Banking Relationship Manager interview questions

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What to expect

Interviews for banking relationship manager roles typically assess your ability to manage client relationships, analyse financial information, and apply responsible lending and compliance frameworks. You may also face scenario-based questions that test how you handle competing priorities.

- **Process:** Questions that ask you to walk through how you handle a typical task, such as assessing a client's needs or preparing a loan proposal.
- **Behavioural:** Questions that ask for a specific example from your past, using the STAR method to show how you handled a client issue or a compliance challenge.
- **Scenario:** Hypothetical situations where you must show judgement under pressure, often involving a client in financial difficulty or a breach of policy.
- **Technical:** Questions that probe your knowledge of credit assessment, responsible lending obligations under the NCCP, and relevant ASIC and APRA requirements.
- **Client-facing:** Questions that explore how you build trust, communicate complex information, and manage ongoing relationships with clients.

The process usually starts with a phone screen with a recruiter, then a panel interview with the hiring manager and a credit or risk specialist. Some banks include a short case study or role play where you review a client file and recommend a product. A final interview with a regional or state manager may follow. Expect a mix of behavioural and technical questions throughout.

1. Walk me through how you assess a client's financial circumstances and recommend a suitable banking product.

Why they ask

This tests your analytical process, your understanding of credit assessment, and your ability to follow a structured approach.

How to structure your answer

Use a step-by-step structure: gather information, analyse financials, identify options, check compliance, present recommendation, document.

Example answer

"I start by reviewing the client's financial statements, tax returns and current banking facilities. I ask about their goals and any changes in their business or personal circumstances. Then I analyse their cash flow, debt servicing capacity and security. I compare suitable products, such as a term loan or an overdraft, against their needs. I check that the recommendation meets our credit policy and responsible lending obligations. Finally, I present the options clearly, explain the costs and risks, and document the advice in our CRM."

2. Tell me about a time you had to manage a difficult conversation with a client whose loan application was declined.

Why they ask

This tests your empathy, communication and ability to maintain trust while delivering bad news.

How to structure your answer

Use STAR: describe the situation, the task, the action you took, and the result. Focus on how you explained the decision, offered alternatives, and preserved the relationship.

Example answer

“A long-standing business client applied for a loan to buy new equipment, but our credit team declined it because their debtors were slow. I called the client and explained the decision honestly, without jargon. I told them I understood the impact and offered to review their cash flow and work with them on a smaller facility or a debtor finance option. They were disappointed but appreciated the transparency. We kept the relationship and later approved a smaller loan once their debtors improved.”

3. A business client's revenue drops sharply and they ask for an increase to their overdraft. How do you handle it?

Why they ask

This tests your judgement under pressure, your understanding of risk, and your ability to balance client needs with bank policy.

How to structure your answer

Assess the situation, gather updated financials, consider policy, propose a solution, communicate clearly, and escalate if needed.

Example answer

“First I would ask for updated financials and a cash flow forecast to understand the cause and the likely duration of the downturn. I would check their current facility and repayment history. If the request is within my authority and the risk is manageable, I might approve a temporary increase with conditions, such as a review date. If not, I would discuss alternatives like a repayment holiday or referring them to a specialist. I would document everything and keep the client informed throughout.”

4. How do you ensure your recommendations comply with responsible lending obligations under the NCCP?

Why they ask

This checks your knowledge of the regulatory framework and your practical approach to compliance.

How to structure your answer

Explain your process: verify income and expenses, assess capacity, document the client's requirements and objectives, and ensure the product is not unsuitable.

Example answer

“I follow a structured process. I collect and verify the client's income, expenses, assets and liabilities. I ask about their objectives and needs, and I keep a record of that conversation. I use our calculators to test whether they can repay without substantial hardship. I make sure the product I recommend meets their requirements and is not unsuitable. I document all of this in our CRM and credit submission so it is auditable. I also stay up to date with ASIC's guidance and any changes to the NCCP.”

5. How do you build and maintain long-term relationships with your clients?

Why they ask

This explores your interpersonal skills and your approach to portfolio management.

How to structure your answer

Describe your regular contact schedule, how you add value, and how you handle reviews.

Example answer

“I schedule regular check-ins, usually quarterly for business clients, and annual reviews for retail clients. I use those meetings to ask about changes in their life or business, not just to sell products. I follow up on any issues quickly and keep my promises. I also share relevant market updates or insights. Over time, that builds trust, and clients come to me first when they need a new loan or want to refer someone.”

6. Describe how you identify cross-sell opportunities without being pushy.

Why they ask

This tests your ability to grow the portfolio ethically and in line with client needs.

How to structure your answer

Explain your needs-based approach, how you use data, and how you position additional products as solutions.

Example answer

“I look at a client's overall banking profile to see gaps or changes. For example, if a client has a home loan but no offset account, I might mention it when we review their loan. I always ask if they have considered a particular product rather than telling them they need it. I listen for cues, like a client mentioning a new baby or a business expansion. I only recommend something if it genuinely fits their situation, and I document the conversation.”