



August 3, 2004

We Mean Business



Search Editorial Content:

Contact Us

Advertising

Archives

About Us

The Daily Trans

Go

[Advanced Search](#)

Roderick Dunk - Conductor

One of Britain's most versatile conductors

Economics Jobs

Jobs in Accounting, Finance, Consulting, Management & Business.

Ads by Google

- Home
- Subscribe
- News
- Columns
- Features
- Focus
- Special Sections
- Biz Daily
- Editorial Calendar
- Newsstands
- Nomination Forms
- Local Business Directory
- PR Newswire

Welcome
Jay Billups

Log-Out

[My Account](#)



Out of the home, into the office

by Jennifer Knight
07/30/2004

When someone works from home, the biggest barrier to expanding a business often is finding a quiet, affordable office space.

But moving a home-based business into an office isn't for everyone.

"For one thing, you want to have something close, so you're not spending all your time commuting," said Larry Stimpert, a business professor at Colorado College. "IT access and capabilities is another big aspect to consider."



CSBJ Photo

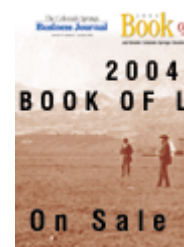
But rent is the biggest consideration, Stimpert said.

"One of the reasons to have a home office is because your mortgage is basically paying your office rent. If you relocate, now you'll have to consider paying rent for an office."

Time to Move?

If you do decide to move out of the house, you'll likely still have a ton of questions about where to go and what you'll need when you get there.

Jay Billups and George Hart think they have the answers in Executive Office Group, a company that provides office amenities in packages that range from \$40 for phone and mail forwarding services to \$1,595 for an array of benefits including meeting and conference room hours, almost unlimited use of the deluxe office equipment, a personal phone line, T1 Internet access and a furnished corner office.



Executive Office Group is located on Oracle Boulevard in northern El Paso County.

"I don't know how a home-based business can afford not to move in," said George Hart, chief operating officer. "Most people who work from home truly think they can't afford an office. They think, 'I have to hire a receptionist, I have to have a conference room.' But all those things exist for them, they just don't know it."

CEO Jay Billups, too, says the cost of taking advantage of the company's high-speed Internet and live receptionist, along with a color copier ("the other option is going to Kinko's all the time"), is outweighed by the benefits that growing businesses need.

"A self-employed person is worth about \$20 an hour. But how many hours a month are they devoting to administrative business?" Billups asked. "They very rapidly exceed the cost of having an office space with us. They lose business because they don't have someone to answer their phones-I know I tend not to leave voice mails. By having an office out here, you can focus on the things you need to do, instead of taking time away from growing your business."

Stimpert admits there are encouraging aspects to moving into an actual office, if the nature of one's business-legal, real estate, consulting, financial advising-requires meeting potential or current clients.

"On the positive side, an office-type setting would be more professional for your business. [As a client], it could be somewhat intimidating to go to someone's house."

It would seem that shady, fly-by-night companies might be tempted to get themselves some cheap credibility by operating out of Executive Group, but that's not the case, Billups said.

Realtors and mortgage brokers are pretty common, with Realtors often taking evening and weekend hours, while mortgage brokers tend to use the office equipment.

Virtual Offices

So-called "virtual offices" provide a mailing address, phone number, fax number and live receptionist.

With the services offered by large corporations such as Officescape and Regus, business owners can stay at home and maintain an office at home, but lease a facility that gives a professional appearance and an office front.

"Business owners I've worked with in the past seem to like it," said Small Business Administration spokesman Chris Chavez. "When a customer calls in he appears to be calling in to an actual office, when in reality [the call] is being redirected to a home. The virtual office has a fairly low overhead and shared expenses."

Chavez says several professionals he's known, including lawyer, got the best of both worlds.

"It is a very efficient way to maintain a business front but not have to pay the overhead," he said. "[The attorney] scheduled appointments with clients at the virtual office, but did legal work and data processing at home."

Home-based businesses may take place at home for a reason—perhaps the money simply isn't there to do otherwise.

"If you have to go out and rent a storefront somewhere, the overhead is prohibitive; it doesn't allow business owners to make a living. Businesses can run as efficiently out of the home as they can out of an office."

Who Does it?

Joseph Drew, of the limited liability corporation Innovative Communications Solutions, has been with Executive Office Group for three months.

His company, which markets a package that includes voice-recognition software to turn e-mail text into voice mail as well as sending voice mails via e-mail in sound attachments, required more than a home office.

"I started things from home but realized I needed an office space, a place to meet with people in an office environment. You can't always meet at a Starbucks or Panera Bread," said Drew, whose favorite courtesy is wireless Internet—because "my product is Internet-based."

He uses the conference room regularly as part of his personalized package.

John Gray has been in business for himself since 1991. Business Telephone Equipment receives a high volume of calls, and a quality answering service is what he needed.

Three months ago, he signed on for basic answering services.

"I've tried to use other answering services, and I've had spotty service," Gray said. "I chose Executive Office Group because they appear to have a high-quality service, personal as opposed to voice mail."

Gray answers calls personally on his office and cell phone numbers, and the caller is forwarded to Executive Office Group if he does not answer either.

"They help with customer retention by having a real voice answer the phone. In the telecom business, unfortunately, it's standard procedure to receive voice mail, but if there's an emergency, people tend to fare much better with a live person."

What's Right for You

Which option-whether one continues to work from home, leases office space and equipment, or uses a "virtual office"-all depends on the nature of one's business.

And before any business owner considers moving out of the home and into an office, Stimpert said there is one thing crucial thing to consider-the possibility of losing federal income tax deductions.

"One of the things that makes a home office very economical is that sometimes people can take a tax deduction," he said. "Over the last few years, the IRS has made that very difficult-you have to be able to claim you don't have an office anywhere else. But for those people who can take that deduction, it's a substantial savings."

- Editorial@csbj.com

[\[go to home page\]](#) [\[previous page\]](#)

Copyright © 2004, The Colorado Springs Business Journal All Rights Reserved.
[Terms & Conditions of Use](#) | [Privacy Policy](#)