A Home Based Business can be Great!

Last week I discussed the “pitfalls” of running a business from your home and got some questions about how to make the venture a success beyond avoiding the pitfalls. We are experiencing a dramatic increase in home based businesses so that is a good question for today.

A few months ago, Inc Magazine did an article that featured 11 businesses that you can start in your pajamas in 2011. Yes, there is a wide variety of businesses that can be done successfully from the home. It is no longer necessary to start a business by renting an office and hiring an on-site staff. The home based entrepreneur benefits from lower overhead compared with one that has to rent office space and pay for all the expenses that come with that, such as utilities and maintenance. Time and money are saved by not having to commute to work as well.

The perception of what it means to be a home based entrepreneur is also changing according to Dun and Bradstreet writers, Tim Devaney and Tom Stein. Running a company from home is more common than ever thanks to the changing business environment. Working from home used to be a dirty word. Now, working from home is a perk and productivity does not suffer thanks to the ease and efficiency of technology and telecommunication. Being able to be “connected” to the world from home is one of the drivers of success for a home business. Take advantage of these tools.

It may not feel very ambitious to run a business from your home but it has many dividends. It helps you have time to ‘test the waters’ without racking up unnecessary overheads as a start up. It also allows you time to make your mistakes and fine tune that business model you had all nicely painted in you business plan or executive summary.

But, unlike the Inc Magazine article suggests, running a business from home is not done effectively in your pajamas. Get dressed and “go to work”! It may be tempting to say “But I am at home and besides no one can see me through the telephone”, but the very act of getting up in the morning and getting ready to sit in your work area and do some uninterrupted work will boost your work morale and get your innovative juices flowing.

Keep the distractions of the home and family out of your business. Don’t schedule the conference call with your manufacturer or your accountant at a time when, for instance, the children are back from school or the cleaning lady is doing her job. I found an interesting website called “Home with the Kids” that has some great ideas about separating the home and the office.

Remind yourself often of the reason why you left paid employment or college, for that matter, to pursue this dream of yours. Don’t allow yourself to come across as slouchy and unprofessional. When you are meeting leads or prospective clients, you want them to register some trust in your ability to do what you say you do. Remember, you are addressed by the way you are dressed.

Although some traditional professions frown at it, going to meet your client rather than them coming to you may just work very well. I find that it helps bridge the formality gap and it helps you see your client in his or her own environment and often helps to you to identify and meet their needs better.

Establishing and maintaining a home-based business can be complex. If you need help with this aspect of your business, contact America’s free and confidential source of small business mentoring and
coaching, SCORE, on our website: http://seminnesota.score.org/

Dean L. Swanson
Southeast Minnesota SCORE
c/o Rochester Area Chamber of Commerce
220 South Broadway, Suite 100
Rochester, MN 55904
*Dean is a volunteer SCORE Counselor.