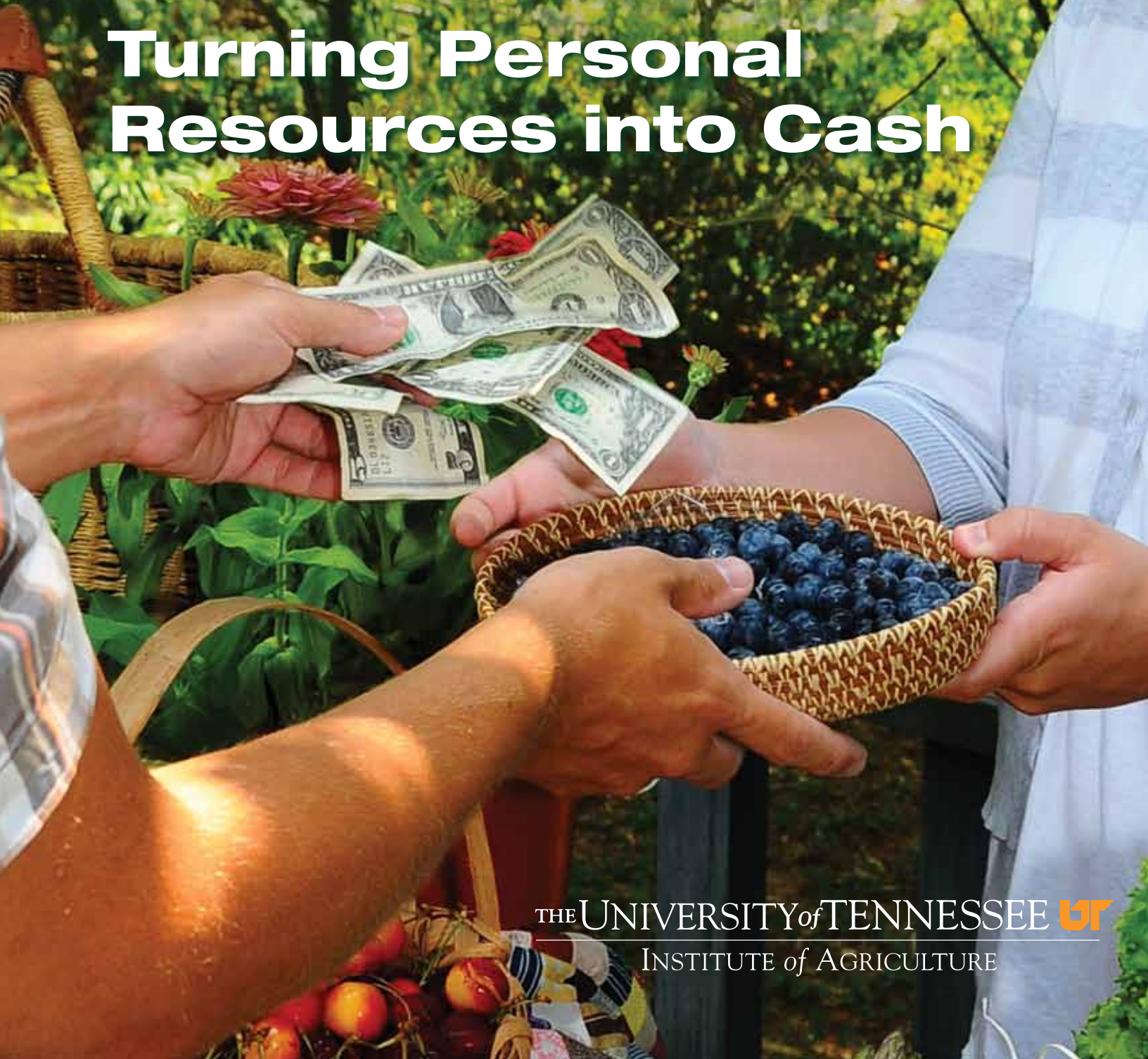


# Economic SOLUTIONS

## Turning Personal Resources into Cash







# Economic Solutions ...

## Turning Personal Resources into Cash

*Dena Wise, Professor*  
*Christopher Sneed, Extension Agent II*  
*University of Tennessee Extension*  
*Family and Consumer Sciences*

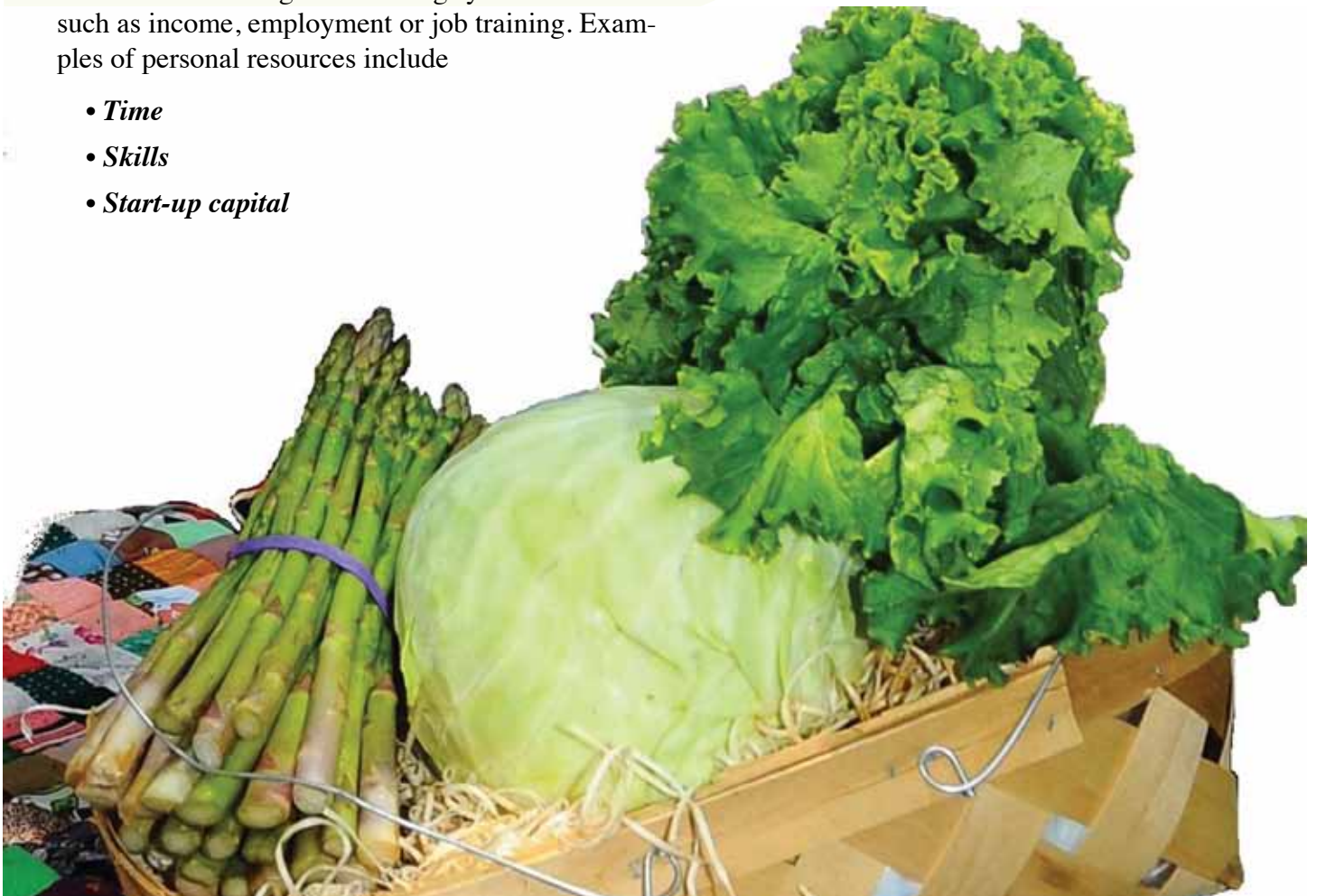
Face it! Whether employed or unemployed, we all could use a little extra money. Most people think that they need a “job” to make money. While a job is a great source of a steady income and perhaps benefits, that steady stream of income can quickly be reduced or even eliminated.

More and more people are finding they need more money than their regular job provides or that they have to come up with money without actually having a job. There are ways to make money that most people may not have thought of. This publication will help you identify the personal resources you have and give you ideas about how to—legally—turn those resources into cash.

### **What is a Personal Resource?**

A personal resource is something you already have that can be used to get other things you want or need such as income, employment or job training. Examples of personal resources include

- *Time*
- *Skills*
- *Start-up capital*



# Time

When you think of personal resources, time may not be the first one that comes to mind. But, time IS money.

When your time isn't structured by outside employment, it's easy to use it in ways that are not productive. If you're going to turn personal resources into cash, you can't get distracted and waste time on other things. The activity below will help you do this.

Think back to yesterday. Around the clock face, make notes about what you were doing during the different times of the day. Be honest.

*Don't worry! This painful exercise won't take too much time!*

## NOTES



Take a realistic look at how you spent your time and ask yourself these questions. Make notes about your answers.

1. Were you able to account for all your time?

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2. What surprises you about how you spent your time?

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3. What activities occupied the largest chunks of time?

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4. Will those activities help you make extra money?

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### Tip #1

Employed or not, at least eight hours of your day should be devoted to work—looking for a job, updating your resume, getting new training or figuring out how to turn your personal resources into cash.

If you are not satisfied with your use of time yesterday, make a plan for being more productive today.

# Skills

The skills you have are not shared by everyone. Your unique skills are worth money!

If you are good at ...	Make money by ...
Using new technology	<ul style="list-style-type: none"> <li>Uploading music on iPods</li> <li>Designing/maintaining websites</li> <li>Creating online surveys</li> </ul>
Giving your opinion	Taking online surveys
Writing	<ul style="list-style-type: none"> <li>Blogging</li> <li>Facebooking/Twittering</li> <li>Writing technical publications</li> </ul>
Crafts	<ul style="list-style-type: none"> <li>Making and selling jewelry</li> <li>Designing holiday decorations</li> <li>Scrapbooking</li> <li>Woodworking</li> <li>Creating personalized greeting cards</li> </ul>
Fixing things	<ul style="list-style-type: none"> <li>Repairing furniture</li> <li>Refinishing furniture</li> <li>Doing minor home repairs</li> </ul>
Sewing	<ul style="list-style-type: none"> <li>Doing alternations</li> <li>Recovering furniture</li> <li>Repairing clothing</li> <li>Monogramming</li> </ul>
Decorating	<ul style="list-style-type: none"> <li>Staging homes for real estate companies</li> <li>Making floral arrangements</li> <li>Decorating homes for the holidays or special events</li> </ul>
Bargain hunting	<ul style="list-style-type: none"> <li>Selling yard sale finds online</li> <li>Flea-marketing</li> </ul>
Working with children	<ul style="list-style-type: none"> <li>Babysitting</li> <li>Entertaining at children's parties</li> <li>Leading children's activities</li> </ul>
Cleaning	<ul style="list-style-type: none"> <li>Starting a cleaning service for homes or businesses</li> <li>Cleaning swimming pools</li> <li>Doing laundry</li> </ul>
Organizing	<ul style="list-style-type: none"> <li>Cleaning out and organizing storage spaces</li> <li>Filing</li> </ul>
Growing things	<ul style="list-style-type: none"> <li>Growing and selling fresh produce or herbs</li> <li>Selling flowers or plants</li> <li>Weeding and fertilizing gardens or plantings</li> <li>Trimming hedges and pruning</li> </ul>
Moving and lifting	<ul style="list-style-type: none"> <li>Collecting metals</li> <li>Hauling junk to recycling centers or landfills</li> <li>Helping people move</li> <li>Rearranging furniture in homes or businesses</li> <li>Leading study groups</li> </ul>
Studying	<ul style="list-style-type: none"> <li>Tutoring</li> <li>Doing research</li> <li>Taking class notes and selling them</li> </ul>
Art, graphic design or photography	<ul style="list-style-type: none"> <li>Selling paintings</li> <li>Screen printing</li> <li>Designing promotional brochures</li> <li>Matting and framing</li> <li>Stretching canvases</li> <li>Selling stock photographs online</li> <li>Documenting family activities through photography</li> </ul>

## Ideas for Businesses with Low-cost Start-up

- Grocery shopping and delivery
- Meal planning/grocery shopping
- Comparison shopping service
- Errand running
- Distributing flyers and promotions
- Flower/balloon delivery
- Singing message delivery
- Workplace lunch delivery
- Diaper/formula delivery service
- Fresh meat/produce delivery service
- Pharmacy delivery service
- Personal chef
- Cake decorating
- Catering
- Alterations
- Sewing
- Window treatments
- Making cushions and pillows
- Monogramming
- Decorative painting
- Holiday decorating
- Gift shopping service
- Gift wrapping service
- Organizing garage sales
- Resale clothing
- Closet organizing
- Garage organizing
- Home weatherproofing
- Home dust and allergy control
- Window cleaning
- Gutter cleaning
- Erecting fencing
- In-home sick child care
- In-home child care
- Recuperative care
- Elder care
- Tutoring
- After school child transportation/care
- Children's taxi service for working moms
- Elderly taxi service
- Herb gardening





- Flower-scaping
- Garden consulting
- Vegetable gardening
- Flower gardening
- Indoor plant maintenance
- Home and office fresh flower delivery
- Yard work
- Packing and unpacking service
- Local moving service
- Internet research
- Family tree research
- Bookkeeping
- Disc jockey service
- Wedding coordination
- Preparing and sending newsletters
- Calendar and reminder service
- Resume preparation
- Income tax service
- Word processing service
- Video service
- Bartending for private parties
- Wedding photography
- Informal family photography
- Creating menus for restaurants
- Supplying specialty herbs and vegetables
- Specialty food preparation
- Business travel management
- Serving at private dinners or receptions
- Walking tours
- Reunion organizing
- Personal travel planning
- Event promotion
- Clowning

**Note:** Some of the businesses mentioned may require special training, licensing or insurance. It is important to research business ideas fully before you decide what you will do.



## Remember, you are worth it!

When you use your unique skills, you deserve to be compensated. While it is OK to help out friends and family from time to time, remember that it is OK, even practical, to expect to be compensated for the work that you do.

Setting a price to charge for your work may prove to be the most difficult part of turning your assets into income! (Hey, even the “pros” have a hard time with this.) While there is no hard and fast rule for what you should be paid, you should expect no less than minimum wage for the work you are doing. In the case of work that is highly skilled, you can and should ask for more than minimum wage. Check out the following examples of how to compute your worth.

### EXAMPLE 1 - Scrapbooking

You have been asked by a friend to create a small, five-page scrapbook for her mother’s birthday. In deciding how much to charge, you should consider:

#### Your Time

(including time spent shopping for supplies, time planning the scrapbook pages, time working on the pages, time cleaning up after the project)

#### Your Fee

(let’s assume you are going to charge \$7 per hour of your time)

#### Your Supplies

(cardstock, glue, embellishments, stickers, letters, etc.)

### Tip #2

If you decide you want to be paid for something you’ve been doing for free, be sure you’ve made this clear to friends or family.

Determine how much you want to be paid and negotiate your terms up front before you actually do any of the work.

$$\text{TIME: 10 Hours} \quad \times \quad \text{Fee} \quad = \quad \$70.00 \quad + \quad \text{Supplies} \quad = \quad \mathbf{\$95.00}$$

$\$7.00/\text{hour} \qquad \qquad \qquad \$25.00$



## EXAMPLE 2 - Photography

A neighbor who knows you're good with a camera has asked you to take pictures at her child's birthday party and make six memory books for relatives.

### Your Time

(including time spent photographing the party, editing the photographs and designing the memory book)

### Your Fee

(given your special skills and equipment, you feel a fair charge is \$20 per hour of your time)

### Your Supplies

(you estimate that each 24-page memory book will cost \$25)

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<b>TIME: 10 Hours</b>	X	Fee	=	\$200.00	+	Supplies	=	<b>\$350.00</b>
		\$20.00/hour				\$150.00		

Photographing :  
2 hours  
Editing: 2 hours  
Designing: 6 hours

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# Start-up Capital

Don't let this business term frighten you. Start-up capital simply refers to the money, equipment or space you need to begin turning your resources into income. The equipment and supplies you've purchased for personal use may be just the start-up capital you need to begin performing paid services for other people. Take inventory of your possessions and decide which ones might be used to generate extra cash.

- Reliable car
- Truck or trailer
- Boat
- Recreational vehicle
- Woodworking equipment
- Welding machine
- Mechanic tools
- Home repair tools
- Extension ladder
- Scaffolding
- Air compressor
- Pressure washer
- Snow blower
- Leaf blower
- Lawn mower
- Garden tractor or tiller
- Hedge trimmers
- Weed eater
- Gardening equipment and supplies
- Left over seeds and fertilizer
- Extra yard plantings
- Farm machinery
- Horse
- Livestock
- Wagon or carriage
- Earth moving equipment



- Scanner
- Copier
- Computer and Internet
- MP3 player
- Video or still camera
- CD burner
- Sewing machine
- Serger
- Embroidery machine
- Mat cutter
- Craft supplies
- Fabric scraps
- Gift wrapping supplies
- Art supplies
- Flower arranging supplies

- Laundry equipment
- Steam cleaner
- Carpet shampooer
- Dishes and service ware
- Cake decorating supplies
- Canning equipment
- Baking equipment
- Keyboard, guitar or other musical
- Instrument
- Karaoke machine
- Speakers, microphones, sound board



The most important start-up capital you may need is money. If money is tight, you can always start small. Starting small allows you to get a feeling for what you are undertaking before you make a major commitment. The following chart show places in your current budget where you may be able to generate the cash you need within a few months.

### Small Savings Add Up

Item	Cost Each Purchase	# Per Month	Cost Per Month	Cost Per Year
Soft Drinks	\$ .75	30	\$22.50	\$270
Pack of Cigarettes	\$5.00	15	\$70.00	\$840
Lunches Out*	\$5.00	12	\$60.00	\$720
Music Downloads	\$1.50	12	\$18.00	\$216
Movies	\$7.00	4 tickets	\$28.00	\$336
Snack Food	\$1.00	15	\$15.00	\$180
Total			\$213.50	\$2,562

\*In excess of bringing food from home.

### As You Begin . . .

Before you spend lots of time or money, find answers to the questions below by researching them on the Internet or contacting agencies that can assist you.

***If you plan to start your own business, is there a market for your product or service?*** The “market” for a product or service is the number of people who would pay money for it, and the amount of money they would pay. A good way to start researching your market is to ask people in your community if they might use your product or service and what they would pay. You will need to be flexible and willing to change your ideas for a business as you learn more about what people need or expect. Lots of experimenting with different ways of doing things will help you learn what works.

***Is special training required for what you plan to do?*** Some jobs require special training or certifications. Check with your local career center (<http://www.state.tn.us/labor-wfd/cc/cccounty.htm>) to see if what you plan to do requires training, and if you qualify for training assistance or free training.





***If you are making a product to sell, does it meet health and safety requirements?*** If you are making a food product, health laws require that your food preparation area be inspected and certified. You may be able to certify your home kitchen under Tennessee’s Domestic Kitchen Regulations (<http://tennessee.gov/sos/rules/0080/0080-04/0080-04-11.pdf>). Also, some communities have certified kitchens in community centers or churches that can be rented to prepare food products for sale. Check with your local health department and your Extension agent to learn if your locale has a community kitchen and what safety precautions you need to take when preparing and packaging food or other products.

***If you plan to provide a service for pay, do you need special licenses or insurance?*** You can find information about state or local licensing requirements on the Internet, including some of the sites below. You may want to talk with people who are doing similar businesses about these requirements.

***What are the tax implications of your extra income?*** Registering your business name will trigger tax requirements and the need to report sales. In addition, you are legally required to report your income from all sources on your Federal Income Tax forms. Be prepared to share some of your extra cash with the government, and understand what implications small business success may have on your record-keeping and cash flow. This site can provide more information:

<http://www.sba.gov/smallbusinessplanner/manage/paytaxes/index.html>

***Do you need help with your plans?*** A very good way to get help is to talk with people who do or have done similar businesses. Retired business people can often give you excellent help and advice. Some state and local agencies and organizations also offer help. These may include:

- State of Tennessee [www.tn.gov/topics/business](http://www.tn.gov/topics/business)
- Tennessee Career Centers <http://www.state.tn.us/labor-wfd/cc/cccounty.htm>
- U.S. Small Business Administration <http://www.sba.gov/smallbusinessplanner/index.html>
- Tennessee Small Business Development Center <http://www.tsbdc.org>
- eXtension <http://www.extension.org/entrepreneurship>
- UT Extension <http://utextension.tennessee.edu/pages/offices.aspx>
- UT Center for Profitable Agriculture <http://cpa.utk.edu>
- Your local Chamber of Commerce <http://www.tnchamber.org>
- Service Corps of Retired Executives (SCORE) <http://www.score.org>

### Tip #3

**Start now! If you wait until you have “enough” money or “extra” time, you may never begin. Outline a plan and commit to making daily progress toward your goal.**

## A Word of Caution About Work-at-Home Offers ...

Type “make money at home” into any Internet search engine and you will be amazed at the “opportunities” available. While the Internet is a great place for generating, researching and locating ways for making money on your own, not all offers on the Internet are legitimate or even legal. To avoid falling victim to a “make money at home” scam, consider the following:

- Type the name of the work-at-home website or company along with the word “scam” into your Internet search engine. Chances are if others have been taken advantage by a company, they will have been more than willing to post their bad experiences online.
- Never commit a large sum of money up front in return for the promise of a large return. Legitimate companies should require little if any money upfront. If the work-at-home company you are considering requires the purchase of inventory up front, make sure you can be refunded for any unsold inventory.
- Be realistic. No one is going to give you a large paycheck for doing nothing. The amount of compensation and the effort required on your part should make sense. If not, perhaps the “opportunity” IS simply too good to be true.
- Read the fine print – all of it. Read and understand the terms and requirements. The glitz and appeal of work-at-home opportunities are often overshadowed by the truth buried in the fine print.
- Check it out. The Better Business Bureau ([www.bbb.org](http://www.bbb.org)) is an excellent resource for investigating work-at-home offers.

Adapted from:

Wise, Dena. 2000. Turning Personal Resources Into Income. UT Extension. PB1662.

### Tip #4

“Sometimes you gotta’ create what you want to be a part of.” (Geri Weitzman)  
Creating ways to generate cash outside of a regular job may be challenging at first. Don’t worry! Help is all around you—maybe a mouse click or phone call away. The time you spend educating yourself before you actually begin can be the most important factor in your future success.





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