

**Communication among Parents and Youth about Savings and Investments:  
Impact of Parents' Marital Status<sup>1</sup>**

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This study examined the association between communication among parents and youth about savings and investments, with specific emphasis on the impact of parents' marital status on communication. Prior research looked at the association between the levels of parents' discussion with their children regarding money and children's financial knowledge levels (Mandell, 2001) and the association between family structure and parent-child communication on consumer issues and youth participation in consumer tasks and decision-making (Lachance, Legault, & Bujold, 2000). Research based on consumer socialization theory suggests a correlation between parent-child communication and the parents' marital status (Flurry, 2007; Lachance et al., 2000).

The data for this study were 133 youth-parent pairs from Georgia. Age of the youth ranged between 14 and 19. Youth and their parents completed a separate survey measuring parent-youth communication about savings and investments, financial knowledge, and behavior. The main explanatory variables of the Ordinary Least Squares (OLS) models were marital status of parents and parents' self-efficacy and financial knowledge score. Separate models were assessed for general communication and communication about savings and investments. The response variable was the communication gap score, calculated by taking the absolute value of the differences between the answers from the parent and the youth on similar survey items and summing them. The higher the score, the greater the communication gap was between the parent and the youth.

The parent-youth general communication gap was greater in non-married parent families than married-parents' families. The gap in parent-youth communication about savings and investments did not vary between married-couple and single-parent households. No association existed between parents' self efficacy and communication or parents' financial knowledge and communication. Further research is needed to explore financial issues and parents' marital status and whether it makes a difference in children's financial knowledge and behaviors.

### References

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