

GET THE JOB

How to Minimize Your Costs

Job searches for the unemployed can be extremely difficult to manage

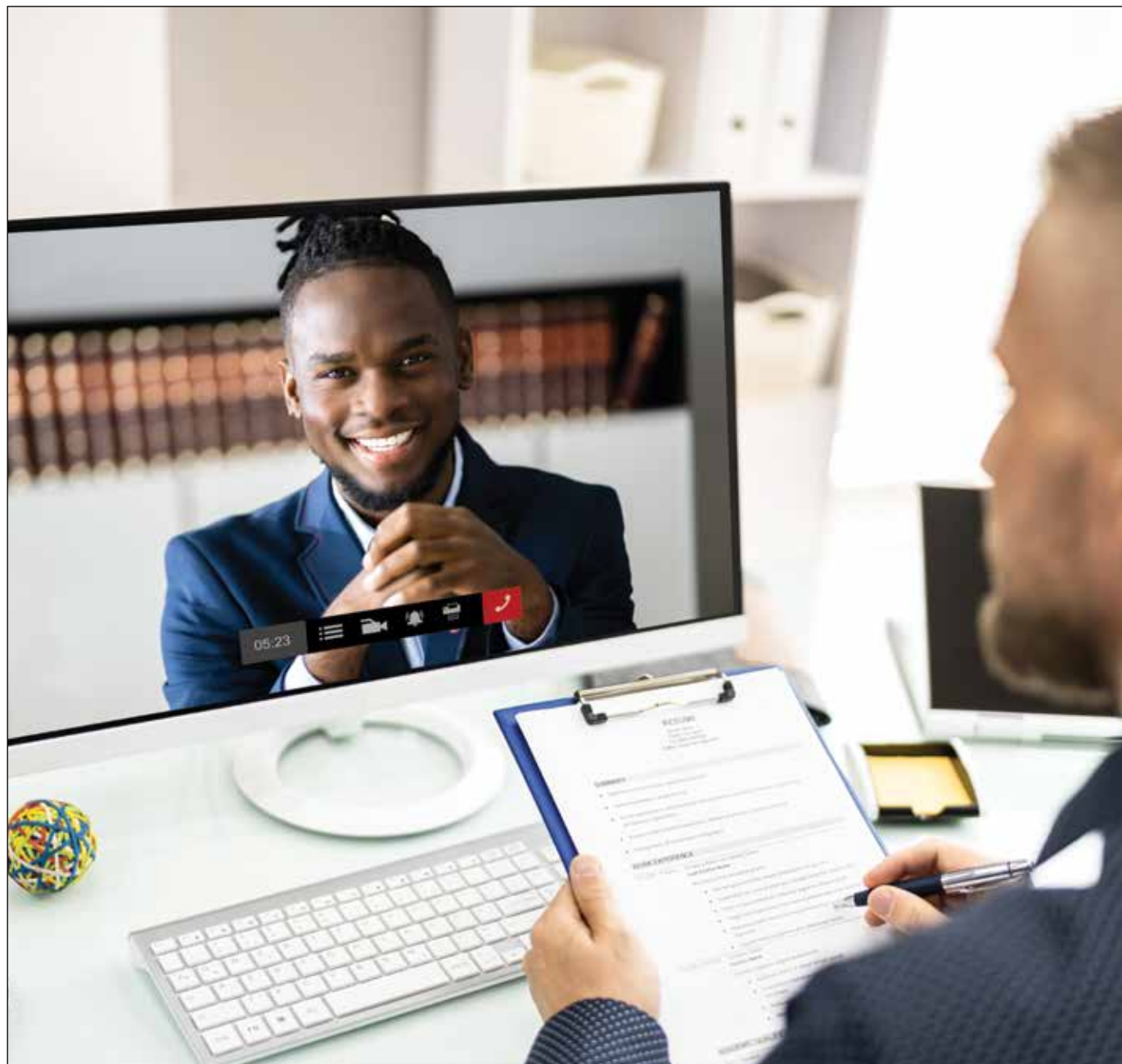
Those who are out of work may spend weeks, or even months, looking for their next job opportunity. In fact, the U.S. Bureau of Labor Statistics has placed the average search length at 18 weeks.

CareerBuilder estimated that job searches last an average of 35 to 40 weeks during recessions. That adds even more stress to an already difficult situation.

If you remain unemployed for very long, you'll need to minimize costs while you continue to look. Keep in mind, however, that you may also need to spend a little more in order to maximize your future opportunities.

RESETTING YOUR BUDGET

It's important to reset your monthly budget when facing such a potentially lengthy timeline. Online budgeting tools like Goodbudget, Consumer.gov and Mint can help. Either way, you'll need to determine how much is needed each month by separating all essential and nonessential expenses — keeping in mind that the costs associated with job seeking are now part of the “essential” column. That



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includes money spent on transportation, clothing and appearance, and the application process.

A good rule of thumb is called “50/30/20,” with 50% of the money you have on hand through savings, unemploy-

ment benefits or severance devoted to necessities like groceries, rent, fuel and utilities. Budget 30% for extras, and place the remaining 20% in savings or investments. Saving is, of course, much harder when you're out of a job, but might

become critical should you experience an unexpected mishap like a broken-down car.

SEARCHING FOR LESS

Look for opportunities to apply for jobs online, rather than going through the time

and expense of printing lots of paperwork, using gas to drive to the post office and making large expenditures for mailing it off. LinkedIn, local job boards and other sites allow you to sidestep all of those hassles, while saving significant money along the way. Ask for a phone or video interview, rather than traveling there — or try to negotiate a stipend to cover travel expenses. If you can't afford to buy new clothing to improve your wardrobe, head to the thrift stores. Just keep in mind that you'll need to look your best when the big interview is finally set, and clothing that is noticeably old or ill-fitting might inadvertently send the message that you are unfocused or unprepared.

INVESTING IN YOURSELF

Consider hiring some help for your search, or taking part in specialized training or degree work. Career coaches and head hunters can offer tips and find tucked-away job opportunities that you might have missed. Look for certified professionals with a proven track record of success. If you find yourself on the outside looking in because you lack certain educational requirements, enroll in university or community-college programs to help shore up your resume. There may be financial aid programs in place that make it easier on your budget.