

How to Choose an Accountant

by Michael J. Knight

The new CPA advertising program says:
CPAs Never Underestimate the Value

Why would clients underestimate their CPA's value, unless they can't identify the value a CPA brings to a relationship? So what should the key points be for a client who is looking to engage a CPA or who already has a CPA? Conversely, a CPA should be aware of the points deemed crucial by the client, that is, those attributes the client places value in.

In either case, the lesson is clear. CPAs must do more to make their clients or potential clients aware of their skills and how they can help the client's situation. Also, a client should be aware of what characteristics to look for in a CPA that will "add value" to the relationship. The same characteristics that a client should look for in a CPA are those same characteristics that the CPA should reinforce every day in their relationship. That being said - can we create a top ten list of mutual items that both the client and the CPA should aspire to? Let's see what it might look like.

Factors The Client Should Look For

10. Check their educational background.
9. What professional organizations are they involved in?
8. Have they undergone the peer review process?
7. Do they show an interest in your business besides the formal arrangement?
6. Do your advisors show a creative streak even if it doesn't apply every time?
5. Do they look at all the elements that affect you - income, estate, retirement, and financial planning and even some non-financial areas?
4. Is there depth of ability in the firm?
3. Are they accessible?
2. Do they work well with other professionals?
1. Do you get along?

Factors The CPA Should Emphasize

10. Emphasize the schooling and testing requirements of the profession as well as the continuing education programs you attend.
9. Emphasize your participation and involvement with your professional and community organizations.
8. Boast of your participation and success in the peer review process.
7. Send articles and share information with your client on an ad hoc basis not just based on the contractual terms of your service agreement.
6. Do you bombard the client with ideas knowing that maybe 1 out of 10 hit pay dirt?
5. Show your versatility by addressing all of the client's needs.
4. Show that your organization stands behind the services you offer.
3. Do you meet or call your client for no other reason than to say hi, how's it going?
2. Admit that you, as their advisor, may not know everything, but that you have a network of professional associations that you're not afraid to use and make available to the client - that is, you'll get the best person for the job.
1. Do you get along?

A recent study depicted 12 key factors that Inc. 500 CEO's look for when choosing audit firms.

My list above was culled from years of experience in dealing with the small business and individual taxpayers. Some of the factors in the study match up with my top ten list, some I was surprised with. For example, the number 1 factor in both my list and the study was the personal relationship, that is - Do the parties get along? Another top factor in the study was the quality of the service team to be used, which is similar to item number 4 on my list.

Some areas of concerns of an Inc. 500 CEO do not appear to be relative to me in the small business area. For example, oral and written proposal quality were listed as key factors. I find that the personal relationship probably overrides the emphasis on oral and written presentations in small business settings.

Although fee is listed on the Inc. 500 list and not on mine, I believe if the bulk of the factors in my list are met by the CPA, the easiest part of the job is the price. As the new CPA slogan implies - the client will see the value added in the relationship and should appreciate the old adage that "you get what you pay for!"