

Focusing on small business needs during Small Business Month

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California small business owners rely on banks for traditional financial services, of course, but also for valuable knowledge and advice on navigating today's challenging economy.

That's why **California Bank & Trust** periodically conducts surveys of small business owners as part of the bank's commitment to understanding small business owners' challenges and needs.

"Knowledgeable banking professionals who take the time to understand your business objectives and your industry will often provide valuable suggestions on how to significantly improve your finances," says Tory Nixon, Executive vice president at California Bank & Trust.

In support of Small Business Month, *Smart Business* spoke with Nixon about the most recent survey the bank conducted and what it revealed about the challenges small business owners face as the state's economy continues to recover.



Tory Nixon, executive vice president,
California Bank & Trust

What challenges do California small business owners face?

Laws and regulations seem to be the biggest hurdle for business owners, with nearly 38 percent of survey responders citing that as a major issue. There's also concern over cash flow and money management, access to capital and finding top quality employees.

Nearly half of those who responded describe California's economic climate as worsening. While that might appear bleak, about half of all respondents also cited a need for additional capital in 2013 to expand or increase staffing.

What tools can owners use to overcome these challenges and succeed?

As noted, access to capital continues to be a challenge for smaller businesses, but small businesses can and do get financing — especially when maintaining a good working relationship with their business banker, who can help in arranging loans and lines of credit.

One key advantage that small business owners have over their larger counterparts is access to Small Business Administration financing. Look for a bank that's a preferred SBA lender. That's a sign that there are knowledgeable bankers who can help you navigate the complexities of both SBA 504 and SBA 7(a) loans, or provide you with traditional small business financing options.

Small business owners also should stay focused on their cash flow. Your business banker can provide expertise in cash management and access to accounts and technologies that can keep idle cash working as hard as possible.

How do business owners feel about their banking relationship?

Again, small business owners seem to be extremely concerned with cash flow management and access to capital, but a significant number are also looking for more expert knowledge and advice from bankers.

The bank's survey found that about 80 percent of business owners feel their bank doesn't do enough to inform them of state, federal or local programs that could help their business. That's why many local and community banks are extending services to provide access to highly informative resource centers, digital magazines and newsletters, which provide exactly that kind of information and are easily accessible online. Banks also are providing valuable information through social media channels and via email marketing programs.

How can you improve your banking relationship and increase business growth?

In most cases, all you have to do is ask for help — and your business banker will follow up as often as necessary. Knowledgeable banking professionals who take the time to understand your business objectives and industry will often provide valuable suggestions for improving your finances.

Getting the most from your banking relationship means keeping the lines of communication open and scheduling regular meetings. Don't be shy about sharing your business vision; it will inspire your banker to suggest the best solutions, technologies and financing to help your business grow in the months and years ahead.

Tory Nixon is executive vice president at California Bank & Trust.

Website: May is Small Business Month in California. [Learn more.](#)

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