

Taylor Schulte - Define Financial - Transcript

Tim Mullooly: Welcome back to Living With Money. This is Tim Mullooly. On today's episode, I'm joined by Taylor Schulte. Taylor is also a fellow podcast host. He's a CFP, and he's the founder of Defined Financial. So Taylor, thanks for coming on the podcast.

Taylor Schulte: Tim, thanks for having me. I'm really excited.

Tim Mullooly: Before we dive into all of your work, let's start with a quick background about yourself, a little bit about your personal history. When did you first become interested in finance, and how'd you get your career started in the industry?

Taylor Schulte: Sure. Maybe my story is eerily similar to a lot of other advisors out there. But when I was about 12 years old, my grandfather ... Well, I'll back up. Typically every Christmas, my grandfather would always give us cash in an envelope. He'd give us 20 bucks, or 50 bucks, or whatever it was. And so we were always excited to go to grandpa's house to get that cash for Christmas. When I was 11, or 12, or somewhere around there, he changed things up on us and he gave each of us the stock certificate. I remember being really disappointed and like, "What the heck is this thing? What am I supposed to do with this? I certainly can't trade this in for skateboard wheels." Or whatever I was into at the time. It's really interesting though. I mean, he used this gift as a tool to teach us about money and what a dividend was, and what a stock was, and how to look it up in the newspaper and track the price, and all this stuff.

Fast forward to today, that stock that he gave us helped me buy my first home and more importantly, influenced my decision to get into the financial planning world. I just had that fire inside of me early on, and day one out of school at 22 years old, I started as a financial advisor at a very, very large wealth management firm and I just got going right then and there. I was thrown right into the fire and started to build my book of business and take on clients, and battled through the great recession, and came out the other end relatively unscathed, and here I am today. So it was a fun journey and I'm excited for the future too.

Tim Mullooly: How did you go from working at that large wealth management firm to ultimately starting Define Financial? What was that process like of getting your own business started? And what would you say is the main purpose of your firm? And how do you work with your clients today?

Taylor Schulte: Sure. I was at this large firm for five or six years, and I just started to get really frustrated with how this corporate giant operated. And as you know, these are publicly traded companies and they have a duty to their shareholders to make money and turn a profit and their obligation isn't necessarily to make more money for their clients. And so this frustration kind of grew. In addition to that, both of my grandfathers were successful entrepreneurs so I think I had this kind of entrepreneur blood inside of me and eventually just decided I'm going to go out and do this on my own. I started my firm Defined Financial in 2014. I took a handful of clients with me, and we've maybe about quadrupled in size since then. The main purpose really of starting the firm is to create a firm where the client truly comes first. And more importantly, I'm personally liable for the recommendations that we make.

But the other reason for starting this firm is that I wanted to build something that was authentic to me that aligned with my morals, and values, and philosophies, and to create an environment that's fun and a breath of fresh air when you compare it to these big firms that we all know by name. Today, we work with about 60 households, we're a financial planning centric firm. We lead with financial planning, we believe financial planning is really, really important. And we've developed this process for new clients that are interested in working with our firm. I've just realized over the years that it's really difficult to ask a potential client to evaluate a financial advisor. Number one, we use all these different names, Wealth Advisors, Financial Planner, Financial Advisor.

There's no real standardization, and there's just a lot of confusion in our industry and it's really challenging for potential clients to really evaluate us. So we created this complimentary process, which is front and center on our website, if anybody wants to just take a look at it.

But it really helps consumers properly evaluate us and other firms that they might be considering to make sure that we're really a good fit for them. That process takes four to six weeks to complete. If you're looking to hire us tomorrow, we're probably not the best fit. But if they go through that process and they decide that we are a good fit for each other, these clients end up being clients for life.

Tim Mullooly: Right. I think that's a really good way to vet potential prospects and clients and vice versa for them. Have you gotten a lot of good feedback from people that have gone through that process and eventually come through as clients?

Taylor Schulte: Yeah, the feedback has never been negative. You know, we've never had somebody go through that process and say, "That was a complete waste of my time." That has never ever happened. One of the pieces of feedback we get often in the beginning is, "Why is this free? Why aren't you charging for this? What's the catch?"

That's sometimes a hurdle to get over. And really, there is no catch. And I say that there is no cost, the only cost is your time. We do ask these potential clients to dedicate quite a bit of time. Like I said, it takes four to six weeks. There's several meetings, and there they have to collect certain documents. And so there's some skin in the game there.

Could we charge for it? Sure. But for now, I like how it's structured. And as long as people can get over the fact that there's not some huge sales pitch at the end, and we're really doing this so that we can evaluate each other, it really is a good process for all parties involved.

Tim Mullooly: I feel like that's in a good way an eye opening experience for a potential client because, like you said, they're conditioned to say, "What's the catch?" And that kind of reflects poorly on the financial services industry that people are just naturally skeptical like, "There must be a catch." Or like, "How am I going to end up paying for this in the long run?" right?

Taylor Schulte: Exactly. Yeah. It's certainly not perfect, I totally understand. I'd be asking the same question if I was on the other end, so I totally understand. But you're right. I mean, people have been burned. There's been a lot of stuff in the news. Bernie Madoff was years ago, but

there's been other things that have come to the surface. We've got the whole fight for the fiduciary standard. Consumers are smarter, and they're getting smarter and smarter by the day, they're asking better questions. I don't I don't blame them, but the process has been very well received. It's been really helpful for us internally, again, making sure that we're taking on the right types of clients. Sometimes we can be really quick to make that decision and you end up taking on the wrong client, and that's not good for anybody. We're here to help people, we're here to get them in a better financial position. And if we're not working with the right person, we're not doing anybody any good.

Tim Mullooly: I agree. And we have a similar type of process in here at Mullooly Asset as well, and it definitely works well for both parties in the long run. Something that you just touched on, I wanted to bring up as well, because I feel like it's a topic that we really can't talk about enough and that's the fiduciary standard and the fight for that in our industry today. I feel like people describe it a little bit differently depending on who you ask, but in your opinion, can you explain the importance of the fiduciary standard and how you explain what a fiduciary is to your clients?

Taylor Schulte: Yeah, the big F word. I mean, don't you just hate the word "fiduciary"? I just feel like people's eyes glaze over when we use this word. I mean, we have done no favors for people whatsoever with the terminology we use.

Tim Mullooly: It's a shame too, because it's so important. But they hear the word and they're like, like you're saying, their eyes just glaze over.

Taylor Schulte: Yeah, "What does that even mean?" I mean, I love that we're talking about because I think the more we talk about it, and the more we educate, the better off everyone's going to be. But to me, if your financial advisor makes a recommendation, my guess is that you want to know that that recommendation is in your best interest. So, for example, if it's an investment that they're recommending to you, probably want to know that that investment is the best solution for you, that you're getting the best price, and that that solution has been evaluated against all the other solutions that are out there. You probably also want to know that there isn't some giant conflict of interest there like a big hidden commission that this advisor is going to get, or ... we've seen these sales trips that these people can win, they go to the Bahamas for selling certain products. So the fiduciary standard really just makes sure that the recommendations being made to the client are truly in their best interest, and not the advisors'. And unfortunately, most financial advisors today just don't operate under the fiduciary standard.

And I'm not saying that they're all bad people, there are very, very good financial advisors and trustworthy financial advisors that operate under what we call the suitability standard. But I think it just makes it more challenging for consumers when they have to scratch their head and wonder like, "Is this recommendation in my best interest, or theirs? Now I have to figure this out." So the fiduciary standard really strips all that away.

Tim Mullooly: Absolutely. What has been your experience with clients with that? Are there a lot of people who have never heard the term before? Or like you see their eyes opening like, "Wait, my last advisor didn't have my best interest in mind?"?

Taylor Schulte: I would say that these days most clients that come to us have some form of understanding of the fiduciary standard being a fiduciary fee only. Surprisingly, we get a number of people that have read or heard Tony Robbins speak about being a fiduciary, and they Google around and find us. So like I said, I think consumers are getting smarter and smarter by the day. Maybe they don't know exactly what the word means and some of the differences, which is why we've worked hard to put some of this content out, and educate people, and detail the differences. But most people that come to us have some sort of understanding of being fee only and taking a fiduciary approach.

Tim Mullooly: Yeah. And on the federal level, there was the Department of Labor proposal that ended up getting shot down. But for now I feel like it's on the advisors who are fiduciaries to continue to put out content like this to let clients and prospects know and just raise awareness around the terms. For us for the time being, for people who are fiduciaries, it does serve as a relatively good selling point to point out, "Hey, we're the good guys here." So to speak, you know?

Taylor Schulte: Yeah, huge differentiator. And remember, you have a choice. Financial advisors have a choice, they can choose to be a fiduciary, they can choose to work in a fiduciary environment. And thankfully, there are firms like mine and yours that have made this conscious decision and take personal liability for the recommendations we make. I think that's only going to get better and better. And yeah, you're right. I mean, a fiduciary standard across the industry would kill one of the things that makes us different. So it certainly is a differentiator for right now.

Tim Mullooly: I mentioned before in the intro that you are also a podcast host, you currently have two podcasts. I want to touch on both of them. But first I wanted to talk about your newer podcast, which is the Experiments in Advisor Marketing. Do you want to just talk a little bit about why you chose to start this podcast, and explain the overall premise of the podcast?

Taylor Schulte: Yeah, absolutely. I appreciate you asking about it. Look, here's the deal, I love being a financial planner. I love helping people and taking their stress and anxiety about money away, and truly making a positive difference in their life. I think you would agree I think most of us in the industry feel the same way. And because of this, I've always had always been interested in building my financial planning business, and taking on new clients, and helping more people. This pursuit of new clients made me realize how much I really enjoy marketing and finding untraditional ways to grow my practice. When you're a small firm like mine and you're in a big city like San Diego with 4 million people, some marketing is required in order to stand out. So I've had a lot of fun getting creative and trying different things to help find us new clients and help more people. Look, a lot of my marketing ideas have failed miserably, but some have worked really, really well.

And since I don't plan to stop marketing anytime soon, I thought I would just create this platform where I can share my crazy marketing ideas and results with other advisors and learn together. I'm also interested in learning from other advisors and other experts that have had success doing things. So I just started this podcast as a way to document this journey that I'm on and share with

others what's working and what's not working, and again learn together. It's this intersection of my two passions, which is financial planning and nerdy nerd on marketing.

Tim Mullooly: Right. Here at Mullooly Asset, I handle a lot of the marketing, and the content creation too. So when I saw that podcast, I was like, "Oh, that's right in my wheelhouse." So I personally love it.

Taylor Schulte: I appreciate you listening. I've had a lot of good feedback from people, and really good ideas to improve it. I really had no idea if there is a need out there for it, but I have a lot of fun doing it and that's really all that matters. And I've learned a lot myself just doing it so it's been a really fun experiment in its own.

Tim Mullooly: Its very good for advisors and financial planners, but I feel like a lot of the tools and the stuff that you break down can be applied to a lot of different small businesses in different industries, not necessarily just the investment advisory business.

That's why I wanted to touch on a couple of the different points that you mentioned in the episodes for listeners out there who might be running their own business. In the very first episode you talked about, I think about a dozen different resources for advisors that you use to utilize and be more productive and help their business. A couple that I noted where Convert Kit and Calendly, do you want to highlight maybe those two and maybe a couple others about how they work, how you use them, and how other businesses might be able to utilize some as well?

Taylor Schulte: Absolutely. I love talking about this stuff so let's do it. The first one you mentioned is Convert Kit, and just about every business out there, every financial advisor out there has some sort of email marketing system that they use and the two most popular ones would be MailChimp and Constant Contact. A lot of people will use MailChimp because they have a free version, it doesn't cost any money. But like I shared on that episode, that that's one of the biggest problems with MailChimp is that it's free and literally anybody can go and open up a MailChimp account and drop a bunch of email addresses in there, and just spam people. And so first and foremost, what I love about Convert Kit is that it costs some money. It's not cheap. And the bigger your email list grows, the more they charge you and so it keeps a lot of that riffraff out of there. And what ends up happening is your emails don't get stuck in spam as often, they make their way to people's inbox is which is what we're trying to do.

We're trying to educate people and give them good content, and we want it to get in front of them. So if you're using something like MailChimp or Constant Contact that's free, your emails might end up getting flagged as spam more often than using a higher quality platform like Convert Kit. I also love, again, the purpose of email marketing is to put really good content, stuff that you think is really good that your audience wants to read, to put it in front of them. And sometimes we can get really caught up in the branding, and the logos, and the colors, and the pictures, and all this stuff that MailChimp distracts you with. Where Convert Kit, what works really well is if it's just all plain text, you don't have any branding, or logos, or anything and it looks like just any ordinary email.

It forces you to think about your content and quality over what color, or what button should go where. So those are the two reasons that I really love Convert Kit. They're not the only players in that space, but it's the one that I think is most user friendly and the one that works best for me.

Tim Mullooly: I think for Convert Kit too, like you were saying with it just being plain text, I feel like with how many emails people get a day now from different advertiser, different brands, having something that is just plain text almost stands out more than the crazy colors and different logos that you get in a typical spammy kind of email.

Would you agree?

Taylor Schulte: I couldn't agree more. One of the upcoming episodes on the advisor marketing podcast is going to be something along the lines of back to basics marketing, and we've gotten so caught up in making things complicated, and again, pretty colors and buttons, all this stuff. But really getting back to the basics I think is what works best today. Even something silly like a piece of snail mail stands out more these days than ever before.

Tim Mullooly: Right. I agree with that as well. Another one of the resources that you highlighted in that episode was Calendly, do you want to talk a little bit about that and how use that?

Taylor Schulte: Absolutely. Calendly, we don't actually use Calendly. I mentioned it because it's a competitor to the software that we use, which is called Acuity. So Acuity and Calendly are online scheduling tools. Essentially, you can send a link, or put a link on your website, or put a link anywhere for people to schedule meetings with you. It could be a meeting with a client, it could be a phone call with a client, it could be a link to schedule lunch with somebody in your network. But essentially, you connect your calendar, your outlook calendars, or Gmail, or whatever you're using, it prevents you from having to go back and forth 100 times to get something scheduled. So when we schedule our annual client reviews, or schedule podcast interviews, whatever it is, I just send a link and let them look at my calendar and pick a time that works well for them. I think the real beauty of Acuity for us is that a lot of potential clients find us online.

They're browsing the internet, they're searching around Google, they find us and they want to schedule a phone call with us.

It could be midnight on Saturday, and they can't call our office, we're not there. But our Acuity link is on our website and they can click that link, they can view my calendar, and they can pick a time in the following week to or the next day to talk to me. So I was really against it for a long period of time, I thought it was impersonal. And I really thought that as soon as we adopted it and really put it into place and build some workflows around it, it really is just a killer piece of software that I think everybody, every business out there should consider implementing. You mentioned Calendly, I haven't spent a lot of time in Calendly.

But the biggest difference that I see is that Calendly is probably a little simpler, a little more user friendly, easier to use, less customizations. If you really want to geek out on this stuff and go to

town, I mean, Acuity just ... I mean so many integrations and so many things you can do with it, which is why I've gravitated towards it.

Tim Mullooly: You mentioned having to build out processes around something like Acuity. Do you think that that is essential before implementing something like that? Because we've been kicking around the idea of using something like that here as well. One of the hesitations to using that for us would be we need to make sure that we get better at blocking out our time when we are and aren't available. Is having a process like that to make sure that the calendar is actually accurate important before getting started with something like this?

Taylor Schulte: It does get tricky when you're working with teams and there's multiple calendars that need to be coordinated. Yeah, everyone does need to be on top of their calendar and make sure that their calendars are an accurate reflection of their availability. And so getting people to change some of their habits and behaviors there is definitely really important and probably a good step one. I'd also say that, I've said this before, this famous quote, "Perfect is the enemy of good." It doesn't have to be perfect on day one. You don't have to roll it out for every single meeting type, or every phone call type.

You might launch something like Acuity and just start by using it to schedule podcast interviews, or schedule lunch with a CPA, or an attorney, or things like that. And start to get comfortable with it and then stack things on top of it. It's taken us years to get it to perfection. Also, there are third party consultants out there that are hired.

If you have more than one person in your office and you're just getting going on one of these things, I would highly recommend hiring a third party consultant to help you get this off the ground and build it out and customize it.

Tim Mullooly: Yeah, definitely. For people listening out there, all of these things that we were just talking about Convert Kit, Calendly, Acuity, these are programs that would work across any industry as well. You don't necessarily need to be an advisor. Consider that for your businesses if you liked what you heard.

Taylor Schulte: Yeah, I'd probably even say, I'd go a step further and say these are programs that most advisors aren't using and I found them through other industries and what other businesses were using and thought, "How could I adopt this? How could I integrate this into what we do?" So if you're not a financial advisor, these are things you absolutely should be using, if you're not already.

Tim Mullooly: Yeah, definitely. In one of the more recent episodes, you talked about the different media platforms between YouTube, blogging, podcasts like we're doing.

And you've talked to a couple different people that have been successful utilizing each of them differently. You talked with our friend Justin Castelli, Jeff Rose, and a couple other people as well. Do you want to share some of the important points that those guys, and that you had to say about each of those different platforms that people should think about as they're getting started using something like YouTube videos, or blogs, or podcasts?

Taylor Schulte: Yeah, I made this comment on that episode. If you're passionate about snail mailing handwritten articles to your target demographic, and if you're consistent with it and thoughtful with it, and intentional, I promise you'll be successful at it. And to just put that another way, the platform that you publish content on, I think it means less than you might think. I hear people, and advisors, and businesses getting stuck all the time and not doing anything because they're sitting there trying to figure out what's the best platform to use, or what's the next hot platform, is it Snapchat? Is it podcasting? Whatever. And instead, after producing that episode and really thinking through a lot of this myself, and learning from these other folks. Instead, I'd encourage anyone in any industry to instead figure out which platform, number one, is most natural to them. Right?

Tim Mullooly: Right.

Taylor Schulte: Number two, which platform do they enjoy the most? Which platform do they have the most fun using? And then three, what platform are they the best at? So, for example, I hate producing videos. I'm not comfortable on camera, it doesn't come natural to me. But YouTube presents a massive opportunity. And in that podcast episode, Jeff Rose shares with us why there's such a huge opportunity on YouTube, but I won't spend any time there for those reasons I just mentioned. If I did, I don't think it would be authentic. I wouldn't really enjoy it and have any fun, and the results would likely follow. I probably wouldn't see many good results.

Now, the trick is you may have to try all these different things before you can figure it out. Maybe you've never spoken publicly, maybe you've never done video, maybe you've never done a podcast, maybe you're doing nothing. So you may need to try a bunch of different things before you figure out, "Okay, I really liked that I'm really comfortable behind the microphone.

I really actually had a lot of fun doing that podcast interview." And once you figure that out, then you can start to own that platform. I would say don't worry about where the opportunity is, or which platform is most popular. But put time into figuring out what's most natural and most comfortable to you. Where are you having the most fun? And that's what I found with podcasters. I just really enjoy being behind the microphone and doing the podcast, and I feel like my personality comes out and I'm able to add more value. And therefore, I've had more success doing this than most other things.

Tim Mullooly: Yeah, I agree and that the audience and the people receiving the content can tell too if you really enjoy what you're doing because I feel like it shows through in your work. You can tell that this person has a passion for it, and that this person truly is having fun while they're making this content.

Taylor Schulte: I couldn't agree more. You mentioned Justin Castelli, who is a friend of ours, and he was on that episode with me. Justin is a good example, I mean he does everything. He writes, he does video, he does podcasts, and none of it, none of it feels or looks inauthentic at all. And he'll be the first to tell you that this is not all of his best work, and that he's got improvements to make. He knows he's not the best, he'll be the first to say that. But it's authentic, it's him. Nothing feels fake, or forced, or anything like that and that's why I think he's seeing the success, and he's having fun. People see right through this stuff.

Tim Mullooly: Yeah, absolutely. That bridges the gap nicely to what I wanted to talk about next, which is authenticity. We've just been talking about whether you're blogging videos, it doesn't matter. The consistent answer I feel from people is that there needs to be some degree of authenticity to be successful. And like you said, people can see straight through and if you're not being authentic. But what I wanted to ask you was, how much authenticity do you think is needed? Or is there a line? Like how much authenticity is too much potentially? Or is there too much authenticity that you could put into your content?

Taylor Schulte: I love this question. I love the topic, and the truth is, is that I don't really know. But I do think there is this growing trend, and maybe the trend is piqued. I sure hope so. But there's this trend of over sharing and being way too vulnerable just to try and get eyeballs, and clicks, and go viral, and all this stuff. People are just taking it way too far these days. It's getting a little out of control, and I do think it's certainly possible to over share but your question you asked about authenticity, and I think that's different. I think there's a difference between being authentic, and being vulnerable and over sharing.

Tim Mullooly: Right. You can be inauthentic. Like if you're being inauthentic while over sharing, it's not coming off as authentic. You can't fake that.

Taylor Schulte: Exactly. I haven't put too much thought into this, but I'm not sure that you can be too authentic. I don't think you can do that. I think you can over share, I think you can cross boundaries, especially depending on what type of industry that you're in. I think you do need to be careful not to over share, especially if you're over sharing just to try and make headlines, and get clicks, and get eyeballs on stuff. But authenticity, again if you're finding something that just feels natural to you that you're comfortable with, you have fun with, I don't know that you can do too much of that. I think people really gravitate towards that, and really enjoy it. So I think that the real key here is to stay really, really far away from activities and things that are inauthentic to you.

If you're experimenting and trying new things, and ... I don't know maybe you get a public speaking gig, and you go out there and do it and you're like, "Man that did not feel good." Maybe you just don't go do that again. Maybe you find a different platform to get your message out there. So I don't know how to exactly answer your question, but I'd say I don't think that you can be too authentic. And you should just stay away from things that are not authentic to you.

Tim Mullooly: Right. I think I could have worded the question a little bit better, but you hit the nail on the head with what I was getting at too, because I've also observed people across different industries, people just seem inauthentic with how much they're sharing. And you can tell that they're doing it just to get clicks, or just to get eyeballs, and it is coming off as inauthentically sharing your life.

Taylor Schulte: Yeah, and I'll be the first to admit I've been there before. Early on in my journey, just somebody did something that worked so I just copied it into the same thing. And I'm sure people on the other end were like, "This does not look, and feel ... this doesn't look right." And so I've definitely fallen into that trap. We can all fall into that trap, so I'm certainly

not perfect here. But I've just learned over the years that just stick to what comes naturally, and what you're comfortable with, and I think the rest will take care of itself.

Tim Mullooly: Yeah, absolutely. Let's get to your second podcast, which is called Stay Wealthy. The description says that it teaches listeners about smarter investing and retiring on their own terms. You touch on a lot of topics that we like to cover here on the podcast as well, which fits perfectly. One of the episodes that I listened to that I really enjoyed was about social security, and mistakes that people make when determining when to take social security and how to go about that whole process. What would you say are some of the most important points that people need to consider when determining when they should or shouldn't take social security?

Taylor Schulte: I think number one is if you've taken social security, and you're thinking that maybe you should have delayed, the first thing I point out in that episode is that sometimes some people can fix that mistake. You can go back in time and rewind that decision. So that's the first thing I wanted people to know is that you don't always have to live with that mistake. So if you've taken it and you're questioning, or someone has told you that maybe that's not the best for you, I wanted people to know that there's a way to fix that. That was the first thing. So if you've done that, just know that there's a way to repair that. Ask the professionals in your life and they can guide you, or go listen to that podcast episode. But more importantly, my blanket advice and most planners' blanket advice is that most people should delay social security at age 70. There are just so many tax planning opportunities during what we call your gap years, and your gap years are the time between when you retire and when you turn age 70.

And age 70 is really important because those are when you're required minimum distributions kick in. And if you delay, that's when Social Security kicks in and I make this comment that your taxes can actually be higher in retirement at age 70 than as a working professional at age 50. So there are just so many tax planning opportunities during those gap years that you just can't ignore, and that's one of the biggest reasons why we like people to delay to age 70. Also, just really quick, people tend to forget that your investment portfolio, and your asset allocation, and your capacity and appetite for risk, those should all be taken into consideration when deciding what to do here. It's social security, you have to look at the whole picture. It's not always just this simple textbook answer for everybody. And so those are just some of the things that I wanted people to think about when thinking about Social Security.

Tim Mullooly: Right. And I feel like Social Security is a lot of times for a lot of people an emotional decision to an extent. They get to 62, 63, they're like, "Well, I've been paying into this my whole life. It's my money, I want to get it back." As an advisor and a planner, how do you deal with clients who might have that mindset? Do you just throw those tax advantages at them and do your best to kind of deter those emotions?

Taylor Schulte: Yeah, nine times out of 10 they aren't clear, they don't understand the tax benefits of some of these strategies in your gap years. Nine times out of 10, that's definitely the case. But I always tell clients that there's this textbook answer, and then there's your answer. And so maybe the textbook answer is to delay social security and take advantage of some of these tax planning opportunities, and reduce taxes into retirement. Maybe that's the textbook answer, but maybe you have your own reasons, your personal reasons for just taking it now. Maybe you

just want to take it now because it's your money, and that's what's important to you and that's okay. But I just want my clients and the consumers, our podcast listeners, I just want them to have all the information so that they can make an educated decision for themselves.

Tim Mullooly: Right. One of the other episodes that I wanted to talk about, you talked about the 10 mistakes that people should avoid when hiring a financial advisor. I feel like the process that you guys have might weed out a couple of these mistakes. When people hire a financial advisor, you make sure that they're a good fit beforehand and put them through a couple week long process. Without going through all 10 ... and I can link in the show notes for people who want to check out the rest of the 10, could you maybe outline one or two of those mistakes that people should avoid when they're trying to hire a financial advisor?

Taylor Schulte: Absolutely. And I'm happy to share the PDF, you can link it up. Nobody needs to give their email address, or anything like that. This is our clickbait lead magnet on our website. But, clickbait title aside, I think this is one of the most important guides that we've put together for consumers. I can't tell you how many times people get their hands on this thing and email us and say, "Wow. I learned so much." So I'll point out two that I think are maybe most important, or that I want to get out there. The first is that ... and it's the very first mistake that we highlight, which is fee only. The term "fee only" and the term "fee based" are not the same thing. Financial advisors love to confuse the two, and confuse consumers. I know that we're not doing people any favors by using these terms. But I want people to know that there is a giant difference between the words "fee only" and "fee based." And if I had to just really sum it up, a fee only financial advisor operates as a fiduciary all the time.

100% of the time, all the time. A fee based financial advisor wears two hats. Sometimes they have that fiduciary hat on, and sometimes they don't. So you don't really know what they're wearing on which day, which leads you to always continue to scratch your head wondering do they have that fiduciary hat on or not. I've explained this gazillion times and people still get confused. I know it's challenging, but I feel like just the more I put it in front of people, the better. So that's the first mistake. And then the second is hiring a financial advisor that leads the conversation, that leads the relationship with investment recommendations. I love to use the doctor analogy. You know, imagine that your dad's a doctor, and I meet him for the very first time and I'm like, "Hey, nice to meet you for the very first time. What prescriptions do you think I should be taking?" And he just look at me like, "You're crazy. I don't know what prescriptions you need to take.

You need to make an appointment with me, and we need to do a physical, and I need to draw some blood, and do some X rays or MRIs, and ask you a bunch of questions." They're going to have this process for you. They're going to diagnose you first before writing those prescriptions. And so I think financial planners need to operate the same way, and consumers need to have that same expectation that if I just meet you for the first time, or we have one meeting together, there's no way that I can write you that investment prescription. There's just no way, I don't have all the information.

So it's really important that your financial planner diagnosis you first and takes you through a comprehensive process before they start telling you what type of insurance you need, or how

much insurance, or telling you what mutual fund to buy, or what stocks to buy, or how much you should have in stocks versus bonds. Those are all prescriptions and prescriptions have to wait until the diagnosis is completed. So if you're hiring an advisor, if you're interviewing an advisor and they're leading with these prescriptions, with these investment recommendations, it should be a red flag.

Tim Mullooly: 100% agree, we use that analogy all the time here with clients as well. For the listeners out there we'll link in the show notes both to the Experiments and Advisor Marketing and to the Stay Wealthy podcast as well if you want to go check out other episodes of those shows. I wanted to ask you as a fellow podcast host, what are a couple lessons or one particular lesson that hosting two podcasts has taught you? And what do you think has been the biggest benefit that you've gotten out of podcasting in general?

Taylor Schulte: Creating content is hard. Putting-

Tim Mullooly: Yeah, agree.

Taylor Schulte: ... yourself out, what you're doing right now, hosting this podcast conducting this interview, I'm in your shoes all the time. I know how hard it is. Putting yourself out there for the world to judge you is scary as hell. But the hard thing and the right thing are often the same. And if you can push your ego aside, and be willing to try something new, and be willing to say, "I don't care what anybody else thinks." And again, most importantly have fun, I think without question, you're going to benefit whether it's podcasting, or blogging, or video, or whatever it might be. Hosting two podcasts and going on this journey it has taught me in terms of benefits, I think the biggest benefit has been one ... I think you can attest to this for sure, is it's a great excuse to meet people and interview people that you normally wouldn't have access to.

Tim Mullooly: Absolutely.

Taylor Schulte: To say, "Hey, I'm a podcast host. Here's what I do, I'd love to have you on and share your story." I mean, it's a great excuse to meet people and connect with these people. So I think that's one of the big benefits. And then two, I think it's helped me organize my thoughts, and ideas, and learn, and grow not just professionally and academically, but also personally grow. So it's been a really fun journey. Like I said, it's it is not easy. But it gets a little easier every day. And I'm having more and more fun with it for sure.

Tim Mullooly: Yeah, I 100% agree with you. Honestly, reason 1A for me for starting this podcast was getting to make new relationships, and build a network of people that I honestly, like you said, wouldn't probably have gotten the chance to speak to.

Taylor Schulte: Yeah. I mean, you've done a great job at it. Again, it's not easy. So kudos to you for sticking with it, and you've had a lot of success with it. I mean, it's fun.

Tim Mullooly: Yeah, definitely. Then much appreciated. I wanted to ask you about something that I read on your website, it's a personal thing for you. You wrote on your website that you've climbed Mount Whitney, what was that like in general? And did you have to do any sort of

training, or did you just roll out of bed one day and go walk up a mountain? Was there any kind of important life lessons or anything that you learned during that climb?

Taylor Schulte: Yeah, I wish I just rolled out of bed. Look, I'm in my mid 30s but I genuinely feel like I'm 65 years old when I wake up every day. I mean, I'm not joking. I've got back problems, I've got feet problems, I've got neck problems, I battle with migraines. But I've never let any of that hold me back, or stop me from doing something.

A group of friends planned this hike up of Mount Whitney and invited me, and I just said, "I'm going to do it." And so I did do some training. I didn't do a lot of training, but I did do enough to get me prepared. And I strapped on that 40 pound backpack, and I hiked 22 miles to the top of the highest point in the continental US. It was really fun, it was a really good challenge. And also, I guess maybe my takeaways is twofold. One, I think you can do anything you put your mind to. Again, like a battle with a lot of physical pain. I think you can do anything you put your mind to, something that's really important to you.

But, also just taught me that I need to do more things like that with friends and family, you connect with these people on a totally different level and create these memories and experiences that grabbing a beer at the bar or grabbing lunch, it isn't the same. And David Perrell has been talking a lot about this lately, and my journey, and my hike up Mount Whitney, and that whole trip definitely taught me that. So it was a lot of fun. I highly recommend it for anybody. It's not easy to get passes to climb, they restrict the number of passes. So it's hard to get a group together. But man, it was a really good experience. And gosh, that was years ago now. So I need to get something new on the calendar.

Tim Mullooly: Yeah, definitely. I've got one more question for you today. I like to wrap up all my episodes just by asking the guests, whether it's a personal or professional thing, or maybe a little bit of both, what's one piece of advice that you've received throughout your life that's always stuck with you?

Taylor Schulte: Well, I've got two kids at home so I'm going to go total dad here and give some total dad advice. But the piece of advice that was given to me so long ago and still sticks with me today is that if it sounds too good to be true, it probably is. It sounds really cliché, and stupid, and whatnot. But it really is like that guiding piece of advice at any time in my life, I'm forced to make a decision, or I'm up against something, or somebody trying to sell me something, I just always remind myself of that. I mean, it's just flawless. It just works every single time whenever I think something just doesn't smell right here, something just doesn't feel right. It's always stuck with me. I think it's important for other people, especially consumers out there that are searching for financial advisor work with. If something sounds too good to be true, if there's 8% guarantee ... I mean, [inaudible 00:41:00] a perfect example of it. If it doesn't smell right, if it sounds too good to be true, it probably is.

Tim Mullooly: Yeah, I think that that spans across every facet of life too whether its financial advice, or just general life advice as well. So that's a good piece of advice to end on. That's all the questions that I had for you today Taylor, I really appreciate you taking the time to come on the podcast.

Taylor Schulte: Thanks for having me, I had a blast.

Tim Mullooly: For the listeners out there, again, we will link to all the different podcasts that we talked about here on today's episode, so be sure to go listen to them as well. Thanks for listening to this episode of Living With Money, and we will see on the next one.