

## Victoria Wealth Management Redundancy Survival guide

Whilst what I'm about to say sounds very bizarre, as a keen and enthusiastic outdoorsman, I have come to live by a very simple motto – always be prepared!

Well – you say – how exactly does one prepare for the unpreparable? The unthought of? How do you prepare for something you don't know will happen?

Good question...

When my wife and I started our own Financial Planning practice (Victoria Wealth Management), we basically made ourselves redundant from our previous roles. I was a partner in a successful Financial Planning practice (that I was in the process of buying) and SWMBO (She Who Must Be Obeyed (it's a long story...)) had been working on contract for Sustainability Victoria (that had just finished).

We thought it would be a fairly simple process! Running our own business, we were masters of our destiny!

Little did we know it was going to take the better part of a year to set everything up (systems, processes, protocols) and perhaps more importantly, firstly learn to understand the massive change that was happening, and how it was affecting our lives, and then being acutely aware that being masters of your own destiny didn't necessarily mean \$\$'s grew on trees...

It was a tough time – but one both of us wouldn't have changed for anything!!

So you're saying: fine, fine – now get to the part about being prepared!! As a Wealth Management & Financial Planning professional I never NEVER advise any client on anything I wouldn't first do myself... This means building reserves in our cashflow, in our mortgage, on our credit cards, on EVERYTHING.

The only difference between us – and anyone facing the prospect of (potentially) being made redundant – is the \$\$'s at the end.

Now before you jump down my throat, we know first hand that not every redundancy means a great big fat cheque. And even if it does, there's uncertainty; there's anxiety; there's temper; and there may even be regret.

However, as a solutions based practice, we always encourage you to look at the bright side (and yes, there is ALWAYS a bright side!!)

Some strategic possibilities:

- Can you pay off your debts/mortgage faster?
- Can you now take that holiday (overseas/around Australia)?
- Can you help your family (kids/parents)?
- Can you do that thing you always wanted to do, but never had the 'stones' to actually go and try it?

Sounds like a 'bucket list' doesn't it...

Yes, you may feel like you've just been punched – HARD – in the stomach. But rather than looking at the situation as 'chicken shit', lets look to make some 'chicken salad' (this saying comes from one of my fave movies – '*Cousins*' starring Ted Dansen, Isabella Rosellini and William Pederson – once you see it, you'll nod your head and understand!)

So, after all that, how exactly does one become prepared – you ask?

1. Be prepared

There's that phrase again...

Update your CV (both in hard copy, and soft copy via LinkedIn and other professional social media), improve your cover letter writing and develop your interview skills (it may be some time when you were asked 'where do you want to be in five years'. Many employment websites have sample cover letters and CV's you can



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view to get your job documents looking and sounding professional. These websites are also good resource for job hunting and practical interview tips.

Aside from that, maybe so a S.W.O.T analysis on yourself. What are your Strengths? Weaknesses? Where do you see Opportunities? Are there any Threats to your future success?

OK – so what's the first step...

## 2. Get your finances in order

When you have been made redundant, there are many important factors to take into account including tax implications of your termination payments, Centrelink benefits and insurance arrangements. Your CFP professional can assist you with these issues, help manage your debt and maintain cash flow until you are re-employed. They will also be able to recommend effective strategies to put you in the best financial position.

This may be to place a lump in super to defer tax; or pay off the mortgage; or help with the grandkids' school fees.

Remember, they already know the answers (when you think of it, they're all the same!) – they just need to listen to your questions and understand what YOU want and need.

So just exactly HOW do you do this though...

## 3. Do something now and get advice

If you know you are going to be made redundant (or maybe getting an inkling that moves are afoot), seek financial advice immediately to ensure you don't miss out on any financial planning opportunities (as I mentioned earlier, the opportunities are endless!) If at all possible, talk to a Certified Financial Planner (CFP) professional before you receive your termination payment; whilst you may not even know where to begin, remember that they will have seen many clients before you (and many more after you) so they will be used to your questions, unease, and uncertainty. They will show you to how minimise/defer tax, maximise your entitlement to other benefits (including Centrelink) and ensure you avoid making any costly mistakes. You should also start seeking new employment and organise your referees straight away.

Usually, as part and parcel of any redundancy, most employers will offer either an 'outplacement' service where you can meet with a CFP at their cost, bring in CFP professionals to speak to affected staff in group format, or simply provide you with \$\$'s so you can go and see someone you know and/or already have a relationship with.

OK – so what will this do for you – I hear you ask??

## 4. Know what you're entitled to

It's important to understand what you are entitled to when you are made redundant.

Check with either your HR representative, union representative, and CFP professional about what termination payments you should be receiving. Find out what outplacements services you can access (see above) - these services are generally free and run by specialists who can provide emotional and professional support to redundant employees and can help prepare you for the job market.

And above all, make use of them! I recall when my wife's best friend went through redundancy, she took advantage of all the bells and whistles she was being offered – from assistance writing/updating her CV, to some pro-bono psychological assessments.

She's now studying her Masters in Project Management...

OK – so you've been to see someone about the \$\$'s, and you think this might work – but what about YOU...

## 5. Review your skills and take the time to upskill

As part of undertaking your own S.W.O.T analysis, evaluate your skills set and see if some of these are transferable into other roles.

One such client had been redundant five times in five years (!), and had started to question himself and his abilities; with some coaching and mentoring, he was able to transfer his skills set to a similar role – but in a completely different industry.

Alternatively, do some short courses to upskill yourself in the variety of software programs that many industries use to help sell yourself better in the job market – or as my wife did in between jobs, do some higher education (Graduate Certificate, Graduate Diploma, MBA) – maybe even go back to work as a mature age Trade Apprentice!!

OK – but riddle me this: just exactly HOW do you land that ‘dream’ job??

#### 6. Target the right employers for you

Think about what you really want to do next.

Whilst the mortgage/bills may be pressing, your state of mind is FAR more important than anything at this time as potential employers (read: suitors) will also be critically assessing you for ‘baggage’.

Therefore, try not to rush into any job as it could be the wrong job for you (or maybe the right thing for you, but the wrong time). Look at all possibilities carefully and whether there is scope for growth and development.

Carefully think about which industry sector you want to invest the next 5/10 years (or perhaps – the rest of your career in) and what employers you want to work for and study/research their company profiles.

Remember, they may be interviewing you, but you are also interviewing them as well!! That means, do your due diligence!

Hang on – have you checked everywhere....

#### 7. Network and utilise resources

Start networking as job leads can come from anywhere. ANYWHERE... I vividly remember my last boss saying to us ‘by doing something you are putting yourself in danger of meeting people and new opportunities’ – now that doesn’t mean walk around town wearing a virtual sandwich board, but start talk to people in your chosen industry, family, friends and former colleagues to build up your contacts.

See career counsellors for guidance and visit recruitment agencies to see what jobs are on offer. Explore the hidden job market by cold calling or emailing letters of interest to specific companies.

And as I write this article, I just receive a message on Facebook – so please (PLEASE) remember to include electronic means as well such as FB and LinkedIn – in fact a good 4WD mate of mine has taken this to the nth degree by creating an ‘online CV’ – a website dedicated to his and his achievements.

As a Senior Project Manager (read: contractor), he has not been out of work for nearly 25 years...

OK – so my \$\$’s are set, my mind is set and I know what I want to do – what next?

#### 8. Be flexible/adaptable

In ANY market, employers are simply not hiring as many full-time staff, so finding work (the RIGHT work) may take time. However, this means there is more part-time work and casual work available. Therefore, be flexible and keep in mind that there may be some great temporary roles you could take on until a full-time role you want comes up.

That said, a client of mine invested many years upskilling himself in OH&S by completing his degree. But for the life of him, he could not find work. Whilst he lived in regional Melbourne (outside of Ballarat), we encouraged him to keep looking,

He must’ve sent out 50 applications – and they ALL stated ‘some experience would be preferable’. The rub is though – how does one get experience if no-one will hire you?? Poor bloke - he was very dejected...

We therefore suggested he volunteer for a Not-for-profit and/or Charity that he was passionate about – BUT as their OH&S officer. He was snapped up – and after some time with them, is now in talks with them for a paid position!!

Ye gods... but what if I DO land that dream job... what do I do??

9. Begin every new job with enthusiasm

Be mad and motivated!!

Remember that the first three to six months in a(ny) new role are the most challenging; however, they are present an excellent opportunity for you to showcase your skills and experience to your new employer, so put your best foot first.

It's also good idea to have a career plan in mind so you can aim towards any opportunities for career progression within the company – and in that respect, make sure your employer/supervisor/manager knows of your wishes. They can't read your mind...

But what if it DOESN'T work out? What happens then??

10. Don't take it personally

Finally – and perhaps most importantly, please don't take it personally. This is business!

If I had a penny for every time I saw someone who was quite bitter from being even offered 'redundancy' (you can imagine them 'spitting' this word at you – in fact, were you one??), I'd be buried in them!!

Yes – being made redundant can have quite an emotional impact for some. Remember not to take it personally. Whilst redundancies are typically a sign of the times, it also may be as a result of takeover/merger, expansion/downsizing, even new advancements in technology.

If you can realise that it is your position that is no longer required and that it had nothing to do with you or your work, it may help you to move forward and leave those negative feelings behind.

So what's next – I hear you say?

When we were approached by Helena to submit something for this great publication 'celebrating' ANSETT, she also asked me to provide an 'offer'.

Our motto is twofold – Strategy, Advice, Service: *Consilio Omnia Vincit* (which is Latin for 'Advice Conquers All). This is what we do – our job is to help you!! That said, we are more than happy to provide a 25% discount<sup>1</sup> on OUR product – Advice.

For more information, or to discuss the specifics of your personal financial situation, please contact us directly at Victoria Wealth Management Pty Ltd ((03) 9466-8155; vwm@ampfp.com.au).

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<sup>1</sup> Up to maximum of \$1,000 per advice document