

Beyond The Paycheck

Just had a job offer you think is hard to refuse? Before you leap to say yes, be sure you know exactly what you are giving up and what you'll receive in exchange.

There are a number of factors to consider when changing jobs. You probably already know the job title and responsibilities and the likelihood of moving ahead. You surely know the salary level and how often you can reasonably expect advances. But have you looked, really looked, at the employee benefits that go along with the job?

Employee benefits can make a big difference in your total compensation. Here are some of the aspects to consider:

Pensions

Are you vested in your current employer's pension plan, so that all or part of your benefits go with you? Or are you just short of the number of years for vesting so that you will forfeit the accumulated pension? The answer is important. Such a forfeiture could affect any immediate gain you might expect in the new job.

Until Congress passed the Tax Reform Act of 1986, most pension plans required 10 years of employment before vesting. The Tax Reform Act, however, made it possible to earn your retirement benefits sooner. Now, it takes only five to seven years to lock in benefits. Also, under current law, social security payments can't offset more than half of an employer pension.

Health Insurance

About 10 percent of all companies offer flexible health insurance plans, sometimes called

"cafeteria" plans, under which employees can choose the coverage they prefer. This is particularly helpful in the case of working couples, where husband and wife can choose health insurance packages that complement each other. If you have a flex-plan where you are now, and won't at the job where you're thinking of going, you should weigh the impact on your budget.

Perhaps more to the point, in the face of rising health insurance costs, there's a growing trend toward requiring employee contributions toward group health insurance premiums. If you've been receiving employer-paid insurance, and will now have to kick in a sizable amount toward your family's coverage, it will reduce your overall salary package.

Life Insurance

In the amount of at least two times annual earnings, life insurance is a perk provided by 40 percent of employers. Do you have employer provided life insurance? Will you have it at your new post? If not, you'll have to replace it at your own expense.

There are other benefits to consider as well. You might draw up a sheet of paper with columns for your current and prospective employers, then list all the benefits each provides. Include everything you can think of, from child care to an allowance to tuition reimbursement plans and a company car, profit-sharing, stock options and 401(k) plans. You may decide, after all, to make the move even if your current employer offers far better benefits than your new employer. Just be sure you take the step with your eyes open.