

EPISODE 600

[INTRODUCTION]

[0:00:33.5]

FT: You're listening to So Money everyone, episode 600, what? How did we get here? If you've been listening since the beginning, I bow to you and if you've just joined us, you have a lot of catching up to do but as I've been hearing from a lot of new listeners, they've been Bingeing and that's always an incredible thing to learn, I really appreciate all of your support and let's stick around, maybe we'll get to a thousand before we know it.

How old will I be by then? Lots of fun today, we have a guest who is an organizational expert. Professional who helps people with their messy lives and raise your hand if you could use some help in that area. I as of mom of two now, it's challenging to keep your place in order, I mean, we are constantly looking for our keys, constantly looking for everything, clothing items, toys, my gosh, it's just enough, it's too much stuff that we have and we're only in our 30's.

We have to start to create a system by which we decide, what we keep and what we don't and how long we keep things. I'm very excited to introduce Lisa Woodruff to all of us today and she says that organization is not a destination, it's a journey and that you're never going to be completely organized. Really?

She said it's okay. Lisa Woodruff is the founder of Organized 365 and she's the author of the book, *The Mindset of Organization: Take back your house, one phase at a time*. She's become a professional organizer through her own life's challenges and at age 40, she found herself totally unorganized, unproductive and unplanned.

Her family life was suffering, she decided to quit her job and create a 40 day plan to get her home in better shape and then she began blogging about it, she then realized her calling to be a professional organizer. Lisa's helped thousands of people since, find sanity in their lives and we talk about why more folders, baskets and bins, no matter how beautiful and compact and labeled they are is not going to solve your lack of organization.

Sorry container store. Also, many of Lisa's clients are baby boomers that need to downsize and it's particularly difficult for this generation to let go of their stuff. Relative to Millennials, there is a different kind of psychological attachment to things and we explore that, it's really interesting. Without further ado, here is Lisa Woodruff.

[INTERVIEW]

[0:03:09.9]

FT: Lisa Woodruff, welcome to So Money, please help me get organized, I need you more than ever in my life.

[0:03:16.9]

SW: I am so excited to be here and to meet you Farnoosh.

[0:03:20.3]

FT: Well, likewise, I love your work, I think what you're doing is so important and I feel as though organization is having a comeback or you've been doing this for so long but don't you feel like there's more of a focus now on streamlining, organizing, downsizing and if that is true, why?

[0:03:41.6]

SW: Well there are generational cycles for everything, you know, the cycles for money, well there are cycles for stuff as well. The height of accumulation in physical form would have been in the 70's, 80's and actually the 80's and 90's. Now we're hitting the height of minimalism and decluttering and downsizing and 40 years from now, we'll be back to loving physical stuff again so there are cycles to physical stuff, just like there are cycles in our monetary system.

All generations are looking to be more minimalistic and millennials in general will always be a minimalistic generation. However, you have the baby boomers that are approaching retirement

and their parents who are already retired and they're looking to downsize as well because as you end your life, you start to downsize and look at where your legacy and you're going to hand off these materials to.

The reason this is being talked about so much is that when the baby boomers were getting the cast offs from their parents, they embraced them because they were at the height of materialism and they wanted this stuff.

Now that the baby boomers are clearing out the family home, they're handing it down to Gen X and the millennials and they're going, "not in my house, I don't even own my house, you can't send it here, I don't want."

[0:04:57.8]

FT: Right.

[0:04:58.8]

SW: There is this additional layer of discussion because people with organization like okay, well I could fit more in a space if I can organize it and what I have determined is there are actually three different levels of organization.

First you declutter, then you actually organize and what we all want is to be more productive and productivity comes from living a more organized life and so people are looking to get more out of their day because they want to be more productive.

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FT: I think clarity with your stuff, it actually helps you save money not just because you see what you have and you buy less of it but it gives you like you said, it opens up your day to not having to make redundant decisions, not in try to find stuff and then you can dedicate more time to the more important stuff like you know, your money, your relationships, things like that.

There was actually a really interesting study I fell upon, maybe you've heard this but when you have too much of one thing, you actually feel like you have nothing of that category. A very simple example is you have like 10 pairs of jeans in your closet, you go out shopping and you feel like you don't have the right pair of jeans and so you continue to buy more and the psychology behind that is like –

Because you have 10, you obviously don't have one that's great or the one that you love and so you feel as though you still have a lack in that area where as if you had – yeah, where as if we had two or one and we just adored it.

We would never have that mindset that we don't have enough or we don't have the right pair. It's interesting and then you save money as well because you're not out there always having this mindset of lack.

Anyway, you mentioned a really interesting point which is the baby boomers who are now downsizing and this is actually a lot of your business is focusing on the older generation, do you find that it's helpful to start maybe before you retire? My parents are kind of almost at retirement, I'm trying to get them to sell their house, get something smaller.

They don't even use their living room. It's a room full of furniture. I mean, how do you convince people to even get to the point where they're okay with getting rid of a lot of the stuff that they've accumulated that they're sentimental about?

[0:07:16.9]

SW: Yes. I've done a survey of my audience and it actually spans all three generations, I have equal readership in all three generations so I don't have more baby boomers than anything else, actually I have more Gen Xers than anything else.

I've determined that there are four phases of life that you go through as a woman, you have childhood, your 20's and 30's, your 40's and early 50's and then 55 plus and I have names for those different generations and each one, as you go into them requires a different kind of organization.

What generation you are, explains what kind of organization that you are looking for at this time so baby boomers are looking to downsize the family home. Now here is what baby boomers are running up against.

Their children have possibly not bought as big of homes as they are or they're moving more often or they rent. They are actually holding on to their children's possessions for them whether the children want them or not.

They are the holder of all of that family stuff and they are usually where you go at holiday times so they're holding on to these larger homes so that you can have Christmas there. So that the grand kids can come and stay because then where do they go to hang out with their grandchildren. Sometimes they're hanging on to the family home because of the holiday times and because they actually are really nice storage facilities.

They're not necessarily sure they want to move out. I mean, if you look at a baby boomer's perspective of the family home, it was a really big deal for them to go to college, get the education that they got, make the money they made in the 80's, 90's, early 2000's, they raised their kids and they provided this awesome family home.

They're not always necessarily ready to move out when the kids think that they should be moving out. It really is an individual timeframe when they want to move out and then they need to process to their whole life, this generation did not move around as much as Gen X are and especially millennials are moving a lot more often than any other generation as before.

They're processing through 30, 40, maybe 50 years' worth of memory as they're trying to downsize that family home.

[0:09:24.2]

FT: I should really be more patient? Yeah, I should be patient with my parents?

[0:09:27.3]

SW: Yeah. It's going to take them years to process through all that and process through the fact that they took so much time and spent so much of their money, creating an inheritance for you that now you don't want.

It's not that you disrespect them but they might be feeling disrespected because they put so much of their time and effort into buying things and we are putting so much of our time and effort into buying experiences and they're moving.

They want to have experiences with you, they want to have the family vacation but they're having to separate the mindset that they had when they acquired that physical accumulation and recognized that it's just stuff.

It's really hard for you to realize when it's just stuff, when that wasn't the mindset you had when you were accumulating it. In the 80's and 90's, it wasn't that easy to get things, you could stand in line overnight to get a cabbage patch doll for your kids.

[0:10:20.3]

FT: That was my parents.

[0:10:21.6]

SW: You do that for an iPhone. Yeah. It was a gift of time, it was a gift of money, it was a bigger gift to you than we kind of look at things today when we can get it on Amazon prime delivered in an hour.

[0:10:36.2]

FT: Right.

[0:10:36.6]

SW: You know, stuff is different to us and we need to really think about the generation we're in and the generation we're talking to and with the mindset is around that physical object so that we can honor the person and the memory and we can all detach from the item.

[0:10:51.6]

FT: You came into this business at 40 years old I believe, you yourself thought you were completely unorganized, unproductive and you said your family, I was reading your family was suffering as a result. You quit your job to put everything in order? How did you afford that and how did you then become a business woman in this area?

[0:11:17.4]

SW: When I was 35, my parents got divorced and then my father got ill and I took care of him and then my sister and I took care of them and then we had to handle the estate and clear out our family home as many people do eventually in their life.

It was the same time, the whole world was going through the greatest economic recession in 70 years, the company I was with, the direct sales company I was with went bankrupt twice so I went back to full time teaching. Our kids had medical needs, everything was spiraling out of control.

The one thing I say that was such a blessing for us in 2008 until of 2012 was that Greg and I were in our 40's and we had a lot of credit. We had really good credit and we had a lot of credit and we used it. We racked up those credit cards because we didn't have any other option. In 2011 I had nine scheduled cease on my tax return, I had nine different legitimate ways I was making money.

In December of 2011, I quit my teaching job which means I'll never be a teacher again because you don't do that but our kids needed me at home and I realized that I could – the kids needed a mom and we needed to work but somebody else could become the teacher and nobody else could become the mom. I had to quit work and January of 2012, I'm unemployed, our credit cards are mounting, I have no job now and I'm trying to figure out what to do.

I felt like I was an unorganized person, now, I'm a born organized person, I'm organized. But every drawer in our house was a junk drawer, I didn't even know what was in the closets, we had sippy cups in our cabinets and our kids were like, at that time, 10 and 12 or something like that.

I realized that in order for me to right our family ship. Financially, spiritually, mentally, physically, everything. I had to get a handle on our physical home. I think so often especially for women, the physical environment of our home and now they're having all these studies to prove it. The more clutter that you have, the higher you're stress level, the higher your cortisol levels.

I couldn't make any more progress in our family until I got our home organized again and I knew what physical stuff we had and I could really start then going back and starting a new job, getting a hold of the kid's education and medical and all of that. I needed to clean house and so that's what I did.

I organized my whole house in 40 days and I started a blog because I had a blog before, I knew you could make money blogging, I love organizing and so that's how I started Organized 365.

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FT: Amazing. What did you learn about yourself through the process?

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SW: I learned that productivity and organization comes from decluttering. The process of decluttering, of going through and really, I had moved a 27 foot U-Haul full of stuff from our family home into our already furnished home, there was so much stuff here.

I had to still process through the passing of my father a few years prior, through the fact that my kids had grown up and they were in middle school at this point and I never was that mom who had cookies at home when they got home from school.

I was a mom that was upstairs trying to work a little more because I'm an entrepreneur but in my head, I was going to be the mom that sat down and heard about their day and had fresh cookies every day. I've never done that.

Decluttering those childhood clothes and those sippy cups was part of my saying, "Okay, I'm not the mom I thought I would be in my mind but I'm a good mom and I'm the right mom for my kids and I'm the right spouse for my husband" because there's so many options for women today.

There's so much of what we could be. Decluttering the physical allows us to accept what we are and what we're really good at and not all the possibilities of what could have been.

[0:14:50.1]

FT: I'm really impressed. The fact that you just made a decision basically to go into business for yourself in this category and 2008/9, not too long ago. Although that's when a lot of people's lives changed, we saw a lot of people pivoting at that point, almost out of necessity, it seems like that was kind of your story too but you've built quite the personal brand.

I know many of our listeners are fast needed by that and like how do you actually become the go to person of organization. You and I were chatting prior to the podcast that this space, while it's a much needed service, there are only a handful of people that you kind of know by name or know like there's Marie Condo, there's a few other people who have really cornered this market. How did you corner this market for yourself?

[0:15:36.9]

SW: I had been a blogger in 2008 with a different blog so I understood about building an online presence and there are a couple of great organizational blogs I had been following at the time. Again, there's only like maybe 10 of us total and everybody has their own little niche and when you are a blogger like when you start from blogging or podcasting also, if you're a podcaster.

Your first 100 podcast episodes, your first two years of blogging, you're really figuring out what is unique to you? Not just, organization is a huge topic, money is a huge topic but what is it that

– what's your unique spin and what I found over time is my unique spin is I love talking about organizing paper, everyday paper, my Sunday basket system and I'm a functional organizer.

You are never going to see me in Better Homes and Gardens. It will be hilarious if I'm ever in there. It will mean that they totally overdid my house because my house is functionally organized.

It is extremely organized but it is not – but there is clothes on the floor behind me, there are dishes in the sink, I don't live in a museum, everything is not color coordinated, everything is not labeled. But you know what I found? That's what a lot of women want.

But they're never going to have a Pinterest house and as a professional organizer when we go in people's houses now, I say okay. It's going to cost X for us to organize your house, to functionally organize it and then double that price if you want it to look like Pinterest because it's going to be another 50% time and another 50% in dollars for all of those coupons.

Organization is all about function first and then if you want it to look like Pinterest, double your time, double your money.

[0:17:07.8]

FT: Thank you for saying that, that makes a lot of sense now that you say it out loud, I think that when I, in my early days of organization, organizing my space, I just would go to the container store and walk out with like \$300 worth of cute folders and boxes but I don't have room for more boxes as it turns out in my studio.

Really, what I needed was to make the most of the space that I had and make it functional. What's the first step in making your home functional?

[0:17:37.2]

SW: The first step is to declutter, there's always stuff you can get rid of, you were talking about that example of 10 pairs of jeans. I have four pairs of jeans, they're all different styles, I love them, they all look great, I know what tops go with them.

The biggest problem we have in our closet is not that we don't have enough clothes, I don't have a lot of clothes. It's that the clothes we have aren't matched. Like we found a cute pair of jeans and we found this adorable top but that top really doesn't go with those jeans because it's a little bit different of a style, now we've got two things that we really like but we can't wear them because it's not an outfit.

We need to go back to those granimal days when you do with your kids and you buy the whole outfit. I'm now buying whole outfits so that everything goes together. Decluttering the things that even if you love them, even if they fit, they just might not fit your lifestyle right now or maybe I just got rid of some shoes that were adorable, they were white house black market, I loved them. They hurt when I walk in them and so, every time we go to a wedding, I wear the ones that are functional and not the ones that are adorable.

So I got rid of \$120 shoes. My shoes are normally 30 to \$40 each, these are the most expensive shoes I've ever bought, I didn't even resell them, I just gave them to goodwill because it was so much guilt in my closet that I paid that much money, that they hurt when I wore them, I'm going to another wedding in a couple of months, I know I'm not going to wear them.

Getting rid of those shoes stopped having me look at my closet and go, "why do you spend so much money on these shoes? You know you're never going to wear these, you just need to tough it out, maybe you could put band aids in there." You have all this negative self-talk because you bought an expensive pair of shoes. Just get rid of the shoes.

[0:19:14.2]

FT: Yeah, just get rid of it and once you did, did you feel bad?

[0:19:18.9]

SW: No, not once it's gone except that I keep telling the story and I'm out there. You won't do that.

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FT: You keep relieving the experience. You know, there are a lot of ways you can sell high ticket items like that online, I just sold a pair of shoes on – I believe it was one of those sites, the real or one of those other consignment sites and I made a nice return.

Of course not as much as I paid for the shoes but like you said, it's better than just seeing them in your closet and going – “what was I thinking?”

[0:19:48.0]

SW: Yeah, you can definitely resell things, what you'll be learning and is happening more and more every day as all of those baby boomers are emptying out their closets is that the resell value for items is going down really fast because the cost for new items is lower.

I had been putting off taking my daughter shopping because I remember the last time we did it was like \$500 a couple of years ago. I took her to the mall and we went to the stores and I hadn't been shopping at the mall in years. I could not believe how inexpensive clothing was, it was like less than half what I used to spend on the same exact clothing for my daughter.

Just the material cost of everything physical is going down and so what you paid for it is not what you're going to get back for it and also, not what it will cost to go buy it if you bought it new today.

[0:20:39.2]

FT: Which is why malls are going away, they can't pay the rent because their profit margins are so tiny. People aren't shopping, they aren't getting in their cars to go buy a sweater, they're going online. Tell me about your childhood Lisa, tell me a little bit about your education around money as a child growing up and where did you grow up?

[0:21:01.6]

LW: I grew up in the Akron, Cleveland Ohio area and I come from a long line of entrepreneurs. I can't think – my parents owned their own businesses, my grandparents owned their own businesses, my great grandmother went to college in the 20's and owned four businesses and got a divorce. She owned a floral shop, she was a teacher, she owned a bakery. We are not employable I guess in our family.

So all I saw around me were entrepreneurs. I didn't really even realize why somebody would go to get a job. When I was sent to college, I was told I could be and do whatever I wanted to do and I was going to college for the experience. Not what most people were told in the 90's but I was really going for the life experience and I wanted to own and run a corporate daycare center and I remember my dad saying to me at 18, "Well if you really want to do that we'll give you the money for that and you could start the daycare center next year or you could go to Miami".

So the way I grew up with money was not if you work hard you can earn it but income was related to your ability to create a job for yourself and for others. So most of the women in our family had their own business and then they would hire a few people to help them and most of the men in our companies owned companies that would employ 80 to 100 people. So I saw myself as a business owner at very young age.

I would go out and market my babysitting services and I went to the people that I babysat for and I said, "Okay summer is coming and you're going to need to go golfing and get your hair done and so I will come watch your children which day of the week you want" and one lady had five kids so I said "You are going to need two days, what days would you like?" and so Monday through Friday I was working.

I was always working with my babysitting business. So I have always been in control of my own income. I have never been afraid that I wouldn't have enough income. It was always a matter of what skill do I have and how can I serve the community around me and then how can I be paid for that service. That was the mindset I had.

[0:23:04.8]

FT: I like that you brought that up because I think what keeps people from going the other direction and leaving their desk job and trying to become an entrepreneur or a freelancer is they're worried about that next paycheck. True, it is scary at first. You don't know what's going to happen but it sounds like you have to have a lot of faith. Also you have to do it to know that it is not that scary. It's actually once you are out there and you are meeting people –

[0:23:35.6]

LW: Yes and I'll say two things that I have, my husband does have an everyday job where he has great health care and if he didn't have that I would not have had the opportunity to start all the businesses I have over the year and finally hit on the one that really is my secret sauce and number two, our family has always had exceptional credit all the way back and my husband had great credit and I had great credit.

And so I have been able to use the credit systems. You can put yourself out on a limb a little bit further as long as you or your spouse or whoever you are doing your money with is comfortable with that. I know my husband wasn't so comfortable with how far we let that credit get out there but now that it has been successful, he's super happy that we stuck with it. So having the credit and having the mindset and then having a spouse that had health insurance, we're all things that gave me enough rope to make this business work. If I didn't have those things, I probably would still be teaching.

[0:24:34.1]

FT: Yes. We call it financial runway too. Just having the ability to try new things knowing that you'll probably make mistakes that the money is not going to be consistent but you have these safety nets and I'm with you on that. My husband has a great job with health benefits and I am very grateful for that. So tell us what was your financial So Money moment? Did you have a time when you felt like all the financial stars aligned?

[0:25:05.3]

LW: You know it's really funny, as an entrepreneur I'll tell it's a really small one. You create all of these things and you just try things and "Oh will they buy this ebook? Will they buy this clip? All right, I'll try this" and you give out all of this today, how you do it, how I do it is I have always, you know 700 blog posts and hundreds of podcasts episodes, free webinars and all of these things that I give away free and then I have things that costs little, \$3 up to \$3,000.

All these different things you can buy and so it was last summer I was creating new products and I was starting, I was dabbling in creating physical products and I have an awesome graphic designer and so I'd be sending her ideas, "Well let's do this" and so she'd send it back to me and I would put it up on Etsy and I would start selling it and then I'd say, "Okay let's make it this way" and she made some comment.

I can't remember what she said and I said, "Well those have already sold. So now we need to make a different color" and she emailed me back and she said, "You are already selling them?" and that was the time that I went, "Oh everything that I put out there is selling out". I remember for probably my whole first year of blogging I couldn't sell an ebook to save my soul. I just couldn't get people to spend \$3.

And when she said that to me, I realized every product I had created that summer, I think I had created 10 different things, they hadn't sold gang busters but every single one of them had sold to someone at some point. I was like, "Wow everything I'm making is helping someone" to the point where they will pay \$3 to \$10 or whatever for that product and from that point forward every products that I have created going forward has always sold to some extent.

That was huge, to know that I had refined my message enough, figured out how my audience was enough that I could then create products that they would immediately buy and would help them get organized. That was the big turning point for me.

[0:26:55.7]

FT: Incredible and now you have a podcast which is free but I'm sure a great way for you continue to connect with your audience and learn about them.

[0:27:03.9]

LW: Oh podcasts are awesome. As a teacher, I love the podcast because it is like a mini-classroom and now I do online zoom training for organizing your Sunday basket. I just finished one just now. It's awesome. I am able to be a teacher online helping people get organized. After you're 40 it's so awesome. All your experiences growing up and you're 20's and 30's is almost perfectly positioned you for whatever you are created to do.

And I am able to pull on my direct sales experience, my teaching experience, my parenting, my babysitting, being a child of my parents, all of that is coming together to do what I am doing today is just so much fun.

[0:27:42.8]

FT: And your show is called the Organized 365 podcast, for anyone that is listening who wants to get more of Lisa. Check out the Organized 365 podcast. Okay, let's talk about failure because we love the failures right? We love learning the hard way sometimes because it means so much more success down the road. So tell us about financial failure, how you got yourself out of that.

[0:28:09.7]

LW: So I'll tell you two real quick, when I was very first charging for my in home professional organizing services. Organizing comes so easily to me and I get so energized doing it. I feel guilty charging people. Just like when I was a babysitter, I was so guilty that people would pay me to play with their kids because I loved it so much and I remember I had given away a free organizing session at some point and someone else, not my husband.

But someone else said to me, "So you're saying that it's okay that you go and you work for free for someone else so that your husband stays home and watches the kids and you don't spend time with your husband and your kids like this person is more important than your family" and I was like, "Oh no that's not what I am saying" they're like, "Well that's what your actions are saying because that's your job" and I was like, "Oh".

So along the lines with that that financial freedom that we have with those credits cards I use generously because I am a big picture thinker and I am optimistic and the next thing I do is going to work, you know? So I don't mind using credit cards because don't worry, I'll be able to earn it eventually. Well my husband is a very non-entrepreneurial person and he will give me enough rope to hang myself but not anymore than that.

I remember he said to me, "All right, it's our debt, it's this number. I am cashing money out of the 401(k) and you're going back to work" and I was like, "Oh what's the deadline for that again?" because I knew if he gave me enough time, I would make it work and so I started to ramp up the earning and that made me look at my entrepreneurial business differently. I love everything that I do and I knew I needed to make an income but how much is that income.

And I'll just tweak this a little bit more, it made me really focus on what is it that I can deliver financial value in and focusing on that. I love to create new products, I love to come up with new ideas. So I had to really just look at my 100 day home organization program, refine that, make that better and just sell that one product and not tweak it and sell it again like re-launch it again so when I re-launched it then that was great.

We stopped going into debt and the last time I launched it, we were able to pay off all the debt, all at once and my husband is like, "Okay I like this business. This business is great. We are all in on the work" it's that 365 thing. So you have to realize that when we are running your own business or for me what I took from that failure was business is a business and I was still treating it like a side hustle or something I could do whenever I wanted with.

My business and my ability to contribute to our family does impact my husband's stress level and at some point I had to stop playing and really make it a business.

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FT: That's a great story and it sounds like in that case having a little fear was good. It was fuel for you to really get your ducks in a row.

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LW: Yeah because I like the products that I was making but it's just different when you charge for things and it's different when you have a financial goal attached to it and I was afraid I wasn't going to hit my financial goals. There is a little bit of fear there like I know it's good but will people really pay for it and when you have that, okay people have to pay for it or you are not allowed to do this anymore, then you have to step into that fear and just go for it.

[0:31:34.7]

FT: So tell us what you do from an organizational standpoint to help with your money, your financial life, is there something that you do habitually that we can all learn from?

[0:31:43.7]

LW: Yes, this is a super easy thing to do. Just go on a word document and make a table that has three columns and in one column, you write the date and at the top you write the bill and on the right you write the amount. So I organized our bills based on when they're due and every month is different right? Some months you have school tuitions. Sometimes you have a payment because you are going to the beach or it's Christmas.

So there is always all these unexpected expenses. So I go ahead and I print out this table for every single month of the year and then I write in all of our bills. So I always know on the third our insurance payment is coming out and on the 15th, our mortgage payment is coming out and how much that costs and then I would put those in order and when we were paying off debt, we had five different credit cards.

Now we have none but I would put those when they were due. They were due in the 5th and the 10th and the 15th and 17th and the 23rd and then I would write down how much we're going to pay on each one and then each week when I sit down to pay the bills, I highlight each line as I pay them and then I could see how much of the month I have paid and how much more I have left to go and when we were really hand to mouth, trying to make those bills match.

I would put down when Greg's paychecks were coming in and how much those were and that meant how much we are allowed to pay on the credit card and then I also knew when I had to go out and get a couple of extra jobs. That 2011, I was working nine schedule fees, I was cleaning houses, I was painting houses, I was tutoring, I was teaching, I was doing everything so I knew what I had to earn in order for us to actually make our bills and not go into deeper credit card debt but that highlighting helps me see where we are in the month.

And what has already been paid that month, it's to really visual way for me to see it outside of our checkbook.

[0:33:29.1]

FT: You made me think about that time again, 2009, it was such a tough time for so many families and I don't know, you anecdote about you going and working nine different jobs, that happened in a lot of households and it was often the wife who would go out and hustle. What do think that says about men and women and how we relate to work and our self-worth?

[0:33:50.9]

LW: Both of our kid's medical expenses were more than 50% of our take home pay at that time. They had big medical needs. They were in a really expensive private school for their learning disabilities and those things weren't optional. I wasn't willing to give those up so that's when I came up with all of these additional things that I could do to add to his paycheck because our expenses were ridiculously high.

I mean the elementary school they went to was \$20,000 per year per child and then we're in 2009 and then they had medical on top of that and so it was just one of those situations where I do think that when you're a mom and you want to provide something for your kids, you will find a way how. You will get scholarships, you will work extra jobs, you will petition the state like I petitioned the state. I did it all.

I found all of the different loop holes and things I needed to do so that my kids could have that experience because they are now successful in high school. They would not be successful in

high school if they did not have that special learning disability school when they were in grade school and so I just had to find it.

[0:34:57.8]

FT: And I'm wondering now, do you still use the bill payment three column strategy even now that you have this thriving business and you probably don't have to be so careful with hitting those deadlines because the money is there?

[0:35:13.2]

LW: Yes but now like Greg said, I want to see \$20,000 in our savings account. So he'll give me the next goal and I'll be like okay. So then that goes on to bill pay, the adding to the savings or it's time, I'm 45, I am going to start my own 401(k). I have been an entrepreneur and a stay at home mom and the primary parent all these years, I don't have a retirement account. So we have used my husband's.

My husband has a retirement account. It's time that I start being disciplined and earning money for my own retirement account and I am going to move to a C-Corp. So that is actually going to put me on a paycheck instead of just pulling whatever I want out of my business whenever I want and we have W2 employees and 1099 employees and CAT taxes and all these taxes that come out of everywhere and lawyers for patents and trademarks and all of those new things.

So yeah, I do need those so that I can hit my next financial goal for our family and for our business and growing the business.

[0:36:08.6]

FT: All right Lisa we're almost wrapped here, let's do some So Money fill-in-the-blanks, are you ready?

[0:36:13.9]

LW: Okay, I'm ready.

[0:36:15.5]

FT: If I won the lottery tomorrow, let's say you won Power Ball, the first thing I would do is ____.

[0:36:21.1]

LW: I would have this learning disability school that we have. I would help them add a high school to it.

[0:36:27.7]

FT: When I was growing up, the one thing I wish I had learned about money is ____.

[0:36:31.8]

LW: Nothing. I think I really had a good healthy outlook on money growing up. Sometimes we didn't have a lot and sometimes we had a lot and I didn't really noticed the difference.

[0:36:42.4]

FT: Well that's the first time that I've ever heard that. Always people are like, "Oh I wish I learned more about..." like investing or compound interest or that you could be entrepreneurial and not have to aim for a desk job and that would be the ultimate goal. So that's a really wonderful takeaway, I like that.

All right, one thing I splurge on, you had those \$120 shoes that you ultimately gave away but what is a consistent splurge that you pay for gladly?

[0:37:13.4]

LW: One thing I splurge on I said as soon as we were debt free I was going to get those fake acrylic nails and I have the pink and the white and I am looking at them right now. That is my splurge.

[0:37:22.9]

FT: Nice. One thing that I spend on that makes my life easier or better or both is _____.

[0:37:31.2]

LW: Oh I know this has been on your podcast before but I am a huge outsourcer. So the housekeeper was first, I have an executive assistant, this summer somebody is doing laundry so I can get my business done with my kids. I am big on outsourcing.

[0:37:46.7]

FT: Laundry is the last shoe to drop yeah.

[0:37:50.9]

LW: Yes, I feel very pampered.

[0:37:53.1]

FT: I mean it's just hard to fold. It takes time to fold. It's not hard to just throw in a load of laundry that takes 10 seconds but it's the folding and it's the accumulation of the laundry, yeah.

[0:38:04.2]

LW: The putting away.

[0:38:06.3]

FT: Putting away, yep, when I donate I like to give to “blank” because?

[0:38:11.7]

LW: We almost always give our money to things that benefit children and I think that once you are an adult, this is just my mindset. I am a very positive person. I’ve had a very blessed life. Once you are an adult, you get to make your decisions about your money mindset, your outlook on life, you can learn, you can read, you can do for yourself but when you are a kid, you are born into whatever family that you are in and so we like to put our money towards it.

We have all these little kids adopted around the world, our children, our personally adopted. The school I told you about, we love to invest in the next generation.

[0:38:49.3]

FT: And last but not the least, I’m Lisa Woodruff, I’m So Money because _____.

[0:38:53.9]

LW: Organization will always pay you back time and time is the one thing that you can’t buy. So if you can get extra time by being productive because you are organized, you will all be So Money.

[0:39:05.7]

FT: Yes, time is wealth. Thank you so much Lisa and wishing you all the more success and hope you get to that 401(k) soon. Sooner than later.

[0:39:16.4]

LW: Thanks Farnoosh.

[END]