

LIFEGUIDE SERIES

CHANGING JOBS



THE USAA EDUCATIONAL FOUNDATION<sup>SM</sup>  
*Good Information for Good Decisions.<sup>SM</sup>*

# Table Of Contents

*December, 2005*

<a href="#"><u>What You Should Know</u></a>	1
An introduction	
<a href="#"><u>Is It Time For Change?</u></a>	3
Assessing your reasons for change	
<a href="#"><u>Understanding Finances And Benefits</u></a>	5
Addressing financial, medical and insurance issues	
<a href="#"><u>Planning Your Transition</u></a>	8
Preparing for change	
<a href="#"><u>Leaving The Military</u></a>	13
Entering the civilian workforce	
<a href="#"><u>Beginning Your New Role</u></a>	14
Remaining flexible	
<a href="#"><u>Job Change Checklist</u></a>	15
Keeping up with details	
<a href="#"><u>Resources</u></a>	16
Finding additional information	

This publication is not legal, tax, or investment advice. It is only a general overview of the subject presented. The USAA Educational Foundation, a nonprofit organization, does not provide professional services for financial, accounting or legal matters. Consult your tax and legal advisers regarding your financial planning activities. Information in this publication could be time sensitive and may be outdated. The Foundation does not endorse or promote any commercial supplier, product or service.

## What You Should Know

Are you satisfied with your current job or career? Perhaps you desire a new challenge. Your interests and goals may no longer align with your work. Maybe your position has been eliminated, and you are rethinking your role in the workforce.

If you want to work for another department or company or in another profession, you are not alone. Changing jobs is common in today's workplace.

A U.S. Department of Labor study shows that today's college graduates will change jobs 10–14 times during their careers and the average job will last 3–5 years.

When considering a job or career change, take time to plan a smooth transition. This publication can help you:

- Determine whether a job or career change is appropriate.
- Understand related financial issues.
- Assess your interests and abilities.
- Transition from a military to civilian career.
- Track your progress.
- Step confidently into your new job or career.



*When considering a job or career change, take time to plan a smooth transition.*

## When Changing Careers

Do:	Do Not:
Plan your transition.	Rush into a career change.
Evaluate your reasons for change.	Change <i>only</i> because of dissatisfaction with your position, boss or company.
Assess your likes and dislikes. Match jobs or careers to your interests and personality.	Limit yourself to familiar jobs or careers.
Leverage current skills and experiences.	Assume you cannot succeed in a new role.
Consider additional training or education. Match program offerings to job requirements.	Rush into an educational program.
Network. Conduct informational interviews with key employers in your desired career. Join professional organizations in the new field.	Forget to contact career and alumni offices at your current and previous educational institutions, if applicable.
Gain experience in your desired field before leaving your current job.	Overlook volunteer work as a way to gain valuable experience, confidence and contacts.
Find a mentor who can help motivate and encourage you to keep focused on your goal.	Go it alone.
Remain flexible. Expect to compromise on job title, salary, bonus potential or benefits.	Expect the job title, salary and benefits you earned after years in another career.
Refine job hunting and interviewing skills.	Sit back and hope for the best.
Expect the transition to take time and effort.	Be discouraged by slow progress.
Expect occasional feelings of uncertainty about your decision.	Worry about feelings of doubt. They are normal.

## Is It Time For Change?

Taking time to determine whether a job or career change is appropriate. Do not make an impulsive or emotional decision.

### Assess Your Situation

Reflect on your current situation and level of satisfaction.  
Check statements that apply to you.

- ☐ I have seriously considered changing jobs.
- ☐ I do not feel satisfied or challenged in my current role.
- ☐ My job no longer fits my personal goals, suits my skills or matches my basic interests.
- ☐ My career ambitions cannot be fulfilled at my current company.
- ☐ I am dissatisfied with my company's performance, direction or method of doing business.
- ☐ I seldom think about my job when not at work.
- ☐ I would consider a new job at my current salary.
- ☐ I have fewer important job responsibilities now than a year ago.
- ☐ I am earning below market rate for my job.
- ☐ I am dissatisfied with my income level and future earning potential.
- ☐ I manage finances wisely but remain unable to save with my current salary.
- ☐ I am working a second job to meet my family's financial needs.
- ☐ My work is negatively affecting my health.
- ☐ I feel stressed or depressed on days off when I think about going back to work.
- ☐ Individuals I respect suggest that I change jobs.
- ☐ My work commute is unreasonable.

Checking one or more of these items does not mean changing jobs is your only option. Think about ways to improve your current situation. A conversation with your supervisor, adjusting job responsibilities, pursuing development opportunities or gaining new perspective could alleviate many concerns.

## Stay Ready

Whether you intend to change jobs or careers now or sometime in the future, make sure you are ready to take advantage of new opportunities. Develop your skills, acquire new ones and broaden your work experience:

- Take a training course or ask for new responsibilities in your current job.
- Volunteer in your current field.

Activities like these can make your current job or career more satisfying — and make you more employable to hiring managers.

## Supplement Education

You may need to take community college courses, earn a new degree or acquire a certification to qualify for a new job or career. Before enrolling in an educational program, check the school's accreditation and ask for information on their placement successes.

## Network

Think about individuals you know — co-workers, friends and family members — who might be able to:

- Advise you about a company or industry.
- Introduce you to others in a company or an industry.
- Help you find job leads.

To broaden your network, conduct informational interviews with individuals in jobs or careers that interest you. Join appropriate professional organizations or contact alumni from your college who work in your chosen field. Find a mentor who can advise you through your transition and use their network to help you find job opportunities.

## Manage Uncertainty

You may feel inadequate or fearful about your ability to succeed in a new role. Remember, you probably already possess skills valuable for any position, such as the ability to:

- Communicate effectively.
- Solve problems.
- Take initiative.
- Work well in a team.
- Persevere in difficult circumstances.
- Motivate or encourage others.
- Organize individuals and resources.

Take time to review your strengths. Think about situations in which you have demonstrated them and practice communicating those strengths with others. Changing careers can be exciting and personally satisfying. Do not let moderate uncertainty keep you from pursuing your goals.

# Understanding Finances And Benefits

Take time to understand how a job or career change will affect your current finances and benefits. A financial planning professional can help you determine how best to prepare for a job transition. The following steps can help you get started.

## Evaluate Your Finances

Answer these questions before committing to a new job or career:

- What is my current net income?
- How will a job or career change affect my finances and standard of living?
- Do I have an emergency fund that can cover 3–6 months of basic living expenses? If not, will I be able to cover basic living expenses during my transition?
- How will this affect my long-term savings plan, including retirement goals?
- Will I have adequate life, health and disability insurance coverage throughout the transition?

You may wish to consult a financial planning professional for help with these and other financial questions.

## Understand Benefits

Your benefits package — which may include company contributions to a retirement plan; health, life and disability insurance; stock options; bonuses or incentive pay; accrued leave and other types of compensation — forms a significant portion of your income. Make sure you understand the value of these assets. Specifically, you need to know:

- What benefits you may be able to keep or transfer.
- Which benefits you may need to replace.
- Whether, upon resignation, you might receive compensation in the form of pay owed to you, vacation days, sick days or future pensions.
- How to handle stock options and retirement plan assets invested in your employer's company stock.

Once you know you are leaving your current employer, and you have announced your effective date of resignation, meet with your employee benefits coordinator for details on these issues.

## Your Pension

Changing employers, especially in mid-career, can dramatically affect pension benefits.

## Address Medical Needs

Before leaving your current employer:

- Ask when your current company-provided health insurance will expire.
- Find out when your new employer's health insurance plan takes effect.
- Schedule needed medical, dental and optical appointments.



- Acquire copies of medical records from your physician.
- Determine whether to purchase COBRA continuation coverage. Visit [www.dol.gov/elaws/ebsa/health/54.asp](http://www.dol.gov/elaws/ebsa/health/54.asp) for information.
- Obtain a certificate of creditable coverage from your employer. Visit [www.dol.gov/ebsa/faqs/faq\\_consumer\\_hipaa.html](http://www.dol.gov/ebsa/faqs/faq_consumer_hipaa.html) for information.

### Creditable Coverage

When transferring from one health insurance plan to another, you are protected from losing coverage under the Health Insurance Portability and Accountability Act (HIPAA) of 1996. To ensure your rights, ask your current employer for a certificate of creditable coverage, which provides your new employer with proof of prior health coverage.

### COBRA Facts

Generally, your current employer must allow you to extend health and dental coverage up to 18 months after employment ends, under the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985. Compare COBRA costs to those of a major medical or short-term medical policy. You must activate COBRA coverage within 60 days of receiving the COBRA election form.

**Note:** Length of coverage varies depending on the type of qualifying event and who is eligible for COBRA. For more information on COBRA, visit the U.S. Department of Labor Web site at [www.dol.gov](http://www.dol.gov).

### Evaluate Life And Disability Insurance

Ensure you have adequate life and disability insurance. Determine whether to purchase new insurance or convert your employer's group policy to an individual policy. If applicable, evaluate your spouse's life and disability insurance needs. Review beneficiary designations on all policies.

### Manage Retirement Plan Savings

If you participate in an employer-sponsored retirement plan and are changing companies, talk with your employee benefits coordinator about your options for handling accumulated assets. Not all retirement plans allow every option listed here. Your options could include:

- Cash withdrawal.
- Transfer or rollover to an Individual Retirement Account (IRA) or other qualified plan.



- Transfer to a new employer's retirement plan.
- Leaving assets with the current employer.

Make sure you understand plan-related deadlines and receive associated documents before leaving. Consult with a financial planning or tax professional about tax implications.

#### NOTE

Upon leaving your current employer, you must repay any outstanding loans against your 401(k) to avoid federal income tax and applicable penalties.

### Are You Fully Vested?

Determine when you will be fully vested. Remaining in your job a few months or a year longer could increase the amount of money you can take with you. Funds you contribute to your 401(k) plan are part of your "vested" balance, but your company match usually does not vest until several years of employment have passed. Most companies have a vesting schedule to indicate when you are vested. Upon leaving the company, you forfeit unvested portions of your account balance.

## Planning Your Transition

Once you have decided that a job or career change is right for you, it is time to plan your transition.

### Conduct Self Assessments

What are your interests and abilities? What do you enjoy doing most? What energizes you? Take time to think about your values, interests, personality, attitudes and skills. To understand your talents and jobs that fit them, you may wish to consult career guides, complete online career assessments or work with a career counselor. They can help as you define goals and narrow job and career choices.

### Job Fact

According to the U.S. Department of Labor Bureau of Labor Statistics, 8 of the top 10 fastest growing jobs involve computer skills. Jobs such as bank teller, ranching and farming and basic office jobs are declining.

### Research Careers

Begin matching your interests and personality to a job or career. Do not limit your inquiry to careers familiar to you. Think creatively about what you love doing and how you might combine your interests with how you earn a living.

The U.S. Department of Labor offers career-search information and links at [www.dol.gov/dol/audience/aud-unemployed.htm](http://www.dol.gov/dol/audience/aud-unemployed.htm). The U.S. Bureau of Labor Statistics' Occupational Outlook Handbook offers basic job information that may also help your research.



*Once you have decided that a job or career change is right for you, it is time to plan your transition.*

## Are You Ready?

Are you ready for a new career? Check statements that apply to you.

- ☐ I have identified a career I believe is right for me.
- ☐ The new career aligns with my long-term goals.
- ☐ I know my interests and talents would work in the new career.
- ☐ The challenges and lifestyle connected with this kind of work suit my personality.
- ☐ I have many skills needed for the new career, even though there will be much to learn.
- ☐ I have researched the field and relevant organizations within it.
- ☐ I already have contacts in the new field who are willing to support my transition.
- ☐ I understand the pros and cons of this career and still believe it is right for me.
- ☐ Individuals working in the field think that I would be satisfied in it.
- ☐ Individuals I respect — who know me, my abilities and limitations — support this change.
- ☐ My family supports this change.

If all ten statements apply to you, you are ready to begin your transition. If not, address incomplete steps.

### Decide Whether To Use Recruiters

Recruiters — also known as headhunters or search consultants — can help you by:

- Identifying opportunities you might miss on your own, especially when seeking executive-level positions.
- Offering useful tips for interviews and resumés.
- Letting you know how your job prospects compare with those of other candidates.

Use discernment to help ensure you are working with recruiters who will help, not hinder, your job search. When a recruiter calls, make sure you:

- Know that recruiters work for employers, and will not charge you for their services.
- Trust your instincts and common sense. Do not work with recruiters whose methods and manner make you uncomfortable.
- Take time to evaluate positions they describe. Good recruiters will evaluate you too — their reputation depends on recommending strong job candidates.
- Identify the circumstances under which they will distribute your resumé, and whether they will revise it. Ask them to consult you before sending it.
- Inform recruiters whether your resumé is posted on an online job board.

**Recruiters and headhunters** are hired by employers to find qualified candidates for specific positions. They are paid by the employer.

## Types Of Recruiters

- Retained executive recruiters typically are hired by companies to fill specific, senior-level positions. They receive fees for their searches and submit candidates until the employer fills the positions or ends the search.
- Contingent recruiters normally place middle management, professional or technical job candidates. They receive payment only if an employer hires their candidate.
- Corporate recruiters are employees of hiring companies. In addition to their own recruiting efforts, they will occasionally use third-party recruiters (retained or contingent) to locate qualified candidates, who are then interviewed or screened by the corporate recruiter.

**Employment agencies and career counselors** work for job seekers. Their services may include skills assessment or personality testing and career guidance counseling. They usually charge the candidate for these services.

**Outplacement agencies** work with displaced employees. They typically provide temporary office space and clerical support

to help candidates find a new position.

### Improve Interview Skills

Interviewing is a skill you can improve with preparation and practice. Plan mock interviews with friends or family. Think about:

- Past accomplishments and how your skills have developed over time.

- The skills and expertise you offer.
- Skills you would like to develop or improve.
- Experiences or accomplishments you want to highlight.
- Your current and future career goals.

### Polish Your Resumé

A resumé is often your first introduction to a prospective employer. It is a tool for selling your abilities, so do not be bashful. Create a resumé that clearly shows how your abilities apply to your desired job.

- List skills required for the new career or job you are seeking. Online and newspaper job listings can provide ideas.

- Compare required skills and experience with your current job, highlighting qualifications common to both. Focus on your strengths, experience and education in each area.
- Think of other experience you may have relevant to the skills on your list, such as volunteer work, internships, hobbies and travel.

Executive recruiters often recommend keeping your resumé to two pages and clearly identify-

ing positions held. Make sure highlighted experience emphasizes specific results.

### Resumé Tip

Take care in distributing your resumé. When posted on online job search boards, anyone can view it, including your current employer.



*Create a resumé that clearly shows how your abilities apply to your desired job.*

## Track Your Progress

Once you begin distributing your resumé, the following tracking sheet can help you monitor your progress.

Resumé And Interview Tracking Sheet				
Date	Mailed To (Company/Contact Name)	Response Received	Interview Time, Date, Place	Thank You Letter Sent

# Leaving The Military

Entering the civilian workforce after military service can be challenging. You have likely gained knowledge, training and skills that civilian employers value. Some companies are known to actively recruit candidates having military experience. Even so, it may be difficult to match your skills to civilian business positions. The following steps can ease your transition.

## Plan Ahead

If possible, begin preparing for civilian employment 12–18 months before military separation or retirement.

## Seek Assistance

Each service branch offers career transition offices or centers that provide services such as:

- Transition counseling.
- Interviewing tips and training.
- Resumé preparation assistance.
- Access to local and national job banks.
- Transition Assistance Program (TAP) workshops and job fairs conducted by the U.S. Department of Labor.

## Transition Assistance

Contact the appropriate center to take advantage of transition assistance:

● Air Force — Air Force Personnel Center	<a href="http://www.afpc.randolph.af.mil">www.afpc.randolph.af.mil</a>
● Army — Army Career and Alumni Program (ACAP)	<a href="http://www.acap.army.mil">www.acap.army.mil</a>
● Coast Guard — Coast Guard Personnel Command	<a href="http://www.uscgcaworklife.com/transition/services.asp">www.uscgcaworklife.com/transition/services.asp</a>
● Marine Corps — Marine For Life Program	<a href="http://www.m4l.usmc.mil">www.m4l.usmc.mil</a>
● Navy — Fleet And Family Support Programs	<a href="http://www.ffsp.navy.mil">www.ffsp.navy.mil</a>

For further assistance, visit the Department of Defense Web Portal for Military Transitioners at [www.dodtransportal.dod.mil/dav/lsnmedia/LSN/dodtransportal](http://www.dodtransportal.dod.mil/dav/lsnmedia/LSN/dodtransportal).

## Translate Skills

It can be difficult to communicate military job skills in terms a civilian employer can appreciate. Avoid using service titles, jargon and acronyms on your resumé or during interviews. Practice talking about your experience in civilian terms. If some aspects of your military experience are classified, ask your transition office for appropriate ways to convey that experience.

## Be Confident

Your military experience is a strength you should highlight. You have been held to high standards of performance and behavior throughout your military career. You probably are accustomed to working in stressful, high-pressure situations. You may have become fluent in one or more foreign languages. You understand time and task management and customer satisfaction. Also, you may have acquired security clearances essential for many government and defense industry jobs.



## Beginning Your New Role

Changing jobs or careers can be an exciting opportunity to learn about yourself and what you enjoy doing. You may face periods of difficulty and uncertainty in your new role. However, when you are happy and satisfied with

your work, you are more likely to succeed.

Do not forget all you have learned throughout this transition. Expect to redefine your job and career path as time passes

and circumstances change. Remain flexible. Keep your skills and education fresh. Continue learning. That way, you will be well-prepared to take advantage of new opportunities when they arise.



*Expect to redefine your job and career path as time passes and circumstances change.*

## Job Change Checklist

Keeping up with the details of changing jobs or careers can be overwhelming. Use the following checklist to track your progress.

### When Deciding Whether To Change Jobs

- ☐ Evaluate your reasons for changing jobs.
- ☐ Take steps to improve your current situation.
- ☐ Take advantage of professional development opportunities.
- ☐ Supplement your education, as appropriate.
- ☐ Network with professionals in jobs or careers that interest you.
- ☐ Conduct informational interviews with individuals in jobs or careers that interest you.
- ☐ Begin evaluating finances. Build an emergency fund equivalent to 3–6 months of basic living expenses.

### During Your Job Or Career Search

- ☐ Service Members: Contact your career transition office.
- ☐ Continue evaluating finances, including savings and insurance needs.
- ☐ Acquire copies of medical records from physicians if you might be changing health insurance plans.
- ☐ Calculate the value of your current benefits package.
- ☐ Determine when you will be fully vested.
- ☐ Conduct self assessments to understand your interests, personality and skills.
- ☐ Consult career guides.
- ☐ Consider working with a career counselor.
- ☐ Research careers most interesting to you.
- ☐ Consider temporary or contract work.
- ☐ Improve your interview skills. Practice with friends or family members.

- ☐ Polish your resumé and proofread it carefully.
- ☐ Track resumé distribution using the chart “Track Your Progress” on page 12.
- ☐ Determine if you will work with recruiters.

### After Accepting A New Position

- ☐ Notify your current employer.
- ☐ Meet with an employee benefits coordinator for details of your current benefits package.
- ☐ Ask when your current company-provided health insurance expires.
- ☐ Ask when your new employer's health insurance plan takes effect. Secure COBRA coverage, if necessary.
- ☐ Decide how you will handle accumulated retirement savings plan assets. Make sure you understand related deadlines and receive associated documents.
- ☐ Request a certificate of creditable coverage.

## Resources

**Air Force Personnel Center**  
Randolph AFB, Texas  
78150-4759  
(800) 616-3775  
[www.afpc.randolph.af.mil](http://www.afpc.randolph.af.mil)

**Army Career and Alumni Program (ACAP)**  
[www.acap.army.mil](http://www.acap.army.mil)

**Career One Stop**  
(877) 348-0502  
e-mail: [info@careeronestop.org](mailto:info@careeronestop.org)  
[www.careeronestop.org](http://www.careeronestop.org)

**Coast Guard Personnel Command**  
Commander, Coast Guard  
Personnel Command  
4200 Wilson Blvd, Suite 1100  
Arlington, Virginia 22203-1804  
[www.uscgcaworklife.com/transition/services.asp](http://www.uscgcaworklife.com/transition/services.asp)

**Marine For Life Program**  
(703) 784-9140  
e-mail: [hq@m4l.usmc.mil](mailto:hq@m4l.usmc.mil)  
[www.m4l.usmc.mil](http://www.m4l.usmc.mil)

**Navy Fleet And Family Support Programs**  
5720 Integrity Drive  
Millington, Tennessee  
38055-6600  
[www.ffsp.navy.mil](http://www.ffsp.navy.mil)

**U.S. Department of Labor**  
Frances Perkins Building  
200 Constitution Avenue  
Washington, DC 20120  
(866) 487-2365  
[www.dol.gov](http://www.dol.gov)

**Veterans Employment and Training Service**  
Transition Assistance Program  
200 Constitution Avenue, NW,  
Room S-1325  
Washington, DC 20120  
[www.dol.gov/vets](http://www.dol.gov/vets)

## Research Hints

### TIP

When researching on the Web, make sure that your source is a reliable and known entity.

There is a wealth of information on this topic that can be further researched at your local or college library, or on the Internet.

The Internet is a wonderful research tool where you can find sites that provide general information, related links and resources that can help you in your search. Log onto a search engine and type in keywords of the subject matter that you are researching.

If you explore the numerous sites on the Internet, you should be able to strengthen your research and find information that will fit this subject. The USAA Educational Foundation has not reviewed and cannot guarantee the accuracy of any other Internet Web sites.

The USAA Educational Foundation offers the following related publications:

*Managing Credit And Debt* (#501)

*Personal Records* (#506)

*Planning For Retirement* (#508)

*Planning A Move* (#509)

*Financial Planning And Goal Setting* (#511)

*Identity Theft* (#520)

*Health Insurance* (#545)

To order a free copy of any of these publications, call (877) 570-7743 or visit [www.usaaedfoundation.org](http://www.usaaedfoundation.org).

The mission  
of The USAA Educational  
Foundation is to help consumers  
make informed decisions by  
providing information on financial  
management, safety concerns and  
significant life events.



## THE USAA EDUCATIONAL FOUNDATION<sup>SM</sup>

[WWW.USAAEDFOUNDATION.ORG](http://WWW.USAAEDFOUNDATION.ORG)<sup>®</sup>

The USAA Educational Foundation [www.usaafoundation.org](http://www.usaafoundation.org)  
is a registered trademark of The USAA Educational Foundation.

© The USAA Educational Foundation, 2005. All rights reserved.

No part of this publication may be copied, reprinted or reproduced without the  
express written consent of The USAA Educational Foundation, a nonprofit organization.



USAA is the sponsor of The USAA Educational Foundation.