

Why Teach Young Children Money Skills?

We teach young children about money to ensure they build the skills necessary to make informed financial decisions throughout their lives. We believe that parents can, and need to, take a lead role in teaching their children money skills. The life-long benefits of teaching children good money habits and skills will make it well worth the effort.

Where do young kids learn about money anyway?

Pretty much everywhere – and especially at home! Young children learn about money by what they see, hear and experience in the world around them. They *primarily* learn about money by watching their parents use and talk about it. They are also keenly aware of how their parents feel about money by watching facial expressions, listening to word choices and tone of voice. If you think about it, money is part of most of our daily conversations. We consider what we need (or want), if we need (or want) it now, go through the process of buying it or deciding to do it another day, embrace or bemoan a prior choice, plan for tomorrow, etc. As a consequence of the ever-present money conversations happening at home, kids are exposed to the ongoing successes, struggles and the unending money decisions of every day life.

Why do parents hesitate to teach the skills?

Parents tell us they want their children to grow up with the skills to handle money wisely – yet they often do not feel comfortable teaching children to manage money. Some parents feel they are not qualified, or that money is just not supposed to be discussed with kids. Other parents believe schools should be responsible for teaching kids about money. Others still tell us since they never had training and seem to be doing ok, so there is no need to teach their kids. We recommend parents take the time to teach children about money regardless of their income, their current knowledge level or how they were raised in order to fulfill on their wishes to see their children build money skills that can serve them throughout life.

When should the training begin?

Training, in our view, should start when children are young – by early elementary school age when money habits are already being formed. We encourage parents to think of their kids childhood years as a money apprenticeship. From pre-school until high school graduation, with parental guidance, children have a chance to practice using money with little risk. And with responsibility for making independent money decisions (with plenty of room for making mistakes), children can learn that money is *just a tool* – something to be understood, continually learned about and used wisely.

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How will my kids be served by this training?

- Giving young children the responsibility to earn, spend, save and share money helps build confidence and self-esteem.
- Talking about money and money decisions helps young children appreciate its value.
- Trusting young children to manage money helps them learn to take responsibility for their actions.
- Sharing limited financial resources helps kids learn that life is bigger than just them.

What is the bottom line?

You do not have to be an expert to teach kids money skills and habits. We would like to show parents and other money mentors that it is easy to provide suitable learning opportunities and experiences for children to build good money skills and habits. Please check out our resources and let us know if you have any questions. We are here to help, so do not hesitate to ask.