

From Financial Communication to Financial Literacy among High-Schoolers: The Role of Parents

U.S. teenagers have an increasing purchasing power (Muske & Winter, 2004) but yet lack financial knowledge (Jump\$tart Coalition, 2008). As this group's purchasing power increases and they become more independent, their financial literacy becomes a critical factor in determining both their short- and long-term financial well-being.

Financial literacy focuses on the specific knowledge and concepts consumers need to know to manage their money and build wealth. Youth attract the interest of retailers (Schor, 2004) and credit card companies and may accumulate significant debt that may lead to poor credit scores and possibly bankruptcy (Norvilitis et al., 2003; Suiter & Meszaros, 2005). Nevertheless, there is little evidence that teenagers practice or even appreciate the value of savings (Alhabeeb, 1996). From 2011 to 2012, there was a vast increase in the number of teens who report not budgeting or managing their money (10% in 2011 versus 34% in 2012). Only 56% plan to save some of their income, down from 89% one year earlier (Junior Achievement USA, 2012).

Minority and low-income youth are particularly vulnerable. Results of the Jump\$tart personal financial survey of high school seniors indicate that students who tend to do better than others on the survey are from higher income families, their parents have completed more years of education, have white ethnic background, and plan to receive a 4-year college degree (Jump\$tart, 2008). These gaps in knowledge are salient in Hawai'i, a state that is very diverse in terms of socio-demographic characteristics. The Hawai'i Council on Economic Education completed a survey to assess the economic and financial literacy of the state's workforce, age 16 and over. Overall, the typical respondent scored 65% on the survey. However, there were several demographic differences: Individuals with white or Chinese ethnic backgrounds did better compared with individuals with Filipino, Hispanic, or native Hawaiian ethnic backgrounds (Hawai'i Council on Economic Education, 2003).

Teenagers acquire financial information from a variety of sources, including formal and informal education. Formal education consists of academic classes in high school. Legislature in some states requires high schools to provide a mandatory course in personal finance as part of their curriculum (National Conference of States Legislature, 2012). However, to date, in many states there is no bill that establishes a mandatory financial literacy program for high school students. The state of Hawai'i, specifically, does not require students to complete a course in economics or personal finance prior to graduating from high school. In fact, in 2011 only 30 of Hawai'i's 48 high schools offered the opportunity for students to take a course in economics. Even when available, formal financial education leads to mixed results. On the one hand, there is little evidence that useful knowledge is effectively delivered (Mandell, 2008; Tennyson & Nguyen, 2001). On the other hand, other studies report positive effects on student knowledge or understanding of personal finance topics and concepts based on education with specific financial curriculum (e.g., Danes et al., 1999; Harter & Harter 2009; Varcoe et al. 2005).

Informal instruction consists of listening to their parents, other family members, peers, and media (Dotson & Hyatt, 2005), and it seems that parents have been the most influential financial agents. A recent online survey which polled more than 1,000 U.S. teenagers ages 14-18 indicates that the majority of teens (86%) still look to their parents for information on how to manage their money, and 69% report that their parents help them manage their money (Junior Achievement USA, 2012). Similarly, another survey indicates that while only 21% of students between the

ages of 16 and 22 say they have taken a personal finance course at school, 94% cite parents as a primary resource for financial information (Parents, Youth, and Money Survey, 2001).

The benefit of family communication is substantial in this context because it provides an environment for teaching and role modeling. While teenagers could benefit from learning money management skills, many families have failed to provide financial information or role modeling related to healthy financial interaction (Muske & Winter, 2004). Many parents do not engage in these behaviors and therefore do not provide positive role modeling. Furthermore, some parents may not discuss financial issues and assume that their children are observing the parents' good behavior (Stuart, 2005).

The purpose of this study is threefold. First, this study will assess the forms in which parents engage in financial communication with their teenage children and whether these forms change as children grow older. Second, this study will assess the link between family financial communication and financial literacy. Third, this study will assess whether this link varies by ethnicity and/or socioeconomic status.

Data will be collected from a cross-section of 10th grade students and their parents in Hawai'i. Follow up questionnaires will be given to these students and their parents at the 11th and at the 12th grades. At each of these time periods, both financial communication and financial literacy will be evaluated.

Family financial communication will be measured by parents and teens reports on parental financial behavior (e.g., parents spend within the budget, parents invest for long-term financial goals regularly), direct teaching (e.g., parent-youth discussion about the importance of saving, about how to be a smart shopper, etc.), and parental norms (e.g., the extent to which parents think their teens should engage in positive financial behaviors like tracking monthly expenses, spending within the budget, etc.). Financial literacy will be measured by parents and teens reports on subjective (e.g., the overall understanding of money management concepts and objective knowledge) and objective financial knowledge (e.g., specific questions relating to money management, credit, and saving).

Hierarchical Linear Modeling (HLM) will be used to: (1) estimate individual growth trajectories for financial knowledge and (2) examine associations between family financial communication and these growth trajectories. Regarding the latter, average family financial communication across the study will be estimated as a predictor of individual growth trajectories. Time-varying associations between family financial communication and the financial knowledge will also be examined. In addition, family demographic characteristics will be examined as a potential moderator of associations between family financial communication and the financial knowledge.

This study will focus on an important yet widely ignored aspect of household finance: The transfer of financial skills within the family unit. Teenagers on the verge of young adulthood are making important financial decisions such as the choice of credit cards, auto insurance and student loans. The financial habits that form during the transition to adulthood are likely to persist throughout adulthood, influence their financial and economic wellbeing and, in turn, their relations with family, friends, and co-workers.

Budget

Cumulative Year 1, Year 2, and Year 3

Expense	Funds Requested (Rounded)	Budget Justification
Personnel	\$4,020	The budget will support one part-time student assistant academic year salary in the 3 years (8 hours a week at a rate of \$16.75 per hour, about 10 weeks per year)
Participants Compensation	\$9,000	Part of the budget will be used to compensate 100 participant families for their time, 20\$ each family on the first year, \$30 on the second year, and \$40 on the third year
Travel	\$1,600	Travel expenses are budgeted for the PI to travel to a working group meeting and conference
Indirect Costs / Overhead	\$5,366	36.7%
Total	\$19,986	

CURRICULUM VITA

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Academic Positions

- 2012 – Assistant Professor, Department of Family and Consumer Sciences, University of Hawai'i at Mānoa, Honolulu, HI
- 2012 – Faculty Fellow in the Center on the Family, University of Hawai'i at Mānoa, Honolulu, HI

Education

- 2008 Ph.D. in Developmental and Educational Psychology, Lynch School of Education, Boston College, Chestnut Hill, MA
- 2001 M.A. in Social Work, School of Social Service Administration, University of Chicago, Chicago, IL
- 1995 – 1997 Mental Health Professional Training, Mental Health Department, Medical Corp, Israel Defense Force
- 1995 B. A. in Social Work, Bob Shapell School of Social Work, Tel-Aviv University, Tel-Aviv, Israel

Professional Experience

- 2010 – 2012 Research Associate, Institute for Applied Research in Youth Development, Department of Child Development, Tufts University, Medford, MA
- 2008 – 2010 Postdoctoral Fellow, Institute for Applied Research in Youth Development, Department of Child Development, Tufts University, Medford, MA
- 2004 – 2008 Instructor, Lynch School of Education, Boston College, Chestnut Hill, MA
- 2003 – 2008 Research Assistant, Lynch School of Education, Boston College, Chestnut Hill, MA

2002 Social Worker, Arbour Health System, Outpatient Services (children and families), Malden, MA

1995 – 1997 Mental Health Officer, Medical Corp, Israel Defense Force

Journal Special Issues Co-Editing

Lerner, R. M., Lerner J., von Eye, A., Bowers, E., & **Lewin-Bizan, S.** (2011). Individual and contextual bases of thriving in adolescence: Findings from the 4-H Study of Positive Youth Development. *Journal of Adolescence*, 34(6).

Lerner, R. M., Lerner J., Bowers, E., **Lewin-Bizan, S.**, Gestsdóttir, S., & Urban, J. (2011). Self regulation processes and thriving in childhood and adolescence: A view of the issues. *New Directions in Child and Adolescence Development*, 133.

Lerner, R. M., Lerner J., von Eye, A., **Lewin-Bizan, S.**, & Bowers, E. (2010). The meaning and measurement of thriving in adolescence - Findings from the 4-H Study of Positive Youth Development. *Journal of Youth and Adolescence*, 39(7).

Lerner, R. M., Lerner, J., von Eye, A., & **Lewin-Bizan, S.** (2009). Foundations and functions of thriving in adolescence: Findings from the 4-H Study of Positive Youth Development. *Journal of Applied Developmental Psychology*, 30(5).

Publications

Lerner, R. M., Lerner, J., Bowers, E., & **Lewin-Bizan, S.** (2012). Promoting the positive development of immigrant youth: Towards an applied developmental science research agenda. In A. Masten, K. Liebkind, & D. Hernandez (Eds.), *Realizing the Potential of Immigrant Youth*. New York, NY: Cambridge University Press.

Coley, R. L., **Lewin-Bizan, S.**, & Carrano, J. (2011). Does early paternal parenting promote low-income children's long-term cognitive skills? *Journal of Family Issues*, 32(11) 1522–1542

Coley, R. L., Carrano, J., & **Lewin-Bizan, S.** (2011). Unpacking links between fathers' antisocial behaviors and children's behavior problems: Direct, indirect, and interactive effects with harsh parenting. *Journal of Abnormal Child Psychology*, 39, 791-804.

Mueller, M., **Lewin-Bizan, S.**, & Urban, J. (2011). Youth activity involvement and positive youth development. *Advances in Child Development and Behavior*, 41, 231-249.

Lerner, R. M., Lerner, J., **Lewin-Bizan, S.**, Bowers, E., Boyd, M., Mueller, M., Schmid, K., &

- Napolitano, C. (2011). Positive youth development: Processes, programs, and problematic. *Journal of Youth Development*, 6(3), 40-63.
- Lerner, R. M., Lerner J., Bowers, E., **Lewin-Bizan, S.**, Gestsdóttir, S., & Urban, J. (2011). Self regulation processes and thriving in childhood and adolescence: A view of the issues. *New Directions in Child and Adolescence Development*, 133, 1-9.
- Lewin-Bizan, S.**, Doyle, A., Fay, K., Schmid, K., Lerner, J., & Lerner, R. M. (2010). Trajectories of positive and negative behaviors from early- to middle-adolescence. *Journal of Youth and Adolescence*, 39(7), 751-753.
- Lewin-Bizan, S.**, Bowers, E., & Lerner, R. M. (2010). One good thing leads to another: Cascades of positive youth development among American adolescents. *Development and Psychopathology*, 22, 761-772.
- Lerner, R. M., **Lewin-Bizan, S.**, & Alberts, A. (2010). Concepts and theories of human development: Historical and contemporary dimensions. In M. H. Bornstein & M. E. Lamb (Eds.), *Developmental science: An advanced textbook* (6th ed, pp. 3-49). Mahwah, NJ: Erlbaum.
- Reprinted in:
 M. H. Bornstein & M. E. Lamb (Eds.), *Cognitive development: An advanced textbook* (pp. 19-65). New York, NY: Psychology Press.
 M. H. Bornstein & M. E. Lamb (Eds.), *Social and personality development: An advanced textbook* (pp. 19-65). New York, NY: Psychology Press.
- Urban, J., **Lewin-Bizan, S.**, & Lerner, R. M. (2010). The role of neighborhood ecological assets and activity involvement in youth developmental outcomes: The impact of living in low asset neighborhoods. *Journal of Youth and Adolescence*, 39(7), 783-800.
- Lerner, R. M., von Eye, A., Lerner, J., **Lewin-Bizan, S.**, & Bowers, E. (2010). The meaning and measurement of thriving: A view of the issues. *Journal of Youth and Adolescence*, 39(7), 707-719.
- Gestsdóttir, S., **Lewin-Bizan, S.**, von Eye, A., Lerner, J., & Lerner, R.M. (2009). The structure and function of Selection, Optimization, and Compensation in middle adolescence: Theoretical and applied implications. *Journal of Applied Developmental Psychology*, 30(5), 585-600.
- Urban, J., **Lewin-Bizan, S.**, & Lerner, R. M. (2009). The role of neighborhood ecological assets and activity involvement in youth developmental outcomes: Differential impacts of asset poor and asset rich neighborhoods. *Journal of Applied Developmental Psychology*, 30(5), 601-614.

Lerner, R. M., von Eye, A., Lerner, J., & **Lewin-Bizan, S.** (2009). Exploring the foundations and functions of adolescent thriving within the 4-H Study of Positive Youth Development: A view of the issues. *Journal of Applied Developmental Psychology*, 30(5), 567-570.

Work Submitted for Publication

Lewin-Bizan, S. (under review). Father involvement: The effects of fathers, mothers, and children.

Work in Preparation

Lewin-Bizan, S., Coley, R. L., & Dearing, E. (in preparation). Families in the context of economic status: Father-child relationship and children's cognitive development in low- and higher-income families.

Conference Papers, Posters, and Symposia

Lewin-Bizan, S. (2013). Characteristics of fathers, mothers, and children: Effects on paternal involvement. Paper to be presented at the Biennial Meeting of the Society for Research on Child Development, Seattle, WA

Lewin-Bizan, S. (2012). Father involvement: The effects of fathers, mothers, and children. Poster presented at the Developmental Methodology Themed Meeting of the Society for Research on Child Development, Tampa, FL

Lewin-Bizan, S. & Lerner, R. M. (2012). Parenting and academic competence in early adolescence: Direct and indirect effects. Poster presented at the Biennial Meeting of the Society for Research on Adolescence, Vancouver, BC, Canada

Coley, R. L., Carrano, J., & **Lewin-Bizan, S.** (2011). When is father involvement detrimental for children's development? Parental harsh discipline, antisocial behaviors, and children's behavior problems. Paper presented at the Biennial Meeting of the Society for Research on Child Development, Montreal, Canada

Lewin-Bizan, S., Schmid, K., Mueller, M., & Lerner, R. M. (2010). Parenting and economic resources: Interactive effects on youth academic competence. Poster presented at the Biennial Meeting of the Society for Research on Adolescence, Philadelphia, PA

Lewin-Bizan, S., Mueller, M., Schmid, K., & Lerner, R. M. (2010). Parenting, structured out-of-school-time activities, and youth academic competence: Who benefits the most? Paper presented at the Biennial Meeting of the Society for Research on Adolescence, Philadelphia, PA

- Lewin-Bizan, S., Coley, R. L., & Dearing, E. (2009).** Families in the context of economic status: Father-child relationship and children's cognitive development. In **Selva Lewin-Bizan** (Chair), Influences on children's cognitive and behavioral trajectories: Parenting and contextual factors. Paper Symposium presented at the Biennial Meeting of the Society for Research on Child Development, Denver, CO
- Coley, R. L., **Lewin-Bizan, S., & Carrano, J. (2009).** Do early parenting and socioeconomic resources promote low-income children's long-term cognitive skills? In **Selva Lewin-Bizan** (Chair), Influences on children's cognitive and behavioral trajectories: Parenting and contextual factors. Paper Symposium presented at the Biennial Meeting of the Society for Research on Child Development, Denver, CO
- Lewin-Bizan, S. (2009).** Young dads involvement with their children: What makes it more? What makes it less? Poster presented at the Biennial Meeting of the Society for Research on Child Development, Denver, CO
- Lewin-Bizan, S. & Coley, R. L. (2007).** Fathers' criminal justice engagement and involvement with children: An assessment of the longitudinal transactional relationship. Poster presented at the Biennial Meeting of the Society for Research on Child Development, Boston, MA
- Lewin-Bizan, S. (2007).** Involved or not involved: The association between child temperament and paternal behavior among young fathers. Paper presented (withdrawn) at the Annual Conference of the National Council on Family Relations, Pittsburgh, PA
- Lewin-Bizan, S. (2006).** Easy tempered children, difficult tempered children: Does it make a difference for the involvement of very young fathers? Poster presented at the Biennial Meeting of the Society for Research on Adolescence, San Francisco, CA
- Lewin-Bizan, S. (2006).** Identifying the association between child temperament and father involvement: Theoretical considerations and empirical evidence. Paper presented at the Annual Meeting of the Population Association of America, Los Angeles, CA
- Coley, R. L., Hernandez, D., & **Lewin-Bizan, S. (2006).** Father involvement and parental relationship quality among new parents: A reciprocal relationship? Paper presented at the Annual Meeting of the Population Association of America, Los Angeles, CA
- Lewin-Bizan, S. (2005).** Identifying the association between child temperament and father involvement: Theoretical considerations and empirical evidence. Paper presented at the Annual Conference of the National Council on Family Relations, Phoenix, AZ

Invited Talks

- Lewin-Bizan, S. (2013).** Fathers in families. Talk to be delivered at the Center for Families, the Department of Human Services, Cambridge, MA

Lewin-Bizan, S. (2010). Fathers in families. Center for Families, the Department of Human Services, Cambridge, MA

Lewin-Bizan, S. (2010). Fathering and neighborhood: Links with problem behaviors in early adolescence. University of Maryland, College Park, MD

Grants

- 2007 NICHD - APA Advanced Training Institute on the Study of Early Child Care, Chapel Hill, NC
- 2006 AERA Grants Programs & the National Center for Education Statistics – AERA Institute on Statistical Analysis for Education Policy, San Francisco, CA
- 2005 National Center for Education Statistics, Institute of Education Sciences, and the U.S. Department of Education – ECLS-B Data Training Seminar, Washington, DC

Statistics Training

- 2009 Hierarchical Linear Models – SSI Scientific Software International, University of Chicago, Chicago, IL

Professional Reviewing

Applied Developmental Science
 Developmental Psychology
 Journal of Adolescence
 Journal of Applied Developmental Psychology
 Journal of Family Issues
 Parenting: Science and Practice
 Journal of Youth and Adolescence
 Psychology Press / Routledge / Taylor & Francis

Review Panels

- 2011 Society for Research on Adolescence, 2012 Biennial Meeting Program, Panel: "Family Relations"
- 2011 Society for Research on Adolescence, 2012 Biennial Meeting Program, Panel: "Resilience and Positive Youth Development"

2010 Society for Research in Child Development, 2011 Biennial Meeting Program, Panel "Education: School Context, Extra-Curricular, Enrichment, Physical Education, Remediation, Success, Educational Media"

Teaching

Courses taught at University of Hawai'i at Mānoa:

FamR 332 – Childhood
FamR 444 – Contemporary Family Issues

Courses taught at other institutions:

PY 152 – Human Development Practicum Seminar (Boston College)

Student Advising and Mentoring

2009 – 2011 Summer Scholars Program, Tufts University, Medford, MA

Service to the Community

2010 – Member of the Committee for Youth Programming, Beth El Temple Center, Belmont, MA

Note: Last updated January 2013