



By [Laura Moran](#)

What To Do When Your Company Is Sold

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Bear Stearns ([BSC](#)) made a rapid drop from successful investment bank to discount deal over the weekend.

On Thursday shares of Bear Stearns' stock were valued at \$57; on Friday they were worth \$30. And, yesterday the 85 year-old investment bank that survived the Great Depression, announced a deal with J.P. Morgan Chase ([JPM](#)) who will pick up their remaining shares for just \$2 a piece. That low price may prove beneficial for J.P. Morgan Chase, but it could be trouble for Bear Stearns' employees. Together, they own 30% of the company and have consistently received many of their bonus payouts in stocks; stocks that are worth a lot less now.

So as the subprime crisis continues to create problems for investment banks and leaves them looking for a bail out from the Fed or other firms, it may also leave many Bear Stearns [employees questioning the future of their careers and finances](#). But according to Sandy Gross, the managing partner of Pinetum Partners in Greenwich, Connecticut, Bear Stearns' employees and others like them shouldn't panic just yet. "There could be a bright side to the acquisition and some will still have a [job](#)," says Gross.

It is very likely that J.P. Morgan will retain Bear Stearns employees that can offer something new to the company and help it grow. However, there will be a bunch of the bank's 13,000 person workforce that will lose their jobs as a result of the acquisition. Here are three steps experts recommend they take.

STEP #1—Re-Evaluate Your Budget

Those concerned about being let go should start reevaluating their personal budgets now, says Stuart Ritter, a certified financial [planner](#) at T. Rowe Price. The most important thing is to decrease spending and to be very particular about what "need" is and what "want" is. "Avoid the temptation to start borrowing to maintain a lifestyle that you're now thinking might not be sustainable. You'll only be digging a deeper hole," says Ritter. "This means not using credit cards, not taking a loan or withdrawal from your 401(k). Hopefully, your situation is temporary but you don't want to take steps now that will undermine your longer-term future."

STEP #2—Start an Emergency Fund

One source of calm during employment uncertainty is having enough resources saved to keep you going while you look for new work. "[This is what an emergency fund is for](#) and why it's so important to have one," says Ritter. Financial experts suggest that an emergency fund be enough to cover three to six months worth of expenses. However, that money isn't always easy to come up with all at once so Ritter suggests contributing monthly to a high yield account, like a [money market account](#), that will compound interest more quickly than a regular savings account. It is important to remember that emergency funds should be available at a moment's notice and the funds shouldn't be locked in a CD or investment.

STEP #3—Get Your Resume Up To Date

As for future job opportunities, Gross says that even when banks lay off hundreds of people, they are also hiring new people every day. "They re-grouping and re-calibrating their companies." But to land your next position, you must keep up with your professional paperwork. "In any job market you need to constantly update your resume and be able to market your strengths," she says.

To distinguish yourself from job competitors, Irene Marshall, president of Tools for Transition in Fremont, Calif., suggests that a resume list a person's skills at the beginning and should avoid being too long. She also says people should forget the "career objective" section and instead put a headline on the top of their resumes. "The objective is what you want, but a headline shows what you have to offer," says Marshall. "[The employer] needs to see who you are right away."

Bear Stearns employees take heart. Marshall says that leaving a turbulent company is not a hindrance for job seekers. "Anyone in that situation just needs to be able to talk about their perception of what happened," she says. "But generally the problems occur at the top and not as much down the line."