



3 Tips to Help Parents Talk Dollars & Sense with Teens

1. Tell your teenagers to think before buying.

Advise them to take a few deep breaths and ask: Is this something I really need? How many times will I use this? Is this something I can afford? Determine if they are trying to fill an emotional need with the purchase. If you think this is the case, talk with them about what's going on in their life. Did someone make fun of them? Did someone break up with them? If so, brainstorm with them to identify other ways they can make themselves feel better – like going for a walk, taking a bike ride, watching a movie or just having a talk with a friend.

2. Encourage your teens to not buy on impulse.

Ask them to put some time between the impulse to buy and the actual purchase. The old saying that "time heals" has merit in the world of personal finance. Sit down with them to talk about a spending plan and help them make sure they can afford it. Encourage your teen to wait a day or a week before making the purchase. It is amazing how frequently we think we "must have" something today, only to see that it doesn't matter to us tomorrow.

3. Model healthy financial behaviors your teens can follow.

Show your teenagers what it is like to save for a purchase. Decide on something you want to purchase as a family. Then involve your teenagers in saving for it. For example, you may decide to save \$100 a week – or a month – toward the purchase of a new television. Set the money aside in a jar, or make a note of the savings on a ledger where your teenagers can see it. After all, if your teens only see you buying without engaging in the act of saving, what do you think they will learn?