



# How to Help Kids and Teens Develop a Healthy Relationship with Money

According to behavioral scientists, early experiences with money can shape people's financial attitudes and habits well into adulthood.<sup>1</sup> When those experiences are positive, they can create confidence and clarity around money. But if childhood memories include financial scarcity, a sudden loss of family wealth, or tense conversations about spending, they can leave lasting emotional imprints that make money feel stressful or even overwhelming. Over time, those early patterns can influence how people approach financial decisions and the role money plays in pursuing their goals.<sup>1</sup>

## Financial literacy builds lifelong confidence

Helping children and young adults develop positive financial habits can provide a foundation they can build upon throughout their adult lives. When basic money management principles such as saving, spending, earning, and giving are taught at an early age children are more likely to grow into teens and adults who feel capable of making confident financial decisions. Building financial literacy in children early on can have a powerful, lasting impact on their future. Over time, this can:

- **Shape healthy habits:** Teaching kids to save part of their allowance or think before spending helps them develop patterns that stick, such as planning ahead, making intentional choices, and delaying gratification.
- **Open the door to meaningful conversations:** Talking about money early normalizes the topic, encourages openness, and helps children feel comfortable asking questions and seeking guidance as they grow.
- **Lay the foundation for wealth-building:** Understanding concepts like compound growth, budgeting, and investing can empower young people to start building wealth earlier. Even small habits like saving a portion of earnings from a summer job can have a meaningful long-term impact.
- **Support independence and decision-making:** Financially literate teens are better prepared to handle real-world responsibilities, including managing a bank account, budgeting for college, managing student loan debt, and navigating their first major purchases.
- **Strengthen family values and legacy:** Kids and teens who understand money management concepts are better equipped to carry forward family values around giving, education, and long-term planning.

## Finding the right resources

When it comes to educating kids and teens on financial topics, you don't need specialized skills or a degree in finance. Hundreds of interactive tools, videos, games, and other resources are available online to encourage everyone from kindergarteners to college students to take charge of their financial futures in fun and productive ways. As a parent, grandparent, or guardian, you can be as hands-on as you like, whether that's setting parental controls and checking in periodically, actively participating in lessons and games, or establishing a saving account for a child.



# FINANCIAL WATCH

Many banks, credit unions, and financial institutions also offer educational resources and youth savings accounts with low or no monthly balance requirements or fees to help encourage savings habits.

No matter how you choose to approach financial education, helping the children in your life develop the knowledge, skills, and confidence they need to pursue a lifetime of financial well-being is always time well spent.

To learn about strategies to support your legacy and multigenerational wealth perseverance goals, contact the office to schedule a time to talk.

<sup>1</sup>Rajalingam, Senthilkumar, "Your Childhood Shaped Your Money Habits (And You Don't Even Know It)." 29 JUL 2025, <https://behaviorfacts.com/your-childhood-shaped-your-money-habits-and-you-dont-even-know-it/>.

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