

Home Office Organization Saves You Money - Here's Why



Don't you just love the feeling of satisfaction you get after a long-overdue decluttering binge? At long last, you can finally survey your domain - be it your home, your office, or your home office - and truthfully remark, "Gosh, this place looks great."

Can a little well-deserved self-satisfaction put money in your wallet? Maybe. There's actually a strong financial case to be made for home office organization - as long as you can commit to cleaning and organizing more than once in a blue moon. Whether you're a solo professional, a location-independent small business owner, or a traditional employee who frequently telecommutes (or burns the midnight oil) from home, here are six money-saving reasons to bring order to your home office.

Why Home Office Organization Saves Money

1. It's Harder to Lose Small Electronics & Office Supplies

If you've ever "permanently misplaced" a thumb drive in the bottomless pit of a disorganized office, you're all too aware of the importance of organization. You probably think back to the unease you felt when you realized you'd likely never see that particular piece of equipment again - and the dread associated with the thought, however unlikely, that someone could be poring over sensitive personal or professional data at that very moment.

Thumb drives are but one of the many small, random pieces of electronic equipment that can fall victim to a poorly organized home office. Earbuds, phone chargers, smartwatches and fitness monitors, pocket calculators - all are small enough to lose in a chaotic drawer, cabinet, or closet. Non-electronic office supplies, such as staplers and ballpoint pens, are vulnerable too.

The losses can add up - if you misplace one pair of earbuds, one phone charger, and one stapler per year, you're looking at a total loss of \$30 to well over \$50. And, to state the obvious, every dollar you spend to replace lost electronics and supplies is a dollar you can't invest in worthier projects or pursuits.

2. It Saves Money at Tax Time



If you're a [self-employed freelancer](#) or small business owner, you probably take every possible business tax deduction. And you're probably all too aware that accurately tracking all your deductible expenses requires a lot of paper (and electronic) storage - for receipts, bills, invoices, and more.

When you build such storage into your home office's organizational architecture, you significantly reduce your likelihood of misplacing important paper or digital documents that can reduce your tax bill. And, if you forget about those documents at tax time, you'll never recover the potential savings.

3. It's Easier to Prepare for an IRS or State Audit

The same principle applies to tax audit preparation. The [IRS](#) audits returns as old as six years if it identifies "substantial errors," and can go back even further under certain circumstances. Therefore, you should keep the past six years' tax records on hand, particularly if you're an independent professional with a complex tax situation and a penchant for preparing and filing your own taxes.

Depending on the complexity of your situation, six years' worth of tax records can take up a lot of space - and cover a lot of pieces of paper. If your home office isn't organized, it's very likely that you'll misplace important documents at some point following the filing deadline. This likelihood increases even further if you move to a new house or move your office to another room. Keep it in check by staying organized from the start.

4. It's a Better Look for Clients

If you host clients at your home office, you literally can't afford to have a messy home office. The ironclad rule about first impressions applies here - once a new client sees your disorganized workspace, they can't unsee it. Depending on their tolerance for slovenly service providers, their experience may drive them to reassess their relationship with you. This principle applies to virtual consultations as well, as even the most attentive clients' eyes are likely to wander to what's on the wall behind your head (or, worse, what's on the floor next to your chair).

Rather than keep their home offices tidy, many workers choose to take meetings in coffee shops, coworking spaces, and other suitably professional public spaces. But doing so comes with a financial trade-off - for instance, \$5 to \$10 per coffee shop meetup, assuming you're buying your client's latte, and more if you're ordering food.

5. It's Likely to Improve Productivity

An organized office requires less attention, freeing up more of your time for high-value work. Rather than spend your on-the-clock hours searching through stacks of papers or troves of data, you can focus on doing what you do best: building your business and keeping your clients happy. Every billable hour made possible by your newly organized office is a billable hour you won't waste to a fruitless, frustrated search.

6. It Keeps Your Finances on Track

A tidy home office could be a big boon for your business's cash flow. If you accept check payments, poor organization can hamper your ability to account for client payments (and nonpayments). Not knowing which clients are current on their obligations and which haven't paid in a while makes for some awkward conversations. Poor accounts receivable organization can affect your end-of-year accounting too, muddying your income waters and potentially complicating your taxes.

By the same token, a well-organized office reduces the chances that you'll misplace important paper bills, invoices, or statements before you have a chance to pay them. The last thing you want affecting your credit score is a simple clerical error.

Final Thoughts

As the old saying goes, "Everything should have its place." If you can tame your home office, why stop there? Why not impart some semblance of order throughout your entire house (or even your garage)?



It's not impossible. Tidying your house or garage simply requires applying the same principles of home office organization on a larger scale, and the upshot is that there's not likely to be a huge mess of sensitive documents or electronics to deal with in every room of your home. And, while you're unlikely to encounter quite as many opportunities to save or earn money by tidying your house, the quality of life benefits of an orderly house are sure to make the ordeal worthwhile.

Are you ready to get organized?

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