

I WAS once asked by a seminar participant if it was recommended to talk about money with her kids. My view was that parents should teach their kids about money as young as five years old and help them to be financially responsible.

However, one of the easiest lessons parents can impart to their children financially is their own attitudes towards money because your kids watch what you do and say about money.

Your kids' money habits are mostly formed by modelling – picking up financial lessons especially from parents, teachers and at a later age, friends. Some kids naturally are more careful about money due to their own inborn personality but most of the time, nurture takes precedence over nature when it comes to financial matters.

It is therefore important that parents become acutely aware of their financial modelling at home or when they are spending time with their kids. You may think that your kids are too young to understand about money but check out the following facts.

Parents are totally in charge of their children's purchases up to age four. By age five, children are selecting what they want and they watch parents buy them. By age seven, children are able to make purchases and parents watch them buy. By age 10, children are making independent purchases while shopping with parents.

What attitudes are you unconsciously portraying to your kids about money? Reflect on the questions below and resolve to change what you are financially modelling at home:

- Do you and your spouse argue about money in front of your kids?

- Is money the cause for emotional tensions at home?

Financial role models



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Parents are financial role models for their children so it is important for them to show the right attitudes towards money.

- Do you misuse money as a "tool" to punish your kids?

- Is money flaunted as a symbol of power to keep up with the Joneses?

- Do you substitute money and presents for your presence?

- Do you tell your kids to save but you splurge freely?

The next time you complain about your kids' carefree attitude towards money, check yourself first. They take their cues about money literally by watching and listening to you. After all, parents are their role models and they need to walk their talk first.



Illustration by HAFIDZ MAHPAR