

Life After WOU -- 2009 Edition

My name is J.D. Roth, and I'm a professional blogger. Obviously, this is not something you can go to college to study for. There are no degrees in blogging. In fact, I earned a degree in psychology, with a minor in English. Because of scholarships, I was able to graduate without any student loans, but I had no prospects. So, I did something I swore I would never do: I went to work for my father.

Although I was fortunate to avoid student loans, I handicapped myself with an addiction to credit. Just four years after college, I had over \$20,000 in credit card debt. At its worst, I had over \$35,000 in consumer debt. Let me make this clear: debt is no fun. Debt is slavery. It limits your options.

I eventually paid off my debt, and began to invest, but it took a long time, and I was way behind my friends who had done smart things after college. There are a four basic skills that I believe can help anyone:

Do what you love. A low-paying job that leads to future prospects in a career you like is better than a high-paying job in a career that doesn't move you in the right direction. Never stick with a shitty job. A job is not a marriage. It's easier to change jobs now than it will be in five or ten years. (If you don't know what you love, go see Michael in the Career Development office. He can help.) Don't expect to be a manager as soon as you graduate. Spend time networking.

Develop a basic budget. It doesn't have to be fancy. Whatever you do, make it a goal to set aside 20% for saving and investing. This sounds like a lot, but if you can start the habit young, it'll be easier. (And will yield greater returns in the long run.)

Avoid lifestyle inflation. As your income increases, it's tempting to increase your spending in proportion. The more you can resist this urge, the more successful you will be with money. You are not your stuff. If it's not worth savings for, if it's not worth paying cash for, then it's certainly not worth buying on credit. Continue to live like a student.

The less you spend, the more flexibility you have. When I graduated, I bought a new car and developed credit card debt. I had to take any job I could find because I was tied to monthly payments. When my friend Paul graduated, he had a lot of freedom. His debts were minimal. He traveled the U.S., taking whatever job struck his fancy. He spent time in Mexico. He spent five months traveling southeast Asia. He was able to do these things because he didn't have expensive obligations.

Finally, remember that it's more important to be happy than it is to be rich. But money gives you more options.

If you can practice deferred gratification, if you can keep from spending money, you'll have flexibility. But buy a new car or rack up credit card debt, and suddenly you're locked into a monthly payment. You'll take any job you can get because you need the money. Avoid those monthly payments and you can wait until you find a job that kicks ass. Like blogging.