

EPISODE 1315

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FT: So Money is brought to you by CNET, the site that shows how to navigate change all around us. So Money episode 1315, Bonnie Koo, the author of *Defining Wealth for Women*.

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[INTRO]

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FT: Pursuing a career in medicine can be prestigious, but is it worth it, especially if you're taking on six figures in debt? Welcome to So Money, everybody. I'm Farnoosh Torabi. Our guest is Bonnie Koo. She was previously on the show a few years ago, talking about her personal experience attending medical school, taking on \$200,000 worth of student loan debt, as well as tens of thousands of dollars in credit card debt. She became a dermatologist, but through that had to learn how to manage her own money, invest, and pay down all her loans. She's since taken control of her financial life, and she's helping other professional women and doctors master their money.

She blogs at missbonniemd.com, and she has a new book out. It's called *Defining Wealth for Women: Peace, Purpose, and Plenty of Cash*. In the book, Bonnie tackles our mindset around money, particularly the female mindset, showing us why everything we've learned about money is probably wrong. If you're thinking of going to medical school, Bonnie offers some pretty candid advice, and she offers some forecasts about the future of health care and the medical profession. A lot of people calling the system broken, how can we fix it? Is it fixable? Here's Bonnie Koo.

[INTERVIEW]

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FT: Bonnie Koo, welcome back to So Money. It's been a minute. It's been four years, in fact. A lot has happened. You have a book. I want to get into it. But, first, welcome to the show. How are you been?

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BK: Thanks so much for having me. It's so fun to be here after some time has passed.

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FT: Catch me up. I mean, you are living in Hawaii. You moved back to New Jersey. Personal life, give me the TLDR.

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BK: Yeah. I mean, last time we chatted, I was a full-time dermatologist. Fast forward four years, and I've moved around. I got to live in Hawaii during our winter, which is amazing. I highly recommend it. Coming back and experiencing two winters since that has been interesting. I actually stopped seeing patients.

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FT: Let's get into it. Last time you were here, you talked about your journey of going from someone with six figures' worth of debt largely from medical school to now becoming a go-to financial expert primarily for female physicians, which is such an underserved market. As you know, I have often sometimes listeners who write in and men and women who are doctors or anybody who went through an academic path that whether it was graduate school, getting a PhD, business school, where they're saddled with all this debt with the promise of they're going

to someday make a lot more money, but the road is not always so paven and clear. Now, as you mentioned, you've given up seeing patients. How are you making do?

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BK: Yeah, and it's funny. People always ask me about why I decided to stop seeing patients. I know of quite a few physicians who are trying to leave medicine, but that was actually not my primary goal. I was working on my financial coaching business, and it was going well. But I always envisioned like I was going to do a little bit of both because the great thing about medicine is like you can really carve out whatever you want to do. A lot of physicians work part time, and so that was going to be my plan. But then as the pandemic happened, the pandemic literally happened right when I was starting to look for part-time opportunities in the tri-state area. So, as you know, everything shut down, including different dermatology offices because we're not essential initially, right?

Now, everything's back up and running. But honestly, what happened was I was like, "Should I get a job?" This was before the vaccine, and it just feels like if I don't have to put myself in harm's way because I have a young son who's not vaccine eligible. My partner is like, "I don't have to like purposely expose myself to COVID." This is when like we didn't know anything about it, and we all thought it was doom and gloom. I'm really grateful that I was in a position where I didn't have to work for money. It didn't mean that my business was totally solvent, but I was making money with this. I was becoming more confident in my ability to create money with it. I basically decided to take a chance like why not? If it didn't work out, I could always go back to being a physician, right?

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FT: This is your third professional act. I read – You talked about how you first worked in finance. For Morgan Stanley, so not personal finance but more like Wall Street. Then you went to medical school, became a dermatologist, but through that learned that there was this underserved market of physicians, mainly women physicians. There was no discussion around how to manage money. You actually overheard a conversation of some male peers talking about investing, and that's what started your journey. I'm hearing from you that maybe one of the ways

to make the most out of a degree, in particular a medical degree that is, we think of it as like one path, like going and working for a hospital or starting working at a university.

But the entrepreneurial blend I think is something that we don't talk about enough, like how to actually take your degree and not feel like you're confined to the healthcare system, which I hear from a lot of nurses and doctors is just flat out broken. Would you say that's something that you want to start teaching your audience more about, or that's where a lot of the conversation is about?

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BK: Totally. I think a lot of the burnout that I think is now making the big news because doctors were already burned out, and then COVID just accelerated that, is that I think when a physician or anyone in healthcare thinks the only way they can use that knowledge or degree to like see patients, work for a hospital, start their own practice. So obviously, if you're a practice owner, you're already an entrepreneur because you're a business owner. But I always tell my clients like our knowledge is so valuable, and there's so many ways to use it. As an entrepreneur, I'm like, I just see so many ways people can use their degrees, right? So we already have examples because I know you have kids. Have you heard of The Car Seat Lady?

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FT: I have not.

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BK: Okay. She's has a famous website to help everything with car seats, you know?

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FT: Oh, okay. Yeah.

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BK: She's a pediatrician, right?

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FT: I wish I had known about her. Car seats are – It's like – People don't talk about this. As far as parenting, it's like how many hours in your life do you dedicate to like installing car seats? It's too much. We were on a trip in Florida –

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BK: Yeah, figuring out which one to get, which one's safe. Then it's not like it's one car seat for – You have to like keep changing it.

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FT: Traveling with a car seat, it's like – One time, we were at like a car rental agency that came – The car came with a seat, but we had to install it. It took like two and a half hours. It's like the blind meeting the blind.

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BK: She has videos. That's an example of a pediatrician who took her knowledge, saw a need, and created this. I don't think she was consciously – I don't know her whole story. But now, she has this business where she helps people with their car seats.

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FT: Let's talk about your book. Been years in the making, *Defining Wealth for Women: Peace, Purpose, and Plenty of Cash*. You dedicate this, again, to many of your female audience members, community members who are physicians or thinking about becoming doctors. So I want to give you the floor to talk about how it really does stand out from the crowd of personal finance books, particularly for women.

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BK: Yeah. Obviously, I haven't read all the books dedicated to women. But one thing I think that it's really important for women to understand, and this is even before you get to like, "How do I invest? Or what should I do," is like we have to like take a step back and realize there is like literally millennia of brainwashing that women have undergone. What I mean by that is all the socialization due to patriarchy and laws. For example, I'm sure you know this. It wasn't until 1974 in the US that we couldn't open a line of credit without a man's signature. That's not that long ago.

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FT: Correct, right.

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BK: Our ability to own property and have separate economies, like that happened in the 1900s. Before that, like we just weren't considered –

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FT: We were property.

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BK: Technically, what's the word, competent enough to even do that, right? We were like a man's property. I say that – Even though like we're not consciously thinking about that because we didn't grow up in that era, but the remnants of that like percolate in what we think we're allowed to do or not to. So what my book talks about is it kind of like brings up to the surface, and it explains why so many women have underlying beliefs like, "Oh, I'm not good with money," or, "I'm not allowed to be rich. I shouldn't be rich," and all this like shame and guilt. I give them the origins of those beliefs. They think it's dumb. I mean, it is because it's inside your head, but

it's not like an accident that so many women have these similar like limiting money beliefs. So we have to address that.

I think also I really give them permission to have some compassion for themselves. Like it's not their fault that they have all these negative feelings around money and especially if you grew up in a religious household or any sort of cultural – I'm Korean American and I grew up in a Christian – I almost have like a double whammy like, “You got to work hard for money,” right? Like, “You shouldn't want to buy fancy things because that's not like becoming,” or things like that.

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FT: It's not virtuous. Yeah. Interesting too because your audience, these women who went and became doctors, which in and of itself is such an accomplishment, a male-driven industry, and yet they have and harbor these financial mind blocks. Can you talk about that disparity there? Because on the one hand, they're very, I would say, progressive and have this can do attitude when it comes to their careers. But when it comes to money, it's not the same. What do you think is going on there?

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BK: Yeah. Well, I think this is applicable to any sort of what I say type A high-achieving woman, so doctors, lawyers, anyone in corporate. I think what happens is, yeah, we're successful on the outside. We're making good money, multiple six figures, maybe even more. But then inside, I think we all thought like once we were making the money, we would feel fine about money, or everything would fall into place. Here we are making all this money, maybe living and having all the things we always dreamed of. But we're like, “But it doesn't seem like enough.” Then what happens is you have all this money, and then you're like so afraid of losing it.

Everyone obviously handles their money differently. I have a subset of clients who are like so afraid of losing what they have, and so they're really scared of investing. But I think it's also this shame like, “I'm so smart. I'm so successful.” But here's this area where like, “I don't have my stuff together,” and this is money. This could also be like weight as well, right?

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FT: So step one is taking a giant step back and realizing what might be driving the false narratives circling in your head. How do you actually reconcile with that though? That sometimes can require therapy. What is the exercise?

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BK: Yeah. So this is actually one of the reasons I became a certified life coach during my financial coaching journey. I got certified with the Life Coach School, and so what that means is I'm actually trained to help my clients examine their thoughts. But the first step is always awareness, right? Because a lot of times we have this subconscious program we're not even aware of. But when my clients enter my world or read their book, I have exercises where they are able to like journal out their thoughts about money because most of us aren't going around thinking, "Yeah, I think you only have to work hard for money." We're not like walking around thinking them.

But a lot of the way we live our worlds and the actions we take is based on this subconscious programming that we basically internalized from our parents and society growing up. Now that we're adults, most of us just haven't questioned these assumptions. So the first step is just them becoming aware like, "What am I actually believing about money?" That's always the first step. A lot of them are like shocked. Then sometimes, they're really I wouldn't say upset, but they're just surprised at what they're believing. Then because they've believed it for so long, they think it's true.

So it can be jarring when I just – I don't even tell them, "No, it's not this. It's that," because it's not my job to tell them what's real. But I just question it, right? I'm like, "What if you're wrong about this?" Even that question is like, "What?"

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FT: I'll tell you a really simple question you can ask yourself. I've asked myself this, is just why. Why aren't you earning more? Why aren't you happy with the way that you're making money? Why do you think you can't find a different way to make money? Why do you think you have to do the job that you have? I mean, just really getting to the root of it. A lot of times, firstly, we will blame the systems and a lot of the things that are out of our control. I think those are important to recognize, but there's also a layer to this, which is what are you – How are you perpetuating that in some ways?

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BK: Yeah. No, exactly.

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FT: How are you just making that your existence?

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BK: Yeah. I mean, that's – What you just said is so true. That's what I help my clients with, like focusing on what they can control versus – I think a lot of times our brains go to what we can't control, right? They just had like the system, etc. Here's what I want to say about the system. When I first heard this, it blew my mind because we can talk about the system in so many areas, right? But when it comes to like women and let's say the gender pay gap, just for example, the system is created by people.

That's why I feel like it's my job. Obviously, you're a part of this too. Our job is to like help and change one person at a time. Then those people will then change a system, right? But it's going to take a – What's the word, the tipping point, right? Because that book's about – That's how I think about the system now. Instead of like, "It's me against the system," it's like, "No, I am part of the system, and the more women I help, that's how the system is going to change."

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FT: Yeah. Your complacency contributes to that system enduring. It's not all on us. It's not all on the individual. But you're correct. We all do play a role. One of the biggest question marks, and I get this and I'm sure you get this even more because you speak directly to this community, is how to transition out of academia. How can they overcome the debt in a fashion where they can like focus on that and focus on their careers and not feel completely sucked out and drained by the financial overwhelm?

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BK: I have a, and I'm going to use the word radical, pretty radical view on debt because most people think debt is bad. I have a whole chapter devoted to that because most of us have been brought up to believe that debt is bad, especially if your religion even – Like certain religions will say debt is bad like literally. So a lot of our stress about debt is because we think it's bad to have it. Even though we went into it, it allowed us to become a physician, right? So I really like to neutralize that. Debt in itself doesn't have feelings. It's not good or bad. I think of it as a tool, just like money is a tool.

The way I explained debt, which I think will help your listeners, is debt is simply money that you bought, and the price of the money is the interest. So you want to just question why you have the debt, right? There's kind of like why. So like for my audience, it's they took on loans to become a doctor, right? So it's like I don't like to prescribe to the good debt, bad debt. But obviously, if you have debt because you overspend, that's a whole – It's a different sort of thing to talk about. So the debt in itself isn't what's creating stress and anxiety for my clients. It's their thoughts about debt, and so I really focus on that.

I would say this is probably the hardest thing my clients struggle with because it's so ingrained in us that debt is bad. They think because they have it, it means they're bad with money, or they think, “Oh, because I have it, I can't live my life.” Or they give debt a lot of power basically, right? Not only that, society says we should get rid of it as fast as possible. So I see these doctors working extra hours, like taking on extra shifts to pay off the debt now. There's nothing wrong with paying off the debt, Farnoosh. I'm not saying don't pay it off, but I just wish there was more of a push to educate doctors or anyone that, yeah, paying off debt is great and all, but we really should focus on investing and buying and growing assets that will then pay off the debt for you.

Because I joke to my clients. I'm like, "When your debt is paid off, like do you start getting checks in the mail?" Everyone laughs. They're like, "Of course not." I'm like, "Then why are you so obsessed with paying it off?" I want my clients to be obsessed with growing assets, buying and growing assets, because that's what's going to send your checks in the mail. So I literally ask people, "Do you want to be debt-free? Or would you rather make money while you sleep?" I know what I want to do. It's much harder to go that route. It's much easier to pay off debt. So I go into the brain science of that paying off debt is actually very pleasurable for our brains. Buying and growing assets, not so much. A lot of risk involved. A lot of fear involved. Most of us aren't equipped to overcome those fears, especially my people, Farnoosh, because they're used to getting As. Meaning they're not – Failure is not like an option, right?

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FT: What would be your advice to somebody who comes to you and says, "I'm thinking of going to medical school because I obviously want to help heal the world. But I also feel like this could be a big financial payday." It used to be. A lot of my parents' friends, the wealthiest ones are the doctors. Now, I feel like in my generation like the doctors are not the wealthiest. It's the entrepreneurs that are the wealthiest or those who've worked in finance. Unfortunately, this career path that should be handsomely paid and rewarded, against the dead, it doesn't always equal that. So what do you want to hear from someone before they go down this path, especially if it means taking on debt?

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BK: Yeah. Med school, it's so astronomically expensive. I don't even feel like I graduated that long ago. I think it was class of 2009. I remember I went to Columbia University, and my tuition was \$40,000 a year — tac on room and housing, maybe it was 60 to 70, which is a lot. Now, it's over 100k for that, like 10 years later. But we don't have to talk about the tuition, the skyrocketing inflation. What I would tell someone who's interested in medical school, and it's so interesting, like if money is their – The money can't be their sole reason. I'm not just saying that as a blanket statement. But like medical school and training, it's too hard and grueling to just do it for the money. I think you can make much more money doing a lot of other jobs out there.

As you and I know, like I think entrepreneurship, you can make as much money as you truly want to. At the same time with medicine, I think there's so much you can do with your degree that can help so many people besides regular patient practice. I've met a lot of physician entrepreneurs who blend practicing medicine with like inventing things. So I really think the sky's the limit for physicians and entrepreneurship. They don't have to be separate. But I think, yeah, going to medicine, you have to really love it. Otherwise, it's just – You're just going to quit. This is kind of like entrepreneurship. You have to love it and want it so badly to deal with all the setbacks as an entrepreneur, right?

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FT: Given everything that's happened in the last couple of years within, as you mentioned, the health care system was already broken. COVID, I mean, just like ruined it from any doctors who I'm reading anecdotally like leaving the industry. They're burnt out. They don't feel supported. They feel like, actually, in some ways threatened depending on where they work and mentality and ideologies around vaccines and all of that. So do you think there's going to be a reckoning? I feel like this is not sustainable, and this is one of the most important backbones of civilization, right? You need to take care of your people. You need to take care of your citizens. What are you and your fellow doctor friends talking about, as far as like what you'd like to see or what is around the corner in terms of supporting the medical community?

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BK: It's such an important question. There's actually a – As you know, like coaching has been around forever, especially for executives. All the C-suite men have like executive coaches. Actually, there is a paper that came out a few years ago like in the medical literature about how effective coaching is for physicians. This isn't about making doctors happy, so they stay. But it's kind of like what we talked about earlier. It's like helping doctors see like what they can control versus what they can't control. I think the more we empower physicians to see that, at the end of the day, hospitals, etc., they can't function without doctors. They can't.

I think a lot of physicians, we forgot that. I think we feel like we don't have power because there has been this gradual move towards being an employee as a physician. Our parents' generation, most doctors set up their own shop. Now, private practices, like they're just big conglomerates now, right? So I think slowly physicians will take their power back, as they realize that they actually have a lot more power than we think we'd – It's going to take, like I said, one physician at a time to get the courage to like kind of say, "No, I'm not going to do this. I'm going to do my own thing."

Doctors also have to band together, which is not something we're good at. I think some of the other health professions are much better at sort of coming together as a group. We tend to be kind of divided as a profession. But I think change is happening, Farnoosh, because even myself and some of my other physician friends who no longer practice, like we're definitely a little scared about the future, like who's going to take care of us. This is no shade to the other health professionals. But I think physicians are required for the top level medical care like, "I want a physician if I'm going to go to the emergency room. I want a physician if I have a stroke," right? It's just you can't compete with that expertise.

I don't think doctors are going to quit in mass though so that there'll be no doctors. I don't think that's going to happen. But I do think we're headed towards trouble if we don't rectify the situation, and we're the ones who have to change. I think that's really what it comes down to is like doctors are going to be the one to lead the change. We can't rely on the system to change. You know what I mean?

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FT: Well, we're seeing that in other industries too. Creatives on Spotify saying, "I'm not going to distribute my content because I disagree with some of the leadership and decisions." Or like employees in Netflix doing a walkout, right? There's like literally people leaving various tech firms because of not feeling like this is a safe place to work or where I want to – This is not aligned with my values.

Going back to women, Bonnie, your book is dedicated to women. Where we sit today versus where we were like three years ago, where I feel like a lot of the discussion around female

financial empowerment and career was like very optimistic. We were in a more optimistic place. Now, fast forward after everything that's happened with COVID and then the recession that followed, more women became caregivers. They dropped out of the workforce. Now, we'll have to see how that shakes out. But what is your forecast for women in the workplace and their ability to make the money?

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BK: Yeah, I definitely have compassion for – Because my kiddo goes to preschool. Every time someone has COVID, he has to stay home for two weeks, and we're very blessed that we can work from home. But it's even if you work from home, it's not easy to have a toddler running around, especially if you're running a business, right? Both myself and my partner are work from home now. So I think this is also like questioning our assumptions because we have these assumptions about ourselves, especially if you're a mom, that we can't make a lot of money and be a great mom. Like that is definitely something that I think is ingrained in women.

Also, as you know, the disproportionate amount of the child rearing, the household management falls on women. So I think what I want to say about this is we also have to just question this whole because I think it comes down to – For us, it's like a time thing, right? Like, “Well, I can't do everything time-wise,” because most of us think money comes from time. Yeah, I actually have a friend who coaches or she helps moms who want to become like entrepreneurs because a lot of moms don't even see that as an option because like, “Oh, I don't have time for that. I'm a full-time mom.” Obviously, not every mom has to become an entrepreneur. But if you're listening and you feel that tug that you're – I don't want to say meant for something more as if being a mom is enough. But if you feel like there's something else that you want to do, like listen to that, and that there are so many resources.

The thing is, Farnoosh, when you're in this entrepreneur world, I'm sure you and I, we both know so many women who are making lots of money, and they're not working 80 hours a week. In fact, a lot of – My business coach, she made \$10 million last year, and she works 15 hours a week, and I think she took off four months last year. That might sound like an extreme example. Also, when you hear that people are – It's like shocking because we have this belief that if you

don't work hard, there's something wrong. So you have to kind of uncouple that learning that time creates money.

I think if you're just committed to having more money, whether it's for yourself or your family, like I just want whoever's listening to know that it's possible to do it without working all the time. In fact, you can work very little, very few hours time-wise and still create a lot of money, but you have to be willing to learn a different way.

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FT: Thank you for sharing that. What next? What is next for you? I know that for authors, when they release a book out into the world, part of it is just kind of like seeing what happens and doing the good work of spreading the word. But like what do you hope will be the next chapter in your journey helping women with money?

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BK: Yeah. I mean, my business is – A book is obviously great. I think of the book also like it's a legacy, right? This is going to be hopefully read beyond my lifetime. I think it's going to be helpful for all women, not just for our generation. But I always tell a mom like, “This is something your daughter can read when she's a teenager, right?” It's easy to read. So I kind of think of myself as being part of like this movement, this reckoning. I love that word, this reckoning, where women are –

One of the things I love to say to people or women, Farnoosh, is that I like to say you are meant to be wealthy. People are like, “What? What do you mean?” Because I think like we just think like we were giving this piece of paper as if this is like what we're allowed to do for the rest of our lives. So when I give them permission like, “What, I can have as much money as I want, or I can do whatever I want,” because money is just like part of that equation. That's why the tagline of my book is peace, purpose, and plenty of cash because having a lot of money is kind of meaningless if you're not satisfied and feel like you have meaning in your life, right?

I think I just find – I consider myself, along with you and all the other women out there, helping women with their monies, like we're just helping women like reclaim the power that they've always had. They just forgot they had it.

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FT: Yeah. Don't ask for permission. You don't need to ask for permission. I think it's such an instinct that we have sometimes. Again, to your original point, it's like rooted in millennia of conditioning, and we haven't always been given what we deserve. But now, it's ours for the grabbing.

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BK: Yup.

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FT: Bonnie Koo, thank you so much for joining, and congratulations on your book, *Defining Wealth for Women: Peace, Purpose, and Plenty Of Cash*, available everywhere.

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BK: Thank you.

[END OF INTERVIEW]

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FT: Thanks so much to Bonnie for joining us. Again, her book is called *Defining Wealth for Women*. Through February 18th, Bonnie is hosting an exclusive coaching and community experience for women. It's part virtual book club, part live coaching. You can learn more about it on her website at wealthymommd.com/book. Thanks for tuning in, everybody. See you back here on Wednesday. I hope your day is So Money.

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