

Case study: Co-operative Group

Workforce management

The Co-operative Group has no retirement age and uses workforce planning to focus on competence and ability.

“We have removed the contractual retirement age altogether. It simply doesn’t make sense to retire an employee because of their age. All that should matter is that they have the competency to do their job. Employees can continue in our pension scheme past 65, and draw on their pension while they work for the Group.” Head of Diversity, Co-operative Group.

The Co-operative Group recognises that employing and retaining a diverse workforce is critical to its business success. It believes that to use people’s skills effectively, employment decisions should be based on competencies, qualifications, skills and potential rather than numerical age. The Group also recognises that there is little value in compulsorily retiring an employee because of their age, when many workers demonstrate the desire and the ability to continue working.

The skills, experiences and value that older workers can bring to the business have enormous advantages. It makes sense to harness these skills and experiences, which would otherwise be lost through imposing a default retirement age.

In addition to the skills retention, the scrapping of a default retirement age also had a significant impact by reducing the cost of recruiting replacement personnel.

The Co-operative Group removed their contractual retirement age altogether in 2006. A Group-wide communications campaign and age positive awareness training for managers supported the process and at that time all employees over the age of 55 were contacted.

Employees who choose to continue working are able to continue in the Group’s pension scheme, and draw on their pension whilst continuing to work for the Group.

There are currently 1,957 valued employees of the Group over the age of 65, who continue to make a positive contribution to our success and growth.