

The YEBDC Small Business Information Column

by Sue Gingerich, Business Advisor

"Homebase Your Business"

Today the trend for many people starting a business is to begin the business in the home. Often it is done for several reasons; a lifestyle choice, the person may have small children or just want a more relaxed work atmosphere. The other major reason to locate the business in the home is to save money. Whatever the initial reasons, there are some things that should be considered before making the ultimate choice of being home-based.

Finances should be definitely be considered, but not only expenses should be reviewed, but also sales. All the following factors might affect the level of sales of a business located in a home:

- Reduced visibility.
- Less accessible to customers.
- The customer may feel awkward having to come into a person's home. (Can a home present a professional image the same way a commercial or retail location could? Does it need to?)
- Lack of space to display merchandise or to produce products or to perform services.
- Lack of signs to identify business.
- Distractions! (Can you ignore the dishes, the laundry, the personal calls....?)
- Working alone, in isolation. (Will it reduce your creative juices from flowing? Or actually increase them?)

All these things could affect the sales of the company. Thus, the savings may not be as great as one might think.

There are, however, ways to be home-based and compensate for some of the above:

- Whenever possible go to the client, instead of having the client come to you.
- Designate a specific area of the home for the business, keep it strictly for "business". Make it look as professional as possible.
- Additional advertising and promotion may make up for lack of signs, and having a less visible location.
- If permissible, clearly mark which door the clients are to use and where they can park.
- Set a schedule for yourself, like you were really "at the office".
- Schedule days outside the office for motivation and recharging the batteries. (Take in a lunch seminar, or take a course related to your work.)
- Join a local business association, where you are likely to meet others in a similar business situation.

Being home-based can be the best of both worlds in business, as long as you are aware of the potential pitfalls. Being home-based you can save time commuting to work and money having to buy lunch every day. You may even be able to save time and money in other areas depending on the type of business.

With today's technology, more and more people are opting for home-based businesses. If you are one of them, just be sure to consider all the impacts it will have on you, your family, and your business.

If you would like more information on how to determine whether or not your business is well suited to being home-based, call The Yellowhead East Business Development Corporation or stop by our office in Sangudo. The office is open Monday thru Friday from 8:30 a.m. - 4:30 p.m. or contact our office at (780) 785-2900 or 1-800-556-0328, by e-mail at: yebdc@yebdc.ab.ca or check out our Website at www.yebdc.ab.ca.

"Takin' Care of Business... Takin' Care of You!"