The Sooner, the Better?
Couples' First Financial Discussion, Relationship Quality, and Financial Conflict in Emerging Adulthood

Matthew T. Saxey
Ashley B. LeBaron-Black, Ph.D.
Brigham Young University

Melissa A. Curran, Ph.D.
University of Arizona

In couple relationships, discussing finances is often considered taboo. Specifically, emerging adult couples experience several unique financial challenges that may contribute to poorer financial communication and pose relational risks. Utilizing structural equation modeling with a sample of 1,950 U.S. emerging adults, the current study tests associations between the time of a couple's first financial discussion, financial communication, relationship quality, and financial conflict. Results indicate that initiating financial discussion earlier in a romantic relationship may benefit relationship quality—through financial communication. However, having an earlier first financial discussion as a couple was also positively associated with financial conflict. Financial therapists might consider teaching emerging adult couples to have a first financial discussion earlier along with strategies to overcome financial conflict. Additionally, financial therapists may consider assessing when emerging adult couples first discussed finances in their relationship. Overall, our findings suggest the sooner an emerging adult couple discusses finances, the better.

Keywords: emerging adulthood; financial communication; financial conflict; financial discussion, relationship quality

In American society (Alsemgeest, 2016), in family settings (LeBaron et al., 2018, 2020; White et al., 2021), and in couple relationships (Atwood, 2012; Romo, 2015), discussing finances is often considered taboo. Specifically for couple relationships, when financial discussions do happen, financial conflict might ensue. Financial conflict matters because it has been identified as a predictor of divorce (Dew et al., 2012; LeBaron et al., 2019)

and union dissolution for cohabiting couples (Dew, 2011). A logical solution to this lack of financial communication and propensity for union dissolution might be to promote healthy communication about finances in romantic relationships (Britt et al., 2010; Hill et al., 2017). However, little is known about how financial communication—identified as a distinct form of couple communication (Dew, 2011; Dew & Dakin, 2011; Dew et al., 2012)—may contribute to general romantic relationship quality, especially for emerging adults.

An increased understanding of financial communication in emerging adulthood (i.e., roughly those between the ages of 18–29; Arnett et al., 2014) is needed. Emerging adults struggle with things like student loan debt (Bartholomae & Fox, 2021), financially supporting themselves independent of their parents (LeBaron & Kelley, 2021; Padilla-Walker et al., 2012), financial conflict with parents (Lowe & Arnett, 2020), and basic financial knowledge (e.g., understanding compound interest; LeBaron & Kelley, 2021). Together, these specific developmental challenges for emerging adults may contribute to a lack of engagement with finances in their romantic relationships (Novak & Johnson, 2017) and communication about those finances with their partner, which may have negative relational consequences. In the context of a lack of understanding of emerging adult financial communication, an important question remains relatively unanswered: In seeking to promote financial communication in emerging adult couple relationships, *when* should financial therapists encourage emerging adult couples to begin discussing finances (e.g., how to pay for bills or debts, having joint or separate accounts, financial goals or attitudes, etc.) in their relationship?

In this study, we investigated a potential answer to this question. Utilizing data from 1,950 emerging adults—residing in the United States (U.S.)—sampled for the *Measuring Family Financial Socialization Project* (LeBaron-Black et al., 2021), we tested associations between a couple's first financial discussion (i.e., when a couple first discussed finances in their relationship), financial communication, relationship quality, and financial conflict (see Figure 1). The results provide meaningful implications for financial therapists and researchers. Specifically, this study points to an evidenced-based area of intervention that may benefit financial therapists who help emerging adult couples. Our findings suggest financial therapists might provide value to clients as they assess when financial communication started in a romantic relationship and how these initial conversations may impact the relationship. Researchers may also be interested in further exploring correlates of first financial discussions in other types of committed relationships.

Figure 1.

Conceptual Model of Couples' First Financial Discussion and Romantic Relationship Outcomes
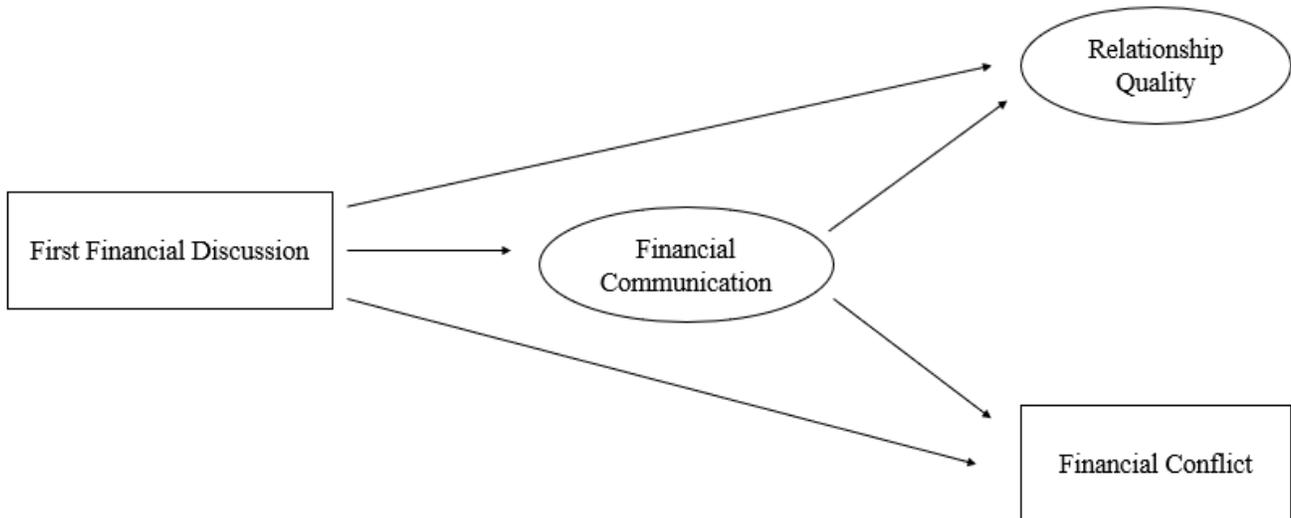
Note: For clarity, we do not show controlling for age, sex, education, value of savings, romantic relationship status, other debt, and the number of children. Rectangles represent observed variables while ellipses represent latent variables.

First Financial Discussion and Relationship Quality

Research has not yet quantitatively explored first financial discussions and emerging adult romantic relationship outcomes—but qualitative research has begun to. Over approximately the past two decades, qualitative peer-reviewed publications in the social sciences have increased by about sixfold (Marks et al., 2021), and one potential reason for this increase is that qualitative research can provide insight that is difficult to find through other methods (Marks, 2015). Recent qualitative evidence suggests that starting discussions about finances early in a romantic relationship seems to promote productive financial communication—defined as the degree to which couples communicate consistently about their finances—for emerging adult couples (Rea et al., 2016).

Since qualitative evidence suggests that early first financial discussions may benefit emerging adult romantic relationships (i.e., by potentially facilitating later financial communication; Rea et al., 2016), quantitative analysis of this potential connection may provide additional insight for financial therapists. Based on this qualitative evidence (Rea et

al., 2016), we suspect that the earlier first financial discussions occur, the more frequently emerging adult couples may engage in financial communication, which may benefit relationship quality—defined as the degree to which a romantic partner perceives their relationship is satisfying, how committed they are to their relationship, and how trustworthy their partner is (Fletcher et al., 2000). That is, having a first financial discussion sooner in a romantic relationship may promote healthy relationship outcomes through financial communication. Indeed, financial communication is associated with greater marital stability (Hill et al., 2017) and sexual satisfaction (Wikle et al., 2021). Therefore, we suspect that an earlier first financial discussion will be positively associated with relationship quality—through financial communication.

First Financial Discussion and Financial Conflict

The previously mentioned qualitative evidence also suggests that having financial discussions earlier on in a romantic relationship seems to have the potential to lessen financial conflict (Rea et al., 2016)—defined in this study as the frequency with which partners have open disagreements about money (Yorgason et al., 2019). We recognize, however, that having a first financial discussion early in the relationship might not mean that the first financial discussion is a healthy one. That is, couples' first financial discussions occurring early in the relationship may have the potential to lead to recurrent, problematic, and difficult to resolve financial conflict (Papp et al., 2009). However, we suspect that having first financial discussions early may actually benefit the relationship (Rea et al., 2016)—in the form of better financial communication. Indeed, as couples engage in financial discussions earlier, perhaps their financial communication may be developed over time and become healthier (Rea et al., 2016). Subsequently, this more consistent financial communication—potentially, in part, from having a first financial discussion earlier—may be associated with less financial conflict.

Specifically, research suggests that communication patterns may be an important factor to consider in couple financial disagreements (Britt et al., 2010). One study found that as partners reported more satisfactory communication, the couple had less financial conflict (Dew & Stewart, 2012). However, both of these studies did not specifically measure productive *financial* communication. Among studies that measure financial communication, positive relationship outcomes (e.g., greater marital stability and sexual satisfaction) are generally seen (Hill et al., 2017; Wikle et al., 2021). Understanding if an earlier first financial discussion may, in part, engender financial communication and if this financial communication may decrease financial conflict would likely matter for financial therapists who may help emerging adult couples lessen financial conflict. In essence, if productive financial communication may be linked to decreased financial conflict, perhaps promoting earlier first financial discussions could help lessen the risk of divorce (Dew et al., 2012; LeBaron et al., 2019) or union dissolution (Dew, 2011) for emerging adult couples.

Couples and Finance Theory

In addition to the previous literature, the theoretical framework through which we view potential associations in the current study (see Figure 1) is Couples and Finance Theory

4

(CFT; Archuleta & Burr, 2015). Originally designed for married couples, we tested if key assumptions from CFT apply to our emerging adult sample, which includes married and unmarried couples. CFT identifies its view of finances in romantic relationships as *relational finances* (Archuleta & Burr, 2015). That is, one of the main assumptions of CFT is that finances and romantic relationship processes are intertwined (Archuleta & Burr, 2015). For example, CFT would likely support the proposition that having a first financial discussion earlier on in a coupled relationship may be associated with relationship quality; specifically, CFT maintains that couple financial processes (e.g., first financial discussion) can impact marital quality (Archuleta & Burr, 2015). We tested if this assumption extends to general relationship quality (regardless of marital status) in emerging adulthood, specifically.

Another assumption of CFT is that couple financial processes can impact other couple financial processes (Archuleta & Burr, 2015). For instance, CFT would likely support a proposition that a first financial discussion may impact financial communication and financial conflict. Likewise, CFT might also support the possibility for financial communication to impact financial conflict. Furthermore, these two main assumptions about financial and relational processes would also likely support a potential pathway from first financial discussion to financial communication (i.e., a financial process impacting a financial process) and financial communication to relationship quality (i.e., a financial process impacting a relational process). Therefore, along with previous literature, CFT supports the organization of our conceptual model.

Hypotheses

The purpose of this study was to test associations between first financial discussion, financial communication, relationship quality, and financial conflict within the context of a coupled relationship. We expect that the sooner a couple has their first financial discussion, the better the romantic relationship outcomes (i.e., financial communication, relationship quality, and financial conflict) may be for those in our emerging adult sample (N = 1,950). Specifically, based on previous literature and CFT, we tested these hypotheses:

H1: Earlier first financial discussion and financial communication will be positively associated with relationship quality.

H2: Earlier first financial discussion and financial communication will be negatively associated with financial conflict.

H3: Earlier first financial discussion will be indirectly associated with relationship quality through financial communication.

H4: Earlier first financial discussion will be indirectly associated with financial conflict through financial communication.

METHOD

Data and Sample

Our data comes from the *Measuring Family Financial Socialization Project* (LeBaron-Black et al., 2021), which was collected from July 2020 to September 2020. Qualtrics Panel recruited participants and collected data from 4,182 U.S. emerging adults. To be included in the study, participants must have been (a) between the ages of 18–30 and (b) living in the U.S. For their time, which took about 20 minutes on average, the 4,182 participants were compensated approximately $7.50. Because we were interested in analyzing emerging adult romantic relationships, we included only those who reported being in a romantic relationship at the time of the survey (N = 1,950, about 47% of the original sample). Those who reported being in a romantic relationship also reported their romantic relationship status: 1,063 (54.5%) participants were in a romantic relationship but had never been married, 239 (12.3%) were engaged, 589 (30.2%) respondents were married, 6 (0.3%) were widowed but in a current relationship, 3 (0.2%) were separated, 15 (0.8%) were divorced but in a current relationship, and 35 (1.8%) preferred not to define their romantic relationship.

Our analytical sample (N = 1,950) included those from a variety of backgrounds. In terms of the highest level of education obtained (which we refer to as "education"), 41 (2.1%) previously attended some high school, 424 (21.7%) previously completed high school or equivalent, 526 (27%) previously attended some college, 194 (9.9%) previously earned an associate degree, 545 (27.9%) previously earned a bachelor's degree, 163 (8.4%) previously earned a master's degree, 52 (2.7%) previously earned an advanced degree (i.e., J.D., M.D., Ph.D., etc.), and 5 (0.3%) preferred not to answer. Furthermore, 725 (37.2%) reported their ethnicity as White or Caucasian, 364 (18.7%) as Black or African American, 402 (20.6%) as Hispanic or Latinx, 236 (12.1%) as Asian, 34 (1.7%) as American Indian or Alaska Native, 16 (0.8%) as other, and 158 (8.1%) as more than one race/ethnicity—with 15 (0.8%) preferring not to answer.

Additionally, 1,162 (59.6%) identified their sex (i.e., assigned at birth) as female, 781 (40.1%) identified their sex as male, 2 (0.1%) identified their sex as other, and 5 (0.3%) preferred not to answer. The average age of the final sample was 24.76 (SD = 3.68; *Min–Max*: 18–30). Furthermore, 814 (41.7%) participants had less than or equal to $1,000 in their savings accounts (i.e., including savings accounts, government savings bonds, money market shared, and CDs), 1,105 (56.7%) participants had more than $1,000 in their savings accounts, and 31 (1.6%) participants did not report the value of their savings accounts. In terms of other debt, 1,354 (69.4%) participants did not have other debt, 587 (30.1%) participants did have other debt, and 9 (0.5%) participants did not report their other debt. This other debt did not include student loans, home mortgage, or car payments but did include credit card debt and other loans. Finally, 1,270 (65.1%) participants did not report having any children, 348 (17.8%) reported having one child, 222 (11.4%) reported having two children, 73 (3.7%) reported having three children, 28 (1.4%) respondents reported having four children, and 9 (0.5%) participants did not report their number of children.

Measures

Dependent Variable 1: Relationship Quality

We measured relationship quality based on the *Perceived Relationship Quality Components Inventory* (Fletcher et al., 2000). Participants were asked nine questions such as, "How satisfied are you with your relationship?", "How committed are you to your relationship?", and "How much can you count on your partner?". Participants responded to each question on a scale of 1 (Not at All) to 7 (Extremely). These nine items achieved high reliability ($\alpha = .95$) in our analytical sample.

Dependent Variable 2: Financial Conflict

We measured the second dependent variable, financial conflict, based on a measure for financial conflict from the *Couple Relationships and Transition Experiences* (CREATE) study (Yorgason et al., 2019). Participants were asked, "How often in the last year have you had open disagreements about money with your partner?" Participants responded on a scale of 1 (Never) to 6 (Several times a week or more). Even though we used a single-item measure for financial conflict, since our sample size is high (i.e., over 900), this item might have performed about as well—psychometrically speaking—as a multi-item scale (Johnson, 1995).

Explanatory Variable: First Financial Discussion

Our measure for couples' first financial discussion is based on the CREATE study's measure for couples' first financial discussion (Yorgason et al., 2019). Participants who were in a romantic relationship were asked, "When did you and your partner first discuss handling finances in your relationship (such as how to pay for bills or debts, having joint or separate accounts, financial goals or view, or other significant financial issues)?" Participants responded on a scale of 1 (Soon after we met), 2 (After we had been on dates but before exclusively dating), 3 (After we were exclusively dating but before we were officially engaged), 4 (After we were officially engaged but before we were married), 5 (Soon after we were married), 6 (A few years into marriage), and 7 (We still haven't really talked about finances in our relationship). We reverse coded scores so that higher scores indicated a sooner first financial discussion.

Intervening Variable: Financial Communication

Our measure for couples' financial communication is based on a scale for financial communication from the *Flourishing Families* study (Day et al., 2009). The five items included statements such as, "My partner and I have good communication about household financial issues (such as household budget, insurance, taxes, income level, large expenditures over $250, etc.)" and "My partner and I discuss major household purchases before spending the money." In response, participants rated their experiences on a scale of 1 (Strongly disagree) to 5 (Strongly agree). The five items achieved sound reliability ($\alpha = .85$) in our analytical sample.

Control Variables

We controlled for age, sex, education, savings value, number of children, other debt, and romantic relationship status to attempt to account for potential differences in financial communication, relationship quality, and financial conflict across different circumstances. We controlled for age (coded continuously) because age might matter in predicting relationship outcomes. For example, relationship outcomes (i.e., financial communication, relationship quality, financial conflict) for an 18-year-old participant may be different than relationship outcomes for a 27-year-old participant. Because there may be sex differences in comfort level discussing finances, we also controlled for sex (coded as 0 = Female; 1 = Male). We hoped to control for income due to the potential for differences in relationship outcomes based on income level. However, the personal income control variables in the current data set had anywhere from 63% to 73% of missing data. Because of this large amount of missing data, we did not use any of these income control covariates. Another control variable that might account for differences across income levels we had access to was education (coded as 1 = less than high school; 2 = high school or equivalent; 3 = some college; 4 = associate degree; 5 = bachelor's degree; 6 = master's degree; 7 = advanced degree [i.e., Ph.D., M.D., J.D., etc.];), which tends to be correlated with income (e.g., Kelley et al., 2018). Therefore, we controlled for education.

Additionally, we controlled for participants' savings (coded as $\leq$ \$1,000 = 0; > \$1,000 = 1) and other debt (coded as 0 = no other debt; 1 = has other debt) to attempt to account for differences in financial communication, relationship quality, and financial conflict across savings and other debt levels. Because our sample includes those from different types of romantic relationships, we also controlled for romantic relationship status (0 = not married; 1 = engaged; 2 = married). We included the 35 participants who preferred not to define their romantic relationship in the not married category. Finally, because having children in emerging adulthood may account for some differences in financial communication, financial conflict, and relationship quality, we controlled for participants' number of children (coded continuously). In our data analysis, which we describe next, we treated each control variable as an exogenous variable—regressing each endogenous variable on each of the control variables—and correlated all exogenous variables.

Data Analysis

First, we estimated bivariate correlations among the main study variables (i.e., first financial discussion, financial communication, relationship quality, and financial conflict) and the control variables. Next, using Mplus version 8.5, we estimated a structural equation model (SEM) to test direct and indirect associations between couples' first financial discussion, financial communication, relationship quality, and financial conflict. Specifically, we tested direct effects from first financial discussion to financial communication, first financial discussion to relationship quality, and first financial discussion to financial conflict. We also estimated the direct effects from financial communication to relationship quality and financial conflict. To determine the effect sizes of these direct effects, we used Cohen's (1988) cutoffs: approximately .1 to .3 is considered small, .3 to .5 is considered medium, and .5 and above is considered large.

8

In the same SEM, we tested indirect effects from first financial discussion to relationship quality through financial communication and from first financial discussion to financial conflict through financial communication. Because p values of these indirect effects may be biased, we assessed 95% confidence intervals with 5,000 bootstraps to evaluate if the confidence interval included zero or not (Hayes, 2018). In determining if a statistically significant indirect effect was partial or full, we first assessed if the direct effect was statistically significant ($p < .05$) or not. If the direct effect was not statistically significant and the 95% confidence interval with 5,000 bootstraps did not include zero, we suggested that an indirect effect was full. If the direct effect was statistically significant but the 95% confidence interval with 5,000 bootstraps did not include zero, we suggested a partial indirect effect.

To reduce measurement error, we created latent variables for financial communication and relationship quality (Schumacker & Lomax, 2004). Of the variables used in the current study, we only had missing data for control variables—each of which had less than 1.7% missing data. For this missing data, we used the full information maximum likelihood method (Johnson & Young, 2011). Last, we used appropriate (i.e., theoretically justified) modification indices to strengthen model fit (Bowen & Guo, 2011).

RESULTS

Preliminary Analyses

Bivariate correlations can be found in Table 1. Below, we report descriptive statistics from the main study variables. Couples' average first financial discussion happened somewhere between "After we were exclusively dating but before we were officially engaged" and "After we were officially engaged but before we were married" ($M = 4.67$ out of 7; $SD = 1.57$; $Min–Max$: 1–7). For financial communication and relationship quality, we created mean scores to obtain descriptive data. Indeed, many participants reported somewhat productive financial communication with their partners ($M = 3.92$ out of 5; $SD = .81$; $Min–Max$: 1–5). Most reported relatively high-quality romantic relationships ($M = 6.09$ out of 7; $SD = 1.14$; $Min–Max$: 1–7), and the average response for financial conflict in the past year was between "Once or twice" and "A few times" ($M = 2.44$ out of 6; $SD = 1.29$; $Min–Max$: 1–6).

We recognize that the relationship quality variable is skewed. However, the estimators in Mplus we used provided maximum likelihood parameter estimates that are robust to non-normality (i.e., the skewness of relationship quality). All bivariate correlations between the main study variables were significant at the $p < .001$ level—except for the correlation between couples' first financial discussion and financial conflict, which was not significant.

The Sooner, the Better?

Table 1.

Bivariate Correlations

Variables	1	2	3	4	5	6	7	8	9	10
1. First Financial Discussion	--									
2. Financial Communication[a]	.20***	--								
3. Relationship Quality[a]	.09***	.50***	--							
4. Financial Conflict	.004	-.23***	-.27***	--						
5. Age	.02	.04	-.02	.06*	--					
6. Sex	.01	.07**	-.05*	.05*	.08***	--				
7. Education	.01	.11***	.07**	-.04	.31***	.10***	--			
8. Number of Children	.01	.02	-.04	.14***	.33***	-.07**	-.12***	--		
9. Savings Value	.02	.19***	.07**	-.09***	.14***	.15***	.37***	-.05*	--	
10. Romantic Relationship Status	-.04	.16***	.13***	.11***	.36***	.05*	.18***	.38***	.10***	--
11. Other Debt	.02	-.06**	-.07**	.16***	.15***	-.03	.06*	.08***	-.06*	.11***

*Note: [a]Mean scores were created for scales. * p < .05; ** p < .01; and *** p < .001. N = 1,950.*

Structural Equation Model

According to Little's (2013) standards, our model achieved good model fit: CFI = .98; RMSEA = .03; and SRMR = .03. Our model explained 12% of the variance in financial communication, 12% of the variance in financial conflict, and 34% of the variance in relationship quality. Standardized direct associations can be found in Table 2, and standardized indirect associations can be found in Table 3.

We found several significant direct effects. Specifically, couples' first financial discussion was directly associated with their financial communication (β = .23; $p < .001$) and financial conflict (β = .07; $p < .05$). Nonetheless, couples' first financial discussion was not directly associated with their relationship quality. Couples' financial communication was directly associated with their relationship quality (β = .57; $p < .001$) and financial conflict (β = -.27; $p < .001$). Direct associations with control variables can be found in Table 2.

We also found significant indirect effects. The pathway from couples' first financial discussion to relationship quality through financial communication was significant (β = .13; $p < .001$), and the direct effect was not significant ($p < .05$). Additionally, the 95% confidence interval with 5,000 bootstraps did not include zero (.10, .16). Therefore, the pathway from the first financial discussion to relationship quality through financial communication evidenced a full indirect effect. The pathway from the first financial discussion to financial conflict through financial communication was significant (β = -.06; $p < .001$), but the direct effect was also significant ($p < .05$). However, the 95% confidence interval with 5,000 bootstraps did not include zero (-.08, -.04)—suggesting a partial indirect effect.

Table 2.

Standardized Direct Associations

Variables	Financial Communication	Relationship Quality	Financial Conflict
First Financial Discussion	**.23***	-.03	**.07***
Financial Communication	--	**.57***	**-.27***
Age	-.05	**-.06***	-.03
Sex	.03	**-.06***	**.08***
Education	.04	.02	-.002
Number of Children	-.01	**-.07***	**.11***
Savings Value	**.16***	-.04	-.05
Romantic Relationship Status	**.19***	**.09***	**.12***
Other Debt	**-.07***	-.04	**.12***

*Note: * p < .05; ** p < .01; and *** p < .001. N = 1,950. CFI = .98; RMSEA = .03; and SRMR = .03.*

Table 3.

Standardized Indirect Associations

Indirect Pathway	Relationship Quality β; (95% CI)	Financial Conflict β; (95% CI)
First Financial Discussion → Financial Communication →	**.13***; (.10, .16)	**-.06***; (-.08, -.04)

*Note: *** p < .001. The underlined coefficient indicates a full indirect effect. CI stands for confidence interval, and these 95% confidence intervals were assessed with 5,000 bootstraps. N = 1,950.*

DISCUSSION

Through the lens of CFT (Archuleta & Burr, 2015), we found significant associations between couples' first financial discussion, financial communication, relationship quality, and financial conflict. Our findings fully supported two of our hypotheses (H1 and H3) and partially supported the two other hypotheses (H2 and H4). Although financial discussions may be difficult for many couples (Atwood, 2012; Romo, 2015), it seems that an earlier first financial discussion may contribute to better relationship quality for emerging adults—through financial communication. However, our findings showed more nuance than this, which we describe next.

Predicting Relationship Quality and Financial Conflict

Couples' first financial discussion was indirectly associated with relationship quality through financial communication—with a full indirect effect. Indeed, couples' first financial discussion was positively associated with financial communication (small effect size), and financial communication was positively associated with relationship quality (large effect size). These findings support previous qualitative evidence that suggests earlier first financial discussions may engender financial communication for emerging adult couples (Rea et al., 2016).

Taken together, our findings on relationship quality indicate that having an earlier first financial discussion (i.e., even before exclusively dating) might facilitate financial communication and that this financial communication may benefit relationship quality for emerging adult couples. Even though relationship quality is often considered a complex construct (Fletcher et al., 2000), our model explained 34% of the variance in relationship quality, further implicating the importance of an earlier first financial discussion and financial communication for emerging adult couples.

However, having an earlier first financial discussion was *positively* associated with financial conflict (small effect size). Although we were aware of this possibility, we were surprised by this finding, especially since some research suggests having an earlier first financial discussion seems to benefit the romantic relationships of emerging adults (i.e., the current study; Rea et al., 2016). This positive association with financial conflict suggests that an earlier first financial discussion may potentially bring about relationally problematic (Dew, 2011; Dew et al., 2012; LeBaron et al., 2019) financial conflict for emerging adult couples. It is also possible that couples who have their first financial discussion earlier may do so because of a disagreement about money and that these couples are then already prone to have higher levels of financial conflict. Future research should include a more detailed measure of couples' first financial discussion that captures whether the first financial discussion was a positive conversation or a conflictual one.

Perhaps the overall tenor of couples' earliest financial discussions may be related to their future financial communication and financial conflict. Possibly, couples with contrasting financial values and behaviors are both more prone to have financial conflict (Britt et al., 2017; Rick et al., 2011) and to begin having those financial disagreements earlier

in their relationship. This line of thinking could explain why the time of the first financial discussion would be positively associated with financial conflict even as beginning these conversations earlier seems beneficial for financial communication and relationship quality.

Contrary to this direct effect, an earlier first financial discussion had an indirect, *negative* association with financial conflict through financial communication. This partial indirect effect suggests that while couples who began talking about money earlier in their relationship may experience *more* financial conflict as a *direct* result, their financial conflict may simultaneously be *indirectly lessened*—to some degree—because of the increased financial communication that comes from earlier first financial discussions. Indeed, financial communication was *negatively* associated with financial conflict (small to medium effect size). Together, these findings about financial conflict suggest that having an earlier first financial discussion may have both positive and negative romantic relationship implications. That is, having an earlier first financial discussion may indirectly benefit relationship quality and lessen financial conflict but simultaneously directly engender, in some amount, greater financial conflict in emerging adult couples.

Implications for Financial Therapists and Researchers

The current study is the first quantitative study, to our knowledge, that investigates this question: "In seeking to promote financial communication in emerging adult couple relationships, *when* should financial therapists encourage emerging adult couples to begin discussing finances in their relationship?" Our results provide a slightly more complex answer than simply "an earlier first financial discussion may benefit emerging adult romantic relationships in the form of greater relationship quality and less financial conflict." Consequently, financial therapists who might use this study's findings in their practice may consider approaching the topic of couples' first financial discussions carefully.

Accordingly, we suggest financial therapists consider sharing with emerging adult couples that an earlier first financial discussion may benefit relationship quality through promoting financial communication. At the same time, we propose cautioning that earlier first financial discussions may, in some amount, also foment financial conflict. Because this potentially problematic financial conflict (Papp et al., 2009) may arise due to discussing finances as a couple earlier, we recommend financial therapists also share strategies to productively manage financial conflict (e.g., general communication practices, respect, fairness, and having equal levels of economic power; Dew & Stewart, 2012) in addition to encouraging financial communication strategies (e.g., communicating about budgets, insurance, taxes, income level, large expenditures over $250, etc.). That way, after encouraging an earlier first financial discussion, emerging adult couples may be more likely to both enjoy higher relationship quality and productively manage potential financial conflict.

Many emerging adult couples have several age-relevant barriers to productive financial communication with their romantic partners (e.g., navigating parental financial support, student loan debt, and a lack of basic financial knowledge; Bartholomae & Fox, 2021; LeBaron & Kelley, 2021; Padilla-Walker et al., 2012). As such, normalizing these

challenging financial experiences—and others like them—might help emerging adult couples feel more comfortable discussing finances with their romantic partner. Our findings suggest that as financial therapists help emerging adult couples communicate consistently about their finances, these couples may experience higher quality relationships (i.e., due to the large effect size of the association between financial communication and relationship quality) and less financial conflict (i.e., due to the small to medium effect size of the association between financial communication and financial conflict), which conflict might be relationally problematic (Dew, 2011; Dew et al., 2012; LeBaron et al., 2019; Papp et al., 2009).

Given the risk that potentially recurrent financial conflict may pose for some couples (Dew, 2011; Dew et al., 2012; LeBaron et al., 2019; Papp et al., 2009), helping couples extensively and productively communicate about financial problems—and potentially deeper relational issues—may be of particular importance. Financial therapists may consider assessing when a couple first discussed finances and how this first discussion (and subsequent discussions) may have impacted the relationship (e.g., the relationship quality and/or financial conflict level). Helping these emerging adult couples practice productive communication about finances—potentially by having a first financial discussion earlier in a relationship—may benefit many relationships (Rea et al., 2016). However, future research about what promotes financial communication is needed to aid such interventions.

While the current study may provide additional information to the foundation of financial communication research, further research is needed to inform financial therapy practice. Because financial communication may benefit emerging adult romantic relationships, additional research examining predictors of financial communication in emerging adulthood may be warranted. Furthermore, since we found that earlier first financial discussions may benefit relationship quality but also might contribute toward financial conflict (i.e., both positive and negative potential consequences), further research about first financial discussions and emerging adult romantic relationship outcomes is needed to inform financial therapy practice.

Future research may consider testing other predictors of financial conflict for emerging adult couples so financial therapists may help clients avoid potentially negative relational consequences (Dew, 2011; Dew et al., 2012; LeBaron et al., 2019; Papp et al., 2009). Finally, another area of future research could be to examine how parents in couple relationships communicated with each other about finances and what role parental financial communication with each other may play in first financial discussions in their emerging adult children's romantic relationships.

For future research that seeks to follow such proposed directions, CFT may be a useful theoretical framework to use for emerging adult couples (Archuleta & Burr, 2015). Indeed, we tested whether two assumptions (i.e., financial processes can impact other financial processes and financial processes can impact relational processes) of CFT applied to our emerging adult sample. Given the associations we found that were in support of these assumptions, future research about financial communication in emerging adult romantic relationships may consider using CFT to inform hypotheses.

Limitations

Our study is not without its limitations. First, our measure for couples' first financial discussion was not ideal. Having longitudinal data measuring when couples first discussed finances and later relationship outcomes would provide important insights into the associations of interest beyond the findings from our cross-sectional data. Future longitudinal data collection of emerging adult couples might include measures on couples' first financial discussions. Additionally, future measures of couples' first financial discussion could capture the overall tenor of the discussion (i.e., whether it was a mild or a conflictual conversation). Second, our findings are cross-sectional, and we cannot suggest directionality or causality between the associations we tested. Third, we used single-item measures for first financial discussion and financial conflict, which may not be as sound as multi-item scales. Fourth, because we included only emerging adults in our sample, the findings from the current study may only apply to that particular population.

CONCLUSION

Despite its limitations, this study contributes to the literature on financial communication—specifically for emerging adults. In considering when to encourage emerging adult couples to start discussing important financial topics, our results indicate that (overall) the sooner, the better. However, simply having that first financial discussion earlier may not act as a panacea to overcoming taboo couple financial discussions (Atwood, 2012; Romo, 2015)—especially since starting these conversations earlier may be positively associated with financial conflict. Nonetheless, encouraging "The sooner, the better" for emerging adult couples, while also teaching strategies to manage financial conflict, may be a helpful start. Additional research, however, about financial communication may assist financial therapists in helping emerging adult couples work toward overcoming societal (Alsemgeest, 2016), familial (LeBaron et al., 2018, 2020; White et al., 2021), and their own (Atwood, 2012; Romo, 2015) taboos surrounding money.

REFERENCES

Alsemgeest, L. (2016). Talking about money is taboo: Perceptions of financial planning students and implications for the financial planning industry. *Industry and Higher Education, 30*(6), 394–401. https://doi.org/10.1177/0950422216670065

Archuleta, K. L., & Burr, E. A. (2015). *Systemic financial therapy*. In Financial Therapy (pp. 217–234). Springer, Cham. https://doi.org/10.1007/978-3-319-08269-1_13

Arnett, J. J., Žukauskienė, R., & Sugimura, K. (2014). The new life stage of emerging adulthood at ages 18–29 years: Implications for mental health. *The Lancet Psychiatry*, *1*(7), 569–576. https://doi.org/10.1016/s2215-0366(14)00080-7

Atwood, J. (2012). Couples and money: The last taboo. *American Journal of Family Therapy*, *40*(1), 1–19. https://doi.org/10.1080/01926187.2011.600674

Bartholomae, S., & Fox, J. J. (2021). A decade review of research on college student financial behavior and well-being. *Journal of Family and Economic Issues*, *42*(1), 154–177. https://doi.org/10.1007/s10834-021-09756-6

Bowen, N. K., & Guo, S. (2011). *Structural equation modeling*. Oxford University Press.

Britt, S. L., Hill, E. J., LeBaron, A. B., Lawson, D. R., & Bean, R. A. (2017). Tightwads and spenders: Predicting financial conflict in couple relationships. *Journal of Financial Planning, 30*(5), 36–42.

Britt, S. L., Huston, S., & Durband, D. (2010). The determinants of money arguments between spouses. *Journal of Financial Therapy*, *1*(1), 42–60. https://doi.org/10.4148/jft.v1i1.253

Cohen, J. (1988). *Statistical power analysis for the behavioral sciences*. Hillsdale, NJ: Erlbaum.

Day, R. D., Bean, R., Coyne, S., Dyer, J., Harper, J., Walker, L. (2009). *Flourishing families codebook*. Brigham Young University.

Dew, J. P. (2011). Financial issues and relationship outcomes among cohabiting individuals. *Family Relations*, *60*(2), 178–190. https://doi.org/10.1111/j.1741-3729.2010.00641.x

Dew, J. P., Britt, S., & Huston, S. (2012). Examining the relationship between financial issues and divorce. *Family Relations*, *61*(4), 615–628. https://doi.org/10.1111/j.1741-3729.2012.00715.x

Dew, J. P., & Dakin, J. (2011). Financial disagreements and marital conflict tactics. *Journal of Financial Therapy*, *2*(1), 23–42. https://doi.org/10.4148/jft.v2i1.1414

Dew, J. P., & Stewart, R. (2012). A financial issue, a relationship issue, or both? Examining the predictors of marital financial conflict. *Journal of Financial Therapy, 3*(1), 42–61. https://doi.org/10.4148/jft.v3i1.1605

Fletcher, G. J., Simpson, J. A., & Thomas, G. (2000). The measurement of perceived relationship quality components: A confirmatory factor analytic approach. *Personality and Social Psychology Bulletin, 26*(3), 340–354. https://doi.org/10.1177/0146167200265007

Hayes, A. F. (2018). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach*. Guilford Press.

Hill, E. J., Allsop, D. B., LeBaron, A. B., & Bean, R. A. (2017). How do money, sex, and stress influence marital instability? *Journal of Financial Therapy*, *8*(1), 21–42. https://doi.org/10.4148/1944-9771.1135

The Sooner, the Better?

Johnson, D. R. (1995). Assessing marital quality in longitudinal and life course studies. In J. Conoley & E. B. Werth (Eds.), *Family Assessment* (pp. 155–202). Buros Institute of Mental Measurements.

Johnson, D. R., & Young, R. (2011). Toward best practices in analyzing datasets with missing data: Comparisons and recommendations. *Journal of Marriage and Family*, *73*(5), 926–945. https://doi.org/10.1111/j.1741-3737.2011.00861.x

Kelley, H. H., LeBaron, A. B., & Hill, E. J. (2018). Financial stress and marital quality: The moderating influence of couple communication. *Journal of Financial Therapy*, *9*(2), 18–36. https://doi.org/10.4148/1944-9771.1176

LeBaron-Black, A. B., Curran, M. A., Hill, E. J., Freeh, M. E., Toomey, R. B., & Speirs, K. E. (2021). Parent Financial Socialization Scale: Development and preliminary validation. *Journal of Family Psychology*. https://doi.org/10.1037/fam0000927

LeBaron, A. B., Hill, E. J., Rosa, C. M., Spencer, T. J., Marks, L. D., & Powell, J. T. (2018). I wish: Multi-generational regrets and reflections on teaching children about money. *Journal of Family and Economic Issues, 39*(2), 220–232. https://doi.org/10.1007/s10834-017-9556-1

LeBaron, A. B., Holmes, E. K., Yorgason, J. B., Hill, E. J., & Allsop, D. B. (2019). Feminism and couple finance: Power as a mediator between financial processes and relationship outcomes. *Sex Roles*, *81*(3), 140–156. https://doi.org/10.1007/s11199-018-0986-5

LeBaron, A. B., & Kelley, H. H. (2021). Financial socialization: A decade in review. *Journal of Family & Economic Issues*, *42*(1), 195–206. https://doi.org/10.1007/s10834-020-09736-2

LeBaron, A. B., Marks, L. D., Rosa, C. M., & Hill, E. J. (2020). Can we talk about money? Financial socialization through parent-child financial discussion. *Emerging Adulthood, 8*(6), 453–463*.* https://doi.org/10.1177/2167696820902673

Little, T. D. (2013). *Longitudinal structural equation modeling*. Guilford Press.

Lowe, K., & Arnett, J. J. (2020). Failure to grow up, failure to pay? Parents' views of conflict over money with their emerging adults. *Journal of Family Issues*, *41*(3), 359–382. https://doi.org/10.1177/0192513x19876061

Marks, L. D. (2015). A pragmatic, step-by-step guide for qualitative methods: Capturing the disaster and long-term recovery stories of Katrina and Rita. *Current Psychology*, *34*(3), 494–505. https://doi.org/10.1007/s12144-015-9342-x

Marks, L. D., Kelley, H. H., & Galbraith, Q. (2021). Explosion or much ado about little?: A quantitative examination of qualitative publications from 1995–2017. *Qualitative Research in Psychology*, 1–19. https://doi.org/10.1080/14780887.2021.1917740

Novak, J. R., & Johnson, R. R. (2017). Associations between financial avoidance, emotional distress, and relationship conflict frequency in emerging adults in college. *Journal of Financial Therapy*, *8*(2), 63–80. https://doi.org/10.4148/1944-9771.1146

Padilla-Walker, L., Nelson, L., & Carroll, J. (2012). Affording emerging adulthood: Parental financial assistance of their college-aged children. *Journal of Adult Development*, *19*(1), 50–58. https://doi.org/10.1007/s10804-011-9134-y

Papp, L. M., Cummings, E. M., & Goeke-Morey, M. C. (2009). For richer, for poorer: Money as a topic of marital conflict in the home. *Family Relations*, *58*(1), 91–103. https://doi.org/10.1111/j.1741-3729.2008.00537.x

Rea, J. K., Zuiker, V. S., & Mendenhall, T. J. (2016). Money and emerging adults: A glimpse into the lives of college couples' financial management practices. *Journal of Financial Therapy*, *7*(2), 16–40. https://doi.org/10.4148/1944-9771.1110

Rick, S. I., Small, D. A., & Finkel, E. J. (2011). Fatal (fiscal) attraction: Spendthrifts and tightwads in marriage. *Journal of Marketing Research*, *48*(2), 228–237. https://doi.org/10.1509/jmkr.48.2.228

Romo, L. K. (2015). An examination of how people in romantic relationships use communication to manage financial uncertainty. *Journal of Applied Communication Research*, *43*(3), 315–335. https://doi.org/10.1080/00909882.2015.1052831

Schumacker, R. E., & Lomax, R. G. (2004). *A beginner's guide to structural equation modeling*. Psychology Press.

White, K. J., McCoy, M., Watkins, K., Chen, X., Koposko, J., & Mizuta, M. (2021). "We don't talk about that": Exploring money conversations of Black, Hispanic, and White households. *Family & Consumer Sciences Research Journal*, *49*(4), 328–343. https://doi.org/10.1111/fcsr.12397

Wikle, J. S., Leavitt, C. E., Yorgason, J. B., Dew, J. P., & Johnson, H. M. (2021). The protective role of couple communication in moderating negative associations between financial stress and sexual outcomes for newlyweds. *Journal of Family and Economic Issues*, *42*(2), 282–299. https://doi.org/10.1007/s10834-020-09728-2

Yorgason, J. B., James, S. L., Holmes, E. K., Busby, D. M., Duncan, S. F., Hill, E. J., Leavitt, C. E., Willoughby, B. J., & Bradford, B. D. (2019) *Couple relationships and transition experiences (create) codebook (wave 3)*. Brigham Young University.