

# 3 How do I prepare for the possibility of earning less money?

## Who doesn't need more cash?

Maybe you. For some, a fat paycheck doesn't necessarily bring a fat payoff. It may not fulfill, inspire, or move you. A job with meaning can eclipse money. The rewards are different.

"Money may or may not be on the list of values where it used to sit," says Sue Aiken, a career coach. "You have to feel like you're still viable, useful, that you're engaged in something that matters."

But let's face it, making less requires a change in attitude and outlook. "An unfortunate byproduct of a market-driven economy is that we live in a society where self-value is often derived from what someone else thinks we should earn," writes Laura Gassner Otting in *Change Your Career: Transitioning to the Nonprofit Sector*.

"You need to separate your own self-value from the number of zeroes printed on your paycheck."



Otting offers these suggestions:

**Determine your readiness factor.** House paid off? Kids in college? Assess your standing and commitments. Can you afford to make less?

**Learn to value the intangibles.** There is no direct correlation between your salary and your worth to society. In your new work, you may save spotted owls, teach a child to read, or otherwise help improve lives.

**Change your lifestyle.** Trim your expenses, including eating at restaurants or shopping for frills.

**Don't settle for less.** Seek work that will help you live comfortably. If jobs in the nonprofit sector pay less than you can afford to make, for example, consider businesses with socially responsible missions.

Not everyone is good at budgeting. To hone your cash flow projection, consult an impartial financial planner, not someone who sells financial products and not a friend or family member, Aiken recommends.

After examining your financial picture, you may see it's not the right time to switch careers. Maybe you're responsible for both your kids and your parents. Maybe you're just not ready to let go of your indulgences. For whatever reason, it could be a struggle to reduce your spending now.

## QUESTIONS AND ANSWERS

### Nonprofit compensation

Bridgestar, a program that helps nonprofits attract leaders, often fields questions about compensation for workers moving from the corporate to nonprofit sector—"bridgers." Karen DeMay, Bridgestar's regional director of talent and recruiting, addresses some common inquiries:

#### What can bridgers expect to earn when they move into the nonprofit sector?

Most people moving into the nonprofit sector expect to make less money. Executives in the nonprofit world tend to make less than for-profit executives with similar jobs or experience. But, like the for-profit sector, the nonprofit sector encompasses an enormous range of compensation levels, even within a given position or domain.

#### How can bridgers figure out whether they can make a salary they can live with in the nonprofit sector?

Start by taking stock of your existing compensation package, including all of its components. Most people think of salary and bonus first and need to be prompted before considering health, dental, and vision insurance; retirement plan; discounts; transportation subsidies; and the many other elements these packages may include.

#### What are some of the specific factors that determine a nonprofit salary?

Key factors to look at include the role and its responsibilities; any required experience, education, and certifications; the size of the organization; the geographic location; and the overall compensation structure and traditions of the organization.

For more of DeMay's interview go to: [bridgestar.org/resources/library/explore](http://bridgestar.org/resources/library/explore)

# 82%

of participants in an informal poll said they would take a pay cut for the job of their dreams.

Monster.com

## PROFILE Lupe Salas



**Getting ready to move to a different state, Lupe Salas kept it simple. She gave away her furniture and anything else she didn't need.**

She had made a nice living as a real estate agent and broker in California but realized her life could be more fulfilling without much material wealth. The Mexico native decided to move back to her adopted home state of Arizona in 1998.

"You have to be a little fearless," Salas says. "I was a loan officer, and I was making pretty good money. My family thought I was a little crazy that I wanted to come back to Arizona not knowing what I wanted to do."

Salas, who had been a teacher before entering real estate, hoped to get back to education or perform some kind of social work. She spent several years trying to figure out her path, along the way working for programs helping women, children, and families in need.

In 2007, she attended a job fair run by the Tucson-based Mature Worker Connection, a free job placement service for people 50 and older. She landed a job with the outfit and later joined the staff of its sponsor, the Pima Council on Aging.

Salas, now 66, works 25 hours a week as an elder outreach advocate, providing support and education to older adults on anything from housing to legal issues to Social Security benefits.

"I love it," says Salas, who has no plans to retire soon. "I am being of service, and I feel that people appreciate me."

She says adjusting to making less money wasn't that hard. At that time in her life, it felt right.

Salas advises those considering a lower salary for a worthwhile career not to stress about money: "Worry more about what you enjoy doing, what you wanted to do all your life but hadn't."



### INFORMATION

#### Essential resources

- **AARP's Money Tools**  
[aarp.org/money/money\\_tools/](http://aarp.org/money/money_tools/)
- **Kiplinger's The Basics of Money**  
[kiplinger.com/basics](http://kiplinger.com/basics)
- **Work Less, Live More: The Way to Semi-Retirement**  
Bob Clyatt
- **The Budget Kit: The Common Cents Money Management Workbook**  
Judy Lawrence
- **Escape the Mid-Career Doldrums: What to Do Next When You're Bored, Burned Out, Retired, or Fired**  
Marcia L. Worthing and Charles A. Buck

*"Your values are the things that matter most to you in your life and can't be placed on a back burner for the sake of your career. They will certainly have an impact on the choice you make about your job."*

**SUSAN D. STRAYER** author, *The Right Job, Right Now: The Complete Toolkit for Finding Your Perfect Career*

# 30%

of survey respondents age 55 to 64 classified themselves as "career re-inventors" pursuing a long-standing passion or interest.

*Career College Association*