

EPISODE 855

“RR: I feel we’re just built to hide like, “Can I just make millions in hiding?” That’s like, “No, honey. You got to put it out there.” I think that’s really scary, because we are trashed, right? We’re called nasty things and we’re seen as bad moms like, “Oh, she’s making so much money. She must never spend time with her children.”

[INTRODUCTION]

[0:00:53.9]

FT: We're unpacking some of the real reasons, the real issues behind why women struggle to achieve financial independence. Welcome to So Money, everybody. I'm your host, Farnoosh Torabi. My guest today is the one and only Rachel Rodgers. She is as her bio describes, a woman of color, a mother of four and a seven-figure business owner in that order.

Rachel started her career working as a lawyer with nonprofits, federal judges and Hillary Clinton, when she realized that changing the world is easier when you have some cash in your bank account. She decided to build a million-dollar business and then teach other women how to do the same.

In fact, she talks about on the show today how you can't really be a feminist if you're broke. Rachel is also the creator of the Million Dollar Badass Podcast. Got to listen to that. Fasten your seatbelts, diving into motherhood, money and making it work, all while refusing to apologize.

Here's Rachel Rodgers.

[INTERVIEW]

[0:01:56.6]

FT: Rachel Rodgers, welcome to So Money.

[0:01:59.7]

RR: I am so thrilled to be here. Thank you for having me.

[0:02:03.3]

FT: I love you for a lot of reasons. I think one of the reasons that you and I just – we really connected when we first met and we still – I feel you're in many ways the sister I never had. We agree on a lot of opinions. We have similar opinions around subjects like motherhood and money and career. Ultimately, I feel if there's one word to describe your approach, it's unapologetic.

[0:02:34.4]

RR: Yes. I like that word.

[0:02:36.2]

FT: Yeah. I thought about that as I was thinking about our interview today and I was like, "If I had one word to describe Rachel, it would be unapologetic in the most empowering way." Unapologetic as a mother of four, as an entrepreneur, as a woman of color, as a feminist. I want to get to some of your viewpoints that have actually rocked the media world, including thoughts like you can't be a feminist if you're broke. I want to explore that and unpack that with you and so much else.

First, let's talk about you Rachel Rodgers today as the founder of Hello Seven, as a mom of four, as a woman of color, as an entrepreneur. Is this the person you envisioned you would become growing up as a young girl, even as early as five or 10 years ago? Was this the vision?

[0:03:33.0]

RR: Absolutely not. I don't think I could have imagined anything like this. It's way better than what I would have imagined. I think for sure when I was a little girl and I see it in my daughter

who's seven, I was unapologetic as a little girl, right? I had big dreams and I fully expected them to be realized. My mom and my dad really did a good job of instilling that in me and making me believe that I could be whatever I want. If I wanted to be an astronaut, they'd be like, "Damn right girl. You could be an astronaut. Go get it."

I totally expected to be successful, right? But in the traditional sense and that is the original path that I took. I went to college and I interned on the hill. Then I went to law school and clerked for a judge. I was fully entrenched in that traditional path, even working on the hill, working in in federal court, these are places where an afro is not often seen. I even felt it when I was young, I interned for Hillary Clinton when she was a junior senator for New York. I remember being on the hill and everyone was always in beige. It was beige and gray and black and navy was the uniform and I would be in purple and my big hair and I was like, "Hmm."

That was the first time I think I realized that I stand out in just in appearance from what everybody else is doing. I went through law school and it was honestly a traumatic experience, because it's almost it tries to beat that uniqueness out of you. I think by the time I graduated I was like, "Screw this. I want nothing to do with this traditional path. If I'm going to do it, I need to do it my way. If I can't be successful doing it my way, then being a lawyer is not for me." I was like, "Let's just try it."

I started my own practice and just did it my way. Because I did it my way, it was like, "Whoa, who's this young lawyer?" I got a ton of media attention right out the gate as a young lawyer, because I was just doing something slightly different, which is starting a practice, using online marketing, making it based mostly online. I worked with my clients online, so I immediately I was doing things differently and I got a lot of vitriol because of that, which was actually a great experience because now I just don't care. Now unapologetic is 100% what I am all about. I don't even think about it.

A lot of times I don't think, "Oh, what will people say?" I don't care. I literally don't care. I think, having haters is the best thing that could happen to you, because it really – once the worst happens, right? People drag you online. They say mean things about you or whatever, then you're like, "I survived that. Who cares?"

[0:06:16.8]

FT: What a gift. Thank you. Thank you, haters. Well, one of the things that I think you're so bold about is projecting this desire and interest and motivation to make money, to go out there and make the millions. A lot of women I think, myself included initially had a problem, even saying, vocalizing that. Because I think there is an association with being rich and maybe being greedy, or – The whole money thing forever, it's been a man's domain, right? It's not a feminine energy, right, that we get from being rich.

I feel we're turning a corner in that, especially post Me Too, we're realizing that without money, we don't have resources, we don't have access, we don't have the right to walk away from bad situations, so women need the money for a lot of reasons. You've been woke to that theory for a while now. Why do you still think it's hard for some women to accept this and to embody this?

[0:07:24.6]

RR: I think it's just built into us. It's part of our upbringing, right? We're socialized to care about everybody's feelings and to be nurturing. There's so much about being a woman that seems like you shouldn't be aggressive, or ambitious. When I am working with clients, I specifically call out in my marketing ambitious women, right? If you are too ambitious for the women around you, great, you're perfect for my community, because we are all ambitious.

It's almost seen as a dirty word. Still in my work with my clients today, I still have women they want to make more money and they say they do. When it comes time to really put that out there and to really take the steps visibly that are going to make that happen, they still shy away. I feel we're just built to hide like, “Can I just make millions in hiding?” It's like, “No, honey. You got to put it out there.”

I think that's really scary, because we are trashed, right? We're called nasty things and we're seen as bad moms like, “Oh, she's making so much money. She must never spend time with her children.” How many of us have heard that? Or even have said that, right? We have even said those things in the past a lot of us. I think that that is just a pervasive part of society and it's really hard to shut that, because it's been a part of our upbringing from day one.

[0:08:46.4]

FT: How have you managed to align family with business in a way that you don't feel you're choosing? I think that's still – it's still a real threat, I think to women's success is maybe that it's a mindset shift that has to happen, but there are real challenges in our way; childcare, money, support from our partners and community, knowing even how to tap into the right resources to be able to earn that – building some of that flexibility, asking our employers for flexibility. There's so much in our way, or these are hurdles that before you even get into it, some women are like, “This is too much. I am just going to either be a family person, or a business person.” There's really no in between. What are the hacks that you practice to get this to work?

[0:09:35.5]

RR: Yeah. Well, I think this is really important because until you figure this out, it's really hard to go balls-to-the-wall for your dream, you know what I mean? If you're feeling like, “Oh, but I need to show up for my kids and I can't show up if I'm going after this dream.” For me, it's about being intentional about what kind of mother I want to be. That's where I would start. I would even go old school and take out a piece of paper and a pen and just write down a list of what do you want your kids to say about you years from now? What do you want your kids to know? What do you want to model for your children?

I think being an intentional parent is a big part of this. Instead of just doing what everyone says you should do; everyone says you should be on the PTA and you got a volunteer at school every day. You have to stay home with your child and you have to breastfeed for two years, or whatever.

[0:10:20.1]

FT: Oh, no. Oh, lord.

[0:10:22.3]

RR: Listen. Forget about all that, right? Get with what you really want for your relationship with your children. I think once you do that, then start going about building that life for yourself. For me, I want to model success for my children. I don't want my children to grow up with a scarcity mindset like I did. I want them to expect abundance, to feel like, "Yes. I can have whatever it is that I want to go after." Those are things that are important to me. I want them to remember that mommy read to me every night and that we went on fun vacations and that we – mommy worked hard, so that I could have the best education possible. These are the things that are important to me.

I don't need to make every meal for my children. I don't need to launder their clothing. I don't need to clean up after them. I don't need to clean their bathroom, you know what I mean? Those are things that I don't need to do in order to feel like a good mom. I think we have to separate parenting from the labor related to parenting, because I think women think, "I have to cook dinner every night, because that's being a good mom." No. I think sit down and have dinner with your children, but that doesn't mean you have to cook it. Let's separate out the labor.

Then what I tell my clients is let's immediately start outsourcing. I know you feel the same way. Outsource what we can, right? What I always recommend is start with the laundry. Why are you doing laundry in this day and age? It's \$35 to drop it off. Drop it off.

[0:11:47.9]

FT: It takes hours of your time.

[0:11:50.5]

RR: Hours.

[0:11:51.7]

FT: We're not talking an hour. \$35, would you like to spend \$35 and have it done, or would you like to spend all of your Saturday morning, or all of our evening times three? That's at least my case. I'm a laundry ninja. I'll be the first to admit. A lot of what you're saying is echoed in this

great book that I just want to recommend to everybody too, that I actually referenced in my research for *When She Makes More* and I've interviewed the author. It's called *Perfect Madness* by Judith Warner. The subtitle is motherhood in the age of anxiety. It's really fascinating if you are interested in looking at the patterns in motherhood over time as women, or mostly stay-at-home mothers and then when they went to work and now to modern day.

You described it really perfectly that motherhood, we incorrectly equate being a good mother with putting in all this work, like all the labor, all the hard labor, when really it's about presence and it's about conscious parenting and it's about, like you mentioned, really figuring out what is it that you want to model for your kids so that they can grow up with the right frame of mind and appreciation for life and motherhood and all those things, that doing laundry for them is not – it serves nobody. Yet, we do it because I think especially working mothers and especially breadwinning mothers, there is this feeling that we have to overcompensate in the housewifery department.

[0:13:21.0]

RR: Uh, I hate that.

[0:13:22.2]

FT: Yeah, but it's so psychological and a lot of us are doing it without really knowing consciously that this is what we're doing. We sometimes do it, because we feel unfeminine as a female breadwinner, so we try to overcompensate in the traditionally feminine areas of domestic life. It's insanity, perfect madness as Judith Warner describes it in her book. Pick that up if you want a context for the crazy things women do as mothers and wives.

Rachel, you also have this really poignant perspective and it's a bit controversial, which is why I love it and this idea you have around feminism and money. I think it's very on point with where we are culturally as a society when we're looking at now in the post Me Too Movement, what does money mean for women and what does it mean for the act of feminism? You will have said so boldly on NBC and other outlets that you can't be a feminist if you're broke, which is a really

bold statement. I'm just curious, since you have come out with this ideal idea, what has been the reaction?

[0:14:36.2]

RR: Yeah. Well surprisingly, it's been mostly positive. I think a lot of people get it. I did definitely get some hate mail after that.

[0:14:43.4]

FT: Really? What was the hate mail about?

[0:14:45.2]

RR: They see the video came out. Well, people just saying, "You're a monster." Just vitriol. No good points. Just basically terrible things about – and also people that just hate feminism on its own, beyond even my statement and my comment about it. Honestly too, that would be the appropriate reaction if you're somebody who hates the idea of feminism, because this is an idea that really will help us to accomplish more, right? It will get our agenda further. Of course, if you're opposed to the idea of feminism, then you're going to hate this idea, because the truth is that we need money to make – to have an effect and to get our agenda heard.

No one is going to just say, "Oh, you know what? You're right. I've had a change of heart. Let's have more women in office and let's put more women in the C-suite," right? Let's make more women judges. Let's just do it, right? That is never going to happen. I started to feel frustrated with just seeing so many of my friends and just seeing in the news all the time that we are out there marching. I love that and that's great, but let's not just do that. Let's also get this money, because that is really what's required. We need to control the funds, then we have money to invest in the women we want to elect, we have money to invest in ourselves and our careers and our futures.

I think and active resistance is for every woman to take hold of their financial situation and make it a priority to earn more and to have more economic power. I think that is where we need to focus our energy.

[0:16:26.4]

FT: I want to invite you to Stacks House, Rachel, which is I don't know if I've told you about this, but I'm launching a pop-up in Los Angeles. It's a pop-up with a purpose centered around teaching women about money, but also having a blast doing it. It's Museum of Ice Cream meets women and money.

[0:16:45.4]

RR: I love it.

[0:16:46.8]

FT: That's exactly our point in doing this too. It's our silent resistance to getting women to feel more empowered around their financial goals and to actually go out there and do all the things with achieving financial independence. Yeah, you need to be there and we need to dedicate a moment with Rachel in the Stacks House, because I think –

[0:17:07.1]

RR: I would love to.

[0:17:08.1]

FT: - you're so aligned with our mission as well. Our sponsor for this show is Chase. I know it's mid-February at this point, but we're so curious to know what is your financial resolution in 2019 and how have you been sticking to it?

[0:17:27.2]

RR: I love that. I think that's a great question. My financial resolution is to 3X my revenue this year. That is my goal. I am an entrepreneur and a business owner, and so my goal is let's 3X how much we're making and let's just see if we could do it. Look, I like to really challenge myself with big goals. I think sometimes, big goals can be too much for some where it's like, "Okay, I don't feel I'll ever get there and it's disempowering." For me, it gets me excited to just create an enormous, ridiculous goal and just say like, "Let's see if we could do it." That's what I'm charging towards.

My goals are always towards earning more. Then I want to invest more both in my financial future and then also in causes that I care about. That's my why, right? If I earn more, then I can reach more women with my work and then I can invest more for my kids and my future and I can invest more in causes that I care about. It's all about earning more money.

[0:18:25.5]

FT: How are you going to do that?

[0:18:29.0]

RR: I love that. Because I think it's super important to actually have a plan. I love when people tell me a goal and then they actually have a plan to do it. For me, my goal is really about underpinning my business and creating more systems, hiring a team and going all-in. This is scary and hard work, because we're already generating seven figures. We're doing quite well. For a lot of people, they would be like, "Okay, I'm done. I've arrived. What else do I need to do?" I'm like, "Hey, we got here, so where else could we get? Let's keep going."

I think the scary part is that sometimes, we have to make investments in ourselves that are if I want to have a 10 million dollar business, I need to be making 10 million dollar kinds of decisions right now when I still have a million and a half sized business. I think that's really scary. I think that's applicable to a lot of your listeners, where if you want to be a woman who is making 250 a year instead of 125, or 80 instead of 40, you've got to start making decisions

that'll get you there and that can be scary, but it's what's required, right? It's like, dress for the job you want, right? Make decisions for the financial future that you want.

[0:19:41.6]

FT: Tell me about a time in your childhood Rachel, where you feel you learned something about money that impacted you as an adult; could have been a good experience, a bad experience, or just one that stands out for some reason.

[0:19:56.4]

RR: Oh, my gosh. I could see it vividly, like as if I was standing there right now. In my apartment that I grew up in in Flushing, Queens, New York and my mom was at the door, because the electric company ConEd came to my door to turn off our lights, right? This has had happened before. This was a part of our childhood where there were times where there was money and we were okay and there was times where there was a lot of struggle and we were using food stamps.

This was not a particularly great time. My parents had both gotten laid off at the same time and it was just a really rough period. ConEd, they came to the door and he's letting us know he's about to go to stairs and turn off our lights. This is the coming to the door, here's her last chance to make a payment. Well, my mom didn't have the money, okay? What she did have was intelligence and cleverness. What she did was – do you remember they used to send out letters or mail that was really junk mail, but it would have a check in it and it would say like, “Start your account today.” It looked like a real check.

Well, she wrote one of those checks out to ConEd, knowing that it was a bad check, right? I know this is not great. Here's the thing, I thought my mom was a hero, because what she was doing was buying herself time. She was like, “I'm going to give them this check, that's going to buy me seven days and in seven days, I'll have the money to pay the bill and I'm going to keep my lights on for another seven days.” It worked. I was like, “My mother is a genius. She is magical and she can make a dollar out of 15 cents.” What is what I remember.

I think what I take from that is just be – really finding a way, right? Not taking no for an answer, rejecting that idea that this can't happen and saying, “Yes, it can. Let me just think and find a solution in the moment.” I love that and I think that's what we have to do as women is just get creative and find solutions. I love that story and it just makes me love my mom every time I think about it, because I mean, she did that many times where she just found a way where there was no way. I think that has given me the tenacity that I needed to build the wealth that I have done so far and that I will continue to do.

[0:22:10.4]

FT: Well, there is absolutely no roadmap for building wealth. Well, there isn't, because I think especially for women who want to arrive at motherhood and not give up their careers, but actually do more with their careers. I feel we need more examples like you out there that are public and loud, because we feel we don't have the role models necessarily, or everyone has their way, but it doesn't really fit into my way.

All this to say that there's this startling statistic out there that keeps me up at night, which is that firstly, there are only as many women in the workforce today as there were in 1985. That women in the workforce has really stagnated. This was a survey recently done through Harvard and some other schools. What they basically concluded was that women who are now going to college at higher rates than men and even graduate school are entering the workforce super ambitious. These are your women, Rachel. Then they have that first child and they're completely unprepared for all of the physical labor, the emotional labor, the costs, the lack of time, the exhaustion.

What that has led them to do unwillingly, these are not women who wanted to opt out, these are women who now are feeling they have handcuffs on, because they don't have the strategy to figure out how to make it both work. They are at the emergency stage now, or they have the child. It's too late they think to start planning. They opt out. It's a real bummer, because they didn't want to be a statistic. They didn't want to be part of that opt-out generation. Yet, here they are. They're really smart women, they're accomplished.

Looking back at yourself, just yourself, what do you want to tell these women, some things that you did to prepare you for now a life where you're running your own business with four kids and the breadwinner?

[0:24:21.6]

RR: Yes. I think the problem there Farnoosh is boundaries. I think women need better boundaries. I think law school prepared me for that and learning how to negotiate and those kinds of things have been really important life skills, because I negotiate with my husband, I negotiate with my teenager, I negotiate with my children, with my clients, right? With everyone.

I think we need that negotiating power and we need to put some boundaries in place. I feel women need to reject the idea that we need to do everything. Completely reject it. Just say no, okay?

[0:24:59.1]

FT: Just say no.

[0:25:00.4]

RR: Just say no. Put some boundaries in place and let your spouse know, "I will not be doing the laundry and be the only one responsible for dinner and be the one cleaning the house and go to work just like you. I will not. It will not happen, so let's find another way." We don't have to wait until we're angry and furious. I think approaching this conversation, instead of sniping and getting angry and just saying like, "Hey, let's be realistic here. I want to earn more. I don't want to have to quit my job, but this isn't working for me. What can we do? Let's rearrange some things."

I think honestly, you need to have those conversations and don't let up on it. If they're not getting it the first time, make it known the second time. Also to let go of this perfection; sometimes I feel that when I'm talking to my clients or women that complain about their husbands don't do enough and I say, well, if you leave and say, "Well, I'm going to go take some

time for me. You got the kids. You got the house,” right? Don't leave a 17-point checklist for them to follow. Just let them do it. Let them do it. They're not going to do it as good as you and that's totally fine, right? Accept that as part of this journey and these children need to be led by their father too, you know what I mean? Let it go, okay? Because otherwise, if we try to be perfect and try to enforce our to-do list everywhere we go and never let anyone else do anything for us or for our families, then we're playing a new losing game. This is just not an option.

We have to be realistic, put some boundaries in place both at work too. Don't let your bosses just pile up crap on your desk without having money that goes with it. Leave at 5:00, or leave at least at 5:45, right? You have a right to. Have the conversation if you're getting too much work. You've got to put boundaries in place and you have to learn how to have those uncomfortable conversations, because if you don't, you will 100% get the lion's share of the work. That's just how the nature of the beast works. I don't care who your husband is, or who your boss is, it's going to happen.

You have to just be aggressive about saying, “I've got these boundaries and I will not budge, so we're going to have to find a way.” If you're at a place where that's not an option, start looking for another job where you can have a little bit more freedom and where you can have some boundaries in place. Because I think, when we let people infringe on our time, we're letting them infringe on our earning power as well. It's the same thing.

[0:27:26.7]

FT: Bye. Next.

[0:27:29.1]

RR: Mic drop.

[0:27:31.3]

FT: Mic drop. You're right on target. I have actually heard this from another guest; encourage people to go back and listen to my interview with. I'm stretching this out, because I'm at a loss

for her name right now. Oh, Chanie Wilschanski, okay. She's also an entrepreneur, breadwinner, mom of I think multiple children. I want to say four, but it might even be six. It just keeps growing. She said similarly to you, you have to ask the uncomfortable questions to your boss, to your partner, to yourself. You have to get outside of your comfort zone. You have to ask the scary questions of can I get a raise? Can I get more time? Can I have the Friday off? Can I work from home?

Perhaps, it's not even a question. It's like, "This is what I'd like, right?" Have that negotiation. Because I don't like telling women to ask for permission. Just ask for what you need and what you want and be prepared to have a conversation around that, right? Make it a win-win. Really, you have to just be able to be brave enough to say what it is that you need out loud. Oh, it's scary sometimes, but you're absolutely right.

[0:28:46.3]

RR: Can I share a negotiation tip, Farnoosh, for these ladies?

[0:28:48.7]

FT: Yes. Yes.

[0:28:50.4]

RR: Always, I think it's important when you're going into these kinds of conversations and you're about to ask for something and the answer could be, "No, I don't want to do that." Then you have to think about, "Okay, what are my alternatives? Think about those alternatives before you go into the conversation. In the legal technical speak, I guess, it's called a BATONA, Best Alternative To A Negotiated Agreement, right?

If this doesn't work out the way that you want, what's your alternative? What's your plan B? I think it's important to have that plan B in place. Start working on that plan B, or research that option, right? Because that'll help you to know when I've hit that mark where okay, I'm walking away. Or where do I need to stick around, right? Let's be really educated and strategic about

how we go into these conversations and get what we want, right? Make a case. Don't just be emotional. Don't just talk about your feelings, but talk about why it's important for them. What do they get out of it? Use that as well, because I think those are important skills. You shouldn't have to, but you do, right? Because everybody just cares about themselves. That's the world that we're in. Let's just accept it and be realistic.

[0:29:56.9]

FT: No, it's negotiating 101. The best negotiators know acutely well what the other side's needs are.

[0:30:05.8]

RR: Yes. Exactly, exactly.

[0:30:07.6]

FT: You base your pitch off of that. Wow, so much here. I mean, we could talk for hours, Rachel.

[0:30:16.7]

RR: Clearly.

[0:30:17.7]

FT: If you want more Rachel, you need to check out her podcast. Tell us a little bit about that, because I know it's a new thing that you've embarked on and it's doing so well. Tell us about it.

[0:30:26.8]

RR: Yes. My podcast is called Million Dollar Badass. It's super fun. What I am doing is interviewing women of color who are making a million or more. These are wealthy women and they're sharing their journeys and their experiences. I just thought it was really important for

more women of color who are wealthy to get visible and to be seen, because I think sometimes we can think, "Oh, money is just for white men," or sometimes we think money is just for white women. I thought it was really important for us to see those leaders.

I think that there's a lot to learn from women of color, especially resiliency. There is no more resilient group of women than women of color. I feel there's so much to learn for everyone from these women's stories. I love this podcast. It's super fun. I can't believe that I get to do this for business. What?

[0:31:17.5]

FT: Thank you for putting it out in the world. So, so needed. Rachel, thank you so much for coming on the show. Everybody, we'll check out your podcast. We'll have all the links to Rachel's website podcast. Social, follow her on Instagram @RachelRodgersESQ. Thank you so much again.

[0:31:36.0]

RR: Thank you.

[END]