THE FRONT NINE

omega
performance





THE FRONT NINE

How to Beat Par in Small Business Banking
An Omega Performance eBook
October 2012

The newspaper headline proclaimed a familiar platitude: "Small businesses key to economic recovery." No kidding, thought Bill. As he waited in the clubhouse for the three other small business owners who would join him for golf that day, Bill wondered if his own small engineering firm, with its 24 employees, was a key to the economic recovery. If so, someone had better tell our banker, he thought.

Banks around the globe continue to focus on the small business segment as a critical driver of revenue and asset growth. A recent Omega Performance survey of bankers worldwide found that 76 percent of respondents were actively pursuing small business opportunities and 74 percent believed their institutions were likely to increase small business lending.[1] As a counterpoint, 43 percent of business owners who responded to a recent National Small Business Association survey said that although their businesses need funds, they could not obtain financing.[2]

For legitimate reasons, many banks tightened their lending standards during the 2008 financial crisis, making it harder even for creditworthy customers to obtain loans. Following the wave of severe tightening in 2008 and 2009, credit standards have eased somewhat, though they remain relatively rigid and are not expected to ease much as lenders continue to focus on portfolio quality.[3]

In fact, there has been a quantifiable downtrend in small business borrowing over the past several years.[4] While tighter standards may be one reason for this, both borrowers and lenders have resisted new credit based on perceived economic uncertainty. This negative sentiment is reflected in the Thomson Reuters/PayNet Small Business Lending Index, which, after steady growth for two years, declined in 2012.[5] In addition, 71 percent of small business owners who responded to a recent U.S. Bank survey said they believe that the U.S. economy is still in recession, further supporting the argument that businesses are currently reluctant to borrow.[6]

As banks seek growth in the small business market, they face headwinds from weak demand for borrowing and their own tougher credit standards. Given these circumstances, what can banks do to gain more qualified small business customers? They can begin by acknowledging that there are many small businesses that present an acceptable level of credit risk—and the number will only increase as the economy improves. The question is how to win these relationships without compromising credit quality.

THE FRONT NINE

It may be instructive to consider this question from the small business owner's perspective. To illustrate that point of view, let's accompany Bill and his peers on their first nine holes of golf.

As we have learned, Bill owns a small engineering firm. Annual revenues are about $6 million and growing. Bill is having difficulty finding qualified, experienced engineers.

Bill's golfing partners are:

- Mike, who owns a business that manufactures portable steel boxes used for recreational and military purposes. Mike's business is 15 years old and has annual sales of around $5 million. Mike hopes to expand his company's international exports.
- Alex, who owns a regional bakery with commercial and retail customers. The business's annual sales are around $2 million and growing rapidly as demand for its unique, high-quality products has exploded. Alex needs financing to support this growth.
- Kim, a founder and co-partner of a regional accounting firm with annual revenues of around $4 million. Kim is Bill's and Alex's CPA. Her firm currently has an opportunity to acquire another accounting firm.

Let's join this foursome as they approach the first tee.

THE FIRST HOLE

Spotting the flag

Bill: I was just reading an article about how important small businesses are to the economic recovery. Of course, we've all heard that before, but it got me thinking about our banking relationship. How do you guys feel about your bank?

Alex: Funny you should ask. I just got a call yesterday from my banker, who told me about some new programs they're offering to help fast-growing companies like mine. She invited me to a seminar they're putting on. All I can say is my bank has been there when we needed them in the past.

Mike: Well, that's interesting. The only time I hear from my bank is when they think there's a problem or they're worried about how their loans are looking with the regulators. Just last week, someone from another bank called me and wanted to meet. Maybe I should. Where do you bank, Alex?

Bill: I'd like to know that, too. We don't need much in the way of financing right now, but sometimes I feel like our bank just doesn't understand our business. The people there are very nice, but they don't add a lot of value.

Kim: Since I'm the auditor for two of your companies, I need to try to stay unbiased, but I do have good connections with some bankers that I think are especially skilled at working with small businesses.

Bill: Well, I'm willing to look at some banking options. What can you tell us, Kim?

Message: We're willing to switch banks.

Implications for bankers: In the last four years, 27 percent of small businesses changed banks. That's a rate of more than one in four.[7] Further research reveals a 2009 study in which almost half of small businesses surveyed were actively seeking a new bank, or would consider switching banks if presented with a compelling offer.[8] According to a 2012 study by the Aite Group, at least 20 percent of small businesses with annual revenues between $1 million and $10 million are very likely to switch their primary financial institution within the next two years.[9]

For years, financial institutions have operated under the “sticky” principle—the belief that it’s too time-consuming and difficult for a business that uses multiple products and services to make a switch. The more products and services a business uses, the more “stuck” it becomes. Unfortunately, this view isn’t in line with the current reality. Small business customers are more willing and able to switch banks than ever before.

Banks must now use several strategies to “beat par.” These include:

- Identifying and protecting quality existing relationships
- Seeking opportunities to take relationships away from other institutions
- Evaluating competitive advantages and weaknesses
- Establishing targets and goals for customer retention and new business

THE SECOND HOLE

A good drive

Mike: You know, I'd rather not have to switch banks. It's such a hassle. But when our bank reduced our line of credit, I started to question the relationship. We weren't using the full line, but they never asked us. The only reason they gave us was that they were "assessing the internal risk" of all loans.

Bill: I know what you mean. Sometimes it seems like our bank is more focused on its own interests than on helping me and my business.

Mike: It does seem that way—like our business is just one in a large group of accounts, and they just apply the same formula to everyone. Must be more efficient for them, but I'd like to bank with someone who knows me as more than just a transaction.

Kim: I know what you mean. I recently had to call a client's bank, and there was no one there who personally knew my client's business—no one was accountable for the relationship. Sad.

Alex: Well, I'm happy to say that has not been my experience. But we'll see what happens when I ask for a loan to finance an expansion of our business. I guess I'll just have to trust that it will work out. Or else I'll be looking for another bank, too.

Kim: There. You said the magic word.

Alex: What?

Kim: Trust.

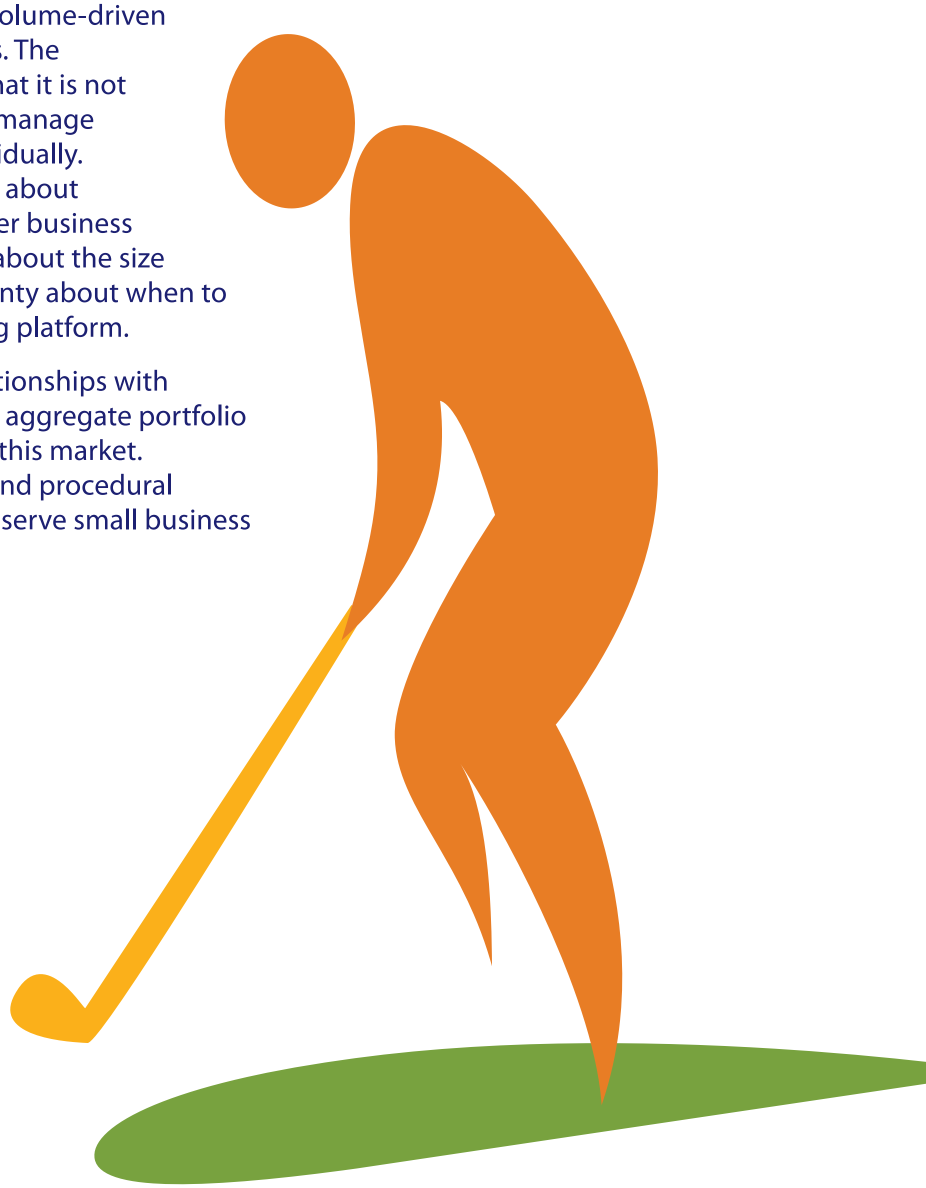
Message: We want a financial partnership.

Implications for bankers: According to the National Small Business Association, 24 percent of small businesses had their loans or lines of credit reduced in the past four years. Twenty-three percent reported that their credit terms have become less favorable in the last year. While these may be the expected outcomes of increased scrutiny by financial institutions, 60 percent of these small businesses stated that the reason given by the bank was an internal risk assessment of all loans. [10] The perception of small business owners who need financing is that banks are reluctant to lend because they don't want to take on more risk.

Of the small businesses that switched banks in the last four years, 38 percent said it was because they felt "mistreated" by their previous bank, and 36 percent said it was because they got better financing terms elsewhere.[11] To be sure, "mistreatment" is a harsh and highly subjective term. It does, however, reveal some small business owners' lack of trust in and partnership with their providers.

Many financial institutions continue to use a volume-driven model to manage small business relationships. The belief among these institutions seems to be that it is not cost-effective to spend the time to know and manage the risk of each small business customer individually. Most of the same institutions are very diligent about managing relationships with midsize and larger business customers. The issues may be a lack of clarity about the size of businesses classified as "small" and uncertainty about when to migrate a small business to a business banking platform.

Banks that find ways to build "partnering" relationships with individual small businesses and go beyond an aggregate portfolio view will retain and win more relationships in this market. This may require a shift in a bank's structural and procedural orientation, as well as the type of people who serve small business customers—and their skills and knowledge.



THE THIRD HOLE

Hitting the fairway

Alex: You know, my business is known for making pretty good bread. And I've baked some other things that a lot of people seem to like and built the business around that. But I'm definitely no financial expert.

Bill: Aside from Kim, I don't think any of us are. That's why I rely on her and on my bank for help. But when my banker asks me about my company's inventory for collateral, I have to laugh. We're an engineering company. We don't really have inventory. I want my bank to understand and respect my experience in this industry.

Mike: Sounds familiar. But in my case, it's the bank's focus on my personal assets—especially my home equity. It's almost like they gave me a home equity line of credit when they actually set up the line for the business. And now that the equity in my home has gone down, the bank is nervous. We've been in business for almost 15 years. And profitable, too! But they never seem to want to make the effort to understand the business.

Alex: Yeah, I guess we got lucky. When I started the business, I went around and talked with banks. My main goal was to find a bank that was interested in what our business was all about, not just a bank that wanted our business. We got started with a small loan for some equipment, but I always felt they could communicate with me about business issues.

Kim: Which is why you trust them.

Alex: I only wish I could trust my driver as much …

Message: Bankers must understand our businesses and have small business acumen.

Implications for bankers: Most small business owners have field expertise, not financial expertise. They want and need bankers who understand their businesses and who know them and their businesses individually. To be successful, banks must be able to deal with small businesses in a transparent and straightforward manner, provide appropriate financing, and be flexible to meet individual needs.[12]

Most small businesses, regardless of their form of business organization (proprietor, partnership, or corporation), are owned by one or a few individuals. Because of the link between the business and individual, banks have traditionally focused on the individuals to support the credit requirements of the business, and as a result treat small business loans like consumer loans.

Certainly, many business loans can only be justified by relying on the owner's support. In those cases, loans made directly to the individual are more likely to have a clear and appropriate assignment of risk.

Yet bankers who approach all small business relationships like consumer relationships are less likely to understand their customers' businesses. This approach increases credit risk—and the risk of customer defection. An article recently published on a website for small business owners advises that "if you have to continually re-educate your bank about your business that is a good indication that you should be looking for another bank."[13]

To beat par, banks must develop small business bankers' business acumen and lending skills and knowledge. Bankers must be able to communicate effectively with business owners about their business issues. They must be willing and able to prepare for business meetings by researching the business and industry and by anticipating issues and questions.

THE FOURTH HOLE

Pitching to the green

Alex: Bill, you said something earlier about wanting your banker to add value. What did you mean?

Bill: The last time I met with our banker, he was focused on explaining the bank's products and services, but most of them didn't apply to our needs. He could have added value to our relationship by simply asking me questions about our business needs and issues, then explaining how the bank could help me with those.

Alex: So it's about the banker focusing on your needs—not his.

Mike: I get that, too. But it's also about feeling like the different parts of the bank are coordinated. We're doing more export business and needed the bank to collect on some letters of credit. Well, some of the paperwork on our customer's end got messed up, and it took us weeks to find the right people in our bank to talk to before we could straighten it out.

Kim: Wow. No wonder you're open to switching banks. And it's not just about customer service for a transaction, is it? If I have a good relationship with a bank, I think that bank ought to understand and appreciate the whole relationship it has with my business. So I expect every department I work with to add value.

Mike: Where can I find a bank like that?

Message: We expect everyone in the bank to be knowledgeable and to add value.

Implications for bankers: A critical challenge that bankers face in distinguishing themselves from their competitors is being able to add value to business relationships. Focusing on customer needs is a core skill taught in most customer service and sales training programs. For most banks, that skill is considered a minimum threshold. An article in Inc., a magazine focused on small businesses issues, advises small business owners to "look for a bank that is proactive about giving advice and ideas, not just explaining the features of its products and services."[14]

Beyond focusing on customer needs, banks that understand and appreciate the entire business relationship can achieve a significant competitive edge. Unfortunately, this is very challenging, especially as banks become larger and more compartmentalized. Organization and structural issues tend to create impediments to effective communication. Departments become self-protective and myopic. It is a common theme.

Here are some specific actions that your financial institution can take to beat par:

- Provide consistent value at the point of customer contact. Training and incentives will help to ensure that your staff can engage small business owners in discussions about business issues and work collaboratively with them to provide appropriate solutions.
- Develop clearly focused roles and responsibilities for customer-facing staff. Structural clarity and training will help to build an understanding of departmental and individual accountabilities, based on pre-established criteria such as business size or loan exposure. Articulating desired outcomes and results will help to maintain focus on the whole business relationship.
- Enhance communication between customer-facing teams and underwriting. Training and clear protocols will ensure that the right information is gathered, lending opportunities are expedited, and decisions are communicated to the customer effectively.

THE FIFTH HOLE

Sand traps

Kim: Take the bank our firm uses, for example. We have a good relationship with our bank. But I have to tell you, we did notice that we were getting charged a lot in fees for transactions and other services. Yeah, we did use those services, but it was like their pricing was only based on transactions and didn't seem to take into account the value of our entire relationship with the bank.

Mike: So what did you do?

Kim: We gathered up all the information, calculated what our business relationship should be worth to the bank, met with our banker, and presented our case. We are accountants, after all. Anyway, they acknowledged our points and agreed to a new pricing approach going forward that considers the aggregate of services we use and the value of our overall relationship. We're happy.

Bill: Nice. But I'm not sure I could get my banker to listen to a pitch like that. Plus, I don't have the time to gather all that information. It's enough to get me out every few weeks to play a round with you guys.

Mike: Boy, isn't that the truth! There's so much information out there with all the new financial products and services but never enough time to figure it all out, much less what we're paying for it all.

Alex: Wouldn't it be great if the banks could figure out how to simplify everything?

Mike: Dreamer.

Message: Unbundled products and pricing are harmful to the relationship.

Implications for bankers: Over the years, many financial institutions (and businesses in other industries) have unbundled products and services in order to provide customers with greater flexibility and to allow for a la carte pricing. At face value, this strategy makes sense. Small businesses are not homogenous, and small business owners generally do not want to be lumped into one category and offered only preselected bundles.

On the flip side, many small business owners feel that unbundled transactions and fees discount the value of their total relationship with the financial institution. They are frustrated by the feeling that they are paying more than they should and that the value of their total relationship is not adequately appreciated.

This frustration is likely influencing small business owners' decisions to look elsewhere. When asked by the National Small Business Association, 38 percent of the small businesses owners who reported changing banks in the last four years said they did so because they felt "mistreated" by their previous bank.[15] Bankers are aware of this challenge. When asked to rate their own organization's ability to know all products that small business customers use across the bank, 71 percent of bankers responded "average" or "weak."[16]

Compounding this conundrum is the perception of many small business owners that more choices create more complexity at a time when simplicity is desired. To offset this perception, banks should review institutional practices, such as unbundling and pricing of services, that may be creating competitive disadvantages. A successful strategy may include implementing relationship pricing for select small business customers, rebundling common products and services, and taking steps to improve communication among groups providing various credit and noncredit products.

THE SIXTH HOLE

Water hazards

Alex: As you guys know, our business is outgrowing our capital, and I need to get additional financing. So I've been doing some research. Have you ever tried doing an Internet search on "small business loans"? You get over 160 million results! Everything from bank and credit union ads to advice columns to government programs. How am I supposed to figure this out? Am I dreaming to wish that this could be simpler?

Mike: Okay, point taken. When I first started my business, I used savings and personal credit cards to purchase the equipment we needed. Now I'm dealing with supplier payments and collections to manage cash flow, and thinking about getting some outside investors if our bank doesn't do anything to help. It's a lot more complicated and uncertain now.

Bill: You guys are right, there are so many uncertainties, and so many options out there, like pure online banks. Why not? If we're not getting personal attention anyway …

Kim: Speaking of online options, are you guys familiar with the term "crowdfunding"? Some legislation that just passed Congress will allow small businesses to raise capital from individual investors over the Internet. I don't know much about it yet, and it may be tricky, but …

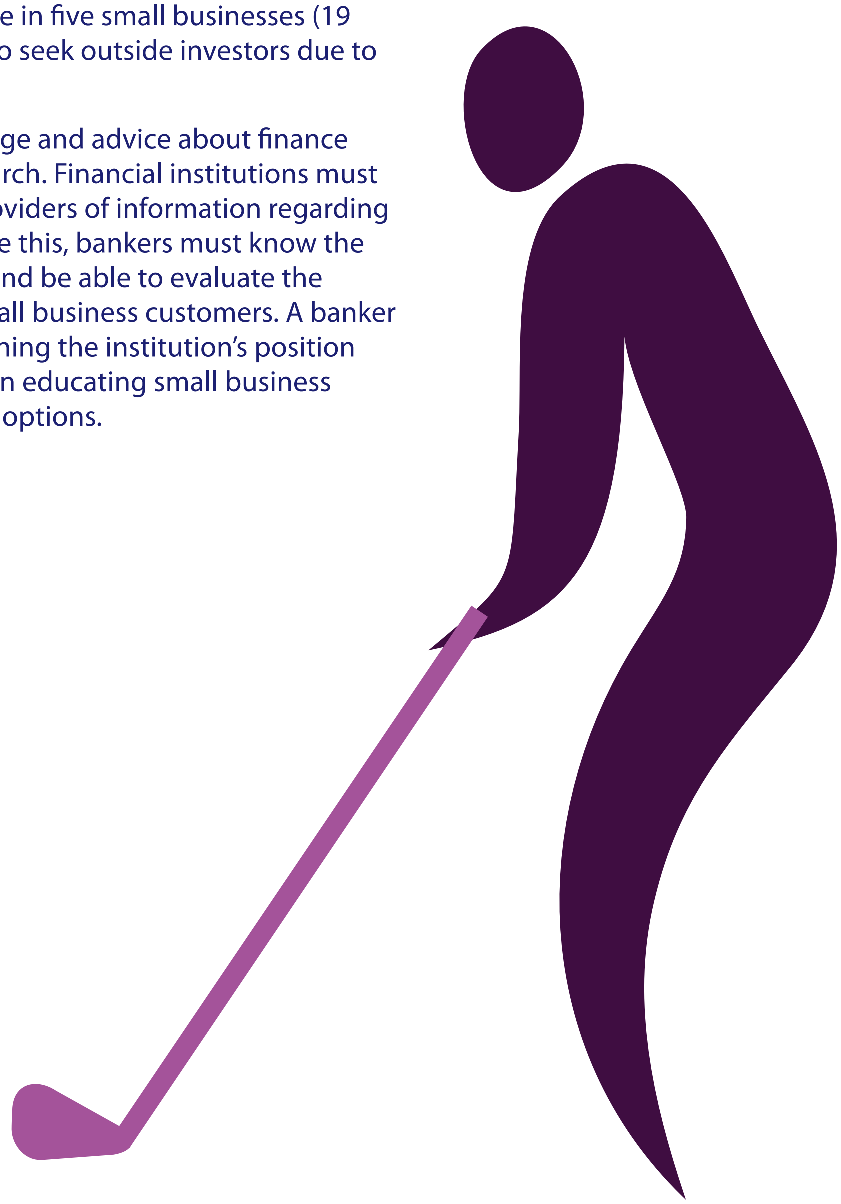
Mike: Really? How can I find out more about this?

Message: We have a growing (but confusing) array of alternative resources.

Implications for bankers: While banks and credit unions remain the primary resource for small business financing, owners are confronted with more options each day. Government initiatives such as enhanced SBA programs and the Small Business Lending Fund under the Jobs Act of 2010 are part of an effort to stimulate lending to small businesses.

One of the more intriguing provisions of the Jobs Act was to ease restrictive securities regulation requirements to allow businesses to raise up to $1 million in any 12-month period from individual investors over the Internet. This is known as "crowdfunding." Approximately one in five small businesses (19 percent) reported that they are more likely to seek outside investors due to this provision.[17]

Most small business owners obtain knowledge and advice about finance through friends, associates, and online research. Financial institutions must become better positioned to be credible providers of information regarding various financing options. In order to achieve this, bankers must know the options available to small business owners and be able to evaluate the viability of alternatives on behalf of their small business customers. A banker can set him- or herself apart by first determining the institution's position relative to alternative financing vehicles, then educating small business customers about the pros and cons of these options.



THE SEVENTH HOLE

Getting out of the rough

Bill: You know, when we talk about all these financing options, another thing that confuses me is how different banks can have so many different standards. You can't comparison shop. You just have to go with your feeling of who is the best fit for you and your business.

Alex: That's why I took the approach I did when I was looking for a bank.

Kim: In a way, I think the differences can be a benefit to us. It lets us select the bank that best meets our individual needs. And it means banks have to compete for our business. On the other hand, it does create some confusion.

Mike: Kind of like getting out of this rough … But there doesn't even seem to be a standard definition of what a small business is. I have a friend who has a company that's over five times the size of our business, and he tells me his bank classifies him as a "small business." It doesn't seem to make sense, but I think you're right, Kim. We have to take advantage of the inefficiency in the market.

Bill: Nice shot, Mike.

Message: We don't understand why there is so much inconsistency among banks.

Implications for bankers: With a cluttered maze of options and bank employees who are often ill-informed and poorly prepared to serve small businesses, the small business lending market is highly inefficient.[18] This fact is further evidenced by the disparity in small business loan production between small banks and large banks.

Small and midsize banks account for 54 percent of small business lending, while controlling only 22 percent of total bank assets.[19] There are many explanations for this disparity, including proximity to local markets, use of more traditional underwriting practices vs. automated credit scoring, and customers dealing directly with officers empowered to make loan decisions.

Further confusing the issue is a lack of a standard definition for a small business. The SBA has as many as six different measures, based on annual sales or number of employees, depending on the industry. Small to midsize banks may consider a company with annual sales of under $10 million or having outstanding loans less than $1 million a small business. Many large banks draw the line at around $20 million in annual sales, while the Federal Reserve defines a small business as having annual revenue of $50 million or less. While this inconsistency may allow politicians and bureaucrats to position data in their favor, it diminishes the transparency needed for healthy relationships between small businesses and their financial institutions.

A successful financial institution will ensure that there is institutional clarity and consistency about its own definition of a small business and that its customer-facing staff understands how and why it may differ from other institutions' definition. It is also critical to have clarity and effective communication about the institution's credit standards, both within the institution and with small business customers.

THE EIGHTH HOLE

Precision putting

Kim: When we think about our banking relationships, are we really talking about the bank—that is, the institution—or about the people?

Alex: I think they're one and the same. The people represent the bank and everything they do reflects on the institution. You can't separate it. But at the same time, when I selected our bank, one of the most important criteria for me was how I felt about the people I would be dealing with. There I go—that trust thing again.

Mike: You know, Alex, you're right. Years ago, we had a branch manager and a business banking officer who were the most professional people you'd meet. They worked really well together and I can't remember ever having a gripe about the bank relationship back then. But of course, they're gone now, and over time the relationship just deteriorated.

Bill: It's the people for sure. For the most part, I like the people at our bank. That's what makes it hard to change banks. I just wish they were more knowledgeable about our business. I guess it does reflect on how the bank is run from the top.

Kim: Well, one thing's for sure. On this golf course, it's the people who have to make the putts. Missed that one …

Message: The role of branch managers and business banking officers is critical. We want personal relationships.

Implications for bankers: For many years, banks have used their branch networks to source and serve small business customers. The rationale was sensible: branches were embedded in the communities so close to small businesses and offered a full range of transaction services, and banks could utilize existing staff. Over time, many banks have consolidated branches, resulting in staff turnover and diminishing service quality. The trend toward more bank-customer interactions being conducted online has exacerbated the sense of detachment on the part of many small business owners.

All of this makes the role of the branch manager and business banking officer even more crucial, as opportunities for face-to-face contact become more rare and precious. To be successful, banks must have the right people in these important positions, fully prepared with skills and knowledge. More important, institutions must understand the time and other constraints on branch managers, align incentives with expectations, and evaluate cost-benefit trade-offs for dedicating staff to handling small business relationships.

THE NINTH HOLE

Keeping score

Bill: When my bankers don't communicate with me or don't communicate effectively, it makes me wonder whether they're taking my business and my loyalty for granted.

Mike: That's the problem, isn't it? If my bank had only communicated more clearly why it was changing our credit limit and terms, I think I'd be more willing to work with them. As it is, I'm probably going to switch banks, and I don't even feel like telling them.

Kim: It's too bad that you feel that way, Mike, but I can understand it. I think banks could really improve their communication with small business customers like us. They need to convey that they appreciate our business but also need to be proactive in finding ways to help us meet our goals.

Alex: And I don't mind if they contact me regularly. As long as they're not bombarding me with sales pitches, which can be really annoying. But if they're updating me on something important or conveying some insight that will help me, then I'm totally okay with it.

Bill: So, like any relationship, it comes down to communication, doesn't it?

Message: We expect bankers to maintain relationships by continuously communicating.

Implications for bankers: Twenty percent of small business owners who responded to a Greenwich Associates survey (in which a "small business" was defined as a business with $1 million to $10 million in annual sales) reported changing banks in the prior 12 months. Of the respondents whose businesses changed banks, 24 percent said the previous bank could have prevented the switch had it made an effort to "respond and improve communication." Another 24 percent said the bank could have "appreciated our business and treated us better."[20]

According to the same survey, 53 percent of the small businesses that changed banks did not give their previous bank advance warning of their intention to switch. This seems to reflect a lack of trust and openness.

Financial institutions that are successful in winning and preserving small business relationships will provide their people with the skills and knowledge to add value with each communication and to expand relationships without pushing products. Bankers in these roles will have incentive to continue learning about businesses by participating in training and reading trade journals and publications aimed at small business owners.

Top-performing lenders and relationship managers create and use disciplined relationship plans, including identifying and constantly monitoring the highest-priority relationships. While this may not be practical when applied to a large portfolio of small business relationships, identifying and managing those of the highest priority will ensure that there are few surprises. Action plans may include establishing scheduled follow-up calls to address the customer's needs and opportunities and establishing target objectives. This practice will benefit both customer retention and credit quality.

SUMMARY

There's an excellent chance that your bank is among the majority that plan to actively pursue small business lending opportunities. Small business owners want stable relationships, especially when it comes to their borrowing needs. Even though many are reluctant to borrow heavily in today's uncertain environment, their trust and loyalty can be won by demonstrating an understanding and appreciation of their businesses and clearly communicating the ways in which the bank can add value. Proactive communication about expectations and credit issues will solidify these relationships and help you beat par in small business banking.

ENDNOTES

1. Omega Performance, *2012 Banking Trends Outlook Global Survey* (January-February 2012)
2. National Small Business Association, *Small Business Access to Capital Survey* (May 2012)
3. Omega Performance, *2012 Banking Trends Outlook Global Survey* (January-February 2012); Brookings Institute, testimony of Martin Baily, senior fellow, before the House Committee on Small Business (February 1, 2012)
4. U.S. Small Business Administration, Office of Advocacy, Office of Economic Research, *Small Business Lending in the United States, 2010 – 2011* (July 2012)
5. Thomson Reuters/PayNet *Small Business Lending Index*
6. U.S. Bank, *2012 U.S. Bank Annual Small Business Survey* (May 2012)
7. National Small Business Association, *Small Business Access to Capital Survey* (May 2012)
8. Greenwich Associates, *Switching Banks in the Current Market Environment* (January 2009)
9. Aite Group, *Small Business Customers: What Makes Them Tick (and Get Ticked)* (March 2012)
10. National Small Business Association, *Small Business Access to Capital Survey* (May 2012)
11. National Small Business Association, *Small Business Access to Capital Survey* (May 2012)
12. U.S. Bank, *2012 U.S. Bank Annual Small Business Survey* (May 2012)
13. Catherine Clifford, Entrepreneur.com, *3 Signs You May Need to Ditch Your Bank* (July 2012)
14. Inc. Magazine, *How to Switch Banks* (May 2010)
15. National Small Business Association, *Small Business Access to Capital Survey* (May 2012)
16. Aite Group, *The Top 10 Best Practices for Serving Small Business Customers* (April 2012)
17. National Small Business Association, *Small Business Access to Capital Survey* (May 2012)
18. Ami Kassar, *The New York Times*, "Why Small-Business Lending is Such a Confusing Mess" (June 2012)
19. Stacy Mitchell, *The Huffington Post,* "The Only Way to Restore the Flow of Credit to Small Business" (February 2010)
20. Greenwich Associates, *Switching Banks in the Current Market Environment* (January 2009)

ABOUT OMEGA PERFORMANCE

Whether you are a lender, account manager, branch manager, or relationship manager, Omega Performance can equip you with the skills to source sound lending opportunities and structure high- quality, profitable loans to help grow a more profitable, higher-quality loan portfolio. Omega Performance combines more than three decades of experience with industry-leading technology to provide the results you need. Visit www.omega-performance.com for more information.

901 North Glebe Road , Suite 200
Arlington, VA 22203
PH +1.703.558.4440

www.omega-performance.com