

EPISODE 257

[INTRODUCTION]

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FT: Hey everyone. Welcome back to So Money. I'm your host Farnoosh Torabi. My guest today, so excited for this lady, Tory Johnson. She's very accomplished. It's actually quite hard to keep up! She's an employee turned entrepreneur, who's goal in life is to make great things happen for women, and in doing so she created two multimillion dollar career-focused businesses for women. The first, Women for Hire, a recruitment service offering a variety of career-related information for working women. And the other is called Spark and Hustle, a subscription network for entrepreneurs to come together, to connect, and collaborate on their ideas.

Tory is also a weekly contributor to ABC's Good Morning America. She's also the author of, get this, seven books! Including the New York Times best seller, "The Shift: How I finally lost weight and discovered a happier life." In it she shares how she shed 62 pounds in a year after her life long battle with her weight. That book did tremendously well, it just really changed the way many women in particular look at dieting, and body images, and losing weight, and living healthy.

And earlier this month, Tory's sequel to that book, "Shift for Good" came out. Simple changes for lasting joy inside and out. In the book she recounts her journey to personal discovery and the effect it has had on both her professional and personal life. For years Tory was so focused on the number on the scale and her waist size, but realized even after she lost all the weight, she was still missing something. And so in the latest book Tory shares with her readers how they can find joy in their daily lives and how they can make this shift for good since she experienced it first hand as well.

Lots of takeaways from our time with Tory, including her number one financial lesson for women of all ages. Her greatest financial regret, and — I love this part — why focusing solely on your passion, pursuing your passion, isn't exactly a recipe for success.

Here is the lovely Tory Johnson.

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[INTERVIEW]

FT: Tory Johnson, welcome to So Money! I've been trying to get you on the show for a while, but you know what, you've been pretty busy and that's okay.

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TJ: [Laughs] Well I'm excited to talk to you now!

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FT: Congratulations on your latest book, "Shift for Good", it's a sequel to "The Shift", which came out, hit the number one charts on the New York Times best-sellers all about your journey to losing weight and discovering a happier life. Your latest book, "Shift for Good", it goes beyond weight loss and really helps your readers find ways through habits and small changes for finding joy and fulfillment, both inside and out.

You, Tory, before we got on the podcast I was just gushing about you because for me, especially, watching your career progress has been incredibly inspiring. Because if you go back 10 years, you were Tory Johnson, career expert. And you were the go-to person when it came to women, and career, and starting businesses, and finding your dream job. But there's always various sides to all of us. You had more to give and more to share, and now I really see you has Tory Johnson, Expert on a variety of things that matter, not just work, but finding happiness and parenthood. And I feel like you have put yourself out there, and that's been a real gift to everybody, and for your career it's been amazing.

Was this the plan? When you going back to say — when you first started your businesses, and you were getting on TV, did you have this bigger vision? Or at what point did you decide? Cause

it seems like it was conscious. "I'm gonna put myself more out there. I'm gonna talk more about my personal journey as well as just the professional journey."

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TJ: So it definitely was not planned. I, in fact I used to sort of argue against this that when you can't sort of clearly articulate exactly who you are and what you do, and there's any ambiguity about that that you've lost your audience. And I still, to this day, I have no idea like what it would say on a business card or how I even introduce myself. I'm still sort of tongue tied with all of that. And so it definitely was not planned. I'm somebody who doesn't really believe in five year plans or it's never really worked for me because I'm not that good at forecasting the future. But I am really good at identifying opportunities, being curious, and sort of going where I'm led. And sometimes it's not a person, but it's circumstances that lead us to different things.

So I never in a million years set out to write about books tied to health or personal development, but the conversation with a boss sort of put me personally into a situation where, for the first time ever, I lost a lot of weight and people noticed and so I started to talk about it because people were asking. And so I thought, "Okay, I'm gonna share this story because it's part of who I am and I've hidden things for so long and I'm gonna talk about it," and sort of that took off in a way that I never, ever, ever could've imagined, but I couldn't have planned it. But it was really came about from a conversation at work.

And I think a lot of the things that I do evolve some listening. Listening to my audience, listening to what's happening around me, I'm very much sort of a product of my personality and a product of my situation and I'm not really good at planning this as it's done. I'm not that good! But I'm really good at identifying those opportunities when they arise, as has been the case here. So the short answer is, none of it was deliberate, but I think some of our best career opportunities come about when we're ready, willing, and able to kind of run with something that presents itself.

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FT: I love that you said that you don't get too caught up and that you're not hard on yourself because you can't define what you do in a nice, neat two sentences and put a bow on it. Because I have that struggle too when I'm at like a networking event or a business breakfast and we're all going around the table — and first of all, I don't carry business cards because it would be like three paragraphs of what I do. There is no like, I don't even waste my time on LinkedIn because I don't even know like how to identify myself on there and I think that's kind of the way the world is shifting. If you think about it, more people are becoming entrepreneurial, we're becoming more curious about doing different things and I think that's healthy and we should promote that.

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TJ: Totally! I think it is a reality that we're interested in a lot of different things. And so I tend to focus on the area of wherever I need to be present at that moment. So if I am at a career-related event, that's what I'm talking about. Sort of my background and expertise in business in that space. If I'm talking to women entrepreneurs, that's sort of the hat I'm wearing and the focus that I have. If I'm at a trade show looking for products for my segment on Good Morning America, my Deals and Steals segment, that's the hat I'm wearing. And I think that one of the best things we can do is sort of adapt as needed to the audience or the environment that we're in, if we are people who wear multiple hats And I think that it's a sign of just an interest to curiosity, a passion in a lot of different areas.

Some people would argue that it's impossible to be successful in multiple things. For some people it's essential to be successful in multiple things because that's where their passion and interests are and if anyone of those things sort of dropped away, they'd be in trouble for a little bit. So I think the time that we're in is really about like making your own rules and following your own rules and sort of going with your gut. And I think that's the thing I'm best at, is just like going with my gut. I don't know if what I'm doing is right or wrong, but it works for me, and that's good enough.

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FT: It's really empowering because ultimately what the message is that you have the power to shape your life and you know what? Life is a series of experiments, you're gonna fail, you're gonna succeed but it's really — the buck stops with you. And one of your, I guess, habits or advice in the book that I really liked among many is, "Banish 'if only'". We feel like we don't have the control and that there are all these forces outside of our lives that prevent us from doing the things that we wanna do, but that's a real mindset shift that needs to happen, you say.

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TJ: Absolutely, absolutely. I think that too often — and this is particularly challenging for women — we think, "Oh if only we had more money. If only I had the better partner. If only I had a bigger house. If only I lived in a different area. If only I had a better staff, a better boss, a better whatever." And it's sort of a convenient crutch that kind of gives us permission to slack. Like, "Oh well, I don't have a better boss and I don't have a bigger house, and I don't have a better partner, and don't have a lot of money. And so therefore, eh, you know, I'm off the hook."

And I think that when we start pursuing sort of what makes today better than yesterday? What makes me happy right now? What's going to sustain me for the next week? When we're really focused on being present and creating the best possible opportunities and an environment, and sort of overall well-being today. Not based on when I lose 20 pounds, when I save \$100,000, when I get rid of that credit debt, but today. Today! What can make me sort of feel as fulfilled and content as possible each and every day? I think that that's when we get to a really good place.

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FT: And as we go on this journey, Shifting for Good, you talked about — we talked about "banish 'if only'" and then you mention "start each day with positive intentions, make smart choices daily — I like this — practice daily calm". When it comes to our money Tory, and since this is the So Money show, what would you say is one of your bits of advice if we wanna shift for good towards a better financial life?

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TJ: So this sort of runs really deep for me. So one issue is, for me, like the idea that retirement is gonna be here before I know it. And so I think in terms of saving for the day when I can no longer earn. And I think about this a lot because my grandmother has Alzheimer's and she has outlived her money because she's in her 90's, so it's not about her age, it's about the fact that the quality of care that she has is incredibly expensive. And I don't want to be that financial burden on my kids. She is fortunately surrounded by a family that's able to take care of her financially, and yet most people aren't in that situation. And I think about her every single day as I watch her suffering from just a horrendous illness and I think though not just about her personally, and of course that's first and foremost, but I think about the money aspect of it and I think about how expensive elder care costs are in this country.

And so for me it's constantly being aware of saving for the day when I can no longer earn. And that doesn't mean I can't earn because I'm dead, it means that I'm simply at an age or a place in my life, or a condition where I cannot earn money anymore. And I think for too many of us we think that that time is so far off. We have a long time before we retire, we have a long time before that day comes. Or, "We're definitely gonna win the lottery, we're definitely gonna hit the jack pot." And those sort of moments don't come. We don't hit the jack pot, we don't win the lottery. Like our power ball numbers don't come in. And I worry about that. I worry about that because I watch a lot of peers sort of living for today as opposed to saving for another day.

So for me that is a huge financial philosophy. My dad died unexpectedly at a young age; he was 66 and had pancreatic cancer and within three weeks from diagnosis to death, that was it. And my mom was left with a financial mess and it's largely because she didn't talk enough about money, she didn't pay attention to money, and she made assumptions that were entirely wrong about what their financial picture looked like. And so for me, focusing on the future is very important, each and every day.

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FT: Was that sort of the mentality growing up as well, in your household? That money is not something we talk about? What was your exposure to money and finances as a kid growing up in your household? Did you feel like you had a good upbringing in that sense?

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TJ: So I feel like there was always plenty of money to go around, but the thing that had made the most lasting impression on me is that we hid purchases from my dad. So my mom and I would go out shopping, I would go out with my brother shopping, and we'd come home and we'd have to like hide our bags. And I saw an imbalance of control of money between my parents. And my mom worked, my dad was an architect — very, very successful architect — but my mom really supported us when he was building a fledgeling architecture practice when I was young. And she made her own money, and yet my dad controlled how that money was spent. And we're not even talking about, you know, that long ago quite frankly. And so they were sort of like not the norm of other families where that wasn't happening.

And it made a really big impression on me in a couple of ways. Like I was determined to not marry a man who thought that he would control the money, I would not raise my kids in a home where anyone had to hide any type of money matter, doesn't matter what that money matter was. Whether it was purchases that we thought were too indulgent, or purchases that were a mistake, or financial trouble that somebody got in. I mean I wanted money to be sort of front and centre because I sort of was, I think, conditioned to believe that either like by nature or nurture nice girls don't talk about money. We're just gonna like just hide this. And it's such an unhealthy way to think about money. And so it made a good impression on me in that regard because it forced me to care a lot about money and how I made money, and how I saved and spent money.

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FT: And good thing it did that, because it could've — I could see it going the other direction. I could see it really impacting you and ingraining in your head that money is something that, spending at least is something to be shameful of or that it's okay to not be kind of secretive about money. Financial infidelity happens a lot in marriage and in families, that's widespread so I'm not really surprised to hear that. I think we probably had those occasions too, but you knew enough at that point or even soon after that, this is not the life that you wanted for yourself.

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TJ: Exactly. And it was me — I think it's true there are some people who sort of repeat history and then there are some people who use history to build a very different future. And I'm glad for me that I chose a different path from the one that I was raised in. I think the are that I'm most sort of alike and that I have repeated is that my mom was always like crazy generous with my brother and me, incredibly generous. And I've been the same way with my kids, and not in a way of spoiling, but in a way of having fun and kind of appreciating who we are. So I like that, but I think it's wise to know sort of how you felt about something and whether or not you want to feel the same way going forward. And we make those choices; every day we make those choices.

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FT: What was a choice that you made about money that didn't go so well? Did you have ever an experience where you messed up financially speaking? What happened?

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TJ: So the biggest for me, my first job — it was actually my second job. My first like big real job was working at NBC News. I was a publicist at NBC News and at the time NBC was owned by GE. I was in my early 20's and I had a very great 401(k). And at the time the company match was insanely generous, and so I had amassed like more than \$20,000 after only working there for a very short time. And then I was fired from that job, and I thought, "You know what? The hell with that company. I'm gonna cash out that 401(k)," thinking that I was like somehow sort of giving them the finger, that, "I'm gonna cash out the 401(k), I'm not gonna let you people keep my money anymore." And I decided I wanted a car. I could not have cared less about retirement, I could not have cared less about the value of a 401(k), I didn't care about the penalties of withdrawing that. I wanted to buy a car and I wanted that cash immediately.

And I think the fury of all of that led to what, do this day, I would say was like my dumbest financial move ever. And I didn't solicit opinions, no one was offering me their opinion, I sort of just like did it.

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FT: What was the car? What kind of car was it?

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TJ: It was a used Toyota Camry that was like, it was adorable, it was so super cute, it openly was stolen from the Upper West Side. And I actually, that could've been a good financial move because it was worth more than I paid for it, and so I actually made a little money on the insurance. But still it was a bad move cashing out that 401(k). It was not a wise thing to do, at all! And if I could undo one financial choice in my past, it would be that one. I wish I still had access to that and could have rolled it over into something else, to this day.

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FT: Not to mention..

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TJ: Because I see how hard it is to...

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FT: Yeah, you don't need a car in New York either. I mean you could've just been fine on the subway.

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TJ: Exactly. I mean you could argue for a billion reasons. Forget even what I used the money on, just the fact that like unless I told you it was you know, I dunno? Like a medical emergency or some major life altering thing that I used that money for. It was just a dumb move. I just should not have done it.

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FT: Well you live, you learn. And it's nice to hear that this was early, early on in your career and you learned quickly.

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TJ: Still though, you know, I still think about it. I still think about it.

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FT: Well I still have guilty feelings over the Banana Republic credit card that I late paid one month, that came back to haunt me, believe it or not, a few times. So you know, it's much smaller than...

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TJ: That's so true. And I would say that's like probably second for me. In college, I signed up for every credit card imaginable. I'd walk into a store, they'd offer me a credit card, I'd sign up for it. It didn't matter that I didn't have a job, it didn't matter that I'd no means to pay that credit card, I signed up for every credit card. And I think that that plays into a lot of my habits today and the experience of that sort of has stuck with me today and really a negative has turned into a positive.

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FT: Well you can't argue that you're not determined. [Both laugh] You are a determined woman! So on the flip side of all of this, what would you say is your greatest financial moment? Your So Money moment where you're really proud of how you handled the situation or the choices that you made?

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TJ: I would think, overall, it's the financial lessons that I've given my kids. Teaching my kids about earning money, and not through allowance, not through — like we never did allowance in my house. So not through allowance, but really through teaching my kids, whether it was initially, they were eight years old and they had their first lemonade stand — even in New York City. My daughter now has a business and she spent her whole senior year of high school working on that business and she was determined to use the money to pay for college, and chose a very expensive school. She goes to Boston University, it's over \$60,000 a year, and she insisted on using money from her business to pay for the first semester tuition payment, which was over \$30,000.

And she said, "Like I earned this money with this goal in mind. You have to let me to do this." And I think financial independence might be like one of the greatest gifts that I could give my children, that I could pass onto my children. This sense of knowing how to earn money, how to manage money, how to spend it and save it. How to choose what you're gonna spend it on. Those are skills that will last a lifetime and it's probably the thing that I'm most proud about overall, I think, is a big one for me. I think smaller ones are things like cutting up credit cards and getting out of credit card debt. But long term, lasting impact, is definitely teaching my kids about entrepreneurship and how to earn money. And even if they ultimately work for other people, knowing that they have skills and abilities to make money themselves, if it ever comes to needing to do that.

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FT: That's remarkable. I don't know what I was doing when I was 18, but I definitely wasn't starting a business and paying for my college tuition.

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TJ: Same with me! I can tell you that for sure. [Laughs] Not even close!

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FT: And tell us about her business? We wanna support her. What's her business?

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TJ: So Emma's business is called Em John Jewelry. Our website's just Emjohnjewelry.com. She's had some incredible successes. She makes bracelets, but now she's branched out and she does all kinds of jewelry and pouches with really fun things on them. Necklaces — and she's just, she's the perfect person at the perfect age to really use social media to launch a business. She reaches out to bloggers and reporters and stores and through all of that, really Instagram out reach, she has landed her products in a variety of stores across the country. So she's always getting wholesale orders and then she sells directly to consumers.

She does trunk shows, and she now has a program where she has college reps selling her stuff on their campuses and she is her customer. She is sort of the ideal business owner selling to herself and her peers. And I think the best part is that she absolutely loves doing it and is having so much fun doing it. And so to figure out how to do what you love and make money out of it, I think is such a cool reward because it doesn't always work out that way. And I don't think that you can always make money with a passion. I think a lot of passions are highly overrated but the fact that she can do something and really love it and make money out of it, I think is incredible.

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FT: Well she obviously has strategy; girlfriend has strategy! Getting college students as her reps, I think is brilliant. That's how the, oh gosh, what's that email list that goes out? The Skimm; The Skimm founders. I had them on the show. They have ambassadors at the college level, and they're rabid fans, you know? And they are why the company's doing so well — at least partly why.

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TJ: Yep. There's a lot of power on those campuses.

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FT: Yeah. Especially when you give them freebies! [Laughs]

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TJ: Exactly, exactly.

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FT: They're go for it!

Well your book, Tory, "Shift for Good", is chock-full of great habits and kind of lessons that we can really easily adapt into our lives. What would you say is your number one financial habit when it comes to this shift for good?

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TJ: I mean for me probably the number one thing is, well in terms of shifting for good, the number one thing that I tell women is like, be aware of the money. Don't delegate money matters to anybody else. You have to be totally aware of what comes in, where it goes out, and how it goes out. Sort of every detail about that. Do not delegate money matters to anybody else. Whether it's your paycheck or not, be financially aware. For me, personally, beyond that I'm very much a pay-as-we-go. I got started in credit card debt in college, it came back to haunt me when I went to get a mortgage on the first house that I bought. And I'm very proud that I don't have credit card debt. I truly pay-as-we-go.

I mean I have little tiny things that I do; from buying that first used car, ever since then the premium for a new car isn't worth it to me, so I'll never buy a brand new car. I Google promo codes before I buy anything online. I think I've trained myself to do that, and I've trained everyone in my house to do that because of the Deals & Steals segment I do every on Good Morning America I'm like, "Before you buy anything, check if there's a promo code." So I just, I

feel like I work so hard to earn my money that I wanna be a good gatekeeper before I just spend it freely without giving it a lot of thought.

And I spend a lot, I probably spend too much, and I'm incredibly generous with my spending, but at least I wanna know that I wasn't wasteful. And I think that you can be generous, you can spend, but being wasteful is sort of, that's where I draw the line.

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FT: I totally agree, but yet I've had female guests on this show, remarkable entrepreneurs who make seven figure in their sleep and they tell me — these are their words — "I'm good at making money. I'm not good at managing money." So literally they'll have their husband or a bookkeeper do all the money overseeing. They don't even know passwords to accounts. It's quite frightful actually. And I'm curious, as you've been coaching women, do you find this to be a recurring theme that "I'm good at making money, I'm not good at managing money." Again, maybe it's these stories we tell ourselves, it's these false whispers in our head.

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TJ: I think it's so dangerous, and I do think it's all too common. I applaud the people who own up to it. I think too many people sort of think that they know what's happening behind the scenes with their money, simply because the lights never get turned off and the electricity works and there's gas in the car and sort of everything looks good, and it's only until trouble comes where they finally discover, "Oh my gosh, I didn't realize that there was no life insurance, that these bills weren't getting paid, that the savings has been depleted." We sometimes don't discover all the things that's not happening until it's too late. And so when times are good, those are the times to pay attention. Those are the times to say, "You know what? Once a month I'm gonna sit down and I'm really gonna understand where the money's going. I'm not gonna wait until there's a problem to discover, "Oh gosh, I guess I should've been paying attention all along." And it doesn't matter how much money you make, or how little money you make. I think that every woman has to be aware of her money situation.

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FT: Amen! Alright, Tory you've been so great. Let's do some So Money Fill in the Blanks. This is when I start a sentence and you finish it. First thing that comes to mind.

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TJ: Okay!

[00:30:10]

FT: Okay. If I won the lottery tomorrow, let's say \$100 million, the first thing I would do is ____.

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TJ: The first thing I would do is focus on helping foster care kids. It's something that is so personal to me, it has nothing to do with saving money, it has to do with spending and it's where my heart is broken every single time. I've spent a lot of time around foster kids and I think there's nothing to me that's more heartbreaking than knowing that there are kids who don't have a family, are never gonna be adopted, and are growing up under really, really difficult circumstances. And when we can help somebody really, really young we build a better future for all of us.

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FT: One of your tenets in your book is "give regularly to others". So I can see where this now is really a reality in your life. And so along those lines, when you donate — I'm gonna fast forward to one of the next mad-libs, which is when I donate, I like to give to ____ because ____.

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TJ: So I like to give directly to people in need versus large organizations because I want to see my money make a difference. And I know that there are some circumstances where \$1,000 to somebody could make a much bigger impact than \$1,000 to an organization. And so I'm much

happier and more satisfied being as closely connected to the person that I'm helping and I have so many examples over the years of that. And it's brought like such great joy because I love sort of seeing and meeting the people who can be impacted by the giving of others.

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FT: It's immediate. That's so awesome. No worries about, "Oh, is this money actually going to the cause?" It's absolutely!

When I splurge, I like to — let's extract from your Deals & Steals — but when I splurge I like to spend on ____.

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TJ: Travel. So I'm definitely a sucker for like great hotels and room service and shopping while on vacation. I don't know why, but somehow I think that if I buy really expensive shoes or purse when I'm on vacation that it's okay. But I would spend more because I'm away on vacation than I might spend if I'm right here at home. Even though home, like New York City has like the best shopping ever, for some reason I feel like it's a little more justified if I'm away on vacation and I do it.

[00:33:14]

FT: Exactly. Because it's recreation at that point, it's not shopping. It's part of your recreation. It's part of your voyage.

And last but not least, I'm Tory Johnson, I'm So Money because ____.

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TJ: Because I care deeply about women's financial independence. Our ability to earn money the way that we want and have our money work for us.

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FT: Everyone, go run and buy Tory's latest book. It's called "Shift for Good: Simple changes or lasting joy inside and out". Thank you for making it simple! [Laughs]

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TJ: No time for complicated, right?

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FT: No time! And I think simplicity is a lost art in this day and age. Believe it or not, because you'd think like that's a no brainer, but it's really hard to boil things down sometimes and you do it exceptionally well. So thank you very much Tory. We love watching you on TV and travelling the country. You work so hard, thank you so much!

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TJ: Thanks for having me.

[END]