

**EPISODE 331**

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[INTRODUCTION]

[0:01:36]

**FT:** Welcome back to So Money every one, I'm your host Farnoosh Torabi. Focus today is on retirement and I have an incredible guest who is out with a new book this week on this very subject. His name is Chris Hogan. Former National Champion in all American Football player turned financial advocate and author who currently works with Dave Ramsey and his team, helping audiences across the country with financial freedom.

Chris's number one focus right now is retirement. He is out with a new book this week called *Retire Inspired: It's not an age, it's a financial number*. In our conversation, we talk about what

Chris calls the RIQ, the retirement IQ, what's yours, what's mine? The healthcare wild card had a factor in unpredictable health costs and retirement and so much more.

Here is Chris Hogan.

[INTERVIEW]

[0:02:33]

**FT:** Chris Hogan, welcome to So Money, congratulations on *Retire Inspired*. I want to hear all about the book but also your career as a former national champion, All American football player. So important that you are delivering this message because I think you'll agree with me, there are a lot of athletes out there that don't know what lies ahead and the importance of saving for their future. Thank you for the work that you do.

[0:02:58]

**CH:** Thank you for having me. I would wholeheartedly agree, not only athletes but I think every day people need help with their financial future. I'm excited to get them this information because it's one thing just to tell them but I also love to show them. That's where my book is going to plug in and help them be a plan.

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**FT:** Of course you collaborate with Dave Ramsey so that's also an interesting kind of fun fact of yours which I'd love to explore a little bit later on the show too. *Retire Inspired*. You say it's not an age, it's a financial number. Why write this book? There's so many retirement books out there, I want to learn how this book differentiates itself and why it's special.

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**CH:** Sure, starting with me, my background's a little bit different. I started out as a collector and then in consumer finance, then in to mainstream banking, then in to wealth management, then

went on to own a mortgage company. This aspect of money are things that I've seen throughout the years and in different socioeconomic statuses. There were some common denominators that I saw there where people didn't have the right information.

I've been on Dave's team for 10 years, started off as a financial coach. I've been sitting with people knee cap to knee cap so to speak to help them walk through their individual situation. The thing that I saw and that I'm writing from is my personal experience of what I've seen from people making \$20,000 a year to people who make \$200 million a year. A lack of a plan means you can't make progress.

What I wanted to do was to literally put together a plan to help people understand their dreams but also be able to make financial progress. They're not just chasing them but they grab them and they're able to live them.

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**FT:** Why don't we plan? What is the problem? The underlying problem? Are we afraid, are we too busy, a combination of excuses, what do you think is really the reason?

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**CH:** Well Farnoosh, I think it is a combination of reasons. I think people don't understand how important it is, I think people aren't clear on what steps to take to be able to do it and then they also struggle with trying to balance between living in now but also preparing for later. I think a lot of people think it's that all or nothing mentality and it's not. That's what I want to help people to understand is that the future is so important that we can't take it for granted.

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**FT:** You have a calculator on your website which I think is so handy, "What's your RIQ?" Why is it important to start with that? As a way to maybe then go about and set your goals. What should happen first actually? The RIQ calculation or your goals and how do you kind of reconcile the two?

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**CH:** To be honest, throughout the research and things that I looked at, actually the thing you want to start with is your dream. The things you see yourself doing later in life, the things that gets you excited, that get your blood pressure going and get your heart racing. I think when we start with the dream, then we can back out of it from there and start to figure out, "Okay, how much am I going to need to live this dream?" Which is what the RIQ helps people to be able to do.

It's so neat because people would ask me how much I'm going to need and I would sit with them Farnoosh for like an hour and a half to help them come up with that number. I wanted to give people a quicker way to be able to plug in some basic data point to understand that. That's what the RIQ does.

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**FT:** How do you factor in the biggest wild card in retirement which is health cost, healthcare?

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**CH:** Well Healthcare is actually one of those things and it is a hot button topic and has a lot of questions surrounding it right now where we sit. One of the things that I'm working on and the future versions of the RIQ is to be able to walk through, to help people figure that out but here's the one thing I know. Number one, you want to sit down with an insurance professional to figure out your own personal situation. What is your health situation? What are some options you have and then what are options moving forward?

Meaning, there are some outlier programs that can provide people healthcare when they're in their later years in life. Then there are also many hoops you have to jump in dealing with Medicare and the different parts of it. I want people to engage with an insurance professional but moreover, I want them to understand that there's one thing we're not going to take with this

into retirement and that's debt. Because debt is a thief. I want people to be able to keep more of their money and not have to worry about paying on debt later in life.

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**FT:** What's your take on the 401(k) and other employer sponsored retirement plans to help people retire with "enough" money? There is a lot of opposition to this, not a lot but I would say there is an increasing, growing camp of people who advocate for other methods to save and they think the 401(k) is just riddled with fees. How do you advise people prepare financially for retirement, where should they be putting their money?

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**CH:** I think once they work to get out of debt and they get focused on investing. I think a 401(k) is definitely a good tool. Now, the key is, it's not like the old days where with a pension, where companies would put money aside for you and you didn't have to worry about it. Nowadays, with a 401(k), or 403(b) if you work for a nonprofit. if you don't put money in, you won't have any to spend.

So 401(k)'s are great, IRA's are also good but one of the things people don't understand investing. What I do in the book is talk a little bit about it and drill down in. I also encourage them to sit down with an investment professional that has the heart of a teacher. This is somebody that can guide you and instruct you on the things you should look out for and the things you definitely should do.

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**FT:** Let's talk a little bit more about your upbringing, your perspectives on money, personal finance. Tell us a little bit about your overall financial philosophy. Do you have a money mantra Chris?

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**CH:** It's one of those where if I had a mantra I'd say it's not mine. What I mean by that is I have to be a good manager of the resources that I bring in to my home and when you have the attitude that is not yours but you have an obligation to manage it well, it gives you a level of responsibility as well as accountability.

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**FT:** That's an interesting way to put it. So you think of your money as managing your money correctly as an obligation to who? If not to yourself?

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**CH:** Well I have an obligation, I mean yeah, for me as a person of faith, my first obligation is to God but then the second is to my family and then to my community. I want to use it well, I want to be a good manager of it, I want to be able to not only help my family but also be able to give which I think is one of the best things you could ever do with money. You can do more of that when you're not giving it away to a bunch of debt.

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**FT:** You mentioned your mom and your grandmother as influential mentors in your life. Tell us a little story about growing up and the financial awakening that you had as a kid if there was a moment.

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**CH:** I got money for one birthday, I can't remember if I was seven or eight but I got a good bit of money for somebody my age at that time. I'll never forget, there was a carnival or whatever going on in town. I went and I spent every dime I had, I mean every dime, night number one. We were going back with a group of friends in my neighborhood, the second night and I was flat broke.

I had nothing and it was one of those things where it was explained to me by my mom, “Yeah, you can go but here’s the deal. You have your allowance that I haven’t given you, so you’ve got five dollars to be able to enjoy the day with.” It was an eye opening experience for me to understand the importance of saving, that I want to enjoy some now but I want to have some for later too. That was a wakeup call for me even at a young age.

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**FT:** Did you have jobs growing up as a kid, did you work?

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**CH:** I did actually. When I was in high school I would obviously work in the summers because I was playing sports during the school year. I would definitely work, I grew up working on a farm and would do that in the winter time on winter break and the summer and the spring as well. That was a good work ethic thing, that was something where you understand the reality of work and earning money also.

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**FT:** What’s your So Money Moment? This is the question that I ask guest to reflect on and experience in their adult life. An achievement, financial achievement that they’re exceptionally proud of?

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**CH:** I can proudly remember this Farnoosh, it was about eight years ago, when I paid cash for my first car. I’ll never forget saving up for it and working, selling things and staying intentional and literally going to withdraw the money from the bank and going to a place and finding a car and negotiating a great deal and paying cash on it. It was one of those things that as I left the car lot, I knew one thing wasn’t following me and that was a payment. I was just going to get to drive this car.

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**FT:** Takes a lot of discipline to save up cash for a car. How did you do it? Tell us a little bit about the behind the scenes of that?

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**CH:** Well, I can tell you, you know what we all learn from and that's our mistakes and so for me, five years prior to that, I had signed up for an SUV with a car payment that was just massive. I'll never forget making that payment each month and I didn't feel joy writing the check, I felt regret, I felt irritated because I knew there were things I could be doing for my family and for my community with that money instead of me sending it off to the car lender. That was a wakeup call for me and I vowed at that point when I paid it off, when I got focused and paid it off early that I would never ever go backwards again.

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**FT:** How did you get connected with Dave Ramsey?

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**CH:** Literally it was through a charity event. It was an event, it was a silent auction where they helped families in need and happened to be attending it and that's how I got connected with Dave.

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**FT:** It's been a journey, what would you say is the greatest lesson you've learned working with his organization? How has that changed your life?

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**CH:** I think the thing that I've learned the most by being here is the power of hope. A lot of people can feel hopeless. They've made some financial mistakes in the past, but one of the things we want people to understand is that you don't have to be the result of your past. You have an opportunity to design your future. What we want to do is give people hope by giving them the right information. I think that is one of the most powerful things we can do on this planet is to be able to give other people hope but then help them improve.

[0:13:35]

**FT:** I think another challenge is getting people to care, would you say? You can give someone all the tools, all the resources, all the education but how do you actually get them to feel that this matters, that this is important? What is the message?

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**CH:** I think it's a matter of trying to tap in to figure out their dreams. A lot of people feel ashamed of their financial past. They've made some mistakes but if I can get them to tap into the things they want to accomplish but moreover, if they have kids or grand kids and you start to ask them, "What are things you'd love to be able to do for your kids? What do you want your grand kids to be able to do?"

When they tap in to that, that's when people are willing to buckle down and to make some changes but one of the hardest lessons I've had to learn being here is that I can't make people do it. What I can do is try to tap in to that and get them motivated but ultimately it's their decisions.

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**FT:** It's interesting. Once you make it not so much about you but about those who look up to you, depend on you, respect you, it really changes the game and I think it can create a positive mindset shift that's necessary to make the healthy decisions, I completely agree.

[0:14:47]

**CH:** Yeah, I would agree with you. I think when you look at that and you realize that people are watching you or the power of just a kind word, when you're able to speak some kindness into someone's life, they may not have heard anything kind for a long time. When you do things like that, that's giving. It's giving with your words and your time and I think we can have more of an impact on this world than we give ourselves credit for.

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**FT:** Now, what's the number one habit that you practice that helps you with your financial planning or just your ability to save something that you do, it may not be daily but it is conscious and it's habitual.

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**CH:** I think one of the most important things I do is to stay connected with my goals. I've got things that I'm trying to accomplish for my family, I've got things that I'm trying to accomplish for the community and so those goals help me stay focused. They help me stay on track.

I've got my goals posted in my closet and my bedroom and I also have them laminated on a card in my vehicle. I see my goals several times each day and it keeps it front of mine so I can keep my effort on track.

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**FT:** That's interesting. Visualization obviously is very, very important in just trying to accomplish anything, whether it's a financial feat, an athletic feat, a career feat. Can you make it even a little bit more granular for us? Actually share a moment when seeing that goal in front of you before your eyes made an impact. You were going to do something and then you were reminded because you had the vision in front of you. I just want to see that in action a little bit.

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**CH:** Sure, well I can tell you this. One about, I set six big goals for myself each year and I also give myself a timeframe in which I want to accomplish those. Back this summer, one of the goals that I had was to do something really neat for my family and I stayed focused on that because I wanted to do it by November but I knew if I could stay focused, I could actually make it happen in September but it was going to take focus.

And so I had to deny myself some things, nothing major but it all made a difference. Just seeing the goal that way helped me stay focused and I was thinking, “How good is my family going to feel when we do this as supposed to me just doing this for myself?” That kept me connected to the bigger picture.

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**FT:** What are your retirement goals? I didn’t even ask you that. What’s your ideal retirement, when do you want to retire, what are you doing in retirement?

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**CH:** Well for me, I’ve done the RIQ on my website, I’m dialed in. For me obviously, I would love to — I’m going to hit my number by age 57, I’m going to say. Probably sooner than that because when you get momentum you stay focused. For myself, I think it’s a myriad of things. I want to travel, I would definitely want to do some community work, some charitable work, some mission trips and even start some other businesses.

For me, I’m not just sitting in a rocking chair, I still want to be productive.

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**FT:** All right, ready for some So Money fill in the blanks? This is when I start off a sentence and you finish it the first thing that comes to mind. Are you ready?

[0:18:06]

**CH:** Okay, all right.

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**FT:** If I won the lottery tomorrow, now I trust you don't play the lottery but let's just say hypothetically, you win a hundred million dollars on a win. The first thing I would do is \_\_\_\_\_.

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**CH:** I'm going to help a lot of people by starting several foundations.

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**FT:** Such as? What would be like your dream foundation?

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**CH:** One for obviously being able to help special needs kids. This is where my wife and I, we've actually started one, it's called Project Alive. Our youngest son has a rare genetic disorder and could end his life by age 15. For us, we're very passionate about that and being able to help other families and other kids around the world.

I would also love to start several scholarship type things for kids that come from underprivileged type of environments. Would love to pay for their college tuition based on their community service and their grades and things of that nature. A lot of things to be able to give back and inspire people like the people did for me in my life and around me.

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**FT:** That's wonderful. How about this? The one thing that I spend on that makes my life easier or better is \_\_\_\_\_.

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**CH:** Oh I would probably say my wife. I've been married 18 years.

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**FT:** The one person you spend on, right.

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**CH:** Absolutely. I'm married way up but she's a great lady and I enjoy buying things for her.

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**FT:** How about this, the one thing I wish I had learned about money growing up is \_\_\_\_.

[0:19:34]

**CH:** That's easy, the power of compound interest. If I would have just taken 50% of my birthday money from age nine until age 20 and just saved that, it would just be an astronomical amount of money. Looking back on it there, that's something I wish I would have learned and understood a little bit better.

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**FT:** Are you educating your kids now on that a little bit?

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**CH:** You better believe it. Yes, the Hogan boys, I have three sons and they're saving, we make it fun and so they've got their own little savings accounts and so when their statements come in the mail, they're excited to open it and look at it and they understand it, I'm helping them along the way.

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**FT:** Excellent. We kind of covered charitable giving, but currently you mentioned that you're donating to a few places. Just to reiterate, when I donate, I like to give to \_\_\_\_ because \_\_\_\_\_.

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**CH:** I like to give to great causes because they help people. By great causes I mean, anything to do with kids, anything to do with single moms or battered women or for the elderly. Those are all great causes, those are all people that are precious gems to us in society. Giving to those causes is a great thing.

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**FT:** Great. Last but not least, I'm Chris Hogan, I'm so money because?

[0:21:04]

**CH:** Hmm. Because I'm helping as many people as possible realize and live their dreams.

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**FT:** Well thank you so much, congratulations again on *Retire Inspired*. Would love to have you back on the show to hear how your journey's going, how your mission to help people with their money and their financial goals is going, we love to have guests back on this show, perhaps in a few months, thanks so much Chris.

[0:21:29]

**CH:** Thank you very, very much for having me.

[END]