

Johnson and Johnson: Creating development opportunities within a supportive work environment

What does this case study demonstrate?

A company that initiates employee development procedures that create a work environment conducive to engagement that can drive employee performance, accomplishments and continuous improvement. Johnson and Johnson focuses on enriching the employees' role and ensuring, at the same time, better working conditions with committed employees.

Workplace Innovation elements: Enabling continuous improvement, enabling dialogue, more openness and communication, facilitate learning and development

Context

[Johnson and Johnson](#) was founded in New Brunswick, New Jersey, USA in 1886. In Greece, the company was established in 1975 with medical and consumer products. The headquarters are located in Maroussi area, a suburb of Athens and the company's factory in the Mandra area. The total number of employees in the consumer's sector is 117. The company's consumer industry holds a leading position in most of the following: infant, children and adult cosmetics, feminine hygiene, oral hygiene products, wound care products etc.

Since April 2013 the Balkan countries and Cyprus offices operate under the Greek management and supervision which has led the company to enhance workplace innovation with the implementation of new programs and enrich the employees' role.

To this aim, an Enterprise Resource Planning system (ERP) was introduced to simplify the company's procedures and to harmonize them with the rest of the group of companies. It was one of the company's objectives for increasing the speed of reporting, to improve data accuracy but at the same time reduce the required resources. ERP also aims to reengineer the business processes in areas such as finance, procurement and invoicing. Furthermore, a Health and Wellness Program for all members of the staff is now provided and every employee who participates gets access to a team of health professionals who can give them advice on a healthier lifestyle. They can also improve their physical activity as they can ask for reimbursement for exercise expenditures and they can participate in a pedometer program or fitness challenges.

However, the main focus and greater importance was applied on redefining employee's **Performance Management and Development approach** with managers and employees being engaged in a dialogue process in order to achieve the yearly planned goals.

The approach they used over the last 3 years is that they started preparing a plan in cooperation with the management teams. This is based according to their needs and defined by the changes initiated in April 2013, as well as the necessity to point out more clearly the employees Performance and Development approach. Meetings were conducted focusing on risks assessment, a situation analysis and the creation of a communication plan with the management while receiving feedback from employees of the relevant departments. Then they defined their goals and resources and implemented their practices making sure that all the prerequisites were fulfilled.

“We identified our needs and in cooperation with the mother company we tried to apply Workplace Innovation practices making sure that the management of their implementation is sufficient”. HR Business Partner in Consumer Industry

“The most important part of the implementation process was the assessment of our needs and the preparation of the development plan”. HR Business Partner in Consumer Industry

More meaningful conversations for improving performance.

Since 2012, the company has started redefining its employee’s Performance management and Employee development approach. (P&D)

The main characteristic of the new Performance and Development approach is that great importance is given to conversations between managers and employees which have become more frequent and meaningful.

Each employee and manager is expected to engage in clear and candid dialogue five times during the year (the “5 Conversations Framework”) and consists of the Performance Planning, Midyear, Succession Planning, and Year-end and Compensation conversations. The aim of these conversations is to clarify what the expectations from the managers are and to appreciate the employees’ contributions.

Results and Leadership are the main elements of the initiative. The first, Results, is based on Management by Objectives framework in order to align employees’ goals and actions with the goals of the company. The second dimension, Leadership, is based on the Leadership Imperatives which represent the key behaviors that are critical to the future success of the company and they provide the basis for the annual performance evaluation of all employees. The evaluation on each dimension is based on a four-point rating scale, with a strong link between performance and pay.

To ensure an effective transition to the new P&D approach, the P&D team offered training to the managers on issues such as (e.g. stakeholder feedback, assessment, performance calibration) and the requirements of the new approach (e.g. clear, candid and actionable conversations). This helped managers deeply understand the new P&D approach and develop coaching and feedback skills to enable meaningful, ongoing conversations that engage and inspire the employees. To measure the effectiveness of the new P&D approach, key performance indicators (KPIs) were developed and designed around four pillars that measure clarity and alignment, leadership accountability, transparency and fairness, and employee growth and development.

“The employees are involved in setting the objectives with the manager ensuring that they are achievable, challenging and not too limiting”.HR Business partner in Consumer Industry

“Training courses are only one way of meeting a development need. Managers need to ensure that development needs are realistic and manage employee’s expectations. And more effective methods like, project work, or coaching are applied”. HR Business partner in Consumer Industry

So who benefits?

More openness and communication

“The added value is that the main focus of the discussions is on behavioral changes that enable us to meet goals. The causes and determinants of the problems encountered and the desired behavior and ways to address them are revealed...and we all know that without change, there is no way we can achieve the planned goals”. Employees’ Focus group

Enabling continuous improvement

An environment is created in which employees feel committed to their company and get support by the management team to put in the effort required to achieve further development. The managers can ensure

that everyone becomes actively involved in improving performance, investigating problems and implement solutions.

“Successful implementation of these practices depends on the employee’s contribution and engagement”.
Employees’ representative

“The main outcome of the implementation of these initiatives is more employee engagement, participation, efficiency and work flexibility”. HR Business Partner in Consumer Industry

“The company is working a lot in defining their people’s needs so as to create a more flexible and balanced work environment for them”. HR Business Partner in Consumer Industry

Prognosis

Johnson and Johnson has created a more engaging work environment. The challenge for the near future is the introduction of more flexible workplace arrangements, such as working from different locations that could assist employees in the way they work and improve company’s results.