



ABA News to Use

Keeping banking's frontline personnel informed

Editor's Note: The following kicks off a new News to Use series of articles on financial education and financial literacy by Neale S. Godfrey, the ABA Education Foundation's family finance expert. Please use the bio and source lines if you use this column in your bank communications.

Understanding Your Child's Financial Personality

By Neale S. Godfrey

For the ABA Education Foundation

Take this quiz to gain a perspective on your child's financial personality.

1. If you give your child money, does he or she save it? **Yes No**
2. Does your child lose or misplace money often? **Yes No**
3. Do you hear the words "I want, I want" when you go shopping with your child? **Yes No**
4. If you ask your child, "Why do you want this?" does he or she often say, "Because Johnny has one," or, "I saw it on television"? **Yes No**
5. Is your child reluctant to spend any of his or her own money? **Yes No**
6. Does your child get exceptional pleasure in seeing a bank account grow? **Yes No**
7. If your child sees a penny on the ground, will he or she go out of the way to pick it up? **Yes No**
8. Does your child decide to save for a special toy and later choose not to buy it? **Yes No**
9. If you say no to the suggestion of stopping for ice cream or pizza, does your child ask, "Can we if I pay for it?" **Yes No**
10. When you travel, does your youngster want to bring presents back to all friends? **Yes No**

Scoring the test:

- "Yes" answers to questions 1, 5, 6, 7 and 8 indicate you have a saver on your hands.
- A "Yes" to questions 2, 3, 4, 9 and 10 shows you have a full-fledged spender in the family.
- Which of the two types is your child? *Saver*: 1 5 6 7 8; or *Spender*: 2 3 4 9 10.

Not So Fast...

For all parents whose children scored as savers, don't start with popping the champagne corks just yet. Most of us would say that saving money is one of the most important things to teach children. That makes sense for a number of reasons, including the fact that it's so hard for us to do it but we all have experienced the discomfort of being around an "extreme saver."

We all know an extreme saver. He is usually a family member on the "other side." He shows his true colors when you go out to dinner. You've seen the routine. It's his turn to pay. The check is on the table, but he doesn't reach for it. You wait but there's no movement. You reach for the check. He got you again.

The extreme saver can pose problems, for him and others. But so can the extreme spender, and more of them. The ideal is right in the middle: a careful spender and a disciplined saver.

The way to teach this to your child is by presenting role models. If you're not the ideal role model, then perhaps you'll have to change your own behavior.

For more tips about raising financially responsible children or for bank marketing programs, products and books, go to [Neale Godfrey's Web site](#) or call (908) 879-8898.

Neale S. Godfrey is the family finance expert for the American Bankers Association Education Foundation. She was a former bank president and is an acknowledged expert on family finance. Her 14 books include: #1 New York Times best-seller, Money Doesn't Grow On Trees and her latest book, Money Still Doesn't Grow On Trees: A Parent's Guide To Raising Financially Responsible Teens and Young Adults. She has also authored an educational program called The One and Only Common Sense/Cents Series that banks are donating into their local communities. Neale has appeared on such shows as "Good Morning America," "The Today Show," and on CNBC, NBC and CNNfn. She also provides client lectures on "How to Raise Financially Responsible Children."

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