

PNC Survey Finds More Than Half Of Recently Retired Americans Left Workforce Earlier Than Planned

- American workers expect to retire at age 67
- Less than half believe they are preparing well financially for retirement
- Confident savers believe they can retire almost three years earlier than those who lag in planning

PITTSBURGH, Sept. 10, 2013 /PRNewswire/ -- Almost half of Americans (49 percent) in their prime retirement planning years believe they will need to work longer than previously planned in order to save enough to retire, yet more than half (58 percent) of those 70 and under who have already left the workforce did so earlier than planned, according to a new survey from PNC Financial Services Group, Inc. (NYSE: PNC).

The third *PNC Perspectives on Retirement Survey*, conducted by telephone in July, examined retirement preparation behaviors and habits.

"The survey clearly shows that the age at which people expect to retire is not always in their control," said Celandra Deane-Bess, C.F.P., vice president and senior wealth planner with PNC. "Economic uncertainty, employer actions and unexpected health issues often force individuals to retire earlier than they planned which puts a premium on sound financial habits early."

About four in 10 (42 percent), which the survey refers to as "Planners," consider themselves to be on track in their preparation for retirement. About a third (35 percent), dubbed "Procrastinators," recognize the need to prepare but acknowledge they put it off. A final group, tagged "Avoiders" (23 percent), admit they are well behind on their retirement planning.

The result is an almost three year difference in expected retirement age when each group wants to retire. The "Planners" group expects to retire on average at 65.7 years while the "Avoiders" believe they have to retire at an average age of 68.2.

Good fiscal habits play a role in successful planning, the survey showed. Of the "Planners" group, 79 percent have made a habit of participating in an employer-sponsored retirement plan compared to just 39 percent of "Avoiders."

PNC's survey also revealed that women have more doubt than men about their ability to achieve a secure retirement. More than half of women (51 percent), compared to 40 percent of men, agree with the statement "I'm afraid I may not be able to retire."

Slightly less than four in 10 women (38 percent), compared to 48 percent of men, believe they are prepared for retirement while 79 percent of men and 70 percent of women say they have made saving for retirement a habit.

"Good financial planning is just as critical, if not more so, for women," Deane-Bess said. "If they are married, they should be equally involved with financial planning with their spouses and if they are

single they need to be in control of their planning as early as possible."

Other findings in the survey include:

- **Years in retirement:** On average those who are not yet retired plan to retire by the time they are 67 years old and expect they'll need to fund retirement for 21.5 years.
- **Healthcare concerns:** The most frequently named "burning question" about retirement saving is how to consider healthcare expenses, named by half (50 percent) of adults in prime retirement planning years.
- **Early retirement:** Of those 70 or younger who are already retired, more than half (58 percent) retired before they had planned, with 40 percent retiring early because of health related issues and 26 percent retired because of issues with their employer, typically forced early retirement or layoffs.
- **Social "Security":** Four of 10 (45 percent) say they will rely most on either their employer's retirement plan or Social Security for their retirement income, while another four in 10 (44 percent) say they will expect to be either entirely or mostly responsible for their retirement savings.
- **Pension Divide:** The survey confirms the trend of fewer employers offering pensions. Sixty-four percent of retirees report receiving a pension and almost half (45 percent) say their pension provides a large contribution to their retirement. However, of those not retired and still working, only 43 percent have a pension.

Financial Tips

PNC helps consumers increase their retirement planning awareness through an interactive experience in the PNC Retirement Center on <https://www.pncsites.com/retirementcenter/index.html>.

An online media kit containing survey highlights and background information are available on PNC's website at <http://www.pnc.com/pncpresskits>.

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Survey Methodology

The *Perspectives of Retirement Survey* was commissioned by PNC to identify attitudes and behaviors of adults in America. The study was conducted by telephone within the United States July 8 - 29 2013 among a nationwide cross section of 1,200 adults age 35 to 70. Findings for the total sample are significant at the 95 percent confidence level with a margin of error of +/- 3 percent.

The survey was designed by Artemis Strategy Group (www.Artemisg.com), a communications strategy research firm specializing in brand positioning and policy issues.

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