



**Survey: Financial Planning & Preparedness of
Americans with Parents Entering Retirement**

Wells Fargo & Company 2022

While most adult Americans haven't discussed eldercare finances with their parents, they still want to be responsible for their parents' finances as they age. Millennials expect they'll be in charge of their parents' finances, but talking with parents isn't a top priority.

- **More than half of Americans would prefer to manage their parents' finances, but just 37% actively want to do it.**
- **Almost half of Americans would rather discuss funeral plans than financial plans with parents, while 31% would even opt to inherit less money if it meant not having to be responsible.**

In an online survey of 1,201 Americans who have a parent at least 70 years old, Wells Fargo found that even as Gen Xers and Millennials prepare for what is expected to be the greatest wealth transfer in history, the vast majority have yet to have financial discussions with their family. Additionally, most would prefer to handle their family's financial affairs and feel best equipped to do so.

Methodology

The survey was conducted by Ipsos on behalf of Wells Fargo from Nov. 1-4, 2022. All findings are based on "Americans with aging parents." The standard sample size used in media is n=1,000-1,200, and given that we are focused on a single target audience that is well defined, the sample size of 1,200 should be more than sufficient. The margin of error is +/-3%.

DETAILED FINDINGS

Preparation for Parents' Financial Needs

Less than half of Americans say they've talked with their parents about if they have the money they need now or their financial plan for the future.

- Just 46% of Americans have talked to their older parents about whether they have the money they need now.
- Just two in five (42%) have talked about their financial plan for the future.
 - Millennials (ages 25-44) are the most likely (60%) to say they have talked with their parents about their financial plan for the future.

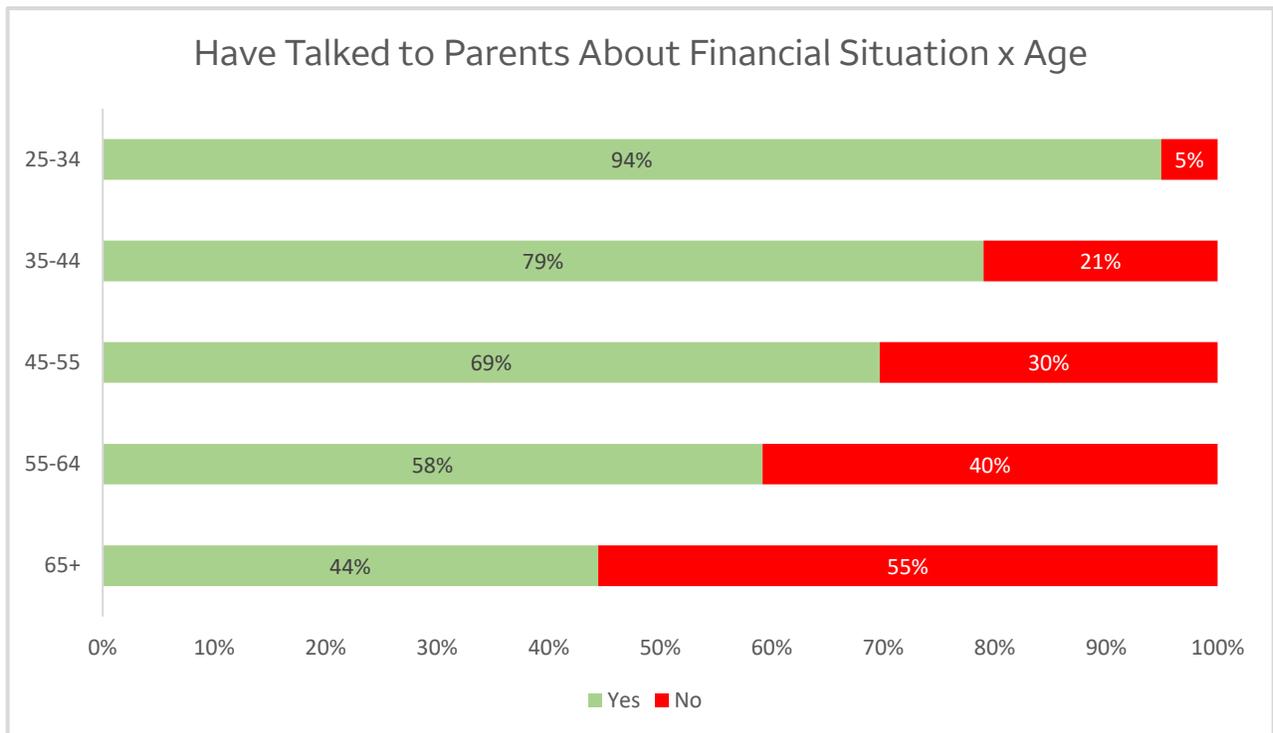
Still, most say their parents are prepared and transparent about their financial situation — they just need to ask.

- The majority of Americans with older parents say their parents are prepared financially for their future (70%) and transparent about the money they have and where it's located (68%).

- Not surprisingly, those who have talked with their parents about their financial situation are more likely to say they're well prepared (76% vs. 57% who have not talked to them).
- Still, only one-third (34%) of Americans envy their parents' financial situation.

Many Americans haven't had the money talk with their parents.

- One-third (34%) of Americans with aging parents **have not discussed** their parents' current or future financial situation, while just 38% have discussed both their current and future financial situation.
- Millennials (ages 25-44) are the most likely to have talked with their parents — 85% have discussed some aspect of their parents' financial situation.



Expectations for Needs

Sibling rivalry is real.

- While 43% of Americans say that their sibling is expected to help their parents manage finances, just 24% prefer that their sibling does so.
 - While most trust their sibling to do so (60%), they trust themselves far more (84%).

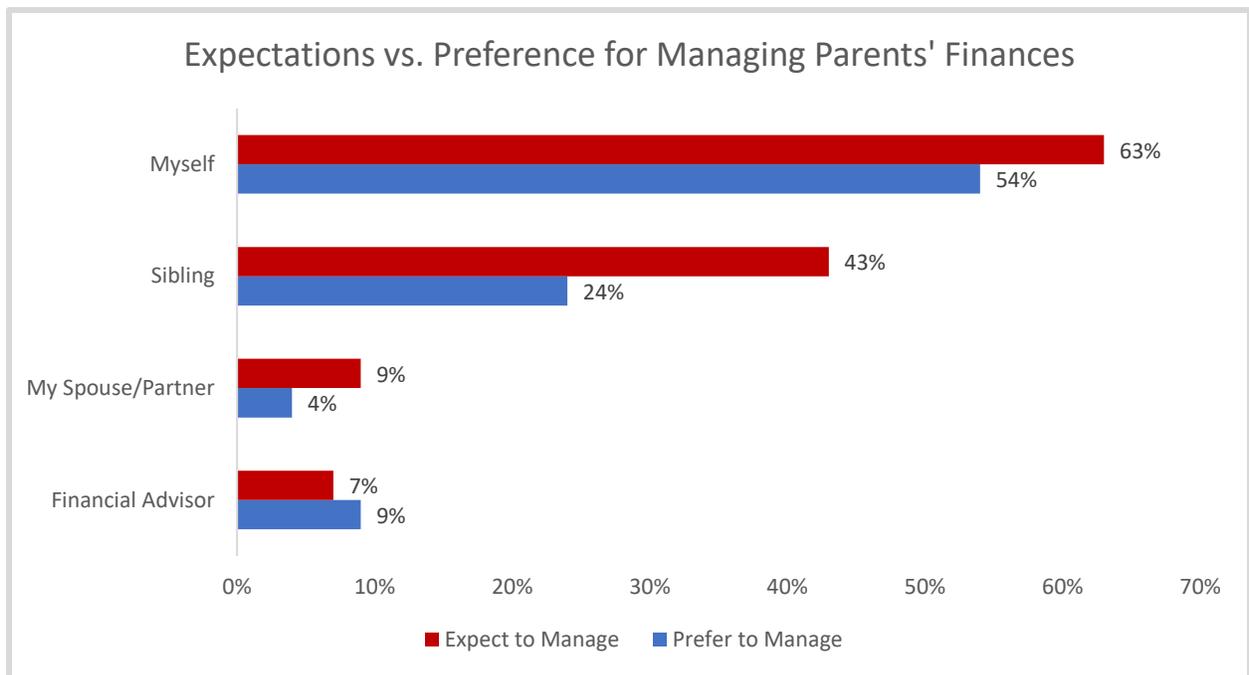
Americans are confident in their ability to manage their parents' finances and want to be in control.

- More than half (54%) of Americans say they prefer they're the one to manage their parents' finances if their parents are not able to.

- Of those, they are most likely to say they want to help because they're the best option (51%).
- But just one-third (37%) say they actively want to do it, while a quarter feel obligated (26%) or don't trust others (21%).

Millennials are more likely to expect they'll be in charge, and want to be in charge, of their parents' finances.

- While 63% of all Americans with older parents expect they'll help manage their parents' finances, Millennials (ages 25-44, 75%) are the most likely to select themselves.
- Millennials (66%) are most likely to **prefer** to be in charge of their parents' finances.
 - Those 45-64 are more likely than other age groups to select their sibling than others (30%).



Impact of Caring for Parents Financially

Most think they're prepared to help — talking helps.

- Two-thirds (68%) of Americans say they are prepared to help their parents manage their finances as they age.
 - Those who haven't spoken to their parents about their plans are less likely to be confident (54%) versus those who have (75%).

Those that don't want to manage their parents' finances are happy to let others take it on.

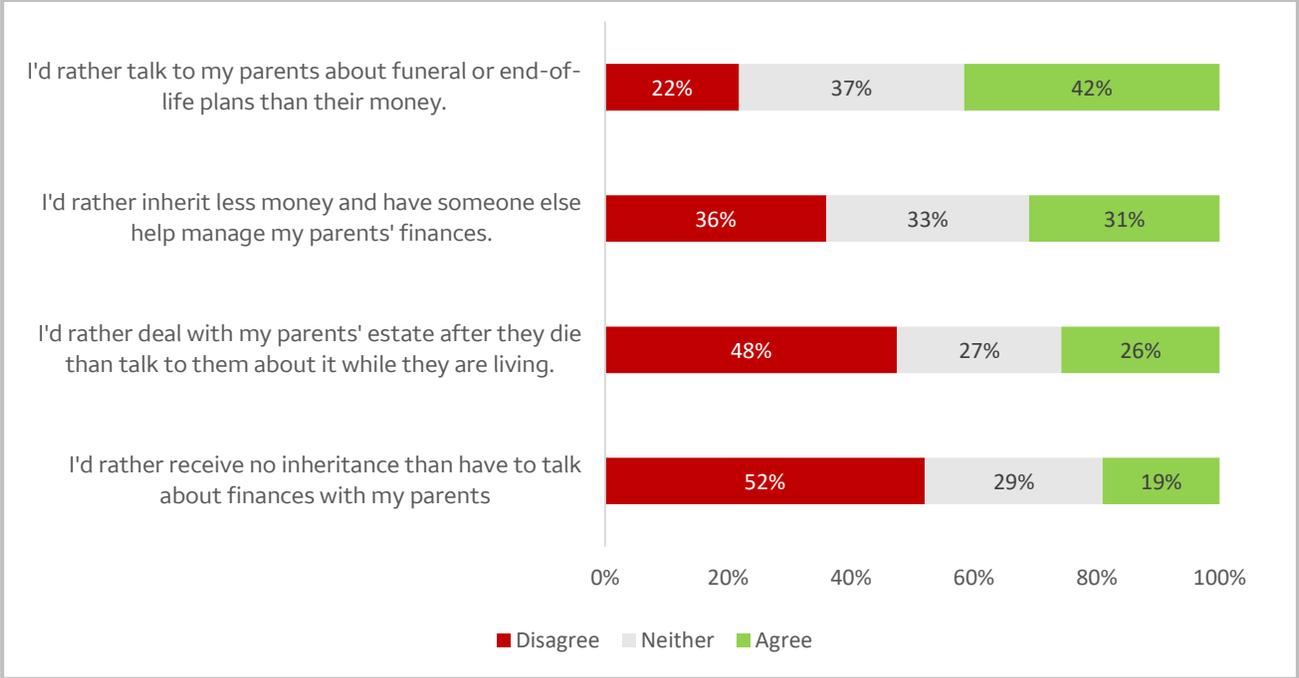
- Of those who would prefer someone else help manage their parents' finances, it's because others know better (32%), they're happy to let someone else do it (29%), or they don't want to cause familial stress (22%).

The current financial landscape — volatility, rising rates, inflation — has most concerned for their parents.

- One-third (29%) are concerned about their parents’ financial situation.
 - Those who have talked to their parents are more concerned (36%) than those who have not (17%).
- One in five (18%) expect their parents will be negatively impacted.

For many, though, talking about finances with parents isn’t a top priority.

- Two in five Americans (42%) would rather talk to their parents about funeral plans than financial ones.
- One-third (31%) would rather inherit less money and have someone else deal with their parents’ finances.
- A quarter (26%) would rather just deal with their parents’ finances after they die than discuss it while they’re living.
 - 38% of Millennials (ages 25-44) agree they’d rather wait for their parents to die, higher than all other ages.



Who is Caring/Preparing

When it’s time to care for parents, certain people are more likely to get that job.

- The people most likely to take care of parents overall are women (62% vs. 38% male), oldest child (66%), those with kids (58% vs. 42% without), and married (64% vs. 36% single).

And many feel like dealing with parents’ finances should have a financial reward.

- A quarter (25%) think they should get more for helping their parents' finances.
 - Those ages 25-34 are the most likely to expect some payment for helping (40%).
 - That same number (25%) thinks dealing with finances should be a paying job.