



Branching Out: A retail banking podcast series

Season 2, Episode 5: Business Banking Beyond the Branch: Growth, Community, and Opportunity

Host:

[Bill Dworsky](#), senior manager, Deloitte Consulting LLP

Guest:

[Carolina Ko](#), Business banking executive, Bank of America

Bill Dworsky: Hi everyone. Welcome to *Branching Out*, the podcast where we explore trends in retail banking through conversations with leaders from across the financial ecosystem. I'm your host, Bill Dworsky, and today I'm excited about having a conversation on business banking and the opportunities it holds in retail and beyond. To explore the topic, I'm really excited to have a conversation here with Carolina Ko, a business banking executive at Bank of America. Carolina, thanks so much for joining me.

Carolina Ko: Thanks so much, Bill, for having me.

Bill Dworsky: So, Carolina, can you describe your role currently at Bank of America? What does a day in the life look like?

Carolina Ko: Absolutely. Well, first thank you again for having me on. I'm the business banking market executive for Bank of America, and what that means is that I lead a team of business bankers in the Charlotte market and also in the Triad market of North Carolina, where we really focus on business clients that are from startup to \$50 million in revenue to help them grow by gaining access to capital,

making their treasury management more efficient, delivering strategic advice that helps them grow and make better business decisions, and finally delivering the breadth and depth of a global bank using our localized approach. So, I love to say we bring the capabilities of a global bank through our local market business banking relationship managers, so that we are local, working, living, and playing where our clients are doing business.

Bill Dworsky: That's amazing. And as a fellow, Charlotte local, I feel like you picked the best market to play in, so to speak.

Carolina Ko: Yes. Great market.

Bill Dworsky: Awesome. Well, I'm curious a little bit to learn more about your background, and can you share a little bit about your career path leading here?

Carolina Ko: Absolutely. So, I've been in banking for over 17 years and at Bank of America for 14 years. But I started my career at Lehman Brothers after graduating from the University of Florida with my undergraduate degree. And I started at Lehman Brothers on the sales and trading side, and when the great financial recession hit, as we all know, Lehman Brothers didn't fare well and the bank got sold. So, that's when I decided to go get my MBA at Vanderbilt University and see what other career paths were available to me. So, while I was at Vanderbilt University, I was privileged enough to get a summer associate internship in investment banking for Bank of America. And thankfully, upon graduation, I joined the bank full-time in their investment banking division covering consumer and commercial clients. And I've been fortunate throughout my career at the bank to learn and work in different parts of the bank, including as I mentioned, investment banking, global commercial banking, where I was a senior relationship manager focusing on companies above \$50 million in revenue. And now, as I mentioned, I serve as the business banking executive handling the market of Charlotte and the Triad of North Carolina. And what I've really learned throughout my career is really to be curious, ask questions, and say yes to opportunities that you may not be a hundred percent ready for because someone out there sees the potential that you may not see. So, I've been very fortunate to have a great career at the bank, and I look forward to continuing that career and not only for myself but helping mentor and help others professionally develop as they continue on in their careers.

Bill Dworsky: That's amazing. Love that. Well, so many different interesting turns along the way. I'm sure there are plenty of things there that could be their entire episode unto themselves. In honor of this week, which is National Small Business Week from the Small Business Administration and beyond, it's great to have you on. Obviously there are a number of interesting topics that we'd love to kind of get your thoughts on. But maybe let's start with that theme of uncertainty and potential opportunities ahead that you were referring to. Small and medium-size companies right now are, I think, facing a fair bit of uncertainty for a variety of reasons. Are there particular things that from your vantage point as a business banking executive that you think they can do proactively to help keep their businesses moving forward despite that uncertainty that may linger for them?

Carolina Ko: That's a great question because one thing that I've learned throughout my career is the only certain thing is change. So, there's going to be disruption always, and I look at it from the standpoint of disruption brings opportunity. So, when we go and meet with our clients and we talk about what they are seeing on a daily basis, a couple of things come to mind. So, first I would say our business owners, the small and medium-size company should keep grounded on their core purpose. Why are they doing what they do? What client segment are they serving? What key talent do they have at the company that they need to continue growing and developing? The second thing I would say is control the controllables. There are a lot of things that we cannot control that are outside of our control. So, when we talk to business owners, one of the things that they're doing is just making sure that their finances are in order, that they really have their clients in good shape in terms of the relationship with them, what the market segment looks like in terms of growth opportunities. Those are the things that you can control to have specific strategic plans in place to make sure that you are ready for any of the changes moving forward. And the third thing I would say is seek advice from trusted advisors. So, trusted advisors really help you

understand what is going on in your industry segment or what peers in your industry are doing with uncertainty and how they're reacting to any uncertainty. And large institutions like Bank of America can really help with that because we have so much data. We have a research team—that's their primary job is to understand the industries, how does that affect our clients—but also making sure you seek advice from trusted advisors from a banking perspective. So, what's the optimum liquidity strategy that you should have for your business? Do you have the right fraud protection measures to safeguard the company? How are you making sure that you have enough access to capital just in case that's a need that you're going to be facing? So, understanding those key advisors that you should have around your table to really help you face any uncertainty and be successful at the end.

Bill Dworsky: I think that's a great set of recommendations and considerations for small business leaders across the board. I'm curious to ask a little bit about if you compare some of your previous experiences that were working with larger organizations, how do you think that's maybe similar or in some cases a little bit different, either kind of thematically at a high level or at a little more of a detailed level, in some of the things that you may focus on advising your clients on given that sort of startup-to-\$50-million-in revenue segment that you mentioned before versus working with organizations that may be significantly larger. Are there big kind of comparison/similarities or kind of contrasting points that you would highlight?

Carolina Ko: Yeah, that's a great question, Bill, and a couple of thoughts come to mind. So, first, similarities: I think everyone needs to have a plan in place to be ready for any changes in the market. So, whether that be a large Fortune 500 company or a small business, really being prepared for any risks that you see. The second thing I would say is when it comes to advising small to medium-size companies, it's a really exciting place to be, in my opinion, because you really work with the owners and the operators of the company. And this might be their baby. This is what they've done most of their career to strengthen and to grow a company. So, being able to really understand that and give them information that they may not necessarily have is just such a great asset to them. And the thing that is a benefit to working with a large bank like Bank of America is that you really don't have to leave because you can start at startup and you could end in an IPO for instance. You grow with the bank, so you are able to get that advice, that strategic advice, those solutions that are tailored to your needs across your whole continuum, across your whole journey.

Bill Dworsky: I love the visualizing the path from the startup to IPO here and the growth curve that you were referring to. Let's maybe shift gears a little bit. You talked a little bit about your focus in the Charlotte and surrounding kind of Triad metro area. How do you think about the importance of community engagement and being local in business banking?

Carolina Ko: Sure. So, community engagement and being local is critical to our success, and it's great to be a part of Bank of America because our strategic focus helps us have 97 market presidents across the country. So, they're part of our local markets organization, and they drive three key pillars. One is connecting clients, the second one is teammates, and the third is communities. So, I have the privilege of serving on the Charlotte and the Triad local market leadership teams, and what we really focus on is helping the bank bring our resources, including local community investments, volunteerism, employee engagement, and really deepening connectivity across the entire bank to deliver for our clients. We also have teammates that are committed to serving on local nonprofit and other organizational boards where they're able to provide expertise in helping those organizations thrive in the community. So, it's extremely important for us to continue our strategy of community engagement, and being local also helps us bring a global bank and global capabilities to our local markets. And making a big bank feel small so that our clients understand that we are there for them, and we live in the communities where they live and we work and play in the communities where they work and play as well, so we can build deeper relationships with our clients.

Bill Dworsky: That makes total sense. I'm just thinking about the FDIC did a small business lending survey late last year that they released that highlighted a lot of different aspects—small business lending, new emerging technologies, what's important to customers, how do banks think about their success

with small business lending, etc. And one of the big themes that I took away from that was the continued importance of service quality, relationships, and kind of high touch (so to speak) in local communities for small business banking segments. But yeah, I think your comments about local community engagement and the ability to bring the global breadth of capabilities and services to the local community are really powerful there.

Carolina Ko: And I think, too, when you think about how the bank is structured with our consumer bank and then our business, line of businesses, our branch network is very important to the success of business banking because we know that our clients a lot of times go into the branch, even though they're a business customer, to get whatever financial need met—and that's where our strong partnership with our teammates at the branches can then help us get in contact with those companies so that we can build stronger and deeper relationships with them.

Bill Dworsky: So, you talked a little bit about sort of the partnership and teaming and close alignment with the consumer banking segment as well. And certainly, there are a lot of small business leaders, entrepreneurs, business owners, etc. that are also consumer banking clients, so to speak. Do you think there's more of an opportunity here for banks to serve the holistic customer relationship across consumer and small business? And one thing that we see with our clients' financial institutions across the size spectrum is that sometimes they struggle a little bit to collaborate and/or sort of see the whole customer relationship across business and consumer banking. Is that something that you see occasionally as well?

Carolina Ko: So, I think our local markets organization is built to make sure that we have cross-collaboration across all lines of business so that we really take care of our clients holistically. So, we have our Merrill Lynch division, our private bank division, our consumer division that helps our clients on the personal side, and then where we come in is the business side on business banking. So, it's very important for us as leaders to understand all the needs of our clients and be able to deliver a holistic client experience to our clients because that increases client delight, that increases a great client experience when you know that you can go to your banker and have them be able to connect you with the right partner across the bank, whether it be for your business needs or your personal needs. That is just so powerful. Our business clients are very busy, so they don't have time to try to figure out who the right person is for all of their needs. We do that for them by deepening relationships, understanding their needs, and delivering the whole bank to our clients.

Bill Dworsky: We've talked so far about business banking as sort of this monolithic segment and interacting with business clients, but there are all kinds of businesses. There are across all different parts of the economy, all sorts of industry verticals, etc. Are there any particular sectors that you think are most exciting as growth areas for banks to serve in new ways or that have other kind of nuances that you're spending a lot of time and attention on right now?

Carolina Ko: So, there are lots of industries and growth areas that we continuously keep a pulse on, but the great thing about how we are structured in business banking and Bank of America is that we have 121 business banking markets across the country because what we found is each market is not the same. If you take a very urban market and a suburban market, industries may not be concentrated in the same way. So, what's great about this strategy is that we make sure that we're focusing on each market and each of the industries that are growing within those markets. So, we are very tailored to those markets. So, for instance, in the North Carolina area, manufacturing continues to be a strong industry that we see clients moving to the state and continuing to grow their businesses here from a manufacturing perspective. But there may be focus in technology in more urban areas across the country. So, we really want to understand the industry our clients are in and really follow the needs of our clients so that we're able to focus on helping them grow their business.

Bill Dworsky: Well, Carolina, I know we're coming up close on our time together, is there anything that you feel like we should have talked about but haven't yet? Anything you feel like we've missed or that you were maybe expecting to talk about that we haven't quite gotten to?

Carolina Ko: Companies will always face change, the banks will always face change, we always face change, but this really allows us to uncover opportunities for growth. So, if I would leave you with anything, it's three things. One, seek advice from a trusted advisor or advisors and those who have weathered change successfully. Make sure you have those trusted advisors around you who have weathered change successfully and understand your industry, understand how to help you succeed. And the second thing I would say is control the controllables. Making sure you have plans in place, making sure you understand the risks involved in your business and have mitigators so that you are in a strong position to weather any change. And the third thing I would say is embrace the uncertainty because this is a way for you to find new possibilities, new areas for growth, and just continue growing your company.

Bill Dworsky: Well from one advisor to another, I'm not sure I could have said it much better myself.

Carolina Ko: Thank you so much for including me and inviting me on today. I really appreciate it.

This podcast is produced by Deloitte. The views and opinions expressed by podcast speakers and guests are solely their own and do not reflect the opinions of Deloitte. This podcast provides general information only and is not intended to constitute advice or services of any kind. For additional information about Deloitte, go to [deloitte.com/about](https://www.deloitte.com/about).

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.