

Set for LIFE

April 12, 2010



We are always being tempted by the number of choices in life. Grocery shopping, clothes shopping, shoe shopping, card shopping, gadget shopping — to name just a few. And with all of these choices, how can we ever stay on budget? How do we model staying on budget for our kids when we're faced with never-ending temptation?

You can help your kids get set for LIFE — mastering the basics of budgeting and how to work within their budgets — by teaching them the LIFE method. This memorable acronym can help keep your kids to stay focused on their priorities and have some fun along the way.

When To Do It

When preparing to shop and when out on a shopping trip

What To Do

The four components of our LIFE strategy focus on key elements of budget management and provide easy-to-remember words as a simple learning aid.

L - Lists are important.

Lists can be fun to make, and they help us to put some thought into the spending and buying we do. Encourage your kids to buy only items on their list. This helps to curb impulse buying and later regrets about spending.

I - Is it a need or a want?

A smart spender will purchase things he needs before buying things he wants.

F - Find the best price.

Shop around for the best prices, watch for sales, and, whenever possible, use coupons.

E - Evaluate impulse shopping.

After a shopping trip, compare what you bought with what you set out to buy, then consider how you might have chosen differently. Were your unplanned purchases smart choices (say, an unexpected sale on a need) or indulgences you wish you had resisted?

Step 1: Review the LIFE components, then think about your recent purchases and find an example you can use to demonstrate to your kids how you followed the LIFE strategy — and one to show a time that you didn't follow it.

Step 2: Make a 3x5 card for each of your kids, listing the LIFE components. Leave room for them to personalize and decorate their cards. They can keep their cards with them to refer to until they get into the habit of following the LIFE steps.

Step 3: Using your examples from step #1, introduce the four elements to your kids and walk them through the LIFE strategy. Share how you felt and whether you were successful in following the LIFE steps. Give them their LIFE 3x5 cards.

Step 4: Get your kids ready for a shopping trip and go through the LIFE elements with them. Help them to do research, and help them in the store if temptation comes knocking.

Step 5: Practice, practice, practice, using the LIFE cards.

Tip: Once in a while your kids may find themselves splurging without thinking on something they not only didn't need — but also didn't even really want! When this happens, treat it like a slip-up in dieting or exercising: don't make a big deal of it, get back on track, and use those splurges as valuable lessons.

Talk About It

After one of your shopping trips, talk to your kids about how successful they felt they were in following the LIFE steps. What did they remember to do? What could they have done to be even happier with their spending choices?

