selecting the right job
Meet Tom. He is at a career crossroads. He has a job but is in line to be offered two other jobs with two other well-respected companies. He is torn. He is stressed out. And he is losing sleep over the prospect of making the wrong choice.

His current job pays well, and it is in his dream industry, but it still has left a lot to be desired. One of his suitors offered to match his current pay, but the health insurance benefits became an issue due to their added expense. The other suitor offered to pay more, but the position presented some challenges of its own. He is in the midst of a “good” problem, but a problem nonetheless.

He needs an objective way to make an informed decision. He would be foolish to accept the highest-paying job based solely on the fact that it is the highest-paying job. This is his career that we are talking about, not just a paycheck. Assuming that you aren’t willing to take just any job that you can find, selecting the correct job is vitally important to your financial life. There are times when income is all that matters, but for your career’s sake, letting the income guide your path is a really bad idea.
There are several factors to consider when selecting a job. Ignoring the “other” factors will often result in leaving a job after just a couple of years.

Money isn’t everything. And for that matter, base salary isn’t the only thing you should consider in regards to money. In the following guide, you will find the ten most important factors. They are in no particular order.
There Are Several Factors To Consider When Selecting A Job:

1. Base Income
2. Additional Compensation
3. Income Growth Potential
4. Health Insurance Benefits
5. Retirement Options
6. Equity Options
7. Professional Development
8. Distance From Home
9. Time Commitment
10. The People Factor
1. Base income

Traditionally, base income is the very first factor in whether or not you should accept a new job. Don’t be ashamed if all you care about is base (guaranteed) pay. There are times in life when your base income is all that matters. However, you need to think bigger. The longer you have been in the workforce, the more you will care about the “other” things.
2. Additional compensation

Will your potential new job allow you to earn commissions, bonuses or overtime? If so, you need to fully understand how difficult it truly is to earn this additional compensation. Don’t just take the hiring manager’s word for it. Ask to speak to someone else in a similar role, and make sure that the compensation claims are actually possible.
3. Income growth potential

Some jobs will only allow you a “cost of living” salary adjustment from year to year, while other jobs will allow you to earn substantially more money as your role increases. Don’t take the “higher-paying” job now if the lower paying job can be higher in just a couple of years. Be sure to think long term.
4. Health insurance benefits

Health/dental/vision insurance benefits are not created equal. Don't take a job unless you have fully investigated the insurance benefits that come with it. It’s quite common for people to accept “higher-paying” jobs, only to find out that the higher cost of insurance caused the new job to be lower paying.
5. Retirement options

Does your new job have a retirement plan? If so, does the company add money to the plan for you? Will you have a pension or defined benefit plan? A pension plan is MUCH different than an employer-sponsored retirement plan. Make sure you know what you are getting yourself into.
6. Equity options

Does your potential employer offer stock options? Can you own part of the company? This isn’t all roses, though. Often times, this sort of benefit is given when job stability is in question.
7. Professional development

Is your mind turning to mush at your current job because you are in a rut? That feeling could stem from a lack of professional development. Some employers truly see the value in developing talent within by pushing (in a good way) their employees to be more. Other companies just don’t get it. They don’t help you work on you, and everyone suffers.
8. **Distance from home**

Will your new job force you to commute hours per day? Or will your potential new job allow you to walk to work? The cost of a commute can be substantial. Make sure you factor these costs into your decision.
9. Time commitment

Does your new job force you to travel all over the globe? If so, is that a good thing or a bad thing? Do you have to work longer hours in order to get a higher pay? Some people would rather give up thousands of dollars in salary in order to manage their own schedule. Consider how flexible your hours are when you select a new job. This matters tremendously, especially if you have children. Kids get sick, kids have soccer games and kids need their parents to sleep at home, not in hotel rooms on the other side of the country.
10. The people factor

Have you ever seen the videos of people “losing it” at work? They are throwing computer monitors, tipping over desks and various other acts of temporary insanity. You need to consider the people who you will work closely with. Don't make the wrong people choice. You’ll end up spending all your extra money on therapy. Seriously.
Income, as you can see, is just one factor when deciding what job is right for you.

But more importantly, it’s your ability to manage your household finances that allows you to take a lower-paying job. You earn the right to leave a job you don’t like when you have your financial house in order. Hate your boss, but can’t afford to quit your job? Then focus hard on your household budget, and give yourself the option to accept a lower-paying gig.
If you are thinking about changing jobs, then take yourself through this matrix (below) first. Line up the jobs on the matrix, and then list the different details of each factor. Then circle the winner for each category. Obviously each factor is weighted differently. You aren’t going to take a job that is two miles closer to home despite the fact it pays $25,000 less than another job. In my opinion, the biggest factors to consider are income growth potential, professional development, time commitment and the people factor.

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<tr>
<th>Factor</th>
<th>JOB #1</th>
<th>JOB #2</th>
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<td>01   Base salary</td>
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<td>02   Additional compensation</td>
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<td>03   Income growth potential</td>
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Remember, if you are in a competitive situation in which you are being aggressively recruited, make sure that you step back from the sales pitches and look objectively at the offers.

Conversely, you should consider all of the above factors even if you don’t have any other job prospects. If you are currently in a job that is lacking, then use the above matrix to help find you a better position with a better company. Again, try to make your decision on something besides pay. You won’t regret it.
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“Tom” is a fictitious person and used for explanatory purposes only.