

Ask the Expert

Questions on Finances

Michael Romaniuk, Ph.D., responds to questions from CHADD members

The following are excerpts from CHADD's monthly online "Ask the Expert" with Michael Romaniuk, Ph.D., who supports a monthly support group that, among other things, focuses on impulsive spending.

Q: I am an impulsive spender. When I see something that I want, I usually buy it. How can I stop spending money on things I don't need?

A: First of all, you need to be aware of your limitations and personal vulnerabilities. You also need to recognize that you have to operate within limits to control spending. You have to set personal rules to govern your spending practices. For instance, you can set up a rule that you first have to do research and identify an item before going to the store. Once this is done, impose on yourself the rule that you have to purchase that item and then leave the store. By doing this, you can limit your exposure to other items within the store and not make impulsive or point-of-purchase decision-making.

Q: My son is 10 years old. He currently makes impulsive purchases. I want him to develop long-term goal setting and money management skills. What is your advice?

A: Your son needs to identify ahead of time some items that he wants to purchase. Then have him run the idea by you for approval. If it meets your approval, then he can purchase it. Think about teaching your son the importance of delaying gratification. A certain amount of time should elapse between identifying an item to purchase and the actual purchase of the item. Also, help him identify priorities and provide your input for his choices. This kind of information might help him to have a better understanding of the value of money and how to make wiser purchases.

Q: I find that the longer I am able to keep myself from spending, the more I'll spend when I do finally give in to the impulse. So if I succeed in restraining myself from spending \$100 five times, I'll end up buying something that cost \$7,000. I know that it defeats the purpose. What do you suggest?

A: Perhaps if you do not have the willpower to control your spending, you might consider turning over your credit cards



and checks to someone who can exhibit restraint. One way of managing impulses is to delay purchases. Once again, you might want to consider operating with a rule that you will not make a purchase unless a week has passed. Often, the passage of time lessens the impulse to buy. The other idea is to have a rule whereby any purchase over a certain dollar amount can only be made if you run it by someone else and get his or her input on the purchase.

Q: What do you think about the use of a debit card (purchase only) for young people heading to college to live on their own? The parent can load the card with a specific amount of money and then deposit funds into the account. Before adding to the card, the parent would be able to verify the nature of the purchases and amount. This creates a system of checks and balances.

A: This is a very good idea. Not only can you control the limit, but you can also monitor the purchases made. Some credit card companies have programs specifically designed for adolescents and young adults with this parental control built in. ■