



# Nontraditional Workers Exhibit High Levels of Financial Literacy

Yet half are worried they will run out of money in retirement

## Overview

Financial literacy and financial education can help increase retirement security by giving workers the resources they need to make informed investment choices and maximize their returns.<sup>1</sup> But for nontraditional workers (sometimes known as contingent, gig, or independent workers)—a group for whom retirement savings is low compared with traditional workers—much less is known about the relationship between financial literacy and retirement security.<sup>2</sup>

Nontraditional workers don't fall into simple categories. They may work as sole proprietors, freelancers, or seasonal workers, for a temporary help agency or contract firm, or they may sell goods or services online. Researchers have provided a wide range of estimates of the nontraditional workforce, from 3.8% to as much as 40.4% of America's total workforce, using varying definitions of nontraditional work and different data sets.<sup>3</sup>

To understand whether higher financial literacy is associated with increased rates of planning and saving among nontraditional workers, among other issues, The Pew Charitable Trusts in June 2020 surveyed 1,000 workers who said they did nontraditional work as their only job(s) or in combination with a traditional job. The survey included questions to assess nontraditional workers' financial knowledge and retirement confidence. In addition, Pew researchers compared survey results with the financial literacy questions the research institution NORC at the University of Chicago asks of participants in the general population.

## Key findings

- Relative to the general population, nontraditional workers exhibit higher levels of financial literacy.
  - More nontraditional workers than the general population correctly answered three key questions for assessing financial literacy.
  - The higher level of financial literacy is likely due to the demographic makeup of the nontraditional workforce, many of whom are male, White, and have more education and sometimes higher household incomes than the population at large—characteristics that are often linked to better performance on financial literacy assessments.<sup>4</sup>
- About half of nontraditional workers answered all three questions correctly.
  - Roughly 4 out of 5 nontraditional workers correctly answered questions about compound interest and company stocks (i.e., portfolio diversification), and 7 in 10 correctly answered a question about inflation's effects.
- Financial literacy is linked to positive behaviors such as assessing one's retirement needs and confidence about one's ability to set a financial goal and then achieve it.
  - For example, just 1.7% of nontraditional workers who were unable to answer any of the financial literacy questions had made a plan for their retirement savings and expenses, compared with 70.5% of those who answered all three correctly.
- Nontraditional workers lack confidence about their retirement, raising concerns about the ability of nontraditional workers to achieve retirement security.
  - 54.5% of nontraditional workers are worried they will run out of money in retirement, and of those who felt comfortable assessing their retirement prospects, 47.7% are not confident they will have a comfortable retirement.
- The disconnect between relatively high financial literacy and concerns about retirement may stem from several factors, including nontraditional workers' lack of financial planning, low levels of access to retirement savings plans,<sup>5</sup> and often their relatively young age.<sup>6</sup>
  - A little more than half of nontraditional workers have never tried to figure out their retirement needs.
  - Just 21.9% of nontraditional workers participated in a workplace defined contribution (DC) plan during the year leading up to the survey.<sup>7</sup>

This report is one of a series using Pew's survey of nontraditional workers to examine their retirement security. Previously published reports have examined nontraditional workers' access to workplace retirement plans,<sup>8</sup> the barriers and obstacles nontraditional workers face in saving for retirement,<sup>9</sup> their retirement savings balances at work and in individual retirement accounts (IRAs),<sup>10</sup> and nontraditional work during the pandemic.<sup>11</sup> A subsequent report will explore survey results to look at which types of retirement savings programs appeal to different groups of nontraditional workers.<sup>12</sup>

## Financial literacy and knowledge among nontraditional workers

"Financial literacy" is an umbrella term that covers knowledge on concepts such as household budgeting, managing debt, evaluating different investment alternatives, and the importance of starting to invest early. These skills often require a working knowledge of interest, inflation, and other concepts. The ability to understand and

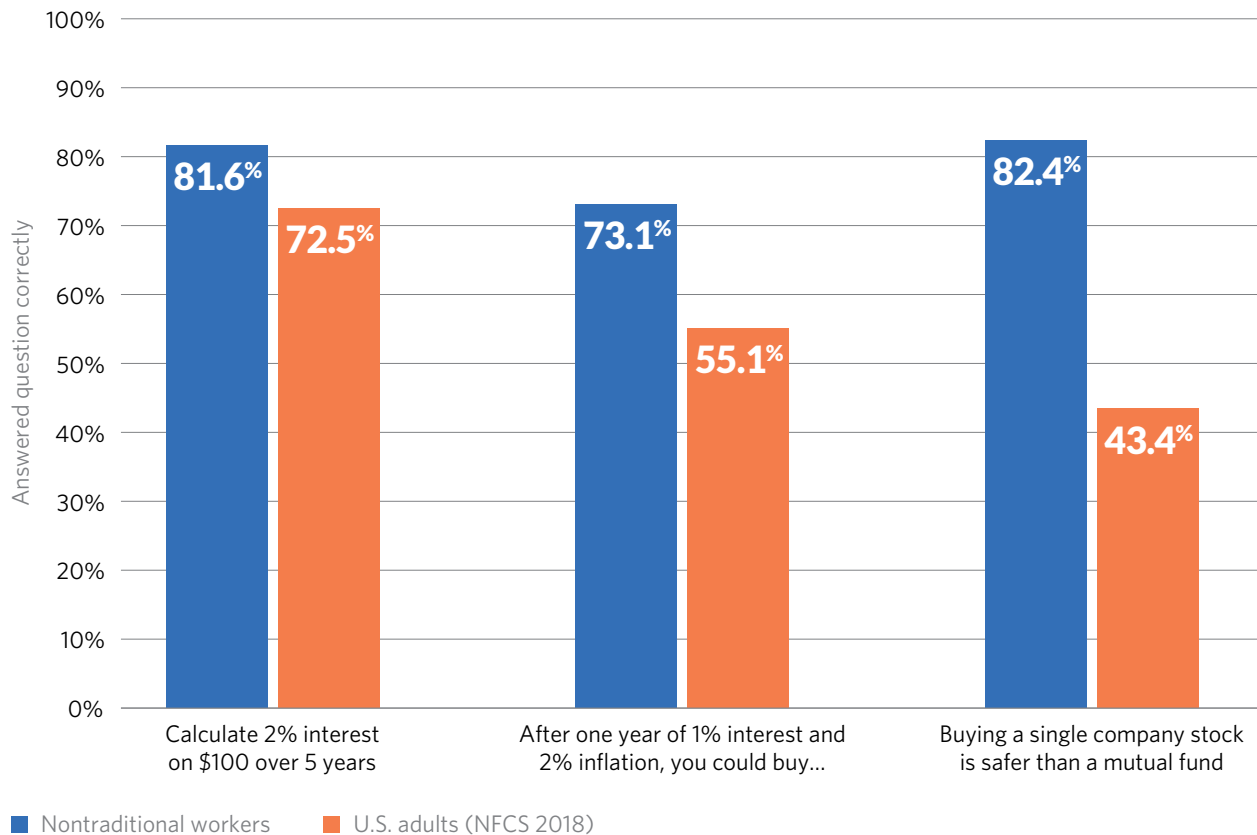
demonstrate simple financial skills may be helpful for reaching financial goals, although it is not clear whether financial literacy improves outcomes such as starting to save in line with sound financial principles, whether outcomes improve financial literacy, or both.

Pew asked nontraditional workers the “big three” financial literacy questions.<sup>13</sup> First, the group was asked whether a \$100 savings account earning interest of 2% per year would, after five years, have a balance of more, less, or exactly \$102. A second question asked respondents whether a combination of 1% interest and 2% inflation would, after a year, allow a saver to buy more, less, or the same amount. The third question asked whether buying a single company stock was safer than a stock mutual fund.

While roughly four-fifths of nontraditional workers correctly answered the questions about compound interest (81.6%) and company stock (82.4%), fewer (73.1%) gave the right answer to the question about inflation. (See Figure 1.) Answering the questions correctly was associated with being White, male, and having more education and a higher income. (See Appendix A.)

Nontraditional workers performed better on these measures than the population at large, when compared with the Financial Industry Regulatory Authority’s (FINRA).<sup>14</sup> The NFCS offers good comparison points because it asked the U.S. adult population the same financial literacy questions.<sup>15</sup>

Figure 1  
**Nontraditional Workers Perform Better Than Other U.S. Adults on Financial Literacy Questions**



Other surveys of financial literacy among the general population suggest that differences with nontraditional workers may be smaller, however, or that the gaps may even favor traditional workers. For example, researchers using the Rand Corp.'s American Life Panel of the general population in 2018 reported correct response rates of 76% for the inflation question, 86% for the compound interest question, and 62% for the portfolio diversification question.<sup>16</sup> Other researchers, using an earlier iteration of the American Life Panel, reported correct response rates of 91.4% for the inflation question, 75.7% for the compound interest question, and 80.2% for the portfolio diversification question.<sup>17</sup>

Half (51.9%) of nontraditional workers in Pew's survey answered all three financial literacy questions correctly, another quarter (26.8%) got two questions correct, 16.5% got one question correct, and 4.7% got no answers correct (not shown). The 2018 NFCS found that just 30% of individuals answered all three questions correctly.<sup>18</sup>

There are several potential reasons why nontraditional workers performed better on financial literacy questions than Americans as a whole. First, researchers have found that success in answering financial literacy questions increases with education, household income, being male, and age.<sup>19</sup> And nontraditional workers, too, are more likely than the general population to be highly educated, older, to have higher household incomes, and to be male. Pew did not survey traditional workers, but other surveys can offer suggestive (although not direct or statistically confirmed) comparisons. For example, Pew's survey of nontraditional workers showed that 54% are male,<sup>20</sup> but the population in the 2018 NFCS was 49% male.<sup>21</sup> Education is another differentiating factor: Pew's survey found that 23% of nontraditional workers have a bachelor's degree and 16% have a graduate degree,<sup>22</sup> compared with 18% and 11%, respectively, in the general population.<sup>23</sup> Nontraditional workers also have higher household incomes than other workers: 58% of nontraditional workers have household incomes of \$50,000 or more,<sup>24</sup> compared with 51% in the general population studied in the NFCS.<sup>25</sup> Nontraditional workers tend to be younger than the U.S. population on average, however. (For more details, see Appendix B.)

Another reason nontraditional workers might perform better on financial literacy questions than other Americans is that Pew's survey selected workers who were in the workforce at the time of the survey, or who had done nontraditional work in the 12 months before the survey. As discussed below, more workers who had access to a workplace retirement plan (52.0%) had tried to figure out their retirement needs than workers who had no access (33.2%). The NFCS, by contrast, encompasses all American adults, including those who may have been out of the workforce for some time and those who were never in it.<sup>26</sup>

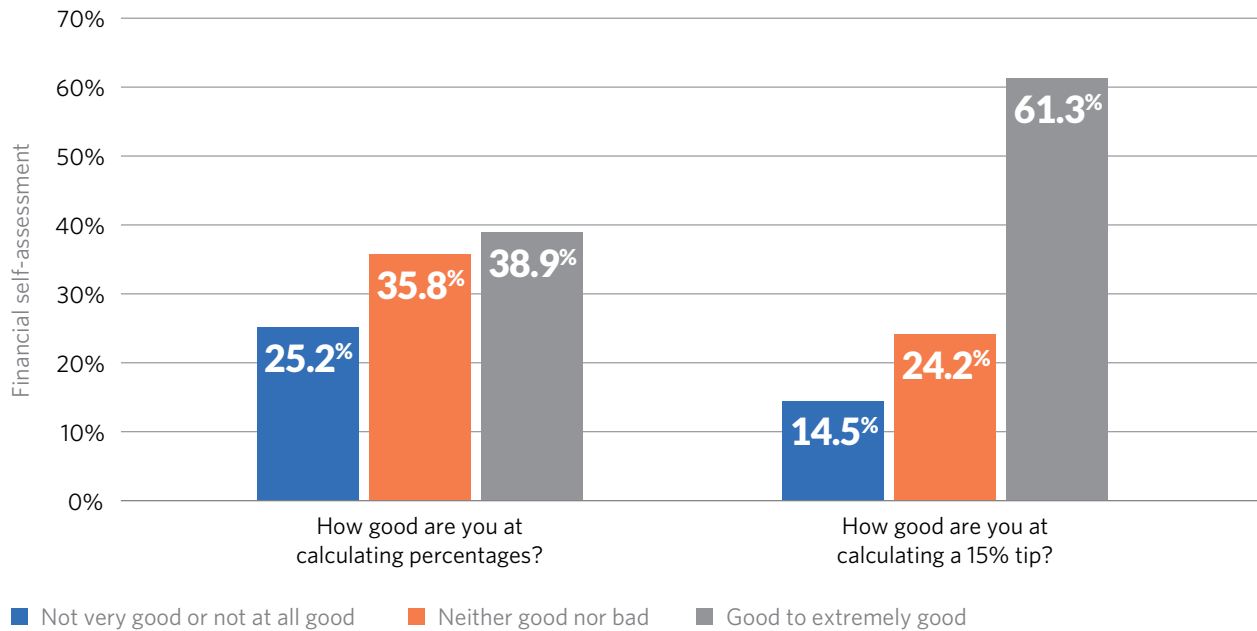
## Financial self-assessments

The Pew survey asked nontraditional workers to rate themselves on their ability to work with percentages and to calculate a 15% tip. They were also asked about their confidence in achieving a financial goal they set for themselves. Research has found that individuals often overestimate their financial knowledge, and their self-reports don't always correlate strongly with their financial decisions. Still, some evidence suggests that self-reported financial confidence and financial literacy tests predict retirement planning and saving, among other financial behaviors.<sup>27</sup>

While 38.9% said their skills with calculating percentages were either good or extremely good, 61.3% said they were good or extremely good at calculating a 15% tip. (See Figure 2.) When it came to self-assessed ability to work with percentages and calculate tips, men rated themselves more highly than women, and White people rated themselves more highly than people who aren't White. Educational attainment and age were also factors in self-assessments, with confidence increasing with more education and being age 50 or older.<sup>28</sup>

Figure 2

## Workers Say They're Adept at Determining Percentages



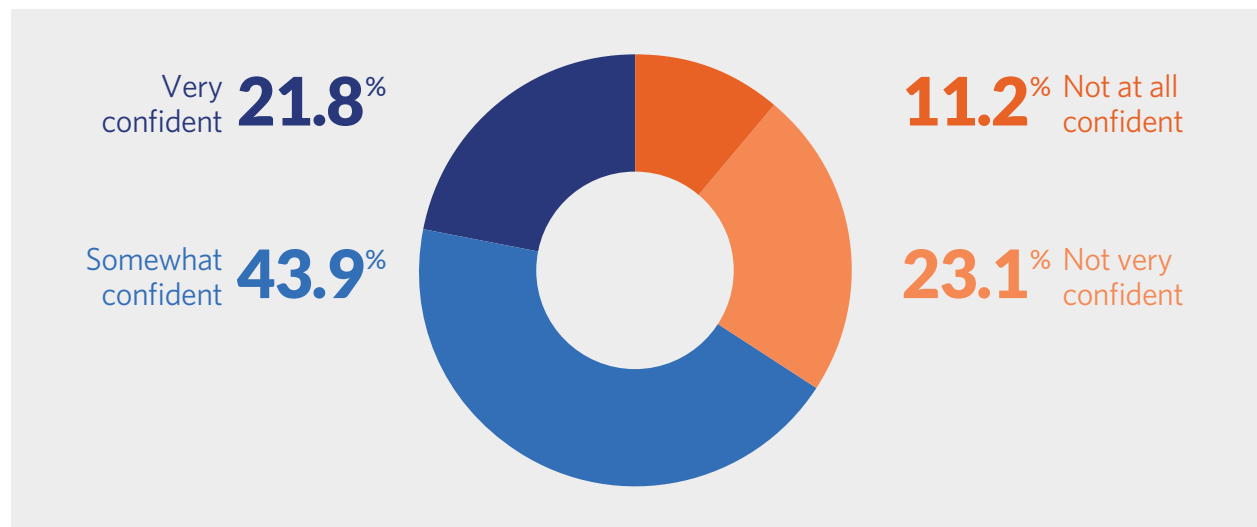
Note: Totals may not add to 100% due to rounding.

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Two-thirds (65.7%) of nontraditional workers said that if they set a financial goal for themselves, they were somewhat or very confident in their ability to achieve it. (See Figure 3.) However, a majority of nontraditional workers have never tried to figure out their retirement needs.

Figure 3

## Confidence in Achieving a Financial Goal Remains High



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## Financial literacy, retirement planning, and retirement confidence

To understand retirement planning among nontraditional workers, Pew asked whether they had ever tried to figure out how much they'd need to save for retirement. A roughly similar proportion of nontraditional workers said they had ever tried to figure out their retirement needs (37.6%) compared with the general population survey by the NFCS (40.7%). (See Figure 4.) This means, however, that more than half of nontraditional workers have either never tried to figure out their retirement needs (55.7%) or said they didn't know whether they had tried (6.2%, not shown). Retirement planning was more prevalent among nontraditional workers who were White, had more education and higher household incomes, and were age 50 and older.<sup>29</sup>

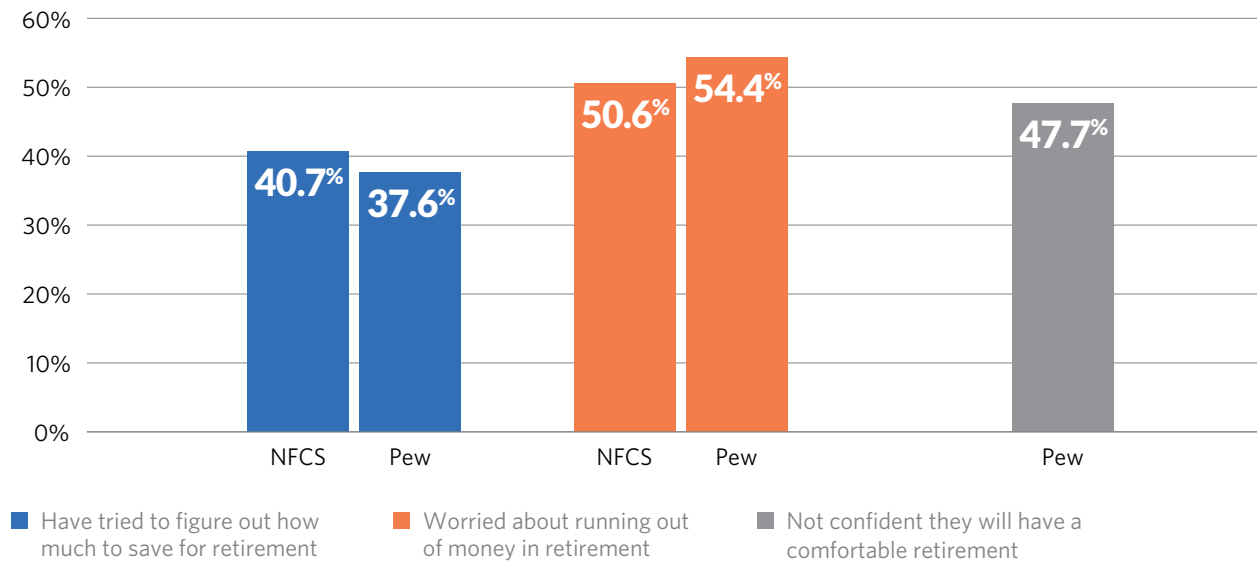
Financial literacy is strongly linked to positive behaviors such as trying to figure out retirement needs and confidence in one's ability to set a financial goal and then achieve it, although the direction of causality is not clear. Just 1.7% of nontraditional workers who were unable to answer any of the financial literacy questions had planned for retirement, compared with 70.5% of those who answered all three correctly. Causality is not clear, however: Although financial literacy may lead to retirement planning, it is also possible that those who have done some retirement planning may become more financially literate.

Pew also asked workers two questions concerning their perceptions of their retirement. The first question asked whether they agreed with the statement, "I worry about running out of money in retirement." The second question asked, "How confident are you that you will have a comfortable retirement?" Respondents answered on a scale; the figures below combine answers of "agree" and "somewhat agree." Relative to the general American population in the NFCS (50.6%), slightly more nontraditional workers were worried about running out of money in retirement (54.5%).<sup>30</sup> And 47.7% of nontraditional workers are concerned that they will not have a comfortable retirement. Nontraditional workers with more education were more confident about having a comfortable retirement.

Figure 4

## Half of Nontraditional Workers Are Not Confident Their Retirement Will Be Comfortable

Just 38% have tried to figure out how much money they'll need



Note: Nontraditional workers are compared with NFCS' population of traditional and nontraditional workers. The NFCS does not have a question analogous to Pew's question about confidence in having a comfortable retirement.

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Nontraditional workers who have done some retirement planning seem more optimistic about their retirement prospects. Among those who had tried to figure out their retirement needs, 30.4% were not worried about running out of money in retirement, 15.7% were unsure, and 53.9% were worried. Those who hadn't tried to figure out their retirement needs were more unsure: 19.8% weren't worried, 23.8% were unsure, and 56.4% said they were worried. In terms of their confidence in having a comfortable retirement, having planned for retirement again made a positive difference. Among those who had planned, 63.6% were very or somewhat confident, but by comparison, among those who had not done any retirement planning, 35.6% were very or somewhat confident.

Notably, women were much more concerned than men about running out of money in retirement, and about not having a comfortable retirement. Nearly 60% (58.6%) of men thought they would have a comfortable retirement, compared with only 44.4% of women. Other research has shown that women older than 65 are in fact more likely to live in poverty (11%) compared with men in the same age bracket (8%), for several reasons: During their work years, women earn 82% of what men earn; they often take time away from the workforce to care for children or parents; and they live three years longer than men, on average.<sup>31</sup>

Access to a workplace retirement plan was also linked to financial planning. More workers who had access to a workplace retirement plan (52.0%) had tried to figure out their retirement needs than workers who had no access (33.2%).

## Implications and conclusion

Nontraditional workers are more adept at financial literacy than the general population, as shown in nontraditional workers' higher rates of correct responses to questions involving interest, inflation, and portfolio diversification. This may be, in part, because nontraditional workers tend to be male, more educated, and have higher household incomes than other American workers—characteristics that are associated with financial literacy.

But nontraditional workers worry more than Americans in general that they will run out of money in retirement, and half are not confident their retirement will be comfortable. This may stem in part from the fact that nontraditional workers' lack of access to a workplace plan is their most significant barrier to retirement savings, as shown in earlier Pew research. Less than half (46.3%) of nontraditional workers had a job or an employer during the previous year that offered a defined benefit (DB) or defined contribution (DC) retirement plan, and only 21.9% of all nontraditional workers participated in a workplace DC plan during the year leading up to the survey.<sup>32</sup> Moreover, 45.6% of nontraditional workers said they had no other savings or investments—such as an IRA, mutual fund, brokerage account, or bank account—for retirement or any other purpose.<sup>33</sup> Although nontraditional workers' financial literacy may make their low access to workplace retirement plans more salient to them, it unfortunately does not solve the access problem.

Increasing retirement savings opportunities for nontraditional workers can help them prepare for retirement and allay the concerns that many have. Other work by Pew has shown that the use of more sophisticated planning tools such as online retirement savings calculators—which can help workers understand how much they need to save for retirement—increases with access to a retirement plan. Because nontraditional work takes many different forms, and often does not come with a workplace plan, multiple, innovative savings solutions will likely be needed. State-facilitated auto-IRA programs, which enroll private sector workers in a savings plan when they do not have a workplace plan, are one potential solution that could be adapted to reach nontraditional workers. Other possible approaches include encouraging savings through the tax system or through a financial institution; better access to objective fiduciary advisers and financial planning tools; and financial technology (“fintech”) apps that help automate retirement savings transactions.

## Methodology

The Pew Charitable Trusts hired NORC at the University of Chicago to survey nontraditional workers to better understand their access to retirement savings plans through work or outside of work. The sample was drawn from NORC's nationally representative AmeriSpeak Panel. The survey was fielded online and by telephone, in English and Spanish, from June 4, 2020, to July 1, 2020. The survey obtained 1,026 qualified interviews from individuals ages 18 and over who worked in nontraditional jobs (also referred to as contingent, gig, nonstandard, or independent jobs). Quotas were used to ensure enough survey completes for three subtargets: workers with a single nontraditional job, workers with a mix of traditional and nontraditional jobs, and workers with multiple nontraditional jobs (but no traditional job). Survey results were weighted to reflect the selection probabilities of the panel members as well as weighting adjustments to ensure that the weighted panel represents the U.S. household population. The study sample supports proportion estimates with a margin of error no greater than 4.26 percentage points.

For more information on methods, see the survey Methodology statement<sup>35</sup> and Topline Results.<sup>36</sup>

## Appendix A

### Determinants of success on financial literacy questions

Nontraditional workers who were White, male, and had more education and higher household incomes scored better on the measures of financial literacy and retirement planning and confidence. All results are highly statistically significant ( $p < 0.05$ ) except as noted with “(a)”. Age was not associated with success on the financial literacy questions.



Table A.1

## Pew Survey Results: Correct Answers to Financial Literacy Questions by Demographic Categories

	Calculate 2% interest on \$100 over 5 years	After 1 year of 1% interest and 2% inflation you could buy...	Buying a single company stock is safer than a mutual fund
All	81.6%	73.1%	82.4%
<b>Gender</b>			
Men	87.6%	81.3%	83.5%
Women	74.7%	63.6%	81.1% (a)
<b>Race/ethnicity</b>			
White non-Hispanic	85.8%	79.4%	83.6%
Black non-Hispanic	64.4%	57.6%	69.5%
Hispanic	74.5%	60.6%	81.5%
<b>Education</b>			
High school or less	71.5%	54.8%	73.6%
Some college	78.3%	71.1%	82.2%
Bachelor's degree	92.0%	86.2%	85.0%
Graduate degree (MA, MS, PhD, etc.)	92.3%	90.7%	94.3%
<b>Household income</b>			
Less than \$15,000	74.4%	60.3%	78.1%
\$15,000-\$24,999	69.5%	51.0%	67.2%
\$25,000-\$34,999	73.2%	59.4%	69.9%
\$35,000-\$49,999	78.1%	58.6%	77.9%
\$50,000-\$74,999	82.0%	78.1%	89.0%
\$75,000-\$99,999	86.1%	86.5%	86.5%
\$100,000-\$149,999	92.2%	87.3%	88.1%
More than \$150,000	92.3%	90.7%	90.7%

(a) = Not statistically significant

## Appendix B

### Demographics of nontraditional workers compared with the U.S. population

Nontraditional workers are more likely than the U.S. population to be male, highly educated, Hispanic, and to have high household incomes. They are younger than the U.S. population, however, and Hispanics are overrepresented among nontraditional workers relative to their share of the population as a whole.

Table B.1

## Comparison of Nontraditional Workers' Demographic Characteristics With the U.S. Population

	Nontraditional workers (Pew survey)	U.S. population (NFCS)
<b>Gender</b>		
Male	54.0%	48.7%
Female	46.0%	51.3%
<b>Race/ethnicity</b>		
White non-Hispanic	59.7%	63.6%
Black non-Hispanic	12.3%	12.0%
Hispanic	19.3%	16.0%
Asian, Other & two or more ethnicities	8.7%	8.5%
<b>Education</b>		
High school or less	35.9%	31.2%
Some college	25.0%	39.4%
Bachelor's degree	22.9%	18.3%
Graduate degree (MA, MS, PhD, etc.)	16.3%	11.1%
<b>Age</b>		
Age 50 or over	36.1%	45.3%
<b>Household income</b>		
Less than \$15,000	11.0%	12.5%
\$15,000-\$24,999	10.4%	10.9%
\$25,000-\$34,999	8.5%	11.1%
\$35,000-\$49,999	12.6%	14.5%
\$50,000-\$74,999	20.2%	19.0%
\$75,000-\$99,999	14.5%	13.7%
\$100,000-\$149,999	14.4%	12.0%
More than \$150,000	8.4%	6.3%

Notes: Demographic data on nontraditional workers' gender, race and ethnicity, education, and age are from The Pew Charitable Trusts, "Nontraditional Workers Lack Access to Workplace Retirement Options" (2021), <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2021/10/nontraditional-workers-lack-access-to-workplace-retirement-options>. Data on nontraditional workers' income was produced for this report to align with NFCS categories. Demographic data from FINRA's National Financial Capability Study is from FINRA Investor Education Foundation, "National Financial Capability Study, 2018" (2019), <https://www.usfinancialcapability.org/about.php>.

## Endnotes

- 1 O.S. Mitchell and A. Lusardi, “Financial Literacy and Financial Behavior at Older Ages” (working paper, Pension Research Council, The Wharton School, University of Pennsylvania, Philadelphia, PA, 2022), [https://repository.upenn.edu/prc\\_papers/719/](https://repository.upenn.edu/prc_papers/719/). See also: Employee Benefit Research Institute, “Field of Dreams? Measuring the Impact of Financial Wellbeing Initiatives on 401(K) Plan Utilization,” accessed May 24, 2022, [https://www.ebri.org/publications/research-publications/issue-briefs/content/summary/field-of-dreams-measuring-the-impact-of-financial-wellbeing-initiatives-on-401\(k\)-plan-utilization](https://www.ebri.org/publications/research-publications/issue-briefs/content/summary/field-of-dreams-measuring-the-impact-of-financial-wellbeing-initiatives-on-401(k)-plan-utilization); A. Lusardi and O.S. Mitchell, “Financial Literacy and Retirement Planning in the United States” (working paper, National Bureau of Economic Research, Cambridge, MA, 2011), <https://www.nber.org/papers/w17108>; and J.S. Hastings, B.C. Madrian, and W.L. Skimmyhorn, “Financial Literacy, Financial Education, and Economic Outcomes,” *Annual Review of Economics* 5 (2013): 347-73, <https://www.annualreviews.org/doi/abs/10.1146/annurev-economics-082312-125807>.
- 2 A. Shelton, “Freelancers, Sole Proprietors, and Other Nontraditional Workers Have Little Retirement Savings,” The Pew Charitable Trusts, July 13, 2021, <https://www.pewtrusts.org/en/research-and-analysis/articles/2021/07/13/freelancers-sole-proprietors-and-other-nontraditional-workers-have-little-retirement-savings>.
- 3 Researchers use different definitions of nontraditional work, and different data sets, to estimate the size of America’s nontraditional workforce. For the 3.8% figure, see U.S. Bureau of Labor Statistics, “Contingent and Alternative Employment Arrangements—May 2017,” news release, June 7, 2018, <https://www.bls.gov/news.release/conemp.nr0.htm>. For the 40.4% figure, see U.S. Government Accountability Office, “Contingent Workforce: Size, Characteristics, Earnings, and Benefits” (2015), <https://www.gao.gov/products/GAO-15-168R>. For an overview of various estimates of the size of the nontraditional workforce, see Gig Economy Data Hub, “How Many Gig Workers Are There?” the Aspen Institute and Cornell University, accessed April 13, 2021, <https://www.gigeconomydata.org/basics/how-many-gig-workers-are-there>.
- 4 Hastings, Madrian, and Skimmyhorn, “Financial Literacy, Financial Education, and Economic Outcomes.”
- 5 The Pew Charitable Trusts, “Nontraditional Workers Lack Access to Workplace Retirement Options” (2021), <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2021/10/nontraditional-workers-lack-access-to-workplace-retirement-options>.
- 6 Contingent workers are more than twice as likely as noncontingent workers to be under age 25. See U.S. Bureau of Labor Statistics, “Contingent and Alternative Employment Arrangements—May 2017,” news release, June 7, 2018, <https://www.bls.gov/news.release/conemp.nr0.htm>. See also U.S. Government Accountability Office, “Contingent Workforce: Size, Characteristics, Earnings, and Benefits” (2015), <https://www.gao.gov/products/GAO-15-168R>.
- 7 The Pew Charitable Trusts, “Nontraditional Workers Lack Access to Workplace Retirement Options.”
- 8 Ibid.
- 9 The Pew Charitable Trusts, “Nontraditional Workers Face Multiple Barriers to Saving for Retirement” (2021), <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2021/11/nontraditional-workers-face-multiple-barriers-to-saving-for-retirement>.
- 10 Shelton, “Freelancers, Sole Proprietors, and Other Nontraditional Workers Have Little Retirement Savings.”
- 11 A. Shelton, “More Than 40% of Nontraditional Workers Had Hours Cut or Lost Jobs Because of COVID-19,” The Pew Charitable Trusts, April 23, 2021, <https://www.pewtrusts.org/en/research-and-analysis/articles/2021/04/21/more-than-40-of-nontraditional-workers-had-hours-cut-or-lost-jobs-because-of-covid-19>.
- 12 The Pew Charitable Trusts, “Nontraditional Workers and Retirement Security—Potential Solutions” (forthcoming).
- 13 See A. Lusardi and O.S. Mitchell, “Financial Literacy and Planning: Implications for Retirement Wellbeing” (working paper, National Bureau of Economic Research, Cambridge, MA, 2006), <https://www.nber.org/papers/w17078>. FINRA’s National Financial Capability Study adopted these questions beginning in 2009.
- 14 FINRA Investor Education Foundation, “National Financial Capability Study, 2018,” accessed Aug. 12, 2020, <https://www.usfinancialcapability.org/about.php>.
- 15 Ibid. FINRA’s findings are based on a nationwide survey of over 27,000 American adults, including traditional workers, nontraditional workers, and those who were never in the workforce or who had been out of the workforce for some time. National figures are weighted using the American Community Survey to be representative of the national population in terms of age, gender, ethnicity, education, and census division.
- 16 M. Angrisani et al., “The Stability and Predictive Power of Financial Literacy: Evidence From Longitudinal Data” (working paper, National Bureau of Economic Research, Cambridge, MA, 2020), <https://www.nber.org/papers/w28125>.

- 17 A. Lusardi and O.S. Mitchell, "Financial Literacy and Retirement Planning: New Evidence From the Rand American Life Panel" (working paper, Pension Research Council, The Wharton School, University of Pennsylvania, Philadelphia, PA, 2007), <http://pensionresearchcouncil.wharton.upenn.edu/wp-content/uploads/2015/09/WP33-LusardiMitchell-11.2.07.pdf>. Additionally, Marco Angrisani computed the weighted fraction of correct answers to these three financial literacy questions in the Understanding America Study, collected between April 2020 and November 2021. In that survey, 84% of the general population correctly answered the interest rate question, 67% got the inflation question right, and 60% correctly answered the portfolio diversification question. M. Angrisani, assistant professor of economics, University of Southern California, email to A. Shelton, senior research officer, The Pew Charitable Trusts, March 8, 2022.
- 18 G. Mottola, research director, investor education, Financial Industry Regulatory Authority (FINRA) Foundation, email to A. Shelton, senior research officer, The Pew Charitable Trusts, Sept. 8, 2021.
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- 20 The Pew Charitable Trusts, "Nontraditional Workers Lack Access to Workplace Retirement Options."
- 21 For the demographic characteristics of FINRA's survey population, see FINRA Financial Education Foundation, "2018 Full Data Tables by State, Census Division and Nation," accessed Aug. 14, 2021, <https://www.usfinancialcapability.org/downloads.php>.
- 22 The Pew Charitable Trusts, "Nontraditional Workers Lack Access to Workplace Retirement Options."
- 23 FINRA Financial Education Foundation, "2018 Full Data Tables."
- 24 The Pew Charitable Trusts, "Nontraditional Workers Lack Access to Workplace Retirement Options."
- 25 FINRA Financial Education Foundation, "2018 Full Data Tables." The Bureau of Labor Statistics found, however, that median weekly earnings for contingent workers were 77% of those of noncontingent workers. U.S. Bureau of Labor Statistics, "Contingent and Alternative Employment Arrangements—May 2017."
- 26 As a result, 73% of Pew's survey participants were working full or part time at the time of the survey, compared with 56% of the NFCS. The NFCS figure includes 32% of employed respondents who said they earned money from work other than their main employment. And just 9% of nontraditional workers in Pew's survey were retired, disabled, caregivers, or students, compared with 43% of the NFCS. The remaining workers in both surveys were unemployed at the time of the survey.
- 27 Hastings, Madrian, and Skimmyhorn, "Financial Literacy, Financial Education, and Economic Outcomes." See also A.M. Parker et al., "Inappropriate Confidence and Retirement Planning: Four Studies With a National Sample," *Journal of Behavioral Decision Making* 25, no. 4 (2012): 382-9, <https://onlinelibrary.wiley.com/doi/abs/10.1002/bdm.745>. For a literature survey of individuals' self-assessments of their financial knowledge, see Hastings, Madrian, and Skimmyhorn, "Financial Literacy, Financial Education, and Economic Outcomes."
- 28 In the interest of brevity, results are not shown but are available upon request.
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- 30 The Employee Benefit Research Institute asked workers somewhat similar questions. Three in 4 workers (77%) told EBRI they felt very or somewhat confident about being able to afford basic retirement expenses; of these, 32% felt very confident, but 32% were not too, or not at all, confident they would have enough money to pay for medical expenses in retirement. See Employee Benefit Research Institute, "2021 Retirement Confidence Survey: Fact Sheet, Retirement Confidence," accessed Sept. 20, 2021, [https://www.ebri.org/docs/default-source/rcs/2021-rcs/rcs\\_21fs-1\\_confid.pdf?sfvrsn=71d83a2f\\_4](https://www.ebri.org/docs/default-source/rcs/2021-rcs/rcs_21fs-1_confid.pdf?sfvrsn=71d83a2f_4).
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**For further information, please visit:**  
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