

### TOUGH TIMES BUSINESS THOUGHTS FROM COMMUNITY BANK OF FLORIDA

## Evaluating Your Banking Relationship

Many business owners have been disappointed to learn their bank has tightened lending standards, raised rates or just made it more difficult to get credit.

In today's world, there could be numerous reasons for denying or restricting credit. Perhaps your sales, deposits, or even payment record has slowed, or the bank is trying to preserve capital by reducing outstanding credit.

Overall, most banks value long-term, profitable business relationships and they understand relationships must be a two-way process.

So to evaluate your relationship with your bank, respond to the following seven statements with "true" or "false."



1. My company has a bank representative assigned to our account and we have contact (in person or via telephone) at least semi-annually (preferably more often);
2. Our bank representative understands our industry, our company's value proposition, where we are today, and where we'd like to be in the future;
3. Our bank is provided updated financial information regarding our progress towards our goals on a timely basis;
4. Our senior management team meets at least annually with our bank representative and his/her boss to discuss our company's financial performance, our challenges and the bank's perception of our performance.
5. Our bank representative brings us ideas to help us achieve our goals.
6. We understand how the current economic crisis has affected our bank, and our relationship with the bank; and
7. We make sure our banker is aware of our total banking relationship and referrals we have made to our bank.

If you were able to answer "true" to all seven of these statements... Congratulations! You have put yourself in good standing with your bank.

Answering true to four or less gives a challenge to both you and your banker.

Lastly, you should seek a bank that rewards a relationship approach and a banker you are comfortable with. In return, you should give your bank your business and your loyalty.

*The flowers of all the tomorrows are in the seeds of today.*