

FIVE TIPS TO HELP YOUR CHILD BECOME FINANCIALLY SMART

Financial independence begins with financial discipline that you can inculcate in your child from an early age. Here are some simple tips you can use to make your child financially smart.



1 Play games that encourage financial thinking

What better way of imparting money lessons to your kid than through games. Good old board games like monopoly and variations of the same for younger kids stimulate financial thinking in children. What's more, you get to spend quality time with them!

2 Use apps to teach the basics of financial discipline

Not all exposure to technology is bad! If you find your kids using smart devices deftly, introduce them to simple financial apps that can teach them the basics of budgeting and tracking expenses that can help them build good financial habits.



3 Use the pocket money to impart money-making lessons

Are your kids constantly haggling for more pocket money? Show them how they can “earn” that extra moolah by completing chores around the house or running small errands for you.

4 Allow room for failures

Even after your efforts to make your children financially independent, you may see them falter at times or do things wrong like overspending or indulging. Instead of reprimanding and punishing them at such times, use the opportunity to tell them about money management.



5 Patience pays in the long run

Finally, ingrain the habit of investing regularly over the long run through SIPs, no matter what. While your child's education and the wedding may be your long-term financial goals, their view may be entirely different, like saving up for the coveted DSLR camera or a fancy gadget when they complete their primary education. Just as you are investing small amounts patiently for years together to secure their future, encourage them to continue with their SIPs.