

## 29: Negotiation & Money with Dr. Linda Street



### Full Episode Transcript

With Your Host

**Bonnie Koo, MD**

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Welcome to The Wealthy Mom MD Podcast, a podcast for women physicians who want to learn how to live a wealthy life. In this podcast you will learn how to make money work for you, how you can have more of it and learn the tools to empower you to live a life on purpose. Get ready to up-level your money and your life. I'm your host, Dr. Bonnie Koo.

Hello, everyone. Welcome back. Today, I have a special guest on the show. I have Dr. Linda Street. Not only is she an amazing woman physician, but she's also a coach.

We both trained at the Life Coach School. And her superpower is to help women physicians negotiate; negotiate for higher salaries, higher sign-on bonuses, and also other intangibles that can really sweeten the deal when it comes to your job, whether it's a new job or whether you're renegotiating your contract.

So, I'm so happy she's on the show to talk all about negotiation because it's definitely something I think a lot of us shy away from. And of course, as you may have guessed, negotiation is really all about mindset. Because how many of us are thinking happy things or super-excited for our next negotiation?

Many of us would rather just go in a closet and close the door and turn the lights off. At least that's how I feel. And so, mindset and coaching is so important when it comes to getting your mindset straight so that you can negotiate for yourself. So, listen on.

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Bonnie: Awesome, so Linda Street, welcome to the show.

Linda: Thank you for having me. I'm excited to be here today.

Bonnie: So, for those of my listeners who don't know you, Linda, could you introduce yourself a little bit?

Linda: Yes, happy to. So, I am an MFM, or maternal fetal medicine specialist by day. And I stumbled into, almost, negotiation coaching when I

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was actually negotiating my own contract in my last job. So, at the time, I was in a life coaching program that didn't have anything to do with negotiation. And when I had all sorts of brain drama about the upcoming negotiation I had and who I was negotiating with, I brought it with me to that course.

And the mindset shifts I achieved from life coaching towards that negotiation really led me to substantial progress. So, I actually was able to negotiate a \$65,000 raise in academics...

Bonnie: That's amazing. Does that even happen in academics?

Linda: It did once. I don't know if it's ever happened again or will. But I was able to negotiate that in academics simply because I shifted my mindset. That was the only thing that changed.

Bonnie: That is amazing. I mean, \$65,000, because I feel like we're told – my first job out of residency was in academics and I didn't even negotiate. I didn't even realize that's something I could do. So, I'm so happy you're on the show. I'm wondering, do you have any data on what percentage of women negotiate at all?

Linda: So, it varies a lot. My experience in talking with women physicians and dealing with our audience, people like us, is that a fair amount of them, when they come to me, did not negotiate last time. And so, I would say probably around half. And really, of the half or so that are negotiating, a lot of them are doing it really sub-optimally.

And what I mean by that is they'll say, "Okay they're offering me, say, 225. Let me ask for 230," because it feels like they're getting a little something and they feel good about it because the employer's like, "Oh sure," because \$5000, no big deal for them. And so, they walk off feeling like they negotiated well until two years down the road when they find out their male partner is making 250. Or they find out some piece of information that leads them to feel like, "Oh, maybe that wasn't quite as much of a give as I thought it was at the time."

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Bonnie: Yeah, I'm curious, what's the range of money that you've been able to get for your clients?

Linda: Right, so I've actually had some clients, unfortunately, that the raise wasn't there at all, typically were able to get something non-financial at least. And we'll talk about that a little bit too because there are straight dollar raises and straight dollar changes in a contract. And there are also a lot of other things that are non-financial that can make your experience of your job a lot better, but not necessarily change that bank account number.

So, it varies from zero, I would say, on the infrequent end, to the most I've gotten somebody was \$50,000 on the salary and they also got a substantial sign-on bonus that was about 10% of their annual pay.

Bonnie: Wow, that's big bucks. I mean, it's not chump change. I wonder if I could negotiate. Although, I was told that everyone gets hired the same salary. And when I did speak to my colleagues, because as you know, I've always asked people what they make, and they all made the same. So, I felt pretty good about that. But I guess I wonder if it was still up for negotiation or not.

Linda: Right, and even if it wasn't, there may have been something else that would have improved your experience that you could have gotten thrown in there, as I call it, a pot-sweetener. But something to make it a little better that isn't financial.

Bonnie: Yeah, so let's talk about some of those examples.

Linda: Right, so the number one is time. As you and I both know, time is the one commodity that we're all limited to. And you can't buy time. You can in some ways, but everybody has a finite amount. And so, one way you can negotiate is asking to be a lower FTE, or lower fulltime equivalent.

So, for example, in my most recent job negotiation, they offered a salary that was below where I would have wanted it to be. And my first approach was actually not to ask for a different amount, but to ask for the same amount for four days a week.

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Bonnie: Wow, and did they go for that?

Linda: Not quite, but almost. So, they came very close to that number on a four-day week schedule. Because for me, my time was more important than having that little bit of extra money. And so, I think one thing that you can negotiate for that isn't actual salary is to cut back your FTE. Or, in an academic setting, to have increased administrative time, or unscheduled non-clinical time. And that can certainly be advantageous.

There are other things as well. So, as you and I both know, our parental leave benefits in this country are, oftentimes, not ideal. And so, you can negotiate for a paid maternity leave. I had a previous client very successfully get maternity leave that was paid for 12 weeks placed into her contract. So now, when she goes on maternity leave, she doesn't have to worry about, "Okay, do I need to apply for short-term disability? Do I need to all these things?" She just knows it's covered.

Bonnie: That's pretty amazing. That's almost unheard of, I would say, right, for physicians?

Linda: Right. But how many people are asking?

Bonnie: That's true. If you don't ask, you can't get it.

Linda: True. And so, those are bigger ones. Certainly, there are other things, like a parking spot. I know certain institutions, there are better and worse parking spots. It can be as small as that. Or an office near your clinic so that if you are working on projects in between patients, you can scoot over there for a half an hour when you have a no-show. There are so many things and the sky is really the limit.

Bonnie: Yeah, I'm also wondering about things like your CME budget, CME time, paid time off, et cetera.

Linda: Right. And those things vary from institution to institution as to which ones they're pretty hard on, "No we don't move on this," to which ones they

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are happy to move on. But you can't really figure out what your employer is willing to live on until you start asking.

Bonnie: Very true. So, let's move onto how to find out what you should be paid in terms of, obviously, specialty, academics versus private. I know everyone talks about MGMA. What are your thoughts on that?

Linda: Right, so really what you're asking about is how to find out your market value. What is somebody willing to pay? Ultimately, your value is whatever somebody is willing to pay for what you provide. And you can certainly do some things to move that equation.

And what I mean by that is, when you're doing your negotiation, you can really point out your value in a way that makes it so they don't just want another dermatologist, they don't just want another OBGYN. They want you because of the specific things you can offer. And when you can shift their perspective to the fact that they need you instead of someone of your specialty, you can often move that value mark because now, all of a sudden, they don't want to lose you and may be willing to pay a little higher market rate.

But in general, for a jumping off point, MGMA is a nice starting point to get an idea of what different people in your area of the country make doing your same field. But it's a wide range. Even within a specialty, there's a wide range between the 10<sup>th</sup> percentile and the 90<sup>th</sup> percentile; oftentimes six figures.

I think very few specialties actually have less than a six-figure difference between the 10<sup>th</sup> percentile and the 90<sup>th</sup>. It's typically several six-figures. So, that's a lot of variability and your job, as the person negotiating, is to try to be as high as you can on that scale. Most employers aren't going to go over the 90<sup>th</sup> percentile because of Stark laws.

So, there are governmental laws to really prevent kickbacks and things like that. And so, most places, as an employer, are not going to go above the

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90<sup>th</sup> percentile. But certainly, there's a wide range below that 90<sup>th</sup> percentile where you could fall.

Bonnie: Definitely true. I mean, even in dermatology there is such a huge range of what a general derm will make and I've experienced that range myself, between academics and private. One thing I really liked, that you said about showing them your value as an individual versus, "I'm just another doctor," and so that reminded me of one thing I learned, probably from Brooke Castillo, that you really want to understand what your employer values.

So, obviously they need a dermatologist. But then, what else would they value in you. And that's something I think that's worth finding out. I guess the question is – and I don't know if you have any suggestions, Linda, is how do you find out what they value besides being a good doctor, blah, blah, blah?

Linda: Right, so if it's a renegotiation, you should have a good feel for this because you've lived in that environment. So, if they're building a new hospital on the outskirts of town, they may be looking for somebody willing to go out there. Outreach is a sexy topic in medicine these days. So, a lot of times, if you're willing to staff an outreach clinic, that may be advantageous to them.

Building programs, like if they're putting a lot of money towards a new women and children's tower or a cancer center or even a tinier program within a larger area, if you fit into that and you have some skillsets that help to build that program, show them that.

So, for example, if they're building a new program for – and what I do, fetal diagnostics is a big thing, fetal procedures and fetal surgeries. So, if they're building a fetal surgery program and you're somebody with some of those skillsets, point that out. Point out how you could help build the program.

If you're somebody who has a background in research and you're going to an academic center, highlight that because that's something that can move

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their program forward. So, you want to highlight traits you have that line up with their mission.

Bonnie: That's such a good point. Because I feel like sometimes we forget that we bring other skills to the table besides our doctor skills et cetera. Because so many physicians these days, at least those who work for larger systems, it seems like there's a lot of room for leadership roles and other non-clinical roles that can sort of help your salary and also give you less clinical time, if that's something you want.

Linda: Right, and certainly within that framework, you've shifted leverage now because leverage is really an equation and a balance between what you have to lose if this doesn't work and what they have to lose if they don't get you and if you can modify what their perceived loss is if they don't get you or if you don't sign this contract, then you can add this subconscious pressure to make the contract worth you signing. And that can help them to increase what they're willing to offer.

Bonnie: So, it sounds like renegotiating is also useful. See, this is something I would not have thought as well. Because my first job, I was there for, I can't remember, it was about two years or so. So, I wasn't there super-long. And so, what does that mean, renegotiation? When do you actually do that? Is it just the end of a contract term? Is it once a year? What do you say about that?

Linda: Right, so it varies from place to place, but I would say typically it's a few months before your contract expires is a great time to start having these conversations and to start thinking about what are the parts of your job that don't bring you joy? What are the parts of your job that really just grate on you? And how can you fix those things?

Like, what would you like your job to look like? What would you like your salary to look like? And really start thinking about what you want. Because you can't ask effectively for something until you really know what you want and why. And we see that in everything. If you don't have a strong why,

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you're less likely to wade through the discomfort of doing what you have to do to get there.

And so, the first step is really figuring out what you want changed, what you like, what you don't like. And then from there, really looking at where you work, what they value, and how you can present what you need in the framework of how it benefits them. And I think that's one of the more common things people make mistakes with in a negotiation, is ignoring the mindset of the other party. Because it's not just you in this dance. The negotiation is simply a conversation with the goal of making an agreement. And there are two people in that conversation; you and the person who's negotiating with you that's representing your employer.

Bonnie: That's such a good point. So, tell me a bit how you help women physicians. I don't know if you work with other professions as well or you focus on physicians?

Linda: I focus primarily on women physicians. Certainly, these skillsets are kind of meta skills that you can extrapolate to really any field. But what I do best is female physicians because those are my people. And really, we just walk through the process. So, we look at, okay, in a very clear stepwise fashion, where's my brain? What is my mindset? What are the hang-ups I have about the thought of negotiating?

Because that's step one, getting to the negotiating table. If you can't get to the table, you're not going to make any progress. So, the first thing you have to do is really clear up all the thoughts you have about a negotiation and...

Bonnie: You mean drama?

Linda: All the drama, right. Because we hear the word negotiation, and I have yet to ask somebody what they feel when they hear that word and hear something positive. Typically, when I ask a client, "Okay, so we're working together. When I say the word negotiation, what do you think?" Nobody ever says, "This is going to be so much fun."

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Bonnie: Everyone's scared and they don't want to do it, right?

Linda: Exactly, it's like cleaning out your closet. Nobody wants to do it because it seems like something they're not good at. And as female physicians, I mean, as a doctor, you've gone through all this training and you've gotten very good at what you do. So, doing something you're not good at doesn't feel good.

Bonnie: Absolutely. Because to me, it seems like a confrontation, which clearly it really isn't, but that's my first thought too.

Linda: It triggers all that natural fight or flight response of the tiger is going to eat me, run like heck. And so, the first step is digging through all that. Because if you can't get to the table, you're never going to make an agreement. You're never going to get anything advantageous for you. You're going to be resigned. You're going to be scared about the discomfort and you're just going to sign whatever they hand you, which is typically in their best interest but not always in yours.

Bonnie: Yeah.

Linda: So, once you've gotten through that, the next step is really clearly delineating what you want.

Bonnie: Yeah, just like you said, that just totally makes sense. It almost seems like what you're saying is so obvious, but it's not because people don't do it.

Linda: Right, it's simple but not easy.

Bonnie: Yeah, it's like, "Well duh, you need to look at..." just evaluating your job in the context of, like, "Okay, what do I love about it? What do I hate about it? What parts would make my life so much easier?" And just even saying that out loud, I'm realizing that a lot of this might not even have to even do with money, right?

Linda: Right. Typically, the financial wins my clients get are wonderful. But the wins that really just floor people are things like time. Time, I would say,

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is the number one thing that people negotiate for that getting it just feels like you hit the lottery.

Bonnie: Yeah, I totally can see that. So, where can people find you and learn more about you?

Linda: Right. So, I'm at [www.simplystreetmd.com](http://www.simplystreetmd.com) and I'm also in a Facebook group. I have a Facebook group called NegotiatHER and we focus on a lot of female physician contract negotiation questions and queries in there. and really, it's not that hard. The first step is just doing it.

So, if you've been considering negotiating, if you're not sure if you should, reach out because certainly, you're either experiencing the discomfort of being undervalued or you're feeling the discomfort of stepping over this hurdle of learning how to negotiate. And I promise that the discomfort of learning how to negotiate is a lot shorter than the discomfort of being undervalued in your job when you show up every single day.

Bonnie: That's such a good analogy. And Dr. Street offers a program. Can you say more about the program that you're offering and how people can work with you?

Linda: Yes, so by the time this podcast goes out, we will have launched our Do It Yourself Negotiation Toolkit. And the reason for this I basically I understand that not everybody is quite ready to work with a coach. So, a lot of people want to learn something first and then kind of move on from there. Plus, we all have busy lives, and on demand is kind of where it's at.

So, this is a virtual course where basically, in 60 to 90 minutes, you go from not knowing what you should negotiate for to having a laid-out plan to approach your negotiation. So, my goal is, at the end of 60 to 90 minutes, depending on how long it takes you to figure out certain steps, that you'll have a plan to walk into your next negotiation with to lead you to being able to successfully negotiate whatever it is that would make your job better.

Bonnie: So awesome. Such a great resource. I think so many women physicians will benefit from this program, and obviously from your free

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Facebook group. Because again, as you know, people just don't do this. They don't even know what to ask for. No one teaches this during medical school. I think that's slowly changing, but it is definitely a skillset that's needed. Not even just for jobs, but just learning how to negotiate in other areas of our lives too.

Linda: Right, because the skillset is transplantable really to any type of difficult conversation. It's basically just conversational skills where two parties may not have the same interests.

Bonnie: Yeah, well thanks so much for being here.

Linda: Yes, thank you so much for having me.

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