

Biz Times On the Money Column Submission
(Scheduled for publication 5/19/09)

Invest in Your Career Sustainability
by Michael Haubrich, CFP

As employees try to hold on to their jobs amid record levels of layoffs, investing in our careers may be one of the best investments to make right now. Just like stocks or cash, your career is a financial asset. It's one of the most important generators of personal wealth you have available.

To invest in your career sustainability, start a "Career Asset Working Capital Fund," a specific amount of money earmarked for the unique financial requirements of career development and change. This fund is separate from emergency cash reserves and should be used to cover such employment/career needs as:

1. *Skill set maintenance and development*: One of the outcomes of the economic crisis is that we can expect to work longer. It's essential you bench mark your skills against an ever changing job market and have a passion for life-long learning. With a career fund, you have money available to keep your skills up to date beyond the training programs your employer may offer. For example, information systems skills are relevant for maybe two years.
2. *Schedule, employment status or salary changes*: According to recent Work+Life Fit, Inc, research, 94 percent of Americans would change their schedules or take a pay cut to help save jobs. A career fund can help supplement a pay cut, reduced income from a reduced schedule or a status shift to project work.
3. *Job changes*: New workers face nine different changes over the course of their careers according to the Department of Labor. Those changes may include lags in employment. Even before the economic downturn last fall, more than two million Americans had been out of work for at least 27 weeks. Many job hunters don't want a new job, they want a new career. But a career reinvention can take an average of three to five years according to the Reinvention Institute.
4. *Career sabbaticals*: Only a small percent of employers offer a paid sabbatical. For those needing Family and Medical Leave, jobs may be protected, but salary is not.

The amount required in a Career Asset Working Capital Fund depends on type of career, salary level, job risk, job change frequency and life transitions that may be faced in the future. A fund for career sustainability should be a necessary part of today's financial plans. Yet most financial plans are still based upon traditional, static employment and retirement patterns, not a career where people may have to change how, when and where they work many times.

Michael Haubrich, CFP, is president of Financial Service Group, Inc. a nationally registered, fee-only financial and investment advisory firm.