

Economics Career Services

LIFE AFTER GRADUATION GUIDE

HOW TO LEAD A SUCCESSFUL
LIFE POST-GRADUATION



TABLE OF CONTENTS

PAGE

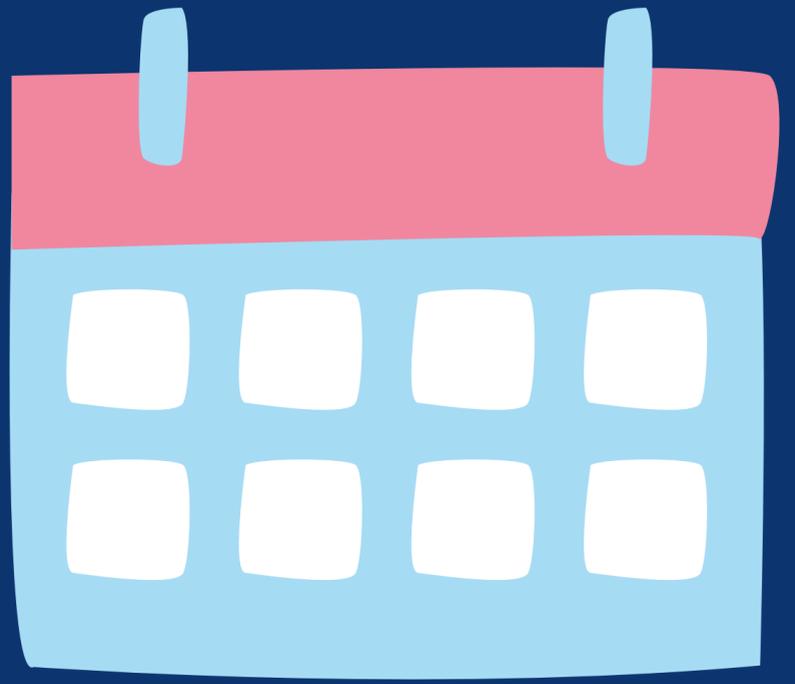
| | |
|--------------------------|----|
| 1. Update | 3 |
| 2. Plan | 4 |
| 3. Network | 5 |
| 4. Graduate School | 6 |
| 5. Career Development | 7 |
| 6. Budgeting | 8 |
| 7. Taxes | 9 |
| 8. Continual Learning | 10 |
| 9. Words You Should Know | 11 |
| 10. Sources | 12 |

Update:



1. **Resume:** since you've graduated college, you can note your graduation on your resume. List your professional history (work and volunteer/on campus experiences), starting from most recent and relevant. List any special skills/qualifications. List educational information: awards, acknowledgements, accolades
1. **LinkedIn Profile:** more and more companies and their recruiters are reaching out to potential applicants through LinkedIn. Make sure your LinkedIn profile information is up to date and shows your graduation/education history, professional experiences, and special skills/qualifications.
2. **Google yourself:** you should be aware of what prospective employers/hiring managers can find on your name when they do a google search. If there are things on your social media/website that you would want to keep private, either change your social media settings or delete old accounts/posts that you no longer use.

Plan:



1. **Plan out Short Term:**

If you're unable to plan out your next year or five years, start small. Start with a couple months. Will you be traveling the next couple months? Or applying for jobs? Taking some time off, then applying for graduate school? It's very important to structure out a plan for yourself, as you will no longer have the structure or guidelines that college and college advisors provide. An example might be: taking a month off after graduation to travel and rest, then a month to update resume/apply for jobs and internships, then ideally start working in the third month.

1. **Plan out Long Term:** Once you're in graduate school or settled in your career, it would be helpful to know what your next couple years will look like. Where do you want to be in your job? Or what job would you like to acquire post graduate school?

2. **Prioritize important tasks:** Budgeting, building your credit score, attending to regular checkups at the doctor all are important tasks you will need to figure out as you enter the adult world. (More on budgeting in later section).

Network:



"It's not about what you know, it's about who you know".

You may have heard this statement previously, and it becomes all the more important as you enter the real world. Knowing people in the industry/field that you're wanting to get into can give you a huge advantage. If you're particularly interested in a certain company or field, you can reach out to people who are in the field or specific company and gain more insight. Even if the specific company is not hiring at the moment, showing your interest and eagerness can help them remember you later when they are hiring!

Ways to Network with People:

1. **LinkedIn:** Go to LinkedIn > Alumni > Search by year, major, career and or more! Send a quick LinkedIn message to alumni introducing yourself and asking if you're able to connect them because you're interested in their particular field or organization.
2. **Stay Connected:** to professors or advisors, who may be able to give you insightful advice about where to look for jobs in your interested field or who could connect you to the right people in the same industry.
3. **Industry-relevant Conferences:** Attending conferences/summits relevant to your career field can be a helpful way for you to meet other experienced and younger professionals. Take business cards with you.

Graduate School:



- 1. Start Researching:** Look into programs/what really interests you/what career fields you would like to get into. Some career fields require a higher graduate degree in order to get the position (i.e. Professor at a University). Navigate through different resources (web search, asking professors and advisors, attending info sessions) to see what programs are a right fit for you.
- 2. Next Step:** If you find that graduate school is the next step for you, look up the deadlines and application materials you will need to prepare in advance. Depending on the degree and the type of program, application requirements and deadlines may vary. Until then, plan out your next couple months. If you need to take the GRE exam, start preparing and sign up for the exam. Think about who to reach out to professional references for your recommendation letters. Should you need more research/volunteer or other experiences, start looking up where you can gain more experiences.
- 3. Plan:** Make a spreadsheet or plan out what your next year will look like. The plan should include when to reach out to recommenders for letters of recommendation, when to prepare for the GRE exam, when to take the GRE exam, when to start your application essays, etc. You should have a firm idea on what schools you want to apply.

Develop in Your Career:

1. **Do Research:** Read material on the ins and outs of your company, like staff newsletters/company wide meetings/glassdoor reviews/news articles on the company. These resources can show you how the company works in ways your orientation will not.
2. **Pay attention to communication styles:** Pay attention to habits and behaviors. Try to look for patterns in company lingo--how your coworkers and supervisors speak. It's important to accustom yourself to company culture by paying attention to communication styles both in person and online.
3. **Make friends/acquaintances:** Walk around the office and introduce yourself to colleagues. First impressions are important!
4. **Make list of responsibilities:** Make a list of specific responsibilities/tasks/goals you want to tackle in your new job. Go beyond the basic job description you signed up for while you're still new and don't have as many responsibilities.
5. **Success:** Figure out how the team measures success. This is key if you want to succeed in your career!
6. **Workplace mentor:** If possible, find a workplace mentor--someone you work well with, can learn from, and trust.
7. **Challenge yourself:** Push yourself beyond current tasks and duties. This is likely your first job out of college. Make a difference in your team to show that you are ready for this adult realm!

Budgeting:



Research how you want to budget. Regardless of whether your parents are still supporting you financially or not, you want to be more conscious of how you spend your money, how much you save, and what areas you need to pay back as soon as possible.

Beginner Tips of Budgeting:

1. **Research:** Begin with this page of tips, but do a google search on different free resources on detailing how to budget! There are plenty of resources that can give you guidelines and even specific steps on how to budget.
2. **Couple Questions to Get You Started:**
 - a. **Debt:** Do you have any student loans? If so, this is something you absolutely want to prioritize paying back. Pay attention to the interest rate, and use a student loan calculator to calculate how much interest would accrue depending on how long it takes for you to pay them back. If you have other debts (i.e. credit cards debts), pay attention to which have higher interest rates, and think about and make an action plan on how you want to tackle the debt.
 - b. **Credit:** How is your credit score? A good credit score is necessary to get affordable financing on a car, home, personal loan, or credit card. You can check your credit reports for free every 12 months using different resources online. To build good credit, make all loan payments on time, keep debt levels low, and limit new credit inquiry.
 - c. **Figure out your monthly take-home income:** Your monthly take-home income is how much you deposit in the bank once taxes, social security, and insurance is taken out.
3. **Calculate Expenses:**
 - a. Necessary Monthly Expenses: Rent, health insurance, utilities, groceries, car insurance, and more.
 - b. Necessary Periodic Expenses: Out of pocket medical, dental, and vision costs, vehicle maintenance, car registration fees...
 - c. Optional Expenses: Streaming services, restaurants, gym memberships, hobbies, travel..
4. **Save/Spent:** Portion to save to save and to spend. Subtract your necessary expenses from your income and see what you have left for savings, extra debt repayments, and optional expenses!
5. **Examples/Additional Tips:**
 - a. **Budgeting Spreadsheet:** See example below, but also know there are lots of free resources online:
 - i. <https://www.policygenius.com/blog/the-best-budgeting-spreadsheet-for-recent-graduates/>
 - b. **Elizabeth Warren, US Senator: the 50-30-20 Budgeting Idea**
 - i. 50% of income after taxes goes to basic expenses (rent, utilities, groceries)
 - ii. 30% is for discretionary spending (vacations, big night out..)
 - iii. 20% is for saving/paying off debt
 - c. **401k:** Enroll in your employer's 401(k) if possible. Some employers offer a 401(k) match: for every dollar you put in, they equal it up to a certain ceiling
 - d. **Auto Transfer:** Create an automatic online transfer so that a portion of each paycheck goes to a savings account
 - e. **Raise/Promotion/Bonuses:** when you get a raise/promotion/bonuses, apply savings rule to it and put a portion aside

Taxes:



After graduating and entering the "real world", there are a lot more responsibilities that come with entering this stage of life.

Things to Know/Ask Yourself:

1. **Know Your Tax Bracket:** Your income will determine the amount of taxes you pay each year. A tax bracket specifies the percentage of taxable income that is paid in taxes. For example, in 2020 single individuals earning between \$9,876 to \$40,125 into the 12% tax bracket. The Tax Foundation publishes tables of the updated tax brackets along with a downloadable PDF for quick reference: <https://taxfoundation.org/2020-tax-brackets/#brackets>
2. **Employee/Independent Contractor:** Tax reporting is different whether you are a contractor or employee. According to the U.S. Department of Health and Human Services, "For the employee, the company withholds income tax, Social Security, and Medicare from wages paid", and "For the independent contractor, the company does not withhold taxes". This means that if you're an employee, your employer will automatically withhold your money and send it to the IRS while if you're an independent contractor--you must report taxes yourself and send in estimated quarterly tax payments or an annual tax payment.
3. **How Much To Withhold as an Employee:** You will need to fill out a W-4 form before beginning your job. Depending on how you fill out your W-4 form, this will determine how much your employer withholds from your paycheck. Be sure to fill out the W4 carefully to decide how much to withhold. The IRS provides a free "Tax Withholding Estimator": <https://www.irs.gov/individuals/tax-withholding-estimator>
4. **Tax Filing Deadline:** Know the deadline! Try to complete your filing weeks advance of the deadline if possible. Mark it on your calendars and put reminders on your phone. The IRS has strict deadlines about when taxes need to be reported each year, and there are some heavy consequences of not filing your taxes on time. For instance, the failure-to-file penalty could cost 5% of your unpaid taxes for each month your tax return is late and goes up to as much as 25%
5. **Student Loan Interest Deductions:** If you took out some type of student loan to fund your education, you may be able to deduct up to \$2,500 from your taxable income as long as you meet the eligibility requirements (see below). The amount of student loan interest deduction is based on the amount you paid in interest on federal and private student loans during the previous calendar year.
 - a. No one is claiming you as a dependent
 - b. You're not married and filing separately
 - c. You currently are or were enrolled at least half time
6. **Relevant Tax Forms:** Depending on whether you're an employee or contractor, you will be receiving different forms. As an employee you will receive a W-2 form, while if you're an independent contractor you will receive a 1099. If you took out student loans, you will be submitting a 1098-E form: a Student Loan Interest Statement form that shows how much interest you paid on your student loan during the year. There is also the 1098-T Tuition Statement form.

Continual Learning:



Just because you are out of school does not mean you should stop learning! Now that you have more time on your hands, take the time to invest in topics you want to delve deeper into. Should you have the resources available, take a look into some ideas below to further your education post college

Ways to Continue Your Education:

1. **Online Courses:** There are several courses (free and paid) that you can take online. Topics can vary from psychology topics to computer science skills. Some paid online courses are: Coursera and LinkedIn classes. Free classes available online are: [Yale](#), [Harvard](#), and [Stanford](#)
2. **In-Person Classes:** Consider taking a course through your local community college
3. **Foreign Language:** With more time available, you can think about learning a foreign language. There are different resources like: Duolingo, iTalki, Rosetta Stone, Busuu
4. **Resources at Work:** join a work committee and attend lunch and learns at work.
5. **Book Club:** join a book club online or in person
6. **Volunteer:** there should be many opportunities in your community to volunteer
7. **Career Resources:** Alumni networks, work, or community can provide workshops and panels that you can attend. These are great opportunities for continual learning, networking, and more

Terms to Familiarize Yourself

With:



1. **Roth IRA:** "individual retirement account in which money grows tax-free. Roth IRA withdrawals in retirement are also tax-free." <https://www.nerdwallet.com/article/investing/what-is-a-roth-ira>
2. **Student Loan Deferment:** "can pause repayment, often for up to three years." <https://www.nerdwallet.com/blog/loans/student-loans/student-loan-deferment>
3. **Student Loan Consolidation:** "allows you to consolidate (combine) multiple federal education loans into one loan." <https://studentaid.gov/manage-loans/consolidation>
4. **401k:** "401k plan is a tax advantaged, defined-contribution retirement account offered by many employers to their employees. Workers can make contributions to their 401k accounts through automatic payroll withholding, and their employers can match some or all of those contributions. The investment earnings in a traditional 401k plan are not taxed until the employee withdraws that money, typically after retirement. In a Roth 401k plan, withdrawals can be tax-free."
5. **Deductible:** "deductibles are the tax-deductible expenses subtracted from adjusted gross income. Deductibles reduce taxable income and thereby reduce the tax liability. A deductible is also the amount paid out of pocket for covered expenses before an insurance company will pay the remaining costs." <https://www.investopedia.com/terms/d/deductible.asp>
6. **Index Fund:** "type of mutual fund or exchange-traded fund (ETF) with a portfolio constructed to match or track the components of a financial market index. An index mutual fund is also to provide broad market exposure, low operating expenses, and low portfolio turnover. These funds follow their benchmark index regardless of the state of the markets." <https://www.investopedia.com/terms/i/indexfund.asp>
7. **H.M.O.:** "health maintenance organization (HMO) provides health insurance coverage for a monthly/annual fee. Limits member coverage to medical care provided through a network of doctors and other healthcare providers who are under contract to the HMO." <https://www.investopedia.com/terms/h/hmo.asp>
8. **P.P.O.:** "preferred provider organization. Managed-care organization consisting of medical professionals and facilities such as primary and specialty physicians, hospitals, and other healthcare professionals. These professionals contract with the insurance provider to render subscribed participants services at an agreed-upon reduced rate. In exchange for reduced rates, insurers pay the PPO a fee to access the network of providers." <https://www.investopedia.com/terms/p/preferred-provider-organization.asp>
9. **E.T.F.:** "exchange traded fund is a type of security that involves a collection of securities--such as stocks--that often tracks an underlying index, although they can invest in any number of industry sectors/use various strategies. ETFs are in many ways similar to mutual funds; however, they are listed on exchanges and ETF shares trade throughout the day just like ordinary stock" <https://www.investopedia.com/terms/e/etf.asp>
10. **Credit Score:** "is based on credit history: number of open accounts, total levels of debt, and repayment history. Lenders use credit scores to evaluate the probability that an individual will repay loans in a timely manner." https://www.investopedia.com/terms/c/credit_score.asp
11. **Credit Report:** "detailed breakdown of an individual's credit history prepared by a credit bureau. Credit bureaus collect financial information about individuals and create credit reports based on that information, and lenders use the reports along with the other details to determine loan applicants' creditworthiness." <https://www.investopedia.com/terms/c/creditreport.asp>
12. **Income-based repayment:** "sets your monthly student loan payment as an account that is intended to be affordable based on your income and family size" <https://www.investopedia.com/terms/c/creditreport.asp>
13. **Credit freeze:** "also called a security freeze--lets you restrict access to your credit report. It enables you to take control of your financial information by preventing the release of your credit score and detailed reports by credit reporting agencies". <https://www.lifelock.com/learn-credit-finance-credit-freeze.html>
14. **Compound Interest:** "interest calculated on the initial principal, which also includes all of the accumulated interest from previous periods on a deposit or loan" <https://www.investopedia.com/terms/c/compoundinterest.asp>

Concluding Notes:

- Graduating from college can be challenging yet rewarding. While this guide may not contain everything you need to know, we encourage you to do research on your own as well. Look up resources, reach out to people, and stay in contact with friends and family... Remember that this is a learning process, and not everyone's path is going to look the same. Managing your finances, career, relationships, and plans on your own can be overwhelming but 1) there is no perfect way to do this, and 2) again--it's a learning **process**.

We wish you the best of luck in graduating, and hope you found this guide to be helpful.

Sources:

1. <https://www.nytimes.com/interactive/2018/us/what-to-do-after-college.html>
2. <https://www.huffpost.com/voices/topic/life-after-college>
3. <https://www.creditdonkey.com/life-after-college.html>
4. <https://money.usnews.com/money/blogs/outside-voices-careers/articles/how-to-network-after-college>
5. <https://www.investopedia.com>
6. <https://www.savingforcollege.com/article/a-guide-to-income-taxes-for-college-students-and-recent-graduates>
7. <https://money.usnews.com/money/blogs/outside-voices-careers/articles/how-to-network-after-college>