

WEDNESDAY, FEBRUARY 27, 2002



What to look for in an accountant for your business

NEW YORK — You're starting a business from scratch and looking for an accountant.

Not a Big Five CPA, of course.

More likely a small firm or maybe a solo practitioner.

The first step most entrepreneurs take — and it's a good step — is to ask a friend, neighbor or another business owner for a recommendation.

SMALL TALK



**JOYCE M.
ROSENBERG**

But remember that accountants aren't one-size-fits-all. The right one for someone else might not be the right one for you.

"When you're looking for an accountant, you should not just be interested in someone to do your tax return, but also someone who can be a trusted financial adviser," said Mike Ringel, whose New York-based firm runs support and networking groups for small business owners.

Moreover, an accountant should "also be somebody who has a vast network of resources that they can introduce you to," said Ringel, a CPA whose title is chief community officer at Let's Talk Business Network.

As you go through the search process, you're likely to find that many of the same considerations that go into finding an accountant can also be applied to hiring an attorney, and perhaps even signing on with a bank.

Although you're probably worried about expenses, how much an accountant charges shouldn't be your primary concern.

Experience and reputation, and how well this accountant will work with you, should be your priorities. That probably means you should rule out a friend or relative who only recently started a practice.

Like lawyers, accountants can have a particular area of expertise.

So if there is something specialized about your business — manufacturing or exporting, for example — it's a good idea to look for an accountant who has experience with your line of work.

David McIntee, a CPA in Kinnelon, N.J., noted that small business itself is a specialty among accountants, so you will certainly want to look for an individual who has worked with several small companies.

When you've ~~gotten the name of an accountant~~, or preferably the names of several prospective CPAs, you should conduct an interview as if you were hiring an employee — which, in effect, you are.

McIntee, of the firm McIntee Fusaro & Associates LLC, said the characteristics that he looks for in a client can help a business owner who is in search of a CPA.

"First, I must feel I can trust the client. ... I must like the client," he said. "This should be a good client, one that asks advice and takes my advice."

This comes down to being able to work well together, McIntee said. "You can't have an antagonistic relationship with your accountant."

Many business owners are concerned about getting help with their taxes, but that's not the most important criteria.

Ed Paulson, a small business owner and author, suggests looking for someone with management accounting experience — a professional who really understands the interplay between managing a company's operations as well as its books.

"Your first commitment has to be to management accounting — then worry about how to minimize your taxes," said Paulson, whose books include "The Complete Idiot's Guide to Starting Your Own Business."

Paulson also says owners should be savvy with their accountants in the way that many patients have become with their doctors — by getting a good ground in business management and financial principles before you walk in the door.

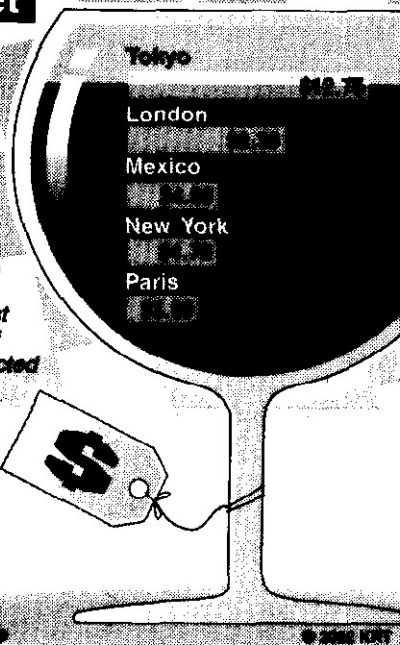
That way, you can be an informed client and have a better sense of whether this accountant is the one for you.

Moreover, Paulson said, while your accountant should be your adviser, you don't want to be in the position of needing your accountant to tell you how to run the business.

BizFact

Wine by the glass

Average cost of a glass of wine in selected cities:



Source:
Runzheimer
International

Graphic:
Pat Carr, Paul Fine

© 2002 ENR