Ep 376 - Maggie Klokkenga

Alan Moore: Hello, and welcome to this episode of XYPN Radio. I am your host, Alan Moore, and I'm excited to welcome XYPN member, Maggie Klokkenga, founder of Make A Money MindShift. Maggie started her career as a CPA before deciding to get into financial planning and transitioning over to a large firm in the St. Louis area.

She worked on a couple of teams at that firm and even worked remotely before remote was cool. So she and her husband could move with their kids back to her hometown in Central Illinois. She started to see there was a disconnect between the higher net-worth clients she was working with and her passion for helping clients get their financial foundation laid.

So she decided in 2021 to start her own firm and is focused on providing financial coaching to her clients. She walked me through her process for working with clients, which ranges from 8 to 10 one-hour-long meetings over as many weeks, and the positive outcomes she's seen from her clients from the work she's doing.

At the end of the episode, she shared her experience about attending XYPN Live for the first time this year. So if you're on the fence about joining us in Minneapolis in October 2024, definitely tune in to hear her perspective. Without further ado, here's my interview with Maggie.

Alan Moore: Hey Maggie, welcome to the show. Thanks so much for being on.

Maggie Klokkenga: Thanks so much for having me, Alan. It is great to be here.

Alan Moore: I'm really excited for this conversation because was looking back at our notes and you had sent in an email to the podcast over two years ago now when you were just launching your firm. I think you were still in the registration phase and talking about this crazy idea that you had for a financial planning firm that was really focused on coaching and doing things with a different model. And so I'm super excited to learn more about that model and how that has gone for you. So thank you for taking the time.

Maggie Klokkenga: Yeah, absolutely. And I'm just excited to talk about it. This is something that I think was a little bit newer to the XYPN community when I joined. And so they are thrilled to talk about it today.

Alan Moore: Absolutely. So going back in time, I'm curious about your path to becoming a financial planner. Have you been in the industry, or did you career change from a different industry?

Maggie Klokkenga: So I didn't make a huge pivot. I'm a CPA, so I was in public accounting for about 15 years. And got into—I was doing taxes for the most part with high net worth individuals. And I was like, "This is okay," but it got really technical, and, to me, it got a little boring just because, and then I wanted to do with people more with their money, all just encompassing and not just taxes.

Maggie Klokkenga: So literally went down the street, like three blocks down the street in St. Louis and went and joined an investment advisory firm there. And so that's how I got into financial planning—was through the CPA route.

Alan Moore: How do you feel like the tax background? I mean, that's really, especially if you're working with high net worth, that's really technical. That's a lot of tax knowledge in your head. Like, how has that impacted, I guess your work with clients today, even?

Maggie Klokkenga: I will tell people I'm always thinking with my tax brain. And so my example is—and this is dating myself—when Oprah would be like, "And you get a car and you get a car and you get a car," my thought was, "And you get taxed and you get taxed and you get taxed."

Maggie Klokkenga: So I'm always thinking with the tax head sometimes to the detriment, but it has come in handy so often, both with the coaching and planning clients.

Alan Moore: With that first role with an investment firm, did you have any struggles sort of with people just viewing you as, "Oh, she's the accountant who we brought in to talk taxes," or was it a pretty clean transition, smooth transition into being an advisor?

Maggie Klokkenga: Yeah, that's a great question. It actually—I think it was more my brain telling me that I wasn't ready. There were things that investments, small cap, mid cap, large cap. I never had learned that or talked about it in accounting, but they really—I mean, it was pretty much baptism by fire when I joined that firm and just started really meeting clients right away, sitting with another advisor, just learning the ropes from the get-go. And so that, I think, was really a great way to learn because we are our worst enemies. And so we will maybe say, "Oh, I'm not ready yet." And by getting thrown in, you're like, "Okay, here I am." And you just learn so quickly just all the different caveats of financial planning that way.

Alan Moore: So how large was the firm, yeah, the first financial planning firm you were at?

Maggie Klokkenga: The first firm. So it's Moneta Group in St. Louis. And then they have—Oh my gosh.

Alan Moore: Okay. So it's a big—it is a big firm.

Maggie Klokkenga: It's a big firm. Yeah. And, but the interesting thing was, and this is one thing I learned is you worked on teams. And so your team worked on only those clients. And so there was all these different silos, but then we had the governance of overall of Moneta. But yeah, so you worked within a team and then you had those clients that you worked on.

Alan Moore: Okay. So, yeah. Was your first role there as an advisor or did you grow into that?

Maggie Klokkenga: No, my first role was actually as an advisor. I actually had said to them, "You know, I'm fine with kind of learning the ropes and coming in as a client service associate." And they said, "No, no, you were a manager at your firm. So at your accounting firm, you can just come in and just come in as an advisor. And you already have the CPA chops, the tax chops, so just come right in."

Maggie Klokkenga: So it was really, when you look back and go like learning paperwork and even some client service with the behind the scenes on trading, none of that I had learned. And so sometimes I would learn it because I had to—maybe somebody was out of the office and sick, or maybe there was some piece that they might gloss over and I would say, "But I really want to learn about that. Can I ask a few more questions?" So then I could get comfortable and say, "Okay, now I know what's going on behind the scenes."

Alan Moore: Yeah. The biggest firm I ever worked at before starting my own was—there was only five of us or six of us. And yet I had never—before I started my own firm—I'd never opened an account. I had never executed a trade because we always had someone who that was their job. And you don't touch that. Like that's not the planner's job. And so even in small firms, you don't necessarily get that exposure just until it's necessary.

Alan Moore: And I just remember being terrified of like, how do you upload fee billing, spreadsheets, like what is this thing? You figure it out. But it's why I used to tamp because I was like hands off, like I don't want to figure this out.

Maggie Klokkenga: Right.

Alan Moore: So what was your sort of next career move then from that firm?

Maggie Klokkenga: So when I was at that firm, we actually decide, well, two things. One was my family expanded very rapidly. So I had gotten married in 2011 and left the accounting firm in 2012, joined the investment advisory firm in 2012, and then we adopted our oldest in 2013. Two days notice, I think, to my director at the time at the investment advisory firm because we were chosen, and two days before I found out—or two days before I went back to work from my leave, I found out I was pregnant. So then, I had him two months early, two weeks after I took the CFP® exam, phew.

Alan Moore: Oh, Wow.

Maggie Klokkenga: And then, mm-hmm, just when we felt like we were coming up for air, we found out the birth parents were pregnant again, and so we adopted again. So I have three boys within two years and five days of age, no twins.

Alan Moore: Wow.

Maggie Klokkenga: Yeah. So that then meant that I was leaving that. actually left that team at Moneta and joined a different team because they were okay with having a part-time person.

Alan Moore: Okay.

Maggie Klokkenga: And so I needed to do some part-time, 'cause obviously I had a lot, a lot of babies at home. And then, that team ended up leaving that investment advisory firm and joining—and forming a new investment advisory firm in St. Louis. And so I just went along with them.

Alan Moore: Went with the team. Okay.

Maggie Klokkenga: From there. Yeah. And then from there, that's when I left them and then created Make A Money MindShift.

Alan Moore: Okay. I'm curious. Like, were you part of the discussions around like the team leaving one firm and going to another firm and...?

Maggie Klokkenga: I was not. I was not surprised for why they were doing it and I agreed with the decisions. And so I was completely on board. I enjoyed the idea of kind of something creating of our own. Like, we didn't have as many bureaucracy to deal with and that felt really neat. So they definitely welcomed as we were starting up, like, what decisions could be made and they welcome feedback.

Maggie Klokkenga: But as far as them making the decision, that was just communicated to me and I thought, "Okay, here we go. Not a problem."

Alan Moore: Yeah. I'm just curious what goes into that decision because it's not like you're just moving over because it's 5% cheaper, like it can't just be a cost thing. It's got to be culture related or you're just not able to grow the firm the way you want or something. Like, there's gotta be sort of a triggering event and it's not always a bad thing that like, "Oh, the firm was evil." It's like, "Yeah, there's just a misalignment in terms of what we were looking for."

Alan Moore: So you aware of sort of like what those kind of key components were that helped them make this decision to transition?

Maggie Klokkenga: Yeah. One of the key components was a fee minimum that the old firm was implementing that the new firm just didn't want to implement. They just didn't want to have any kind of fee minimum.

Alan Moore: Oh, that’s tough.

Maggie Klokkenga: And that was a big thing, especially when my director at the time when she had said, "When I've had a client, Maggie, for a decade or two decades, and now I have to tell her she can no longer be a client? That's… I can't do that." And I fully agreed with her and I fully supported her on that. So I was excited to move along with them.

Alan Moore: Yeah. I mean, because when you say fee minimum sounds so nice, but I mean, really we're telling that client like, "Hey, thanks for being here for 10 years, but I'm sorry you're not rich enough to work with me anymore. We work with richer people." And I know we would never literally say that, but I suspect that's what the client hears—is like, "Oh, well, thanks for tossing me out." And so I cringe a little bit when I see advisors talk about, sort of bragging about like graduating their clients and I'm fine for folks to move up market, I am fine for you to help make that transition, but I think sometimes we forget the early days when we got that client, how we celebrated. We were so grateful to have them. And then fast forward 5, 10 years and we're like, "Nah." It's like, "Oh, maybe we could be a little more appreciative for some of these clients and the risks they took by coming on board with us."

Maggie Klokkenga: Right.

Alan Moore: So you make the transition to this new firm. How long were you at that new practice?

Maggie Klokkenga: I was there for six years.

Alan Moore: Okay. So you had what, 10, 12 years financial planning experience then before you ultimately decided to take the leap?

Maggie Klokkenga: Yeah, it was probably about nine actually thinking back. But yeah, it was. And interestingly enough, I was a remote worker before COVID came about. And I was the firm's first remote worker.

Maggie Klokkenga: And that was because going back to my very rapidly expanded family, we didn't have any family support in St. Louis. And so having three boys, two years and under, and going, "What are we going to do?" So then we decided, okay, let's move closer to family because at the end of the day, it's really about your family and your friends.

Maggie Klokkenga: And so we moved to Central Illinois, which is where I live now, and was a remote worker for my firm in St. Louis and so we drive and would do Zoom meetings before anybody knew about Zoom. But we would drive and then have client-facing meetings once a month in person for those whatever means needed to be in person and then we do Zoom the other meetings.

Alan Moore: That's awesome. I have three kids myself and I joke that being in Montana—cause I'm originally from the South. If you don't—it does take a village to raise kids. And if you don't have a village, you have to pay for one. And you realize how expensive that village is. Like, you go to do a night away and you're like, "Oh, well, I got to pay until bedtime and then extra $100."

Alan Moore: I mean, you're like, "Oh, well, that was like 400 bucks to get out of here for the night." It really adds up. Whereas grandma's just, at least we're fortunate in my case, that grandma's happy to just come over and hang with the kids. And so I do think that it's something for advisors to be thinking about, we definitely have a lot of folks in the network who are having kids or that decision now, as well as working with clients that are in that position of just like really understanding what it costs because daycare costs have skyrocketed. It's really incredible to see.

Maggie Klokkenga: Yeah, absolutely.

Alan Moore: So you made the transition to work here remotely. I mean, what year would that have been?

Maggie Klokkenga: That was 2016.

Alan Moore: Okay. Yeah, that was definitely at a time people were not working remotely. That was not okay. So how did that conversation go with your firm?

Maggie Klokkenga: Yeah, it was actually really—it went really well. I wasn't—naively, I just went and spoke with my director and just said, obviously, she knows about my family and that we were really hoping to move closer, but I will continue to love to work for the firm. And is there a way that we can make this work? And she just said, "Yeah, let's… if you're open to working remotely, we can do that."

Maggie Klokkenga: And so for me, my husband decided to leave his job in St. Louis and then find another job in Central Illinois. But for me, it was really nice to have, first of all, the consistency of the income, because that wasn't changing. And frankly, I could go back—when I would go back in town, I got to see my fellow teammates, and then also just check in with some friends at night. So that was a nice side benefit.

Alan Moore: That's awesome. And St. Louis is a great city. That's I think it's an underrated city. People don't really think of it, but, so ultimately, what sort of, I guess, pushed you over the proverbial edge when it comes to deciding to become an entrepreneur and starting your own RIA?

Maggie Klokkenga: Yeah. And I call myself the reluctant entrepreneur because I didn't come from a family of entrepreneurs. It wasn't anything that I thought I saw in my plans. And then being in the CPA world, I consider myself a really good worker bee because you just put your head down. You do taxes. But what—I was feeling like this tug where I would... We were seeing younger clients come in. So predominantly at the firm, I was at the second firm in St. Louis. We had clients who were closer to retirement or who were retired. And we were starting to see their adult children come in and their adult children were saying, "Hey," just like you talked about how, "We've got daycare, we've got credit card debt, we've got this, we've got that, we have life. And we need some help." And we, my firm, would do financial plans for free. That was our marketing tool. That was—and we didn't really need anything else. We did not market. We, our referral—the pipeline was very robust. So you give this financial plan to this young couple and just send them on their way. And I just thought, there's something more than we could do. We can help them. We can walk alongside them. And it wasn't exactly sure how it looked. So I talked to my director about it. She said, "Well, is there something you can do in your area, like some kind of community outreach?" So I ended up teaching Dave Ramsey Financial Peace University, which—his name can conjure up a bunch of emotions for people, good or bad. I had never taken the course. I never. And so I thought, "Well, let me at least teach it." And that's really where it solidified what needs to happen because people came to the class, Alan, and they said, "Oh, Maggie, this is my second time coming," or "This is my third time coming." And I thought, "Wow, thank you for sharing that." But then behind the scenes, I'm thinking, "What didn't work?

Alan Moore: Yeah, what were we missing here?

Maggie Klokkenga: Right? Yeah. And so then I started diving more into like, just reading up on financial psychology. And finally, and then it was like reading up on Dr. Brad Klontz and Rick Kahler and thinking, "Oh. This is why."

Maggie Klokkenga: And then COVID happened. People are losing their jobs. And I thought, okay. So I started to do some pro bono coaching here around here just to see if it worked, and coming up with a template of a series of sessions and working with couples. And they were saying, "Maggie, in the 15 years we've been married, we've never been able to talk about money without getting into a fight." And I thought, "Okay, I've got something." So that's really where it stemmed from.

Alan Moore: Yeah, listeners know this at this point, but financial planning, the CFP® program was not built for those clients. I mean, debt is barely mentioned in the coursework at all, If at all. I am not even sure that it was ever. Student loans were never mentioned.

Alan Moore: We never talked about the cost of daycare. We never talked about those decisions. We always talked about max out your 401k and you get your umbrella insurance and you do all these things. And so it is a very different conversation. So I saw that you have the AFC or Accredited Financial Counselor designation.

Alan Moore: I guess, at what point in your journey did you pursue that designation?

Maggie Klokkenga: Funny story, and I've joked with the AFCPE about this because they give you three years to take the test, which I think is too long. Like you can register. I literally just passed it I think in June of this year. So what had happened was, it was a very interesting point of events where I had done some—I was doing some informational interviews with people from XY Planning Network, some other people who had launched their own firms. Some who were financial coaches, like maybe one or two. And then I had been on Jean Chatzky's HerMoney podcast a couple of years ago for taxes. It was just a lark that I was on it, but I'd stayed in touch with her. And on January 1st, 2021, she had launched a financial coaching program called FinanceFixx.

And I thought, "Oh!" And I reached out to her and said—and she's always talked about the AFC, the importance of the AFC and the AFCPE. And so I reached out to her and said, "I would love to be a part of this," how I will be coming to AFC. And so I became a coach for FinanceFixx. That's actually what had me leave my firm because I'd already done some interviews. I had already talked to my husband who was very supportive, thank goodness.

And my firm had said, "That's great that you could become a FinanceFixx coach, but unfortunately, compliance has said that's a conflict of interest and so you can't." And so I turned in my resignation, I joined XYPN I think the next day. So it was, for me, then, just knowing the AFC was there, I read the books to kind of challenged it just like with CFP® says. I read the books that I needed to read and just never took the test until June of this last year, and actually it worked out really well because I re-read the books.

And it meant so much more to me because of the clients I've coached already. Because now I could put that into practice versus just who I pro bono coach before. I'm like, now there's so many, so many more richer experiences. But yeah, I joke that the AFCPE, they give you too much time to take the test. Three years is too long.

Alan Moore: Yeah, that's interesting feedback because I always felt like with the CFP®, real-world experience was irrelevant or even hurt you when you went in to take the exam because it's so like buttoned up by the book. There's no human element. But it sounds like I never— I did the education for the AFC. It was included in my college program, but I never sat for the exam. So it sounds like the AFC, however, it's like real-world experience gives you something to fall back on and maybe actually helps give context to it. So for listeners who are interested, AFCPE is the association that administers the Accredited Financial Counselor designation, but it really is the CFP® for more typical American, if you will. And so, the AFC actually covers credit report and the five areas that are in your credit report and why that matters. Debt and cash flow and budgeting and really sort of those foundational components that help—ideally help clients grow into where they need the CFP® education and what that provides.

But the AFC lets you work with a much wider range of clients. So definitely check that out. We're huge supporters of the AFC for those who are interested in working with a different target market than maybe traditional firms have allowed. I also find it interesting that your last firm said that you working as a coach could be a conflict of interest because you were—

Alan Moore: It wasn't like you were going to be working with clients that that firm would like to work with. You're working with clients at that firm. There is no way you know. And so that's such an interesting thing of like—and I'm sure we have listeners that are thinking, like, “Yeah, well, I let my advisor employee, you know, do this." And it's like, if you don't provide that flexibility, you don't let people sort of scratch that mission itch. They're going to leave and go do their own thing because that's the only way that they're going to be able to do that.

Maggie Klokkenga: Right, right. Yeah. And I think that they might have felt that I could just continue to do community outreach, which I absolutely could have. But I just thought—it was interesting when I obviously known about XY Planning Network being in St. Louis. You all had come to St. Louis a couple times. I did not attend a conference yet. We can talk about that, but it was just really interesting to me as just far as what all I could do with what XYPN offers.

Maggie Klokkenga: And then the announcement came that TD was merging with Schwab. Well, at my firm, I had a couple of financial planning clients of my own, and they were on Schwab. And so I thought, "Okay, here we go. If those clients follow me, that gives me a small revenue stream that if I keep my expenses lean, I can still hopefully pay, but they'll pay for my expenses."

Maggie Klokkenga: And then anything I make above and beyond is—that is pay to me. And so that's—it was when that merger announcement came out, I thought, “Okay, that's going to make it really easy for me to go off on my own if I want to.”

Alan Moore: So talk to me about the conversation with your husband you were probably earning pretty good money as an advisor. And so to go back to like, “Okay, well, we're going to start—I'm going to start again from scratch and try to build this thing,” and honestly may never hit the income that you were at that last firm. Talk to me about that conversation, sort of getting on the same page because I know that's a challenge for a lot of advisors.

Maggie Klokkenga: Yeah. You know what? And thankfully, it wasn't a big—it was not a huge challenge. I think I look back now and I realized how supportive he was, and he was probably also maybe a little naive too because he just said—his thing was, "You're a CPA, Maggie. You're still a CPA. Yes, you're a certified financial planner, but you're a CPA. If anything, you could always go and do taxes."

Maggie Klokkenga: Right? So his back—he knew that I had backups. And so that made him feel better about it. And not to mention, once I left my firm, joined FinanceFixx as a coach for Jean Chatzky's program, one of the CPA firms that I was working with at my old firm, like we would talk with them, I would review tax returns, just because I would review all of our clients tax returns. They asked me, "Hey, you just left. Do you want to come work for us and do some taxes?"

Maggie Klokkenga: Well, just like, because it talks about you need some income streams or you need a runway or something. So I had some runway of going, “Okay, I can work as a CPA, do the taxes that I want.” I left January, 2021. It's tax season. So it was easier I think for my husband to say, “Okay, this makes sense.”

Maggie And he is really my biggest supporter. So when there are the down days or the down hours—15 minutes, you're flying high, and the next 15 minutes, you're in depths of despair. He has been the one who will bring up the flexibility that I have for our family, and how big it is, and how important it is, and how the finances are—the money that I can bring in—that helps.

Maggie Klokkenga: And there are—that's a key piece, but as well, do I have to earn as much as I was earning at my home firm? I don't. And the flexibility is really the most—it's a huge nonfinancial piece that—it's really worked out well for our family.

Alan Moore: It is one of the beauties of this industry—is that you really can design your ideal life and build the firm if you choose to be an entrepreneur. Build the firm to support your great life, and great life for you today means more time and flexibility. And that means giving up some income. That's fine. There may come a point where that starts to shift. And you can start taking on more clients if that's what you choose to do. So do you keep your hours sort of restricted in terms of like what hours you're working during the week?

Maggie Klokkenga: I do. Although my husband would say, "You're working more than you ever have, Maggie." So there is a piece where I'm realizing, but I work 8:30 to 2:30 because that's school hours. During the summer times, my boys go to camp nearby.

Maggie Klokkenga: And so I actually have more working hours during the summertime because you can't pick them up until four o'clock. So that's really been—typically when I work, I'm also an early bird, so I might find myself awake and just doing some work in the morning. Obviously, that's not a client-facing meeting.

Maggie Klokkenga: And then I'll do some coaching at night, which that's starting—I might start to wind that down a little bit more as my boys are older. They're now eight, nine, and 10. It's getting to, okay, there's more activities at night and more chauffeuring and then just being present for them at there are different activities. So, but yeah, for the most part, it's that 8:30 to 2:30 timeframe.

Alan Moore: I've always felt like whoever designed the school schedule has never worked in corporate America because it's like, okay, like you pick up from kindergarten at 2:45. It's like, what—who can get off work at that time? Fortunately, afterschool programs and such. So, okay. So you decide to start your own firm.

Alan Moore: You have this passion to serve a client that has a different set of needs than traditional firms have historically served. Can you talk to me about sort of your ideal clients who you are sort of providing this financial coaching service to?

Maggie Klokkenga: Yeah. So, first of all, wearing my shirt, my firm shirt that says, " Do you know where your money is going?" So lots of times, even—you don't know where your money is going. It's the clients to me who are open to learning why their money has gone the way it has gone in the past. I'm not a financial therapist. I always tell people that and then happy to refer out. But I do like to at least delve into the background a little bit to say, "Hey, this might be why your money has gone the way it has." It's bringing that awareness. And if the client is open to having that awareness and knowing the why, to me, that helps them change their behavior for their present and their future.

Alan Moore: Yeah, I mean, it's funny just even hearing you talk about like even the quote on your shirt would exclude like 99% of the clients that are traditional advisory firm with a million dollar minimum. Like that's just, "Do you know where your mind is going?" They do. They've already figured it out. It's the clients who have not yet sort of developed those financial habits, developed that foundation for long-term financial success that need that.

Alan Moore: And so that in and of itself is excluding the market that you don't want to be serving and helping sort of open the doors to those who do. So behavioral change is hard. And I know, really, it's coming up on 10 years since we launched XYPN. And during that 10 years, pretty much every conference I go to, at least one advisor says, "What do you do for these clients that don't have assets?"

Alan Moore: And there's this perception that comprehensive financial planning or financial coaching for these less wealthy clients is somehow simpler. is not the case, at least from my experience. So can you talk about just sort of your process for working with clients and how you help address behavioral change, which can take quite a bit of time in order for those habits to set in?

Maggie Klokkenga: Yeah, so I work with my clients weekly. And the reason why I work with them weekly is because, typically, if they come to me and they say, "Maggie, I have no idea where my money is going," like this inflationary environment that we're in right now, the people, they're coming and just—if you've thought maybe in the past, we're not living paycheck to paycheck, we're not "those people", but we have savings maybe going to even to our 401k, but something might've happened where it's tripped in it.

And it might've just been the inflation. They're going, "I have no idea. What are we doing wrong? What's going wrong?" And they're blaming themselves. And so for me, it's really bringing awareness, like sharing things that I've learned with my clients to say, "Okay, you may not be aware of this. You may not be aware of this."

Maggie Klokkenga: So when I'm working with most of my clients, I have two different coaching packages, but most of my clients are just individuals and couples who are just looking to figure out, "Where's my money going? Maybe I'm open to knowing why it's been going that way," and so I always talk about emotions and money first.

Maggie Klokkenga: I didn't start off with doing that. And I had met with a few financial therapists, and they said, "Maggie, emotions. Money is emotional." It just is. And to not address it, or at least share some ways to reduce those emotions. These are just helpful tips for anybody. It doesn't have to—and I'll share that, like, it doesn't have to be about money.

Maggie Klokkenga: Like, I'm sharing some ways to reduce emotions. You can use it for any emotional state that—anything that you're in. But it's talking about that. It's talking about our future selves, which is a very hard concept for us to think about because that's not how we were ingrained.

Maggie Klokkenga: We are ingrained to consume. Like Brad Klontz will talk about, we were ingrained to consume and to share. And instead, we're being taught, keep it for ourselves and save it for our future. use the Klontz Money Script Inventory Assessment, which I love doing because again, it's just bringing that awareness to clients and saying, "Oh, I didn't realize that when I was a child, like I heard my parents say this to me, or they didn't say things to me about money."

Maggie Klokkenga: A lot of my clients will say, “I've never—they never taught, told me anything about money.” And so it was just really working with them and just sharing some pieces to the point where I was on my friend Colton Etherton's podcast. And he's like, "You don't talk about numbers until like halfway through your sessions," and I hadn't realized it until—and now I make a point of it when I'm talking to prospects, to say, I can help you because when people say, "Well, I need help with the budget," I'll say, "I can help you with the budget. But that's really putting a bandaid on the problem. It's where why, what's going on with the money that you're spending.

Maggie Klokkenga: And then do you want to make changes to that money to how you're spending it? And let's talk about how you can make those changes.” So recently I had a client, when they met with me and I told him, I'm like, "This is a great example."

So he had said, "We need a budget." And I said, "That's great." I explained to him, I don't—we will work on a budget together. But I'm not—that's not what I'm here for initially. And he said, “Oh,” he's like, "It's like you're a personal trainer, but instead of just giving us the plan to do the workout, you were telling us and explaining to us why we're doing the different exercises and how they are helping each of our muscles."

And I said, "That is a great analogy. Yes. I will keep using that. Thank you." Yeah.

Alan Moore: Yeah. I mean, again, behavioral change is tough. And I think it's Carl Richards says, "Show me your bank statements and where your money's going, and I'll tell you what your values are." But I do think—so often, clients just don't know where their money's going, and it's not necessarily aligned to their values.

Alan Moore: And I always found just exposing to a client where they are already spending their money without judgment. And it's not to say you should be spending less on restaurants or you should be spending more on this, whatever. Just to say here's where it's going. There's always shock. There was just like always the surprise and then this like, almost this immediate shift in spending when it was like, “I don't want to be spending that much money on this thing. That's not, that doesn't align,” which is just so cool to see that change.

Maggie Klokkenga: Yeah. Yeah. In fact, so when I do have them work on their numbers, I just have them out fill out a spreadsheet, like an Excel spreadsheet, last three months of their spending.

Maggie Klokkenga: And then, sometimes that doesn't always—like it's data, right? Like you said, I don't have to say anything. They asked, I might share my thoughts, but I don't have to say anything. They come up to their own decisions and conclusions. And then if, depending on… I'm showing it out right now.

Maggie Klokkenga: Hannah Moore has these budgeting blocks, and I've been a part of Hannah Moore's externship to talk about this because the budgeting blocks, it doesn't matter if you're visual, auditory, kinesthetic learner. When you're seeing these blocks, like I had a client who realized that they're spending as much on takeout as their mortgage.

Maggie Klokkenga: And they were like, “Oh!” and I didn't—and that's a choice. If they want to do that, that's absolutely fine. That is their choice. But if they came to me cause they were struggling. They had thousands of dollars of debt. And so it just, for them to see those numbers and then to see those blocks and the pile blocks and another pile of blocks, and they're about the same amount and exactly—they had the exact same decision.

Maggie Klokkenga: Like we're making a change. We are making a change. So that's one of the ways of helping to instill that behavior changes. To me, to be meeting weekly keeps that money mindset top of mind. So they're thinking more about it and hopefully and thinking about it more in a positive way.

Maggie Klokkenga: And I encourage them different ways to think about it in a more positive way. If they're working with a partner, how to be supportive of that partner because we all come to our relationships with our own thoughts. And beliefs about money. And we all think that our partners most likely will have the same thoughts and feelings. Then they don't. And that's when we get into trouble. So.

Alan Moore: Yeah, and usually, what our thoughts and feelings on money aren't right or wrong. They just are, and they can be different and neither one of them is right or wrong, and that can be—it really does make for a challenge of like it takes a lot of communication skills and tools to be able as a couple to work through some of those priorities.

Alan Moore: I mean, it's hard enough to do it just yourself, and just to be able to say this is my priority, to say, "Yes, I want to leave my kids as much money as possible. That's that's my mission," or it's like, “I don't care about leaving my kids money.” Like there's no right answer there. That's just—but if one wants to do it, one way wants to do the other. I appreciate you bringing up the budgeting block. So if you Google budgeting blocks Hannah Moore, you can go to amplifiedplanning.com. She sells these budgeting blocks. So for folks who couldn't see it, it's literally just plastic blocks, and there's 300 of them.

Maggie Klokkenga: Yeah, they're math cubes. Yeah, from elementary school. I told Hannah that was brilliant. I'm like, “Yeah, way to use the elementary school math cubes.”

Alan Moore: That's awesome. But yeah, there's 300 of them and little cards for different spending categories. And you can visually see where your money's going. We used to do this when I was in college. In our clinic, we would do this with just sort of monopoly money.

Alan Moore: And if you had a client and you said like, “Okay, here's what you make in a month. Allocate it to all your various categories.” They would usually get it allocated and they have like 30%, 40% left over and you're like, “Oh, so you're saving that.” And it's like, of course, they're not saving that. It's going somewhere. And just helping to really uncover that, that's huge. I also want to give a shout-out to the externship program since you brought it up. That's something Hannah started during COVID in order to help folks just really get introduced to what is real financial planning. So it runs every summer.

Be on the lookout for that because that is, if you're new to the profession, you're a student, you're a career changer, or you're just looking to know, like how are others doing financial planning? The externship is a wonderful program for that. That's one that XYPN sponsors is really proud to be part of.

Alan Moore: So wrapping up the conversation just around your service model, you said you meet with clients weekly. And when I went to your website, you sort of has the two packages, and one is an 8-meeting process, and the other is a 10-meeting process. That is way more time than most advisors spend with their clients.

Alan Moore: So can you talk about how... you said that the first half you're not even talking about numbers, but I guess kind of how you came to that structure and how you're finding that's working for you and your clients.

Maggie Klokkenga: Yeah, I wanted to meet with them weekly because most often when people come to me, they've been avoiding the money, right? They've been avoiding it, and they don't want to think about it, and it's a bit caught up with them in one way or another. And so it was that they're avoiding it. And also, I might give homework. And I met Derek Lawson in person at the XYPN conference. And he's like, "Well, don't use the word ‘homework’ because that has a negative connotation."

Maggie Klokkenga: So I'm trying really hard to say "to do's" "or tasks," but what I found is, just think about it. If there's something we don't want to do, you're not going to do it until the very end. So as I tell my prospects, I might as well meet with you weekly, because if you're not going to do it, at least we're in a shortened form.

Maggie Klokkenga: And you're thinking, I'm hoping that our meeting weekly, we're trying to create a new neural pathway so that you are thinking about money in a more positive light with less negative emotion. And because you're learning more about yourself, you're learning more about your spending. And now we're going to take steps to learn more about your actual numbers.

Maggie Klokkenga: So that's why I wanted to meet weekly and it was really through different visuals, different questions I wanted to ask. And like I said, I had not asked about emotions. I hadn't talked, shared about emotions at the beginning. It used to be six sessions. And I added the sharing, ways to reduce our emotions and our future selves.

Maggie Klokkenga: I added those to the beginning because I just felt that it was, again, something where we don't give ourselves the time to reflect on a number of these nonfinancial aspects, but yet they impact our finances so much. So that's really where it came up with the eight sessions. And I will say for those, If you're thinking—when you talk about like setting fees and figuring out fees, I will share this because I laugh about it now.

My CPA brain says to me—so nerdy. My CPA brain thought, "Oh, I will charge, think it was 1% of adjusted gross income for the fees with a maximum amount." And the reason I came up with that is because at the time that I launched, the child tax credit was like, the refundable credit was coming out and I thought, “Oh, everybody's going to know what their adjusted gross income is.”

Maggie Klokkenga: No, Maggie, nobody knows what their adjusted gross income is. Nobody knows. And it was actually my husband because—and literally, I didn't—for the first few months—crickets. Like I was doing the taxes, there was nothing going on. I was state-registered, nothing was happening. And my husband just said, "Why are you trying to build that way?

Maggie Klokkenga: Like, why are you, why is that your fees? Like, why don't you just do it per session?" And I thought, “Oh,” he said that's going to be a lot easier to understand. As soon as I changed it, then I started to get prospects, prospects turned into clients. Like it was just so, if you're thinking about changing your fee structure or you're not like—don't beat yourself up because it just was so like I thought, “Oh, of course, everybody's gonna know their AGI.” No, Maggie.

Alan Moore: It's a good reminder to always run things like that by a nonfinancial planner because I see that a lot where it's like, oh, my partner or my best friend or my adult kid was like, "Well, that's stupid," and it's like, yeah, there are some—there's some sort of industry—because if you talk to an advisor, you say you charge on income, they’re like, “Oh, that's pretty cool.” Like, that's a way to do it. You know, like.

Maggie Klokkenga: Yeah. Right. It's like that doesn't make any sense. And if anything now people will say, "Oh, you charge like a therapist." And that's when I say, "I do and I am not a financial therapist." So let me just—and I can absolutely refer out. I am not one. But yes, I do. I do charge like a therapist.

Alan Moore: Absolutely, because you charge per session. Are you collecting the fee upfront? I think your website said it was $150 a session. Is it just each time they come in over that 10-week period they're paying the 150?

Maggie Klokkenga: So the $150 is for my Women In Transition. That's for the 10 sessions. If it's my more common package for individuals and couples, it's $175 for individuals. It's $225 for couples.

Maggie And the only fee that I asked for initially is just one session and that I apply that to the last session together, and that's basically to get those eight Zoom calls on my calendar so that they've placed marks to them. Right. So other than that, I will tell people—oh, and through AdvicePay.

Maggie Klokkenga: Right. So I use AdvicePay. AdvicePay gives you the option of allowing credit cards. It also allows you ACH. And so when I'm speaking with prospects, I'll say, "Look, I will let you pay by credit card for the initial deposit, but that's the last time I'm going to be a part of your credit card debt," because it wouldn't behoove me to be a financial coach if I'm putting, if I'm adding to your debt, and they understand.

Maggie Klokkenga: And I will tell them I will—and I've always worked with every client. I do not—very rarely do I invoice weekly. I usually invoice every other week when someone's paid, if it's every month, like it just, I'm a very trusting person. I've been burned once. But apart from that, it's like I want to help them. I don't want them to feel like they can't work with me because they can't pay me every week.

Alan Moore: So one thing you mentioned earlier in the show was that you felt like prior firms just do sort of these one-off plans for free. And then there was really no follow-up. What are you seeing in terms of outcomes for your clients going through this process?

Alan Moore: It's really intensive. They're really committed. I'm just trying to think for myself what it would take for me to commit to a 10-week, 10 hours of work with an advisor. It's a big—it is a commitment to get time and money, but a lot of time. And so I guess, what are you seeing in terms of outcomes for these clients that I guess gives you a lift in terms of seeing that you're really helping them?

Maggie Klokkenga: Yeah. So some will come back and share with me I had a client—and again, this example is not going to be for a traditional financial planning firm. This client, I had her as part of her cashflow plan that I prepared. I said, “Okay, if you could save $40 per month. You save $40 per month, and that's—you're going to be starting working on your emergency fund.”

Maggie Klokkenga: And we were having to reset it up using a high-yield savings account. And she came back to me less than a month later. And she just said, "Maggie. I decided I was going to do $20 a week instead of $40 a month." And the reason why—there's research on this, that basically a smaller amount at a more frequently recurring timeframe, is easier to stomach than a larger amount one time.

Maggie Klokkenga: And so she said $20 because I can make the decision. "Every week, well, do I really want it to save the $20 or do I want to actually go spend it?" And she had set it up for automatically recurring, but she knew that she could have the choice because $20 to her wasn't that much and she let it go where she was recurring.

Maggie Klokkenga: It was saving and she was so excited because I think when she had emailed me, she had probably, maybe it had been a little like five or six weeks because she had $100 saved. And she was over the moon. Because she's like, “I've never had a hundred dollars saved. I've never been able to, when I see money in my bank account.”

Maggie Klokkenga: But the thing was the bank account was somewhere else, right? It was in the high-yield savings account. She hadn't even looked at it. And so she was just thrilled. And then I had on a totally different. I have another client who, we were talking through her numbers and kind of came to this, come to Jesus, where she probably would be better off if financially, if she could sell her house and downsize, and this was a home she loved.

Alan Moore: Yeah, that’s a tough conversation.

Maggie Klokkenga: She knew that it had some problems. That's a tough conversation and financial planners have this conversation, but as her coach, I just worked with her on one of the things I work with. I introduced like money script thought ladder. So it's thoughts that you can have about money scripts that may be serving you in your life that maybe you want out of your life.

Maggie Klokkenga: So she had written to me and she said, "I kept going through my thought ladder and the specific rung, and we downsized, Maggie. We did it." And they went from like an $800,000 house. So I think it was about $400,000/$450,000. And she said, “I feel so much better now.” And she just emailed me again recently to say, "Okay, next thing are the storage units. Like I'm getting rid of it."

Maggie Klokkenga: And it's the thing is it's a very intense amount of time for me to be working with somebody. And I do know that, and I'm always very appreciative, and I let them know I'm always their biggest cheerleader. And then it's making sure to set themselves up for success.

Maggie Klokkenga: Like I always tell them, I want to empower them. I don't want to enable them. So they—I want them to learn these steps so that they can work and go off on their own and be successful. And so to get that kind of feedback is obviously very heartwarming to me because it means, okay, it is working, even though it's a short amount of time that we may be working together.

Maggie Klokkenga: I do offer ongoing coaching if people want it. But typically, they usually, if they need a little bit, they might meet with me for a session or two, and it's just to kind of get them comfortable with just looking at paying attention to their numbers and figuring out, or it might be something simple like, “Hey, I just got a raise and this dollar amount’s coming in now, how should I be looking at allocating this money?” So it might be something like that, but it's been hearing their outcomes and knowing that they're taking the steps, they're changing their behavior is it's awesome.

Alan Moore: Yeah, those are the stories to record and kind of put in that, we have a “XYPN is the shit channel” in, it's like, and it really is where we put some of these stories because that's when a member complains or gets upset with us or whatever, like we can kind of fall back on, like, okay, yes, this person's upset. But like, but let's think about the good we're doing here. And advisor—I definitely recommend that advisors have the same. So I guess I have two final questions for you.

Alan Moore: One is just coming out of the pre-call. You mentioned that XYPN Live in Atlanta was your first XYPN live conference. And I hate to make this a self-promotion. It's never the goal here, but just wanted to hear your experience and I want listeners to hear your experience at the conference if they are on the fence about coming or trying to decide if it's the conference for them.

Maggie Klokkenga: No, and I will caveat and say to that to everybody listening. I said to Alan, please feel free to ask me about it because I've already had several people ask me about it. So I knew that I wanted to go to XYPN live because I wanted to network with advisors.

Maggie Klokkenga: I have a lot of financial advisors who refer me financial coaching clients because they realize they're not—these are people who are not yet ready to meet with them. And I wanted to go to meet those people who've already referred to me and also just meet more financial advisors and also XYPN advisors because they understand.

Maggie Klokkenga: They understand because they've—they're either about to launch their own firm or they've launched and they might have been around for a few years. So I am an extrovert. I've told people I can talk to a wall, and have a great conversation. And I literally was extroverted out by like the end of the second day at XYPN.

Maggie Klokkenga: It was so amazing with the number of people who I was able to meet with and just share ideas and just connect with. In addition to the sessions, like, the sessions were a bonus in my mind. It was really about just meeting up with all these fantastic advisors and having so many different ways of meeting up with them.

Maggie Klokkenga: Like whether it was a breakfast and then everybody's creating all these different groups. Like I went to an ice cream social. I mean, it was just so neat to connect with so many different people. I shared with you, Alan, that on LinkedIn, I wrote, I think, five posts and I met—I'd written down every single person that I met with and I connected with them on LinkedIn afterwards.

Maggie Klokkenga: It was like 80 people and there was probably, I think, 800 people who attended XYPN, like 623 advisors or something like that. And it was just, it was really great. I recommend it absolutely. So if you feel like you're on your own, you're on an island, you might even have your XYPN groups if you're a part of XYPN.

Maggie Klokkenga: And you might—I finally got to meet some of my people for the first time, like some of the different groups I was a part of for a launch group and then when I did the sales coaching. So I would absolutely recommend it because it just—you're with your people. Just plain as it is. You're with your people.

Alan Moore: Yeah, and we just went through an exercise. Thank you for sharing that XYPN Live is my favorite conference for obvious reasons. I'm more than a little biased, but it really is because it's where like I get my tank filled in being able to like see all these advisors who are doing such amazing work and so many of us couldn't or wouldn't have done the work that we're doing if there hadn't been this group of people out there who didn't think we were crazy. And that's what I love about it. But I say we did some work in the last couple of weeks to really define what is the purpose of XYPN Live.

Alan Moore: Our 10th XYPN Live will be next year in Minneapolis. And really, the goals, or the overarching goal, is to be the go-to conference for XYPN members. I know we're never going to get 100% of members there, but if members can only go to one conference, we want to be sure that it's the conference that it checks all the boxes in terms of content and community and networking and meeting with service providers and vendors that are going to help you run your business and it's sort of all the things.

Alan Moore: So, okay, with that, I can't believe that the hour has absolutely flown by. So I will jump to our final question. And that is if there's one piece of advice that you wish you could go back and give your younger self, what would that piece of advice be?

Maggie Klokkenga: It's so good because I asked my coaching clients to do the same homework. it would be honestly to just know that if you go and do something on your own, it can be very hard, but the rewards are unbelievable.

Alan Moore: Absolutely. It is a tough journey, but think most of us find it to be worth it in the end. So.

Maggie Klokkenga: Yeah. Yeah.

Alan Moore: Maggie , thank you so much for taking the time to come on the show and share your story of building a practice that really supports your great life and the life you and your husband have agreed to live with your kids. And it's just so awesome to see that come together. So thank you for taking the time.

Maggie Klokkenga: Thanks, Alan, for having me. It was great.