

EPISODE 858

“KP: If you don’t have money under your control, then money controls you and that’s where people get into problems.”

[INTRODUCTION]

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FT: Our guest today discovered her love of money, courtesy of her quarter-life crisis. Kara Perez is here. She’s the founder of Bravely, which she started in 2017, not too long ago. At that time, she was in the midst of what she calls a quarter-life crisis. She was broke, saddled with student loan debt, she had no career direction. She realized that what was holding her back was her lack of financial knowledge. She buckled down and paid over \$25,000 worth of debt on a \$30,000 salary.

Today, her online site Bravely shares hopeful financial steps. Kara also speaks across the country about personal finance. Kara and I discuss some of the steps that women and men and society need to take in order to achieve things like gender wage equality, financial literacy for all and how she herself managed to work her way to financial freedom.

Here’s Kara Perez.

[INTERVIEW]

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FT: Kara Perez, welcome to So Money.

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KP: Thank you for having me. I’m excited to be here.

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FT: It's always a pleasure to me, other strong female voices in the personal finance space, founder of Bravely, which if I just see that, I don't think instantly money content. Tell us about Bravely and why you decided to call it that. I love the name, by the way. How you're hoping to add another layer to the already great conversations we're having about women and money.

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KP: Yeah. You're totally right. The name does not scream financial education. It does hopefully scream the feeling that I want people and women in particular to have when it comes to beginning to get their money right. I always say Bravely is a community of women that is here to help other women get their money together, take control of their money and use their money to change the world.

I know that for me, I come from a low-income background and I got into personal finance via my quarter-life crisis over my student loan debt and I felt that it took such bravery for myself to face my money and then to continually take action on it day by day to pay off my debt. I really wanted to pick a company that brings feelings of bravery, of courage and also of action. That's why there is the LY there, because you are continually doing something.

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FT: What was your life before launching all of these personal finance tools and resources? You have a podcast, you're launching a course, you obviously have the site, you speak on this topic at many conference, including Fin Con, LowLev Retreat. I want to know where were you before all of this started to unfold for you and did you envision this happening before your quarter-life crisis? Did you want to be a financial expert?

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KP: Oh, no. I wanted to be a screenwriter. I have a degree in English from Wesleyan University and I graduated in 2011 with a little over \$25,000 in student loan debt. This was not exactly the

recession, but still very much so the aftermath of it, the fallout. No one cared about my English degree.

For the first three years out of college, I waited tables and I made \$15,000, \$16,000. Then in 2014 three years out of college, I made about \$18,000 and had \$18,000 left in student loan debt and just hit the wall emotionally, financially and realized no one is going to come save me. I have to figure out how to get my financial life together, which in turn I think will help me get the rest of my life together.

My life before this was waiting tables. I catered. I had a series of side hustles that allowed me to pay off my student loan debt. I paid off the last \$18,000 in 10 months and it was totally through side hustles. I've never had a "real job." I've never had an office job –

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FT: What were side hustles, I'm curious.

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KP: Oh, gosh. I mean, if it paid, I did it. I coached high school lacrosse, I coached middle school lacrosse, I worked for a catering company, I did some freelance social media work. I nannied, I babysat, I worked part-time for a nonprofit doing fund raising and social media. I mean, truly anything.

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FT: Now on the other side of things, how do you feel about what you have built and what has been – I always like to know, because we – on the one hand, you do what you do and I do what I do to help educate others around money, but what have you learned about yourself and your financial relationship with money as a result of now immersing yourself in this world day in and day out?

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KP: For me, the work that I do is very much so a combination of my personal experience and seeing how becoming financially literate changed my life, but also my views of the world. Bravely is a feminist company and I believe that by educating specifically women about money, we will change our country and hopefully, the world. Because in our world right now, money is power. Women make less, we live longer, we have less money. We see a direct correlation to we have less power.

I think in the broader conversation about money, there's a lot of how-to's and there's a lot of personal stories. Those are great and essential, but I'm interested in this larger social conversation about okay, yes, you need to know about debt payoff, you need to know about investing. What are we doing once we have that information? How are we sharing it? How are we creating a more equal world?

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FT: Right. There are a lot of sobering statistics out there that suggest we're not going to reach say income parity to get rid of that gender wage gap for another 20, 30 years. In so many ways, women are behind when it comes to for example, the investing portion of our financial planning as well. We don't make as much so then we can't invest as much. It's this vicious cycle. What do you see as the moves that have to happen?

On the one hand, there's stuff that individuals, women and men can do to help to move the needle, but then there's also systemic things that have to change as well i.e. discriminatory action against women. It's a big beast, from your end, what do you see is the critical things that have to happen in order for us to really get there?

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KP: Yeah. It's a huge question and it's got a lot of moving parts to it. The very first thing is fundamentally, we have to start valuing women and women's contribution to society more. We see things like "women's work" as less valuable than men's work. We see, there are literal statistics, the New York Times did an amazing article about how once more women enter a

profession, the salary for that profession goes down and their respect to that profession commands goes down, because we just live in a world that doesn't think what women do, no matter what it is that that woman is doing is as valuable as what a man is doing. Fundamentally, that's the issue.

Now within that, we can get more women into STEM programs and we can teach more women how to negotiate better. Fundamentally, we need to shift our mindset to whatever a woman is doing is just as valuable as what a man is doing.

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FT: For sure. Part of the reason why people say there is this income gap too is because women leave the workforce and we're at the forefront of parenting. I think also what has to happen is companies need to really start to support family life and incorporate that into their ethos and the way that they support their employees, because as it turns out, women employees, especially moms are – we're the get stuff done people and we're huge assets to companies. I think I've heard it from a lot of bosses and people who run teams, like they love employing moms, because they just are really good at compartmentalizing their work and getting and prioritizing and getting stuff done, because once we get home it's all game over.

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KP: Yeah. Actually something that would be a huge shift in our society is aligning school times to end with when work ends. Something that is a huge problem is most schools get out at 2 or 3 PM and most women are leaving work between 5 and 7 PM, so what are you supposed to do with your kids for those two, three, four hours? I mean, you either need to ask for help, you need to leave work early and that impacts obviously your career. Yeah, these definitely societal shifts to help women who are mothers, or just people who work regular hours, or regular hours would be huge strides for equality.

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FT: Yeah. I mean, in other countries they don't work as much as we do. We're obsessed with output and working. We wear our busyness like a badge of honor, so I think that to your point, as well as shifting the work schedule I think to align with family needs is so, so important.

Let's talk about your – you have a podcast, you have a course that's coming out this month and it's so timely to have you on the show. Your podcast, the Fairer Cents, you co-host this with Tanja and what's her last name?

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KP: Hester.

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FT: Hester, right. I thought so. I just wanted to be a 100% sure. Tanja Hester has been on this podcast and she is a part of the – I guess The FIRE Movement. Do you consider yourself part of the FIRE Movement, Kara?

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KP: I do not. It's something I'm personally interested in, but it's not something that I write about and that I exclusively speak about. I'm much more in the general financial education movement.

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FT: Yeah. I think I would say that I agree with that for myself personally. You decided to co-host this with Tanja. Do you two go way back? Did you just meet and you instantly connected? Tell us about the – what brought you two together in doing this podcast, which by the way Forbes Magazine says that Kara and Tanja are the feminist best friends you wish you had.

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KP: Yeah.

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FT: Great alignment.

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KP: Yeah. Yeah. I mean, Tanja and I – now we go back. She commented on my first blog five years ago almost. This was back when she was still blogging anonymously, and so then I commented back on her blog and we just went back and forth for a while. We met at Fin Con 2016 and stayed in touch. We were in a mastermind together and she presented the idea one day to me of doing a podcast. Initially, it was going to be about our different stages. She was closing in on retiring early and I was very much so at the beginning of my financial journey and just beginning to invest and grow it well.

The more we talked and the more we discussed the existing personal finance podcast space, the more we realized that we were very invested in literally getting more women's voices on the podcast waves. We wanted to hear from women and we also really wanted to focus on stories that weren't being told.

Everyone has read the how to save money at the grocery store article. Everyone has heard the same I retired at 30 stories. We wanted to branch out. Even if we were speaking to some of the same people, we wanted to explore different aspects of their stories. The podcast, we say we're two financial feminists who may I swear on this show?

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FT: Yes, I'll just make sure I put an explicit note on it. Apple is very particular about that stuff.

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KP: They are. They really are. We describe ourselves as two financial feminists who give a shit and think you should too, because we really want our listeners to think really critically how we're

using money in world and how money affects women at every level. We've tackled topics such as emotional labor and privilege and how men can be allies to women in the workplace and how all of these things impact our money.

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FT: One of the most profound and a little perhaps controversial things that I have come across, Rachel Rodgers is a friend and she runs a company called Hello Seven, just all about empowering women to make more. She and I worked on a pitch to media about one of her very strong perspectives, which is that you cannot be a feminist in action without your own money. That you can't be broke and actually practice feminism into the extent that you can afford the life that you want to have your own choices.

Unfortunately, our society, the world runs – money runs the world. If you want to elect leaders, if you want to get yourself out of bad situations, if you want to have freedom options, all the things, guess what? You need some money of your own. That was a really bold statement, but I think it dovetails what you've just described, which is that I think to really get women to give a shit about money, and not just women, everybody, we have to really make the equation that money equals freedom, safety, choices, right?

We often say money equals power, which is true, but that doesn't really speak to me as a woman. I don't care about that. I mean, power is great, but I want freedom, I want choices, I want options, I want to protect my family. That's really putting it I think in a realm that I can get excited about. Words matter a lot. I think when you're trying to give this message out to different populations about why money matters.

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KP: Yeah. I completely agree. I often say money gives you flexibility, because exactly like you've just said, people have different choices. Not everyone wants to be president, not everyone wants to run a seven-figure company. Some people just want to stay at home with their kids, or to be able to go to work every day for a 40-year career and know they can pay all

the bills, because they love their work. That's fine. It's absolutely fine. None of these choices are better or worse than the other. It's unique to the individual. Absolutely.

That's why I always like to say with Bravely, we're here to help you take control of your money and start using money as a tool. Then whatever you choose to do with it is up to you.

Godspeed, make your own choice. It doesn't have to be my choice. If you don't have money under your control, then money controls you and that's where people get into problems.

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FT: Yeah, a 100%. Okay, your course is coming out this week. I want you to tell us all about it. It's called Talk Money to Me. You're really good at coming up with these fun names for all your money solutions. Tell me a little bit about Talk Money to Me and what need does it really support?

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KP: I've been working on this for so long and I'm really excited about it, because what I see from my audience over and over and over again is twofold, they literally don't have the money language, they don't understand what their 401k really is, they don't understand what the terms stock and bond are. Also, there is just a feeling of intimidation around it. What Talk Money to Me seeks to do is demystify money, as well as give you practical, tangible financial advice.

It's not just inspiration ra, ra stuff. It's okay, you want to pay off your debt? Here are your six steps you can take. The course is broken up into four different chunks, so you can buy the individual chunk if you want, if you just need to focus on debt, great. You can just buy that. Or you can buy the complete course, which covers debt payoff, negotiation, investing and budgeting.

If you're like, "I need the whole financial overhaul," great, we got you. If you just need some help sticking to your budget, you can just have that. It's a financial buffet. Everything that I wish I had learned in high school or in college, as well as like I said, I'm very, very focused on moving away from just inspiring women. I'm over inspiration. That's great, but it's not enough. We need to

educate and help women take action with their money. The course is very, very action-oriented. There are to-do lists, there are these videos of me saying, “Here we go. Let’s go do this.” Hopefully, people will find it to be awesome and to help them to actually tackle their money problems.

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FT: Well, how did you know how to organize this? Did you survey your audience? Did you just have a good gut instinct, a gut check? Because I agree, I think a lot of what’s missing in the learning out there is how to make more, how to increase your earnings power, how to close the wealth gap, but feedback did you get that informed you on this course? I’m just curious, because it’s a buffet, so it has a really broad range but I feel there is still an editorial perspective that you have on this.

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KP: Absolutely. Something that is a cornerstone of Bravely is we do in-person events. Ever since I started the company in 2017, I knew I wanted to get out and be face-to-face with people to talk about money. In the last two years, two plus years, we’ve done 15 events. That’s been great. They’ve been mostly in Austin, Texas where I’m based, but we’ve done one in Portland, Oregon and later in this year, we’re going to be branching out to other cities.

What I hear over and over and over is oh, I can’t get to Austin, I can’t get to Portland. Are you going to live stream this? I knew that the content that my live events was covering was something that my broader audience wanted, so I just translated that. I did send out a few surveys. I did a few Instagram polls, did a few Twitter polls to make sure I covered all of my follower base. Over and over and over I heard we need online content and we want what you’re doing in these events. We want this practical, tangible advice, just put it on the computer.

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FT: Yeah, just put it on the computer. I think, women really wants to have that is time saving. We’re running a lot of – we’re running around and we have our families, we have work, we have

so much on our plates. You mentioned, you talk about things like emotional labor on your show. That is very much a woman's problem.

I think when it comes to things like money, the more we can simplify it, the more we can integrate it into our already busy lives so it feels easy, seamless, and also we can trust this, because I think that's a big barrier too is we're not as fluent, or as experienced just because of the way the world's been run when it comes to money. We have to play some catch-up, in terms of just feeling comfortable and we – I think one of our strengths is we do ask a lot of questions and we're a little bit more – we're more inquisitive which actually makes us better investors. Just reminding women out there, we're actually better at investing than men.

I think yeah, to your point, trying to just introduce money in a way that is a little bit more approachable and digestible and makes you feel like you're in good hands is of the utmost. Then tell us how we can get in on this course. Come on, talk it up. Talk Money to Me.

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KP: Talk Money to Me. If you go to bravelygo.co. Not .com, I couldn't get that one. You will find – on the menu it will say Bravely Products, click on that and Talk Money to Me will appear as one of our products. That will take you to its own special landing page, where you'll be able to read all about it, see a video of my face walking you through the course, get a little peak into some of the different modules and hear from some people who have already been through it.

I really, really want to make sure that you feel secure before you click that buy now button. Also, if you're looking at the website and looking at Talk Money to Me and you have any questions, please e-mail me. I'm on my e-mail all the damn time. Info@bravelygo.co. I'd be happy to answer any personal questions you have.

[0:21:44.2]

FT: That's very generous of you. All right, let's talk about your biggest money failure. We don't have a whole lot of time, but I want to get some juicy stuff – juicier stuff too about your personal experiences with money. You mentioned that quarter-life crisis and you had student loan debt

and all the things, which isn't a mistake. I mean, we all go through that, but what would you say was your biggest learning lesson?

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KP: Oh, for sure the time that I just did not pay taxes in 2012. This was before I had my personal finance awakening. It was my first year out of college. I was waiting tables, I made \$15,000 and I just didn't pay my taxes, because I moved to Austin, Texas and I just figured, "Oh, they won't notice." Let me tell you, the government notices.

I got a very scary letter from the State of Massachusetts, which was then followed up by a very scary letter from the IRS that said, "You need to pay us. If you don't, bad things are going to happen to you." I literally called an accountant, met him at a coffee shop with a box full of receipts, the total stereotype and I was like, "Please help me." It ended up working out well. I had made so little money that the government sent me a refund for \$900.

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FT: Not bad. What did you do with it? What did you do with the money?

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KP: I put it in savings actually.

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FT: Fantastic. What do you think women would do with more women? Do you think they would save it? Invest it? Give it back to the family? I don't know. I'm curious. What have you heard? What have you seen?

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KP: Yeah. I know that the women that I speak to which is 20 and 30s, a lot of them are pay off debt, pay off debt. I know that slightly older women, 30s and 40s, a lot of them reinvest it into their families. I have heard it say when you say in a woman, you invest in a community, because they're going to take that money and help pay for their kids' college education, or open an IRA for them. It's not just about, "How can I grow my personal wealth?" It's, "How can I support the people that I love around me?" That's something that I think is so amazing about women is that we are so willing to give up ourselves to others to see them succeed.

Something that I like to say to the Bravely audience is I'm not interested in getting to the mountain top alone. I want to turn around and say, "Hey, you need a hand? Come join me up here." I think that is a very feminine quality that I'm very proud of. I love to see that in other people. It doesn't just have to be in women. I'm always so touched when I see women giving from themselves to help others.

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FT: You're absolutely right. It's true that women are more charitable, even though we make less than men as a percentage of our income across all income levels, women are bigger givers to their communities, to charities, to giving back. Yeah, when women make more, the world becomes a better place; just a little reminder. Just a small note there.

Kara Perez, thank you so much for joining us. Congrats on all of the accomplishments. I don't even want to ask you how old you are. I sense you're still in your prime years. Since your quarter-life crisis, it probably hasn't been that many years and you've accomplished a lot and you're helping so many people. We are grateful to have you on this podcast and hope that you'll come back. Maybe do like an Ask Farnoosh and Kara money session on a Friday, that would be fun.

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KP: I would love that. That sounds awesome. This has been delightful. Thank you for hosting me.

[END]