

Andrew 0:05

Hello and welcome to the JGUA Financial Commentary podcast. I'm your host, Andrew Baron. And in this episode, I talked to senior advisor Todd Brost about increasing lifetime earnings. Before we began, a short disclaimer, the contents of this podcast are strictly for informational purposes only, and nothing said should be taken as investment, tax or legal advice. Any strategies discussed may not be suitable for the listener specifically. And JGUA encourages consulting with your advisor before implementing any strategies to ensure they meet your individual objectives.

And with that, welcome to the podcast, Todd.

Todd 0:46

Thanks for having me.

Andrew 0:48

Getting into it about increasing lifetime earnings. Kind of a simple way would be changing jobs. Although I did want to talk a little bit about the right way and the wrong way of doing that. What can you tell us in your experience, Todd?

Todd 1:02

I think there's first a reason to differentiate between a job and maybe a career. My folks, both in the education field, literally stayed in the same profession for 40 years. Both of them were teachers and educators for 40 years. I think with the younger generations now, that is maybe a thing of the past. I find sometimes when talking to my children and some of their friends, it seems like they're almost in a job temporarily until they can find something better.

And I would be hesitant about that strategy just because as an employer, I would think that you would look at job hopping, like you mentioned, maybe as a bit of a negative, and why haven't you stuck with something a little bit longer?

So I think I've been very fortunate. My first job out of hockey was here at JGUA. So I found it very fortunate that I found something that was more than a job. It was a career. And that doesn't always happen.

Andrew 2:06

I'd like to just talk a little bit more about job hopping, especially early on in your career. I think that some people might see a new opportunity after a year or so and think, oh, this is just the way to go, but exactly if you have a history of that, let's say your first 10 years of your career is filled up with changing jobs seven or eight times, I think you're going to have a hard time advancing, especially, you might be stuck at kind of entry level or lower level positions than you might be able to achieve if you had stuck it out and rose a little bit.

Todd 2:38

I agree 100 percent. I think as an employer or as someone looking to hire this person, I think if you saw seven jobs and 10 years, you would say, what was the matter?

Why couldn't they stick with a job longer than they did? And I think you would be automatically looking for a negative rather than a positive one. And I think some of the things that, you know, that that I found through my experience in dealing with so many different clients and their kids is that grass is always greener on the other side of the fence. And if you're with a good company, stick it out. And like we had mentioned beforehand, we had talked about, you know, is there a way to adjust your job within the firm you're currently with?

Is there a way to increase your skills and maybe go a different route and maybe climb the ladder, so to speak? So I think there's a lot of options. I would be very hesitant suggesting to younger folks to job hop, like you mentioned. I really think that's a negative. And to me, at least looking at a resume, that would be a bit of a red flag.

Andrew 3:45

On the other side, it can be a really good way to advance your career, making the same strategic moves, say, you're at a large company and you have been there a while and you kind of know, maybe there's certain bureaucracy or maybe you rubbed some of the wrong way over your tenure in know that you're kind of flat, maybe transferring to a competitor or if you kind of feel comfortable, maybe even switching industries where you might have some skills that can transfer over and you could find yourself a different position.

Todd 4:16

I agree with that totally. I think in today's day and age, so many people are asking, what are the skills I should have? What's the industry I should get into? And I find it so many times. I think that just the people skills are so important.

I think regardless of what job you're in, I look at my daughter, who's a nurse. I look at my son, who's going to grad school to get his masters and be a financial planner. At the end of the day, you're dealing with people, you're handling people, you're communicating with people, you're working as part of a team, whatever the case may be. Those personal skills are so crucial. And I think the nitty gritty of a job, whether it be in financial planning, can be learned. And I jumped right out of hockey into this career and it was overwhelming initially, Tom Snow, one of our senior senior executives, said, you know, you're going to have to get your CFP, you're going to have to study this, you're going to have to pass this exam. And that was a little overwhelming because I hadn't been in school for many years.

I hadn't taken an exam in a long time. But I knew if I wanted to further my career and I wanted to eventually be an advisor these are some of the hurdles that I'd have to take. And I stuck with it and managed to make out OK.

Andrew 5:31

I'm really glad you mentioned the personal side. One of the topics I wanted to get into was kind of reskilling and making sure that you're employable for the future. And I think a lot of people, when you first hear that, you might just go to, you know, stem or computer programing or those kinds of things.

But I absolutely agree with what you just said is actually being able to communicate effectively and relate and empathize. I think those are actually incredibly valuable skills, and I think they can always be improved.

Todd 6:04

No question about it.

I sometimes see my kids, now that we're empty nesters, I use that term lightly, but young adults that are in a room with four or five friends and they're all looking at their phone, as important as that is, and I know that's the that's the younger generation. I know that's important. But still, I think that skill of going out to lunch with someone, sitting across the table with someone having a coffee with someone, sitting in a boardroom or a conference room and communicating and listening to someone speak and really trying to figure out what they're trying to say and what's their nonverbal cues and looking at their body language. Those are skills to me that are invaluable. And I think those are the skills that really translate profession to profession. I think the you know, the day to day stuff that you need to learn can be learned through courses, through books like the CFP, like the financial planning that we do that can be learned through time. But the presentation and the personal touch is something that I think as an employer or as someone looking to hire someone, I think that's so crucial.

Andrew 7:13

What do you think about pursuing higher education as a way of advancing?

Todd 7:16

I think it's a great idea. Like I mentioned earlier, my son, who graduated with a financial planning degree, is going to Texas Tech to get his master's.

And he came to me and said, Dad, you know, how do I differentiate myself? What can set me apart from the hundred resumes sitting on someone's table? And that's really as someone looking to enter the workforce or change jobs or reskill themselves and take a different route, that's really important. If there's a hundred resumes, how do you get yourself into the top five? How do you get an interview through your resume? And that's really differentiating yourself. So he's going to go get a double master's in financial planning and accounting.

Now, that separates him from the rest of us that have a regular undergrad degree, as well as our CFP. So I think people need to find unique ways. It's getting more and more difficult, but unique

ways to educate themselves, maybe get a degree, maybe get some initials behind your name that separate yourself from the other ninety five people looking for the same job.

Andrew 8:18

That was great advice, Todd. Another common way to increase your income would be a promotion kind of initiate that would be for you, the employee, to kind of step up.

I think it's crazy to just expect things to come your way, so you need to step up, show, you know, your boss and management that you are ready to be promoted and you're deserving. You know, a key employee.

Todd 8:41

I agree with that 100 percent.

And that really goes back to my experience with the CFP and listening to Thomas Snow. And he said, you need to pass the CFP or you're going to be stuck in a career that you might not want. I look right at the screen at you, you've taken the bull by the horns and really have become our podcast guru. And that's sort of a neat little niche that that you've developed on your own. So I think there's a lot of ways to do that and a lot of ways to differentiate yourself from other folks in an organization or between organizations.

It's just difficult to find what that is and what makes sense for people. I don't think, you know, being the podcast guru is for everyone, someone who doesn't want to be on the screen or listen to themselves talk or handle interviews is going to be a good fit.

But you've done an outstanding job of this. And I think it's really cool. And it was a void that we needed filled within our organization. So I think those are the kind of things that that really help one's career.

You're doing something that you enjoy and obviously enjoyed doing and liked doing and do a great job at it. And it differentiates you from some of us older senior advisors.

Andrew 9:56

Those are really kind words today. I appreciate you saying all that.

The next topic I want to touch on I think is really big and has been growing. Actually, since the pandemic started inside businesses, and that could really just be anything from picking up a few extra hours from a local store or an Airbnb. Do you have any experience with clients taking on any extra work or anything?

Todd 10:18

Yeah, I sure do. And I think the popular one is definitely, you know, the Airbnb and the VRBOs. And I took that leap of faith a few months ago in buying a spot on the lake. When we bought it, the prior owner had already filled some rental contracts for eight or 10 weeks this summer that we kept and honored. And it was a fantastic deal. We got to meet a lot of people that had been longtime renters.

It helped obviously pay the tax bill and pay the mortgage bill. And they're interested in coming back year after year. So that's something that we sort of stumbled into. We got very lucky.

My youngest son this past summer was graduated from high school. He's just extremely handy. He's great with tools. I don't know where he gets that from. It's not his father, but he put his name out there on Facebook and said, I'm pretty handy. I've got a lot of tools.

I'll work hard. And if you need something done around the yard of the house, let me know. And that just ballooned into a great gig for him where he was almost too busy throughout the summer. He was working eight to 10 hours a day, seven days a week, and that was just for something that he tried and threw on Facebook and said, I'm available and I love doing it, and if you need me, let me know. So those are the kind of things I think that can really turn into something big because you're doing something you enjoy.

It doesn't feel like work. It's done in your spare time and it brings in a little income. So I'm all for those side hustle if it's the right fit.

Andrew 11:55

Once again, I really like I said, all of that I think is exactly embracing hobbies or the things that, you know, you're good with and taking that to the next level. Even if it's a little bit of income over a course of a year, it could really add up and help pay some bills or spending money or you never needed to do.

Todd 12:12

No question. And I have that discussion really with a lot of my clients that are at retirement age. And, you know, I think one of the keys when dealing with retirement is what are you going to retire to rather than what I'm going to retire from. We have so many folks that are extremely successful that we've helped that go from 110 miles an hour and they just want to stop, and I want to get out of this, and that's great for two or three or six or eight months. And you can golf and you can travel and you can spend time with kids and grandkids. But I really think and I've seen it, you get bored.

So I think when dealing with retirement, the other side of that coin, we know what you're retiring from and there's a reason to get out. But what are you going to retire to and what are you going to do?

And if it happens to be something that actually pays, that's a two 'fer, meaning you're not going to be digging into your retirement resources quite as deeply and quite as quickly. Plus, it gives you something to do and keeps you motivated and keeps you going, just not at 110 miles an hour like your old job did.

Andrew 13:19

Absolutely. Regardless of where you are in your career or your income level, it's always important to live within your means and to be saving and to be investing and for your future. And that's kind of where we come in as advisors.

Todd 13:34

Absolutely. And I think that's a great point. And I think, unfortunately, the generations where even my parents and my grandparents were much better at this than than we are, I remember my grandparents saying, you know, if you couldn't afford it, you didn't buy it. If you didn't have cash in the bank to pull out and pay for your refrigerator, you could do with the old refrigerator. If you couldn't write a check for a car, you didn't need that car.

I think that methodology probably has gone to the wayside. And now we're treading on that "Do I need it or do I want it? And when do I want it?" And with our friends at Amazon. And it can be done very, very quickly, so I think you're exactly right when you mention how important living within your means and living frugally are.

I heard an advisor once told me this in a meeting that I was in that what you save is more important than what you earn. And I said, what does that mean? And they said, well, if you save a dollar, you save a dollar. If you earn a dollar and you're in a 50 percent tax bracket, you earn 50 cents. So really, when looking in the savings versus earnings, it does say that saving a buck is more beneficial than earning a buck, because out of that buck you earn, you're not going to get that full amount. So that was really a kind of a cool thing that I remember from early in my career that really made a lot of sense and said, hey, let's not only focus on making more and increasing income, but let's look at the other side of the ledger and say, hey, maybe I can save a dollar, because that's probably more important.

Andrew 15:09

Did you have any closing thoughts, Todd?

Todd 15:11

This was really cool. I enjoyed it. And I think it's really one of the best parts of my job in dealing with stuff like this is that every client is different. Every client has different wants and needs. And I really think that's where we can come in and be a pretty valuable resource. We've dealt with a lot of these and we've dealt with a lot of them a different generations.

So I think that's part of the reason I enjoy my job so much, is every day is different. And these are really the things we deal with on a day to day basis, so thanks for inviting me.

Andrew 15:44

Always a pleasure to have you, Todd. Thank you for giving this eloquent summary of some of those questions.

Todd 15:49

Thanks for having me, Andrew.

Andrew 15:51

And if anyone in our audience is unsure about how some of these choices impact them or their situation, please email your questions info@JGUA.com or reach out to us through social media or on our website. And thank you to all of our listeners. Until next time, everyone stay smart.