

Survey: Nearly 1 in 4 of All Parents and Half of Gen X Parents Worry Their Kids Will Be Financially Dependent on Them in Adulthood

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Although parents are reluctant to discuss their own finances, they are having more in-depth financial conversations with their children than their parents did with them

MINNEAPOLIS--(BUSINESS WIRE)-- Parents today are talking with their children about topics like investing in stocks and bonds and choosing career paths that align with their child's financial goals – discussions many didn't have with their own parents growing up, a new survey from U.S. Bank found. In addition, nearly 1 in 4 of all parents and more than half of Gen X parents worry their children will be financially dependent on them well into adulthood.

The survey also found that the majority of Americans would rather discuss who they are voting for in the upcoming presidential election than their personal finances, and that many people might not be truthful with their partner about money – driven by feelings of shame and embarrassment.

“For many people, discussing money is extremely uncomfortable; this is especially true with families,” said Scott Ford, president of Wealth Management at U.S. Bank. “We did this survey to really dig in and see how people from different generations felt about a wide variety of sensitive financial topics – asking family members for money, talking about debt, savings and inheritance – so we can better help them solve for these challenging conversations. While the survey revealed that many families and couples are talking about financial concepts around the dinner table, many do not feel comfortable talking about their own financial situations – possibly because they are worried about being judged or feeling embarrassed.”

Beth Lawlor, president of Private and Affluent Wealth Management at U.S. Bank, said, “Our hope is that these

survey findings spark a dialogue on the importance of families discussing challenging financial topics, ultimately empowering more families to engage in the tough conversations that are critical to building wealth.”

Additional key findings from the survey:

Americans would rather discuss who they're voting for in the 2024 presidential election than their finances.

- Parents would rather talk to their kids about their choice of candidate (76%), than their finances (63%).
 - Dads (67%; vs. 58% of moms) and millennial (63%) and Boomer (62%) parents felt the most uncomfortable discussing their finances.
- When talking to their parents, Americans feel more comfortable discussing their choice for president (68%) than their personal finances (55%) with their parents.
 - Gen Zers (58%), millennials (55%) and Gen Xers (49%) felt the most uncomfortable discussing their finances with their parents.

Today's parents are having more in-depth financial conversations with their children than their parents did with them.

- Today's parents are almost twice as likely to regularly discuss financial topics such as investing in stocks and bonds (44%) with their kids than their parents were with them (24%).
- Despite these conversations happening more frequently, mothers were less likely to discuss investing in stocks and bonds with their kids than fathers. (35% women vs. 51% men).
- Today's parents are also more likely to say they've had conversations with their children about how to choose a career path that aligns with their child's financial goals – a discussion they may not have had growing up. (65% of parents discussed this concept with their children when they were growing up, while only 41% of Americans recall discussing this concept with their parents when they were growing up.)

Although parents are more regularly discussing financial concepts with their kids, kids aren't necessarily looking to their parents for financial advice.

- Less than half of Americans (44%) ask a parent for money advice.
 - However, women are more likely (49%) than men (35%) to seek advice from their parents about money.
- While many parents acknowledge that their children don't manage their money in ways they agree with (43%), they are very confident in their children's financial fortitude, with more than three-quarters (79%) of parents saying their children are able to successfully manage their finances.
- Additionally, 54% of Americans feel their children will be able to take care of them financially if needed. More

women (57%) than men (51%) felt this way.

- Despite this confidence, nearly 4 in 10 (37%) parents of all generations worry their children will require financial assistance well into adulthood.
 - More than half of Gen X parents (53%) worry their children will be financially dependent on them well into adulthood.
 - It's not just parents who worry, however. 45% of millennials and 39% of Gen Xers worry they'll be responsible for taking care of their parents/in-laws financially.

Americans often don't see eye to eye with their partner on handling their finances and might not be truthful about money – propelled by feelings of shame and embarrassment.

- More than a third of Americans do not agree with their partner on how to best manage their money, both now (39%) and in retirement (34%). A little less than a third (31%) also say they are unaware of their partner's finances and that they have different opinions on what to do with their money after they're both gone (29%).
- Almost two-thirds (60%) of Americans think they make better financial decisions than their partner.
- A third of Americans say they have lied to their partner about money (30%).
- The driving force behind the deceit may be embarrassment – a third (36%) of unmarried Americans say they'd be embarrassed to be fully transparent about their finances with the person they're dating.
 - This is especially true among younger Americans (Gen Z & millennials) as 4 in 10 (41%) report the same feelings of embarrassment in being fully transparent about their finances with the person they're dating (vs. 31% Gen X, Boomers and Silent+).

Americans are often unaware of their family's financial status, but many suspect they will need to provide help to parents or in-laws in the future.

- Almost half of Americans (45%) have no idea what their parents' financial situation is.
- Americans still in contact with their parents are more likely to know about their parents' financial liabilities (60%) than their savings (38%) and daughters are much less likely to know about their parents' savings (33%) than sons (46%)
- Although many Americans are uncertain about their parents' financial situation, about half (48%) say they suspect they will need to provide for their parents or in-laws in the future.
- While most Americans are willing to help their parents, those in need may hesitate to ask for help themselves; 56% of Americans say they are uncomfortable asking their family for financial help and 58% say they are too ashamed to ask.

For most parents, talking to their kids about giving to charity is important, and for some, making sure some of their inheritance goes to a good cause is important.

- More than half (55%) of U.S. parents discussed giving money to charity with their children while they were growing up.
- Slightly more women (58%) than men (52%) discussed this with their children.
- More than half (55%) say creating generational wealth is a priority.

Financial advisors are the new therapists. They're getting families to talk about money openly and honestly.

- Aside from providing practical investment (87% mass affluent) or tax advice (77% mass affluent), financial advisors are helping to bridge gaps in conversation among mass affluent families. Over half (53%) of mass affluent Americans say their financial advisor has helped their family work through uncomfortable conversations about money.
- This is especially true for younger affluent Americans: 8 in 10 say their financial advisor has helped their family with uncomfortable conversations about money (82% mass affluent and high net worth Gen Z & millennials) nearly twice as many as their older counterparts (45% mass affluent and high net worth Gen X, Boomers and Silent+).
- In fact, financial advisors provide further comfort to mass affluent and high net worth Gen Z and millennials as 8 in 10 (79%) who have a financial advisor also report feeling positive emotions (vs. 71% mass affluent and high net worth Gen X, Boomers and Silent+ with a financial advisor).

Find a copy of the full report here.

Survey Methodology

U.S. Bank fielded a 20-minute online survey of 1,000 US General Population Individuals, 1,000 Mass Affluent Individuals and 500 High Net-Worth Individuals. Mass Affluent Individuals are defined as having at least \$250,000 in investable assets, not including retirement accounts or the value of their primary home. High Net-Worth Individuals need at least \$1M not including retirement accounts or their primary home. The US General Population sample is nationally representative, while Mass Affluent and High Net-Worth samples are natural fallout. The margin of error for this study is $\pm 3\%$ for the US General Population, $\pm 3\%$ for Mass Affluent Individuals, and $\pm 4\%$ for High Net-Worth Individuals.

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