

Driving Branch Small Business Growth

On-Boarding and Re-Boarding – Capture Them While You Can

*The strategies described in the article correspond with the first rating scale on our **Small Business Readiness Checklist for Lines of Business—Connect With Clients (On-Boarding, Re-Boarding)**. Use the checklist side-by-side with the article to assess your bank's on-boarding and re-boarding readiness.*

What if you got married and your spouse never spoke to you again or never called you except to ask how your car was working? (If your answer to that question at this point is, "that'd be great!" we can refer you to a colleague.) That isn't much of a relationship. Even here in New England.

Same thing for small business owners who open checking accounts or other products at banks claiming to want "relationships." Once their accounts are opened or their loans booked, nada. Their banks never call them. Not even for an annual check in. We know this because we're one of those clients. One possible exception—the banks that are running campaigns and want to *sell something*.

Focus on Households, Not Accounts

The value in "small business" is the leverage from business + personal + employees, not the business 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.

Pay More Attention to Customers After They Open Their Accounts

On-boarding

On-boarding refers to prescribed steps that begin before or during a sales process with a prospective client, particularly steps during the first 90 – 180 days following account opening.

While many banks follow up after an account is opened (e.g. 2 days x 2 weeks x 2 months), the conversations are largely "operational" – did you receive your checks, have you activated your cards, have you logged into online banking? Very little relationship or sales focus.

The focus of the follow-up calls *should be* to continue conversation started during account opening, e.g. "I recall you mentioned your plans to acquire some additional equipment," and to broaden the conversation to include personal and employee financial needs. This requires that sales associates:

- Ask a prescribed set of questions during the account opening process to identify likely future conversation topics.
- Take notes so they can remember what was said.
- Carve out the time to make the calls to continue conversation, not fob it off on someone else.
- Complete a thorough check of the business's payment cycle methods if this conversation was not completed during the account opening process.

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Re-boarding

Same thing goes for existing clients. A typical bank branch includes 300 small business customers, most of them smaller than \$1 million sales per year.

Call them once a year for an annual check-up. This requires that someone in the branch or a call center speak to six customers per week—one a day plus two on Fridays. Lead a 15-minute to 30-minute discussion covering:

- The business's goals, performance, challenges, and plans.
- A review of the company's payment cycle methods.
- The business owner's personal and family financial goals and challenges, including deposit, investment, and retirement strategies and resources.
- Employee financial goals and challenges.

The questions can be simple (e.g. "How has your business been going? What are your major plans for the upcoming year? Where do you feel challenged in collecting your receivables? How about paying your bills?"). Your team members may find additional opportunities. The biggest benefit: lower attrition (just because someone paid attention) and SIGNIFICANTLY more profitable relationships with broader small business households.

Track and Report

For both on-boarding and re-boarding, it's important to develop a tracking and reporting mechanism so that you can capture all of the details: who's been called, what was talked about, additional opportunities uncovered, and whether additional services were sold. Follow-up coaching is critical too to ensure sales associates are making the calls according to schedule and according to plan.