff and small business bankers too narrowly and too little. They don't expect much. They don't certify. Train sellers to recognize and discuss small business operating challenges *as well as* small business products and sales techniques. Provide extra coaching before, during, and after initial training to ensure you earn a return on your investment quickly.

The five remaining articles in the series each deal with one of these strategies. Also included in this series is a ***Small Business Readiness Checklist for Lines of Business*** *that provides a "rating scale" you can use to assess your bank's readiness on each.*