



## Careers Newsletter

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### 7 Financial Considerations When Starting a New Job



Getting a job offer is always an exciting time. Whether you're getting your first job, a promotion, or changing careers, there's a lot to be happy about. ***But it's always wise to consider the financial aspect of any decision; starting a new job is no exception.***

#### Before You Accept the Job

1. **Negotiate your pay.** It never hurts to ask for a little more money. Keep in mind that any increase in salary you can get now will only compound your future raises. Respectfully asking for more money doesn't cause any harm.
  - ***Negotiating is the highest paying activity you're likely to ever to take part in.*** Consider that just a minute or two could result in thousands of pounds in additional income for many years. When was the last time you made that much money for a couple of minutes of work?
2. **Ask about the benefits.** Typically, you'll be told the general aspects of the company benefits. Don't be afraid to ask for details. For example, increasingly employers provide a portfolio of benefits to choose from, some of which may be very relevant to you. A job with a slightly lower salary might be much better when you have all the details.

#### After You Start Your New Job

1. **Deal with your previous pension.** Either leave the pension where it is or move it into your new employer's scheme. Resist the temptation to withdraw the money; the tax penalties are significant. Ask your new human resources department about your options



and then make the sensible choice with the aid of a financial adviser.

2. **Keep your lifestyle in check.** Just because you get higher pay doesn't mean you have to buy a more expensive house or car. If you can maintain your spending level for even one year, you can save a lot of money. If you do increase your lifestyle, then be sure to bank at least part of your raise.
  - ***Getting a higher salary is a great opportunity to save a lot of money or aggressively pay down your debt.***
3. **Start paying yourself first.** Set up your bank account with automatic savings of part of your increased income so you start saving money immediately. ***It will be easier to start saving now than later because you won't miss money that you've never seen.***
4. **Make benefit choices wisely.** Set up your life, health, and disability insurance and other benefits intelligently for your own unique needs. For example, a generous maternity scheme is not equally attractive to everyone. Your life insurance needs will vary depending on your family situation.
5. **Have your pay deposited into an interest-earning account.** Interest rates are so low right now that it might not matter a great deal, but it makes sense to deposit your pay into an account that pays interest. You can always transfer what you need into your normal account later.

***Being financially healthy is the result of making intelligent decisions consistently.*** A job opportunity is a time for celebration; just ensure you're making positive financial moves to take your best advantage of this occasion.

## Motivation

“If you work just for money, you'll never make it, but if you love what you're doing and you always put the customer first, success will be yours.”

Ray Kroc



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