



Introducing Employee CONNECTIONS Series from the Office of Diversity and Inclusion

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Dear Colleagues,

This year has proven to be a time of significant change within our industry and our businesses. More than ever before, we need tremendous energy and passion to see our business through this challenging period. In order to align ourselves with the company's key business priorities, we must understand how diversity and inclusion can play integral roles in achieving these priorities.

To foster this understanding, the Office of Diversity & Inclusion has created *Connections*, a series of real stories and perspectives designed to cultivate a deeper appreciation for diversity and inclusion in the workplace, as well as to increase awareness of the tools we can use to create a strong competitive advantage through diversity and inclusion.

The first installment in our series comes from Peter Vermeulen, vice president of human resources at Johnson & Johnson Health Care Systems. His story can be found below and additional stories will follow in the coming weeks and months ahead.

I invite you to read, share or even submit stories of your own about how diversity has made a difference in achieving success within your business. Together, let us connect in order to leverage our enterprise-wide relationships, and let us build new ones while at the same time appreciating our differences and similarities.

Remember, diversity is all of us...inclusion is how we work together!

ANTHONY P. CARTER

Vice President, Diversity & Inclusion, Chief Diversity Officer
Johnson & Johnson



Diverse teams can significantly impact business results

Peter Vermeulen, vice president – human resources, Johnson & Johnson Health Care Systems

I spend a lot of time working with business leaders to ensure that they are adapting to the changing business environment. I often ask them, “What will our leaders look like 10 years from now, and how will they think and interact differently than they do today?”

Having grown up in Belgium and worked and lived in five different countries around the world, I think I have a unique, global perspective on this.

The medical devices and diagnostics (MD&D) business segment’s two global operating committees — Comprehensive Care and Surgical Care — recently implemented an action learning initiative called *Futurescape*. I am proud to be one of the human resources sponsors supporting an action team.

What continues to amaze me in working with the team is that if you carefully select the team members based on all of the skills and perspectives that they bring to the table, the results are far better than expected. There is a right mix of pressure-testers, visionaries, creative and analytical people. In other words, the diversity that exists creates the perfect environment for inclusion, strategic thinking and effective decision making.

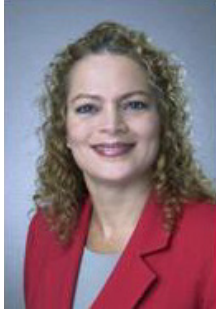
In MD&D today, more than 50% of our sales come from outside the United States. The question is then, how can we ensure that our leaders have global and diverse mindsets in order to make the right decisions for our businesses?

One of our current challenges at Johnson & Johnson Health Care Systems (JJHCS) is to create a true culture of engagement. When I joined JJHCS in Q3 last year, employee engagement was at 28%. I put a multi-functional team together, which included administrative assistants, managers, vice presidents and people in the field. This multi-functional focus group represented a microcosm, if you will, of JJHCS. The team had to come up with recommendations on how to leapfrog employee engagement to a different level.

The feedback that this team gave the Board was really insightful. We implemented the team’s suggestions, and I am happy to report that our recent employee engagement survey results are at 42%; this is an increase of more than 50% in a period of only nine months. Not only did we double the engagement in the organization, but we are also seeing measurable results in the business.

I once heard Christine Poon [former worldwide chairman of the pharmaceuticals group] say, “An effective team for me is a team where I walk in and I do not know who the quality assurance people and the human resources people and the finance people are. They each overlap and they chime in with their own style, knowledge and background, and that makes a team effective.”

Diversity is much more than about ethnicity. It is also about diversity of thought and it’s about inclusion, where everyone has the capability to contribute to the team in their own individual way to the maximum extent possible. Our ability to harness the power of diversity in teams will significantly impact the future success of our businesses.



Using our differences to grow the business and change the culture

Martha Liano, vice president – human resources, Latin America Region

A few years ago, we recognized that some of the employees in our region were not always sensitive to others' diversity. This created challenges for employee relations, and eventually affected business outcomes. As a result, our Regional Management Board made the decision to start a region-wide awareness and educational program on diversity and inclusion.

At that time, our diversity activities primarily focused on the Women's Leadership Initiative, and employees' understanding of the value of diversity and inclusion was very limited. The Regional Management Board felt that we really needed to focus on educating others about diversity and inclusion — that it was beyond race, ethnicity and culture — so we decided to establish a Regional Diversity and Inclusion Council.

We wanted our council to be as diverse as possible, so we had selective criteria on who could be chosen to represent each sub-region. One criterion was that each representative had to be a local leader and a champion for diversity and inclusion in their region. The Office of Diversity and Inclusion really helped us to put this council together.

During the first year, the Regional Diversity and Inclusion Council focused on developing communications for the local boards and presentations to employees, as well as building the business case for diversity and inclusion. Although our audience was diverse, our message was consistent: "It is important to value the differences that each one of us brings to the workplace and to use those differences to help us grow as individuals, as well as to grow the business. Diversity is our responsibility."

In 2007, we enlisted the services of an external consultant who helped us to develop branding around diversity and inclusion, as well as workshops that included Q&A sessions. By the end of 2008, the council had been successful in reaching 1,300 employees in 22 Caribbean and Latin American countries, deploying these workshops through town hall meetings.

Luly De Samper, sales and marketing director for ASP & Women's Health, is our current Diversity and Inclusion Council chairperson for the region, and has been very instrumental in helping us make sure that diversity and inclusion is a living, breathing body in each regional organization. This year, the goal for each sub-region is to establish a local council for diversity and inclusion that will identify at least one means of driving diversity and inclusion.

Today, the mindset of our Latin American and Caribbean business leaders has changed. Diversity and inclusion is a normal part of our day-to-day operations and our conversations are different. Managers are now aware of the importance of diverse teams, and of considering diverse candidates for job positions.

Overall, the Regional Diversity and Inclusion Council has succeeded in raising the level of awareness around diversity and inclusion, and this has had a meaningful impact on how our business operates.



Accepting people as they are

Gary Fair – vice president, internal audit, Johnson & Johnson World Headquarters

I grew up on Staten Island, N.Y., in a blue-collar family. My father was a mail carrier, my uncles were firemen and no one in my family had ever gone to college. Yet, I had the privilege of attending a prestigious university, even though I felt like it was not a place for people like “us”. But my father, who was a huge fan of the university, urged me to apply because he knew my potential.

At college, I didn’t quite fit in because I was “different”. I was different because I had a strong Staten Island accent and because I wasn’t as rich as the other students. As a result, some people assumed that I wasn’t smart, and in some ways, I became invisible. As the late Ralph Ellison, author of *The Invisible Man* wrote, “I am invisible, understand, simply because people refuse to see me.”

So at an early stage, I vowed to myself to never let anybody be invisible the way I was in my life. Whether that’s people I work with, whether that’s family, or whether it’s my neighbors, I make sure that I see people in the way they see themselves or would like to be seen.

As a business leader, one of my philosophies is that if you take care of your people, your people will take care of the work. And the more you practice seeing people as they are, the more irrelevant become the things that make us “different”, like gender and race.

I once chose a candidate for a position above another candidate who, in other people’s opinion, was more qualified for the position. I made the decision because I understood that whatever reservations we may have about a potential hire are actually opportunities for the person’s professional development. In this case, I opted to hire someone whose values and leadership superseded his technical competence. Today, he is one of our top performers.

Author Anais Nin wrote, “We don’t see things as they are; we see things as we are.” Diversity is about accepting people as they are. It’s about embracing differences of style and differences of opinion. We all know that teams make better decisions than individuals. So it stands to reason that teams of people with different opinions would make better decisions than teams of people who all think the same. People are entitled to their own opinions, and if they can discuss them in a positive way, they will ultimately come to the best and right decision.