

How To Say **NO** To Your Children

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They know how to woo you. They snuggle up to you, smile that sweet smile and then lower the boom in the form of yet another request. Be it \$100 sneakers, iPod, video games, gadgets, Coach bag, or any number of goodies. The asking can be seemingly continuous and if you have a hard time saying no, you won't do yourself or your child any real favors, and in fact, you can do quite a bit of financial damage.

Remember that line from the 80s, **just say no**.
Hey, it still works, especially when it comes to your children.

Here's how to make "NO" your favorite two letter word.:

Do right by your child even if it doesn't feel like it to them

Richard Kahler, a certified financial planner with the Kahler Financial who specializes in looking at the psychology of money, says the next time you're tempted to give into your child's requests for a few extra bucks, whether its \$10 or \$10,000 keep in mind, "Enabling children can lead to dependency, which usually kills the child's self esteem and initiative."

Furthermore enabling prolongs the inevitable, and is usually seated in the guilt and obligation of the parent. "Enabling can keep a parent poor, from enjoying financial independence."

Don't feel guilty

"It is good parenting to set boundaries and say no," says Dr. Susan Bartell, a child psychologist and author of *The Top 50 Questions Kids Ask*.

She says to say no at least three times more than you say yes.

Save your big purchases for special occasions like birthdays and holidays. In between, remind your child that he will have to wait for the item he desires. "Teaching a child to wait is one of the most important life skill you can give him," she adds.

You can often spilt the cost of big-ticket items that you think are worthwhile. Once they've saved half, give them the rest, this way they don't feel like they have to save forever, and you don't feel that you're never buying them anything. "Teaching saving is another critical life skill," says Bartell.

Giving in to every whim that your child desires will result in a child with no value for money, but more importantly, your child will not see you as an authority figure who can stand firm when necessary.

Include kids in some money talks

Involve kids in goal-setting and budgeting. A good budget starts with family goals. Whether it's to save for a college education or cut down on the weekly grocery bill, setting and prioritizing goals will guide the



budgeting process and make it much easier for everyone to say “no” to some things, says Andrew Houser, CEO of Freedom Debt Relief.

Involve kids in decision-making. Talk with kids in age-appropriate ways about how to make financial decisions. Don’t worry them about whether you can pay, but let them know money does not just flow freely. Sharing the decision-making process of choosing whether to take a week’s vacation or buy a plasma television - or forego both to pay the orthodontist, can give kids a clear picture for their future, he adds.

Teach money skills early

It’s never too early to teach children about money. Check out any number of child-friendly books that teach money like *The Adventures of Lexton: Super Savings Account*, which features Lexton the lion who wants to buy a skateboard but doesn’t have enough money. Grandpa steps in to teach the importance of saving and suggests Lexton opens a savings account at the Jungle Street Savings and Loan bank. There’s a lot out there that can teach children what they need in a fun, easy way that gets the message across. You can find out if your child’s school participates in the Stock Market Game (www.thestockmarketgame.org).

If you have a young child, you can carry a money envelope with their name on it. At the store when they start begging for something, say it is fine to buy, if it’s with their own envelope money. “Most of the time the child will realize what it took to earn that money and not want to part with it. Problem solved,” says Gail Cunningham, vice president of the National Foundation for Credit Counseling.

In addition to a savings account, consider a checking account when your child hits the teen years. “Let them manage their own money, and make sure they balance the bank statement faithfully each month. Set the rules up front regarding overdrafts,” suggests Cunningham.

Before the child graduates from high school, consider putting them on your credit card as an authorized user. This allows them to build their own credit report while you’re looking over their shoulder. “Again, the rules are established up front, and with any mis-steps, you can remove their charging privileges,” says Cunningham.

Pick your battles

“Understand that your child is a small human being in a huge world, and right now, they have little power over anything. Try to say ‘no’ to the important things and be a little more permissive of the less important things. Saying no all the time can make your child feel powerless,” says Dr. Margaret Lewin, medical director of Cinergy Health. In some cases, it can even lead to regular tantrums.

Don’t waffle

If you have said “no” to a request, and it something that you truly don’t want for your child, stick to your guns. At first they may cry, they may scream, but you are the boss, and if you have your child’s best interest at heart, “no” is still the correct answer, says Lewin. Changing your mind will have your child in a situation you don’t want for them, and they will also learn that no matter what the situation, they can do whatever they want. “This is not a good result. On the other hand, if you do realize that you said “no” hastily, it’s okay to change your mind. “There’s no reason to stick to an answer that doesn’t really matter to you,” she adds.

Be wary of divide and conquer

If you or your partner say “no” to your child, the answer is “no”. Just about all parents have encountered this situation, your child asks parent number one and parent number one says no. The child then goes to parent number two and parent two says yes. What to do? The answer is “no,” says Lewin. “Your child needs to learn that she/he can’t play one parent off the other, and once they get a “no”, the answer will still be “no” when they ask the other parent. And if the other parent still believes “yes”, work it out amongst yourselves privately, says Lewin.

Lastly, says Lewin, “You’re doing a disservice to your child by always caving in. Saying no will teach them how to deal with reality, how to overcome road blocks and provide valuable life skills.”