

**Know Better, Do Better?  
Parental Financial Socialization's Indirect Association  
with  
Couple Financial Communication through  
Financial Self-Efficacy**

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*Communication about finances with a romantic partner is difficult for many couples. The way parents teach children to approach finances may prepare emerging adults for these difficult conversations. Family financial socialization theory suggests that parents who build their children's financial self-efficacy may be key to facilitating better communication about finances. This study used a sample of 1,950 U.S. emerging adults currently in romantic relationships to investigate the role that parental financial socialization plays in the financial communication for emerging adult couples and whether financial self-efficacy explains the association between socialization and communication. In addition to the direct association between parent financial socialization and financial communication, financial socialization was indirectly associated with couple financial communication through self-efficacy. That is, individuals whose parents effectively taught them about finances (through modeling, discussion, and experiential learning) generally had high levels of financial self-efficacy and, in turn, high-quality financial communication in their romantic relationships. Implications for clinicians include using this information to better support couples' struggles with financial*

*communication. Helping couples develop financial skills and knowledge can help them improve their communication as a couple.*

*Keywords: financial socialization, self-efficacy, communication, emerging adults*

## INTRODUCTION

Emerging adulthood (defined as ages 18-29) is generally a time of significant change and growth (Arnett et al., 2014). Two domains in which emerging adults report considerable growth include managing finances independently and exploring committed relationships (e.g., Arnett, 2000). The implicit and explicit ways parents teach their children about finances during childhood and adolescence (termed family financial socialization) have been linked with their efforts to manage finances in emerging adulthood (Xiao, 2016). For instance, those who receive effective family financial socialization typically report more financial capability, a higher likelihood of reaching financial goals, and better overall financial well-being in emerging adulthood compared to those who did not receive sufficient financial socialization as a child or adolescent (Dew & Xiao, 2011; Kim & Chatterjee, 2013). The merit of robust financial socialization can extend to romantic relationship outcomes as well, as some research indicates those with more financial socialization generally report greater relationship satisfaction and stability (e.g., LeBaron-Black et al., 2022c).

In line with this work, family financial socialization theory (FFST), which originally focused solely on individual-level financial outcomes of financial socialization (Gudmunson et al., 2016), has been extended to consider outcomes for romantic relationships (e.g., Gibby et al., 2021; LeBaron-Black et al., 2022c). Drawing from FFST (Gudmunson & Danes, 2011), the current study assesses how parent financial socialization may be indirectly linked to couple financial communication through financial self-efficacy (see Figure 1) using a sample of 1,950 emerging adults in a romantic relationship. Given the salience of finances for couple outcomes and individuals' financial outcomes, findings from this study are positioned to inform central aspects of the work of both couple and financial helping professionals, such as therapists and counselors. In addition, the study findings can inform parenting education and intervention practices by highlighting the value of child financial socialization due to its long-term consequences at later life stages.

### **Family Financial Socialization Theory**

Gudmunson and Danes (2011) developed FFST as a conceptual model explicating the outcomes associated with family financial socialization processes during childhood and adolescence. Although financial socialization can occur across the lifespan, FFST assumes experiences in childhood and adolescence form the foundation for later financial outcomes (Gudmunson et al., 2016). Parent financial socialization refers to the overall socialization by parents focused on finances, encompassing how parents model, discuss, and provide experiential learning opportunities related to money for their child (LeBaron-Black et al., 2022a). These early experiences provide financial socialization that informs individuals' financial knowledge, capabilities, and values as they transition to adulthood. As such, effective financial socialization is believed to lead to increased financial ability (i.e.,

capability) and well-being for individuals, while a lack of financial socialization hampers financial capability and well-being (e.g., Jorgensen & Savla, 2010). Notably, recent research also highlights the importance of financial self-efficacy, which has been conceptualized as a relevant aspect of financial attitudes, knowledge, and capability in FFST (BLIND FOR REVIEW, 2024). Financial self-efficacy refers to the feelings one has about one's ability to manage and navigate one's finances successfully and is thought to be foundational to individuals' acting on their financial knowledge to implement behaviors that help them realize positive outcomes.

As mentioned, recent research has extended FFST to include relational outcomes (LeBaron & Kelley, 2021). When individuals enter romantic relationships, they bring with them behaviors, beliefs, and expectations (e.g., Fowers et al., 2016). Studies indicate that the financial behaviors and values stemming from financial socialization are related to romantic relationship outcomes, including relationship satisfaction (LeBaron-Black et al., 2022c), financial disagreement (Gibby et al., 2021), and romantic relationship flourishing (Mao et al., 2017). As parents are a main source of financial socialization, married or coupled parents also serve as a primary example of couple functioning, including financial behaviors, couple financial communication, and shared decision-making in romantic relationships (LeBaron-Black et al., 2023b). For instance, Gibby and colleagues (2021) found robust financial socialization to be a buffer for couple financial disagreements, while another article found that partners who have similar financial values, on average, communicate better regarding finances, with increased financial communication being related to higher levels of marital satisfaction and stability (LeBaron-Black et al., 2023b). However, research has not yet explored the mechanisms responsible for the association between financial socialization and aspects of couples' financial communication. Hence, the current study examines financial self-efficacy as a mechanism linking parental financial socialization to couple financial communication.

### **Parental Financial Socialization and Couple Financial Communication**

Parental financial socialization often serves as the foundation for individuals to develop financial values, beliefs, and behaviors (Curran et al., 2018; Serido & Deenanath, 2016). Of course, parents also socialize their children about romantic relationships, and to some degree, these two types of socialization overlap, as socialization includes values, beliefs, and behaviors about how (or the extent to which) couples will manage and communicate about finances. Indeed, financial communication is an important aspect of relationships, as arguments about finances are associated with lower relationship satisfaction and increased marital instability (Britt & Huston, 2012). Although communication involves many factors and encompasses various topics, financial communication has been shown to be a particularly salient aspect for couples. Most couples, regardless of socioeconomic status and marital status, must navigate financial choices and issues (Romo, 2015). Previous research has also indicated that disagreements regarding finances are a major predictor of divorce (Dew et al., 2012). For married or cohabitating couples in egalitarian relationships, managing finances requires many joint decisions,

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further emphasizing the importance of positive communication and negotiation (Kim et al., 2022).

Although previous research has established the implications of couple financial communication for relationship satisfaction as well as stability (e.g., Hill et al., 2017), less is known about what contributes to the quality of couple financial communication, with a few exceptions. One exception is a study by Gibby and colleagues (2021), which examined how parental financial socialization influences couple financial disagreements; specifically, the way in which effective socialization can protect against disagreements. When emerging adults grew up with effective financial socialization, they generally had more effective conversations with their own romantic partner. The authors hypothesized that those with more financial socialization were likely to have witnessed more financial conversations, and this observational learning contributed to more productive conversations of their own with a romantic partner (Gibby et al., 2021).

This focus on financial communication is important because finances are one of the leading sources of conflict in relationships (Dew, 2016). Research supports the key role of communication in determining relationship quality (Kanter et al., 2022), satisfaction (Eğeci & Gençöz, 2006), and stability (Karney & Bradbury, 1995). As such, enhancing financial communication for couples can have implications for overall relationship quality.

### **Financial Self-Efficacy**

Self-efficacy is understood as an individual's general belief in their ability drawn from past experiences (Bandura, 1986). It is also related to the sense of control an individual feels (Bandura & Wood, 1989) and has implications for behavioral motivation more broadly, as those who believe in their abilities are more likely to set and work towards goals (Bandura, 1986). Further, this construct has been applied specifically to the topic of finances (termed financial self-efficacy) and defined as "a sense of one's ability to perform responsible financial behaviors" (Serido & Joseph, 2014, pg. 81). Hence, financial self-efficacy is related, but distinct, from concepts like financial education and literacy, which emphasize what an individual knows, and financial confidence measures, which often focus on a specific behavior (e.g., confidence in their ability to come up with \$2,000 for an emergency). A validation study also demonstrated that financial self-efficacy is related to, but distinct from, retirement saving behavior and confidence in the ability to manage retirement funds (a specific financial behavior) (Lown, 2011).

The way in which emerging adults have been socialized concerning finances in childhood and adolescence may impact their level of self-efficacy as they begin to navigate finances independently (e.g., Lee & Mortimer, 2009). This is supported by findings from LeBaron-Black and colleagues (2023a), who found parental financial experiential learning (a component of parental financial socialization) to be significantly and positively associated with financial self-efficacy for emerging adults. Findings suggest that the opportunities parents provide for practicing financial principles may influence how children develop their views on finances and their own financial capabilities. For individuals to make well-informed decisions regarding finances and engage in optimal financial behaviors, they need a sense of

financial self-efficacy (Sherraden et al., 2015). Connecting to couple processes, individuals with higher financial self-efficacy may be able to communicate their preferences and values regarding financial practices more effectively and easily to their partner. When people feel more confident about their financial capability and behaviors, they may be more open and able to discuss financial topics in relationships and approach these conversations in a more productive way. Thus, financial self-efficacy may benefit couples' financial communication. However, to our knowledge, this possibility has not been empirically examined yet.

## Current Study

Parents are often central to the development of financial and relational beliefs, values, and behaviors of their children. In fact, financial and relational beliefs, as well as socialization, are interconnected, as parents' communication about finances may serve as a template for their children, becoming the expected norms for their own romantic relationships in emerging adulthood. Expanding on previous research demonstrating the importance of parent financial socialization for couple financial disagreements (e.g., Gibby et al., 2021), the current study used a structural equation modeling (SEM) framework to examine (a) how parent financial socialization is associated with couple financial communication and (b) if financial self-efficacy serves as a linking mechanism of this association with cross-sectional data from 1,950 emerging adults in the U.S.

Based on previous research and drawing from the FFST, financial self-efficacy is a likely mechanism explaining why parental financial socialization has implications for couple financial communication for several reasons. First, financial self-efficacy is central to numerous finance-related life outcomes, such as financial management behaviors and confidence (Kim et al., 2022). Financial behaviors are driven by financial socialization (Jorgensen et al., 2017), and positive behaviors may prompt more positive and less conflictual communication (Saxey et al., 2023). Furthermore, when children are exposed to effective parental financial socialization, they may develop a higher sense of efficacy regarding their personal ability to manage finances for various reasons, such as exposure to financial concepts and incremental learning. This greater sense of financial self-efficacy may help them approach financial communication more positively if they are less likely to feel threatened, defensive, or "insufficient" in their financial capabilities (Xiao & Porto, 2021). More specifically, the hypotheses tested in the current study are:

**H1:** Parental financial socialization will be positively associated with couple financial communication.

**H2:** Parental financial socialization will be positively associated with financial self-efficacy.

**H3:** Financial self-efficacy will be positively associated with couple financial communication.

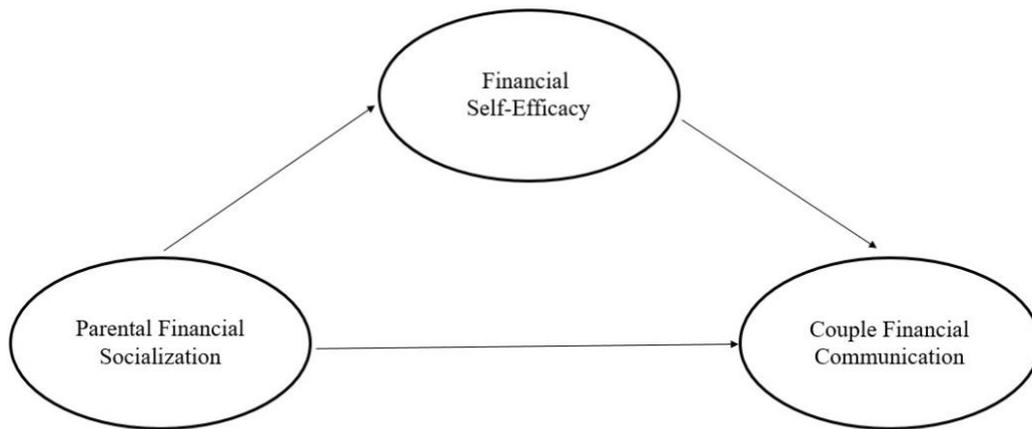
**H4:** Parental financial socialization will be indirectly linked to couple financial communication through financial self-efficacy.

These hypotheses were examined after accounting for age, sex, and race. Previous research has indicated that financial self-efficacy may vary for younger individuals, who often have less life experience than those who have been managing their finances for longer

(LeBaron-Black et al., 2022b). Similarly, some research suggests men generally receive more financial socialization from parents than women (Garrison & Gutter, 2010). Although race has not been consistently examined in connection to financial self-efficacy or couple financial communication, race is a broader contextual consideration that informs many aspects of life, including financial and relational processes (Bryant et al., 2010).

**Figure 1.**

*Conceptual Model of Parental Financial Socialization and Emerging Adult Couple Financial Communication.*



*Note: Ovals represent latent variables. For brevity, we do not show in the figure controlling for age, sex, or race*

## **METHOD**

Data were from one time point of the Measuring Family Financial Socialization (MFFS) project (LeBaron-Black et al., data collected 2020). The project included data from 4,182 emerging adults between the ages of 18 and 30 living in the United States who were recruited by the Qualtrics survey team and filled out a survey through Qualtrics Panel. The average time for completing the survey was 20 minutes for each participant. After taking the survey, participants were given \$7.50 as compensation for participation in the research. Inclusion in the study required responding correctly during attention checks and reaching the end of the survey at a reasonable pace, among other data quality checks.

The sample was reduced to 1,950 individuals who identified as being in a romantic relationship. Regarding the type of romantic relationship, 30.5% of participants were married, 12.3% of participants were engaged, and 57.1% of participants indicated they were not married or engaged but were in a current romantic relationship. In terms of the highest level of education, 2.5% of participants had not completed high school, 26.0% had completed

high school, 9.8% had attended some college, 9.8% had obtained an associate's degree, 22.6% had completed a bachelor's degree, 6.5% had completed a master's degree, and 1.8% had completed an advanced degree. In comparison, only 0.9% preferred not to answer.

## Measures

### ***Couple Financial Communication***

Using a 5-item scale, participants reported on how well they and their partner communicated about finances together. The scale was based on a measure from the Flourishing Families project (Day et al., 2009). Sample items include "My partner and I are working toward the same financial goals" and "My partner and I discuss major household purchases before spending the money." Responses were reported on a 5-point scale (*1 = Strongly disagree to 5 = Strongly agree*), with higher values indicating higher quality financial communication. The scale had good reliability ( $\alpha = .85$ ).

### ***Financial Self-Efficacy***

Financial self-efficacy was measured using a 3-item scale (Serido et al., 2014). Items were "I feel good about money management," "I don't like the way I manage my finances" (reverse-coded), and "I am satisfied with the way I pay my bills." Individuals responded using a 5-point scale (*1 = Strongly Disagree to 5 = Strongly Agree*). Higher values indicate a greater sense of financial self-efficacy. The measure had good reliability ( $\alpha = .78$ ).

### ***Parent Financial Socialization***

The Parent Financial Socialization Scale ( $\alpha = .95$ ) consists of 20 items capturing three subscales, including financial modeling (eight items) ( $\alpha = .92$ ), parent-child financial discussion (nine items) ( $\alpha = .92$ ), and experiential learning (three items) ( $\alpha = .81$ ) (LeBaron-Black et al., 2022a). Sample items include, "Growing up, I often made financial decisions based on what my parents had done in similar situations," (parental financial modeling), "Growing up, I knew I could go to my parents when I had questions about money," (parent-child financial discussions), and "My parents gave me opportunities to practice money management while I was growing up" (experiential learning). Participants responded to these items using a 7-point scale (*1 = Strongly Disagree to 7 = Strongly Agree*).

### ***Control Variables***

Included in the SEM were several control covariates: age, sex, and race. Participants self-reported their age as a continuous variable, with responses ranging from 18-30. Sex was coded as 0 = Women and 1 = Men. Because of limited group sizes for some racial groups, race was coded as 1 = White and = Other.

### **Data Analysis Plan**

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There was no missing data in the sample analyzed. After examining descriptive statistics and bivariate correlations between all study variables (see Table 1), the hypotheses were examined using a SEM in MPlus Version 7 (Muthén & Muthén, 2017). Parental financial socialization was assessed as a second-order latent variable, with individual items loading onto latent factors representing the three subscales of parental modelling, discussion, and experiential learning. The three subscales were then loaded onto a higher-order factor of parental financial socialization. Financial self-efficacy and couple financial communication were also assessed as latent variables, while the control variables were analyzed as observed variables. Confirmatory factor analyses (CFA) were estimated to assess the psychometric properties of the latent factors.

To test the study hypotheses, direct associations were estimated from parental financial socialization to financial self-efficacy and couple financial communication. The indirect association between financial socialization and couple financial communication through financial self-efficacy was also examined. That is, this indirect association examines the association between financial socialization and financial self-efficacy, and in turn, the association between financial self-efficacy and couple financial communication, to determine whether these two associations together link financial socialization and couple financial communication. Bootstrapping (1,000) was used to estimate the indirect association, adjusting for type I and type II errors. The control variables were examined as exogenous variables explaining variation in parental financial socialization, financial self-efficacy, and couple financial communication. Goodness of fit was assessed using multiple fit indices, including the chi-square statistic, comparative fit index (CFI), and the root mean square error approximation (RMSEA). Acceptable model fit was evidenced by CFI values near .95 and RMSEA less than .06 (Hu & Bentler, 1999).

## **RESULTS**

Bivariate analyses (see Table 1) indicated statistically significant correlations at the  $p < .001$  level between parental financial socialization, financial self-efficacy, and financial communication in expected directions.

**Table 1.***Bivariate Correlations of Study Variables.*

<i>Variables</i>	1	2	3	4	5
1. Fin. Socialization	--				
2. Fin. Self-Efficacy	.28***	--			
3. Fin. Communication	.20***	.31***	--		
<i>Control Variables</i>					
4. Age	-0.01	0.16	0.06	--	
5. Sex ( <i>male</i> )	0.10	0.02	0.00	0.08	--
Mean/% (SD)	3.72 (.92)	3.92 (.81)	4.76 (1.34)	24.76 (3.68)	40% (.49)

*Note.*  $n = 1,950$  emerging adults. To conduct correlations, mean scores were calculated to estimate bivariate correlations for each scale. Fin. = Financial. \*\*\*  $p < .001$ . \*\*  $p < .01$ . \*  $p < .05$ .

For the CFA models assessing the psychometric properties of the latent factors, the modification indices indicated that some residuals were correlated between items. Consequently, correlations were added for some residuals of modeling, discussion, and experiential learning within the parent financial socialization second-order latent construct. Also, correlations were incorporated for some residuals within the financial self-efficacy construct. After adding these minor modifications, the CFA models had adequate fit for parental financial socialization (RMSEA = 0.05, CFI = 0.96), financial self-efficacy (RMSEA = 0.06, CFI = 0.94), and financial communication (RMSEA = 0.06, CFI = 0.95), with all factor loadings above 0.40.

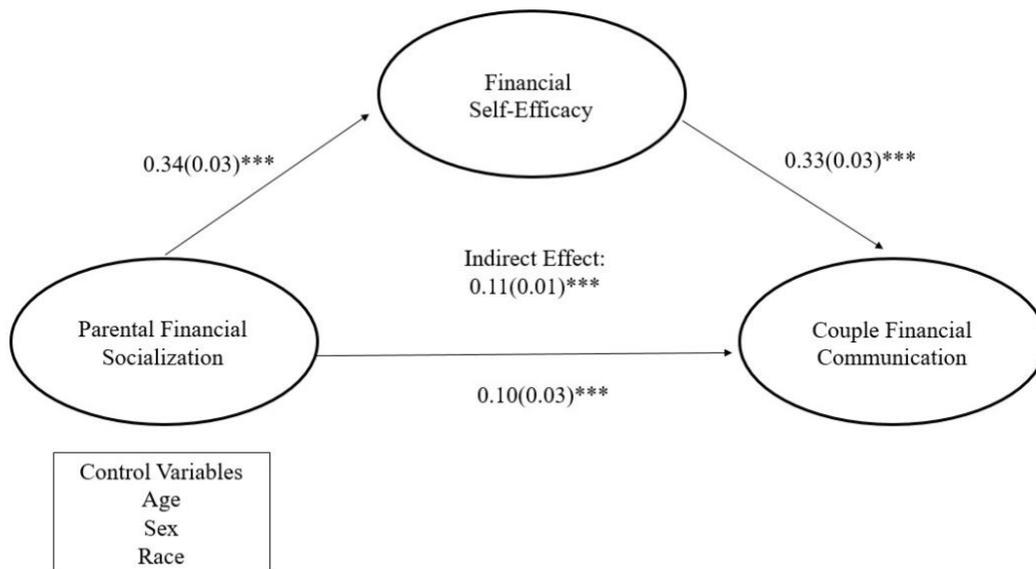
The SEM assessing study hypotheses had adequate fit (RMSEA = 0.05; CFI = 0.95). Model results are shown in Figure 2. Model  $R^2$  statistics indicated that 12.8% of the variation in financial self-efficacy and 14.5% of the variance in financial communication were explained by the model. After accounting for financial self-efficacy and control variables, parent financial socialization was directly associated with couple financial communication ( $\beta = 0.056, p < .001$ ); such that, emerging adults with more parental financial socialization generally experienced higher quality financial communication with their partner than those with less financial socialization (H1). On average, those with more parental financial socialization also benefited from more financial self-efficacy ( $\beta = 0.34, p = .03$ ; H2). In turn, emerging adults with more financial self-efficacy averaged higher quality couple financial

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communication ( $\beta = 0.31, p < .001$ ) relative to those with less financial self-efficacy (H3). These results have medium effect sizes (cut off 0.3; Cohen, 1988). Results also indicated a statistically significant indirect association between parental financial socialization and couple financial communication through financial self-efficacy ( $\beta = 0.11, p < .001$ ), suggesting that, in addition to the direct association between socialization and communication, financial self-efficacy is a mechanism potentially linking parental financial socialization to couple financial communication. Of note is that this result is considered a medium effect size (0.09 cutoff; Kenny, 2021). The control variables were not found to have statistically significant associations with parent financial socialization, financial self-efficacy, or financial communication.

### **Figure 2.**

*Results from the SEM Examining Financial Socialization, Financial Self-efficacy, and Couple Financial Communication.*



*Note:*  $n = 1,950$  emerging adults. \*\*\* $p < .001$ . Standardized coefficients are shown with standard errors in parentheses.

## **DISCUSSION**

Family financial socialization theory (FFST) posits that what children learn from their parents regarding finances influences their behaviors, values, and beliefs as emerging adults (Gudmunson & Danes, 2011). In addition to previous research supporting the importance of financial socialization for financial outcomes, such as financial management behaviors and financial attitudes (e.g., Jorgensen & Savla, 2010), recent work has demonstrated the relevance of financial socialization for couple relational outcomes (LeBaron et al., 2022c).

Building on this research, the current study investigated how parental financial socialization is related to a specific couple relational process (i.e., their couple financial communication) and whether financial self-efficacy operates as a mechanism explaining how parental financial socialization is linked to couples' financial communication. The results suggest that financial socialization is connected to the development of individuals' personal sense of financial capability (i.e., self-efficacy), which is, in turn, related to financial communications with one's romantic partner.

These study findings, particularly the focus on factors that can contribute to financial communication, are important given that research consistently demonstrates the implications of financial communication for relationship well-being more broadly, including quality and satisfaction, with finances and personal relationships being intertwined (Hill et al., 2017). Moreover, the results build on findings from Gibby and colleagues (2021), where financial socialization was related to financial disagreements. In the current study, financial socialization was related to couple financial communication more broadly, with potential positive relationships highlighted rather than focusing on negative communication implications. These findings also highlight financial self-efficacy as an important variable for understanding how financial socialization influences couples' relationships, particularly their financial communication. However, after accounting for financial self-efficacy, parental financial socialization was also directly associated with couple financial communication, indicating that financial self-efficacy does not fully explain the association between socialization and communication. Further research is needed to investigate other mechanisms that may link socialization and communication.

## Implications

Parents play a unique and important role in the development of their children's skills and capabilities, as they are generally the main source of socialization for children and have an influence in many realms that are crucial for children's outcomes later in life, including finances. Although research underscores parents' influence on how emerging adults manage their finances, it is increasingly recognized that the influence of parents' financial socialization may extend beyond financial outcomes. For instance, children who are provided with effective and robust financial socialization may have better outcomes in their own romantic relationships in emerging adulthood (LeBaron-Black et al., 2022c). When parents provide effective socialization about financial management to their children (through modeling, discussions, and allowing for experiential learning in parent-child interactions), children may develop confidence in their financial capabilities and skills, which can aid in forming effective and healthy patterns of communication regarding finances.

Parents may find motivation to prepare their children for success in emerging adulthood and future relationships by recognizing the broad and long-lasting potential impacts of financial socialization. In addition to imparting financial knowledge, parents can model how to work together as a couple and family to make financial decisions, while encouraging questions from their children and allowing them to be part of discussions

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regarding family finances in a developmentally appropriate manner. Children raised by more than one parent may benefit from seeing their parents work through a question regarding finances. In doing so, these children are exposed to examples of how communication can positively impact their relationships.

The findings also highlight financial self-efficacy as an intervention point for couples struggling with financial communication. Clinicians working with couples can investigate whether there are underlying issues with how individuals perceive their financial capability (i.e., whether they feel they possess the necessary skills to succeed in their financial management). When couples seek assistance with managing money or report finances as a major source of relationship conflict, clinicians may find it helpful to revisit what was taught to the clients in their childhood to identify potential disconnects formed early on. Furthermore, parental financial socialization experiences may be particularly relevant for emerging adults, given the proximity of their current life stage and the limited independent life experiences of emerging adults. That is, for many emerging adults, interactions with parents are a salient life experience for many topics, including finances (Lindell et al., 2017). This information can generate insight into where clients may benefit from increasing financial self-efficacy through learning. As individuals learn more about effectively managing their finances and increase their feelings of financial capability, they may be able to better communicate about finances in their relationships. More specifically, it may not be sufficient to provide learning opportunities; instead, it may be necessary to also assist clients in recognizing their capabilities, so they build self-efficacy along with enhanced knowledge, attitudes, and skills. Last, when clinicians assist clients in articulating their financial socialization experiences, they can promote openness between partners regarding their expectations of couple financial communication scripts, which may enhance communication and facilitate couple closeness.

### **Strengths, Limitations, and Future Research**

Study strengths should be considered alongside limitations. Study strengths include the use of a large and robust sample ( $N = 1,950$ ) of emerging adults in the United States. However, the study utilized cross-sectional data collected at a single time point, which does not enable an examination of the directionality of the associations tested or changes over time. For instance, although the hypothesized temporal order with financial self-efficacy leading to couple financial communication was supported theoretically, it is also possible that healthier financial communication leads to greater perceptions of financial self-efficacy. Furthermore, reports of parental financial socialization were retrospective, so there may be a recall bias in emerging adults' perceptions of the financial socialization received from parents. Future research could confirm the hypothesized temporal ordering and address the potential for recall bias in reports of socialization by collecting longitudinal data, including reports of financial socialization during adolescence, along with their financial self-efficacy and couple communication at multiple time points in emerging adulthood and beyond. There is also a need for future research to examine these constructs with more racially, ethnically, and/or culturally diverse samples. For instance, different cultural groups may have different norms for financial socialization and, as such, socialization may differentially influence self-efficacy and couple communication across these groups. Such research can help identify

whether these findings extend to other groups and the ways in which these processes vary across groups, which can aid clinicians as they serve diverse audiences.

Future research is also needed to examine other mechanisms that may account for how parental financial socialization comes to impact couple financial communication. Some possibilities include attachment, power dynamics, or other aspects of the couple's relationship, as well as financial stress. As these variables have been connected to relationship outcomes in previous research (e.g., Dandurand & Lafontaine, 2013), a logical extension is that they may be specifically connected to couple communication. We were also unable to account for socioeconomic status, which might directly relate to couple financial communication, or may be a moderating factor that promotes or mitigates the associations found. Indeed, research suggests experiential financial socialization may be more common in upper-class families (Kardash et al., 2023), although it remains unclear if, in the context of higher or lower family socioeconomic status, socialization differentially influences financial self-efficacy or couples' financial communication.

### **CONCLUSION**

This study builds upon research that examines how financial socialization influences couple outcomes. Findings indicate that how well parents teach their children about finances is consequential for how individuals communicate about finances with their romantic partners in emerging adulthood. In addition, this study highlights financial self-efficacy as a factor that partially explains how financial socialization may impact couple financial communication in emerging adulthood. In general, individuals who were effectively taught about finances from their parents exhibited greater financial self-efficacy and, in turn, higher quality of financial communication in their romantic relationships. It seems that when we know better, we do better.

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