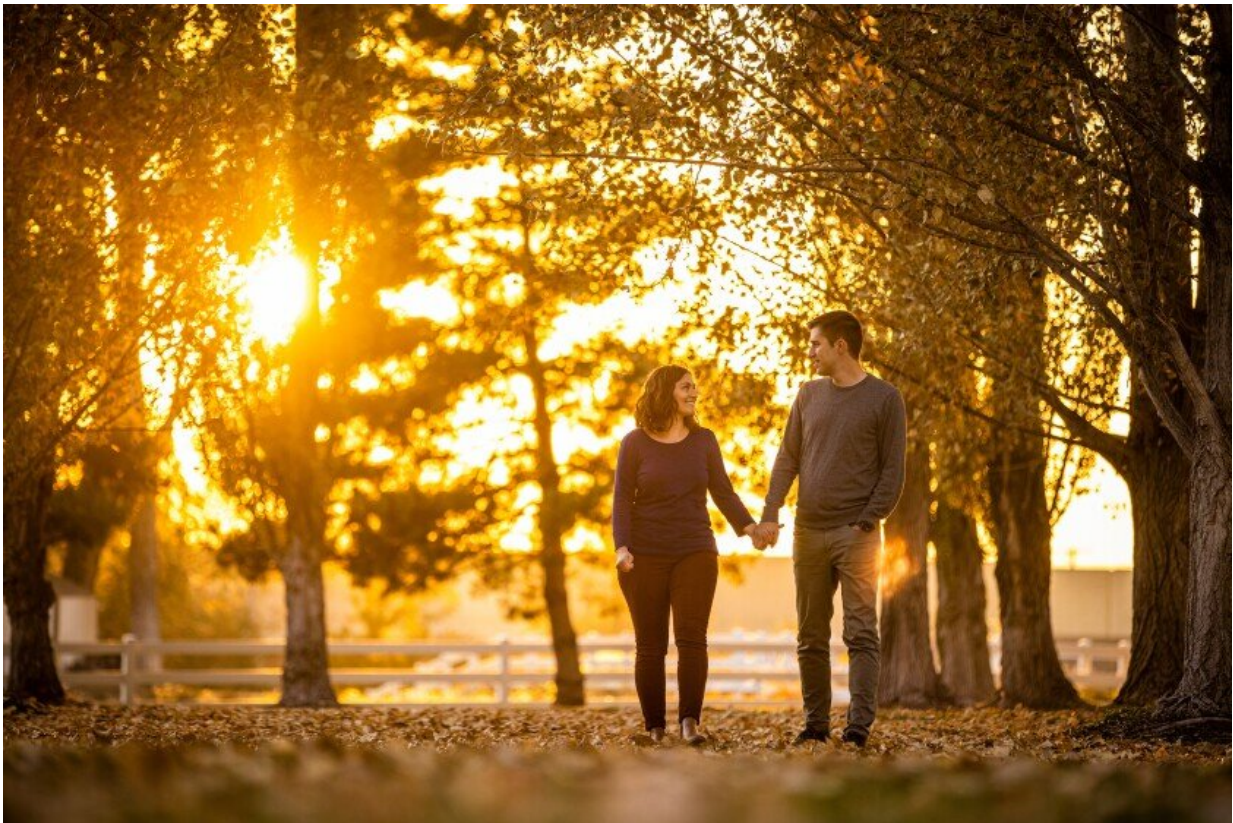


Teaching kids about money pays off—in finances and relationships

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Research from Dr. Ashley LeBaron-Black discovered that children who learn proper money management behavior from their parents have more fulfilling relationships with their significant others in young adulthood. Credit: Nate Edwards/BYU Photo

From the first piggy bank to the first credit card, teaching children

proper money management and budgeting habits takes both time and patience. But the value of helping kids develop financial literacy shouldn't be understated.

It's no surprise that [children](#) who learn money management tips like budgeting and saving are more likely to carry those habits to adulthood. What hasn't been known previously, however, is the influence good money management practices can have on [romantic relationships](#).

Thanks to a new study from BYU, researchers have discovered that children who learn proper money management behavior from their parents have more fulfilling relationships with their significant others in young adulthood.

"It's one more reason why teaching kids about money is so important; it can have relational consequences for them as they grow," said Dr. Ashley LeBaron-Black, BYU professor of family life and lead author of the study.

The research, which was recently published in the *Journal of Family Issues*, surveyed nearly 2,000 participants between the ages of 18 and 30 in romantic relationships. Those who indicated learning financial literacy from parents during their youth tended to enjoy a more flourishing romantic relationship as they entered adulthood.

The researchers say financial behaviors are linked with good relationship outcomes. If parents do a good job teaching children about money, children are more likely to have healthy financial behaviors like saving and budgeting. These healthy habits lead to less stress about money, which puts less pressure on a relationship.

"The kind of people that are careful with their money and put effort into it are also the kind of people who are careful and put effort into their

relationships," said LeBaron-Black. "Doing daily acts of nurturing to keep a relationship healthy is similar to doing regular things like budgeting to keep financial health strong."

For parents seeking to teach their kids proper money management, LeBaron-Black suggests following a three-step model.

1. Set the example

Parents should model healthy financial behavior. There's no substitute for the example parents can set by doing things like budgeting, planning, and monitoring expenses.

"Let your kids see you being good with money and learn from your example," says LeBaron-Black. "We're finding again and again that the example of parents predicts outcomes like financial attitudes, financial behavior, and financial well-being later in life for children."

2. Talk about money

LeBaron-Black says it's more important than ever to have open and honest conversations about money. While it may have been taboo in the past for many to talk about income, savings, and financial stress, researchers suggest having regular talks about money with kids.

"These are sometimes hard topics, but they need to be talked about, or it's to the kids' detriment later on."

3. Give them experiences to learn

Providing opportunities for children to manage money and make their own financial decisions is one of the most important things a parent can

do to help their children form good habits.

"When kids get hands-on experiences to practice managing their own money it helps them build confidence. Then when they manage their own money later it won't be their first experience."

More information: Ashley B. LeBaron-Black et al, From Piggy Banks to Significant Others: Associations Between Financial Socialization and Romantic Relationship Flourishing in Emerging Adulthood, *Journal of Family Issues* (2021). [DOI: 10.1177/0192513X211057536](https://doi.org/10.1177/0192513X211057536)

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