



# LIFE AFTER SWAT

## Workplace 101

Congratulations, you are beginning your journey as a new professional! Career Services can help ease the transition from college to the workplace by providing you with advice about post-grad life. Feel free to schedule an appointment with a counselor (via Handshake) or e-mail us any specific questions at [careerservices@swarthmore.edu](mailto:careerservices@swarthmore.edu).

### STANDING OUT

- **Take initiative.** Employers love initiative – individuals who go above and beyond their job description by wanting to know more, by asking for additional assignments, by volunteering to work on a new project or collaborate with another division. Being a self-starter shows excitement about your work and is a great resume-booster. Learning more about other areas of the organization can help you advance and transition into new opportunities.
- **Ask for more work.** Do not sit there and spend your downtime in the office on social media or checking personal e-mails. Asking for more work shows that you are putting the organization's interests above your own – that you are eager to contribute and will make the most of any opportunity.
- **Research your organization.** Know what is happening within your organization on a daily basis. Read organization wide e-mails and employee/public newsletters. Read about your organization online and in the news. Meet colleagues from other areas for coffee or lunch. Know the organizational structure – look at the “org chart”. Discovering everything you can about your organization may open up more opportunities for you in the future.
- **Track accomplishments.** Save the projects you complete in your first job as material to add to your professional portfolio. Whether you use your portfolio or not, it is always great to keep something on file to look back on and regain a sense of accomplishment. Update your resume with each new project and accomplishment.
- **Network with key people in the organization.** Networking and developing relationships with key people in an organization can provide an edge for you when you're looking to advance. Your contacts can provide future employers with references and let you know of opportunities within the organization itself. Remember that anyone could be in a key position to help you in the future. Contacting Swarthmore alumni and attending alumni events can be a great way to begin building your network, so make sure to link with them on LinkedIn!

### COLLEAGUES AND OFFICE POLITICS

- **Show team spirit!** Be enthusiastic about working with your co-workers even if you share different lifestyles and interests.
- **Ask for help when necessary.** There's really no such thing as a stupid question. If you're unsure about something it is much better to ask for help rather than guess. You're new to your job and you are definitely not expected to know it all. Ask your supervisor for clarification when needed and keep an eye out for friendly co-workers and potential mentors who can help you learn your job.
- **Find a mentor.** Find someone with whom you have a pre-established relationship or someone you admire and trust to serve as a professional mentor. This person will act as your guide through your

professional development. Mentors will help you work through challenges you may have in your job or within the work environment. Never ask your direct supervisor to be your mentor. It is better to connect with someone who can talk freely about workplace issues. Your peers in similar positions can also be considered “peer mentors.”

- **Avoid gossip.** Keep the conversation professional. As a new professional, you can't quite be sure who to trust – realize others are trying to gauge who you are and whether or not they will like working with you. Be friendly, open, but careful about sharing confidences.
- **Take advantage of team-building activities.** Show your interest in getting along well with colleagues by engaging in post-work activities or team-building events with co-workers.

## YOUR ONLINE PRESENCE

- **Pay attention to your online profiles.** The way you presented yourself online in college will be different from the professional presence you plan to cultivate after graduation. Take a fresh look at your profiles and postings through the eyes of your employer. If you blog or post to message boards, be careful to limit what you say about your employer or colleagues, realizing what you post is accessible by all. Horror stories exist of employees being fired for posting negative comments about their employers. Check your privacy settings on Facebook, LinkedIn, etc. Google yourself frequently. Hopefully your LinkedIn profile will be the first item returned in that search.
- **Avoid personal e-mails and calls at work.** Many employers have very specific policies preventing employees from checking personal e-mails at work, surfing the web for personal reasons or making personal calls on “company time.” Some organizations take this a step further – they actually monitor employee Internet usage. Save contacting your friends for your lunch hour or after work.

## PROFESSIONAL ATTIRE

- **Dress professionally to display a positive image.** Find out what attire is appropriate for your work culture. While few employers expect suits, your employer's definition of business casual may be quite different from yours. Look to see what your colleagues and your supervisor wear. For more information on this topic, see our *Interviewing* guide.

## MEETINGS

- **Listen before you speak.** Listening before speaking allows you to process all of the information that another individual has provided you. If you do not listen before you speak, it will be more difficult to express your rebuttal, point of view, or follow-up idea. Listening is also a vital skill when working with potential clients. Also, be sure to find out what was discussed before you started work there.
- **Take notes.** Taking notes shows that you are actively listening and provides you with a point of reference when you have a future question related to the same topic.

## TIME MANAGEMENT

- **Work full days.** Always arrive early to work. Be prepared to see people eating lunch at their desks and staying after work. Don't watch the clock eager to leave at 4:59PM. Save something to work on at the end of the day (i.e. planning your work day for tomorrow) so that you aren't the first one to rush out the door. This “buffer” time around the work day also allows time for you to chat with colleagues in less formal conversations. Take time for self-care, also, so that you'll be productive at work.
- **Vacation six months to one year after you start.** If you haven't brought up an upcoming pre-planned vacation with your new employer in the final stages of your interview, plan to not take a vacation until six months to a year after you start.

## Your First Paycheck and Beyond

What an exciting moment! Now that you have a reward for accomplishing all of your hard work, what will you do with your money? Throw a big party? Sure, that's definitely possible but don't forget all those other things you have to pay for – like an apartment, car payment, groceries, and even student loans. Plus you may be surprised to see how your take home pay is much smaller than your gross income. Almost 30 percent of your income will be eaten up in taxes including federal tax, state tax, local tax and social security payments (also known as FICA). For an overview of what you can expect to take home after taxes, visit: [www.paycheckcity.com](http://www.paycheckcity.com).

The key to financial success is to start budgeting your income right away. Keep your lifestyle at least two notches below your income. If you're saving 20% of your income at age 30, you can retire comfortably. At retirement you can spend three percent of your assets per year. However you get paid, budget all of your pending expenses on your payday down to the dollar. Don't forget crucial expenses or savings such as:

- Apartment Rent
- Groceries
- Gas for car
- Public transportation expense
- Car payment
- Car maintenance
- Car insurance
- TV/Internet /streaming services
- Cell Phone/Landline
- Health insurance
- Leisure Activities/Entertainment
- Vacation
- Savings
- Savings (Retirement)
- Student Loans
- Credit Card balances

### \$\$\$ SAVE SAVE SAVE \$\$\$

Meet with a Financial Advisor to discuss the best Saving Plans for you. One example of a Savings Plan is the Roth IRA, this is a retirement funding vehicle similar to a 401K. Like a 401K, a Roth IRA grows tax free but is **funded with after-tax dollars**, 401k's are funded with pre-tax dollars and taxed upon withdrawal. The Roth is not taxed when you withdraw funds. There is a \$ 5,500 limit to contributions per year under the age of 50.

Usually the best strategy, when you are young, is to commit to your 401K up to your company matching and then put whatever you can in the Roth. It's good to start the Roth early if you are in a lower tax bracket because you are using after tax money - more bang for your buck!

You can open Roth IRA's with Financial Advisors such as Vanguard, Fidelity, Charles Schwab and use their investment platform. They are not run through your employer. As long as you have earned income you can open a Roth IRA.

## Employer Sponsored Benefits

In assessing your compensation package, remember to look at your total compensation, not just your annual salary. This is the combined total cost an employer pays for salary and benefits. For example, an employee earning a base salary of \$30,000/year requires an additional cost to the organization for benefits. Total compensation may be \$37,000 - \$38,000/year when benefits are included. To help you get started, we have provided an overview of the main types of employer-sponsored benefits. Remember, most organizations have a person in the Human Resources department designated to answer your questions

about health insurance plans and other benefits. Be sure to ask questions.

## MEDICAL INSURANCE

Choosing the health insurance coverage that is right for you can be a confusing process.

- **Consumer Directed Health Plans (also called High Deductible Health Plan) with Health Savings Accounts:** These are relative newcomers to the market, but are quickly gaining in popularity. The initial premium deducted from your paycheck is low, but they have high annual deductibles. They work in conjunction with health savings accounts, a tax free account which can usually be rolled over into future years. They typically also offer free preventive healthcare, so be sure to take advantage of those opportunities to reduce your need for care that will be an out-of-pocket expense.
- **Health Maintenance Organization (HMO):** Has a network of providers; need to enroll with a primary care physician; need to get referrals to go to specialists. Generally, the least expensive plan and what most recent grads choose because the employer typically covers all the expenses, or a significant percentage.
- **Point of Service (POS):** Has a network of providers; need to enroll with a primary care physician; need to get referrals to go to specialists; also has an out-of-network component. You can go to a non-participating doctor and still have some coverage. A bit more expensive than the HMO.
- **Preferred Provider Organizations (PPO):** Has a network of providers but you don't need to enroll with a primary care physician; don't need referrals for specialists. Most expensive because of the freedom.

## RETIREMENT PLANS

Depending on the industry in which you are working, your retirement plan will either be called a 401k (for-profit organizations) or 403b (non-profits). If you are working for a start-up or beginning your own venture, consider a SEP-IRA or SIMPLE. Start contributing to your employer-sponsored retirement plan early. If you start contributing at age 25 your money will grow more due to compounding interest rather than if you were to start at age 35. You are allowed to contribute up to \$17,000 pre-tax dollars per year and invest in different mutual fund and money market choices provided by your employer. Contributions to a Simplified Employee Pension (SEP) cannot exceed the lesser of 25% of eligible compensation or \$50,000. Money in these plans grows tax-free until you take it out at retirement.

Sometimes organizations will match the amount of money you put into your retirement plan. This process is called matching. **Always** take advantage of employer matching – it is free money! A typical employer match will be anywhere from 2-8%. You may also hear the term “vesting.” Vesting refers to the period of time before your matched retirement monies are yours unconditionally (typically five years). This means that if you leave the organization before the vesting period occurs, you will lose the money in your retirement plan that the employer has paid in through the matching process. However, all of the money that you have put in directly from your paycheck is yours to keep whether you stay with the organization through the vesting period or decide to pursue other opportunities.

Generally, you can't take money out of your retirement account without penalty until you turn 60 years old. Some exceptions exist including medical expenses and down payments for first-time home buyers. You will need to check with the financial services organization that manages your retirement plan to learn more about these exceptions. However, remember that this money should be used for retirement

purposes and avoid taking it out unless absolutely necessary. When you leave your current employer, you should avoid a highly-taxed payout from your retirement plan and instead roll the money over into an FDIC-insured IRA at your local bank.

- **401k-** The 401(k) plan is a type of employer-sponsored retirement plan in the United States and some other countries, named after a section of the U.S. Internal Revenue Service code.
- **403b-** A 403(b) plan is a tax advantaged retirement savings plan available for public education organizations, some non-profit employers and self-employed ministers in the United States. It has tax treatment extremely similar to a 401(k) plan.
- **SEP-IRA** is a retirement plans that allow you to contribute and deduct up to 20 percent of self-employment income (25 percent of salary if you're an employee of your own corporation). However, the percentage can be varied each year, so lower amounts (or nothing at all) can be contributed when you turn out to be starved for cash.
- **Solo 401k-** An individual or Solo 401(k) is strictly for sole proprietors who have no employees.

## ADDITIONAL BENEFITS

In addition to health insurance, many organizations offer myriad benefits that are available to you. Be sure that you understand all the benefits that your employer offers so that you may opt-in to those that are helpful to you.

### Flexible Spending Accounts

- **Health Care Spending Account:** Pre-tax account; used for reimbursement of medical expenses not covered by your insurance and also some over the counter medications; “use it or lose it” rule; annual maximums apply.
- **Dependent Care Spending Account:** Pre-tax account; used for reimbursement of childcare expenses; “use it or lose it” rule; annual maximums apply.

### Life Insurance

- **Group Term Life Insurance:** generally, one or two times your salary; usually employer paid.
- **Supplemental Life Insurance:** additional life insurance you can purchase for yourself.
- **Dependent Life Insurance:** insurance you can purchase for your dependents.

### Sick Leave

- Time you can use when you're sick; typically you will accrue 6-12 hours per month.
- Some plans allow you to use sick time for doctors' appointments for yourself and/or dependents and also when a dependent is sick.

### Short Term Disability

- Many employers offer this coverage if you have an approved absence (usually due to pregnancy, illness, planned surgery or disability) of more than 10 days.
- Many different plan designs.
- May pay at 100% of salary or some lesser percentage for up to six months.
- May have a waiting period to be eligible for this benefit.

### **Long Term Disability (LTD)**

- Program many employers offer to cover you if you become disabled beyond the Short Term Disability period.
- Again, many different plan designs but most LTD plans cover 50% to 60% of salary and kick in after a 3 or 6 month elimination period.
- There may be a waiting period to be eligible for this benefit.

### **Holidays**

- Most employers provide some number of paid holidays per year.

### **Vacation**

- Most employers provide some vacation time.
- Generally starts with 2 weeks (10 days) per year. There may be a six-month or one year waiting period before you are eligible for vacation.
- Vacation time may increase with length of service.

### **Paid Time Off Programs (PTO)**

- Some employers combine all paid time off (sick, vacation and holiday) into a PTO bank for you to use any way you like.

### **Supplemental Retirement Account (SRA)**

- You can open anytime; have your salary reduced every month and start saving for retirement.
- Won't be matched by employer, but it lowers your taxable income and the earlier you start saving the better your return.

### **Employee Assistance Program**

- Provides you with a number of free counseling sessions per year or incident.

### **Additional possibilities**

- Discounted gym memberships, Wellness programs or Reduced prescription drug costs
- Flexible Schedule
- Tuition reimbursement
- Stock options
- Childcare or Eldercare assistance

## **Student Loans**

Student loan payments can start from zero to six months after graduation depending on the loan. Be sure to find out when your loan payments will begin, so that you aren't surprised when you receive the bills! You may opt to explore a student loan consolidation, a way to bundle your student loans into one new loan, reducing the number of monthly bills and possibly lowering your monthly payment. Plus, in the case of federal student loans, consolidation gives you the opportunity to lock in a low fixed interest rate. Be sure to meet with a staff member from Swarthmore's Financial Aid Office prior to graduating to discuss your payment options.

## Common Loan Types:

- **Perkins:** A federal Perkins loan is a low interest (5%) loan for undergraduate and graduate students with “exceptional” financial need.
- **Stafford:** Federal Stafford loans are fixed-rate, low interest loans available to undergraduate students attending accredited schools at least half time. Stafford loans are the most common source of college loan funds.
- **Plus:** These loans are taken out by parents or students attending graduate school.
- **Private:** Some families turn to private education loans when the federal loans don't provide enough money or when they need more flexible repayment options. Also known as Alternative Education Loans, they are offered by private lenders and there are no federal forms to complete. Eligibility for private student loans often depends on your credit score.

## Repayment Options:

- **Standard Repayments:** same payments each month for 10 years.
- **Graduated Repayments:** smaller payments at first which gradually increase over the life of the loan repayment period.
- **Income Driven Repayment:** payments are a percentage of monthly income and debt is forgiven after a period of time.
- **Extended Repayment:** extended payment over 25 years.
- **Deferments:** postponing payments due to furthering education (graduate school) or economic forbearance.

N.B. Paying more on your student loans than your minimum payment will shorten the life of your loan repayment period. To see the effect of this, check out a loan prepayment calculator online at:

<http://www.finaid.org/calculators/prepayment.phtml>

For more information on Income Driven Repayment programs visit: <https://studentaid.ed.gov/sa/repay-loans/understand/plans/income-driven>

## Student Loan Perks

- **Direct Deposit:** If you set up automatic payments taken from your checking account, some lenders will discount a fraction of your interest rate, saving you money.
- **Timely Payments:** Some lenders offering Stafford loans may take 2% off your interest rate if you make your payments on time for four years.
- **Uncle Sam:** Tax breaks are available on the interest you pay on your student loans.

## Finding a Place to Live

Many recent grads find it helpful to move back in with their family members after graduation to save money and develop a professional game plan. A recent survey of recent grads discovered that half moved back home. Should you decide to rent a place of your own, you will want to have your finances in order. If you haven't already done so, get a credit card with a low limit. Doing this establishes your line of credit and will show your potential landlord how well you pay your bills. Remember when making charges on a credit card, only borrow what you can repay! Also, make sure you have been saving some money before you decide to rent an apartment. Your credit score will matter. Be prepared to pay a small fee (up to \$100) for the landlord to run a credit report on you. Don't worry about the amount of student loans you have,

but do be prepared to report how much money you will be earning and provide a letter of income verification from your employer if necessary.

Most apartments require you to submit the first and last month's rent plus a security deposit. Additionally, many landlords require you to sign a written lease. The lease is a contract which binds both parties to the terms and conditions laid out within. The lease protects both parties. Be sure to ask questions about anything in the lease that you don't understand before signing.

If you do not have adequate credit or do not meet the income requirements, a guarantor is another acceptable option for you. A guarantor signs the lease, becoming responsible for the apartment and the payment of your rent, in the event that you are unable to meet your financial obligation.

Apartments in larger metropolitan areas like New York are often found through a real estate broker. Renting through a broker will require you to pay a fee. The standard fee is 15% of the first year's rent. If rent is \$2,000/month that equals \$24,000 per year, resulting in a \$3,600 fee. While generally more expensive, renting through a broker saves time and provides you with quality apartments to choose from. Be sure to find a broker from a reputable real estate agency.

Generally, there are three types of apartments that one can rent: a rental building, a cooperative, and a condominium. Find out the rules and regulations of each before signing your lease. Here is a basic description to get you started.

- **Rental Building:** apartment is owned by a single entity (landlord) and all of the apartments with the building are rented; rent increases yearly (best if stabilized, meaning set at a fixed amount per year).
- **Co-op:** apartment is owned by a corporation whose shareholders are the tenants of the building. Each tenant-shareholder owns a number of shares associated with the apartment. The tenant shareholder doesn't own his or her apartment, but is entitled to occupy it. The approval process for renting a co-op can take from 4 to 6 weeks and require you to provide extensive financial information.
- **Condominium:** apartment is owned by an individual. Each apartment in the building has been legally determined to be a separate parcel of property. Each apartment is called a unit. The renter enters into a lease with the owner of an individual unit.

When searching for an apartment, always look at several places even if you love the first place you see. Knowing what to look for (and what to watch out for) can make a world of difference. Utilize the following checklist to make sure you're getting your money's worth.



## Apartment Hunting Checklist

- What's the rent, how long is the lease, how much is the deposit and when is it returned? (Rent should be no more than 30% of your take home pay)
- Do you have the option to rent month-to-month when your first year lease expires? Renting month-to-month may result in slightly higher monthly rent, but it gives you the option of terminating your lease without penalty.
- How far will you have to commute to work? Is public transportation a readily available option? Practice your commute before signing your lease and realize a long commute eats up valuable personal time.
- Are there smoke detectors? ceiling lights?
- Look for solid, level floors and carpets that are not worn.
- Be sure stair railings are tight.
- Are the carpets and walls clean?

### Bedroom:

- Will your furniture fit? Know the size of your things and bring a tape measure!  
Are there enough outlets?
- Be sure there's enough closet space and strong hanger rods.

### Kitchen/Appliances:

- Are kitchen appliances in good condition?
- Do the oven and burners work?
- Does the fridge seal tightly?
- Is there enough counter & cabinet space?
- Any leaky faucets?

### Bathroom:

- Check tub/shower drains, towel racks, shower rod, and medicine cabinet.
- Check under the sink (Stains from leaks?)
- Do you have hot water? How's the water pressure?
- Flush the toilet with the sink and/or shower running to test.
- Does the toilet fill up and shut off right away?
- Does the toilet seat wobble or have cracks?
- Does the shower drain well?

### Locks, Doors, and Entryways:

- Are there both deadbolt and key locks?
- Have they changed the locks since the last tenant left?
- Is the entry well-lit?
- Are there locks on basement and garage doors?
- Does the door have a peephole?
- Look for solid sturdy doors that close tightly.
- Does the doorbell work?

### Windows, Walls, Ceilings, & Floors

- Make sure windows can open easily, but are not too loose.
- Is there a screen in the window?
- Do you need to buy curtains?

- Check for leaks on ceilings and walls, sagging wallpaper, cracks, and chipped paint.
- Are you allowed to hang pictures?

### Neighborhood and Security

- Is it quiet or will you hear the neighbors through the walls?
- Can you detect any strange smells or sounds?
- Walk around the outside of the apartment. What other buildings are around?
- Is there enough parking?
- Do you have to park on the street?
- What condition are the other cars in?
- Is there a grocery store and gas station nearby?
- Is there trash on the ground?
- Are the grounds well lit?
- Where are the mailboxes?
- Is it a safe place to leave packages?
- Remember to visit the apartment both during the day and at night.

### Utilities

- Are the outlets 2-prong or 3-prong?
- Where is the cable hook up?
- Will I have an option of choosing my TV programming provider?
- Are there enough phone jacks?
- Who controls the heat? Is it gas or electric heat?
- Does the apartment have its own hot water heater?
- Is the fuse box inside the apartment?
- Is there air conditioning?
- How much do utilities cost?
- Are water and trash removal services included in my rent?
- Who takes care of lawn services and snow removal?
- How much notice will you receive if someone enters to make a repair?

For more information on relocation and housing resources, visit: <http://www.swarthmore.edu/career-services/relocating-summer-housing>

### More housing resources:

This information is meant to help graduating seniors as they begin to think about where they will live upon graduation. The housing guides were put together by VeryApt, a Philadelphia-based apartment search company.

- *New York City:* [Link: Swarthmore Seniors 2020 NYC Housing Guide](#)
- *Philadelphia:* [Link: Swarthmore Seniors 2020 PHL Housing Guide](#)
- *Washington D.C.:* [Link: Swarthmore Seniors 2020 DC Housing Guide](#)

