

Protecting your benefits after the pink slip

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"Not knowing what to do when you lose your job could cost you precious retirement dollars and hassles down the road. Sometimes layoffs are implemented so swiftly employees barely have time to clean out their desks, let alone sort out their retirement benefits. But once you're off the payroll and out the door, you risk administrative hassles -- and even worse, loss of some retirement benefits you were counting on -- if you're not careful.

"Employees aren't thinking about retirement plans at all when they get laid off," says Valerie Federickson, whose Menlo Park (Calif.) executive-search firm works with many victims of Silicon Valley's high-tech slump. "Often I see [laid-off] job candidates who spend [all this] time negotiating an extra two weeks' severance pay or good references when they should be focusing on their stock options or their 401(k) money," she says.