Financial Relationships

There are many reasons to trust your bank and financial advisor(s). When you look for financial support, a trusted relationship is important for both you and your financial advisor or bank. With strong financial relationships established, you can focus on the needs of your business.

Background
Soliciting a bank or financial advisor's advice is personal. It is sound business practice to enlist these professionals when your financial situation is uncertain or when you want to ensure you are on the right track financially when times are good. Creating financial business relationships:

- Aids the success and growth of your business.
- Provides you with easy access for advice when needing to pivot business goals quickly.
- Assists with budgeting for fluctuating income.

A financial advisor is a licensed professional (banker, accountant, financial planner, lawyer) that can help your business with building and executing financial plans.

Taking action
Consider the following:

- First determine what level of advice and service you require to meet your long term business goals.
  - Saving and/or lending
  - Tax advice and preparation
  - Investment Plans
  - Accountability
- Evaluate your current financial relationships.
  - Is your bank national or local?
    - National bank
Larger product offerings
Several customer service agents

Community or local bank
Knowledge of local needs and resources
Individualized or personal service

- Is your bank or financial advisor accessible? If you have questions, you will want them to be available.
- What is your level of trust in your bank or financial advisor?

When choosing a bank or financial advisor, know what to ask

- Are they familiar with the Early Education and Care industry?
- Are they knowledgeable with Federally Subsidized Small Business Loans?
- Are there services to aid you in simplifying your business operations? Are these services with a fee or free?
- How will they work with you if your business and personal finances are commingled?

**Next steps**

- Look for professional certifications.
  - Certified Investment Management Analyst (CIMA)
  - Certified Public Accountant (CPA)
  - Certified Financial Planner (CFP)
- Determine the most comfortable fee structure.
- Ask for referrals.
- Determine if they are the right personality fit for you and your business.
- Once you’ve established a relationship, meet with them at least once a year to update on business goals and finances.
- Think of other questions you may want to ask, or ask these questions of a new bank:
  - Where are your locations?
  - Is there mobile access to my account?
  - How does your customer service process work?
  - What are my loan options (explain your situation, everyone has a different story)?
    - Comparing and contrasting options:
      - Terms
      - Interest/ Percentage Rates
Additional resources

- Tom Copeland’s [How to Find, Choose, and Work with a Tax Professional](#)
- Free business advising SCORE [Business Mentors](#)

How to get more help

Contact the SPARK Learning Lab Help Desk for support at 1-800-299-1627. We are available Monday - Friday 6:00 AM - 7:00 PM and Saturday 10:00 AM - 2:00 PM EST.

Source(s)

¹ SCORE. (2019, July 2). 5 Reasons it Might Be Time to Switch Banks. [https://www.score.org/blog/5-reasons-it-might-be-time-switch-business-banks](https://www.score.org/blog/5-reasons-it-might-be-time-switch-business-banks)