

Creating a Home Office That Works

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Offices at home are a growing phenomenon, whether used for a home-based business or for telecommuting. And while there is no way to substitute for all the conveniences to be found in a 15-story high-rise office complex, a home office can be made into an efficient workspace.

The real challenge to working at home may be testing, then readjusting, your own attitude. If you feel ready to start a home-based business, then setting up an office is an essential starting point. Some initial things to think about include:

- Am I ready to work by myself on a full-time basis?
- Can I work from home and still be a “professional?”
- How much should I be prepared to spend to set up an office at home?

What You Need to Know

Working from home sounds great: is it as wonderful as it sounds?

That depends. For convenience, cost, and comfort, there's nothing quite like a home office. Low overheads, no commuting hassles, no office politics, and setting one's own hours are a few of the points on the plus side. Then again, when you work at home, there's only you to get all the work done—and if you're not disciplined, you'll be spending more time with the kids, the pets, or snacking than working. That can be a formula for failure, especially if you're a parent with small children.

How can I present a professional image from a home-based business?

Think first of the image you want to present to potential customers. Begin by ordering business cards and stationery. Think about adding an attractive logo and using a two-color design on business cards, letterheads, and envelopes. Having a well-produced flyer or brochure that describes your business is also a plus: good quality customer service will do the rest.

E-commerce is relatively easy to conduct from a home office, especially with a Web site that attracts customers. Clients don't need to know whether you work at home or in a sophisticated office building as long as you get the job done for them. As with your other materials, the Web site should reflect the personality and professionalism of your business.

Ultimately, the most important communicator of your professionalism will be you. Never apologize to a customer because you don't work in an office. Make sure that whoever calls you gets answered

promptly and professionally; this means that you should have an answering service that you check regularly or that you should carry a cell phone to answer yourself.

How much will it cost to set up a home office?

This, too, depends on the type of activities you will be performing—whether business or personal, telecommuting or a family office. It should cost no more than \$5,000 to equip a comfortable office, with about 50% of that tied to decent technology, if you don't already have a basic computer-fax-printer. The rest of the funds will go for the furniture you'll need to operate efficiently. Make a list and plan a sensible budget beforehand. If you're setting up a business at home, you don't want to blow your entire savings on setting up the office, then have nothing to spend on attracting clients. Keep in mind that, if you are as successful as you hope to be, there will be enough funds in the future to buy a better desk, filing cabinet, and anything else you need.

What to Do

Think Carefully About the Location, Decoration, and Furnishing of your Office

Everyone has his or her own style of work. Nonetheless, there are some basics for thinking about your home office set-up. Planning a home office involves deciding where to locate the office, how to decorate it, and how to furnish it. You should give lots of thought to this, as it will be the hub of a small business and you'll be spending a lot of time there. Some people even make a scale drawing of the room they intend to use, then place to-scale furniture templates on it to work out the best layout. The key fact to focus on is that this must be an office arrangement that not only works for you, it must also help you get work done.

Office décor is important, but it should not be your only concern. You want to feel comfortable in your home office as you'll be spending considerable time there. The key thing is to have the equipment to help you work: computer(s), peripherals, and software; phones and phone service for voice, fax and computer; and perhaps a separate copier and/or scanner. Consider adding a digital camera if you plan to put photos of yourself or your products on your Web site. Finally, don't forget that you'll need storage space for files, records, and other general office supplies. There is much to be said for getting organized to do business!

Take Account of Zoning Considerations

Again, depending on the type of home-based business you are contemplating, you should check the zoning laws and regulations for your neighborhood. It will make a difference whether you have people

coming to your office on a regular basis. It will also make a difference if your business should grow and you plan to remodel your house to create a larger workplace. In any case, you don't want to set up an office only to find out it's in conflict with your community's zoning standards.

Consider Your Tax Arrangements

If you don't already have an accountant, you should consider one unless you are especially adept at the parameters for deducting expenses for a home-based business. As you're planning to use the office for a small business, most government tax agencies will allow you to deduct certain expenses connected to the business. However, the office must be completely dedicated to the business and not merely a spare bedroom with a fold-up desk and your cordless phone. Good record-keeping is very important if you plan to deduct expenses and part of the mortgage interest, utilities, and phone bills for business activity. So much depends on your overall income and whether you itemize deductions at all.

What to Avoid

You Only Go Halfway to Really Working at Home

Working at home means moving your career to your home. Starting a home office on the dining room table is not a good idea, nor is committing only half-heartedly to making a guest room into a real office. If you don't treat the office seriously, there's a better than even chance you won't take your work seriously either. Dedicate a separate, carefully-planned space to your work. You'll feel better and your career will benefit from that decision.

You Become a Workaholic

If, while working in an office setting, you've had a tendency to stay there until the work is done, operating from home is a workaholic's dream come true. With the office only a few rooms away, there's a temptation to "get one last thing done" after dinner or on a weekend.

It's important to be professional about your business, but it's also important that you don't let the office become your new home. Set hours, try to manage your workflow into those hours, then shut the door and put up the "closed" sign. The biggest disadvantage of working at home is that you may never leave your job.

You Lack Basic Office Skills

In the office complex you used to work in, there were experts in all kinds of office processes, from setting up the equipment to drafting a letter to placing the postage on the letter to get it mailed. As your own businessperson, at your own business office, you'll be responsible for all of that—yourself! In short, you will be responsible for all business tasks, from executive to janitorial. You'll be responsible for executive and marketing decisions, financial and administrative details and deadlines, as well as clerical and reception work. Until your business becomes profitable enough to employ other people, it'll all be up to you. For many who operate their own business from home, this is a small price to pay for the many benefits that self-employment provides.

Where to Learn More

Books:

Kalita, Jennifer. *The Home Office Parent: Raising Kids and Profits Under One Roof*. Wyatt-MacKenzie, 2007.

Kamoroff, Bernard B. (C.P.A.). *Small Time Operator: How to Start Your Own Business, Keep Your Books, Pay Your Taxes, and Stay Out of Trouble!* Bell Springs, 2006.

Web Site:

Setting Up Your Office:

www.entrepreneur.com/HomeBasedBasics/SettingUpYourOffice/archive143976.html