

Help friend in financial crunch by reviewing resources

A good friend lost her job recently, and she fears she might lose her house. We aren't in a position to help her financially, but can we assist in other ways?

Absolutely. Many people don't realize that a sudden loss of income manifests itself in many ways. According to University of Michigan research published by the American Psychological Association in 2002, unemployment can trigger "a vicious cycle of depression, loss of personal control, decreased emotional functioning and poorer physical health."

Many experts liken the feelings associated with job loss to the stages of grief experienced after a death or other devastating event. Those stages include shock, denial and anger, and for many people, this reaction could be serious enough to prevent sound decision-making at a time when serious consequences could result. If you can help your friend face those hurdles, you'll be doing her a tremendous favor.

First, let her know that it's normal for a job loss to have emotional as well as economic repercussions. Then, help her sort through her feelings and begin a plan of attack on the financial front. And that part is crucial: Many people try to hide financial problems from creditors until they get behind. But the best route is to contact creditors before missing a payment and ask if they would work with you to adjust payments until you get back on your feet. Often, the emotional reactions of people in this kind of situation prevent them from taking the proper economic steps.

Many free resources are available to help,



but finding and reviewing them can seem overwhelming — so this is another area where you can help. One place to start is a 10-part series, "Bouncing Back When Your Income Drops," offered by Penn State Cooperative Extension for free online at <http://financialliteracy.cas.psu.edu/pubs.html>.

University of Minnesota Extension has several similar resources available. "Adjusting to a Suddenly Reduced Income" and "Getting Through Tough Times" both might be helpful. Check them out at <http://www.extension.umn.edu/moneyeveryday/>. And Purdue Extension offers a nine-part series, "When Your Income Drops," at http://www.ces.purdue.edu/Living_on_Less/IncomeDrops.html.

Also, find community resources, starting with your county's Department of Job and Family Services (check the state site at <http://jfs.ohio.gov>). In addition, the New York State Department of Labor offers an eight-part "Job Search Guide for Professionals" that covers everything from handling the emotional impact of job loss to conducting a job search. It's online at <http://www.labor.state.ny.us/careerservices/findajob/tableco.shtm>.

Why not review some of these resources and decide which might be most helpful for your friend? Then call her up, buy her a cup of coffee, and help her decide on her next steps. It could be the best thing you could do for her.

Family Fundamentals is a monthly column on family issues. It is a service of Ohio State University Extension and the Ohio Agricultural Research and Development Center. Send questions to Family Fundamentals, c/o Martha Filipic, 2021 Coffey Road, Columbus, OH 43210-1044, or filipic.3@cfaes.osu.edu.



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Dear Subscriber: This column was reviewed by Nancy Hudson, Extension center specialist in family finances for Ohio State University Extension.

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