

GRANDPARENTS INVESTING IN GRANDCHILDREN:

actions speak louder than words

Grandparents Investing in Grandchildren: Actions Speak Louder Than Words



Sharing Values and Beliefs

Celebrating Family



Investing in Your
Grandchildren's Financial Security

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Grandparents have always been an integral part of the American family, serving a wide range of roles: caregiver, mentor, financial advisor, family historian, and loving advocate — to name just a few. Add to that long list: investor. Grandparents make tremendous investments in grandchildren to ensure their families remain strong and resilient. Those investments run the gamut: from sharing values and beliefs to making financial contributions to giving of their time and knowledge.

According to the new MetLife Mature Market Institute study *Grandparents Investing in Grandchildren*, grandparents believe it is important to share their values and beliefs, such as the importance of being engaged in civic matters, volunteering, and exhibiting good character. Many also invest a significant amount of money in their grandchildren, especially their education.¹ In addition, grandparents believe in spending time with their grandchildren and talking together. Apparently, grandchildren want that as well. According to research on the perspective of both grandparents and teenage grandchildren on the nature of their evolving relationships, many teens reported their grandparents were the bridge to their past, sharing family history and traditions, and by being storytellers who connected the family and shared family experiences.²

We want you to make the most of your grandparenting opportunities and offer the following tips on how to invest in your grandchildren wisely and well.

You may be among the 39% of grandparents who live more than 500 miles away from their grandchildren,³ and you will find that you can implement many of these tips through virtual connections.

Sharing Values and Beliefs

Being a grandparent gives you the opportunity to pass down your values and beliefs to your grandchildren — and future generations.



Model and Teach the Values You Believe in the Most

In a recent study of grandparents by the MetLife Mature Market Institute, honesty and good behavior were at the top of the list of values or goals that are important to impart to future generations.⁴ Other values or goals included higher education, self-sufficiency, and good health habits. Whether you live near your grandchildren or far away, you have an opportunity to model the values you consider most important and help your grandchildren exemplify these values. Instilling values is as simple as offering positive reinforcement, helping with homework (in person or over the phone), making trips to the library, or taking walks to reinforce the importance of exercise and good health.

Teach Your Grandchildren to Make a Difference by Giving of Time and Money

Talk with your grandchildren to discover what they really care about — then take action. If they like animals, find an animal shelter that could use some extra hands. If they are learning in school about taking care of the environment, clean up a park together. If they love food, volunteer together at a soup kitchen or a food pantry. Whatever you decide to do, do it together, then discuss how both you and your grandchildren are helping the community. Share your experiences and stories of giving of your time and effort.

You can also teach your grandchildren to support their communities through lifelong giving, as “involvement in philanthropy and volunteerism is a lifelong habit that can be cultivated through intergenerational learning experiences.”⁵ Talk about why you choose to donate to charity and how your grandchildren can also contribute to their communities. Choose one of their favorite charities and make a donation to it. Write a letter together to the designated charity and send the letter along with the donation. Or, deliver your donation together in person, so that your grandchildren understand the importance of their gift.

Discuss How Every Vote Counts

Three-quarters of grandparents surveyed say voting is a value they plan to pass down to their children and grandchildren.⁶ One way to make this come alive for your grandchildren is to develop a voting timeline that shows how voting rights have been established over the years. Then, personalize the timeline by indicating each year that you voted, highlighting key aspects of each election. As you discuss the timeline, explain that every individual vote counts — and that everyone's opinion matters — even the opinions of those who are not yet old enough to vote. Find out how your grandchildren feel about local or national issues they can relate to, and how their vote might affect those issues. If your grandchildren are of the right age, consider taking them to register to vote.

Explore Your Culture, Your Heritage

Concentrate on what makes you and your family unique and help your grandchildren embrace something special about your culture. Read books with your grandchildren, either in person or by phone or a virtual video connection, and highlight one or two aspects of your culture that you want your grandchildren to understand. Watch for community events that link you, your grandchildren, and your larger cultural community.



Celebrating Family

Your grandchildren will continue your family legacy so take the time to share your family history and experiences with them.

Record an Audio/Video Message

Fortunately, with today's technology, you and your grandchildren can still share a special day or event, even if you're miles apart. Take the first step by sending to each grandchild a message in which you share a favorite memory about that child. Request each child send you an update on what's happening in each of their lives. Ask if they have video clips of recent events, such as a dance recital, a team sport, or a birthday party.

Create a Family Tree

Learning about ancestors is fun. You can involve family members of all ages in creating a family tree with crayons and paper, or through a computer program. Or, try creating a DVD that includes pictures of family members, both past and present.

While creating your family tree, talk with your grandchildren about how lives have changed from generation to generation. Compare current living conditions with those of your ancestors. How do today's opportunities and challenges differ from the past? In what ways has childhood remained the same or changed from past generations?

Start Cooking

A surprising 67% of grandparents see their grandchildren most often when their family goes out to eat.⁷ If that's the case with your family, why not bring a meal closer to home? After all, nothing brings people together like home-cooked comfort food. You and your grandchildren can pick your favorite recipes and get to work in the kitchen making a meal together. While beating eggs and boiling water, you can also cook up a closer relationship. Once the meal is ready, you can share good food and good conversation with the rest of your family and friends.

If you're a long-distance grandparent, consider developing a family recipe book with favorite or special recipes from many different family members. Once everyone has a copy, plan for each of you to cook the recipes on the same nights and compare notes.

Preserve History for the Future

You know you love showing off pictures of your grandchildren. They, in turn, enjoy looking through vintage photos of you and other family members. Invite your children and grandchildren over to look at favorite pictures and share memories about the people or events. Or, send pictures through the mail or over the Internet to share special moments in time.

To conjure up even more memories, consider making a family time capsule. Dig up some fun for grandparents and grandchildren. Together, you can decide what to place in your time capsule, such as favorite photos, tickets from a memorable show, newspaper clippings, and a list of popular songs from current day. Then, you can look forward to opening it in the future to see how your lives have changed.



Investing in Your Grandchildren's Financial Security

As a grandparent, you have an opportunity to make a lasting impact on your grandchildren by helping them acquire the skills and tools they need to become financially literate. According to a recent interview on National Public Radio, when it comes to discussing financial matters, grandchildren often feel a closer kinship to their grandparents than they do with their parents.⁸ Along with sharing your financial wisdom, you can also help your grandchildren by making investments of your own time and money for their future security, including providing them with financial education and purchasing financial products to protect their futures.

Foster Early Saving Habits

Good saving habits are the foundation for a healthy financial life. As a grandparent, you are in an ideal position to share saving strategies with younger family members. If you are a long-distance grandparent, this might be a special role you can play from afar. When your grandchildren have mastered the basics of counting dollars and cents, seize the opportunity to get them started with saving. Buy a piggy bank or find a clear plastic jar for younger children, or accompany your adult child and an older grandchild to a local bank to open a savings account. Young adult grandchildren might benefit from having other investments like stocks or bonds that they can keep track of.

Coordinate with the children's parents to set up an allowance and find other ways, such as asking the grandchildren to perform helpful chores, so they can add to their savings. Depending on your grandchildren's financial savvy, you might consider offering a saving incentive. For example, for every dollar each grandchild saves, you could match their investment totally or partially.

Encourage Smart Spending

With a basic understanding of saving and a full piggy bank, children will be excited to start spending. You can play a key role in helping your grandchildren budget and spend wisely.

- A good first step is to help them distinguish between a “want” and a “need.” Use your personal experiences to help them understand the difference. Talk with them about how you make spending decisions in your own life.
- Next, introduce your grandchildren to the idea of financial planning. Begin by helping them establish a budget that includes saving a certain percentage of any money they receive, whether it’s in the form of a gift, an allowance, or payment for doing chores. For example, you might agree that they should commit to saving 25% of their allowance.
- Plan achievable goals, like saving \$20 to buy a new DVD or some of the electronic “apps” they want. Whenever your grandchild meets a goal, celebrate by sending a congratulatory card, phone call, or email. As your grandchildren get older, allow them more autonomy to budget, spend, and make mistakes. Through their own experiences, they will learn important lessons for their financial futures. Consider enrolling older children in a money management class or buying an age-appropriate book on personal finance.

Make Grand Investments

You can take steps even before your grandchildren are born to help ensure they are on the way to a healthy financial future.

- First, think about your own long-term goals and personal budget. Will you be living on a fixed income? Is travel a big part of your future plans? How much extra can you afford to invest?
- Next, determine what you want to do for your grandchildren. For example, do you hope to establish a modest savings account for each grandchild, help pay for their education, or provide them with a partial down payment for a house?
- Sometimes, the best choice is to protect their parents — your own adult children — from a sudden loss of income or earning capacity.
- Once you’ve made those choices, research which financial tools can help you meet your goals. You have lots of choices: from U.S. savings bonds to money market funds to 529 college savings plans, insurance, and more.

Whether you live next door or across the country, you have myriad ways you can connect with your grandchildren and invest in their well-being. Whether you do it by sharing your values, talking about your family history, and/or providing financial assistance and education, you can have a significant impact on your grandchildren.

Additional Resources

- Family Volunteering: www.thevolunteerfamily.org
- Intergenerational Learning Activities, Generations United: www.gu.org/RESOURCES/LearningActivities.aspx
- Legacy Project: www.legacyproject.org
- Intergenerational Activities: www.intergenerationmonth.org
- Make a Family Tree, American Family: <http://www.pbs.org/americanfamily/tree/#>
- *Generations United for Environmental Awareness and Action*: <http://tinyurl.com/c2anotd>
- *Enhancing Your Retirement: Helping Ensure the Financial Success of Youth*: <http://tinyurl.com/brjjf8e>
- Budget worksheets, money activities, and more: www.moneyandstuff.info
- Money activities for kids, Kids.gov: <http://kids.usa.gov/money/index.shtml>

MetLife Resources

- *Grandparents Investing in Grandchildren: The MetLife Study on How Grandparents Share Their Time, Values, and Money*, 2012
- *The MetLife Report on American Grandparents: New Insights for a New Generation of Grandparents*, 2011
- *From Generation to Generation: Grandparents Imparting Lessons, Legacy, and Love*, 2010
- *Grandparents: Generous with Money, Not with Advice*, 2009

Endnotes

- 1 MetLife Mature Market Institute, *The MetLife Report on American Grandparents: New Insights for a New Generation of Grandparents*, July 2011.
- 2 Ross, N., Hill, M., Sweeting, H., and Cunningham-Burley, S. *Grandparents and teen grandchildren: Exploring Intergenerational Relationships*. http://www.strath.ac.uk/media/departments/glasgowsschoolofsocialwork/gccs/media_42658_en.pdf
- 3 *Grandparents Investing in Grandchildren: The MetLife Study on How Grandparents Share Their Time, Values, and Money*, 2012.
- 4 *Grandparents Investing in Grandchildren: The MetLife Study on How Grandparents Share Their Time, Values, and Money*, 2012.
- 5 *Philanthropy Across the Generations*, Ch. 5, pg. 67, Dwight F. Burlingame, ed., Donna Butts, author, San Francisco, CA: Jossey-Bass, 2004.
- 6 *Grandparents Investing in Grandchildren: The MetLife Study on How Grandparents Share Their Time, Values, and Money*, 2012.
- 7 *Grandparents Investing in Grandchildren: The MetLife Study on How Grandparents Share Their Time, Values, and Money*, 2012.
- 8 Listening to Parents Key to Financial Responsibility, National Public Radio, May 29, 2012.

The MetLife Mature Market Institute®

Celebrating its 15-year anniversary in 2012, the MetLife Mature Market Institute is Metropolitan Life Insurance Company's (MetLife) center of expertise in aging, longevity and the generations and is a recognized thought leader by business, the media, opinion leaders and the public. The Institute's groundbreaking research, insights, strategic partnerships and consumer education expand the knowledge and choices for those in, approaching or working with the mature market. For more information, please visit: www.MatureMarketInstitute.com.

Generations United

Formed in 1986, Generations United is the national membership organization focused solely on improving the lives of children, youth, and older people through intergenerational strategies, programs, and public policies. Generations United serves as a resource for educating policymakers and the public about the economic, social, and personal imperatives of intergenerational cooperation. For more information, visit www.gu.org.

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