

## Coffee with Phil. 35. Kids & Money

### **Introduction.**

Well, good morning, good morning, good morning. How are you today? My name's Phil, welcome to coffee with Phil. And I'm really looking forward to my coffee this morning as it looks just absolutely delightful. I sit in my office at home looking out across the foggy Waikato morning, wondering if I really want to go outside. But I've got a big day today, so let's get this done first, then we'll get into the day.

Today I want to speak about something very practical that I referred to recently. It's a book that I wrote called Kids and Money. Now let me just suggest to you that there's a real good reason why you'd want to listen to this podcast today, this short podcast. I'm gonna give you some mind-bending principles to think about that will relate to your circumstances. I'm gonna weave faith into those mind-bending thoughts that you're going to receive this morning, for free, you're welcome, and I'm gonna refer to the book, so if you wanna check out more about the book just go to [philstrong.com](http://philstrong.com) and you can find out more about that.

This book Kids & Money came about. I spent a long time of my life travelling and speaking to audiences all across New Zealand, now a couple of times overseas, but mostly in New Zealand teaching people about money. These would be financial seminars. I worked with people one-on-one in a business that I owned, and I spent a lot of time helping people with their finances, and it's something I really enjoyed, but often I'd come across a circumstance where parents were just pulling their hair out because kids were treating them like a money machine or the kids were not appreciating the finer things that they were blessed with in life, or there was just a mindset of poverty in the home that was just being passed on from generation, to generation, to generation. And so I set about to start this project, this book, that I called 'Kids and Money how to raise a financially savvy generation'.

In my travels, I've been to Whangarei several times and always had a blast there, got some amazing stories and some crazy stories of one time I was there, but anyway, we won't go into that today. But I met this woman who would always attend the seminar. She'd always sit in the front row. She was always just on the edge of her seat, loving it, and I came to know her, and her name is Amanda, and she became a friend, her husband of the time. And one time she invited me home to their place for lunch while I was staying in town and I went, and her and Rob, and they made me tomato sandwiches. I remember it we were sitting at the farm table in the middle of the kitchen and we started to talk about how we might help families with money, and at that conversation, the idea for this book birthed.

Now why am I telling you that? Well, sometimes you just need to go and have a tomato sandwich with someone. You need to sit down and as you talk you find a shared passion, and as you find a shared passion, what I want to suggest to you is that you learn to recognise the prompting of the Holy Spirit in a situation.

Now Amanda is a spiritual person, but not a Christian person, but that doesn't mean that God doesn't move in conversations. I can point you to half a dozen examples in the Bible where God anointed a conversation for his purposes, and it wasn't in the church.

So that's my first challenge to you is to look around you and think what's my passion? What's burning in me? How am I going to serve this need that other people have, that's a passion God's given me? and who around me might help me with that? Or if you look at it a different way, perhaps a better way is who might I serve as I am seeking to achieve this?

And so this idea came of this book called Kids and Money. I had not long previously read a book that the title escapes me, but it was written by Robert Kiyosaki and Donald Trump. Actually, it's called Why we want you to be rich, that's the name of the book, how's that for a title? No wonder I plucked it off the shelf.

But in that book, they both wrote their own chapters, and I found it really intriguing to read the book with two different perspectives, and two different tones, and two different contexts or experiences coming through, and I learned a lot. And so I proposed to Amanda that we might do the same for this book. Let's keep our own voice, but let's work together to make sure this book hits the mark and we brainstormed ten different chapter topics, which you can see in the book there, you know, like why should kids get pocket money, and how do you stop kids spending, and how do you do this as a family? All those kind of topics, we brainstormed them and then I would write my chapter and Amanda would write her chapter, and so as you read the book, you get two different views, two different voices.

And here's the thought for you on that when you do your job, when you find your passion do not give away your voice. Don't lose who God made you to be. Don't lose that spark and that passion inside you that created you uniquely for the assignment that God's given you.

So that's really how the book came about, and what I want to do today is I just want to challenge you in three different areas, and some of it will be relevant more to parents, but certainly relevant to everybody, but more relevant to parents. But some of it will be very challenging for you and so I hope that you step out of your comfort zone and enjoy what I'm about to share with you. Let's get into it.

## **Why?**

Well, let's get into it. I hope you're enjoying your coffee, cause I certainly am. Let's get into this. Why is it really important that we should teach our kids about money? Why isn't important for you to sort yourself out and get your finances in order? What's the big why? At the beginning of this book, I quote a proverb I used to quote it all the time. As I traveled the country and I would call it a proverb of the days of old, and it says this 'A wise man leaves a legacy for his children's children'.

Now what I didn't say in the public seminars, but many people recognised, but that that comes from proverbs, proverbs, the book of Proverbs in the Bible, Chapter 13, verse 22.

You see, in the Hebrew culture, the ability to leave an inheritance just for your children, but your grandchildren was a sign of God's blessing on your life, and how did you access God's blessing? Through God's wisdom, and so what we must take responsibility for is learning God's principles when it comes to finances, and we must pass them on as an inheritance.

So, what I would say, is that if you want to be someone who is blessed by God, you wanna learn God's principles for finances, and that's not the purpose of this podcast. But what marks you as a wise person is your ability to pass that wisdom on, not just to your children, but to your grandchildren.

So, when I talk about an inheritance, or a legacy, I'm talking about the disciplines and principles and wisdom of God's Kingdom, rules for finances that you would pass on to your children, to those that you influence. There's a quote on page 24 of the book that still challenges me. It says 'the communities we want our children to be a part of in the future, come from what we build inside them today', and friends, that's our responsibility to raise up people, and what I say in the book is that kids learn by watching.

You know, if I wanted to understand what your values were in your finances or in your family, I would simply look to your behaviour, because your behaviour demonstrates what's important to you.

Now children learn by osmosis, they learn by watching, they don't just want you to tell them what to do, they want you to show them what to do, and so as parents, as leaders, aunties and uncles, grandparents, friends of the family, we've got to role model healthy financial habits. Money must not be scary. It must not be an idol. It must not be something that we fear. It must not be something that we talk about in the position of lack or poverty. We've got to role model healthy mindset, healthy discussions, healthy concepts, and most importantly, healthy behaviours.

You know, if your children see you prioritising generosity as a discipline and you don't hide it from them, but you talk to them about how you're blessing your neighbour, or how you're giving your tithe to a church, or how you're sowing into God's Kingdom through mission work or other charitable efforts. If you invite them to participate into that, then you are role modeling healthy financial habits.

The second thing is, I say this all the time, with regards to money and families, but money should be an open discussion. It means you should talk about it. I don't necessarily think you should sit down and show your children your budget, but you should talk about having a budget and what's in it. I think you should talk about financial concepts at the dining room table.

What does that mean? Yes, you should actually sit together and have a meal together. These are all disciplines that will role model healthy financial concepts. I always loved the idea of planning goals, especially holidays, around the dining table, talking about where we are going, talking about what we want to do, talking about how we might prepare ourselves to get there. So sharing the goals and sharing the decisions.

And the final encouragement that I always used to suggest families do to help their kids learn about money, in a role modelling sense, is to send the kids off to buy the groceries. Give them a list, and give them just enough cash. That's right. Don't give them your credit card and send them off, and help them to understand that there's different ways you can spend money. You're not just chucking things in the trolley because of the color of the logo, or because there's an influencer on YouTube that might have suggested it. You're thinking wisely about how you spend your money, and you're also learning that money only can be only spent once. It doesn't last forever, and if you buy the bigger box of cocoa pops, you might not be able to afford the butter or the jam for your toast.

So these are just examples, but what are you gonna do about that? What are you gonna think about? How are you making wise decisions? Maybe this is an opportunity for you to think about, am I really living my life in the best way, in the most disciplined way according to God's principles for finances? And folks as I'm challenging you on that, I'm sitting here gazing into my empty coffee cup and I am challenging myself on that as well. So let's challenge ourselves together because what I wanna talk about next is needs and wants.

## **Needs vs Wants.**

Needs and wants is a very interesting conversation, it's a concept that I started speaking about almost 25 years ago, and most people get it wrong. Most people think that everything that they want is something that they need, and this is where it gets messed up.

Later in life when I was coaching people to clear debts, pay off mortgages, and become financially secure, I used to help people to articulate the difference between the need and the want and understand the difference in their family, and when you do this, you can then role model that to those people and your family, and those around you.

But do you ever wonder why your kids treat you like a money machine. Do you ever wonder why they've constantly got their hand out expecting things? It's because you're kids, and maybe even you, haven't learned the difference between a need and a want. We've gotta understand they're very, very different, and so here's what I'd say to you, if you don't plan what is important to you, as determined by your values, you'll always experience frustration. You see the understanding is that our needs are what's most important to us, what we need to survive, our wants are the luxuries, the things on top, but all those things are driven by what we value, what's important to us.

So, I always used to say, you know, why does one family spend \$15,000 a school term to send their child off for education, when another family, perhaps even their neighbour, would be happy to send their child down to the public school and pay a \$147 for a few fees.

What's the difference? Well, there's a different value in education, and it doesn't make one right and one wrong, it's about values. And your, if your kids don't understand, if your family doesn't get the memo that values drive how we choose to spend our money, then they're going to always have their hand out, they'll always think that what they want, they need, and they're never ever going to be satisfied.

So, one of the problems in a family financial situation is really starting to articulate where is the line we're gonna to draw in the sand? How are we going to control ourselves in order that we might have some discipline and then have the ability, the surplus, to create a life that we really enjoy? Because if you go throwing money at everything that catches your attention, you will never achieve your long term goals, and that's my final point in this section. Behaviour like this, running from shiny thing to shiny thing, are always saying that you need what in fact you want, this is evidence to me of a lack of clear and powerful goals. Clear and powerful goals are what compel us to make good decisions, to make sacrifice, to distinguish between needs and wants, to prune back our expectations in line with our priorities or our values. Clear, powerful goals.

Now there's a very powerful section in the book, and I'm not gonna get into it, but if you're someone who really wants to invest in your children, then you'll want to read the chapter on how to help your kids get ahead through the power of goals, and both myself and Amanda write on the subject, as I shared with you earlier, but we take very different perspectives on it, and when we were editing the book, I was very challenged to think that we might present such, not contrasting, but certainly different perspectives. But then I realized that by doing that, our book was going to cater to a much, much wider audience and help people to bring themselves into a place of alignment with what was inside them, and that was what was most important, not just the book sounding like me. So, look, if you want to help your family, and then indeed yourself, deal with the issue of what is a need, what does a want, how do I have clear and powerful goals, then this book is for you. And look, I've got a confession to you, always figured that one of the ways I could get to the parents, was through the kids. So, running sessions in schools was always fun for me because parents would come along and they would get challenged by the stuff I was teaching their kids, and they'd be like, why did we never get taught this? So, you know, perhaps the best way you could fix yourself was being motivated to help your children, or your grandchildren, or your nieces and your nephews, and I really do encourage you in that.

### **Staying the course even when it's windy.**

In this final section, and I promise you, this is really, where the gold is for today, I want to refer to a small section I wrote that starts on page 139 of the book. If you've got it, you'll find it there. The heading is staying the course even when it's windy, and I tell a story of my time that I spent sailing with my dad. When I was in my late teens my dad was looking for some kind of outlet, hobby, to get him away from work and he bought a trailer sailor and we would take it into the Tauranga Harbour and we would sail together, and I would watch my dad enjoy the feel of the wind on his face, and the sun, as we, as he set the course, the sail, to enjoy the fresh air and the sound of the ocean, and it's a wonderful memory I have, but it's also a great analogy. Because life throws circumstances at us that don't always go the way we hope, and in that I would suggest to you that your financial journey will not always be easy, and as someone who's been around the sun a few times, and had a few highs and lows, I can tell you that life does come in seasons and this is clearly the way God designed the world. He said after Noah in the flood, he said, these things will remain, summer, winter, and sowing, and harvest. So the seasons come in life we have good times, and we also have some bad times.

But here's a problem when the bad times come, if we don't have resilience, dedication, and commitment as part of our disciplines, then we either get knocked over, we fall over, or we just lie down and quit, and, I was speaking at a board meeting last night for a school, and we were speaking about resilience, because it's one of the school's values, and we agreed around the board table that part of learning resilience is in fact teaching children to overcome challenges through having faith in God, in order that they could move toward their personal goals. And I remember years ago, having a conversation with a friend of mine, she was a teacher at the time, and she said that, you know, the problem with life these days is we don't allow our kids to fail, we don't let them learn hard times that come through failure, and we don't teach them to have the personal resolve and strength to get up and do things again. This is what I'm talking about when it comes to our finances. This is what I mean by staying the course, even when it's windy.

Yeah, I remember being on the yacht and the wind would come up and we would be battered off course, and Dad would have to rethink. OK, well, how are we going to get there? And sometimes you've got to change course, in the short term, in order to be able to reach your long term destination. Now, if you know anything about sailing, or perhaps even if you've just watched like the Americas Cup on the telly, you'll know that when they go against the wind, they spend a lot more time going in different directions in short bursts, and it's called tacking. They'll tack against the wind one way, to get the wind on the sail, to get the forward momentum for, then they'll tack back the other way, to then ensure that they don't get too far from the destination, but that they make progress.

Now this is a brilliant analogy for finances because when challenges come, when you've got hard times, or tough times, or you're speaking to a guy yesterday, was saying man, the power bill is so high at the moment, and the cost of food is so high, but incomes haven't risen, and this is an example of a tough, challenging season, where we have to think about what is the destination, but maybe, do I need to change course? Do I need to tack? Do I need to go left against the wind? Well, that's port obviously, if you're on a boat, and how do I get progress even though the wind is beating against me?

And this is what I would encourage all of us to think about, and firstly, because the topic is kids and money, let me just say this, please do not pack your kids and cotton wool, protecting them in your best motivation and yet ruining them by not allowing them to get tough and grow up and have some backbone. I hope I said that clear enough for you. So, allow your kids to have challenges, allow your kids to even fail, fall over, scrape their knee, crash their car, and then support them as they work through that challenge and come out the other side. If you keep rescuing your kids. If you keep wrapping them in cotton wool, all you're gonna end with is a 40 year old baby that wants to stay at home, or run to mummy every time life gets tough, and if that's the situation you want, then I think you're failing as a parent, enough said there.

But what about you? How's your finances going? Are you finding it challenging? Are you finding life buffeting you with the wind? Well, maybe you need to think about the principle of tacking, going a different course in the short term, tacking again and heading back the other way against the wind to make progress. Short bursts of different activity in order to help you get to the destination.

You know I had a very tough season years ago through the global financial crisis of 2008, where I was, I was battered and I had to constantly think of different things I could do just to survive and pay off the debts, and put food in the cupboards, and it wasn't a season that lasted forever, thank the Lord for that, but it was a very, very different season for me. And so I would encourage you to perhaps press into God and say, is this a season where you want me to tack to the port or to the starboard? What is it that you're trying to reveal for me to discover in this challenging season? 'Cause you know the Lord doesn't want you to be staying still, he certainly doesn't want your boat to sink, and he doesn't want you to lose hope. So, in all things and all challenges and all struggles let's not lose hope, because if we lose hope, we're just going to fall off the boat and drown, and I don't want that for any of us.

So, look, today was a really different but practical session. Kids and money, again, you can just read more about that book on my website, Philstrong.com, it's easy for you to find, there is a website [kidsandmoneybook.com](http://kidsandmoneybook.com), I don't even know if it's up to date, I haven't looked at it for so long. But there would be some videos on there if you could find that website also.

## Close.

As I close today, I really want you to reflect on three things. So firstly, what am I role modeling to those around me? How is my behaviour and the demonstration of my values through my behavior, how is that helping people around me? You are an influence. Your life is a message. People are watching you.

The second thing I'd love for you to challenge yourself on is the difference between needs and wants. Am I prioritizing those things that are essential? My needs. And am I pulling to the side those things that are wants? Do not think that everything you want is a need, and this is evidenced by the lack of clear and powerful goals. So perhaps you need to sit down and say, what's important to me? And what would I really like to achieve over the next three years? That's a good conversation for you to have.

And finally, think about how you can stay the course if it's windy. If you're challenged and finances, if you're really going up against it, then ask the Lord to reveal different strategies, different directions, different ways that you can reach your desired destination. Because I believe that, well look, just simply the story of Jesus on the boat with the disciples should be an encouragement to some of you. He's in the boat. He has the ability to bring calm to your storm, but he wants you to have faith while you are in the boat, and knowing that he's there with you, and I hope that helps you.

Hey, look, I'm gonna sign off here. Phil Strong, Coffee with Phil. Been another great time to spend with you. Please make sure you're subscribing to the podcast so that you get it in each week in your podcast app of choice, and please share this with someone who do you know that would be really encouraged by this message that we've done today, this topic of conversation of kids and money.

Well, you have a fantastic day wherever you are. Hope you have a really good coffee today, as I'm about to as well, and I'll see you all soon. Take care.