

Are you paying your kids for good behaviour? You're not alone

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Boy stacking coins (Levent Konuk/Photos.com)

As any exasperated parent will tell you, kids today are so plugged in and mature beyond their years that it is difficult to find a way to discipline them.

Do we punish them to bring about the behaviour we are looking for? Threaten them? The response of many parents: Get out the wallet, and bribe away.

According to a new survey by Baltimore-based investment managers T. Rowe Price, bribery is a critical part of the parental toolkit.

The fund shop's new "Parents, Kids & Money" survey showed a full 48 per cent of parents bribed their precious offspring. And that is only those who actually admit to the practice; the actual figure may be even higher.

Indeed, among parents who classify themselves as "spenders," the percentage of bribers rises even higher, to 55 per cent.

"I was a little surprised at how high those numbers were," says T. Rowe Price senior financial planner Stuart Ritter. "What is unknown is how exactly parents are interpreting these terms."

For example, Ritter says, if kids get something in return for doing chores, is that an incentive? A reward? A bribe?

Still, the new findings confirm previous studies that show many harried parents are more than willing to whip out the wallet for their children. One poll by the American Institute of CPAs found that among parents with kids in school, almost half – 48 per cent – actually pay for good grades. The going rate for an A on the report card: \$16.60.

Adam Dolgin, a Toronto entrepreneur, [blogger and father of two](#), has no qualms paying off his kids.

"Timeouts often don't work, and no one wants to go back to corporal punishment," he says. "Bribery is sometimes the easy way to go."

The irony is that even while many of us are bribing our kids, we still want to be seen as excellent role models. In the T. Rowe Price survey, 69 per cent of parents say that they are "very" or "extremely" concerned with setting a good financial example.

That is what you call a disconnect. But with all the challenges of parenting, there are not a whole lot of black-and-white decisions.

“Whether it is grades or chores or anything else, parents are always looking for ways to motivate,” says Ellen Perry, founder of advisory firm Wealthbridge Partners in Washington, D.C., and author of *“A Wealth of Possibilities: Navigating Family, Money, and Legacy.”*

“Where does motivation end and bribing begin?” Perry says. “Either end of that continuum is clear, but the middle is muddier.”

For instance, Perry says, deciding that your kid can play video games after his or homework could be classified as a bribe, but is pretty much standard parental practice. But paying your child \$100 for every A on a report card has more of the feel of an outright bribe.

“That is something I do daily,” says Bryan Wisda, a financial planner and dad in Carefree, Arizona. “I bribe my 6-year-old with \$5 per day if he is good at school. He is motivated by his ability to buy Legos.”

Experts say the real question is not whether you dangle the occasional monetary reward in front of your kids but how you use it as fodder for a teachable moment.

In other words, giving your kids a buck so they will get out of your face and let you read the morning newspaper in peace? Bad. Giving a buck to teach them about important budgetary issues like saving, spending, or giving to charity? Good.

“The bigger issue, whenever kids get money, is the conversation that is happening around it,” says T. Rowe Price’s Ritter. “What goals are you talking about, how do they learn priorities, and what are you telling them about the importance of saving?”

As for Adam Dolgin, bribery is a tool that he tries to use sparingly.

If his four-year-old daughter behaves well at the mall, for instance, they might swing by The Disney Store.

“If you’re using bribery in special circumstances to get a desired result, that is one thing,” he says. “If you are using it all the time to get control of your kids, that’s a problem.”