



## Three Ways to Help Your Customers Amid Financial Anxiety

lending business customers pandemic

**Summary:** It has been reported that 70% of Americans are stressed about the economy and work. We provide three ways to help your customers through their financial anxiety.

NASA has evidence that it could rain glass on a planet named HD 189733b. That would be a little stressful for the inhabitants, if there were any. On Earth, many people have lots of other forms of stress right now, including financial stress.

During this unprecedented time, your customers are likely feeling a great deal of anxiety, and it's not just about whether they could contract COVID-19. The American Psychological Association finds that 70% of Americans are stressed out about the economy and work. Many small business owners are concerned that they may have to significantly curtail operations (again). Even if customers haven't seen a drop in income, they might still be feeling trepidation about a further downturn in the economy. What if there are increased shutdowns as the cases increase and cause more hot spots?

Here are three things that community financial institutions (CFIs) can do to help lessen customer anxiety over their finances.

1. **Extend credit.** To help over a limited period, you could offer short-term loans for individuals who have had their work hours cut or are waiting to receive unemployment insurance checks. In some states, individuals have been waiting for months for retroactive payments dated back to the time they actually applied - meaning that they may not have been able to pay all of their bills, causing heightened anxiety. You could also help by extending credit lines and/or assisting your business customers in applying for US Small Business Administration loans. Nonprofits and churches may also be eligible. For those customers who have already borrowed PPP loans from your institution, helping them through the loan forgiveness process will give them some peace of mind.
2. **Provide easily accessible resources.** A CFI in CO has a dedicated webpage that provides information on what the institution can do to help those financially impacted by the pandemic, including its Customer Relief Program as well as the support it is providing to its local community. The webpage also provides links to outside resources, including the COVID Relief Fund Application for CO, Denver Small Business Emergency Relief Program -- and links to the CDC Resource Center. Other channels to provide valuable resources could include your mobile app, social media sites, email signatures, and even old-school signage around your branch.
3. **Train employees to better understand.** These days, most customers would likely appreciate it if your staff probes a little bit further when asking them how they are faring, especially if employees are able to suggest ways to help ease their anxiety. In fact, Mercator Advisory Group reports 66% of small businesses rely on their financial institution for advice vs. 59% last year. If customers can explain how they are experiencing financial hardship, employees may be able to assist with a solution. Providing guidance on deferment of existing loan payments, new credit card options, budgeting tools, and even pointing them to community partners can make all the difference for the financial sanity of your customers.

## COVID-19 IMPACTING YOUR RESERVE

The continuing uncertainty due to COVID-19 makes preparing for year-end and 2021 challenging. Our complimentary report, which has been updated to reflect the most current forecasts, can help. The Q3 report is now available. Simply download [Reserve Insights: COVID-19](#) today.

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