

The Unemployed Pressure Cooker

Whether you've been unemployed for months or you've just lost your job, the decisions you make in the coming days and weeks may be critical to your financial survival. How you organize your time, corral your resources and handle your money will help determine whether this job loss is a temporary setback or a potentially life-changing disaster. After all, you don't want to be conducting a job search simply to bail yourself out of the debt you've accumulated during the time you've been out of work. The whole point is to find a position that will allow you to advance in life and gain a more secure foothold for your future, right?

Your most important task will be managing yourself, and we're hoping that this month's newsletter gives you both the incentive as well as the inspiration to do just that. The pressures of the job search are already hard enough to navigate, it's extremely important that you also keep yourself focused so that you don't find yourself mismanaging the pressure of keeping the rest of your life afloat.

The holiday season is quickly nearing and we hope you also remember to make time to spend with friends and loved ones. Have an idea for a future article? Send it in to newsletters@flowork.com. See you next month!



John-Paul Hatala, Ph.D.
Flowork Founder

This month's FlowTIP:
Don't wait until
the last minute.

See page 3 for more information.

What's New?

MyJobCards and MyJobSearchBoard Available Now!

Have you tried our a new and innovative job search application that uses your own social networks to access the hidden job market? The application, MyJobCards, is a Facebook app that allows its users to find, share and manage job leads from within their own online network of friends, family, and acquaintances. The application is linked to the online job search management tool, JobSearchBoard, that helps users manage all the leads and referrals they receive. Join in by visiting <http://apps.facebook.com/myjobcards>.



Take Advantage of Flowork's Online Learning Program!

Flowork offers two unique, self-directed, online, interactive courses and certification programs that instruct individuals how to systematically turn their own personal networks (online or off) into powerful tools for accomplishing their everyday goals and objectives. To get more information about these courses, go to www.socialnetworkaudit.com/community_online_training.php.

Online Job Search Management Demo Available

Flowork also offers a unique online job search case management system that will allow practitioners the ability to monitor their client's job search via the Internet. If you would like more information on this online tool or would like to sign up for an online demo, please contact info@flowork.com. To find out more about it, visit www.jobsearchboard.com.

A Survival Guide *for the unemployed*

Published on MSNmoney.com - by Liz Pulliam Weston

Just lost your job? These 13 tips will help you find ways to cope, from keeping up your spirits to prioritizing your spending.

If you've just lost your job, the decisions you make in the coming days and weeks may be critical to your financial survival.

How you organize your time, corral your resources and handle your money will help determine whether this job loss is a temporary setback or a potentially life-changing disaster.

But your most important task will be managing yourself, said career coach Nancy Collamer.

"It's OK to catch your breath and lick your wounds," said Collamer, the publisher of the Jobs and Moms Web site and author of the e-book "The Layoff Survival Guide." "Take a week, two weeks if you need it" — but then get going.

Here's what you need to do:

Get your head on straight. Keeping your spirits up, your energy level high and "a realistic sense of optimism" will be essential skills in helping you navigate the road ahead, Collamer said.

Your spouse or partner may be as freaked out as you are, and your friends are busy trying to keep their own jobs. While family and friends can try to help, what you really need is a job-hunting "board of directors" that can give you advice and encouragement, Collamer said. That means finding a job-search support group; the Web site Job-Hunt, she said, is a good place to start looking.

Schedule your job search. Get up early, take a shower, put on nice clothes and schedule what you'll do for the day.

"Even if you don't have appointments, you can take some time on Sunday night or Friday afternoon or whenever it works for you to schedule out your week," said Collamer, whose husband's layoff in 2001 prompted her to write the unemployment guide. "You might decide that from 9 a.m. to 11 a.m. you'll research new companies on the Internet and from 1 p.m. to 3 p.m. you'll go to the library and check out three books on writing résumés to see what you can do to improve yours."

Having a schedule keeps you moving forward, Collamer said, and preserves "that sense of dignity" that can be lost when the structure your job used to give you suddenly, and unsettlingly, disappears.

"You want to have that feeling at 5 p.m. that you're done for the day," Collamer said, "and that you've accomplished something."

Let people know how to find you. Your business and professional contacts may have only your work e-mail address and telephone number. As soon as possible, send a short e-mail to all of your contacts letting them know your personal e-mail and phone number. Mention



the change in your job status (Collamer recommends something like, "Because of a staff reduction, my last day at XYZ Industries was Oct. 29."). You can follow up later with more-personal notes to key contacts to let them know you're looking for work.

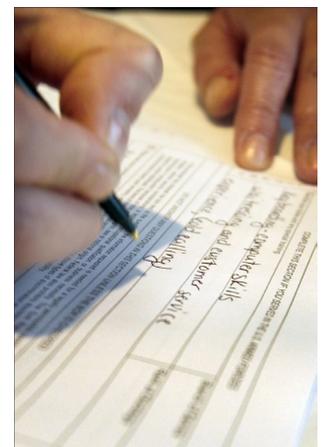
Stay covered. If you had health insurance through your job, you should be able to purchase continued coverage under COBRA rules, but that can be an expensive way to go.

Fortunately, you usually have 60 days to sign up under COBRA, and the coverage is retroactive, so you don't have to decide right away. If you get another job quickly, you may not need the coverage. If you don't, you may find that a high-deductible individual policy is a better deal.

Apply for unemployment benefits. If you think this is a no-brainer, it's only because you haven't seen the e-mails I get from readers. Some worry that applying for unemployment will affect their credit (it won't) or that jobless benefits are some kind of welfare (they're not; your employer paid into the system in your behalf).

The earlier you apply, the earlier you'll get your first check. Most states have a two- or three-week waiting period based on when you file, not when you lost your job. Unemployment benefits typically last for 26 weeks, although during periods when the state jobless rate is high, those benefits may be extended for an additional 13 to 20 weeks.

The amount you get won't replace your old paychecks -- far from it.



A Survival Guide for the Unemployed *continued from the previous page*

The national average unemployment check is about \$270 a week, and the maximum you can receive depends on your state. In high-cost Connecticut, it's \$501 a week; in Mississippi, it's \$210. Contact your state's employment office for details on how to apply and how much you're likely to get.

Unemployment benefits are typically available only to workers who lost their jobs through no fault of their own. You generally can't get benefits if you were fired for cause or voluntarily quit your job. If the facts are in dispute, though, go ahead and file; you can always argue your case, and you'll have a chance to appeal if your state's unemployment office decides against you.

Track your spending. You no longer have the luxury of not knowing where your money is going. Keep track of every cent, at least for now. You can do so in a variety of ways: with a notebook and pencil you carry with you everywhere; with personal-finance software such as Money or Quicken; or with one of the online money-tracking sites such as Wesabe, Mint, Geezo or Quicken Online.



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Once you know where the money is going, you can look for ways to cut back.

Get your priorities straight. List your bills and other spending in order of importance. The items at the bottom of the list should be pretty easy to trim. You also should find savings by cutting back on big-ticket items such as groceries, dining out, utilities and transportation.

You should have another list: the "If Things Really Get Bad" list. Tops should be holding on to the roof over your head (the mortgage or rent), keeping the lights on (utilities) and ensuring you have transportation to get to job interviews (car payments and insurance). At the bottom should be your unsecured debts -- credit cards, student loans and other personal debt that paid for stuff that can't be repossessed. Read "How not to pay your bills" for details on the potential consequences for not

paying various types of debts.

If you have to choose which bills to pay, your list will remind you what's really a priority. Skipping credit card payments may result in a ding on your credit and phone calls from creditors, but skipping mortgage payments could leave you homeless.

Some things to keep in mind:

- If you're about to fall behind on an essential bill, such as a car or mortgage payment, contact your lender. You may qualify for temporarily reduced payments or a more formal "workout" or refinance, but you have to ask.
- If you have student loans, contact your lender for a deferment or forbearance. Many lenders will allow you to suspend payments during unemployment, but contact yours for details and applications.
- If your kids are in private school, discuss your options with the administration. Policies vary, but the school may be willing to discount tuition or set up a payment plan. If your unemployment lasts long enough, public school may be your only option, but you can at least explore your options for keeping your child in school until the end of the semester.



Conserve your cash.

Paying down debt is generally a good idea -- until you've lost your job. Then cash becomes king.

If you've been making extra payments on your mortgage or student loans, redirect that money into savings. Negotiate with your credit card companies to get a lower rate (see "Get a better deal -- with a threat") or use balance-transfer offers to move your debt to a card with a better rate. Pay the minimums on your debt and get deferments on any loans that offer them. Most

This Issue's flowTIP:

Don't wait until the last minute. Before you get your last paycheck (or unemployment check), sit down and decide which amenities you can live without for now. For example, don't wait until your cable bill is overdue from last month and this month's bill has just arrived in your mailbox. Pare down the extra channels, ask the company if they have any promotional pricing available, and if necessary cut it off completely. Pick up a secondhand mower on Craigslist instead of paying weekly for a lawn service. Sign up for a smaller bucket of minutes and keep yourself on a "text budget" so you can get your cell phone bill down to its minimum. Turn the heater down or the air conditioner up a degree or two to save on your monthly electricity bill. Get rid of everything you can manage to live without. If you take care of downsizing now, that takes some stress off you — one of the best things you can do for yourself during what is already a highly stressful time.

A Survival Guide for the Unemployed *continued from the previous page*

utilities and telephone companies offer “lifeline” or low-cost service for people with low incomes; check their Web sites to see if you qualify.

Don't tap your retirement funds if you can avoid it. It can be tempting to raid these pots of money, but the financial repercussions are so serious that you should avoid such withdrawals if at all possible.

Not only will you lose one-third to one-half of the withdrawal to taxes and penalties, but you lose forever the tax-deferred returns you could have earned. A \$10,000 withdrawal now from your individual retirement account or 401(k) means \$109,000 less for your retirement, assuming the money would grow at an average 8% annual rate for 30 years.

It's an especially bad idea to use retirement money to pay credit card bills. In a worst-case scenario, your credit card debt can be wiped out in bankruptcy court, while your retirement funds would be protected from creditors.

You also should be cautious about raiding retirement funds to pay for a mortgage on a house you may not be able to afford. If you're worried you'll lose your house, contact a HUD-approved housing counselor to review and discuss your options.

Use your home equity with caution. Setting up a home equity line of credit can be a smart precaution while you still have a job, if you're disciplined enough to use it only in case of emergencies. As with retirement funds, home equity is protected in bankruptcy court, so money from your home shouldn't be used to pay unsecured debts until you're back on your feet -- if then.

Raise cash. Use some of your new free time to organize a garage sale or sell items on Craigslist or eBay. Consider renting out a room in your home. Review all of your assets and your skills to determine which



might be used to produce income. Good with tools? Take on a few odd jobs.

Investigate businesses you can start at minimal cost, such as detailing cars, housesitting, dog walking, errand running or working as a driver or companion for the elderly. Be wary, though, of any business or franchise opportunity that requires a big upfront investment. Some of these so-called opportunities are scams; others are poor risks that depend on the desperate.

Identify emergency sources of aid. If your unemployment stretches on, you should know where the food banks are and familiarize yourself with how to qualify for food stamps or other government aid. Family and friends may be able to help as well.



Consider volunteering.

You've lost your job, you're scared, and you're scrambling to find another paycheck. Who needs to waste time with unpaid work? You do, Collamer said.

A volunteer job can give you a sense of purpose as well as remind you that there are others worse off.

Collamer remembers speaking to a job-support group in which one member survived a year of unemployment largely by volunteering with a paramedic group.

“It makes you feel good, and it can strategically be a good idea,” Collamer said. “You never know who you're going to meet or who you might impress.”

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The Strain Adds Up: *Bills, Baby and a Job*

by Tamara Keith · NPR (National Public Radio) · February 1, 2011

At a time when most people think about turning in for the night, Annica Trotter sits down at her computer to apply for jobs.

But it's almost impossible to apply for anything these days without going online, and that's where Trotter hits a snag. The 25-year-old is only able to apply for jobs when her boyfriend, Greg Perine, and his cell phone are home.

Trotter says the couple had to cancel their cable and Internet services to save money.

For the more than 14 million unemployed Americans, navigating the financial strain created by a job loss can be challenging. In Trotter's case, it's also making it harder to find work again.

Juggling A Computer And A Baby

On a recent evening, Trotter doesn't get online until close to 10:30 p.m. She plans to browse job search websites, e-mail friends to see if they know of any prospects and apply for a few positions.

But Perine and the couple's 4-month-old son, Gregory, have other plans.

Gregory is screaming upstairs. The baby is upset, and it seems mom is the only one he wants. But Trotter has precious little time to get online — and this is it.

"I just need an hour to do some applications," Trotter says in a desperate voice to her boyfriend. "It's not like I can do it when you're not here, because you have your phone."

This wouldn't be such a problem if Trotter had a regular Internet connection. But there are a lot of things that would be easier with just a little more money coming in.

She lost her job at a social services agency shortly after her son was born.

Paring Down

Trotter receives about \$1,000 a month in unemployment benefits. But that's about \$200 less than the paycheck she brought home when she was working. She says they've fallen behind on a lot of bills — paying what they can, when they can. The couple even had to drop their car insurance.

Gregory keeps screaming. So Perine brings him to his mother —

hoping she can get him to quiet down.

Before long, Trotter scales back her plans. She only applies for one job.

Feeling The Strain: No Outgoing Calls

Almost a week later, Trotter faces another consequence of her family's precarious financial condition.

"I've just been feeling really stressed," she says into a recording device NPR has loaned to her so that she can keep an audio diary. "Our family is definitely feeling the pinch of me being out of work."

The couple is late paying their cell phone bill, and the company put their phones on limited service. They can receive calls but can't make outgoing calls.

For days, Trotter has been waiting on a call from a woman in the HR department at a security company. She's hoping to get a dispatcher job. But the phone call comes while Trotter is giving her two children a bath.

"[I] just wanted to cry because I can't call her back," Trotter says.

She asks herself why she had to give the kids a bath right then. Why didn't she have the phone turned up louder?

A Moment Of Elation

Eventually, Perine, Trotter's boyfriend, is able to reach the HR person by calling from his phone at work. She just wanted to let Trotter know that once she receives her application, she'll make sure it gets to the right person.

For Trotter, this is a moment of elation. It's a real job lead.

"It just kind of sums up how this whole process, this whole situation has been from minute to minute. You just don't know," Trotter says. "There's so much uncertainty, and I know for a person like me, it really takes a toll."

Trotter is a worrier, and she says she's tired of fretting about money and bills and delinquent notices. She pleads into the recorder.

"I've been working since I was 15. I just need a job," she says. "Give me a job and I will work hard."

Flowork offers the benefits of social capital to anyone of any age. The Education Flowork Program offers educational institutions (Kindergarten through higher education) to ensure their students, faculty and staff become aware of the power of information by networking. Corporate Flowork and the Flowork Workforce Development Program introduces corporations, non-profit organizations, government, and workforce development groups to ways they might increase the flow of information between individuals, departments, divisions and units. Floworks founder Dr. John-Paul Hatala is available for speaking engagements nationwide. If you are interested in booking him for an on-site speaking engagement, please call us at 1-877-flowork or visit www.flowork.com and click "contact us" to discuss your needs.



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