

Peter Lazaroff - Making Money Simple - Transcript

Tim Mullooly: Welcome back to Living with Money. This is Tim Mullooly. On today's episode, we welcome back Peter Lazaroff to the podcast. Peter is a CFA, CFP, and he's the author of the recently released book, Making Money Simple: the Complete Guide to Getting your Financial House in Order and Keeping it that Way Forever. Peter, thanks for coming back on the podcast.

Peter Lazaroff: Hey, Tim. Thanks for having me.

Tim Mullooly: For the listeners who might not remember, we last spoke to Peter back in September of last year. It was episode number 35 of the podcast. Peter, what's been going on with you since we last spoke? The book came out on Tuesday of this week, congrats on that. And how's the launch of the book been going, and everything else?

Peter Lazaroff: Yeah, so, thanks for letting me come talk about the book. I think that's been the primary focus since we last spoke. And Making Money Simple came out Tuesday. When I started writing the book, I was really sitting down just to write a book. It never occurred to me that I'd have to sell the book. You don't really think that far. And so many other authors have reached out to say, "Well, you've ran the first half of the marathon. I hope you're ready for the second half." Right?

I think it's been really exciting. I'd say launch day, I didn't have a party. I didn't do a big media tour. Really was something that was very personal. I certainly reached out to a lot of people to help and promote, but it kind of felt like my birthday. I really just went about my workday, but a lot of people interrupting me throughout the day to say congratulations and getting text messages. And so if anything, book launch day felt like my birthday. My wife and two kids, we went to a Barnes & Noble to see it in the store and went out to dinner after...

Tim Mullooly: That's awesome.

Peter Lazaroff: ... that was the launch day. It was really great. Like I said, you sit down to write a book, you're not really thinking about the sales part. I never really thought about launch day, ever. But I don't think I could have drawn it up any better. It was a really wonderful day and it's been a fun week.

Tim Mullooly: Yeah. Was it kind of surreal to see your creation, your book, sitting on bookshelves in a store?

Peter Lazaroff: Definitely. It was surreal even holding the book. I got a case of books maybe a week before the launch. I had ordered a bunch just so that we could hand them out to clients. And going into the bookstore and seeing it there, and I guess it's never guaranteed that it's going to end up in the bookstore, and I honestly don't know why it did. There's probably some system that's beyond me. But it was definitely cool, and I know my wife and I enjoyed it a lot. I think my oldest son who's nearly six thought it was pretty cool. And I posted pictures of us all over social media and my boys are eating popcorn. I feel like once they got there and saw the book they're like, "All right. Now what?"

Tim Mullooly: "Okay, cool." Right. Yeah.

Peter Lazaroff: But generally enjoyed the moment, and we had a lot of fun. And, yeah, very surreal moment. Very satisfying moment, to be like, "I really did it."

Tim Mullooly: Awesome. Well, congrats again. I know my brother Brendan got his copy and he's starting to dig into it, and I've heard lots of great things on Twitter, so I'm excited to talk more about it today. For the listeners who might not have heard the first episode, we'll link to it in the show notes again, episode 35, you can go check it out. But can you kind of bring us up to speed, give us a brief background about yourself, what you do, and how you got to where you are today?

Peter Lazaroff: Sure. So, my primary job is that of being chief investment officer at Plancorp, which is a national RIA managing a little over \$4 billion. And then in November of 2017, we launched a second RIA, a digital financial wellness solution called BrightPlan, where I also serve in the same capacity there. And so day-to-day at Plancorp, my job's to help develop and communicate investment strategy, be in client meetings to help people understand the process and decisions that are made, and on the BrightPlan side, I think my primary role over there is to take the knowledge that I've accumulated throughout my career and formulate it into rules that can be digitized, which has really been a fun project.

And the writing stuff, I run a personal blog, PeterLazaroff.com. Now, I apparently write books. I'm not sure if I'll write any more, but. I'll at least need a few year break, but generally speaking, I love to write. I love to do speaking. I think it's so cool that you have a podcast. I would love to find time to do that, as well.

Tim Mullooly: All right, great. So let's talk about the book a little bit. The book is called, like I mentioned before, Making Money Simple. Can you talk about why you chose that as the title for the book, and kind of at a high level what it means for what the book is about?

Peter Lazaroff: Sure. So, let me start by saying I almost never write the titles to my articles or anything. There's someone in my office where I'll say, "Hey, what do you think of this title? And feel free to suggest a better one." And literally every time, she comes up with a better title. When I was trying to title the book, I had a list of titles, maybe 20 or so, and I slowly whittled it down to this one because the goal was to really make the topic of money simple. But then the other meaning that you can take from it is that the actually making of money and building wealth can be simple, as well. So, generally speaking, I think that with a lot of these topics, some of which are really basic and then some of which I tackled I think are more complex.

I've always taken great pride in trying to distill down complex ideas into easily digestible lessons for friends and family and clients. That was really the goal of the book. And the other piece of it was I feel like I'm financially successful not so much because of the salary I earn or because I'm an investment whiz that's made a killing in the market.

Really, it was all about setting up a system for saving towards very intentional goals, having an automated process to make sure that I didn't deviate. And so a lot of the book is the blueprint that I followed, myself. The worksheets throughout the book are the same template that I used with people for the first decade or so of my career. A lot of the advice in the book is based on what our digital platform, BrightPlan, is built around.

In the end, when I landed on Making Money Simple, it felt like the right thing. Now, I have a super long subtitle. The Complete Guide to Getting your Financial House in Order and Keeping it that Way Forever is quite the mouthful. But generally speaking, I wanted whoever bought this book to feel like if they wanted to do it on their own, here are the tools you need to make the right decisions and get started on the right path to growing your wealth.

Tim Mullooly: Yeah. I like that as the title. When I read that that was going to be the title of the book, I was like, "Oh, that's going to be really good." Because it has that kind of double meaning there, and it's a nice, simple title, itself. The book is described as a way for people to get on the right track towards financial freedom. Now, is this book more for readers just starting out on that track with their own finances? Or can people further along in life kind of hop on that right track later in life, too?

Peter Lazaroff: Before I had written a single word of the book, I wrote a document as for who this book was for, and I landed on my age plus or minus 10 years. And so I'm 34. And I think generally speaking this book really speaks to people well in their 20s, 30s, and 40s. I had some college students read an early draft to say, "Hey, does this pertain to you? And if not, where am I missing it?" Because I don't know what a 22-year-old thinks anymore. I feel like I'm far enough removed from that. But generally, the feedback has been good. And so I definitely think it can help anyone who's just starting out.

Really, I think anyone who's been in their career for a while and saving for a while, you reach these points where maybe you've gotten a raise and you have more income and cash flow and you're not exactly sure where to direct it. Or maybe you've inherited money. Or maybe you're buying a second home and selling your first home and you have equity, so you end up with this extra cash you're not sure what to do with it. It's kind of you focus on your career and honing a craft and advancing, and very little time is spent towards learning about your finances and being intentional with your finances.

And so I think, generally speaking, yes, if you're just starting out, this ought to be perfect. But, truly, I wrote it for people who have been saving for a little bit of time and are just reaching this point where they want to feel like, "Hey, am I doing the right thing with my money." Then give them the confidence to say, "Yes, not only am I doing the right thing, I'm doing the best thing."

Tim Mullooly: And I feel like addressing people in their 20s, 30s, and 40s, there's a lot more variables moving and things that they need to know about, and they have time to kind of let those things take root and work for them over the course of their career, whereas people who might be a little bit older, maybe nearing retirement, they kind of only have a couple big decisions or a couple things left in terms of their financial career. Was that kind of your thinking, as well?

Peter Lazaroff: Yeah. Because the earlier you reach somebody in their life, the bigger the impact you're going to have on them. I got great advice from one of my favorite writers, Jason Zweig, as I was starting to write the book. It would have been easy for me to write a book directed at Baby Boomers who have accumulated a lot of wealth and it'd be a great target audience. But in reality, this was the book I wanted to write. And he told me, "Write the book you want to write, not the book you think others want you to write." I think kind of focusing on ... I feel like there's a lot of voices you can take as a writer. You can be sort of the historian who knows what's happened in the past. You can be sort of the big brother figure who, hey, I know what you're going through, I'm a few years ahead of you, let me show you the way. Or the best friend, buddy, like, hey, this is all tough. Let's do this together.

And I think the voice is more that of big brother. So trying, I have already bought and sold my first home. We lived there for nine years and we're in our second home. We have two children. I'm about the oldest you can be to be a millennial. And so trying to give that advice based on my experiences, as well as the experiences I've had in being an advisor.

Tim Mullooly: Right. Yeah. I feel like that'll have a really good impact on people right in that target, especially those younger people that are just starting out that are in their mid-20s, stuff like that.

Peter Lazaroff: Well, and if anyone who's listening has someone who's graduating from college, it would make an excellent graduation gift, if I do say so, myself.

Tim Mullooly: Yeah, absolutely. Yeah. I'd have to agree. For the reader of the book, kind of where does it start for them? Is there any prerequisite knowledge required? Or is this something that the everyday person can pick up and understand and put into action?

Peter Lazaroff: Definitely anybody can pick this up. And the framework is such that anyone can understand it and it's highly actionable. The book leads off with I think what's the most important concept, which is compounding. And it's a theme that runs throughout the book because it's not just in your investment portfolio or in your bank account where money compounds. It's all these little decisions you make. They don't seem that important, but as they compound over multiple decades, these little decisions end up being enormous outcomes. And so generally speaking, by focusing out the gate on compounding and then setting intentional goals and building a system for your savings. Then I dive into the more complicated topics of investing and then some of those more one-time decisions or less frequent decisions like buying homes, estate planning insurance, having a family. I do think what I tried to do was create enough references to things that would interest people who maybe do have a little bit of a background here.

So, I don't know, threading the needle. You can't please everybody, but I think anybody can learn something. I would hope that regardless of where your knowledge base is that you could learn something. Where, at the same time, I think if you have no knowledge base that this is a highly approachable, conversational approach to the topic.

Tim Mullooly: Well, I think that's a great way to look at it. And also, I feel like that's a good place to start with compounding, especially with the target age groups that we were just talking

about, too. The people who can benefit the most from compounding are those people in their 20s and 30s that have decades to go before retirement and letting their accounts grow and stuff like that.

Peter Lazaroff: Yeah. And compounding's one of those things that you see it and you're like, "Oh, yeah, that is really impactful." Our brains just aren't really hardwired to think of exponential things that well. We're really good at thinking linearly where 1 plus 1 is 2 plus 1 is 3 plus 1 is 4, as opposed to compounding where it's 1, then 2, then 4, then 8, then 16.

And I think honestly, going through this book, I feel like I gained a new appreciation for compounding. I mean, I've obviously been in this profession for I guess 12 years now, so it's not like I don't understand compounding, but you do forget to respect it from time to time. And that was probably one of the biggest benefits, unintentional, of the book is how much greater of an appreciation I got for compounding.

Again, not just in a bank account or an investment account, but in all areas of your life.

Tim Mullooly: Yeah. Compounding definitely touches every facet of your life. And I feel like for writers, whether you're writing a book or writing a blog post, like you said, it kind of reinforces the ideas that you knew, as well, while you're trying to write that down and communicate it to someone else, it really kind of makes you relearn what you knew already, too, right?

Peter Lazaroff: Oh, definitely. And clarify your thinking. I have always believed that when I began writing, it was mostly as a tool to learn. And my parents were both physicians, and they talked about medical school where you see one, do one, teach one. That's how you learn to do a procedure. And as I was writing and writing for other people, that was my teach one. That was how I really learned what I thought about the world, and I think I've never been more clear, personally, with what I think about investments and what I think is essential for success. The system that I've built I think is more objective and this is the way I did it, this is the way I advise others, but a philosophy. While it's always been bouncing around in my head and I probably communicated it pretty well in the past, I feel like writing this book really did help me solidify that messaging in a clear, concise manner.

Tim Mullooly: Right. Well, speaking of things being essential for success, in the book, you explain the three crucial elements of building a strong financial house. Without giving away too much of the book, we still want people to go read the book, obviously, but can you talk briefly just about what those three crucial elements entail?

Peter Lazaroff: Sure. So I think intentionality is a big one. And I don't call it out that way in the book, but generally speaking, you can always know ... You can say, "I want to be wealthy," but if you don't actually take the steps to do it, then you're never going to get there. You can't just say it. And so goal-setting and being really intentional about how you set those goals and how you track them, that is a really big theme in the first part of the book.

The second one I would say is really systematizing your finances and automating them as much as humanly possible.

And the third is really avoiding mistakes that would interrupt compound interest. And that can be anywhere from, again, investments, but it can also be with insurance. It can be with taxes. It can be with estate planning. Any habit that you can make and automate, if you avoid the bad decisions through automation, well, that benefit will compound and have an enormous impact. And so that, at a really high level, is the three elements of the financial house. But certainly, they go multiple layers deeper throughout the different chapters.

Tim Mullooly: Right. Yeah. And I feel like those three elements kind of work together, like you were saying. If you're intentional about automating all of these different processes in your financial life, then you're going to avoid some of these mistakes.

So do you think that they need to all work together? Or obviously, you'd recommend using all three of these crucial elements. Do you think that you can have one without the other? Or are they all three necessary for success?

Peter Lazaroff: Well, you can certainly have one without the other.

Tim Mullooly: Right.

Peter Lazaroff: But I think your probability of success goes up when you incorporate all of them together. Something as a common theme is if you do, let's say you set intentional goals. Well, that's great. But if you don't do anything systematically to achieve those goals, well, you're less likely to achieve them. Whether that's automating them or directing them to the right place. You can do it without automation. You can do it less systematically. But your probability of achieving those goals just goes down dramatically.

Tim Mullooly: Right. Absolutely. Another topic that gets brought up in the book is about finding the right financial professional to work with, and I feel like that's a really important thing for people to understand, and it's something that we talk about with new clients that come in the door here, too. I feel like it's tough for some individuals out there, though, to know the right things to ask and take the time to actually find the right professional to work with. In the book, you've outlined 10 questions to ask when looking for the right professional to work with. Do you want to talk just a little bit about maybe one or two of those questions that you outlined in the book and while you feel they're important to ask?

Peter Lazaroff: You'll have to excuse me. I'll actually have to open the book so that I can get the list.

Tim Mullooly: Yeah, of course.

Peter Lazaroff: All right. Well, why don't I just start with the first one. How you get paid. And so to give some structure, these 10 questions are part of a structured interview which I had first heard of from Jason Zweig, but was developed by Daniel Kahneman a way to ask questions and

score them in such a way that it would remove some of the biases that we tend to have when we're making such a decision. And so I have these 10 questions, and if you go to PeterLazaroff.com/worksheets, you can download these questions in the How to Hire and Advisor worksheet. And there's also follow-up questions. I made a big point to say if you ask a follow-up question of one firm, you got to ask it of everybody.

Tim Mullooly: Right.

Peter Lazaroff: But how do you get paid? That's a really big one. So ideally, an advisor's going to be paid by the client and only the client. And if the firm's receiving revenues from any other sources, then there's more opportunity for conflict of interest.

Kind of tied to that, do you earn fees for referring clients to specialists? Do you participate in sales contest or award programs? How are you specifically ... And these are kind of more follow-up questions. How are you specifically compensated? Is it salary? Is it percentage of the revenue that you're generating from me, the client?

These are things that help you sort of uncover potential conflicts. So I think that was ... That's one question, along with several follow-ups.

The other one ... And I'm look at the list, what's I think pulling out what experience, education, and credentials do you have is an interesting one. I recently wrote something, and I think it was a more aggressive title than what it ended up with, but something about the alphabet soup of advisor designations. And there are so many out there, and people already use a litany of different titles. And so to the consumer, how do you know what vice president and director or wealth manager or consultant ... None of them mean anything.

And there's no regulation around titles. And then the fact that basically, everybody has some sort of professional letters on their business card I think is confusing because the consumer doesn't really know what designation is meaningful in the sense that it had rigorous requirements, whether those are up front and continuing education. And so trying to understand how credentialed are you.

My personal view is that if you're working with a planner, you might as well find someone that at least has a CFP, someone who's a certified financial planner. Other designations I tend to favor are CPAs. So we have a lot of planners at Plancorp, wealth managers, who are a CFP CPA, and they tend to be the people who do more detailed tax planning. I'm a CFP CFA, so CFA is chartered financial analyst. Someone who's more investment-driven.

But honestly, I would argue that a CFA is not that useful for someone who's a comprehensive financial planner. I mean, it definitely gives them a lot of insight into investment analysis, but not a ton of insight into financial planning. But not only for, well, what's my lead advisor got? Who else am I working with? And what are their designations? And is it required to have those designations to serve clients? Or if you're going to ask someone what's your title and you say, "Well, how do you get that title?"

Who else has that title?" You can find out what is this person really qualified to help me with.

So, yeah, I think those questions are helpful. I wish more people asked us good questions. We've made a practice of when prospective client schedules a meeting, we say, "Hey, here's 12 questions that we think you ought to be asking all advisors and here's our written answer to them. But please feel free to ask us again in the meeting or follow-up with questions based on our answers." It's a huge decision to hire an advisor.

You ought to put a lot of time into your research process. I think there's a big joke in the industry that people spend more time researching a refrigerator than they will a stock.

Tim Mullooly: Yeah.

Peter Lazaroff: I think it applies to advisor, too. I mean, I don't think people put us through the ringer as well as they should. I mean, it's a huge decision. I definitely am biased in thinking that everyone should work with a financial professional. I, myself, hired Plancorp to be my advisor this year.

Not because I'm not capable. I just told you, I'm a CFP CFA, but generally speaking, it's nice to have an objective third party to bounce ideas off of, as well as someone to hold you accountable and, I mean, I'm busy and I'll take care of everybody else before myself when it comes to the finances. And so having somebody there, I mean, I think it's essential and it's been a wonderful decision. I obviously wasn't going to interview a bunch of different firms to be my planner, but I think it's really important to have a financial professional helping you.

But if you're going to choose someone, the most important investment you can make in that decision is the time you put in to make it correctly.

Tim Mullooly: Right. Yeah. I totally agree. We have a similar approach when clients come in here, as well. We ask them, "Okay, what kind of questions do you have for us?" And usually, they'll have one or two. And then we're like, "Okay, anything else?" And they'll say no. And it's like, "Okay, well, here are some questions that we think you should ask us," and then we answer them for them.

Peter Lazaroff: Yeah.

Tim Mullooly: I definitely think there should be a very strong vetting process, so I totally agree that asking all the right questions and knowing the questions to ask is very important. Kind of on the other hand, there, knowing the right questions to ask is important, but I might argue that knowing which questions not to ask or not to focus on might be important, as well. Are there any questions-

Peter Lazaroff: Yeah.

Tim Mullooly: ... that you feel people should not ask a financial professional? Or, in another way, maybe some less important topics to focus and spend time talking about with a professional?

Peter Lazaroff: Yes. The question that makes me cringe every time is when you've had a wonderful discussion, someone wants to do a deep-dive on your investment philosophy and your process. Process, so important. And then they say, "Okay, can you show me your past 10 years of returns?" It's one thing to focus on the process, which is super important. It is terrible to look at past returns. Because what happens, they just look at it and they say, if it's good, "Great. We believe in your process." If it's bad, "Well, no, we don't believe in your process." I think something that I know you understand well, you have to focus on process over outcomes in something that involves randomness and luck, like investing. And so it drives me crazy.

And I think the fact that people, that performance reporting is so much more accessible, I feel like more people are asking that today than they were 10 years ago, and they're using it incorrectly. And there's a reason that regulatory bodies make people plaster, "Past performance is no guarantee of future performance." It's all over the place, yet that's all people seem to focus on.

So that's the question that drives me crazy. If you're going to ask a question about performance, I think a better one would be to ask more about their benchmarks, and why they've chosen their benchmarks, and why they'd expect to be different in any given period over a benchmark, and how they would deliver that information. And then if you're asking for performance and say, "Okay, so you're either above or below the benchmark in this performance you've shown me, based on what you just told me, does that align with the same reasons why you're above or below the benchmark in the past?" Look, if you're chasing performance, you're going to lose. If you keep jumping from advisor to advisor at the highest performance, it's just not going to work out.

Tim Mullooly: Right. There are so many other variables to compare or to take into account when you're considering performance than just the absolute returns of what happened over a specific time period.

Peter Lazaroff: Right.

Tim Mullooly: And it is super frustrating.

Peter Lazaroff: And some of the value that you're getting is financial planning, too, so

Tim Mullooly: Right.

Peter Lazaroff: ... performance, after-tax returns performance. I think with the value and advisor ... It isn't something that's consistently delivered quarter by quarter, but the value an advisor on an investment portfolio, you can earn a lifetime of fees in a single bear market just by making sure that people stay the course. That's really hard to measure.

And from a planning perspective, I think the biggest value that we add at Plancorp is in the wealth management, in the financial planning. I mean, investment advice these days is pretty

commoditized. The robo advisors have set what that costs. It costs about 30 basis points. So whatever you're paying above that, the value you ought to be getting is proactive financial planning advice. And so with returns, particularly for a strategy like ours where we're focused on rules-based strategies that are low-cost, whether you want to index or factor invest, we're generally doing something that gives you market-like returns net of fees over long periods of time.

So looking at our past performance doesn't tell you a lot about what your experience in the next 10 years are because we've been doing the same thing since the early '90s and generally speaking, unless you are with an advisor who is shifting strategies a lot, that's all it's going to tell you.

Tim Mullooly: Right. Like you said, it is kind of just cringeworthy and frustrating when you have a conversation about the importance of comprehensive financial planning and why so many other topics are equally as important or maybe more important than the investment performance. And then the whole time they're like, "Yeah, I agree. I agree." And then at the end, you get the question, "Okay, so, what are your returns like?"

Peter Lazaroff: Right.

Tim Mullooly: It's like, we just talked about why that was not ... It's just one piece of the pie. But I think-

Peter Lazaroff: Or what type of return can I expect over the next 10 years?

Tim Mullooly: Right. Yeah.

Peter Lazaroff: Like, I don't know-

Tim Mullooly: Let me get my crystal ball, yeah.

Peter Lazaroff: Right. I wouldn't have a ... If I knew what the market was going to do for the next 10 years, I wouldn't need to have a job. I would just...

Tim Mullooly: Yeah.

Peter Lazaroff: ... and make large bets on that and get wealthy that way.

Tim Mullooly: Exactly. So, I think having these questions handy for people and they read them in the book, it helps them focus on the more important things. So I definitely think it's worthwhile to read and understand and have all of these questions present for the people in the book.

We often hear how everyone's situation is different, so, again, even going back to that last question, trying to answer a question for someone like that, it's going to depend on their situation. A lot of things depend on certain specifics when you're planning for a financial future.

How does the book kind of navigate through people's financial lives in a world that doesn't really have clear-cut rules when everything is different, depending on someone's situation?

Peter Lazaroff: Well, that's definitely one of the biggest barriers to people feeling confident that they're doing the right thing with their money, because they read something and they say, "Well, my situation's more like this." I took a goals-based approach, really focused on your goals are your goals, and how much will it cost to fund those goals, and let's work it backwards. So let's start with the end in mind, figure out where you're trying to go. Now, let's look at your cash flow and let's figure out how you can get there. And the investments, how do you pick the right asset allocation? I give some advice for that. But the overall philosophy is the same for anybody.

The only times I think there are lists within the book to say where to save first, there's an order of prioritization for retirement savings, and then there's a investor pay down debt prioritization, but even that one, in particular, has a lot of caveats to it that have emotional considerations that really can't be accounted for. I do think the worksheets that are offered throughout the book are the primary way that you can personalize a plan yourself.

I also create something called SmartMoneyQuiz.com that identifies the areas where you ought to be focusing first if you're unsure that you could do it on your own. And SmartMoneyQuiz.com is just nine questions, and it gives you four places to be focused on, as well as some actionable steps. And so generally speaking, my hope is that together, those will give people a clear path to start and focus on the most important things, and then set up this system that will quietly nudge your finances in the right direction without a lot of ongoing effort on your part.

Tim Mullooly: I feel like that's a good way to attack it. So there are a lot of points made in the book, but if you could kind of narrow it down to just one thing for a reader to take away from reading Making Money Simple, what would you want that to be, and why?

Peter Lazaroff: Start saving for retirement now. And if you already are, save more.

Tim Mullooly: More. Yeah.

Peter Lazaroff: And automate it. I think generally, people, particularly in this 20s, 30s, 40s age group, if they are good savers, then they probably aren't strategic enough. Just when you're a professional, it's important to know what you don't know just as much as what you do know. And-

Tim Mullooly: Right.

Peter Lazaroff: ... younger investors tend not to realize how much they're missing out on by not making the smallest amount of effort to save more. I mean, if it's saving \$5 a paycheck more, fine. That's great.

Tim Mullooly: Right.

Peter Lazaroff: If it's utilizing your tax advantaged accounts better in your 20s, 30s, and 40s, great. Let's do that. So I think, generally, start now, do more, be actionable with your goals. And as I mentioned earlier, if you don't know where to start, go to SmartMoneyQuiz.com and you will certainly be pointed on what you should be focused on first.

Tim Mullooly: Definitely. And we will link in the show notes to SmartMoneyQuiz.com. And I think that's a great place to start, especially with what we were talking about with compounding. The earlier you can start, the greater that's going to be for you over time.

I have one more question for you, Peter. I like to wrap up all of these episodes with the question of what's the best piece of advice you've ever received? We covered that on the last episode, so I'm going to change it up a little bit. What's the best piece of advice that you think you've given someone else? Whether it's to a friend or a spouse or your kids. What's the best piece of advice that you think you've given someone?

Peter Lazaroff: Well, I think ... I've been on a lot of college campuses recently, and I think the piece of advice that is going to lead to the most growth in your life, both financially and personally and emotionally, is find a way to continuously learn. Now, as I say it out loud, I wonder if that's the same advice I gave you last time. I don't think it is, but generally speaking, if you're listening to this podcast, you're interested in improving your knowledge on finances, and that's wonderful, and you should continue to do that.

And whether your preference is to do it via podcast or reading books, that's wonderful. I think you should seek out to learn things about different disciplines. As a financial advisor, I've found that I really like reading about physics and biology, which I would have never expected one or two decades ago.

But trying to continue to learn, and then as you learn more, what you will begin to realize is that there's so much you don't know. And once you can hit that realization, a lot of mistakes that people make, particularly within their finances, are related to the fact that they don't know what they don't know. And the more you learn, the more you realize there is so much to learn out there, and there are so many incredibly smart people, and then the competition, whether it's in financial markets or for new ideas, is so incredibly high. I think it's a really humbling piece and helps you be a better investor, for sure, but also just grow as a person.

Tim Mullooly: Yeah. Absolutely. I feel like that's great advice across the board. Any aspect of life. One last bonus question, I know you got to head out to the Cardinals' home opener today. Prediction for the game, and also prediction for the Cards' season? We'll see how these age.

Peter Lazaroff: Yeah. Well, I mean, the Cards' season, I think the Cardinals will make the playoffs.

Tim Mullooly: Okay.

Peter Lazaroff: I don't know that I feel comfortable about them winning the division because the Brewers are still very good. The Cubs have the potential to be very good. And then we don't really have a tanking team, like the Pirates and the Reds

Tim Mullooly: Right.

Peter Lazaroff: But I think on paper, the Cardinals have what it takes to get to the playoffs, assuming decent health. Maybe we'll sign one of these pending free agents in June or make a big trade. I definitely think the Cardinals have the money and the prospects to make a big trade at the deadline this year. And so if we're in it, I'd expect us to make a big move. And your Mets look pretty interesting, too, although they're in a tough division with the Phillies and the Braves and the Nats. There's no, aside from a few teams in the NL, there's not a lot of teams tanking, so-

Tim Mullooly: Yeah.

Peter Lazaroff: ... going to be a real fun season, and I would expect in the NL Central, maybe four teams with winning records, which would four out of five, and that makes for a very tough season.

Tim Mullooly: Yeah. I'd have to agree. It's going to be a dogfight in the Central, and I feel the same way about the East, as well, like you said with the Mets, Nats, Phillies, Braves. Should be a fun season to watch. Peter, that's all the questions I had for you today. Thanks for coming back on the podcast, and congratulations on the book, again.

Peter Lazaroff: Thanks so much, Tim. Great talking to you.

Tim Mullooly: For the listeners out there, we'll link in the show notes where can go grab Peter's book, *Making Money Simple: the Complete Guide to Getting your Financial House in Order and Keeping it that Way Forever*. We're also going to link to anything that we talked about during the episode, as well, so you can go check that out on LivingWithMoney.com. Thanks for listening to this episode of Living with Money, and we'll see you next time.