



What are the psychological influences and social challenges for students to be Smart Money-Users these days?

Carol Yip has a mission to accomplish. Her mission is to combine her academic achievements in finance and her passion for psychology, to promote smart money spending, saving and investments to young adults!

To begin with, she provides solution to lack of money skills education in our tertiary education system by creating the Smart Money-User program for students. This program teaches and coaches students the important money skills and financial tools that are not taught in school, college and university.



Besides running Smart Money-User program, she has also written her first book, entitled **Smart Money-User**. This book, aimed at bolstering good money habits in young adults, can be found at all leading bookstores in Malaysia.

To enhance her professional skills, Carol is currently pursuing her Masters in Counseling (Psychology), specializing in financial coaching, counseling and psychology to empower people to be smart money-user and not being "financially victimized" by environment, people and situation.

Remember the days of simple life without Game Boy, Sega Genesis, Nintendo, PlayStation and Xbox, students in school were having fun playing Monopoly, Scrabble, Snake and Ladder board game?

Lifestyle for kids these days are influenced by temptation and desires created by the advertisement & promotion, media, movies, music, magazines, TV shows, pop stars, fashion, Internet and digital devices. How do such influences affect our children towards the value of money?

Such stimulus causes them to value money less by exchanging it with fun, pleasure, excitement, self-esteem and confidence, relationship and friendship.

One can buy and sell almost everything and anything or enjoy entertainment all day long over the Internet. It is "The World that never sleeps" for people to shop, gamble, watch movies, listen to music, make friends and the list goes on. It makes one feels that the computer is a "fun machine" to make money and for enjoyment.

Parents provide material things like iPods, DoPods, MP3, Portables, MP4, mobile phones, Pocket PCs, Palm devices, computers, cars and extra-curricular activities for their children are facing increasing pressure to "keep up with the Joneses". Feeling guilty not able to spend time with children may be a reason for such provision.

Besides prevalence of "extracurriculars" and expensive lifestyle, parents also get stressed up to provide their children an education, with a hope that their children will get a good job to earn a living.

Financial institutions are not teaching people to be money-wise by creating convenience to get "invisible money" to spend. It is almost "free money" with easy approval of credit cards, loan facilities, debit cards and mobile money (using mobile phone to make credit purchase). Money is no longer "physical". We hardly touch and feel the dollar notes and mental coins these days!

For kids who are having debit card or using parent's supplement credit card to splurge on friends or shopping, will they grow up spending wisely or lavishly?

It is also challenging to parents when children today are living in the "World of Creative Entrepreneurs and Innovative Technopreneurs" of different cultural and social experiences, fads, crazes, and manias, due to Internet, digital technology and media influences.

Heard of teenagers voting for their idols in the American Idol or Malaysian Idol TV show, using their mobile phones, spending hundreds of dollar to cast their votes?

Even though our children these days are growing up much faster and getting matured in early age, the society is growing up even faster in this K-economy with young adults (born in the 80s and 90s) of Generation Y becoming bold, ambitious, innovative and want to break the mould to do things differently from the Generation X.

With the speed of developments in science and technology, today's children are going to find it difficult to survive tomorrow unless they are highly intelligent or incredibly creative.

They may need to stand out in the community, society and workforce. If it is just an ordinary Joe, then it best to live an ordinary life and not pretend to have money to impress others or to fulfill some personal desires, temptation, fantasies or dreams.

Heard of students selling home-made CDs of songs, games or movie download from Internet or made by using simple electronic and digital devices at home? And students create website that sells just about anything one can think of over the Internet?

How about students selling their mobile phone credits in exchange for cash? Or selling their computer games score for cash to friend is not able get high score of the same game?

It is becoming serious problem where teenagers running away from home or school to make money because they have been influenced by others or because someone promised them a good future with money and luxury in life.

Therefore, instilling good money values to children is important. And these values go beyond just having lots of money. Besides family and life values, children must learn that money should only be earned through honest means, should never be used to manipulate, as a crutch or weapon, and that it should never be used to measure one's self-worth.

Many people are being "victimized" by money. Money is only a medium of exchange for living and survival, yet it is often overlooked at home and in school. It becomes medium of exchange for relationship, friendship, happiness, luxury, enjoyment, power and status.

Many children attend life skills workshop like leadership and classes like music, art and dance, to learn a skill may be used to earn future income. At least, they have a choice to pursue their interest or passion to make money.

But do they have ideas what to do with money when it finally arrives ... to keep it or to spend it? Some who are borne a natural saver or stingy, they will keep the money. One wonders if it is a skill or habit they learn from school or from parents or is part of their family genes?

How to invest money wisely? Is this investment skill born with or learnt from parents, schools or friends?

Psychologists would say that a child's early years are the most important years that shaped behavior and habits. The financial deck may be stacked beginning in childhood, regardless of gender. The child's upbringing and social environment in which the child grow up, the early messages received about money and the emotional make up will conspire to define how well he or she handle money as an adult, to be financially successful or broke.

Ideally, the child's financial education starts at home but there are parents who still either shrug off that responsibility or postpone it until "the child is old enough" to understand. Unfortunately, it may be too late.

As a parent, it's probably more difficult to teach your own children about money when your kids get to see and experience how you treat your own money.

Can parents stop their kids from spending their pocket money when they themselves like spending money?

If there is severe lack of financial education at home, today's teenager is forced to build financial knowledge from various sources and personal experience with friends, peers and people they mix with. Most of the time, it's through trial and error or maybe after many painful and difficult experiences. But what is worrying is our brain tends to store bad experiences as memory better than the good ones. Think about it, do you recall your bad financial experience easier compared the last time you were feeling happy about your money?

Do our children get to learn how to be smart in using money in school? Colleges and universities offer degrees that teach the students to become a professional or business person to earn money but not how to be money-wise. Don't you think time is now for the schools, college and university to consider having a subject on "Money", teaching the students money skills, besides teaching them to be good academically?