

Planning Moves To Protect Your Income In 2019

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I help people on their path to Financial Freedom. [FULL BIO](#) ✓

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As the new year approaches, market volatility and economic uncertainty are taking center stage. With so much news noise, mixed messages out of Washington and uncertainty abroad, individuals face an uncertain planning landscape. Many economists expect that the U.S. economy peaked in the third quarter of 2018 and that overseas markets will continue to struggle.

To help you plan during these uncertain times, here are some ideas that may help protect what is likely your biggest source of future wealth: your income.

Assess how you can be more valuable to your employer.

For almost ten years we have had a strong stock market and expanding economy resulting in a generational low unemployment rate of 3.7%. In this strong labor market raises and promotions became more prevalent, and average performing workers were sometimes able to advance. With the economy appearing to peak, and perhaps slowing, employers will once again gain the upper hand. Therefore, it becomes critical to know your value, take on responsibilities where you can excel and find ways to become irreplaceable. As the unemployment rate returns to a historical norm you will be glad you have differentiated yourself and made yourself more valuable.



Continue to build your skill set. While corporate profits are high and training budgets are fat, seek out additional training and learn skills that are beyond what is related to your current responsibilities. Additional skills plus a willingness to go above and beyond expectations will enhance your chances of boosting your income. And if your current employer doesn't recognize and reward your wider skill set, you can find one that does. Alternatively, an unplanned job change can be a shocker, but if you have been building your skill set, it can also open new doors of opportunity.

Network with other success-minded people. We have all heard of the importance of networking – and that targeted networking can be even more effective. Find those who have some similar background to you and have achieved a level of success to which you aspire. Then confidently introduce yourself to them. High achievers who have taken a similar path to yours are rarely shy about sharing their stories and experiences. If you choose to transition, or if the economy tightens and you are forced to find a new role, you will already have your built-in network who can support you in your search.

Be sure to save six to twelve months of living expenses. Depending on your financial situation, the amount of debt you carry and the level of spending flexibility in your financial plan, you may need at least six months of liquidity should you find yourself in a career transition. This is important to not only make ends meet while you search, but it will also allow you to feel more in control and less desperate to take any job that comes along. This is critical in that numerous job changes still carry a bit of a stigma. They are also costly in terms of lost income, the expenses associated with a search and the opportunity cost of not being able to save. Being able to carefully plot out and execute your strategy can make a huge difference in your search result.

It all may sound complex, but it comes down to basic planning. So be sure to plan for the inevitable economic downturn by being irreplaceable in your current role, taking on additional responsibility, and building your skill set. Be sure to meet others who are already successful in the career track that excites you. Finally, plan financially by living below your means during these economic boom times and ambitiously save for a rainy day (and of course for retirement). This combination of activities will prepare you well – whether or not the next economic slowdown forces your hand.

Contributor's Bio

Mark Avallone is the author of Countdown To Financial Freedom, and founder and President of Potomac Wealth Advisors, LLC a financial advisory firm serving clients through holistic financial planning and wealth management. Avallone writes on a variety of financial topics, and his contributions have appeared in the Wall Street Journal as well as in Forbes where he is a regular contributor. He has appeared on CNBC and has been a repeat guest on the Fox Business Network. His insights have also appeared in USA Today, U.S. News & World Report, The Washington Post, and other leading publications.

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