

Becoming a Trusted Advisor to Business Owners

By Louis Biscotti

The best compliment I ever received was, “You’re not the typical accountant.” I’ve had a very rewarding career in public accounting. Upon graduation from college, after receiving offers from all of the then–Big Eight, I started working as an auditor in one Big Eight firm’s New York City office. I had a quick start because I had interned at a CPA firm in my last two years in college, and that experience let me know what to expect.

During the next four years, I worked on the typical audit engagements and gained great experience, but wanted more.



Not working with the owners of companies left a void in my learning. I pursued several new opportunities but decided on a smaller, aggressive firm where the managing partner asked me if I knew the difference between an accountant and an auditor. He explained the difference, and it fit nicely into my desire to work more closely with company owners. Over the next four years, I worked as a “partner” on many engagements, and the amount of responsibility and trust required became very apparent to me. I learned how to bill and collect, how to advise, and what information was really important to owners and the financial community. I began to develop relationships with bankers and attorneys. I rounded out my background with

a master’s in taxation, but for several reasons, I decided not to pursue a partnership with this firm. Instead, at the ripe age of 30, I struck out on my own.

Finding an office, buying equipment, hiring personnel, building the client base, and setting up processes were all new to me, but the prior years’ experiences paid big dividends. I started to market, meet people, send out information, attend events, go to lunches, and ask for business. The practice began to grow to the point where I needed an administrative assistant and a staff accountant. Two years later, I hired a senior accountant from a larger firm who loved taxes (which I did not enjoy as much as advisory and attest), and he became my partner for over 30 years.

We continued to build the firm until we met with a colleague from my prior firm who was in a three-partner firm that was growing rapidly. I jumped on the challenge of combining the firms, and we became a well-known, fast-growing firm on Long Island with six partners and 60 staff.

Branching Out

Before the merger, my partner and I had obtained a client which published an extraordinary catalog that displayed photographers’ works and was distributed to art directors worldwide. Through this relationship, I started to work with commercial photographers and grew a specialized practice of 60 photographers. I started by looking at the big names and asking for introductions. I developed a business model where I could show photographers how they should be earning 25% of whatever they billed. I became familiar with their processes and practices and learned the terminology they used and the nuances of their business. I studied the issues regarding entity formation, sales and use taxes, royalty issues, and much more.

I began renting booths at industry trade shows; I’ll never forget the participants asking, “What is an accountant doing here?” But I had marketing materials to give them, and they were intrigued. These experiences enabled me to be confident in any studio I walked into. I began to speak on panels and meet other professionals who serviced the industry; eventually, I was approached by a national trade publication to write a monthly column. That’s when I really became known as an expert.

Since I’d had success with one industry specialization, I began to search our client base for another. We had two small food companies as clients, and I thought food was an interesting field. Again, I began to study and ask for referrals. I obtained a list of companies and started to ask friends, bankers, and attorneys who they knew and whether I could get an introduction. My client base started to grow. I had an idea of starting a forum for CEOs of food and beverage (F&B) companies to discuss trends, issues, and challenges facing the industry. Our first event gathered nearly 100 senior executives from F&B

companies. The approach was the same: learn the lingo, know about the nuances, connect with people in industry, attend events, and join membership organizations. I started to speak on panels, create marketing materials, and reach out to members of the financial community to let them know we were focused on F&B companies. Our team of professionals was all engaged in this process and began to enjoy being known in the industry as we developed expertise.

Sixteen years later, after holding events in New York, New Jersey, and Pennsylvania, hosting many panels, writing articles, and being interviewed by the press, I am still going strong. I am the global practice leader of F&B of an international Top Ten CPA firm, and I love what I do. Our practice consists of nearly 500 F&B companies worldwide.

Steps for Success

So, am I the typical accountant? I love this profession and it has provided me with a challenging career, a good standard of living, and most importantly the ability to work with companies and people and help solve their problems. It has enabled me to stay young by working with young professionals just starting in their careers. It has continually challenged me to grow in business, to learn new skills, and to reinvent myself. I take offense when someone refers to me as a “bean counter.” I am far from that.

After the merger, my partners and I realized the importance of growth and bringing in new business. As the firm grew and we started to handle larger, more sophisticated clients, I knew I had to reinvent myself, and that lesson lives today. In order to be successful in this profession, you must be able to continually reinvent yourself and stay up on the trends. When I started in public accounting, all we had was adding machines. Computers were in their infancy; spreadsheets were unheard of. Think about the changes in the tax codes, in

GAAP and GAAS, in professional oversight. Think about the impact of the Internet. If you don’t stay on top of all of these changes and trends, you could quickly become extinct.

I have been asked what skills future CPAs will need to be successful. Here are some pointers that I hope will help young professionals starting out their careers to set their sights on what they want to achieve in public accounting. It’s not about long hours and boring work, it’s about becoming a trusted advisor to business owners so you’re never referred to as a bean counter or “typical” accountant.

Learn as much as you can. CPAs must invest time in learning about business, what’s important to business own-

In order to be successful
in this profession, you
must be able to continually
reinvent yourself and
stay up on the trends.

ers, and what drives the business. CPAs have an excellent opportunity to see multiple companies, industries, and environments, so long as the audit is about more than just checklists and procedures. Peel back the onion and look at as much of the business operations as possible. Continue to invest in CPE, not just to meet the requirements but to broaden knowledge and stay up on trends. Talk to mentors and get advice. Talk business with friends and family. Invest in professional educational credentials.

Don’t think as a technician; think as a businessperson. While CPAs need to know the rules and regulations, they

also need to understand business: how to obtain customers, build a team, manage profitability and cash flow, grow the business, and meet challenges. CPAs need to put themselves in the owner’s shoes: What would you do differently? What issues would you address? What resources would you need? Addressing these items with owners will result in more success than quoting the IRC or GAAP.

Reinvent yourself. Embrace technology. Don’t be afraid to go into new areas, pick a specialization, or think of new ways to improve what you do and how you deliver it. When one pursuit starts to burn out, look for a brighter one somewhere else.

Start marketing early. No one teaches CPAs how to get new business. You will just wake up one day and hear, “You need to bring in business to become a partner.” Don’t wait for that message; start early in your career. Ask for business, start networking, and use the wonderful social media tools that have evolved.

Be a problem solver and listener. CPAs must be able to solve problems. You don’t need to have all of the answers, but you’d better know where to get them. Always listen 80% of the time. The more one listens, the more one learns and truly understands the issues at hand.

Be proud of the profession. CPAs know so much more than the average businessperson about accounting and taxes. CPAs must utilize that knowledge and can’t be afraid to challenge owners on why they are doing something. Lean on all that experience to advise clients on avoiding pitfalls, protecting and growing their business, saving money, making profits, and taking care of their needs. Only by challenging and advising clients from an objective standpoint will a CPA become known as an expert and trusted advisor. □

Louis Biscotti, CPA, CITP, is a partner, national food and beverages service leader at Marcum LLP, Melville, N.Y.