

4 Traits Successful Business Owners Look For in Their Accountant




From tax planning to meeting payroll deadlines to financial reporting, the fiscal responsibilities of running a business can be a burden. Having a trusted accountant that you can count on is crucial to your business's ability to serve its customers and meet its financial obligations.

But what goes into finding the right accountant?



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What goes into finding the right accountant? What attributes are essential that will allow for a healthy, successful partnership with your business? What expertise, experience and skills should they possess? Let's start by understanding why you need an accountant in the first place.

Why should you turn to an accountant?

First and foremost, they can assist in the preparation of your taxes.

It's important to remember that the Internal Revenue Service places the same amount of emphasis on the reporting requirements for a small business as they do for a large business. So, unless you consider managing what can be the complex rules around taxation a hobby of yours, it's important to find an accounting partner you trust.



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What does a trusted accountant look like?

At the minimum, you're going to need an accountant who can help you identify possible deductions and tax credits that can maximize tax savings, while also crafting a manageable plan that minimizes your tax burden. This can be a complicated, challenging process, which is why it's beneficial to have a seasoned tax professional working with you.

But there's much more an accountant can do for your business. For instance, you'll have to prepare monthly, quarterly and annual reporting for the government with regard to sales tax, payroll tax and more. Having a strong accounting partner means you have someone who can handle these tasks, helping you stay up-to-date and compliant with tax deadlines and rules.

And, given that the past two years have brought with them a myriad of new programs and policy changes, having an accountant you can count on will help you identify and manage the various programs that can aid your business, while also understanding the tax implications associated with them.

Finally, an accountant can develop strategic plans to drive business growth and profitability, providing insights on payroll, cash flow and software advice and support. Your accountant should be a creative, innovative partner who helps take your business to the next level.



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What qualities should an accountant have?

When you are searching for an accountant, keep these four qualities in mind:

- 1 An accountant who is an effective communicator**
- 2 An accountant who makes you a priority**
- 3 An accountant who focuses on solving problems**
- 4 An accountant who delivers a strong return on investment**

A healthy relationship with an accountant that facilitates dialogue, relies on strategic and thoughtful planning, and views challenges as opportunities to do better can help your business to grow and thrive. Let's explore each of these four criteria in greater detail.



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1

An accountant who is an effective communicator.

The Concern – “I can never get a hold of my accountant. I reach out, and he never calls me back. I email him, and he never even responds. I don’t think I matter to him one little bit!”

Communication and transparency are essential to any successful relationship. In the world of business, it’s important to make sure your professional partners, including your accounting ones, rely on clear, open lines of communication to ensure you have a full understanding of what’s going on.

You want someone invested in the success of your business and someone who possesses a motivation to deliver results. In order to do that, it’s crucial to seek accountants who are not merely interested in filing your taxes or meeting payroll obligations, but also those who are readily available and eager to find innovative solutions geared to your growth.

It also is extremely important that you and your accountant are on the same page, and that often means your accounting partner takes the time to carefully and diligently review your financial information with you. Remember, a good accounting partner will drop any confusing or overly technical jargon, and instead, focus on collaborating with you in a way that’s understandable and centered on bettering your business.

It’s also crucial to have a clear understanding of who your point of contact will be. Is the person who’s selling the service also the one you’ll work with?



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What it means to have an accounting partner who is an effective communicator

They are available.

When you have a question or a need, they're a Zoom or phone call away. You'll have access to a trusted partner who can get you the help and support you need.

They facilitate understanding.

The nuances of accounting or tax planning can overwhelm some business owners, so a good accountant will clearly and calmly explain the process. Whether it's filing of your taxes or helping you navigate an audit, or even walking through your bill, they make sure you understand what's happening.

They are ethical.

No accountant should be lackadaisical about meeting - or missing - deadlines, and they shouldn't be giving you advice on how to bypass any rules. It should be a given, but a transparent accounting partner is ethical and someone you can trust.

"We have a monthly meeting to discuss any business matters related to accounting, taxes and potential cost savings as well as company investments. Padgett is able to offer business insight that can often be overlooked by the business owner, who is wrapped up in the day-to-day operations. I could not expect better service or communication."

Jody Williams

President, Complete Chimney Service, Inc.



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2

An accountant who makes you a priority.

The Concern – “I just don’t feel like my accountant has time for me or is attuned to the goals and needs of my business.”

Your business is your passion, and its success and vitality are your top priority. That’s why it’s so important to find a trusted, reliable partner who not only appreciates your commitment to success, but who also shares your vision for growth.

All too often, businesses find themselves only working with their accountants at tax time. However, a strong accounting partner is engaged year-round, serving as a “profit coach” who can offer forward-thinking guidance to boost cash flow and drive a healthy, growing business.

For this to happen, you’ll need someone who can make your business a priority. As such, it’s important to understand where your business will fit into their business. For instance, will you be one of their largest clients or one of their smallest? Do they have the resources and expertise that can support your business? Will you get timely service from an accountant who knows your industry and anticipates your needs?



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What it means to have an accounting partner that makes you a priority

They are up to speed on your industry.

It's important to anticipate the trends and challenges that will impact your business. An accountant should not only understand the mechanics of your organization, but also be fully aware of the trends in your respective industry.

They put your tools to work.

From Xero™ to QuickBooks®, there are countless software tools available. A trusted accounting partner won't force a one-size-fits-all approach on your technology needs. Rather, they'll adapt to your vision and put your technology stack to work.

They meet your deadlines.

In order for your business to take the appropriate action, you need an accountant who gets you information in a timely fashion. A good accountant will train you in what to have ready and when to have it, then will stick to an agreed-upon schedule.

"The communication is fantastic, and the responsiveness is there. Things always come up and being able to trust Padgett to help takes a big weight off my shoulders. There are so many hats that I wear between inventory, products, sales and customer service, and I do not have an expertise in things like sales tax or prepping for our federal taxes or just how to do our books month-to-month."

Shawn Langton
Founder & CEO, Kujo Yardwear



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3

An accountant who focuses on solving problems.

The Concern – “I get no advice or tax planning help from my accountant.”

What expertise will your accountant bring to bear? Because, at some point, your business will face challenges that require a strategic problem solver; someone who addresses the task at hand but also looks to the future and puts a process in place so that the problem doesn't repeat itself.

This forward-thinking approach will better equip your business to weather any storm, and it's best to have an accounting partner who has the experience, expertise and insights needed to serve you in this manner.

Be sure to investigate the experience and track record of your accountant, understanding that education and training – while important – is not the only measure you should evaluate them on. Instead, look to client testimonials and online reviews to get a better understanding of their approach. That will give you the first bit of information needed in assessing a possible partnership.

More than that, ask potential accountants for examples of how they've responded to previous challenges with other clients. Doing so will give you a better idea of how they operate, what their process looks like and how such an approach could benefit your business.



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What it means to have an accounting partner who is a problem solver

They share insights.

A trusted accounting partner isn't someone who just handles your payroll or files your taxes. They also analyze your day-to-day operations and suggest ideas to improve your business performance, such helping you design and implement an electronic means of paying bills or handling receivables.

They have access to a support system.

There's power in numbers. It's difficult for one person to solve all your problems or answer all your questions. The best strategic advice comes from a knowledgeable and resourceful team that can offer a first and second opinion.

They look to the future.

It's not enough to solve the problem in front of you. A trusted accounting partner will emerge from a challenge and put together a process that strives to prevent it from repeating itself.

"(Padgett is) prompt in replying to my requests, and they make suggestions to save me time and money. My family members and some of my employees also use their services. They destroy the myth of boring, non-communicative accountants."

Bob Sutton

Owner, TCBY of Chapel Hill and Durham



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4

An accountant who delivers a strong return on investment.

The Concern – “I pay my accountant all kinds of money and still don’t know where I stand.”

In selecting an accountant, be sure that you fully understand the services you’ll get in exchange for the fees you’ll be paying. Because at the end of the day, it’s important to make sure you’re getting the proper value out of this partnership.

When evaluating an accounting partner, ask what services and support will be provided. Be skeptical of these arrangements because they often attempt to tell you what you should have, as opposed to your potential partner responding to you and the realities of your needs.

It’s also crucial that you have a good understanding of your accountant’s fee structure. Don’t be afraid to ask potential partners why they charge what they do, how they tally their fees and if they can clearly articulate what you’ll get in return. Remember, you’re contracting with them for a service, and you deserve to know that the investment you’re making will yield a positive return for your business.

Like any other expense, fees should be affordable to your business. For smaller companies there is no set ratio for what you should pay. It will depend in part upon your part of the country and the volume of work that you have. Shop for value, which translates into service for a fee. When comparing two different fees, make sure that you also compare the level of service you will receive.



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What it means to have an accountant who delivers a strong return on investment

They can customize services for you.

Communication, engagement and understanding will enable your accountant to fashion a customized strategy to support your business. Don't fall for "one-size fits-all" models that offer little flexibility for your day-to-day realities.

They're transparent about their fees.

Know what you're paying for and, just as important, know why you're being charged for it. Fees should be based on a combination of the volume and the condition of the accounting information and the results you want your accountant to help you achieve. Many accountants work by the hour at a set hourly rate, but value pricing means your accountant is billing for what the work is worth to you, which potentially can reduce inefficiencies.

They're forthcoming about price increases.

Be sure you understand the pricing structure so you won't be surprised by a price change. Prices change for two key reasons. The first is simply rising costs, and the second is an increase in the amount of work. Your accountant should be transparent about why costs go up, telling you up front rather than deliver a big bill at the end. By understanding the basis of the pricing, you will be in a better position to evaluate the fee increase.

"As soon as I connected with (Padgett) it was evident that I've got a real human being here who is not just trying to sign me up and get some cash for his business. He genuinely wants to be of service to us. I was looking not just for an accountant, but for an accountant who wanted to be a partner."

Rick Mathes

Owner, Egoscue of Austin, Texas



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How can Padgett help you?

PADGETT BUSINESS SERVICES® has a national network of accountants, CPAs and tax professionals ready to serve – and empower – your business, taking the day-to-day accounting operations off your hands so you can fully focus on your customers.

If you're looking for a trusted accounting partner to help you grow, [contact our office today](#).



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