

**EPISODE 691**

[INTRODUCTION]

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**FT:** Happy Valentine's Day everybody, welcome back to the show. Happy Saint Valentine's Day, tomorrow is my birthday. I was almost born on Valentine's Day that would have been cool but I like February 15<sup>th</sup> as well. I believe Oprah was born this month, happy to share a birthday month with Oprah and any of you out there listening who might also be Aquariuses, Aquarie, happy birthday. Today's guest is a friend of So Money she was on episode 117 many, many episodes ago and she is back because she has some exciting news, her book, *Her Money Matters: The Missing Truths From Traditional Money Advice*, has launched.

It launched yesterday and so we are happy to have her on to celebrate and share all the goodies with us. For those of you who didn't hear the first episode or catch that first episode with Jen. Here's a little bit more about her. She is an accredited financial counsellor, she's a blogger, podcaster, military wife, mom of two, and now author. I think one thing that sets Jen apart is that she really gets to the root of how our emotions and our upbringing affect our money stories. And so, today we'll be talking about forgiveness. Why and how to forgive yourself when it comes to your financial setbacks.

To love yourself, I mean it is a Valentine's Day, whether or not budgeting is really necessary and a critical piece about budgeting that few of us really talk about and why most of us are only getting 10% of our financial life right. Jen speaks from her own experience, coming up on So Money right now.

[INTERVIEW]

**FT:** Jen Hemphill welcome to So Money. You were on previously and now back with author added to your title, congratulations.

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**JH:** Oh thank you and thank you so much for having me, it's so good to be back and it's crazy to think that when I was talking to you last time for your podcast, that was right before my own podcast launched and so much has changed since then so I'm really excited to be here.

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**FT:** And, good changes your podcast is on a tier your book, *Her Money Matters* then the subtitle is *The Missing Truths From Traditional Money Advice* is out now. I'm happy to say we're airing this episode in tandem with the launch of this book. What is the book really about? What are the missing truths that we aren't being told?

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**JH:** Well, really there's so many and basically why I wrote this book is I found myself probably at about 10 years in to our marriage feeling stuck and not understanding why I was stuck. Especially when I had been reading personal finance books I was following the advice but yet we were still in debt and granted we worked really in a bad financial situation but weren't where we wanted to be. We were still in debt we had an increased how much we were saving for our retirement plan. We continue to deplete our emergency funds and I didn't understand why so that led me on a journey as to figuring out, "Okay if I'm following what the experts are telling me to do. What in the world am I doing wrong?" And, that led me to a book by T. Harv Eker called, *The Messages of a Millionaire Mind* or I always –

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**FT:** *The Millionaire Mind Set* I think it's called.

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**JH:** The Mill – yes, something like that so it's T. Harv Eker and that really opened up my mind as to what was going on because basically his book is all about mindset and it really struck a cord in, to just thinking back to my childhood what I heard over and over again was "We don't have

the money, we can afford this.” And that stuck through me all throughout adulthood but I didn’t know and even though I knew that, I knew that my parents said that. I knew I had those thoughts, I didn’t know how much it affected my money decisions, how I felt around money.

So, that is part of the missing truth. My book is really structured around what I call “the money headquarters.” And, the money headquarters are basically broken up in three parts, the money mindset, the money actions, and the money skills. So, the money mindset is how we grew up around money – our money stories, our past, present, and future. So, that’s a part of the money mind set part of the money headquarters and then we have our money actions. When we think money actions we think of negotiating our credit card interest rate those heavy things but it’s more than that.

Money actions that really propel you at your progress forward are talking money, which we don’t do enough of, right? Maybe, in podcast like this we do but in general we don’t talk about money just because we’re scared of the stress it may cause, the arguments that may cause. But also I talk about increasing your financial confidence really being patient with yourself to having that flexibility because it is a journey. So, those are just some of the parts of the money actions and our money skills this is the part that in the money headquarters that we focus on the most, the budgeting, the saving, the getting out of debt. But in the scope of the money headquarters it only fills up and what I see in my perspective about 10% of the money headquarters.

So, the money mind set fills up about 60%, the money actions fills up 30%, and the money skills which we mostly focus on 10% and that’s why I was stuck I was focusing on that percent that 10% of the money headquarters.

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**FT:** Well, yeah because working through your emotional baggage is not – there’s no app for that.

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**JH:** No, for sure.

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**FT:** There's no tool you have to really be committed. You have to go to the motions, you have to tap in to resources, you have to tap in to yourself, it's a lot of work, it's a lot of mental work. So, when you went through that yourself what helps you because there's realizing that, yeah, I have an scarcity mindset. I have issues from when I was growing up and money was this thing of that was limited. Limiting beliefs. So you recognized that then what do you actually do to repair that damage?

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**JH:** I actually started writing and writing my reflections. I didn't just reflect in my mind but I started writing and it is something that I resisted for a long time. But there is just something powerful when you put it to paper, you know, connect the pen and paper that you're as your writing these thoughts down your reflections. You know, for example I heard a lot of "We don't have the money." You are able to think through it more clearly and understand why you are still thinking that because there is one thing, what I call the past money story, which is how you grew up around money.

How you saw, what you experienced, and what you heard – but we need to understand that and acknowledge that and really it's important to do it by writing it down to be able to know are we repeating the cycle? Ao that's your present money story and I talk a lot about that in the book because if we don't, we are going to continue to repeat the cycle and just be stuck. So, it's really about how I did that was writing my past money story down and that was the reflection but really I had more "aha" moments, more understanding and more clarity and then writing down what my present money story look like and comparing the two.

Am I repeating the same cycle and I noticed that I was, right? And then, from there I took a step further and I wrote down what my future money story was. So, what did I want my life, our life to be and why – what do I want to feel about money? And, the feeling about money I think is an important piece as well. Not just we want it, yes, granted we want to have a vision of what we want in the future but if we are still in having some negative thoughts around money that's not

going to serve us. So, we want to make sure that in writing we are writing down how do you want to feel?

Are you going to feel abundant? Are you going to feel like excited about looking at your checking account, those type of things?

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**FT:** What I'm hearing to is that this book gives readers some forgiveness, right? To be good to yourself to forgive yourself can you share a little bit more about that component to the financial headquarters strategy because I think, you know, with money not only is that a taboo topic but when we do address it there are feelings of guilt, of "I should have done better" and feeling like you're not catching up and doing as well as others and you can be really hard on yourself. So how do we get to a place of forgiveness?

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**JH:** Well, one is understand where you're at currently so understand where you're at in your financial life currently? What great things do you do with money? That's something that we don't acknowledge enough of because we automatically go to "We don't do anything right" or "We are failing with our money" or "We've gone off our budget again" or "We overspent," whatever the case maybe. So, it is important to acknowledge what great things you have done. What are your strengths around money and what areas maybe need some work.

So, acknowledge your strength so that will build your confidence and in turn as you're building your confidence, that will get you inspired and motivated in to actions. So you really need to do that and also recognize that you need to have patience. This is a process, this is a journey and you need to have flexibility. There's going to be, you're going to be in different seasons in your life and different stages where things shift, right? And you have to adjust and be willing to tweak whether your budget you're spending those type of things you have to be flexible to do that. And, allow the grace, you know, allow yourself the grace that sometimes you're going to mess up. I still mess up sometimes.

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**FT:** Sure.

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**JH:** And, it's completely okay. Just get up forgive yourself and just accept it and just move on. It's just a matter of knowing where you are at now, acknowledging your strengths, yeah, write down where you need to work on but really do what it takes to build that confidence which can be talking money, which is a hard one. But if you really master that and really get more comfortable around that, that's definitely going to do wonders for you. Acknowledging your money wins and another thing that I love doing with my clients that builds and this confidence is creating a dream budget.

So, you know we're all talking about budgets and "We need to be budget."

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**FT:** Do we really need to budget? Do we really need to budget? I mean –

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**JH:** Oh, my answer is yes but what's really interesting and what's really important to know is that we think of budgeting as very restrictive and it just takes so much time, but we really need to know what stage – in my opinion there's four stages of budgeting in your financial life. So, you have to recognize what stage you are in. So, if you're in the stage that you're in the moment that you're trying to figure out where you're at financially.

Maybe, your money is all in chaos, yes, you're needing to budget your budget intensity is high so you are needing to look at those numbers more often but maybe you've now you're at a point where you're getting more clarity that intensity of budgeting lessens and as you go as you establish your systems, which a lot of people are missing, and you get those working again you're still needing to a budget then maybe you don't need to have that budget straight in front

of you all the time. So, the budgeting intensity lessens as you progress and have your financial house in order.

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**FT:** Thank you for saying that because I feel like I'm in a place in my life where I have thresholds in my head. It's sort of like I don't have a paper budget or I don't, you know, use an excel spreadsheet or any sort of tool to monitor my budget per se. But I guess I've just been doing it for so long. I've been thinking and acting, hopefully responsibly, with my money for so long as part of my job but also because I want to and need to. That at this stage if I'm in a stage of my budgeting I think I would say it's like it's on auto pilot where I just know what my thresholds are.

I just won't spend a certain amount of money on certain things because that's what I've been training myself to do. I think that's a good thing. The more money I make doesn't necessarily mean the more I should spend on things I just don't think that way. Maybe, it means like an add things to my life that I didn't have before, I can give back more, but it doesn't mean that, oh, now I can spend another 20% on this item that I normally spent less on. I don't think like that.

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**JH:** Right, and then what you brought up is that when those things happen as you make more money that's maybe when you check in and adjust the budget. It really all goes to systems, if it sounds like you have a system in place, I know you do, and when you have those systems in place it's basically taking your budget on your spreadsheet or around your sheet of paper and put it in to action, right? That's how I see it and that's how I like how I setup my systems, where I take that budget spreadsheet and just create a 3D version if you will. Just a more actionable way of doing it.

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**FT:** I love that, so we talked about forgiveness, we talked about how a lot of us are just getting 10% of our financial life right, that was you. You mentioned also that you grew up with this kind of scarcity mindset. Your parents – you're raised outside of the country in South America. Can

you talk about the cultural differences with being raised – I believe it's in Colombia versus growing up in the States. You're raising children here. What kind of money mindset differences are there between the two cultures?

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**JH:** Well, it's interesting because I was raised, my father is American, so I was born in Colombia, my father is American. So there are cultural differences between my mother and my father already, right? So, he was definitely the gringo all the way where basically, you know, the sky was the limit and my mother who grew up in a family where everything – it was like hard work, money was really, really hard to come by. Especially as my grandmother raised her as a single mom and at the time where basically they survived on – she sewed clothes for people and that's how she raised her kids.

So, money was definitely very scarce, which this is how I know my mom how she thinks, right? And still to this day she still has those thoughts and I still hear it as we have conversations. So when we moved to the US that was an interesting time. I was eight years old and being that we moved – it was basically starting over from my parents. So money at that time was definitely scarce and I continue to hear those messages. I knew the opportunities in the US – and in Colombia I don't recall at that age being able to babysit or doing maybe some yard work for someone and earning money.

I don't recall that, maybe things have changed but coming to the US it was more opportunities to earn that money especially I mean as a 10 year old and knowing that my parents didn't have money. I wanted to get some things. I wasn't that kid that asked them for money because they already told me time and time again we don't have it. So I knew not to ask. So instead I would find my ways to babysit and or do some yard work, those types of things.

So, it was definitely – it's hard to say as far as the cultural differences but what I saw was my father being an American, the sky was the limit. But my mother being born and raised in Colombia there was that mentality of – or basically I wasn't a mentality it was just her experience in her family of how hard money was to come by. I couldn't get that out.



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**FT:** Alright, time now for our Chase Slate So Money question of the day Jen. The question is what is your number one financial habit?

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**JH:** I would say my number one financial habit is putting our savings on autopilot. We put our emergency – all types of savings. I'm not talking about just one type of savings, a retirement, the emergency savings, our financial goals. So, we are always putting away for travel for the next car purchase, those things are important, so really automating all those things makes our life easier.

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**FT:** What are you hoping for next in your financial life? Like, what stage are you in now? What's something that you want to achieve in the next year or two, especially this is like the time of the year where people are setting resolutions and goals. Do you and your husband have like another level that you want to get to?

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**JH:** Yes, well basically we're at the point in our lives, this is year 17 our marriage and year 17 of being active duty military. So, we're nearing that retirement time and so it could be three years it could be seven years depending on what happens in the next several years with his career. So, basically the next thing is just really looking in to our forever home, right? Then really starting to save and think about where we want to be. So, it's thinking in terms of where we want to be geographically and start in to save for that forever home.

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**FT:** I am in the same boat, you know I don't know when we're going to move but it hopefully will happen in the next five years but as, you know, and everyone knows, like buying a home is not

just something that you can decide overnight. Nor can it happen, you know, within a month or so unless you have all those cash. So, we need to save and save and save over the next couple of years to be able to upgrade in Brooklyn. I just don't want to move to New Jersey.

Nothing against people who live in New Jersey but it's really something that you have to decide ultimately. You either going to get priced out of where you are, or you have to buckle down and figure out a way to make it work and we're going to do the latter and it will be harder to do it, but I think we'll be happier.

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**JH:** It takes time and it's something that we've been doing but it's something that I want to continue to increase our savings for because we don't know like I said could be at the three years, you know, three years from now and also my I have got a high schooler Farnoosh, and he is a freshmen just thinking that he's almost done with his freshmen year. That means three more years and granted we've been putting away for his college and he doesn't know. But that's the next part to is just making sure – we've been having those conversations with him.

Because he right now he wants to go to Cornell and it's a private university and it's a lot of money so I we try to have those conversations as to, what does that really look like with the tuition? Because it was again he doesn't know what you have been saving up to those point. So, in his eyes he has to may do himself, so we are trying to prepare him with those conversations as to "What does it look like? What kind of career do you want to have? Are you going to have a good ROI with that career in comparison to the tuition that you're paying?" It's crazy the things that are coming up.

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**FT:** Well, at least he's got you as a mom. Because a lot of kids don't get that ROI conversation before college starts, so he is already ahead of the curve. You self-published this book –

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**JH:** Yes.

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**FT:** And, that happened after you had a bit of a not so great experience with the publisher. So tell us how you made the decision to self-publish and why that was necessarily the better move for you?

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**JH:** Well, basically I got approached by a traditional publisher which was definitely just – I was humbled. I decided let's do this because it wasn't even on my radar at that time and I decided well let's do this this, it is just a huge honor and it put me to work. So basically I'm really, really grateful to this publisher because the deadline – I got the manuscript done granted and it needed a lot of editing and a lot of editing it did get. But at some point we weren't able to really agree upon the book cover and fortunately this was all amicable and everything. But I needed to – a publisher at least in my experience – with that one publisher they have their vision of the type of book cover they want with all their books, right?

And, I needed to stand proud with my book because I'm the one that is promoting it and I'm the one that's selling it, right? So, we parted ways and then the – I really had to decide, do I go and pitch myself and try to get another traditional publisher or do I self-publish? So, I was impatient I'm like "I don't want to take the time to try to pitch myself." I really had worked so hard on this book so I decided to go to the self-publishing route and I think it was the best decision for me.

I found this great book cover designer. I found a fantastic editor that really kick my butt. She really got in to my head, it was crazy. I would write even Facebook post or text and I would it's like she was right there sitting on my shoulder as I was writing this text. "Is that clear enough?" And all these things that she would share with me as she's editing that book and then I found what's called a micro self-publisher. So basically, this company does everything for me in terms of the interior formatting and everything that needs to get done to get on Amazon.

And so, that was fantastic, and the difference is yes they get paid but they just get paid an upfront fee, so to be able to do the interior formatting. But they don't have any rights to the book, it's all under my rights.

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**FT:** Well, congratulations. I'm, you know, every story, every journey has a twist and a turn and ultimately, I think got what you deserved and what you needed and are you happy with it? Is it everything you thought it would be becoming a published author?

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**JH:** It's been crazy. I didn't know what to expect at all but it's really been humbling. I've learned so much I've gotten more clarity, honestly in writing that book I've gotten more clarity as to how I take my clients through the process and why I've had these thoughts of the dream budget and the other things that I do with them. I've been able to put it together so that's been fantastic and just the support around me, like yourself, has just been definitely humbling.

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**FT:** Amazing, well, I just want to say congratulations again. The book is called, *Her Money Matters: The Missing Truths From Traditional Money Advice* everybody go pick it up. Jen's website is [jenhemphill.com](http://jenhemphill.com) we got all that information back at [somonypodcast.com](http://somonypodcast.com) and Jennifer, does anyone call you Jennifer? I just found that out.

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**JH:** Some do.

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**FT:** Some do, some go by Jen.

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**JH:** But I go by Jen. I used to go by Jennifer but as I started my business my clients were calling me Jen. I'm like "Okay Jen it is." It's easier to have a jenhemphill.com than jenniferhemphill.com.

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**FT:** It's a little shorter, yeah well, this is a right in time for Valentine's Day too, so if you want to bring this book back in to your relationship not a bad idea.

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**JH:** Absolutely.

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**FT:** Thanks Jen, have a great new year and Happy Valentine's Day.

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**JH:** Oh, thank you and thanks so much for having me Farnoosh, it's always great talking to you.

[END]