

Earning Money vs. Making Money

Use with Camp Millionaire and The Money Game

Playbook page numbers used:

None

Prerequisite activity:

This short, simple skit and conversation is best added right between Rounds 3 and 4, before your participants have a chance to invest in their first asset but can be done as a stand alone activity lesson.

Costumes/Props needed:

Optional: beach towel, umbrella drink glass (with umbrella:-), pillow, blanket.

Main Objectives:

- To show participants the difference between earning money and making money.
- To inspire participants to start businesses.
- To illustrate the difference between being dependent on another for a paycheck and making your own money so you're independent.
- To show participants that they have more control over their lives when they make money rather than earning it.

Key Terms, Callbacks:

Earning money, making money, passive income, trading time and energy for money.

Principles, Sayings, Declarations:

- You are the CEO of your own life.
- Make money grow by putting it to work for you.

Suggested Enrolling Questions:

- How many of you want to make money while you're sleeping?
- How many of you would like to make money while you're on vacation?
- How many of you would like to make money whether you're working or not?
- What if I told you MAKING money was a lot more fun and give you a lot more freedom than you'll probably ever have from EARNING money.

Set up/Preparation:

None

Activity Dialogue:

Note: Act out the following questions, i.e., if you can lay on the floor with a pillow and a blanket and pretend to be sleeping, do so. Then pretend you're on vacation on a beautiful beach. This is great to do with a fellow instructor but easy to do by yourself as well.

So, how many of you want to make money while you're sleeping? (Lay on the floor and pretend to sleep.) How many of you would like to make money while you're on vacation? (Pretend to be on vacation.) How many of you would like to make money whether you're working or not?

Great. So you want me to tell you how to do this? OK, listen up...

What have you been doing so far to get money? Right...you've been working for me so that I give you a paycheck. And what have you been trading for money? Exactly...your time and energy. And if you don't work, do you get paid? Of course not, unless you're talking about a paid vacation but that's not what we're talking about here.

Can anyone tell me the difference between Earning money and Making money? (Get responses.) What do you call it when you trade your time and energy for money? Right, you're EARNING the money. Then what is MAKING money? (Get responses.)

You can make money in many ways. The first way is when you create it yourself by inventing a product that other people need or want and you sell that product at a profit. Who knows what the word 'profit' means? Right...you get paid more for the product than it costs you to have the product created. Every time you sell your product, you've MADE money.

Another way is to write a book, play, movie, TV show, song, ebook, information product or video that people buy from you. You can sell the product to others or do what is called Licensing the product to other people to use and they pay you for that right. A Franchise is a type of license. Who can name a franchise they know well (McDonald's, State Farm, and thousands more).

How many of you have ever come up with a great idea to create something or make something that already existed a lot better? Cool...you have the makings of what we call an entrepreneur.

Can anyone tell me what an entrepreneur is? (A person who creates a business with his ideas or someone else's ideas in order to make money.)

So, what's the main difference between a person who EARNS money and a person who MAKES money?

Note: Use the following questions to help participants understand the differences between Earning and Making money. First, tell them they are employees Earning money, then ask the questions. Then tell they are entrepreneurs Making money and ask the questions again. Let the participants come up with the answers as much as you can, leading the answers if you need to. Let this be more of a conversation than a lecture.

1. How are you hired?
2. How are you paid (hourly, salary, commission, interest, appreciation)?
3. Do flexible is your work schedule (9-5, every weekend, nights, etc.)?
4. What skills, knowledge and other talents do you need?
5. What are your responsibilities?
6. Who funds (pays for) your retirement?
7. Who takes the risks in the business?
8. Who pays your medical insurance?
9. What are your salary/income limits or expectations?
10. Can you deduct job expenses from your taxes?
11. Who controls your vacation time, when you take time off, sick time?
12. What type of income are you earning (earned, passive)?

Is there anything wrong with being an employee who earns money? No, there's nothing wrong with it. It's just important to understand the difference between earning money and making money and know that getting a job, and having a job for the rest of your life, is simply one way of bringing money into your life. There are millions of other ways...limited only by your imagination!

How many of you would rather be the CEO of your own life? Great. Do you have to be a certain age to start a business? No, you can do it NOW! Even if you don't know exactly what to do, the thing TO do is to start paying attention to the world around you and constantly look for opportunities to create products and services other people need and want. And then start learning how to create your own business.

By the way, how many of you know people who are making money on the internet? Well, creating an online store or service is a fantastic way to make money and work for yourself, so keep that in mind.

OK, how many of you want to spend your lives earning money? How many making money?

Either way, it's whose choice? Exactly...it's YOUR choice! Great work.

Wealthwork Suggestion: Have your students look on the web for kids and teens who have started businesses when they were young. Cameron Johnson is a great role model. He wrote a great book called *You Call The Shots* that you could tell them about.

Flipchart:

None unless you want to list the licensee or have the students come up with business ideas they've had.