

EPISODE 1426

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FT: So Money is brought to you by CNET, the site that shows how to navigate change all around us. So Money episode 1426, from stimulus check to seven-figure business owner, Eliza Diop.

***ED:** It seemed to me that it was a sign, right? If you apply to 53 jobs and nobody contacts you, I really was like, 'Okay, God. You must be telling me it's time to do something else because, I mean, geez, 53.'"*

[INTRO]

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FT: Welcome to So Money, everybody. I'm Farnoosh Torabi. As promised, we're going to be spotlighting a few of this year's 25 NextUp honorees. These are, as my guest, Adam Auriemma, shared with us last week, he was a guest on Wednesday, editor-in-chief of NextAdvisor, this is an inaugural list of 25 of the freshest, most diverse voices in personal finance today.

Ellie Diop absolutely fits that bill. She is a nationally recognized business coach and speaker. After being laid off from her job, going through a divorce, single handedly raising four children, Ellie used her \$1,200 stimulus check and years of experience in sales and marketing to start the Ellievated Agency. She has scaled that business to multiple seven figures, and she's going to talk about exactly how she did it on our show, how fear was a motivator for her to take a risk, cash that \$1,200 stimulus check.

Her mission is to educate women on how entrepreneurship and financial literacy can be used to create generational wealth, and she talks about the steps that she is taking today to ensure that her kids become millionaires. Here's Eliza Diop.

[INTERVIEW]

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FT: Ellie Diop, welcome to So Money. I've been following your work on NextAdvisor. You've contributed some pieces, talking about how you're building generational wealth for your kids, how you're escaping this scarcity mindset, which I think a lot of us can relate to.

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ED: I'm sure.

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FT: But a lot of us are meeting you for the first time. So maybe take us to the beginnings of how you began your financial independence journey.

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ED: I would love that, and thank you so much, again, Farnoosh, for having me on the show. It's just truly an honor. I'm super excited to be a part of the NextUp list. So it's so cool. But, yeah, I would love to just take people back a little bit to before the business and what kind of really led into this financial independence journey that I'm on now and shifting that scarcity mindset.

So when I started my business, it started actually out of a really hard time, and a lot of pain truly, and really a financially instable position. So I had just moved back to my mom's house in early 2020. I had finalized my divorce. I'm a mother of four. At the time, my twins, who are the youngest, were maybe nine months, so they were basically newborns, still nursing. I was trying to find work. I had worked for so long in corporate America as director of sales. I knew a lot about finance. That was my world.

But when I was laid off, divorced, had to move back home, I applied to over 50-something jobs and just could not get hired. I was like, "What's going on right now? Someone should call me for an interview." That was really kind of my bottom of the floor bathroom moment where I'm like, "Okay, something has to give here. If I'm not able to find a job to take me up on my skills, then I

should look at how can I give my skills and knowledge to the market, and start my own business, and start consulting for small businesses.”

That's what I did. I decided to start focusing on women-owned businesses who needed help with starting and scaling, and specifically who needed help with getting funding because I knew a lot about that. So the \$1,200 stimulus checks came around May of 2020, I want to say, and I literally used that as the seed money to start my business. Yeah. I felt like I may not ever come across a free \$1,200 again or anytime soon. So I used some of it to form my LLC and to start my own website and buy a ring light and upgrade my phone, just little things that I would use or felt like I would need to do this and got to work creating content. Within 10 months, I had made \$1.2 million.

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FT: What?

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ED: Yeah.

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FT: Well, we're going to get – Hold that thought.

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ED: Hold that thought.

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FT: I want to learn about what went into that because I'm sharpening my pencils here. When you are going through your divorce, I'm sure that there were many learnings. How did you support yourself and your four kids financially? How did you and your ex work that out?

Because I think divorce can be really terrifying for people. They don't do it because of the worry that how am I going to be able to support myself? Were you working in the marriage during the marriage, so you had some momentum? Or like what – Can you take us to that moment?

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ED: Absolutely. So when we started going through the divorce proceedings, I had been on disability from having given birth to the children. In the job that I had, it was a six-figure job. So my disability income was about half of that. So it was still a good amount that allowed me to keep going and feel stable. But truly, when the divorce was finalized, I was the only one working in the marriage. So when I lost my job, everything else was kind of lost too. If I hadn't been receiving any of those disability income payments or the little bit of the – We were all laid off. So what is it you get when you're laid off? Not the stimulus.

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FT: Severance? Yeah.

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ED: Severance. Thank you. So the severance –

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FT: Not a stimulus.

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ED: Right. The stimulus was kind of taking us through. But truthfully, that's why I moved back home to my mom's house because the income wasn't coming in. I had to join social services, so I was receiving food stamps and cash aid, things to help us through that time. Gratefully, living at my mom's house, I didn't have to pay rent.

So my example of divorce is when you are the only one working and then you end up splitting from your partner, all of it really does come down on you. I'm so grateful I was able to go to my mom's house because, otherwise, I'm not sure what we would have done. So that's why when those stimulus checks came, I saw that as like the shining light because I knew I had to get off of social assistance. I knew I wanted to get us back into a better situation, and I just put that to work.

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FT: Yeah. You 1,000xed it. Have you done that math? I just did. I was like – Going to 1.2 million, 1,000 times. Tell me what you did, and what was the plan, and how did it – I mean, did you exceed expectations, or you're like, “No, this was planned.”?

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ED: It's a great question. When I started, my initial goal was, all right, let me make what I used to make at my job, which was \$100,000 a year. So I'm like, “If I can just start making 10k a month, we'll be good. We can move out. I know what it feels like to make 10k a month. Let's get back to that.”

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FT: Four kids, Ellie, four kids.

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ED: Four, yes.

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FT: There's five people now in your household.

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ED: Yes, a lot. I don't know if anyone's ever moved back home to their mom's house. But living with your mom, as an adult, it's like great on one side. Then it's also very challenging on another. So there are so many different things happening. But really what I did in order to start to scale the business is the first thing was I sat down and I made a list of all of the things I knew how to do, all the skills I had acquired in my working experience, all of the accomplishments I had had working a nine-to-five and broke down, okay, what were the things I did to do that, right? What were some of the steps I took to help our company make X amount of sales? What were some of the things I did to help my salespeople become better salespeople as a director?

Making that list really helped me to see how many of those accomplishments were transferable to small, new businesses. That was key, right? Taking inventory of myself and looking at what is the demand for these skills outside of the nine-to-five but actually in the market. So then I started doing market research. I used Instagram. I used websites like answerthepublic.com and typed in things like business funding, sales, startup to see what questions are people asking about this, and how can I start creating content to answer those questions.

From there, when I knew what I was going to talk about, when I knew what the pillars were going to be of my coaching and consulting, I started creating content like a madwoman, three to four pieces of content per day on Instagram every day, seven days a week, then eventually started going live every day, sometimes two times a day on Instagram. So my following went from about 300 followers in July of 2020 to about 80,000 followers in January of 2021. So it grew really fast. My goal was 100k, right? But when I hit that or when I got to three 30k, actually, at the end of 2020, I said, "You know what? Maybe I could do a little more."

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FT: Like 30k a month –

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ED: No. 30k in total. Yeah.

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FT: Oh, okay.

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ED: 30. It took me about that first six months of the year to even make that much. So it definitely started a little slow. But once I got the hang of it and changed my goal to a million instead, between January and April, May, it just phew. So it's definitely possible, and I always want people, women especially, to know, no matter how many rocks get thrown at you in your current situation, you already have the tools you need to start changing your life. Sometimes, it doesn't feel like it. But when you sit down and look at it and create a little bit of a plan that doesn't have to cost a lot of money, social media is free, you really can completely reinvent the situation.

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FT: I think, Ellie, your narrative has a lot to do also with the fact that you are a mom. Hype that up for us because I think sometimes we think motherhood means we can't do all of the things you're doing. It's a big job, motherhood and parenting, in general, so not to diminish that work. But you are a leader, an example in how you can be financially independent, while caring after your kids. Then later on, talk about how you're bringing good kids into the business. I love it. But how was being a mom a motivator for you?

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ED: Yeah. You know what? It was definitely the biggest motivator. I remember having moments. At the time, at my mom's house, we were all sharing one room, essentially. So the living room, so to speak, at my mom's house was our room. So my bed is in the corner. The twins' cribs are here. Then the older kids, my eight-year-old and five-year-old now, we're kind of on the other side. So I remembered just putting them all to bed and then just looking at the room, looking at them, and I was crying.

That was really in that moment where we all have these fears, fear to start our business, fear to do something we've never done. I was so afraid to start. But in that moment, I became more afraid of being in that situation for another year, another two years. That was more scary to me, and it was really that night that I started that list. I'm like, "You know what? As scary as it is to go out and try to start this business, I'm this young single mother in Inglewood, California, it's more scary for me to see all my kids in one room and to think about still being here two years from now, three years from now." So that really became like if there's anyone I'm going to show up for, it's these kids. So they can see me and see what is possible in life.

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FT: That is an example of how fear was your savior. You listened to that fear, and you went from a fear that you couldn't control to a fear that you could.

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ED: Exactly.

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FT: So powerful.

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ED: Exactly. And that's why –

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FT: Now, they're working for you, your kids. Tell me how to do this. I have a five and an eight-year-old. How do I get them to work?

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ED: Oh, good. Okay. So a huge part of my platform now is showing women how they can become millionaires themselves, but as well put their children on the path to financial independence from a young age. A way to do that is to hire our kids into the business. So that's what I've done. My kids are eight, five, and the twins are three. So there's not a ton of things they can do, right? But there are a few things. What it's really about is constructing a small role that can give them some importance, whether it's –

Sometimes, my son is my office assistant, where he comes and make sure that the office is clean. Other times his job is to hold the phone for me when I'm creating content and my daughter as well. The twins, no, they can't really do too much. But much of the time, I'm using them in the content. So they're kind of like advertising, so to speak. But just creating these small roles and even if you can only pay them \$100 a month, \$200 a month.

The beautiful thing is when you hire them at this young age now, you can open a custodial Roth IRA on their behalf, and up to \$6,000 a year is what you can put in that custodial Roth IRA to help them start building wealth from a young age, from age 7 to around 19 or 20. If you do that full 6,000, they'll have a six-figure account by the time they're 20 years old. That's amazing. As well, the benefit to us as the parents is the money we pay them is a tax deduction for us, and it's tax-free income for the children.

So that's really one of my favorite ways to not only help your child to start building wealth, but to also help them to start learning what the value of money is and that you can work with your mom and really having them see mommy has a business, and I work in mommy's business, to start changing that narrative.

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FT: So tactically speaking, are your kids employees of your company? They're on your payroll more or less?

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ED: Yeah.

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FT: All right. I wrote that down.

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ED: Yeah. And then the –

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FT: I can't believe this when I first read it. I was like, "I don't understand how this is –" Child labor laws, like I don't know. How does this work? But it is a fantastic idea. When did it occur to you that this was something that you really cared about? I mean, speaking now, I think, as a black woman, let's talk about how generational wealth – Historically, it just hasn't been there for black Americans, in particular single mom, black women. How did this sort of arrive onto your to-do list, so to speak, and like – Because I don't think – This is very new and special. I don't see a lot of people doing this.

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ED: It definitely is, and I would say, for me, about – One I kind of hit that first seven figures mid-2021, I started thinking about how do I make this last, right? That was all I kept thinking is I don't want to be the first one who's done this in my family. Then by the time my kids are in their 20s, there's no money left. So I was reading a lot of information on generational wealth, why our communities, especially as black women and the black community overall, why we do not have generational wealth, and what are some steps we can start doing to change it.

So what really helped me get on track is I hired a CPA at that time. I hired a CPA. I hired a financial planning team because I knew I didn't know what to do with a million dollars. I knew if it was left to me, I wasn't going to be able to manage it well. So I felt I had to get experts in to give me strategies. So when I realized that there was an opportunity here to do this with my children,

I just latched on to it. I said, “Wow, imagine me. I didn't know about this, until I had already hit this income threshold.”

I want to make sure moms who are only making 50,000 a year know about this, so they can start planting these seeds of generational wealth now. I don't believe that you should have to be a millionaire before you can start making these millionaire plays. I feel like, and a huge part of what I do now, such as what the next advisor article, is making sure people have access to this, whether they have a million dollars or not. Because it is something you can do, even if you can only afford to pay your kids \$75 every two weeks. That's still taking a step towards educating them and building wealth so that they know what to do with it later.

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FT: Beautiful. I want to learn about your business. Can you get me behind the scenes of how you're helping these women scale up and these business owners and what it is you're coaching them on?

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ED: Absolutely. So a big part of what we focus on at my academy, it's called Ellievated Academy. Ellievated, right? So we help –

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FT: For fun?

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ED: Yes. We help women to start online businesses specifically, and we teach them how they can position themselves for funding, so they can scale. I recognize that a huge problem in women-owned businesses and especially women of color-owned businesses is that we get the least amount of funding. We get the least amount of capital. We get the least amount of business credit. For any business, you need cash in order to grow. You need capital.

So I decided to start teaching them about business credit, about how to get grants, how to position your business for a grant. Then as well connected to that, once you get the funding, how do you use it to not only scale your business but also to build wealth? So another part of what we teach them is once you receive the capital, how do you leverage it to create new income streams like through real estate or starting another small business that can bring you passive income? How do you flip the bag essentially, right? So it's get the bag, split the bag, okay? Then you flip the bag, right? So how do you flip it to create new income streams so that truly you do start building wealth, and this business can be what helps you to gain financial independence, just like I have.

It's an amazing community. We have just about 60,000 students now, who have come through and taking classes, and I love to see that these women are making it happen. They're getting the funding.

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FT: Well, you're making it so accessible and relatable. This stuff isn't rocket science. But for too long, women, especially women of color, have felt uninvited to the table to have these conversations. We didn't even know who to turn to, and we were embarrassed to ask the questions or we were intimidated. You have completely opened arms and invited this community in, and it's continuing to grow, my goodness.

What's next for you? You mentioned that you teach some of your students about real estate investing and how to kind of grow the bag. But how are you doing that in your own financial life? The business is one asset. Investing is another way you're probably making money, like in the stock market. But is there anything else that you've got your eye on and your money?

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ED: Oh, yes. So my next goal is to become a hotel owner. What? Yes, I know. Big goal.

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FT: I love you. You don't think small. That's part of this. I'm learning. You cannot play small.

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ED: No, you can't. It's made me feel like, "You know what? If this has happened, I'm going after all of it. We're going after all of it." So my next goal is to become a hotel owner. I have a community, which is my Mommy to Millionaire community. It's our platform. In that, our goal, my goal, is to enroll moms. Show them how to become millionaires. So what I would love to do is in the acquisition of this hotel, I would love for the moms to be able to invest in it. So even if they can only put up \$500, but I would love for that to be our Mommy to Millionaire acquisition, where these moms can show their kids like, "Hey, we own a piece of this Wyndham Hotel in Indiana." Wherever it is, right? But that is the next goal.

So I'm hoping that will happen in 2023, perhaps. I like to do things fast, maybe 2024. But that's definitely the next concrete thing I want to accomplish. Then outside of that, just really continuing to expand the community. I would love to be able to get 100,000 women enrolled in my classes and really be able to quantify the impact that this is having on people. So I'm excited.

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FT: How was it when nobody was calling you back, when you had all those resumes out there? What – It wasn't the pandemic yet.

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ED: I mean, tell me because I'm still like, "What is going on?" But I really felt like it seemed to me that it was a sign, right? If you apply to 53 jobs and nobody contacts you, I really was like, "Okay, God. You must be telling me this time to do something else because, I mean, geez, 53. I mean, come on. I know I'm not like – What?" So that was a sign that I needed to shift direction. Definitely, that was the move I needed to make.

I always tell my audience now, sometimes when you receive those nos and those rejections, it really just means a next opportunity. That's what no stands for to me. You just need to turn and go the other way. The door is not open. Okay, we're going to climb through the window. I always encourage them not to take it as a failure but more really of a, "Hey. That means your called to something else, so pivot."

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FT: I so appreciate your mindset, Ellie. Where does it come from?

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ED: Where does the mindset come from? I think that I've always been a really optimistic person. I'm half Senegalese from Senegal, West Africa. So I lived in the country from a really young age. If anyone is familiar with West Africa or Africa, in general, they certainly don't have as much there as we have here. So spending time there, living there as a young child, but seeing how happy they are, even despite the little that they have, I think has always left this small bit of reminder to be grateful at all times. Even when it's so challenging, there's always another way, right? We can be very resourceful when it's time to, and optimism will truly save your life. That's how I see it. Yeah.

That's where it comes from, and I feel as though since becoming a mother as well, I want my children to always believe in themselves. Even when things get hard, I always want them to have that ability to pull themselves out of a dark place. I feel like I have to be that example, so they know how it's done.

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FT: I thought maybe there was an interesting story there because I see on your Instagram too. You have Arabic.

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ED: Yup. I'm also –

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FT: Do you speak Arabic?

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ED: No, I wish I did. I can pray with the Arabic but –

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FT: You have this global consciousness. I have to believe that's part of why you're so wise and why you are so appealing. The pandemic has been a reckoning of sorts. In some ways, like, I guess, if there's a silver lining to every – The devastation had – Well, we're all a little bit more connected now. We don't feel like we have to live in a particular – We don't have to live in New York or LA. You can make your life work anywhere.

So what's your advice to women who may feel isolated or not connected because they're not geographically somewhere, where they feel they're going to meet entrepreneurs? Like how do you find your community right now?

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ED: I love that. It's such a great question. I think the best way to find your community is truly through social media. If you are in an area of the world, where there may not be a large community of like-minded women or other entrepreneurs near you, go on Instagram, go on TikTok, go on Facebook, and type in what you're interested in. If it's real estate, you want to find other women interested in real estate, type in women real estate, and groups will pop up.

I think what's special about social media in this way is it does give us the ability to be connected to someone way on the other side of the world. By opening up and sharing, “Hey, this is where I am. This is what I need,” you will find people who can fill that need or someone who needs the

same thing. So it will take a little bit of courage, right? It's not always easy to step outside of your comfort zone and go on to the Internet to find that community. But I can definitely tell you, woman, if you are listening, the person that you need is out there, right? When you open yourself up to finding them, that's how the universe works. That's how God works. You will be aligned with who you need. You just have to take that first step.

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FT: What I'm learning in from you, Ellie, is that, well, first, your story started with you being a student, knowing what you wanted, but also realizing there was a gap. You had to learn the Internet and social media and what are people asking for and how can you be in service of your end client. I think that's so important. We sort of skip that step. Not that we skip it in life. But in telling our stories, we skip that step, in our success stories. You have to sort of bear down and learn and go down rabbit holes. You did that and you invested that time.

Then you had really big plans. I'm going to go to your hotel. I think that would be so much fun. You weren't afraid to know what you didn't know and get the help that you needed. So when you said that you got and hired financial advisors, your CPA, a huge step.

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ED: Huge.

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FT: You're somebody who knows money and knows business. Yet you knew. I'm going to outsource this because I need this support. Your optimistic take on life is perhaps it is in your DNA. But I think it's contagious, and that's a good thing. Thank you for being who you are.

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ED: Thank you. That's definitely my goal. I always want women to know that you can really do it. As cliché as that sounds, we all say it, but it has so much truth in that I believe we come here

with all of the ingredients we need to make the cake we want in life, right? Rather than always praying for the cake and hoping, “Oh, when is this delicious cake of everything I want going to come,” recognize that much of the time, we already have the flour, the milk, the vanilla, the sugar, everything we need to make it. We just have to get in the kitchen and start making it, and that's what I did. I know if I can do it from those really challenging circumstances that anyone can.

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FT: Seriously, from food stamps to living with your mom, to making millions of dollars. Ellie Diop, thank you so much, and congratulations on being a NextUp honoree 2022. I just started following you. I don't know what happened. I don't know why I wasn't following you earlier on Instagram. I'm slow on Instagram. A little behind on social media. Thank you so much and wishing you continued success.

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ED: Thank you, Farnoosh. Thank you.

[END OF INTERVIEW]

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FT: For the full list of our NextUp honorees, check out the link in our show notes. But you can go to nextadvisor.com for all of it. Stay tuned for Wednesday's episode. We'll have another NextUp honoree, Jeremy Schneider. Learn how he started a business in his dorm room, sold it, and he's now retired in his 30s. I hope your day is So Money.

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