



Regions Next Step Podcast

Insights for Students Series: Preparing for Life After College

In this podcast, Alicia Somers, a Financial Wellness Relationship Manager at Regions Bank in Jacksonville, Fla., shares advice on preparing for adult life after you graduate college.

Listen to learn from Alicia about the following topics:

- Tips to help you better transition to life after college
- Building your network and finding a mentor
- Polishing your social media presence before the job search
- Sprucing up your credit and learning about student loan repayment options

Episode Transcript

Narrator:

You're listening to the Next Step Podcast "Preparing for Life After College" part of our Insights for Students Series presented by Regions Next Step— advice, tools and resources to help you get closer to reaching your unique financial goals. We're here with Alicia Somers, Financial Wellness Relationship Manager at Regions Bank in Jacksonville, Florida. Alicia, it's a pleasure to have you here.

Alicia Somers:

Thank you. Excited to share some insights for soon to be graduates.

Narrator:

Sounds great. So, let's face it, "adulting" has a bad reputation. Leaving college and entering the "real world" can be intimidating, but we know that it doesn't have to be overwhelming. What advice would you give students to do while still on campus to make their transition easier?

Alicia:

I would say the most important thing to start doing today is building your network. When you start looking for a job, knowing the right people can be a big help. Who you know is referred to as your network. You likely already have a professional network around you: friends, family,



classmates, neighbors, co-workers, and professors to name a few. These people may have connections that could help you find a job, apartment, or something else you need.

Keep building your network by staying in touch with people you meet through internships and classes. As your career develops, your peers can alert you to job openings and professional opportunities that you wouldn't have access to otherwise (and vice versa).

Also consider joining your school's alumni association to network with professionals with whom you already have something in common.

On that note, take advantage of the job fairs and your school's career center.

Events can be a smart way to build your network. Be sure to attend job fairs if your school has them and see what companies are hiring in your field and where those jobs are located. If you can, target events that focus on your specific industry or feature companies that you genuinely want to work for so that your time is spent most effectively.

If your school has a career development center, take advantage of its resources before your senior year. This is an incredible resource that can help you build a resume, practice mock interview questions, get career advice, or secure an internship that may give you an advantage during your post-graduate job search.

By senior year, you should be actively searching for a job. Some fields, such as finance, expect candidates to start as early as junior year. Throughout your final year, and your last semester specifically, keep an eye out for entry-level roles that you're qualified for.

Tap into both your network and career center to expand your search scope as they might have access to job leads that haven't been posted yet.

Narrator:

That makes sense, thank you. There's also a lot about mentorship that can be helpful when transitioning to adult life. Is there any advice there for students?

Alicia:

Definitely! Finding a mentor can be immensely beneficial.

In the early stages of your career, a mentor can help you navigate the working world and provide a perspective that can help you successfully develop your career. A mentor can be a professor with connections in your field, a former boss, or even a family friend. The person you choose as a mentor may depend on your field of interest and desired career.



It's good to have an idea of the direction you would like to see your career take, so ask specific questions of your mentor and get the most out of his or her guidance.

Narrator:

With social media integrating everywhere, is there anything students should prepare for now in advance of their career search?

Alicia:

Yes, be sure to polish your social media presence.

If you haven't already, this is also the right time to develop a professional social media presence on LinkedIn and start adding to your growing network.

Additionally, it's important to make sure your other social media accounts are representing you in a positive light. Prospective employers may look you up online, and if they see something they don't like or find offensive on your social media, it could cost you a job offer.

Now, you don't have to scrub everything. Just make sure your posts showcase the image you would be comfortable with a potential employer seeing. Delete or untag any posts that don't make the cut.

Narrator:

Now when it comes to personal finance, are there certain areas where students should be focusing on in advance of graduation? Say credit, student loan repayment, etc.

Alicia:

Definitely! Sprucing up your credit is a big one.

Your credit score is going to be relevant to a number of different people soon, so this is a good time to start thinking about credit. Prospective employers may check your credit as part of the screening process. Additionally, solid credit will give you an advantage if you need to lease an apartment or buy a car.

To keep your credit in good standing, pay your bills on time each month and don't allow your credit card balance to exceed 30 percent of your card's credit limit.

When it comes to student loan repayment, learn about your options in advance.

If you've used student loans to help finance your education, start to think about your repayment game plan. For federal student loans, there likely are multiple repayment options available including standard, graduated, and income-based.



At a high level, standard loan repayment is the same payment amount spread evenly throughout the loan repayment term. Graduated loan repayment starts at a lower amount (to account for entry-level salaries) and increases every two years. Income-based repayment ties your monthly repayment amounts to your income.

Visit the Federal Student Aid website to learn more. If you took out private student loans, you will likely have different terms to consider.

It's wise to consider speaking with a loan repayment counselor to determine which options are best for you. They will be able to outline all of the loan repayment options that are available and allow you to ask about the advantages or disadvantages of each strategy and how student loan repayment fits in with your other financial obligations.

Narrator:

That is all very helpful, thank you. Do you have any advice for students for some of the more general personal finance topics, such as budgeting, saving, etc.

Alicia:

Always create a budget first.

You won't know how much you are able to spend within reason if there is no budget in place. If you don't already have a budget, create one to help you answer a number of "adulting" questions, such as: What's your target salary and how much can you afford to pay in rent?

Start by gathering all of your monthly expenses and determine which are fixed, such as rent and student loan payments, and which are variable, such as groceries and gas. Categorize each expense and write down how much money is spent in each category each month. If you're spending more than you earn, look for where you can potentially adjust.

Also, as mentioned previously, start saving up.

Ideally, your budget will include a category for saving money. While this can be hard when you're just starting out, it's a good idea to prioritize saving for an emergency fund. An emergency fund can help you cover unexpected expenses, such as car repairs or medical bills, and keep you from having to put them on a credit card. Try to save \$500 to \$1,000 to start and then aim to build an emergency fund that can cover your necessary expenses for three months, which helps build a financial buffer against a job loss.

But then in turn, one of the most exciting parts about entering the "real world" is planning for the future. Start thinking about what some of your long-term goals might be: Do you want to buy a house? Travel abroad on a vacation?



Once you have an emergency fund and retirement account started, begin saving for these things. Having a goal in mind can make saving easier. For specific goals, like saving for a wedding or a down payment, it can help to set up a separate savings account so you're not tempted to touch the funds.

Narrator:

That is incredibly helpful, thank you. Do you have any final advice for students as they begin to transition?

Alicia:

I would say to start thinking about retirement.

It can be strange to think about leaving the workforce when you are just entering it, but this is actually the best time to start a retirement investment account. By making regular retirement contributions at a younger age, you allow your funds to grow for decades because your investments compound over time. For example, a 25-year-old who contributes \$200 per month to a 401(k) with a 7 percent return can expect to have nearly \$500,000 at age 65. If you wait until 35 to start saving for retirement, you would have to contribute \$500 per month with a 7 percent return to reach about \$500,000 in 30 years.

During job interviews, ask about access to a 401(k) or another retirement investment vehicle. Once you have a job, take full advantage of this as soon as possible.

Narrator:

Alicia, thank you for guiding us through top tips for transitioning from student to career. Though transitioning from college student to an adult embarking on a career can be a challenging time, it is also filled with rewarding experiences that will define your 20s. Creating a game plan for your post-college life while you are still on campus will help set you up for success both professionally and personally.

And that concludes this Insights for Students podcast. You can find additional information about student finances and more online at www.regions.com/nextstep. No matter your goals, Regions will help you with each step you want to take. Thank you for listening.

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