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Seven questions small-business owners should ask before hiring accounting professionals



As a small business grows, the need for a designated, skilled accountant or bookkeeper increases. While many small businesses survive without an accounting professional or accounting firm, this usually results in you, the business owner, taking up the slack. While it can be good for owners to understand how the accounting practices work, the fact remains that you are not an accounting professional. This means there is always the chance you'll make a mistake. By hiring a skilled accountant or bookkeeper, you can avoid some of the common pitfalls of handling finances alone.

While hiring a professional for your finances is smart, you need to make sure you hire the right person for the job. An accountant or bookkeeper can have a dramatic effect on the success of a business, and owners need to find the right answers when interviewing candidates. Here are seven questions to ask the accounting professionals you're considering.

1. What are your credentials?

According to [The Globe and Mail](#), three different professional accountancy designations exist in Canada: chartered accountants (CA), certified management accountants (CMA), and certified general accountants (CGA). CAs can handle anything from startup counseling to bankruptcy and have global recognition. CMAs connect accounting skills and expertise and managerial competencies to help their clients succeed. CGAs are less specialized and basically do anything related to accounting practices.

Large organizations typically hire several different types of accountants or bookkeepers who are tasked with taking care of different parts of the business. Small businesses could typically hire any type of accounting professional. The general accountant or bookkeeper may prove best at first, but as your business grows, you may need someone with a more specialized skill set.

2. How does your experience prepare you to work with my company?

Asking a prospective accounting professional how his or her experience pertains to the job will give you an insight into whether or not he or she will fit in well with your company. If an accountant only has experience working with large enterprises, he or she may feel out of place in a small business environment. Make sure to discuss specifics when you bring up prior experience. Asking questions that start with "Tell me about a time when" can help you learn about how an accountant reacts to situations and how he or she interacts with others.

According to [Campanella McDonald LLP](#), you also need to determine if an accountant or bookkeeper can grow with you. Asking questions about prior experience will help you determine if he or she is willing and are able to grow as your business does.

3. What software do you use?

An automotive mechanic needs the correct tools before he or she can work on a car. The same is true of accounting professionals. There are a myriad of accounting software tools out there, but many accountants and accounting firms utilize solutions that are extremely outdated. It can be easy for accountants and bookkeepers to want to continue using a system they know and understand, but old technology can negatively affect your business. Discuss with the accountant or bookkeeper the type of software they're using and find out if they have plans to upgrade at some point. You want to have an accounting professional who knows how the industry is evolving and is interested in trying to find the best, most efficient solution.

If at all possible, find an accountant or bookkeeper who prefers cloud accounting software. That way, you can have access to your business' finances from anywhere, even your mobile device. This allows for greater visibility and peace of mind.

4. How often can I expect to hear from you?

You want to hear from your accounting professionals fairly often, but you don't want them to badger you. Also, you don't want to always bother them. To determine how accessible they will be, simply ask them how often they'll be communicating with you. Of course, at the beginning more contact will be needed, but over time, this may diminish, according to [The Globe and Mail](#). That's OK as long as the accounting professionals checks in regularly.

5. Do you have references?

Asking accounting professionals for references will help you determine whether or not they will be satisfactory to work with. According to [The Globe and Mail](#), many accountants get the majority of their work from referrals, which means finding a few references should come easy for any candidates.

6. How can you help me grow my business?

Accountants and bookkeepers can be an integral part in your business's growth. So when interviewing candidates, ask them how they plan to help your business grow. While they won't be able to give you a specific answer without knowing what your business's books look like, they should at least be able to share examples of how they have helped other businesses grow in the past and highlight their greatest areas of expertise.

7. What is your pricing structure?

Unfortunately, no conversation is complete without discussing the accounting fees. [Campanella McDonald LLP](#) suggested doing research on what the typical price for the services you're asking about would be before interviewing candidates. This way, you are prepared and can determine if they are out of line or right on the mark with their pricing.

Also, ask about how they bill their services. If you're hiring an accountant or bookkeeper in house, you don't have to worry about this, but if you're going with a firm or freelancer, how they price their services can have an effect on the overall cost. Don't just worry about individual service costs, be concerned with the value the accounting professional is bringing to your business. By asking additional questions about pricing structures, you'll be able to determine what the full price—and projected ROI—of working with the accountant or bookkeeper will be.

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