

## How to Set up a home office

Whether you plan on running a new home-based business out of your house or just want a decent space to do work brought home from the office, there are a few things to consider before you set up your home office. Using the following guidelines, you're just four steps away from a functional and efficient home office.

**Step 1: Decide on the location for your office.** Selecting the perfect room or space in your home for your office can go a long ways towards making your workday enjoyable and can facilitate the successful separation of work and home life.

Also, if you are planning on writing off your home office on your tax return, when selecting your location, you must consider that the room or space chosen must be used solely for the purpose of conducting your business duties in order to be eligible for deduction.

Here are some of the attributes you will want to look for in your home office space:

**Phone jacks.** Are there enough phone jacks in the room to handle the phone lines you will need? Are they positioned close to the workspace for convenience? Having to add one or two new phone jacks in a room can be costly so make sure you check out the location of the jack(s) in each room your are considering.

**Lighting.** Although lamps can certainly be added to any room, many people prefer natural lighting when available. Also consider the affect of any potential glare that may interfere with your ability to view your computer screen properly.

**Internet access.** If you have cable modem or DSL for Internet access, you will probably want to set up shop in the room where this access is available, even if you only use the Internet for email. If you are using a dialup account, you'll need a phone jack nearby. If your Internet access is not easily accessible in the room you want to set up your home office in, consider a home networking system -- via phone lines or wireless -- to gain access.

**Accessibility.** Do you prefer to have your business space "out of sight, out of mind" when you aren't working? Then make sure you choose a workspace that can be closed off after hours. This is particularly important if you have small children. However, if you prefer to be in the middle of family activities when you work, feel free to choose a space closer to where your family gathers. Locking drawers or file cabinets can keep your important documents secure.

**Noise.** Consider outside noises when you choose your home office location. Do you have the perfect room but it is right next to your neighbor's house -- the one who uses power tools all day long or who has the constantly barking dog? These disruptions can be disastrous if you meet with clients at your home or use the phone extensively.

**Step 2: Get the proper furniture.** Having a home office that is comfortable as well as functional is important. Look around your home for suitable furniture and accessories you already own to use in your home office. If

**Desk & chair.** Choose a desk and chair that are ergonomically correct so you won't strain yourself as you work. If you will be moving around between pieces of equipment often, consider a chair that has wheels. A computer armoire or any other sturdy table will also work in lieu of a formal desk but you may need to provide additional storage such as a filing cabinet.

**Lighting.** Lighting needs are a very individual choice -- while some like bright fluorescent lighting, others such as computer programmers & designers prefer to work in the dark! When choosing your lighting sources, make sure you take into consideration the different times of the day you will be working -- a room with great natural light during the day will need supplemental artificial lighting if you need to work in the evening.

You may also want to consider the following, particularly if you see clients in your home office or have special needs related to your profession:

- Couch
- Small meeting table
- Drafting board
- White board

### **Step 3: Gather the necessary equipment.**

**Computer.** Almost everyone will need a computer available in their home office even if it is used simply to type correspondence or print invoices. Your hardware and software needs will depend greatly on your line of business. Most computer systems from major providers come preloaded with much of the software you will need to perform basic office functions -- word processing, spreadsheet creation, email, etc.. Don't forget a good backup system and power surge protectors to avoid losing your work.

**Printer.** Your choice of printer will depend heavily on what type of business you are in. For business correspondence, a good-quality laser printer produces a clean, professional document and is a good investment if you do a lot of printing due to its speed. However, if you produce minimal output from a printer & won't use it extensively for professional documents, consider a less expensive inkjet printer.

**Separate phone line.** To maintain a professional appearance, it is critical to have a dedicated business line that is answered only by you -- not others in the household -- and is used strictly for business. An added benefit: while you cannot deduct the costs of basic charges related to your personal phone line, all charges related to your separate business line can be deducted if you are eligible for a home office deduction.

Also, don't forget to check out such options as call waiting, caller ID & conference calling as these may be features that could be useful to your business.

**Answering machine/voice mail system.** Make sure you buy a good-quality answering machine to use with your business phone line or check into voice mail services available from your telecommunications provider.

**Fax machine.** If you only fax in or out very infrequently, you may be able to make do with running to your local office supply store to send and receive faxes. However, at \$1-2 per page, these costs add up quickly. You may be better off buying an inexpensive fax machine -- you can even find a decent plain paper fax machine under \$150. You will probably need to buy a switching device so you can use your business line for phone calls, faxes & with your answering machine.

Also, don't discount your ability to send and receive faxes via your computer with programs such as Win Fax. This could be all you need if you fax information that primarily originates on your computer such as Word documents and/or spreadsheets.

For added convenience, you may also want to consider these items:

- Postage meter
- Personal copier
- Cellular phone/pager

**Step 4: Purchase basic office supplies.** Gathering these basic office supplies all together upfront can save you a lot of time later by avoiding multiple trips to the office supply store to grab "just one thing".

- Paper (for printer & fax machine)
- Printer cartridges
- Computer mousepad
- Pencils/pens/erasers
- Stapler/extra staples
- Post-it note pads
- Paper clips

Once you get these steps completed, you should have yourself a nice functional and efficient home office, and you're ready to start working! Don't forget to add personal touches such as family photos and other personal accessories to make your workspace more livable.