The Relationship Banker Revolving Door

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One of the biggest frustrations for business banking clients is the regular turnover of relationship managers.Clients invest time and energy explaining their business to their bankers in order to achievea strong relationship.

Rapport and trust is built over time and many meetings.So when a banker moves on, the process of building this relationship must start again. Almost invariably, the change will see the relationship take a backward step before hopefully moving forward.

Further, the new banker may not have the same experience, energy and capabilities as the last. This means the client's experience is not consistent and may create uncertainty in times of need.

From the banks perspective, it is a difficult problem to solve. Having previously led a team of relationship bankers, trying to maintain a stable team was a major challenge and there were no easy answers.

One certainty is that it is extremely rare to have a banker in the same role for a long period of time. Restructures, promotions, resignations or redundancies are all reasons clients may face a new banker.

So what can you do to improve your banking relationship and reduce the impact of change?

Here are some practical suggestions that can help build a better relationship;

1. **Build depth in the relationship**– get to know your Business Bankers direct manager (and potentially the next level up). This can help with smoothing out changeovers and senior managers should also have more influence in credit decisions.
2. **Speak up** if you are unhappy with your banker. Typically team leaders see a difficult relationship as a development opportunity for their banker and don't like to change them. But that isn't your concern. Of course this means starting out with a new relationship again however if your current banker isn't a good fit for your business then a change in this instance can help.
3. **Review your loan structure** to ensure you have the right facilities in place. Having the wrong loan structure can mean you need to call urgently for excesses or changes on your account. The appropriate loan structure can mean you don't need to call for as many urgent requests and as such, interactions with your banker can be more positive conversations.
4. **Work with the bank** – If you have covenants, be proactive in providing them to your banker. This can help build credibility and trust with the bank and demonstrates that you value your banking relationship. This also includes going to client functions if you are invited as these are a great way to get to know multiple people and build depth.
5. **Use a finance broker** to add value to the relationship. Good brokers don't just talk to clients about individual transactions; they talk about the overall banking relationship and can be a constant in a client's business.

This is especially the case if your broker is an owner/operator who won't be moving on to another role. Your broker consistently understands your story and knows your business back to front. They can also facilitate points 1, 2, 3 and 4!

Brokers will also stay abreast of policy changes within banks and know what to do when the banks and the market change. Ultimately a great broker will help achieve the best outcome regardless of the Relationship Banker revolving door!

If you think the relationship with your bank needs help or your finance structure isn't ideal, call me – I'd love to help.