



Most experts view our recent financial meltdown as having unprecedented effects on the job market.

Judging from the onslaught of bad news in the media, some people might assume that the market for professionals in the U.S. has fallen apart. However, this is not quite the case.



1 Appendix 1

Understanding the market in unprecedented times.

Bright spots in dark times

As this book goes to press, for well over a year there has been a 24/7 spotlight on unemployment. There are also economists who foresee a very prolonged slow economy. These predictions are not encouraging to job seekers. As pointed out in this book, job seekers need to start out with the brightest perspective possible, and a strong belief system. So let's look at some facts that will help you do that.

Unemployment rates are selective

While unemployment remains high, the rate among college graduates is less than 50% of the national rate.

Further, unemployment is concentrated in major industries that get huge publicity. Banking, construction, autos, heavy manufacturing, high-end consumer products, luxury retailing, mortgage banking and others have obviously borne the brunt.

But other industries are affected far less, or in some cases not at all. Biotechnology, healthcare, many technologically demanding products, clean energy, waste remediation, companies in many industries that have pioneered better products and services, suppliers for home gardens and local farming, and discount retailers are examples. IBM recorded record profits. Wal-Mart's success and that of "dollar stores" has been well publicized.

Smaller companies are not immune, but many are stable or hiring. In terms of who is recruiting, for the most part it is small companies with between 10 and 1,000 employees. This continues a trend in recent years, where the vast percentage of all new employment has come from small businesses.

The overall job market in the U.S. for professionals and executives

As mentioned earlier, it's important to keep in mind that the overall size of the U.S. marketplace is largely determined by turnover. Positions become available because people retire... get terminated... go into their own businesses... or accept promotions outside of their current employer. This is what drives the job market.

Growth companies are very important to the marketplace. But, even in good times the size of the overall market will be primarily dictated by turnover.

Every month there are examples of companies producing better revenues and profits than last year. They may not get the headlines that bad news and bigger companies command, but the fact is that many smaller and mid-sized businesses are healthy and have not altered their growth plans for 2010.

How long will a slow economy last? No one knows, but probably for some time. For right now the job market in many industries remains on the same trendline as it was a year ago.

Since the job market is driven by turnover, the total number of job seekers in the market is affected by the bad news that is so prominently reported. The market itself is dominated by employed people who normally are in search of new or better jobs. And, the average person changes positions once every 4 years in the U.S. In negative financial times... the number of employed people who look for jobs... generally declines. The constant

media barrage causes many people to feel thankful they have decent positions, and they postpone their thoughts about bettering themselves... until they think the job market has improved.

This actually makes for a positive opportunity for those who need to find new employment or who are very motivated to advance themselves. To put this into perspective, here is a small example. We know that in the U.S. approximately 3.8 million people secure jobs at \$100,000 or above each year.

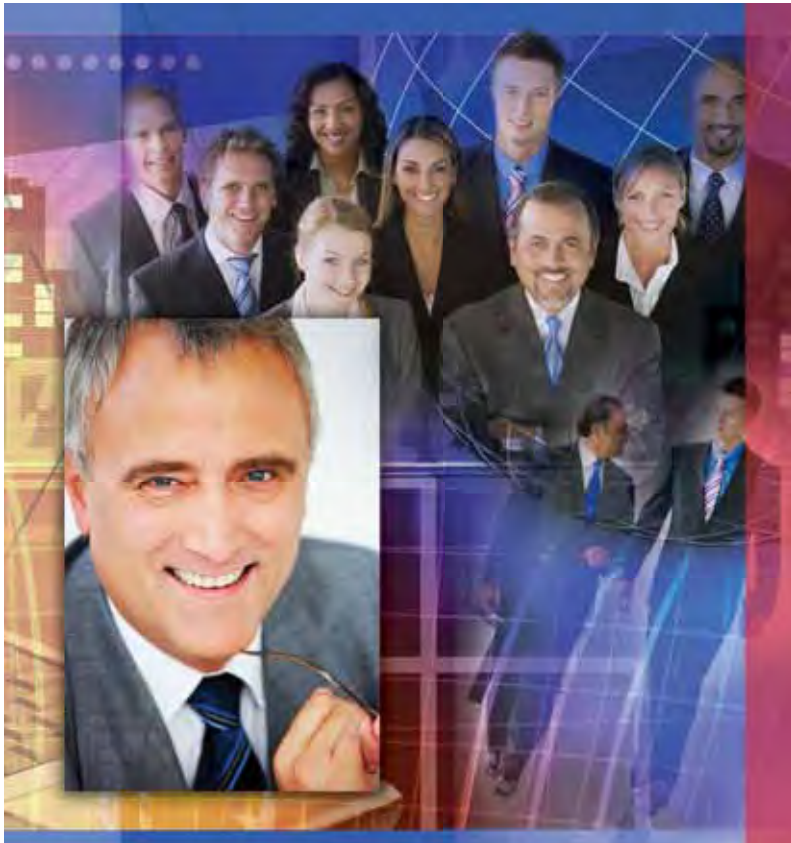
The government knows this based upon their tax filings the subsequent year. At the same time, it is generally estimated that upwards of 25 million people each year seek new positions at this level. Most discontinue their efforts and stay where they are.

During a worsening economic climate, these statistics will fluctuate. However, the main focus should be on what the climate does for your competitive chances.

In the upcoming year, instead of 3.8 million securing jobs at \$100,000, perhaps only 3.5 or 3.6 million will. On the other side of the coin, it is likely that the number seeking new positions at this level would dramatically be reduced. This could drop from 25 million to 20 million. The net result, obviously, is that there would be less competition for the jobs that are available.

The market for your skills is unique

Last, whatever the overall market, remember, it might or might not significantly affect the market for your particular blend of skills and strengths, in your particular market niche, at the time you are looking. And, if you implement the kind of comprehensive search recommended in this book, your chances will be far better than the average. In fact, a multiple of many times better.



Individuals are unique, but some face common challenges.

This chapter is for younger executives... corporate officers... people who've had too many jobs... individuals who've been too long in one firm or industry... and entrepreneurs.



2 Appendix 2

Classical career situations.

While each career is unique, there are certain common situations that exist. If you fall into one of them, the following discussion will give you some guidance.

Are you a young executive moving up?

These executives are typically 28-46 years old, B.A./B.S. or M.B.A., doing well financially, either highly marketable and confident... or concerned because they have been blocked for some time.



Many of these people are at an important crossroad. And many potentially great careers are lost at this critical stage. Some, of course, are highly marketable. It's important for these executives to explore *all* their options when making a move... not just one or two.

On the other hand, some executives are less confident. Some fail to discover the importance of broadening out before it's too late. Age can be a factor here. They're well aware of the bottlenecks that may prevent their growth where they are.

Some are in situations where they have not attracted attention from top management. Other talented people may be just ahead of them—or they may not be aligned well enough politically.

Because they value their careers so highly, a bad move at this stage can be tragic. They must make the right move. Here, one of the keys is to uncover and market their full range of assets and transferable skills.

If these people don't control their careers now, they may lose the advantage of their good beginnings. They must stage their careers and plan their futures. Others are facing a marketability decline. These people are often wise to consider new environments in smaller and medium-sized firms, and in emerging industries—where they can receive greater responsibility.

Working in an entrepreneurial environment and combining it with large corporate experience can be an excellent platform for future moves. Or, it could be time for some to take a calculated risk to make a dramatic move up financially. They are ready to do their boss's job... and perhaps much better!

People like this have often made the mistake of just dabbling in the market... answering ads, speaking with a few recruiters. The trouble is, that while they might have surfaced something sooner or later, it would only have been one offer—requiring a one-shot leap of faith.

For these people, having a structured system for developing the right interviews is critical. Good numbers are necessary because executives have to be realistic about rejections. And, the higher you go, the truer this is.



Are you a corporate officer with a limited future?

The corporate officer—\$100K to \$750K+... age 36 to 62... is often at the peak of his / her marketability. Their job is threatened, the challenge is gone, or they have been terminated.

People in this position are often unsure about their futures. Normally in control, they sense changes ahead. A few may be concerned that they have wasted their best career opportunity.

Others may be fed up with politics and want out entirely. Some worry their careers could be lost.

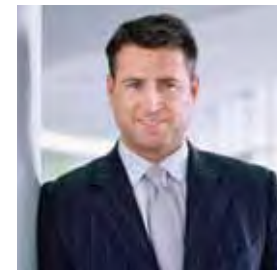
At higher levels, these people are often concerned about campaigning with dignity. They also feel that they cannot afford to make another mistake. Their next move often needs to be their last. Time may be their greatest enemy.

There is a tendency for these professionals to have an exaggerated view of their marketability— thinking it is easier than it is... or that their network will produce the right opportunity. Instead, they need to plan on getting much wider exposure than they may have realized.

Of course, for corporate officers at senior levels, the need for truly superior marketing materials is supremely critical. That's what makes or breaks the success of these campaigns.

Have you had too many previous jobs?

Often, a person will come to us after several bad moves. Emotionally, they may be confused, and despite talent, they are doubting themselves.



Typically, this is where an executive is concerned and wondering if there is any hope. Is the problem with them, or are they a victim of circumstances?

In this situation, if you examine your previous changes, you may see that bad moves in the past were made because you didn't professionally search. You took situations that just came your way.

At this stage, you need to control your career destiny. Mistakes must be avoided and a move made on a more scientific basis.

Historically, many in this situation have overreacted against past problems by taking the first thing that came along. For most people in this position, the key to success is in their ability to generate a lot of interviews. Then you can be selective, accept the right situation and stay with it.



Have you been too long in one firm or industry?

These people do not know what they are worth and may never have looked before. For this reason, the ability to expand their true marketability is paramount.

Unless their lethargy is shaken, these people may spend the best years of their lives with indecision. Action for these people may come too late to be meaningful.

Most of the time, these people are unaware of what's really out there for them.

Not only are they unaware of what's out there, but employers will be ignorant of their value, because they have never prepared materials to present their full story.

And whenever there's a problem of ignorance, the solution is communication.

If you are in this category, the weight of your campaign will fall on your ability to build an appropriate bridge, from where you've been—to where you want to be... both through your resumes and communication in general. I get concerned that in this category, the longer some wait, the more difficult the search may be.

Are you an entrepreneur entering the market?

These executives recognize that certain employers will be hesitant to hire them. They know there will be concerns about whether they may go back into their own business, and whether they can be a team player in a corporate structure.



Talented as they may be, former entrepreneurs face special challenges. Many are identified with a narrow industry, and they lack credibility outside that niche. Of course, some want, or need by virtue of non-compete agreements, to seek out positions in different industries. However, they are unsure of where they would fit.

Some, having achieved success, want to be in a business that has an explicit mission of enriching people's lives.

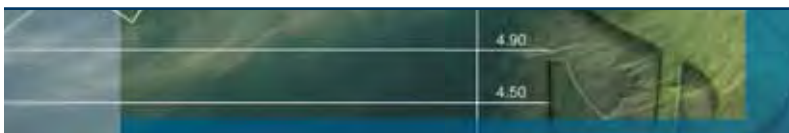
If you are in this category, this is a critical move for you. You have not done this before, and you need to do it right. Chances are you are also a down-to-earth realist. To have credibility, you must have concrete "selling propositions," as well as "industry hooks" based on facts and the realities of the marketplace, not just vague generalities.

Entrepreneurs are seldom short on achievements. However, what you need the most are powerful written presentations that make you credible over a broader spectrum.



Should you invest in your search?

Austin Kiplinger once said, *“Look at your career as your primary investment. Keep your earning power at its highest level. The money you spend doing this will return more to you than any other investment. You are your own best investment!”*



3 Appendix 3

The true financial implications of your next job change.

When they look for a new job, very few people invest in themselves, spending the time and money that the significance of the effort really deserves.

Finding the right new job can obviously affect your immediate income, but it also can impact how much you enjoy your jobs, your career and your life... as well as your health, and the longer term life style prospects for you and your family.

So, with this in mind, carefully consider the financial and other implications relative to what's at stake in your next move.

If you carefully consider all the possible pluses and minuses, and do the math, chances are you will invest the time and money that your career search deserves. Listed below are thoughts that may influence this decision, as well as some classical ways to free up some finances to invest in yourself.

■ Generating a higher base income.

Assume you increase your earnings 10% in a new job... or perhaps 15% or more. Our experience has been that most people who move to a higher platform generally continue to maintain that every year for some years. This means that a 10 to 20% annual increase ends up being worth many times the absolute dollar amount over the course of your career.

■ Negotiating an increase in the offer you are extended.

We regularly see people negotiate 10% to 30% increases in the higher base salary they are offered, with the help of nothing more than the negotiation steps outlined in this book.

■ Negotiating a signing bonus.

Signing bonuses often add 10% to 30% of base. And these have become much more common at all income levels. The U.S. government offers signing bonuses for certain positions they recruit for... and companies such as IBM and Google are known to offer them on a discretionary basis when it is to their recruiting advantage. Many other firms do the same.

Ways to raise money to finance your job search effort.

Naturally, you will want to choose financing options that have the lowest interest rate and total cost of borrowing, or which don't cost you anything. Here are 16 methods people have used:

1. Use your credit card... and/or raise your credit limit... or get new cards.

You can apply for entirely new credit cards giving you additional credit... or obtain cards with lower interest rates than the ones you might have. You can compare rates at www.creditcards.com.

2. Take a cash advance on your credit card.

If you do this, you get the money fast, but you'll pay a fee of up to several percent of the advance.

3. Sell some investments, and perhaps reduce your tax obligation.

You can sell securities that have done well, and this will lock in your gains. If you sell losing investments, you can reduce your capital gains tax obligation. You may be able to write off \$3,000 a year in losses and carry over excess into future years.

4. Break into a CD (certificate of deposit). Borrow on a secured loan basis using a CD as collateral.

Cashing in a CD before the maturity date triggers an early withdrawal penalty. Typically it is 3 months interest on CDs of less than 18 months... to 6 months interest on CDs of 3 years or longer. For example, to open a 1-year \$10,000 CD earning 4%... you'd pay a penalty of about \$100. However, you may be able to deduct it on your tax return.

5. Cash in or borrow against a whole life policy.

Because whole life policies are typically poor investments, you wouldn't be sacrificing very much and you can replace your coverage with cheaper term insurance.

6. Ask your parents for a gift.

The IRS allows tax free gifts up to \$12,000. If your parents were planning on leaving you an inheritance, you could ask them to advance the amount you need against anything earmarked for you.

7. Get a loan from family or friends.

People who do this normally are able to borrow at an interest rate lower than a bank would charge.

8. Take out a HELOC (home equity line of credit).

HELOC interest rates are currently reasonable... and some very low. And, because interest on loans of \$100,000 or less is tax deductible, the real cost is even lower. These types of credit vehicles even have low up-front fees. In today's economy, to get a home equity line of credit, you may need a credit score of 680 or better, and more than 20% equity.

9. Do a cash out mortgage refinance.

It may be easier to get a bank to do a "refi" than a line of credit. Many lenders still let you borrow a significant percentage of your home's value. Rates are still very low. Also, the interest you pay on your primary mortgage, up to \$100,000, is tax deductible.

10. Borrow from your 401(k) or 403(b) plan.

When you do this, you're borrowing money from yourself at a low rate (usually prime + 1 point)... so the interest goes right back into your account. Not every plan will let you take a loan, but the vast majority do.

Some restrict borrowing to a home purchase, education or medical expenses. You're limited to borrowing 50% of the vested amount. Of course, you must start paying the money back right away, and if you leave your company, you need to pay up immediately.

11. Liquidate your 401(k) or 403(b) plan.

You can cash out only if you are leaving your job or the plan is being dissolved. If you're younger than 59-1/2, you'll have to pay a 10% penalty to the IRS plus the taxes due on all earnings and pre-tax contributions.

12. Tap your IRA.

If you're younger than 59-1/2 and you have had the IRA for more than 5 years, you may be able to make a penalty-free withdrawal. To see if you qualify, go to irs.gov and search

for publication 590. Also, there is a little-known provision that allows you to withdraw money from an IRA so long as you roll it over to a new IRA or redeposit it into the same account within 60 days.

13. Borrow against other investments.

Anyone with an investment account can qualify for a so-called margin loan, which costs nothing to open. The rates are reasonable... for accounts with at least \$50,000 in total assets.

14. Borrow from new sources.

If you have good credit, you might get a better rate with a person-to-person loan via such websites as prosper.com, lendingclub.com, and zopa.com... than with an unsecured bank loan.

15. Do a reverse mortgage.

You can get the money up front but the interest is deferred until you move out. The main advantage is that you can do a reverse mortgage and still enjoy your home. It's not like a 401(k) in the sense that once you tap it, the asset is gone. Often you need to be 60 or older to qualify. The younger you are, the less you can borrow because it will be longer before you can pay it back.

16. Sell some hard assets.

This can include things you might be able to liquidate via auction, including artwork, antique furniture, old jewelry, etc. You can email photos with a description, and the two major auction houses, Christie's or Sotheby's, will give you an estimate (www.christies.com or www.sothebys.com).

Invest the time and money in yourself. Put your heart into your career. Search smart. Most people don't.



Many people who are unhappy will wait to look for a position when the national economy seems right.

By now you've recognized that there is almost always a reasonably good market for people who know how to market themselves.



4 Appendix 4

When is the right time to launch your search?

What makes national news about the market may have little to do with the reception you get in the marketplace.

Surprising as it may seem, through good economies and bad, the total number of employed Americans is sure to increase over the long term. Furthermore, the openings available depend more on turnover than anything else... people who retire, leave or get terminated, thereby creating a job opening. Turnover in the U.S. is 25% per year.

Another thing to keep in mind is that some people are in career situations that will only get worse if they don't take action. The longer you wait to make a decision, the worse your situation may become.

The longer a person remains on the brink of losing a job, unhappy every day, under stress or unchallenged, the deeper the hole that person may dig for themselves. If you wait and allow this to happen, the negative impact on your mental outlook can be severe. You will never be able to approach marketing yourself with the right frame of mind.

Then there are some liabilities that only get worse with time. If you have topped out, or stayed in one industry or one company for a long time, you will get increasingly less marketable. Of course, age clearly gets more challenging with time. Things will only be more serious later on.

You also need to concern yourself with your achievements that may have been significant, but which can lose their impact. As time goes on, the power of those earlier achievements will become less and less. With senior executives and high achievers, the impact factor is very important.



When you run a job search... work ethic will count a lot.

We've found that many people can achieve far more than what their formal credentials might have indicated... and what they thought possible. Now is the time to really get motivated.

5 Appendix 5

Your destiny is in your hands... and in your motivation.

With this system there might be a temptation to think that little effort is required to win an attractive job. We wish that everyone could experience that. But through our regular staff communications with thousands of job seekers, we have statistics that tell us otherwise.

What we have found is that to make our system work, clients must use this advice aggressively. Of our most successful clients... people who succeeded in a minimum of time... 92% devoted a great many hours to their search. And, when we looked at the campaigns of people whose search took longer than expected, *most had not taken aggressive advantage of our system.*

The implications are clear. Similar to any other resources you might use to help you achieve a goal, no matter how effective they might have been for thousands of others, they will work for you only if you use them in the manner that was intended.

Attending "*the finest golf school*" will not lower your score unless you practice regularly. The most effective "*weight loss program*" works only if you adhere to what it requires. The most rigorous "*physical conditioning program*" gets you in great shape only if you get to the gym and do the exercises.

So, it's up to you to make the most of this system. That means searching for your new job on a daily basis, and finding information to make certain interview-producing actions work, and being creative and aggressive in surfacing the right opportunities for you.



6 Appendix 6

Will this system work for everyone?

No. This system is for the vast majority of individuals anywhere who feel they have a record of achievement at professional, managerial or executive levels.

There are few professionals who could not dramatically increase their chances by aggressively using this system. But, some start out with such a high degree of difficulty, that even with the leverage provided, they stand a less than average chance for success. For example:

- ▶ People seeking relocation, but with no budget to travel to a new location for interviews
- ▶ People with very narrow geographical requirements in small second-tier markets
- ▶ People who are not legal to work in the U.S.
- ▶ Those with extreme specialization
- ▶ Those with a severe disability that prevents them from interviewing or speaking easily
- ▶ Those with poor education credentials and limited achievements to compensate
- ▶ Those with significant age issues and no record of valuable contributions in demand today
- ▶ People who are simply not motivated, and
- ▶ Some who face bias due to personality, appearance, language problems, or depression

People in these categories need to consider that while our system will enhance anyone's chances, their odds for success will still not be favorable.