**Independent Banker**

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**Growing small business banking**

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Small businesses are the lifeblood of community banks and the backbone of the U.S. economy, accounting for 99% of companies with paid employees and 65% of net job creation from 2000 to 2017, according to the Small Business Administration (SBA).

Small businesses also lead the way in innovation. As small business operators and innovators themselves, community bankers continue to prove they have the gumption and vision to deliver the high-tech, high-touch services their customers want, and need, to succeed. Not only did community banks step up as outsized Paycheck Protection Program lenders during the height of the pandemic, but they continue to leverage technology to meet small businesses’ need and desire for frictionless, digital solutions.

[subhead] **Building an innovation roadmap**

For those not as far in their innovation journey, I often suggest starting with an inventory of your existing solution providers, partnerships, tools and capabilities, which will serve as a baseline assessment. Next, consider your community bank’s critical strategy, that three-to-five-year plan created at the board level that details your business goals and objectives. From there, conduct a gap analysis, working your way down to the top of the priority list, identifying tactical next steps.

Staying attuned to small business customers’ strategic plans is also critical to identifying gaps in your business solution offerings. Knowing where businesses are headed next can help you proactively offer products and services to support their business growth as well.

In addition, an obvious need for most small businesses is payments. Consider ways to help your small business improve its cash flow and expand its payment options. Look at ways to facilitate payables and receivables transactions. These are natural next steps for community banks interested in extending their services beyond business loans and lines of credit.

Consider, too, the lifecycle evolution for the businesses you serve. The natural evolution of a growing economy for many small businesses often surfaces in their staffing needs. If a small business has five employees, it will likely use Excel or Quicken for its payroll needs. But once the number of employees nears 50, payroll becomes more complex, creating an opportunity for community banks to play an advisory role in helping them identify how, when and where their businesses need to grow and then offering additional services and products to meet their needs.

For example, say you’re considering adding a small business digital account opening solution to your small business offerings. Looking to ICBA’s Preferred Service Provider Directory and the ThinkTECH Network Solutions Directory to meet the evolving needs of small businesses are logical next steps.

And of course, communing with community bank colleagues, at events like ICBA LIVE or through Community Banker University’s extensive educational resources, is helpful. ICBA’s member relationship officers can also help you make critical connections with community bankers in similar circumstances willing to share experiences and lessons learned.

We live in unprecedented times, filled with new challenges and opportunities. Fortunately, community banks have greater access than ever before to advanced solutions and technologies to meet those needs. The resources, partnerships and providers available to community banks through ICBA can help community banks compete with the largest and most technologically advanced banks and fintechs on the planet today.

Make the most of the opportunity.

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