EPISODE: 8 See Jane Save with Jennifer Barrett

Kelly: You're listening to the See Jane Invest Podcast, Episode Eight: See Jane Save with Jennifer Barrett, Chief Education Officer at Acorns and Editor-in-Chief of its editorial site, Grow.

Hi. I'm Kelly Keenan Trumpbour. As an angel investor and film producer, there's one question I always ask myself and the women I mentor: what does it mean to invest in yourself and not simply wait around for someone else to invest in you? If you want to play big in places that might not be familiar with your voice, your brand of leadership, and your place in the world, the first person you should be expecting to back you is you. If you're craving a conversation that goes beyond fighting for a seat at the table and instead talks about how to take over the whole damn lunchroom, you're in the right place. Welcome to the See Jane Invest Podcast.

It was a pleasure talking to my next guest, Jennifer Barrett. She is the Chief Education Officer at Acorns and Editor-in-Chief of its editorial site, Grow. What this means is that she's the person who educates the rest of the world on what Acorns does and why it's important. They have an app that basically helps people save more. It helps them interact with the stock market in bits of money that are manageable, so starting at $5, you can start investing.

I just think this is an important concept. There's a lot of platforms out there that are doing similar things. I really liked what Acorns is doing, and I haven't invested in their company, but I really love Jennifer's position in the company, because you have to understand she was a journalist before she entered the startup world. That's a really unique transition. It means that she was at a place throughout her career of analyzing what audiences needed to hear about, what they were picking up, what headlines were resonating with them, and she's taking that into a business. To be an editor at a startup is really a cool thing.

Jennifer and I talked about how she and I actually had a little bit of a similar background. Hers is at a much bigger level, but I actually had worked in a slightly similar position at a smaller startup years ago. We both had had the position of basically setting up satellite offices on the east coast when a company was based in Silicon Valley.
But I really enjoyed so many of the thoughts Jennifer had about her work, and especially about a book that she's working on that talks about women as breadwinners and why this concept needs to be taught more so that the concept isn't so foreign to women, especially younger women. I really just enjoyed her she took that journalist lens into the startup world in general.

EPISODE: 8 See Jane Save with Jennifer Barrett

A little bit more about her. Before she joined Acorns, she was the Personal Finance Editor at CNBC Digital. She also held management positions as Editor-in-Chief and SVP at DailyWorth, a financial media company for women that I had also invested in. She was a General Manager at Hearst, where she oversaw four women's magazine sites.

She's the co-author of two personal finance books and she's also written for The New York Times, The Washington Post, Forbes, Worth, Money, and Newsweek, where she was a staff writer and editor for seven years. She began her financial journalism career as the foreign exchange columnist for the Wall Street Journal. Let's dive into our conversation, and I hope you enjoy it.

Okay. Well, help me welcome our guest, Jennifer Barrett, who is Chief Education Officer at Acorns and Editor-in-chief of its editorial site, Grow. Jennifer, welcome to the See Jane Invest Podcast.

Jennifer Barret: Thanks so much for having me.

Kelly: Okay. You've got a really cool background, and there are so many fun places where you and I have followed some of the same women in finance, companies, startups, editorial groups. Tell us about your background both as a journalist and how that took you into the world of startups.

Jennifer Barret: Sure. Well, I spent most of my career in journalism. I've worked for almost every major media company at this point, I think. I worked at separate times for the Wall Street journal, I worked for Newsweek for a while, I worked at Hearst in more of a management role, and I've worked at NBC and CNBC, and very much enjoyed my career in media, but I'd dipped a toe in the startup world a few times throughout my career.

When I first moved to New York, I worked for a joint venture, which was relatively short-lived, unfortunately, between thestreet.com and The New York Times. That was my first experience. We were based at thestreet.com's offices. I got a taste of the excitement and the energy around startup life and enjoyed it.
I think it was tucked away in the back of my mind for a while. Then I had an opportunity to work at a company that I know you invested in called DailyWorth, which is a financial media company aimed at women. That one was just such a mission alignment for me because I'm so passionate about helping women, empowering them around money. That was a great fit. Unfortunately, that company no longer exists.

EPISODE: 8 See Jane Save with Jennifer Barrett

Kelly: Yes. It's unfortunate for everyone.

Jennifer Barret: For everyone. But it was so nice while it lasted. I think that really sealed it for me because there was so much about that experience that was fulfilling to me on so many levels, the idea of having a small, very mission-driven company, of working with a lot of ... It was primarily women, and just working so closely with so many different teams and the speed at which we worked. There were so many things about it that really appealed to me.

I went to CNBC after that, but not too long after that, I was approached by Noah Kerner, who's now our CEO at Acorns, about a position at Acorns. As we were talking, I just knew it was going to be right. It was an opportunity that I would've regretted had I not jumped on it.

Kelly: Tell us what Acorns is all about. What does it do as a company?

Jennifer Barret: Sure, I mean it was founded on the principle that anyone can build wealth. A relatively simple idea, but for so long, I think that investing has seemed really inaccessible to a lot of people. That's really what we wanted to address is making investing accessible for everyone. The initial idea, which one of the co-founders came up with, is pretty brilliant, I think, in its simplicity.

The idea was you link a card and every time you spend, we round up your purchases and we invest the change into a diverse mix of stocks and bonds. Really simple concepts, although very sophisticated on the backend, like trickier to implement. But the concept from the front end was really simple.

It addressed, I think, one of the biggest points of friction for most people when we talk about investing, which is this fear around it, like, "I don't understand it," and, "It seems like you need to have a lot of money to invest," and, "Where's my money going?" and, "What if it goes down?" All of these questions just float around and keep people from investing the money that they need to invest were addressed with this one simple concept because at the very base of it, it's like, well, it's just spare change, so you're not really risking a lot. That was one thing.

Then we spread it across more than 7,000 stocks and bonds and these funds. It's a relatively safe, I would say, just in terms of really adhering to very basic principles of

investing, which is to diversify as much as you can, and we do it in very low-cost funds, so you're not paying for that. Then by making it simple, as soon as the roundups hit $5, we invest it. You could see right away your money growing.

I think that really was the impetus for the company's creation, and it was our biggest product for a long time. We're now starting to launch new products. We now offer three types of IRAs. Today we launched the pre-order of our new smart spending card, which is a debit card that helps you automatically save, invest, and earn money through ... We have more than 100 partners, like Apple, Barnes & Noble, big companies. Every time you spend with them, they put money into your account.

Kelly: Oh, wow! Are they matching you or is it more of like with other credit cards where it's like you get a point for every dollar you spend with them?
Jennifer Barret: Yeah. The big distinction here is this is a debit card and they will put up to 10% of what you spend with them into your account.

Kelly: Oh, wow!

Jennifer Barret: Yeah. Most of these are found money partners we work with already. When you use a linked card or you click through our app, you're able to get money back. But through the debit card, we have an additional round of partners that you can use. The whole idea is to create this kind of ecosystem so that we're looking at every aspect of your financial life. It started with just investing, the simple act of investing, and knowing what it feels like to be an investor and to start building wealth, even if it's spare change to start. Then we open the IRA so that you're preparing for later in life, not just for the midterm.

Now we're opening this account and we're going to help you save in a short-term savings account. We're really trying to cover all our bases and then really encouraging people to think about how they earn money, not just how you save it and invest it but giving them opportunities to earn extra money, too.

Kelly: Yeah. That's interesting because I know there are other apps that have been out like this, but my awareness of them is that they really focus on rounding up the dollars you spend and maybe putting it into a savings account. But this seems much more elaborate, you have many more options. I know our generation and younger generations, we have the interest in doing well with savings, but the actual practice of it is an entirely different thing.

EPISODE: 8 See Jane Save with Jennifer Barrett

Jennifer Barret: Right. The Federal Reserve just came out with their survey. It looked at the number of people who can't even afford a $400 unexpected expense. This is a major problem in our country, where 40% of adults, they found, can't cover a $400 emergency expense with their savings.

Kelly: Oh, wow!

Jennifer Barret: Then there's data out all the time about the number of people who are nearing retirement and have nothing saved. I mean this is really a crisis level, I would say. We all see those numbers. I don't know if it's that we've seen them so often that we become a little immune to them, but there's real pain there. Most of America is living paycheck-to-paycheck, and it's really tough.

Part of what drives me, and I oversee education, which we see is the component that ties all of these things together, is that a lot of people just can't see how to get from scraping by or paycheck-to-paycheck to actually building wealth and getting ahead. That's really what we're trying to do.

Kelly: Yeah. Talk about your role as the chief education officer at Acorns and then the editor-in-chief of the editorial site Grow, because that seems like a really cool and interesting position to have in a startup. I'd be interested to know were you involved in the design of the company or in any of the pitching process. Even whether you were or not, what's important about what you do in keeping this whole company going? Why are you integral to the team?

Jennifer Barret: Right. Well, I love my position. I think it's an incredible opportunity. I have to say having been most of my journalism career, I covered either some aspect of personal finance or health. What drew me to both of those beats was the idea that both of those things have such an impact on your quality of life. While you can't control everything, you could get injured or you can get an illness, that even if you take every precaution, you can't avoid and you could have some unexpected financial issue come up. But the more educated you are and the more proactive you are, the better your chances of having a really healthy life and of having enough money to afford the life you want.

EPISODE: 8 See Jane Save with Jennifer Barrett

Those two things really have such a profound impact on your life. What drew me to them initially was the idea that, okay, if we can educate people and they can make smarter choices, it can really have an incredible impact on their life.

As an idealistic journalist, that's where I was coming from. But having covered personal finance for so long, it started to get very frustrating that we were writing the same headlines still or writing the same headlines and not really seeing change. Then, on top of that, I really couldn't quantify the impacts that we were having. I mean outside of the random email or sometimes people wrote letters, old fashioned letters, to me, I really couldn't tell if people were actually reading what we wrote or what we put on there and taking action or not.

What's so incredible about the opportunity at Acorns is we have about 3.5 million users now. We can actually see how their behavior changes over time and we have an opportunity now to really affect change in the way they approach money and we have more of a relationship with them. Now I can actually see the impact of what we're doing around financial education. That's really what drew me to this position.

They hired me initially to launch Grow, which is our editorial site. It's at grow.acrons.com. We built that up. That launched in 2016. Then last year, we started integrating some of the Grow content into the app experience. We started thinking about how we can really blow this out and the role that education plays in really every aspect of your financial life. As we talked about that, then I moved fully into this executive role. We shifted education to become its own product line. There's a real commitment from the company and the board to put resources behind education.

Kelly: What are the products that are education-based from Acorns?

Jennifer Barret: We're just starting, because most of these resources are moving into place, has come into place this year. We started with the Grow standalone site, which is we put up five to six stories a week. We have a newsletter that we send out to our user base and also to people who have signed up on the site, but aren't Acorns users yet. We started integrating some of those stories into the app.

I can give you a couple examples of ad hoc things that we've done where we've looked at what kind of impact that's had on our users. If there's a lot of volatility in the market, we'll put content up in the app very quickly and we put it in a card at the top of what's called the action feed. When you come, when you open your Acorns app, you're

defaulted into an action feed that shows what your balance is. Then we have essentially cards underneath that. We will put a top card out there explaining what's happening in the market that day so that you have some context.

You don't go into the app and see your balance is down or you see that the Dow is down 400 points, or whatever these shocking headlines that you might have seen during the day. We give you a lot of context around it and pull it back a little bit so you can see historically what the trends are with the stock market, because a lot of our users are in their 20s. They've never seen anything but this bull market, so every time we have volatility, there's a lot of anxiety around that.

Kelly: Yeah.

Jennifer Barret: We try to hit that right away and really educate people on just what it means to invest in the stock market and how it's different than bonds and different than a savings account.

Kelly: That was my next question, and you answered it a little bit by saying that many of your users are in their 20s. Are you seeing an age range of people who use the app? Is it mostly people who are in their 20s, or do you see people older using it as well?
Jennifer Barret: I think we have people from 18 to, I think, it's 89, our oldest user.

Kelly: Wow!

Jennifer Barret: We have quite a wide range. You can sign up as young as 18. If you're in college, we waive the fees. As long as you have a .edu address, we'll waive the fees while you're in school. They're low anyway. It's a dollar amount to open the core accounts. But we do see a range in ages. I think our average age had been around late 20s. I think now it's 30, 31, 32, so right about there. It's pretty evenly split, I think, with the majority in their 20s and 30s and 40s.

Kelly: Have you seen any trends in how people in their mid-30s and down are approaching investing and saving compared to maybe older generations?

Jennifer Barret: Yeah. I mean I think for a lot of our users, they've never invested before, certainly not outside of a 401k. There is a bit of a learning curve there. Even our older investors, a lot of them had only invested in a 401k before, if anything. I think we do get a lot of people who had not opened a brokerage account before.

invest for anything, they invest for their retirement, but there are many decades between the vacation you're taking in three months that you put some savings aside and your retirement decades down the road. What's the best way to save money, say, to buy a house or to pay for your wedding or to afford to raise kids or to afford to send your kids to college? I mean there are a lot of things that happen in between these short-term savings goals and your retirement that you need to set aside money for, and often investing is a really smart way to do that because you'll make more certainly right now than you would in a savings account.

Kelly: Yeah. I mean it seems like from just the screen shots I've seen ... And I'm not an investor in this company, but I looked into the website. It seems like you've got a lot of cool graphs and stuff that show people the trajectory of where a savings account can go. I think these are things that usually a brokerage account would provide their clients as well.

But when you were saying so many of the people in their 20s have only done a 401k, if anything, I always thought that a 401k, it's one of the best ways to invest, but it's often a hands-off kind of experience. It's just like, "Okay, the money just went there and it's supposed to, and that's good." But it's a much different thing when you really get your fingers into what are you planning for, what does it look like, and not having somebody explain it to you, but you being the person who's charting that.
That's a whole another level and it's something that I think is missing in our culture. A lot of people have to get familiar with it if they do it all, but it's so important to just get there.

Jennifer Barret: Oh, yeah, very. I think it's a turning point for a lot of people because we have this potential screen. You can look at what happens if you set up a recurring investment for X amount, $50 a month or whatever, and you can see the difference that would make in your trajectory. That is eye-opening for a lot of people. It was eye-opening for me, too, because I haven't played all that much with it. But it also gives you a little nudge sometimes when you can actually see the impact of even putting in a little bit more now on what you'll have later. It's a pretty powerful influence.

Kelly: Yeah. Now tell me about what it was like to go from a career in the journalism side of things into a startup. What was different just about your life? Did you come into the startup at a point where you were working for more than just sweat equity? Could they pay you at that point?

EPISODE: 8 See Jane Save with Jennifer Barrett

Jennifer Barret: Yeah. I did come in, and I have to say part of it was I think when I joined DailyWorth, it was after rounds, we'd already done rounds. There were already some financial issues by the time I joined. I really felt that deeply because we had to lay people off.

I now have two kids and everything, and I'm the main earner in our family. I thought if I go back to another startup, I really want to come in at a point where I'm confident that they have a lot of runway and I can see a path to profitability. That's just from my own experience and where I am in my life right now.

When I joined, I think I was the eightieth employee. Let's see. We had a good amount of funding. Right now the company has more than $150 million in funding.

Kelly: Wow!

Jennifer Barret: Yeah. We've got quite a lot of runway right now and we've got pretty big investors who came on board after I joined. PayPal and BlackRock were a couple. Obviously, we're in a different position now.

I was taking a risk when I joined. Almost the entire executive team has changed since I joined. I think we were at that point, as I look back now, a kind of adolescent phase, and it was awkward. I mean there were a lot of growing pains.

When I first got there, I'm such a journalistic [inaudible 00:22:49]. We're based in California and I run the office in New York, which I set up when I joined. But the first time I went out there, it was a little surreal because we've moved into the space that Oculus had owned before. They had some carryovers. There's a room that just had sand in it that we don't go into when I was there. There's a very fancy staircase that was in place when we moved in. Then people will take scooters from one point to the other.

I come from having worked at CNBC where I'm wearing jewel tone dresses every day and heels, and so was my hair. To walk into that environment where people are wearing shorts and sneakers and hoodies, it was a really different culture. It took a little bit of adjusting. It was also very male, very white male when I joined. Although that's changed quite a bit since I joined. But I do remember when I first spoke to the company, shortly after I joined, I remember looking around and thinking, "Where are the other women?" which I've done many times in my career.

JKelly: Yes, [crosstalk 00:24:09].

Jennifer Barret: It has changed. To their credit, this has been a very big initiative to bring in more women and more diversity, and we have. We have made huge strides since I came. But there was a little of like, "What have I gotten myself into?" because I mean I wrote about fintech, and so, obviously, everything that's come out in the last few years, I was a little sensitive to moving into an environment if it was going to be ... I was a little nervous about is it going to be hostile? Is it going to be as cliche as some of these other companies that we've written about or certainly talked about over the last few years?

I think one of the big differences, and this is just me speaking personally, I think our CEO is incredible and he is very progressive and has just an incredible EQ. I think he's really attuned to like we need to have a more diverse workforce, not just because it sounds good but because it actually is good, it's good for the company. I'm not just saying that because I work there, but I really think that there's a really conscious effort in the company to make strides in that area. That made a huge difference.

Yeah. I think it was a little bit of an adjustment, but it is an incredible environment to work in. It's challenged a lot of my notions about a lot of things about success and about how a company runs effectively and what it takes, and even work wardrobes, what they mean.

Kelly: Oh, yeah. It's funny because on the investor side of things, one of the things that shocked me, because I'm at CNBC, too, and exactly what you described, the jewel tone dresses, your hair done just right. I'm not that old, but I was raised from a family that was from the Midwest. For me, you showed up to important events, interviews, whatever, and you dressed nicely for it.

When I became an investor and I'd see people pitch, I was shocked how often investors would discredit people who came in a suit. They'd be like, "Oh, God. I don't trust them. Why are they wearing a suit? They're trying too hard." I'm like, "Isn't that a sign of respect? Isn't that a good thing?" and they would be like, "No, no, no. I want that jeans and a blazer. That's as dressy as it gets." You're like, "Oh, God. Okay, that's superficial." But it was.

EPISODE: 8 See Jane Save with Jennifer Barrett

The whole satellite office thing, too. Early in my career, I worked for what was kind of a startup. There was a west coast office and an east coast office. I was heading up the east coast office, which was very satellite. It was this group called BettyConfidential. It was a little website for women.

I don't know what it was like when you came in, but I had my own world that I was creating. It was tiny, but it was so strange to be like, "Okay, I have to keep in mind a three-hour time difference." Sometimes I'm working at 12:30 at night because the founder is up and it's only 9:30 back there. It was so different than any other traditional work environment I knew. Were you alone in the office or did you get to hire people, or was it just a satellite set up?

Jennifer Barret: Yeah. Well, we started with a very small team. I hired a managing editor. Then we had a lot of contract writers, but they weren't in the office. It was just the two of us when we started. Now we're about to expand to 12 in the next couple of months. We've grown a fair amount, but most of that was recently. It was a year where it was two of us in an office.

It was so interesting because it really does challenge every notion you have, because, first of all, there's no one saying, "Well, you weren't in at X time." It was like you're definitely not punching in and out. You have to create that discipline. Now I'm hyperaware as we're building out this office of what kind of environment do I want and what kind of environment do people work best in. Maybe it's not a traditional environment. We're in a WeWork space right now.

I don't know how familiar you are with WeWork, but they are not traditional. I'm in one of the phone booths they have. I mean they're very fancy. They're not traditional phone boots. But there are lots of little private spaces for people and there are a lot of communal spaces. It just flows. It works very well for some people. I love it. Other people don't enjoy it as much because they're used to a more traditional corporate environment.

But what you learn is it's really about the work that you're doing, it's not really about the hours that you're putting in. I mean, really, my CEO, I will tell him when I'm taking time off, but we have, as a company policy, unlimited paid time off.

Kelly: Oh, wow!

EPISODE: 8 See Jane Save with Jennifer Barrett

Jennifer Barret: Yeah. You have to have it approved by your manager, so I think people are pretty careful about what they take off. But the idea is get your work done, make sure your work is getting done, and no one's going to be breathing over your shoulder, certainly not in New York. I think that was really interesting.

What I found was that I actually worked harder, I think, maybe smarter. I mean I definitely put in the same amount of hours I did at CNBC, but they're more fluid. If I'm working from home one day, I could go to a school event in the middle of the day. I took my kid on a field trip for three hours in the middle of the day once, which I was never able to do in my previous job. Then I came back and I worked. Then after the kids were in bed, I worked another two hours.

I put in the same amount of time. It was just in a ... It's a more flexible schedule. I know that's not true for everyone in our company. It depends on what your role is, too. If you're an engineer and something breaks, you need to be there and physically working on it. There's probably less leeway.

But I think, generally speaking, the idea of putting the emphasis on the work that you're producing and everybody working for these common goals, and really everybody at this company is so driven by the mission that it's really like if you walk into our company in California, you're like, "Did everyone drink the Kool-Aid?" because everyone, like anyone you talk to talks about this mission of helping the up and coming. I think our mission statement is looking out for the financial best interest of the up and coming, starting with the empowering first step of micro-investing.

But this belief that we're actually making a difference for millions of people is really deeply ingrained in anyone who works for the company. That was very unique for me, to be working with so many people who are really driven by the mission and feeling so passionate about it.

It challenges a lot of notions, and the wardrobe, too. I mean I had the same reaction when I first got there. I was like, "Is this serious?" because I mean everyone ... Of course, I mean I stood out. I was wearing black because come from New York.

Kelly: New York, yeah.

EPISODE: 8 See Jane Save with Jennifer Barrett

Jennifer Barret: They were joking that I was like the little black cloud that came to California the first time. I made some adjustments when I go out there. But what I realized, too, is if you know your stuff, you could really wear anything. I mean you can walk in in a ponytail and flip-flops, and no one cares because it's all on how much you know then. You can't fake it with your appearance.

I thought that was really interesting. You do find this ... I don't know that it would be inverse, but I think the more confident people are in what they bring to the table, the less they care about what they're wearing. I still care. As a general rule, I like to dress up. But I do find, certainly in Silicon Valley and even in Southern California where we are, there's less of an emphasis on what you're wearing and really it's more about what do you bring to the table, not what you're wearing.

Kelly: Yeah. It's so funny because even though my family's from the Midwest, I grew up on the east coast, right outside of New York. I went to Silicon Valley, that whole Northern California side that I was at, a mixer event. Some guy just walked up to me that I didn't know. He wasn't hitting on me or anything. He just came up to me and he's like, "You're from the east coast, aren't you?" I was just like, "What?" I was wearing a black turtleneck, which wasn't even black black. I had jeans on. I thought that was neutral. But that is funny how they can spot you a mile away, basically. [inaudible 00:33:14] like, "You're the east coast girl." "Yes. Yes, I am."

Jennifer Barret: Yeah. Yes, I am.

Kelly: I love, too, the mission that you said the company has. Say it again. It was like looking out for the up and coming?

Jennifer Barret: Yeah. We look after the financial best interest of the up and coming, starting with the empowering first step of micro-investing.

Kelly: This is one of the things that I love about startup culture, because people talk about social impact and whether you're doing a dual bottom line, but sometimes a company doesn't even have to have that. You may not define Acorns as a social impact company, or maybe you do, but-

Jennifer Barret: We do.

EPISODE: 8 See Jane Save with Jennifer Barrett

Kelly: Yeah, so many startups, like they just have that driven mission of, like, "Let's do something in commerce that's going to help [crosstalk 00:34:06] generation." I mean it's just such a cool way to use capitalism. Why not?

Jennifer Barret: It's very cool. Yeah, I know. It really is. I come in as a cynical journalist who is like, "Do people really believe this? Are we really able to do this?" Frankly, I think this is one of our biggest challenges right now as we scale is how do you hold on to that mission? Because you also need to make money in business. How do you balance it, too? We have a lot of conversations about that. Even just the act of that being a topic of discussion and how do we stay true to the mission, even the fact that we talk about that, I think, is really unique.

Kelly: Yeah, absolutely. It's so important that a company does remember that it has to make money, because social impact sometimes get lost in the weeds of what's really a nonprofit agenda, and you're like you're not going to survive. It just won't work.
Jennifer Barret: No. We're not a nonprofit. We are on a path to profitability. There's a clear path. That is part of it. It's like how are we going to help the millions and millions of people we want to help if we can't stay in business?

Kelly: Exactly.

Jennifer Barret: It's like how do you balance that and how do you scale internally? Because it takes a lot of money to expand, where I was, I think, the eighty-eighth employee and now we're going to be at 200. We're growing very quickly.
Kelly: I also think it's cool that you were the eightieth employee, and yet ... I mean that's a huge company. I mean for most early-stage startups, that's a dream.

Jennifer Barret: Sure.

Kelly: Like, "Oh, my God. I need a new place." But I love that some of the things that a startup, any early-stage startup, would be dealing with, you were dealing with. I'm always amazed that when people approach the idea of a startup, I think there's always the freedom from getting out of the corporate world and being able to set your schedule. But what you said is what I've observed and what I experienced myself when I worked for a startup, is that it can actually be more challenging to step away from the job

because it's either going to be pushing you so hard because it needs your attention or you love it so much, it's hard to step away. It's almost more of a discipline to set boundaries and say, "Okay. This is how I'm going to work." Just like with finances, just what Acorns is trying to do, you have to do that for your own work ethic and not become a workaholic.

Jennifer Barret: Yes. I think that is the challenge, I mean at least personally, because I really enjoy what I'm doing, which is fantastic, but also because there's so much momentum right now and we're doing so many things in such a compact period of time that, I mean, my to-do list never ends. It just never ends. I literally at night just have to say, "You need to leave the office now [inaudible 00:37:10] myself so that you can see your family. If you absolutely want to go online later, you can."

But it's not like our CEO is texting me and saying, "You need to get back online." It's really driven internally. I think everyone just feels it because we have a really ambitious roadmap this year, and it can't happen unless everyone is 100% committed to it. I think everybody feels that.

Also, I mean we are bigger now, but we're still small enough where you know almost everyone there. You don't want to be the one that's letting other people down. I think there's a little bit of that, too. We have had a lot of conversations. There are people who've left. It was like, "Look, you're either on the train or you're not, but there is half-assing it. You can't just [inaudible 00:38:06] it in here because you just won't last. You just won't." Everyone around you will notice. There's an innate pressure to perform at your best, which I think is good in a lot of ways, but it does mean that you're on a lot of the time.

Kelly: Yeah. Anytime a company has a C-suite, whether you're the founder or you've come into the company after it started, I even notice it in my own company, the minute you have someone who is relying on you for information so they can carry out a task you've delegated to them or it's just their role, for you to not show up when they're showing up, it's like, "I can't. I've got to be there. It's not fair."

Jennifer Barret: Yeah, exactly. Exactly.

Kelly: You are working on a book right now about women and money. It's not out yet, but you talked a little bit about it to me in our own conversations. Please tell us more. What is this book all about?

EPISODE: 8 See Jane Save with Jennifer Barrett

Jennifer Barret: Well, it's about the wealth gap. The title I'm playing with ... Well, I'll tell you a little bit about it. Then I'm curious to know how you react to this word, because what I found is that this is a very loaded term.

About nine years ago, eight, nine years ago, I became the main earner in my family, in my marriage and had not planned on it, I would say, and so grappled with a little bit. I think the timing was a factor, too, because ... Actually, there were a lot of factors. One was that I really hadn't taken responsibility for my finances before that. Ironic, because at that time, I was covering personal finance and giving advice to other people, but not really taking all the advice myself, and so there was some catching up to do, which becomes more apparent when you're earning more and you're suddenly responsible for more of the expenses and really get a fuller picture of where you are as a family financially.

The other part of it was that we had one baby, and I got pregnant with our second son not too long after that. Just to the point where a lot of women start to sit back a little bit and to spend time with their kid. With my first son, I had actually taken 11 months. I mean I wrote a book while I was out, but I still was away from the office for 11 months. That was a very different experience. With my second son, I was back in the office after 11 weeks and actually went into headquarters halfway through my maternity leave for a meeting in a snowstorm.

Kelly: Whoa!

Jennifer Barret: I remember the pressure was so different. I really felt it because at that time we were buying a place, we had the second child. It was this convergence of everything at one time. I had just given birth, so there's all this emotional stuff going on. It was really difficult, the transition. As I tried to figure out what could have made this easier, I mean there's some obvious factors, like I mean we don't have good paid parental leave policies in this country. The school schedules are not at all aligned with any two-parent working families' schedules. There are a lot of things like that. There's no subsidized childcare. There are societal issues or issues around our corporate culture are part of it.

But the other part was that I really hadn't taken control of my finances until that point. I suddenly had this big reality check right at the moment that we had all this additional

financial responsibility. It just got me thinking, "Wow! What if I had been a little more engaged a little earlier, how might that have changed things for me." That's where it started.

Then I started interviewing other women. What I found after a few dozen interviews where I talked to women who were all professionally successful, but were on the range in terms of finances, or how they felt about how they manage finances, their confidence level, was that there were a few women whose experiences really stood out to me. There's one in particular who's a good friend of mine. What I realized was that she was thinking like a breadwinner from day one. It wasn't explicitly conveyed to her that way, but she had to think like a breadwinner. But her parents taught her all the things that a lot of boys learn in this country. She's from India. How to invest was a big deal. They taught her very early on to save 20% of every paycheck, every birthday check, everything. This was just ingrained in her. I'm going to get Terry Hicks because this is really a crazy story, but it ended up making a huge difference for her because she got married very young and they had a son, and her husband was killed in a car accident when she was just 25.

Kelly: Oh, no.

Jennifer Barret: She became a widow at 25 with a two-year-old. What was so incredible to me about her story was she got this small insurance settlement. His income had accounted for 60% of their household income. Now she's down to 40% of what they were bringing in. She gets this insurance settlements. Anyone would have understood if she used that to subsidize their expenses to keep them going, or if she had moved in with her parents or her in-laws or anything. She didn't. She put the money in savings and then invested it, didn't touch it, and cut back their expenses, and then worked on increasing her earnings.

Kelly: Wow!

Jennifer Barret: Yeah, which I was like, "Nobody does that." [inaudible 00:44:29] like, "Nobody does that. I can't imagine anyone doing that at 25. What happened to you that you thought that?" She said, "Well, my parents have just always taught me that ... She was just like, "That was capital, it wasn't cash. I don't touch capital." She said, "When I get a big sum like that, I don't touch it because it's not the cash that I use day-to-day. I just had learned that from a really young age." I was like, "Wow!"

EPISODE: 8 See Jane Save with Jennifer Barrett

Then we started talking about some of the other choices she made. I started thinking, "God," when I research how boys are brought up versus girls ... And this is still happening; I thought maybe it had changed, but it really has not changed ... in surveys, parents talk about how they teach boys how to invest and they teach them how to build credit. Girls are taught how to budget and how to spend smartly.

Kelly: Yes.

Jennifer Barret: Not surprisingly, women make most of the spending choices and they more often are the ones who are doing the budget. Men go out and invest and build their credit and women pay more for credits, we have more debt. You see the how this all comes to play.

But the other thing is I think still men ... I mean really the financial education situation in our country is abominable. No one's getting a fantastic financial education, really. I mean there are only, I think, 17 states that even have it is a requirement in high school. Most people aren't really getting a formal financial education at all. But you do see that boys, men, when they leave home, are still thinking that they're going to be the breadwinner. If you're thinking that way, you're thinking, "I need to start setting money aside. I should probably buy a house. I need to start building my credit." You just make different choices than if you come out as an adult, as I did, and thought not even consciously but subconsciously, "I just need to keep my head above water. I'm going to get married someday and it'll all work itself out." I was not at all thinking about ... I mean not even contemplating the possibility that I might have to take care of myself much as a family, or even contemplating that I wouldn't get married, which is the case for millions and millions of women right now.

That's what this book touches on, and there has been a real shift, if you look at the numbers. 42% of households with kids under 18, women are now the sole or primary breadwinner. We're seeing that number even higher among the millennial moms, and that's in part because of the number of single moms.

But this is a reality that a lot of women are actually going to be in this position, and we are just so very unprepared for it for the most part. It's not just about becoming the breadwinner. When I think about women taking control and really building their wealth, it's not really a breadwinner issue. That's just a way into it. It's really about what I've learned.

EPISODE: 8 See Jane Save with Jennifer Barrett

If I look back at the last eight or nine years, I mean my confidence level, even the way I am at work, the way I show up, is completely different because I have a level of confidence now that I will be able to provide the life that I want for myself and for my family, whether or not my husband could earn more than me tomorrow, and that's still not going to change this. His income has ... I mean it's gone up and down.

But it's really about having that confidence and having that wealth. When I say wealth, I don't mean like wealthy, like you've got a yacht and a big mansion. It's having enough money that you know you're going to be okay and that you can create this life that you want without depending on someone else.

That is just something that has not been available to a lot of women, and it is so empowering. We talk so much about empowering women in every other aspect, and we don't talk about this. It is like the last bastion left. We are better educated than ever before, we are moving into corporate positions that women never occupied before, we are breaking the glass ceiling left and right, but building wealth is really the last step in that process.

I mean if we don't close the wealth gap, we're not going to close the other gender gaps. It's just not going to happen, because you need to shift that dynamic. Obviously, I'm very passionate about this, but this is-

Kelly: Which I love.

Jennifer Barret: ... really ... For me, I really just deeply, deeply feel that this is so important for women. It started as this little book about my own, like, "Oh, this is my own experience," and coming to terms with it, and it shifted into something so much bigger, because the more women I interviewed, the more I realized, "Oh, God. We are just missing out on this whole thing." It's just right there in front of us. For so many reasons, we aren't going after it, and that has changed.

Kelly: I know. It's so important. I can tell you in the angel investing rooms, to be an angel investor, you have to be an accredited investor, which is just a setup that the government has to make sure that people are aware of the risk that they're taking and not depending on government bailouts, which despite what they do with big banks, they won't do it with individuals who take risks.

EPISODE: 8 See Jane Save with Jennifer Barrett

You have to have a level of wealth just to be an angel investor. This is one of the reasons I got involved. I was only the second woman to join the Baltimore Angels, and I know so many women who are married to angel investors and they take care of the nonprofit giving. That's fine. That's how they do it. They're often from an older generation.

I respect whatever marriage decisions couples make, but it was so frustrating that it was like, "Wait a minute. Wait a minute." The guys are showing up and making decisions that it's about power really, I mean this is where money is going, and the people who are picking the companies are men, but the people who are also getting the upside, even though angel investing is very risky, if there is an upside, it's going to the guys. It should be going to the women.

My parents raised me with a very pragmatic understanding of finances. I don't know that I got into the details of all the different levels of savings, but I was encouraged to save. My dad always had a mantra that was similar to your friend, which was don't touch the principal, meaning-

Jennifer Barret: Oh, that's great.

Kelly: Yeah, you save. There should be a whole pile that you just don't touch it. Even in investing, his strategy was don't lose the principal, don't touch the principal.
Jennifer Barret: [crosstalk 00:51:18].

Kelly: I actually had a little bit too much of a squirrel thing going on where I hyper-saved. I actually had to release from, like, okay, there's long-term savings, but then there's short-term savings, like what do you do with short-term savings? That's what got me into angel investing.

When I got married ... And I got married young, I was in my 20s, but I had the good fortune. My mother-in-law was the person who ran the finances. I mean it was a family decision. But she was the person that everybody checked with about financial decisions. She basically looked at me and she was like, "Your turn. Let me help you with this."

Jennifer Barret: Wow!

EPISODE: 8 See Jane Save with Jennifer Barrett

Kelly: I was like, "Okay." I mean some of it blew my mind and other of it ... I mean a lot of budgeting, but there was also a lot of, like, "Okay, this is how you should be thinking about what you're saving, what you shouldn't touch, what you can touch."
As much as she was very conservative about saving, one of the things she said that was wonderful to me was she was like, "You budget in your needs to the family account. That is not you spending money on you, that is you just maintaining your own health and wellness."

I was going through the budget that I was setting up with her and I was like, "Okay. But what about getting my hair done?" She was like, "Nope. That is a basic expense." She just cracked me up because she was like, "No, that goes in the category of it has to be done or else it's miserable." But she was still, like, every big decision, not just the budgeting was something that the family looked to her.

There's this wonderful story in my family where we were all out to eat in Italy celebrating my in-laws' ... I think it was their fortieth wedding anniversary. They took us on this trip. It was amazing. This waiter came up to us with the bill. My mother-in-law waved the credit card at him because he was going to approach my father-in-law with it.

The custom over there was just, "Oh, it's the guy who's going to take everybody out to eat." He stopped for a minute, he bowed his head, and he said with this beautiful Italian accent, he goes, "Ah, I see." He looked at my mother-in-law and he goes, "You are the boss."

Jennifer Barret: Oh, wow!

Kelly: Then he looked at me and he goes, "And you are the boss-in-training." It was exactly right. It was like, "Yeah. That's how this works."

Jennifer Barret: Wow!

Kelly: But it's still rare.

Jennifer Barret: Awesome. That's awesome.

EPISODE: 8 See Jane Save with Jennifer Barrett

Kelly: I love that you're doing that because this whole book is so needed and that conversation. It's why I do what I do, but there's so many levels of it that have to happen.
Jennifer Barret: Yes, yeah. Oh, that's amazing, though. What an incredible experience. The motto around principal is really smart. I mean it's things like that, like not touching capital. I think most people don't even know what capital is, but it's a similar thing. It's like when you have invested money, you don't touch it until you need it.

The money that you are spending on day-to-day activities, that's what you spend. Don't touch what you've invested. You don't touch your savings until you need it or your investments until you need it. Ideally, you just take the interest and not the principal until you absolutely need it. Yeah, a lot of people don't get that lesson.

Kelly: It's funny, too, because what I've noticed in keeping with that, it's actually a way that helps you stomach the ups and downs of the stock market. My husband and I, we have money we don't touch. You don't touch it, it's just there. We have somebody who helps us with those long-term investments, who's a financial advisor. When the market is crap, as it has been over the past decades at times, our advisor will call us apologetically, like, "I know. I know it's volatile, but don't worry. I'm working with it." We're like, "We're not paying attention. This is a long ride. We get it. There's ups and downs."

Jennifer Barret: That's right.

Kelly: "We are not going to be watching this because we're not touching it." As long as it doesn't completely evaporate, we're pretty confident it'll come back, or at least come back enough. That will be all right.

Jennifer Barret: Yeah. I think it's true when you talk about the principal, because, especially we've been in such a big bull market here, that even when you have a drop of 10%, if you look at what you initially invested, you're nowhere near that. We, at this point, could drop a fair amount. As long as you've had money in the market or you've been investing regularly, you're not going anywhere near the basic principal you've put in at this point because it's just growing so much in the meantime. That's a good way to look at it. It's like if you put your money in a savings right now and you're earning like point .05%, I mean [inaudible 00:55:45].

Kelly: You're losing money.

EPISODE: 8 See Jane Save with Jennifer Barrett

Kelly: I love that you're doing that because this whole book is so needed and that conversation. It's why I do what I do, but there's so many levels of it that have to happen.
Jennifer Barret: Yes, yeah. Oh, that's amazing, though. What an incredible experience. The motto around principal is really smart. I mean it's things like that, like not touching capital. I think most people don't even know what capital is, but it's a similar thing. It's like when you have invested money, you don't touch it until you need it.

The money that you are spending on day-to-day activities, that's what you spend. Don't touch what you've invested. You don't touch your savings until you need it or your investments until you need it. Ideally, you just take the interest and not the principal until you absolutely need it. Yeah, a lot of people don't get that lesson.

Kelly: It's funny, too, because what I've noticed in keeping with that, it's actually a way that helps you stomach the ups and downs of the stock market. My husband and I, we have money we don't touch. You don't touch it, it's just there. We have somebody who helps us with those long-term investments, who's a financial advisor. When the market is crap, as it has been over the past decades at times, our advisor will call us apologetically, like, "I know. I know it's volatile, but don't worry. I'm working with it." We're like, "We're not paying attention. This is a long ride. We get it. There's ups and downs."

Jennifer Barret: That's right.

Kelly: "We are not going to be watching this because we're not touching it." As long as it doesn't completely evaporate, we're pretty confident it'll come back, or at least come back enough. That will be all right.

Jennifer Barret: Yeah. I think it's true when you talk about the principal, because, especially we've been in such a big bull market here, that even when you have a drop of 10%, if you look at what you initially invested, you're nowhere near that. We, at this point, could drop a fair amount. As long as you've had money in the market or you've been investing regularly, you're not going anywhere near the basic principal you've put in at this point because it's just growing so much in the meantime. That's a good way to look at it. It's like if you put your money in a savings right now and you're earning like point .05%, I mean [inaudible 00:55:45].

Kelly: You're losing money.