

Hiring a controller

Utilizing your CPA is just one creative way to find or replace this key position in your business.

By Thomas J. Wrabel

When substantial changes occur in a family-owned business, such as significant growth, there may be a need to hire or replace a controller. Many business owners use only traditional and internal resources to go through the process of locating candidates. However, this can be ineffective in locating and securing superior candidates. Therefore, creative ways need to be considered in order to achieve ultimate success. One resource is sitting right there in your contact cards: none other than your certified public accountant (CPA).

Because of their knowledge of your business, CPAs are uniquely qualified to assist you. When you think about the components involved in the process, it's easy to see why:

■ **Writing the job description.** A very specific job description is critical. Include the basics such as financial reporting, the general ledger, supervising the accounting staff and the banking. Your CPA can help you identify other responsibilities where the controller can assist, such as improving financial systems, managing risks, establishing financial/operational controls or linking compensation to company performance.

■ **Establishing the minimum requirements.** Now that we have the job description together, it's easy to establish the requirements for the position. If you are adding some responsibilities, you will have to find someone who has the background for it. Your CPA can assist you in matching the job description and the requirements.

■ **Establishing the compensation package.** Besides matching the job to the requirements, we need to match the requirements to a fair and reasonable compensation package. Consult with your CPA regarding customary salary, bonus percentage, deferred compensation and stock options.

■ **Writing and placing the advertisement.** If we have written the job description and established the requirements, the advertisement is a breeze. However, the tougher choice of the millennium is where to place it. Your CPA can consult with you on where their clients are having the most success in locating the best and brightest applicants.



■ **Interviewing applicants.** This is where the CPA is mandatory. A candidate can (and will) tell you how expansive their experience is in each of the key elements of the job. Your CPA can ask the follow-up questions and carry the conversation long and deep enough to make sure the experience is really in the person's background.

■ **Checking references.** On the other hand, I recommend the business owner always check his or her own references. I am always amazed in the results of this part of the process and you really should hear the responses yourself. Your CPA can assist in developing the initial questions, particularly for the key financial items.

Although we may have sparked a couple of ideas, the CPA involvement described above remains in the ordinary framework of hiring candidates for any position. There

may be a few less traditional ways a CPA can help in a controller search.

■ **Confidential replacement.** You may want to have your new controller search in the works before you tell your current controller that the situation is not working out for you. The advertisement should be written such that the resumes are sent to the CPA directly for screening and the interviews can be conducted at your CPA's office.

■ **Temporary help.** When the growth is rapid, many times the needs of the company are immediate. You want to fill the position before you can even start your search. Many CPA firms have personnel who are very well-suited to fill in as temporary controllers, since they previously held industry positions or acted as temporary controllers for other clients.

■ **Existing network of candidates.** I don't know a CPA that doesn't have a file of possible candidates for controller positions. In addition, make sure to call your attorney, banker, insurance representative, head of your trade association and president of the local financial executive network. They all have excellent networks.

■ **Designing a case study to test candidates.** Companies have been burned enough by people who are excellent interviewees and weak controllers. Therefore, companies are designing written tests to make sure candidates can perform some of the basic tasks required by the position, which your CPA can assist you in writing.

Your CPA may be your most trusted adviser. I recommend trusting him or her with assisting you with your controller search to meet your company's needs.



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