

EPISODE 1053

“NGS: I feel like cultural sensitivity has to play a large role in the finance space and at money talks and just across the board.”

[INTRODUCTION]

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FT: We welcome Dr. Nicole Garner Scott to So Money today. Welcome to the show. Black Wealth Matters continues. I'm your host, Farnoosh Torabi. This is our series dedicated to highlighting the work and advice of many outstanding black individuals who fought racism and oppression to achieve personal wealth and career success.

Dr. Scott is the Atlanta-based founder of Amount Financial Services. She's dedicated her career to creating financial breathing room for households of underrepresented communities and realistic life plans to fit in budget. She also focuses on legacy building and generational wealth. She's a sought after speaker, having received an honorary doctorate for her work in business from the Obama Association.

Together, we explore some of the historical barriers to wealth that have continued to be roadblocks for people in the black community, how the financial expert community can be more sensitive and mindful of disenfranchised communities when offering advice. Dr. Scott shares some of her wide scale contributions to empowering others to change their financial trajectories.

Here is Dr. Nicole Garner Scott.

[INTERVIEW]

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FT: Dr. Nicole Garner Scott, welcome to So Money.

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NGS: Thank you. Thank you so much for having me.

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FT: I'm really excited to share your work with our audience. You are up to a lot these days. It helps many people, particularly women in the minority group, black women achieve wealth. SO let's just start with that, because I think there's a real startling statistic. I actually discovered this on your website that the median net worth of a black family in America today is \$17,000 compared to a white family's median net worth, 13 times higher. You have this really smart saying which is that your paycheck, your income kind of helps you with the day-to-day, but your wealth is really what establishes legacy and keeps you going further ahead.

I would love to open up our conversation just hearing your thoughts on this racial wealth gap and what your ideas are around that. It's a very pivotal time I like to think in our country's history where we're finally addressing this more seriously. But what do you think is kind of contributing to this and the steps forward?

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NGS: Definitely. First off, thank you for having me on and shining light on black wealth at this time. It's something I'm very passionate about and just being able to shine more light to a lot of the myths that we have surrounded ourselves with. I think during this time, we're starting to see a lot of things being exposed, where, I mean, just from COVID to the injustice to just – Any time you turn on the news, it's like, "Oh, wow! This was something I thought and I realized maybe that's not the case.

When it comes to like the racial wealth gap and those different things, a lot of things are going to start to come to light a lot more. Just what's happened generationally and how history plays a big role in that and then just what's happening now. I did an amazing interview the other day that talks about how COVID-19 will greatly increase the racial wealth gap at this time. People aren't necessarily thinking of that because you might not see immediately. But over time, as far

as those who are financially impacted at great levels, we'll start to really get in the African-American community and the Latino communities in regards to really growing disparities.

Even when it comes to many people in our community not being prepared as far as having estate planning and wills, they will not be able to fully transfer things and, of course, many people have passed during this time without being able to really transfer their wealth in today's day and age, property being lost left and right. Just a lot of those things that are transpiring that will have very long-term effects. A part of my mission is to really educate in that space and to really shine light and solutions to what's transpiring.

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FT: Yeah. I want to talk about those solutions with you, and you used the word myths earlier on and talking about some of the misperceptions of when we talk about black wealth. To your point, you're right. Without wills right now more than ever, there's unfortunately a lot of people that out of necessity are going to have to pass down their wealth, their financial legacies. If they can't do that, what a shame.

There was a statistic perhaps. It was actually before COVID-19. There was an estimate that the median wealth of black Americans will fall to zero by 2053. Now, we know that COVID-19 is going to potentially accelerate the wealth gap. We know that there are systemic problems. Do you think that with this awakening and hopefully more education that we could turn the statistic around starting today?

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NGS: I feel like the power of social media and the advancement in technology is starting to keep or starting to stop the perpetuation of falsities that have been passed on for generations. I was watching – I believe it was TikTok. It was this young Caucasian girl who was battling her parents and they were quoting statistics on things that they have grown up learning or that the news has fed them. She was basically saying, "Hey, mom and dad. This is not true." The things that you're thinking, these are WARP statistics, and she was really just having that racial talk with her own parents.

I feel like when you cut on the news now, when you see the protest, whereas if it was a Black Lives Matter protest, you would probably see about 85% communities of color being out there. I feel like this go around. You see such a large percentage of the entire world saying this is enough and things have to change. Even a few days ago, the mayor of DC had the street painted with Black Lives Matter on the streets leading to the White House.

I feel like there is a large awakening happening. When the awakening happens, when there starts to be an open mind set for, hey, maybe things aren't the way they are because of how I've been told, maybe it's a deeper level, then the education can start to really take place. For decades and for centuries, many people thought, "Hey, I just pull myself up by my own bootstraps and get wealthy," or, "I can figure out what I need to do to put myself in a better scenario."

But there were a lot of systematic things in place that prevented certain groups from advancing that weren't necessarily in place for other groups, and so even when you look at current, today's day, when it comes to certain industries such as housing and you look at redlining, redlining still heavily exists. When you look at the labor market, just the gap between gender, between race, those different things, there is a constant fight happening to equalize that across the board.

It's a little bit more than, "Hey, why don't you just get out there and work? If you put your mind into it, you can make something of yourself." It's so many other factors that are in place, and I feel like the power goes to the youth at this moment, because the mask has been lifted. The veil has been removed, because all we could do was go by what our parents said and what our parents' parents said. For any ethnicity across the board, you pretty much gathered a lot of information from what was taught in your home and what was passed down through your generational talks.

But now, because the Internet just opens it wide up for everyone, you're able to kind of make your own decisions a little bit more. If you want to take that deep dive, like if something we say in today's podcast makes you want to go back and be like, "Well, let me check those statistics," then you have access to get them. It's not hidden. It's not you have to know somebody to know somebody. You can just Google and go to like the Brookings Institute or any of the other

institutes that are putting out these reports and just look up the racial wealth gap, and you can't really take a deep dive into studying what's going on.

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FT: You mentioned redlining. Just for context for listeners, I had to look up redlining a few years ago. I was like, "What? What are you talking about?" So I can assume that people all know what that means but it goes back to the 30s. It was the beginning of what created a system where it was virtually impossible for black people to become property owners, which we talk about all the time in the personal finance community, and you're a big expert in the community about. That's like a huge way to sort of build wealth and establish wealth.

You mentioned something really important earlier which was that there are a lot of insensitivities and perhaps a lot of it is unconscious when we talk about how to achieve wealth. When we talk to broad audiences, we forget that within that audience, there might be black individuals who struggle against these systemic issues and saying like, "Oh, if I can do it, so can you."

It's sort of a blanket statement that falls on deaf ears. It's not right and I want to hear from you. What are some better ways to communicate financial empowerment and literacy to the black community in a way such that it isn't insensitive, it is accurate, and it is empowering? You were quoted in I think your Atlanta paper about how you witnessed Suze Orman who's like – Gosh, I mean, she's like the personal finance expert of our times who – I'm sure she wasn't trying to be insensitive, but she was like, "If you're having financial issues with your mom, ditch your mom." You're like, "You can't tell that to a black woman. Family comes first."

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NGS: Many close-knit ethnicities. Just depending because, I mean, you can do that in an Indian family. You can do that in a – I mean, it's completely different when you're raised in a communal format. When there's a communal format, there is a lot of mindset issues that are passed down from generation to generation. I had to do a talk in New York where we really delved into a lot of first-generation millionaires feeling a survivor's remorse or large amounts of regret, because they made it and their family members break them because of that.

That's completely different than when you come from a family where everyone's made it, right? Or where the expectation is for you to make it and then comparing that to you make it and half of your earnings go to support your parents and your siblings and your siblings' kids and those different things. It's like, "Well, how do you have this six and seven-figure job and you're not able to take these trips all the time and you're not able to do these different things? I know we both have these amazing jobs. What are you doing with your money?" It's like, "I'm supporting my whole family."

It's just a lot of different things that happen behind closed doors that have been infused generationally across that time. But as far as your question in regards to solutions, I feel like cultural sensitivity has to play a large role in the finance space and at money talks and just across the board.

What I loved that you did, Farnoosh, is when you did your pop-up and so many cool things that you do. I followed you for quite some time and just how you bring a lot of awareness to things that people just take for granted or not take another look or another perspective at what they're looking at. But I feel like a strong part of what we have to remember is how culture plays a large role in financial decision-making, in financial experiences, and in financial trauma.

When you really understand those different areas, then you know that it's your – I always take it as my responsibility in the financial space that I can't give out blanket information or generic information across the board, because someone might have been traumatized financially in their childhood, right? If you grew up in a very low-income household and money had a very negative connotation to you, then there has to be growth and healing in that area first to even get into a good relationship with your money thoughts and how you think, and you have not been exposed to conversations I talk about.

College is when I really started to get exposed to high-level money conversations. I had a roommate and I think it was one of our spring breaks. We went back to her home. I was just like, "Wow! I didn't know people live like this, first off." Then when we were inside her home, her family was telling her to remember to stop by the wealth manager's office. She has some paperwork to sign. They were talking about the family business, and they were just talking about

wills and trusts and the estate. It was just so many things I was hearing for the first time that wasn't normal conversation in my household growing up.

That makes such a large difference to that base level education. Many of my constituents in college, they were gifted property very young. They were 800 credit scores and above very early in life where many people in my community are unfortunately parents had already misused those credit opportunities and adding on top of that not really understanding student loans and needing money. All those different things compounded just starts you off at 18, 19, making some of your worse financial decisions you can possibly make.

Yeah, definitely, healing of the financial trauma exposure and education is very, very important and having cultural sensitivity and then recognizing some of the biases that happen in the financial space. One of the hardest things to explain to people, many people feel like communities of color, they're doing well. But they're still not doing well enough for a true wealth manager to take them on. Your revenue has to be at a certain level for you to have a wealth manager that can advise you, but there are so many people that need money management, money advisement that just haven't reached that level of income.

That's pretty much the gap that my company focuses on is helping those who may not qualify at the sixth and seventh- figure mark to have their high-level wealth manager but still very much in need and desperately in need of strategy education when it comes to their money.

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FT: One of the things that you have attributed your success to is to find those mentors. You had really good mentors. Who were those mentors and what did they teach you and how can we find mentors for ourselves?

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NGS: Yes. Everyone thinks of mentors when it comes to their career or you think of mentors when it comes to just your empowerment space. But having a financial mentor is such a beautiful thing. I've had quite a few people that I was exposed to that let me know that there

were so many more levels to understanding money, accessing areas that I can really reach large gains with what I was doing.

Sometimes, we're only allowed to know about level one and level two. It's like playing a videogame and it's Super Mario Bros. You could get to level one and level two, and then someone in your school or in your class is like, "Hey, I have the codes for you to experience a whole another side of the game." It's like, "Oh, wow! I didn't even know these other parts existed."

I would definitely say my mentors did a great job of helping to put me around a great accountant that really changed a lot for me and helped me to really make stronger plays with understanding tax preparation and how me and my husband decided we wanted to save money for our son. We decided to do an IRA for my son. Even just depending upon the direction you want to go in but even just letting us know that we had options was very important for us too and really ushering me into spaces of exposure. Exposure I feel like is very key in seeing the possibility.

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FT: You were kind to highlight some of my work, Nicole, but you are doing so much good for your audience. You have among many things this incredible campaign that I want to highlight for everybody, the Legacy or Lose campaign. You launched this in the beginning of the year as a way to educate 100,000 people of color in the area of wealth building. How is it going with that?

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NGS: It's actually going really, really well. Our purpose was to really push the initiative of estate planning and making sure that there was education that is relevant to our youth and going above that. We partnered with a technology startup that is able to create educational platforms for our middle school, high schoolers, and college that really helps to take you through wealth building and wealth understanding and what truly is dead and how to use credit and so many different areas that we just kind of thrust our youth into or thrust our young adults into without the proper preparation. We have that side.

Then for our adults, we do quite a lot in educating on having your will in place, properly doing your estate planning, what do you need to really be able to pass on your legacy. Yes, we're at this point. We're crossing very, very high numbers. We adjusted a lot of it to be very digital after the pandemic and everything has hit, and we're just very excited about it.

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FT: Tell us where we can learn more and potentially support.

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NGS: Sure, sure. You can go to legacyorlose.com in regards to what we're doing with that campaign, and you can go to amountfinancial.com just to find out more information in regards to my company and what we were talking about.

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FT: Nicole, what attracted you so much to financial literacy and your work? I know that it was a bit of a pivot because your background is in I believe marketing if I'm correct, which might explain why you're so good at teaching and sharing the financial stuff. But I'm always curious to learn about where people caught the bug when they're in this biz.

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NGS: Yeah, sure. Years back, I've been in the entrepreneur space for about 15 years now and just really on the forefront of doing a lot in Atlanta and have a – Owned a co-working space. A lot of different hubs and meeting places for entrepreneurs to meet, and so I would do a lot of speaking and coaching to entrepreneurs and really started to have a lot of transparent conversations where people would say, "Nicole, I have the leap of entrepreneurship. I went after my dreams. I quit my job. But now, I'm about to lose my house," or, "I went after what they told me to. They said to believe in yourself, and now I'm in the space of getting ready to get evicted from my retail location."

Atlanta was just like a microcosm to me of not properly explaining to people what is really involved in entrepreneurship from the past, the hype in past, the beginning stage one. Even though there were businesses opening up left and right, there were businesses closing left and right. So I felt like I needed to get into that. Before we talked about your marketing initiatives, I have my PR agency, the Garner Circle PR, which I've been running for 15 years. People will want to sit down and talk about these large campaigns and these things, and I was like, "Before we talk about any of this, like your money plan is just all over the place, so you won't sustain. It won't be longevity. There's no plan to scale. The cash flow is not in place, the expenditures, how the accounts are co-mingling."

It's just everything is out of order and it was such a common issue that I felt like, "Let me delve into this or let me serve my purpose on this earth more." We start to have these conversations. The thing is in the African America community, a lot of many conversations have become taboo from generations passed on. There was a lot of deceit that happened in money. Spiritually, people thought money was evil. There was no trust of the banks because of how banks operated in previous decades. There was no trust of telling each other about finances because you were just told that's not what you're supposed to do.

So I've really wanted to open the space out more so that we can talk about money more and we could talk about money in a very safe space that can lead to some change.

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FT: You had a program scheduled in April. That was the Coinference. I'm sorry. The Coinfidence Conference in Atlanta. Tell us what happened with that and if it did go virtual. I mean, you're doing so much and it's just such a great contribution. I want to highlight all of it.

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NGS: Thank you.

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FT: But tell me about Coinfidence.

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NGS: Sure. Coinfidence is a play on words. Taking your finances and making you very confident about your finances, so it's Coinfidence. Right in the midst of us getting ready to have that conference, the entire world shut down, so we are definitely taking that conference virtual, and it'll happen in the fall. It really – We use the word money as a verb when we're talking about that conference. But we call it teaching you how to money.

Not taking light of wherever people begin. What their beginning stages is, so some of us might be in a space where we have a strong financial literacy background. Other people, this might be the first few conversations you're having about money, so it takes you through the gamut of money mindset, all the way to investment practices, to wealth building tactics that are very solution-oriented to how to truly leave your legacy and how to create a legacy worth leaving.

The conference, yes, it will happen virtually, which I'm very excited about because all of the eyeballs that are online now that didn't exist a few months ago is just making for amazing spaces for the last two conferences that I have keynoted. There were easily 10 and 15,000 people on these digital platforms, whereas in person that probably would've been at most a 2,000 or 3,000-person conference. It's just increasing that and I think that people are truly understanding the need to have these conversations and to really do something about current scenarios in as best way that they can.

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FT: Earlier, we were talking about sometimes the insensitive ways that personal finance advice is framed to certain groups who may have a history of struggle, a history of systemic challenges. But look at you, right? You're somebody who is the first to admit that you grew from humble beginnings. You didn't have a lot of money conversations growing up. So this expression that like, "If I can do it, so can you," is that a fair saying coming from you to your audience? Or what will be a better way of empowering your audience using yourself and your own narrative as inspiration?

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NGS: A better way of empowering is to figure out truly where you are and not necessarily in comparison to those around you or in an aspirational way but figure out truly where you are and what your numbers truly are, what are the variables in your life, what are the things that you're dealing with that no one else is dealing with. Assess that, really write that down, really plan that out, and then surround yourself with someone who could just help you get to the next level.

When it comes to where you want to go, what you want to do, if you are dealing with a lot of financial trauma, then you have to start in that financial therapy space. I call it dealing with financial therapists. You have to get past the guilt of making money. You have to get past not seeing yourself having money. You have to get past whatever is making you overspend because you can repeat exactly what I did. But if I'm not dealing with that scenario or that story playing inside of my head and you are, then any time you amass money, you're going to spend it.

Also understanding what are some of the dynamics and variables that are in your life that are causing for some of the things to transpire. I feel like I read a great quote on Brookings Institute. I utilize their site for a lot of things but it say, "Wealth gives you status and then gives you the ability to go into certain spaces and to use your resources in ways that other people can." I bring that up to say that if you really start to understand the economic wheel that's surrounding you, then you can start to plan your moves accordingly.

If you are in a certain environment that is in no way going to ever produce fruit and you keep trying to produce fruit in that environment, it's going to be null and void, right? If you're a farmer and this soil is no good and you keep dropping in it, you keep dropping seeds in it, sooner or later people will just call you insane. There's no fruit. There's no harvest that can come from this.

Once you start to empower yourself with the knowledge and information, then you can start to see your environment a little bit real or it's just like watching the movie The Matrix. Well, you could start to see things for what they really are when you take the red pill, when you see what's

transpiring in front of you, then you're able to say, "Okay. For me to continue living in this city, I can't get to where I want to get to, right?"

Some of my clients, they have aspirations to own tons of property or do different things, and I'm like, "Hey, can that happen in a high-level market like New York? Or if you were to be in another city where your cost of living will be cut in third, would that be able to transpire?" Instead of just looking at people and then saying, "I want to be where they want to be," or, "Their journey is so aspirational," or if goals or anything else that people are saying, it's like you have to get really real with yourself about your environment.

Some people are doing so well because – I will say two of my mentors. One lives in Tennessee and the other one lives in Arkansas. I mean, they live in very quiet places, very wholesome places. For me, in my 20s, I was like, "I would never know. I want to be in fast-moving cities and those types of things." But the way that they've been able to accumulate wealth by living so under their means and their houses are beautiful, everything, but the cost of living itself is just such a small percentage.

Those things had to be taken into account. So you can't just go on to Instagram and say, "Oh, I want their life." You have to look at all the different variables that added up to that. Look at the different variables in your life and figure out what needs to be adjusted to reach that goal.

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FT: That's a great reminder and true. Everyone I've had on this podcast who has said, "Oh, I've 'retired early,'" or, "I saved \$100,000," or whatever, it's like, "Where do you live?" They're not living in New York City or California. They're living in –

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NGS: It's no way, right.

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FT: No. I think especially now, a lot of us are reconsidering where we live because maybe it was attractive at one point to live in New York City but not when there's a pandemic. There was already a lot of people leaving New York before the pandemic hit. Now, of course, I think New York will have its heyday again but it's going to be a while. It's going to be a while before it convinces people that this is like a safe place to be until we kind of get our hands wrapped around pandemics.

But to your point also, I think what I'm learning from you, Nicole, is the importance of having transparency and honesty about your financial story, whatever that story was. If it was a story that started from humble beginnings, lack of resources, or the reverse, which is, "You know what? I grew up wealthy. I had resources, and here's how I leveraged it." A lot of times, we skip that stuff because we feel like we're worried that it's going to discount our success. Well, of course, you're rich. You grew up rich. Not everybody who's rich grew up rich or who grew up rich stays rich, right? Every story requires the true story and don't be worried about it somehow cheapening or simplifying your merits. It's important that we share all of it.

Now, tell us where we can learn more about Coinfidence Conference, which is now going virtual, and just more about.

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NGS: Sure, sure. You can go to amountfinancial.com, [A-M-O-U-N-T financial.com](http://A-M-O-U-N-T-financial.com), and it'll have all of our events. We do quite a lot. We actually have some live trainings coming up. One where partnered with Quickens to do will training and just making sure that wills are in place in our community. We have a lot of other trainings that we continuously do in the digital space.

Myself, I have a book coming out in the fall called, titled, *Make Space for Wealth*. That book is going to be very imperative to just aligning your life so that you can keep the wealth in your life and grow the wealth in your life, so a ton of things. We're very passionate about this space. We're very passionate about just making sure that we make talking about wealth more common, especially in my community and in marginalized communities to really eradicate the feeling of shame that surrounds it, the feeling of being inadequate, and at least leveling the playing field

and the conversation, which is a large, large part. That's why I listen to your podcast so much because the biggest part of changes is communication and conversation.

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FT: Well, thank you for contributing to that conversation, for showing up, and all of the work that you're doing. Nicole, we just honor you, and thank you so much, and wishing you and your family continued success and health. I hope to have you back soon.

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NGS: Thank you. Thank you so much.

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