

# CASE STUDY



## A SUSTAINABILITY CULTURE AT JOHNSON & JOHNSON IT'S ABOUT CARING, SHARING, AND DOING – I CARE. I DO.

Johnson & Johnson is composed of three business segments—Medical Devices, Consumer, and Pharmaceutical. This case study features an employee engagement strategy for Citizenship & Sustainability that began in the Medical Device businesses, which in 2014 accounted for approximately 37 percent of the company's revenue, and includes brands such as: Ethicon, Depuy Synthes, Advanced Sterilization Products, and Biosense Webster.

At Johnson & Johnson, Citizenship & Sustainability activities are rooted in our Credo, which was written in 1943 and defines responsibilities to the patients, consumers, and health care professionals served; the company's employees; the communities where employees live and work, and the world community, as well; and, finally, to shareholders, who will realize a fair return if all other responsibilities are handled well.

### Why Employee Engagement?

One distinctive factor of the Medical Device Citizenship & Sustainability engagement strategy is that there is a strong focus on connecting personal sustainability goals to business goals and outcomes. To ensure the right areas of focus, Medical Devices began by utilizing the Practice Greenhealth Sustainability benchmark report to ascertain how their customers view sustainability. In mid-2014, Johnson & Johnson decided to work with an external market research firm to conduct a double-blinded survey with customers in six global markets to measure the importance of sustainability issues among leading global health care institutions. What the group learned was what they had suspected: hospitals are demanding more sustainable products from their suppliers. Findings from the market research concluded that sustainable purchasing is on the rise, with hospitals saying they expect the integration of sustainability into product purchasing to increase by more than 50 percent by 2016.

### Johnson & Johnson

Caring for the world, one person at a time, inspires and unites the people of Johnson & Johnson. The company embraces research and science—bringing innovative ideas, products and services to advance the health and well-being of people. Its approximately 127,300 employees at more than 265 Johnson & Johnson operating companies work with partners in health care to touch the lives of over a billion people every day, throughout the world.

When the Medical Device Citizenship & Sustainability team went through the results of the market research, it became clear that to remain a leader in the sustainability field, they needed not only aspirational goals, but also strong engagement and commitment from employees across the organization.

Historically, sustainability focused on environmental stewardship and compliance and risk management; but now citizenship and sustainability includes a focus on: *Advancing Human Health & Wellbeing, Stewarding a Healthy Environment, and Leading a Dynamic & Growing Business Responsibly.* To meet these broad goals, Medical Device employees across all functions must be aware and engaged in order to meet the goals set at both an enterprise and business segment level.

J&J's Medical Device Sector is the business segment with the largest number of employees, and they are spread among many different locations around the world. As such, employee engagement activities must vary widely to respond to local needs.

Due to this diversity, the team sought to create a platform that would support the uniqueness of the employee base in the segment. With the context gathered over a six-month period, the team developed the engagement platform: *I Care. I Do.*

## Sustainability Ambassadors

*I Care. I Do.* is an employee engagement and awareness program built around Sustainability Ambassadors who make a commitment to Care, Do & Share. The program connects them

with other Sustainability Ambassadors and opportunities to positively impact citizenship and sustainability outcomes in the Medical Devices segment through taking action in one of five different areas: Environment, Sustainable Product Innovation, Brand & Reputation, Community, and Personal Health & Wellness.



The goal of the ambassador program is for employees to commit to an action, to share that action with others and to recruit new ambassadors. The *I Care. I Do.* movement is intended to be two-fold: both a grass-roots effort and a leadership supported program. While there needs to be support from top management, the team has found that peer-to-peer learning can be even more effective in getting broader acceptance in inspiring action. To facilitate peer-to-peer learning, ambassadors are provided with a toolkit that includes: message guides, talking points, branded artwork, videos, program slides, logos, email signatures and more to help ambassadors promote the initiative. These materials are housed on a central intranet site maintained by the Medical Devices team. Besides the toolkit, the site acts as a hub for employees to learn more about citizenship and sustainability, as well as how they can get involved through *I Care. I Do.* Existing ambassadors are profiled, with their bios, headshots and interests

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### earthwards® moving towards a healthy future

Earthwards® is Johnson & Johnson's approach to sustainable product innovation, an external facing recognition platform for products that have implemented three significant sustainability improvements across seven major areas.

highlighted, and filtering capabilities allow users to sort through ambassadors by region, J&J operating company and area of interest. Running in parallel is a database of ways ambassadors can take action in the five focus areas. Ambassadors are also invited to collaborate using an internal social media platform.

While Sustainability Ambassadors are asked to take personal action in the five areas of focus, there is a focus on highlighting links to tangible business impacts. For example, some ambassadors have been a part of Earthwards® project teams, with one ambassador acting as a vital player in Ethicon's STRATAFIX™ product line\* to receive Earthwards recognition when they significantly reduced the amount of packaging used in the product and including 100 percent post-consumer recycled content. Another ambassador was a key advocate in the construction of the tallest wind turbine in Europe at a Medical Devices campus in Cork, Ireland, improving environmental performance through the reduction of CO<sup>2</sup> and cutting electricity costs. Finally, another has created local teams to respond to customer RFP requests and develop relevant stories to engage in a conversation with customers about partnering for sustainability solutions.

Creating an emotional touch point was important from the very inception of *I Care. I Do.* One way the Medical Devices team has accomplished this is by telling ambassador stories and sharing what inspired them to take action. Through clear and simple messaging they encourage every ambassador to share what action(s)

\*U.S. Only

they have taken, no matter how small. They have encouraged members to create their own stories scripted as a "six-word sustainability story" that summarizes their passion and commitment to take action.

The Medical Devices Sustainability team focuses its recruiting efforts to the top 20 percent of employees who are highly engaged and proactive. With a launch in August 2014, the program now has almost 400 global ambassadors across almost 20 countries with a goal of 500 by the end of 2015 and growing to thousands of employees in the next few years.

## Building Awareness

The Medical Devices Sustainability team has focused on several key areas to reach this target in the most efficient way. For example, Johnson & Johnson has developed its own "TEDxJNJ" events, attracting over 1,000 employees annually to further engage employees on innovative topics and ideas. The ambassador program has been spotlighted at this event, boosting an information table with a photo booth where people can get their picture taken with their "six-word sustainability story." To ensure employees are accountable to the commitments and





get recognition, employees are encouraged to link their actions as ambassadors to their personal goals and objectives. As part of every employee's annual performance evaluation, they must exhibit key leadership qualities. These imperatives focus on outcomes, what an employee accomplished during the year, and how one does their work, which is a perfect link for sustainability ambassadors to make.

Engaging more ambassadors is the important first step but it doesn't end there. The next goal is to maintain a high level of engagement, celebrate actions and share stories. Facilitating interactions through the *I Care. I Do.* platform creates connections between ambassadors around the world—from USA to Belgium to Brazil to South Africa—they are bringing together individuals from every region of the world.

### **Measuring Success**

Johnson & Johnson conducts an annual Citizenship & Sustainability survey with a subset of employees to measure awareness and engagement specific to Citizenship & Sustainability. Three months after onboarding into the *I Care. I Do.* program, ambassadors are surveyed to ensure that action is being taken and assistance can be provided as needed. Measures of success include: number of ambassadors, percent of ambassadors taking action, percent participation in engagement opportunities, and level of Citizenship & Sustainability awareness across the employee population.