

# **HOW TO AVOID H.E.N.R.Y (HIGH EARNER NOT RICH YET) SYNDROME™**

**Financial Strategies to Own Your Future**

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Director, Drucker Wealth Builder

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*To my Jump school Commander...*

You said you could push me or I could jump out of the plane...you said jumping will make me a stronger man...Thank you for allowing me to jump!

*To my army brothers, commanders, and officers...*

In the hopes that you'll read this and realize that I'm a better Financial planner than I was a Soldier

*To the future Mrs. Drucker that I haven't met yet...*

My mom thinks we're going to meet "any day now"... so be ready

*To my late Poppy Sy and Poppy Bernie...*

You built a strong, loving family that's there for each other always...We are where we are because of you...I love you both.

*To my mom, dad, and Gabby...*

You three are not just my family but my three best friends in the world...I can think of nothing on Earth I'm more thankful for.

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# My Invitation: This Is Why We Plan

**Y**ou're excited. Motivated. And committed to building the future that you imagine. But you're also not quite sure how you're going to get there. Maybe you have student loans bulldozing half of your paycheck. Perhaps that first home you were aiming to buy at age thirty-five seems like it's only getting further away when it should be in your line of sight. Maybe you're pregnant and wondering how you and your partner are going to be able to afford college for your children in eighteen years. Perhaps that six-figure salary you were so excited to earn after so much hard work barely seems like enough to make a crack in your savings.

In other words, maybe, you are a H.E.N.R.Y.: a High Earner who's Not Rich Yet.

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If that six-figure salary you are finally earning after so much work barely seems like enough to make a crack in your savings, you could be a H.E.N.R.Y.; A High Earner who's Not Rich Yet.

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This book, and really my entire motivation to create the H.E.N.R.Y. Syndrome™ and build my business around the idea, can be traced back to the third day of my career and an innocuous comment by a new client named Steve.

During my first week at my family's wealth management firm, I was sitting in on a meeting with my dad, Lance, our firm's president and CEO; Kitty Richie, our director of wealth management; and two new clients, Steve and Jodi, who were in our office for the third time. As you can imagine, three days into "the business," I wasn't there so much for my wit and wisdom, but to learn our process (and to take notes, as my dad would want you to know). Steve and Jodi were a nice couple in their early sixties and only a few years away from retirement. They had done well for themselves, each earning a healthy six-figure income throughout their prime earning years. They'd sent all three of their children to college and lived an affluent but not ostentatious lifestyle, spending money without too much thought or stress over the years. That said, they were in our office for a plan delivery meeting (a financial checkup), because they didn't have any idea when they could comfortably retire, and what that

retirement would look like when they ultimately chose to step off the wheel.

My dad reviewed their cash flow, budget, and variable expenses, as well as their existing investments. He then analyzed their sources of income in retirement, and walked them through their written financial plan; a plan broken out into a number of different timelines that were dependent on their choices and the resultant realities that could play out in the coming twenty-five to thirty years.

As the meeting concluded, Steve and Jodi breathed a deep sigh of relief; they were going to be fine. Yes, they had to cut back their spending over the next five or so years, and, yes, realistically, they each had to work an extra two years to afford the retirement lifestyle they truly wanted, but all in all, they were on the right track. It was an intense, emotional, but ultimately cathartic two hours for our new clients to understand what the next phase of their lives would entail.

As Steve walked out, he mentioned that he was relieved to have a better sense of their financial situation, and while he was aware that there was work ahead of them, he and Jodi felt ready to get it done. Then, off the cuff, he chuckled the words that would come to epitomize my greatest motivation for the future: “If only I had met you and thought more about my financial goals thirty years ago—woo! Imagine where we would be!”

I spent the next six months sitting in on practically all of my dad’s meetings as a way of learning our business, and

I heard this exact lament dozens of times. Sometimes, it was casual and uttered with a reflective chuckle by someone who was ultimately going to be fine, like Steve, but a lot of times it was said with devastating realism, as these new clients were left pondering past choices and contemplating how vastly different their family's financial picture could have been.

"If only I had met you back then."

This became my rallying cry. I thought about my sister, my friends, my fraternity brothers, the guys I'd served with in my Israeli Paratroopers unit, and my extended universe of young professionals, and felt, *Not them. I will do everything I can to make sure that none of them ever has that doubt, pain, or guilt about starting too late. They will be prepared.*

And then I thought beyond my little universe. What if we could change that cycle of financial procrastination for the masses? What if Steve and Jodi didn't just find out if they were on the right track at sixty-three, but rather at thirty (and every year thereafter as their lives evolved)? What if we could have reached Steve and Jodi when they were at the bottom of their mountain, looking up at their vast journey ahead?

This is why I'm here.

Before we get started, try to imagine, if only for a moment, where you're going to be thirty years from now. What are you hoping to have achieved as you're sitting there at sixty years old, a few years away from retirement



(and reading the fifteenth edition of this book)? What will have been your greatest financial accomplishments? Was it buying that first dream house with a white picket fence and beautiful backyard that your kids got to run around in throughout their entire childhood? Did it mean paying for your son or daughter to attend the college of his or her dreams without having to deal with the burden of student loans, like you had to do? Were you able to help your own parents, who sacrificed so much for you

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to succeed, be able to retire with dignity? Or maybe it was just being able to comfortably afford that extravagant two-week vacation to Italy each summer with your partner?

This is what it's all about. This is why we plan. This is the fun stuff that motivates all of us. Your vision of the future is why you're working hard, making money, and building your career. Whether these goals are years away or decades away, I know one indisputable fact: the sooner you start thinking, planning, and making active decisions

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Your vision of the future is why you're working hard, making money, and building your career.

Whether these goals are years away or decades away, I know one indisputable fact: the sooner you start thinking, planning, and making active decisions in your financial life, the closer you will be to turning your vision into a reality.

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in your financial life, the closer you will be to turning your vision into a reality. If this book and the lessons contained within it help you to take that first step toward the future of your dreams, I will consider this venture both a worthwhile endeavor and an extraordinary success.

— Gideon Drucker, CFP®

# 1

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## My Journey and Yours

*"Money, if it does not bring you happiness, will at least help you be miserable in comfort."*

– Helen Gurley Brown

I grew up in a unique family. My dad and my grandfather were focused (although “obsessed” may be a more accurate word) not so much on money...but on the power of proper planning for one’s financial future. It was never about the things that money can buy (cars, homes, luxury vacations), but, rather, the peace of mind that comes from having a plan, sticking to the plan, and knowing that you and your loved ones will one day reap the benefits of that plan. As the founder of Drucker Wealth Management, my grandpa Bernie was obsessed with financial planning, which manifested itself not just in relation to my family, but through his work on behalf of the thousands of individuals and families over the years that he was fortunate enough to work with.

Growing up as a Drucker, I’ve lived with this planning mindset my whole life, and so, in many ways, this book feels like it’s three generations in the making. It’s the fulfillment of sixty years of commitment, sacrifice, and, ultimately, financial independence achieved by my hero (my dad) and his hero (his dad). I’m humbled beyond words that I get to share the timeless principles that have guided them both through the decades and that have inspired and motivated me to become a guide for our “next generation of clients”—those just starting out in their careers, with young families and new financial responsibilities.

So, who am I, and why should you be interested in what I have to say? Simply put, my whole world is about making

sure that our generation of so-called millennials—today's young professionals—has a better understanding of our financial situation and what it will take to reach our financial goals. It's my mission to make sure that we all have realistic plans to start saving money and building wealth toward the ultimate achievement of both our immediate and more distant goals. Truth be told, we certainly have our work cut out

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My mission is to make sure that our generation of so-called millennials—today's young professionals—has a better understanding of our financial situation and what it will take to reach our financial goals.

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for us. If all of the statistics we read every day are true, we're in pretty rough shape and have a challenging road ahead!

- Adjusted for inflation, the annual salary of a millennial today is an estimated 20 percent lower than the average salary for a baby boomer at the same age, according to a Smart Asset study that analyzed data from the Bureau of Labor Statistics for millennials who were ages sixteen to thirty-four in 2015.
- While millennials have benefited from a 67 percent rise in wages since 1970, according to research by Student Loan Hero, this increase hasn't kept up with inflating living costs: Rent, home prices, and college tuition have all increased faster than incomes in the US.

- Millennials are less wealthy than previous generations were at their age at any point between 1989 and 2007, according to *The Economist*, which cited a recent paper by the Brookings Institution. Median household wealth was roughly 25 percent lower for those ages twenty to thirty-five in 2016 than it was for the same age group in 2007.
- Meanwhile, a report by the Federal Reserve published in November found that millennials have much less money than Gen Xers and baby boomers had at their age: “Millennials are less well off than members of earlier generations when they were young, with lower earnings, fewer assets, and less wealth,” the study said.
- Millennials born in the 1980s are at the greatest risk of becoming a “lost generation” for wealth accumulation, according to a 2018 report by the Federal Reserve Bank of St. Louis. The report also found that as of 2016, people born in this decade had wealth levels 34 percent below where they would most likely have been if the financial crisis hadn’t occurred, the report found.<sup>1</sup>

These are some truly frightening numbers and a grim reality for way too many young people in America. I’m here to change that as best I can.

I’m in a unique position as the third-generation Drucker at my family’s wealth management firm. As I alluded to earlier, my grandpa started our firm way back in 1959, when he first began working with families and individuals

who were looking to become financially independent over the course of their lives.

Now, sixty years later, our firm has grown exponentially, our business is thriving, and my dad, Lance, as president and CEO, is running the show, as he has for the past thirty-five years. While our phone number hasn't changed since the mid-1980s, we've grown into one of the top wealth management firms in the country, with a dedicated twelve-person team behind us and wonderful clients beside us—clients we genuinely enjoy meeting with and who have done pretty well for themselves over the years.



*My grandpa when he started (what was then called)  
Drucker Financial on his own.*



Lance Drucker ChFC® & CLU®  
President & CEO



Kathleen "Kitty" Ritchie CFP®, RICP®, CFEI®  
Director of Wealth Management



Gideon Drucker CFP®  
Director - Wealth Builder Division



Nelly Arnes RICP®  
Director of Operations



Priya Larrado RICP®  
Financial Planning Manager



Margaret "Mickey" Maley  
Senior Client Services Manager



Bridget Farrington  
Director of Marketing



Giselle Arnes  
Client Services Manager



Beth Drucker  
Event Planner

*Sixty years later, our DWM Family has grown considerably.*

While I've been a part of this story for only a few years now, in many ways, it feels like I've been a part of Drucker Wealth since before I even knew exactly what we did.

## Growing Up a Drucker

My dad has always been my hero. His work ethic, passion for life, unwavering confidence, and singular commitment to our family made him basically Superman to me, even when I was too young to have put it in those words. So naturally, as a kid, I wanted to know *everything* about his business.



*(Fortunately) My dad and I don't dress alike as much in the office as we did when I was growing up.*

I grew up going to my dad's financial workshops all over New York City, listening to client stories at the family dinner



table, attending every client event and business conference I could, and badgering my dad about what we did and how we did it until he would explain every story, parable, and (to me) exciting detail. Throughout high school, university, and my military service, I was always reading, highlighting, and making notes in all of the financial planning books that had inspired my grandpa and dad throughout their careers—messages and timeless ideas that continue to guide us today. (Yup, I was way too intense and nerdy, even back then!)



*The Drucker clan circa 2006,  
with our beloved & much missed dog Madeline!*

While learning the ins and outs of what my dad did day-to-day was interesting, far more impactful was the openness about money, opportunity, and our family's finances that my sister, Gabby, and I experienced growing up under my parents' roof. They talked about *everything* with us. As a result, by the time we went off to college, we had a

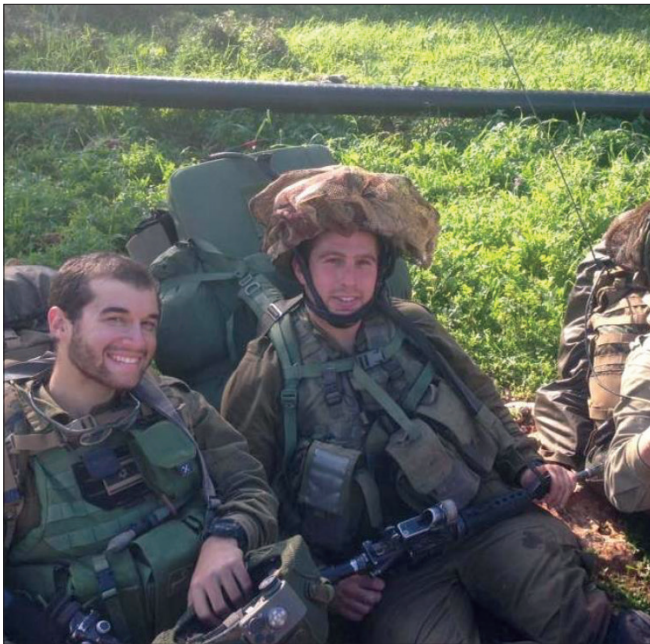
real appreciation for the value of a dollar, had established disciplined saving habits, had started our own business teaching tennis together (seeing firsthand the value of being self-employed and letting our money work for us), and had developed our own intense desire to become financially independent.

## **Jumping Out of Planes in Israel**

I took my talents to Lehigh University before deciding, in my senior year, to join the Israel Defense Forces upon graduation. Hold on! If you perked up or feel like I just started an entirely new story that doesn't totally track with what I've been building toward, you can only imagine how my mom felt the first time I told her I was considering joining the IDF! My motivation was simple: despite my not being religious, I've always grown up in a proud Jewish home, and I've always had a deep love and admiration for and connection with my brothers and sisters in Israel. Throughout my university years, I had done a lot of writing and public speaking on Israel's behalf, and I felt, at a certain point, that alone wasn't enough. To truly do my part, I had to walk the walk and defend Israel with my own sweat and blood. Most Israelis have to serve in the IDF, and I was committed to doing my part as well for the protection of my people.

Fast-forward two years and my time as a paratrooper in the IDF was the most challenging, both physically and mentally, of my life. Without question, however, it was

also the most rewarding and life affirming. My brothers and I spent weeks training in the desert, marching dozens of kilometers each night, eating little, and sleeping less. I remember marching for so long one night that my friend and squadmate, Itamar, actually fell asleep while walking with fifty pounds on his back. I had to hold his hand to make sure that he didn't fall over every time his eyes shut. These weeks in the field ingrained in us the sort of dedication, energy, and focus that might one day be required in those moments in which we were called upon to defend our citizens.



*During a particularly cold, wet,  
and difficult week training in the field.*



*You never get comfortable (at least I didn't!)  
jumping out of a perfectly good plane*

The army was a transformative experience for me on a personal level as well. When I began my service, I naively thought I knew what exhaustion, hard work, sacrifice, and commitment were. I was wrong. I also thought I liked tuna. After an entire week of eating nothing but canned tuna for breakfast, lunch, and dinner, I learned that I'd been wrong about that as well. Regardless, I came back to New York more mature, more thankful for my family and friends, and ready to continue along the path I had always been so eager to travel down.

## **My Role At Drucker Wealth Management**

Having been immersed in the family business growing up, I had always dreamed of one day joining the firm that my grandpa had started. My motivation always came back to one reality. My dad had grown his business by taking care of family and friends—helping them to achieve their financial goals and growing with them over time. I thought that was an incredible way to live...doing well by doing good. I still felt that way upon my return from the military, and so I officially made the decision that I had been preparing for almost since I could talk; I dove headfirst into our business. So, what does that mean exactly? What is my role?

Every day, I sit face-to-face with young people, ensuring that they are taking positive steps as they begin their financial journey. Any young professional who is:

- Focused on becoming financially successful,
- Willing to do what it takes to get there, and
- Open to committing to a savings plan, no matter how small...

...is someone I want in my world.

But here's the not-so-secret reality: not many financial advisors are eager to work with members of our generation. It makes sense when you think about it, as we don't have very much money to invest! Case in point, most of my clients are not walking into our next meeting with \$5 million available to create a financial plan! So naturally, for most

advisors, our generation is not worth the effort yet. But as a multigenerational firm, the Drucker Wealth team—and I, in particular—can afford to think differently.

This is not just a temporary job for me or a phase in my career; this is my life and my legacy (I promise, I get less corny throughout the book!). Simply put, I'm not going anywhere. Being part of a firm that spans three generations and that is established and credentialed, has been around for sixty years, and is committed to the next sixty years has given my young clients and me a rare opportunity to start working together when we're young and building our personal financial foundations. I'm in a position to think not just about what I can do for my clients next week or next month, but also how to best set them up so that we can be successful together five, ten, and twenty years from now. This is huge because as you'll see in each chapter that follows, the earlier we can get started on planning, saving, and building, the better shape we will be in down the road.

So what did diving into the business mean for me? Well, for one, I immediately started preparing to become a Certified Financial Planner, or CFP®, the most highly recognized designation in our industry. To become a Certified Financial Planner, I had to meet the board's rigorous educational requirements (passing six graduate-level courses in the process) before completing a comprehensive board exam. All that craziness is behind me, thankfully, as I earned my CFP® certification in 2018, and in only eleven months instead

of the normal two to three years. As my whole family can tell you, I can be an obsessive nerd about things (I'm going to try really hard not to go on a *Harry Potter* or *Game of Thrones* rant at any point throughout this book), and this was just one of those rare times when it actually worked in my favor. That said, part of my motivation to speed through the program was that I never wanted to be just another person out there calling myself a “financial advisor,” a label that practically anyone can attach to his or her name. I wanted *to actually be* a trusted advisor and expert to my growing clientele. It may sound corny, but when you're helping people plan their lives, it's no joke!



*Many late nights, early mornings,  
and weekends to attain this CFP® designation!*

Now, four years into my career, I am incredibly fortunate to be the managing director of Drucker Wealth Builder,

our division specially designed to help H.E.N.R.Y.s, so that together we can start planning for our generation's future. Our whole mission is to help our young clients transition from their current standing as H.E.N.R.Y.s toward their rightful place as empowered adults on the path to financial success (sorry, despite my best efforts, there wasn't an acronym that fit there!).

## **What Exactly Is a H.E.N.R.Y.?**

I want to spend a moment here reflecting on what a H.E.N.R.Y. is because it's an idea that has resonated so feverishly with all of the young professionals to whom I'm introduced (and it's the title of the book, after all) that It's actually given many of them a new and optimistic perspective as they prepare themselves for the financial choices and challenges that await them.

A H.E.N.R.Y. is a young professional making a healthy salary and living what kids today would call their "best life." If you're a H.E.N.R.Y., you may be able to eat out, travel a few times a year, go to the gym and workout classes of your choosing, and attend events and concerts more or less with no worries, but you're still living with one or two roommates. You don't think twice about buying drinks at the bar (being four drinks in already doesn't hurt), but you're still not saving enough into your 401(k) or your savings account. Simply put, you're in good shape right now earning a great salary, and, even without thinking about your finances,



you'll actually continue being OK for a while as you make and spend money each month.

At the same time, you're not actually planning, saving, or building in a way that allows you to even think about buying that first home, starting a family, changing careers, or doing any of the other exciting things you have in mind for your future. A H.E.N.R.Y. with no plans on graduating from that title is simply living day to day, without making the sort of active decisions in their financial life that are going to change their financial situation in any substantial way. In other words, A H.E.N.R.Y. is basically running in place. That's OK though. The beauty in being a H.E.N.R.Y. is that we're not rich...yet.



*This definition of a H.E.N.R.Y. is actually a question I actually get asked all the time...*

So you might be asking at this point, well, “How much money do I need to make to be a H.E.N.R.Y.?” Or, “Is there a maximum net worth I can have and still be considered a H.E.N.R.Y.?” My answer is always the same: it’s not about the numbers. I work with H.E.N.R.Y.’s who make \$100,00 annually and those who make a few million. Being a H.E.N.R.Y. is not about having a particular income or a specific numerical net worth, but rather, that feeling in your gut that you could be doing MORE; you could be planning and preparing with more purpose if only you knew what that entailed.

Part of why I created this concept of fighting H.E.N.R.Y. Syndrome™ is because it’s a descriptor that you can’t necessarily define, but if it describes your situation, it hits you like a ton of bricks! I do a lot of speaking to young professional groups around New York City and every so often, I’ll describe (in excruciating detail) what being a H.E.N.R.Y. “feels” like and someone will scream out, “OMG that’s me!!!” And they blurt it out almost accidentally or instinctually because they’re so caught up in the moment, amazed at how perfectly this H.E.N.R.Y. idea describes their life and their feelings about money.

Anecdotally, this realization is the best thing that could happen to their financial future. It can become a catalyst for change. When people intuitively sense that this “syndrome” defines how they’ve been living, two things happen. One, you know that there must be steps out there that you can take to “cure” the syndrome (in a manner of speaking) and

find yourself in a better financial situation. Taking that first step and becoming more educated and empowered with regards to your financial situation is always a good thing; knowledge is power. Equally as important, it removes that guilt or embarrassment of not having gotten started down the financial planning path already! It allows you to realize that you're not alone: there are millions of H.E.N.R.Y.'s out there that share those same financial anxieties that you do and, most crucially, it's not too late to get started!

At DWM, we trademarked the term H.E.N.R.Y. Syndrome and built an entire division of our firm around the idea precisely because there is still time for most young professionals to get there. Our Wealth Builder division, and my focus, is about bridging that gap and starting young professionals on that path toward the ultimate achievement of their financial goals.

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Our Wealth Builder division, and my focus, is about bridging that gap and starting young professionals on that path toward the ultimate achievement of their financial goals.

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## **My Goal for This Book**

So why did I write a book? And why now?

As I embark on planning for my own financial future as well as planning the futures of my clients who are similar in age as me, I wanted to build and organize my ark of lessons

and stories that might help all of us better navigate the financial choices we make and the crossroads where we'll often find ourselves as we get older. I want to offer real strategies to make our financial decisions more manageable. As to why I'm sharing this now, so early in my career, is the simple reality that these ideas aren't just relevant for my clients but for myself as well...I'm twenty-eight years old at the time of writing this book! I understand the challenges, dilemmas, and yes, opportunities, in starting to plan for your future because I'm living and breathing everything that I'm writing. This is as much my journey as it is yours. As such, this is my first collection of these thoughts, but as I move further down life's winding road, I'm certain they won't be the last!

Everything you'll read in this book will be in plain English—no fancy acronyms, confusing jargon, or secret codes here. This isn't about rating this-or-that fund's standard deviation or best practices while using the Monte Carlo simulation. In fact, I think I almost blacked out while writing that sentence; suffice it to say I have zero interest in trying to write (or even read) paragraphs on those aspects of finance. This is also definitely not a book that will advise you which stock to pick or which way the market will move next Tuesday at three o'clock in the afternoon, because I have no idea, and really, nobody else does either (as we'll see in a later chapter).

These pages are devoted to big-picture ideas, lessons, and relevant anecdotes about personal money management,

financial goal planning, retirement planning, investment management, and protection planning. I've crafted these ideas through my evolving experiences as a financial advisor and public speaker to the young professional world, and I promise you only one thing: each story and idea will make you think about what you're doing in your own financial life!