

How to stretch, boost and crush your finances for a career change

Thinking about changing careers? This is how to make sure your career dream is financially viable.

Finances are one of the top considerations for people thinking about a career change. Over the years, Head of Advice at [Dixon Advisory](#), Nerida Cole has helped many people work out the financial impact of changing careers.

Cole says that there are three main headlines when it comes to financially preparing for a career change: stretch, boost and crush.

Stretch

This refers to stretching out your income from your existing job to get as much from it while you are there. It also includes stretching yourself with different experiences to see whether your chosen industry or career is going to be the right fit.

- **Cut back on spending**

Know your living expenses and where you may be able to pull back on spending. “Try to save as much as possible from your salary now and put away as much as you can so you’ve got living expenses of six to 12 months saved up,” Cole says.

- **Use your leave**

“If you have annual leave with your current role, consider using two or three weeks and try to get a work placement in the industry, sector or company you want to work for,” Cole advises. “This lets you know whether it’s definitely something you want to pursue or whether you need to do more research before you pull the pin on your current job.”

- **Up-skill while you’re in your current job**

If you’re looking at moving to a new industry or sector that is likely going to

require up-skilling, try and get qualifications while you're in your current position. "Build up your experience and qualifications so that when you go for a new role the employer will see that you're serious about it because you've made a commitment by getting qualified," Cole says.

- **Network and build relationships**

"Organise to have coffee with 10 people in the industry you're looking at moving into," says Cole. "You might not know 10 people, but you can ask the first one to recommend who else you should speak to." This is a great way to gain first-hand knowledge and insights about the industry, and Cole suggests asking about what's happening in the sector, the pressures, and the best places to work.

Boost

Once you've decided you want to make a career change, Cole recommends thinking about what you need to do to boost your income in a new role as quickly as you can. And for that there is only one thing to do.

Prepare.

Cole recommends asking yourself these questions:

- What do I need to be successful in a new role?
- What companies are growing in the industry?
- What skills are in high demand?
- What direction do I want to move my career in after I make the change?

"Asking these questions ensures you don't repeat past mistakes, and that you make your next career move a strategic and successful one," says Cole.

Crush

It's important to be ruthless with your spending in the face of a career change. "You want to crush your spending to the bare minimum," Cole says. "You need to know what you need to live off and know your cash flow."

Often people want to resign from their job immediately, but caution is recommended.

"How much is it going to cost if you resign today?" Cole asks. "You need to realise that maybe you can't afford to take the exit ramp today, but with planning, you could do it in

a few month's time.”

Having a financial buffer and an idea of how much you need to live can relieve some of the anxiety around career change. “Often just knowing what your options are financially takes the stress off,” Coles says.

Putting a financial plan in place tends to gives you clarity and focus, and more often than not, it makes your current job more manageable and enjoyable until you decide the time is right to move on.

[Here is a great resource](#) to help you with your budget planning.

Keeping these three headlines front of mind when you're considering a career change can help to keep you focussed and ensure you're setting yourself up for success.

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