

Pink Slip Survival Plan

Losing your job? What you need to know now.

Gwen Moran
NEWSWEEK

Fallout from the financial crisis on Wall Street, Hurricane Ike and the bleak economic outlook has sent 159,000 new swimmers into the nation's pool of unemployed workers, according to Department of Labor [data](#). With long-term unemployment growing, there's an even darker side—nearly 800,000 workers will be [left without unemployment benefits](#) by the end of this month, according to the National Employment Law Project.

Losing your job can be a devastating experience, says career coach Joel Garfinkle. As hard as it may be, he says you have to remain calm and attend to the most immediate details first. With the employment outlook widely expected to get worse before it gets better, it's important to have a pink slip survival plan. Here are five things you need to know to get through a layoff and land your next job:

Get connected. In the blur of clearing out your office, don't forget to get colleagues' personal contact information including phone numbers, e-mail addresses and even their social networking pages on sites like LinkedIn and Facebook, says executive recruiter Bradley G. Richardson, author of [Career Comeback](#). "Try to get recommendation letters from the people you've worked with and worked for, before everyone loses touch," he says. This can be a tangible asset when you begin pounding the pavement for your next job, and knowing where to find your former co-workers can make rounding up references easier.

Get what you can. When you discuss your severance pay and benefits with your soon to be former employer, Richardson says it's time to ask for more—more pay, more health insurance coverage, and even more time before turning in company-issue convenience items like your laptop and cell phone. "Cut the best deal you can as you're leaving. It doesn't hurt to ask [and] it's not like they can fire you again," he says. Then, immediately file for unemployment benefits if you're eligible for them, says Peter Schick, chairman of [Moneta Group](#), a St. Louis financial planning firm, as it may take as long as three to four weeks to see your first unemployment check.

Focus on health insurance. Find out about how long your health insurance benefits will remain intact. You will be eligible for health insurance continuation under the federal [Consolidated Omnibus Budget Reconciliation Act](#) (COBRA) for up to 18 months. However, COBRA benefits can be expensive and, depending on the state in which you reside, your health, and other factors, an individual health plan may be less expensive, he says. Still, it can take time to be underwritten by a new insurance company, so keep your COBRA benefits intact until you're sure the new policy is a done deal. A lapse in coverage can make obtaining new insurance more difficult and puts your finances at risk if you become ill or injured without coverage, he says.

Make a cash plan. Once you know what you know what benefits you have, you need to make a budget. Cutting back on everything from eating out to charitable contributions can help you conserve cash. If you don't have a three- to six-month emergency fund, Schick advises looking at the assets you can tap to sustain you. This may mean cashing out some stock or taking a loan against your retirement plan. "It's not something you want to think about, especially in economic times like this, but you may not have any other choice," he says.

Another cash-preservation option is to find an interim job to bring in some cash and to help you stave off the unemployment blues. Career coach Garfinkle agrees, but advises caution. "If it's just a transition job, an 'I need income' job, that's fine. But if your expectations are that you're just going to take the first thing that comes along and it's going to turn into your dream job, you're likely

to be disappointed," he says. So, he says, call a stopgap a stopgap and keep looking for your next big gig.

Be stingy with your resume. It may seem counterintuitive, but don't pull an all-nighter plastering your resume on every online job board, says Richardson. While that sounds self-serving coming from a recruiter, randomly sending your resume and responding to blind ads is likely to get it placed in the HR databases of companies for which you might want to work. When that happens, even if an employment professional has contacts at that company or is trying to fill your dream job there, he or she can't represent you because you've already made contact with that company. "Even if I wanted to, I couldn't. That's how the recruiter/company relationship works," he says.

Richardson admits that job boards can help you monitor who's hiring and what positions are available, but if you're looking for a professional or managerial spot, spread your resume around at the employment-professional level and let several agencies or recruiters do your legwork for you.

URL: <http://www.newsweek.com/id/162829>

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