

McCombs Career Webinar

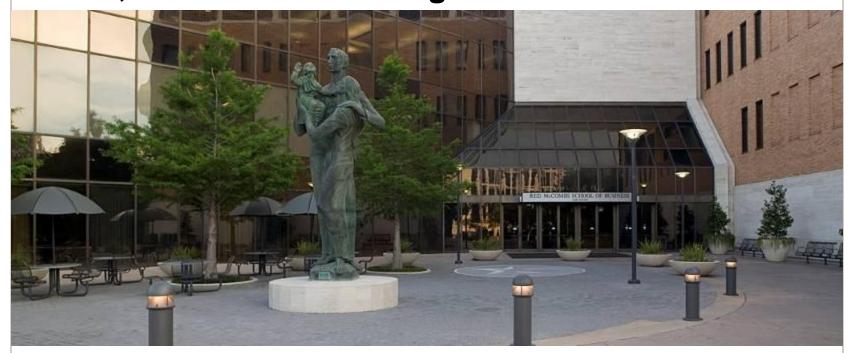


Thursday, August 18, 2011





The Gift of Job Loss – Turning Job Loss Into Long-Term Happiness, Better Health, and a More Fulfilling Career



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Management Consultant and Book Author





Session goals

- Challenge your thinking about the upside and downside of job loss
 - My epiphany...or epiphanies?
 - The gift of time (being at the core of the argument)
 - A few cases and situations how to decide?
- Help you prepare for job loss
- Answer your questions
- Provide you with resources to dig deeper into the subject matter

...and engage in a stimulating discussion with my fellow UT McCombs Business School alumni



2008 – the year of my epiphany











My epiphany or... epiphanies (I/II)?

Job loss as the great emotional equalizer

Potential consequences of fear

- Risk of making bad decisions (stock market, career)
- Risk of missing out on opportunities (decision paralysis, staying "put" instead of moving on)

Benefits and limits of third party career advice

- The Job Seeker Industrial Complex
- Family and friends, (former) colleagues, biz contacts
- Following the masses vs. your individual choice
- Myth or reality? "stigma", "employment gaps", "camouflaging your age", "social media can kill me"
- Tactical vs. strategic job search (how to improve my odds?)



My epiphany or... epiphanies (II/II)?

- Human beings are bad at managing their (life-) time
 - Being vetted to the "here and now" or even "living in the past" (unable to imagine or adopt to a major change in surroundings)
 - Extrapolating trends in a linear way, missing turns
 - Accepting average life expectancy as personal life expectancy, thereby potentially underestimating individual risk of morbidity and mortality
 - Considering time a free resource (i.e., disregarding opportunity costs)
 - Difficulty to think long-term and relate short-term investments / sacrifice to long-term benefits (and vice versa)
 - Not using time as a strategic asset to your advantage (e.g., option value to wait)



What would you have done?

 You lost your job in banking in NYC in 12/2006

VS.

12/2008

- Options (simplified):
 - Start looking for a banking job in NYC
 - Start looking for a non-banking job in NYC
 - Start looking for a banking job outside NYC
 - Take 6-9 months off to travel, learn Spanish, spend time with family, and lose a few pounds
 - Explore alternatives to Corporate America
 - Sit on your couch, feel miserable, and wait for better times



More choices: Should or shouldn't I...

- ...look for a job in a place or an industry if the probability of finding one is next to nil?
- ...rush into the next job if I have \$500K in my 401K but my marriage is on the ropes because I was never at home?
- ...take the first best job at a 20% pay cut just to ensure that I have no gaps in employment?
- ...look for a demanding job with a 70 hour work week as a single woman at the age of 38 if I want to have kids?
- ...at the age of 55 to apply immediately for the next job and continue postponing my dream of hiking 4 weeks in Nepal to retirement?



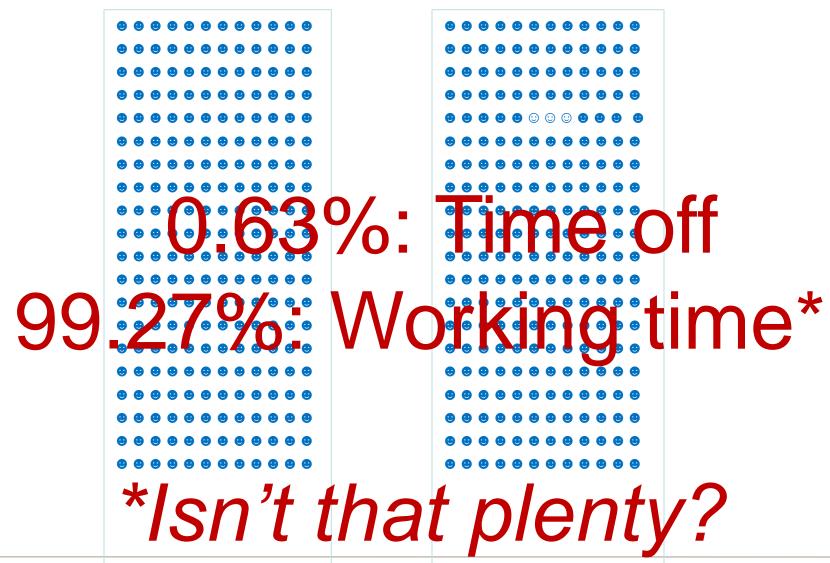
The gift of time – some examples

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If you take three months after job loss and ...
...have a "bucket list"
      ...realize it now (think "insurance policy")
...suffer from medical issues (e.g., smoking, lack of exercise)
      ...take care of them, you might extend your life span
...are lacking a spouse because you worked too hard to search
      ...start power dating 7 days a week
...lack certification in your field
      ...invest in yourself and reenter the job market w/ better skills
...need to reduce complexity in your life
      ...downsize, unclutter, and get a grip on your finances
...dream about non-profit work, teaching, or joining a start-up
      ...explore the relevant option before committing
...believe life would be better in Colorado
      ...spend a few weeks on the ground to get the facts
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3 months off: Am I a slacker?

Assumption: 40 years of active working life





Preparing for job loss far in advance

- Save, save, save
- Keep fixed costs low and always know your financial situation (see the movie "The Company Men")
- Never believe your job is safe, no matter your tenure, hierarchy, gender, age, race, or industry
- Learn about the severance policy of your company ideally before you join, then monitor any changes
- Prepare mentally
 - Create a one pager "What would I do after layoff?" outlining the opportunities, benefits, downside, and adjustments job loss would bring
 - Update this scenario / plan annually
 - Check whether there is anything already implementable now (e.g., vacation, learning, downsizing)?
- Be alert to "warning signs" of potential layoffs, then act according to your goals



Questions to ask when facing layoff

- What is my personal situation? Age, family, financial, health, ...
- What are my personal and professional goals in life? What are my real and perceived constraints?
- What is the economic situation in my city/state/country, industry, and field of expertise? Would I find a good position?
- How is the economy overall doing? Boom vs. Recession? Is there change ahead?
- What is on my "bucket list"? What have I postponed for years?
- Can I invest in myself to improve my job prospects, have a more fulfilling career, get healthier, or find personal happiness?
- Am I better off going right into job search or should I delay?
 - If job search, how to improve the odds in my favor through both strategic and tactical measures?
 - If delay, for how long? What would I like to achieve during that time? What are the opportunity costs vs. benefits and option values?



And now...what is on your mind?





Resources for you

1) Free resources:

http://www.thegiftofjobloss.com

http://www.facebook.com/TheGiftofJobLoss

http://www.amazon.com/gp/pdp/profile/A3QQT4FISWUPOS/ref=cm

<u>cr dp pdp</u>

http://www.texasenterprise.org/profile/michael-froehls

2) The Gift of Job Loss (reviews, endorsements, book purchase):

http://www.amazon.com/Gift-Job-Loss-Practical-Realizing/dp/0983119201/ref=sr_1_1?ie=UTF8&s=books&qid=1303 424777&sr=8-1

3) Follow me on Twitter: @MFroehls



Special Offer - eBook

eBook summer sale: The Gift of Job Loss







MICHAEL FROEHLS, Ph.D.

\$2.99

http://www.amazon.com/Gift-Job-Loss-Practical-ebook/dp/B004SY5XDI/ref=tmm_kin_title_0/192-5590966-1085223?ie=UTF8&m=AG56TWVU5XWC2&qid=1303424777&sr=8-1

http://www.barnesandnoble.com/w/gift-of-job-loss-michael-froehls/1102156224?ean=2940012277954&itm=1&usri=the%2bgift%2bof%2bjob%2bloss



Special UT Offer - Consultation

For participants of today's webinar only (valid until Oct 31, 2011)

- Personalized ~60 min consultation (via Skype/phone) for \$199,-
- Potential topics (your choice) :
 - Preparing for, coping with, and leveraging job loss
 - Brainstorming location alternatives
 - Finding the right trade-off personal/professional life
 - Planning sabbatical / time-off (including travel)
 - Evaluating investing in new skills
 - Discussing career alternatives

How to:

- Schedule via <u>michael@thegiftofjobloss.com</u>
- Email me your CV / bio together with your 1-3 key questions / topics
- Pay via check or bank wire (instructions given after scheduling)
- Note: No money back if "no show" or not being happy with consultation.
 No tax, investment, or medical advice will be given





Thank You!

The recording of today's presentation, along with the PowerPoint slides, will be available on our Career Programming Web page by next week:

http://www.mccombs.utexas.edu/alumni/careers/programming/