

CORPORATE SOCIAL RESPONSIBILITY OF JOHNSON AND JOHNSON

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Abstract -

Corporate Social Responsibility (CSR) has become an integral aspect of modern business operations, reflecting a company's commitment to sustainable development and ethical practices. Johnson & Johnson, a global healthcare giant, exemplifies a robust CSR framework. This abstract outlines Johnson & Johnson's CSR initiatives, focusing on key areas such as community engagement, environmental sustainability, and ethical business practices.

Johnson & Johnson's CSR strategy prioritizes community welfare through various philanthropic programs and partnerships. Their commitment to environmental sustainability is demonstrated through initiatives to reduce carbon footprint, water usage, and waste generation across their operations. Furthermore, the company emphasizes ethical business conduct by adhering to stringent standards of integrity and transparency in their dealings.

Keywords: Johnson & Johnson, Corporate Social Responsibility, CSR initiatives, community engagement, environmental sustainability, ethical business practices.

1.INTRODUCTION

The introduction provides an overview of Johnson & Johnson (J&J), a prominent American multinational corporation in the pharmaceutical, biotechnology, and medical technologies sectors. Founded in 1886, J&J has evolved into a global leader with a workforce of approximately 130,000 employees. The company's core focus shifted in 2023 when it separated its consumer healthcare business into a new entity, Kenvue, thereby concentrating solely on pharmaceutical prescription drugs and medical device technologies.

Throughout its history, J&J has undertaken significant acquisitions and mergers to expand its portfolio and enhance its market presence. These include acquisitions such as Mentor Corporation, Crucell, Actelion, Abbott Medical Optics, Momenta Pharmaceuticals, and Abiomed Inc., among others. Notable developments include the FDA approval of esketamine for severe depression treatment and the introduction of innovative products like photochromic contact lenses. Moreover, the introduction highlights J&J's recent corporate actions, including the ongoing separation of its consumer healthcare business sector and the IPO of Kenvue. It also touches upon the company's patent controversies, such as its patent on the tuberculosis drug bedaquiline and subsequent negotiations to grant licenses for generic production. Overall, the introduction sets the stage for understanding the expansive and dynamic nature of Johnson & Johnson's operations, positioning it as a significant player in the healthcare industry with a rich history of innovation, acquisitions, and corporate maneuvers.

2. Body of Paper

Johnson & Johnson (J&J) has demonstrated a robust commitment to corporate social responsibility (CSR), particularly in community engagement initiatives. The company's CSR philosophy, as reflected through the Johnson & Johnson Foundation, emphasizes blending heart, science, and ingenuity to profoundly impact health for humanity. Funded solely by J&J, the Foundation operates globally, supporting partnerships, employee engagement, and disaster response activities.

One notable initiative is the Johnson & Johnson Center for Health Worker Innovation, established in 2019 to address the

human resource crisis in global health. The Center focuses on equipping frontline health workers worldwide with the necessary skills and support to improve care quality and strengthen health systems.

Additionally, Impact Ventures, an impact fund supported by the Foundation, invests in companies and entrepreneurs innovating to enhance health equity for underserved populations. Aligning with its core values and guided by international standards, J&J India's CSR policy is deeply rooted in quality, reliability, and trust. The company's CSR Committee formulates and monitors CSR policies and expenditures in compliance with legal requirements. J&J India's CSR projects span various areas, including advancing women's and children's health, strengthening the healthcare workforce, building livelihood capacity, addressing global disease challenges, disaster relief, encouraging innovation, and ensuring environmental sustainability.

Under the umbrella of "India Community Impact," Site/Location Committees have been established to identify and screen projects, leveraging partnerships with community-based organizations to maximize impact. The company emphasizes strategic, multi-year partnerships aimed at addressing identified needs effectively. The CSR budget is decided by the CSR Committee, with a transparent monitoring and reporting mechanism ensuring effective implementation of projects. The company's guiding principles for project selection, implementation, and monitoring are outlined in its India Community Impact Charter, aligning with global priorities and leveraging synergies across regional efforts.

Overall, Johnson & Johnson's commitment to community engagement through its CSR initiatives reflects its dedication to creating a healthier and more equitable future for all, guided by the principles of its longstanding Our Credo.

Structure, Governance, and Management:

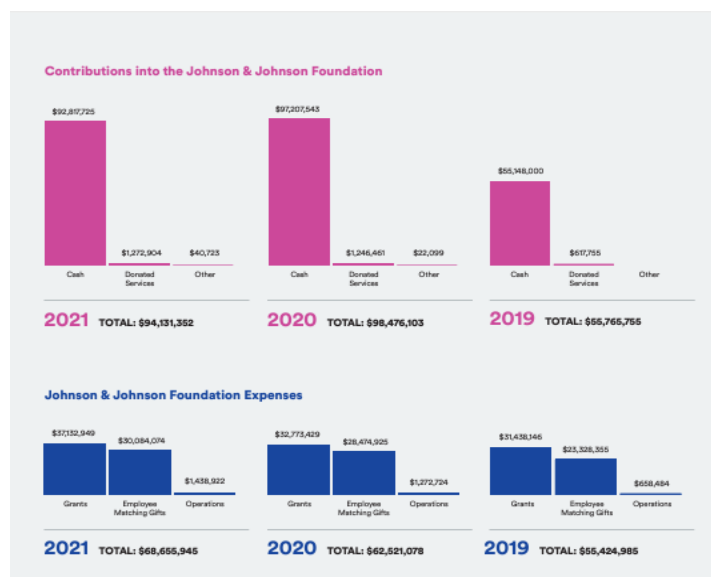
The Johnson & Johnson Foundation operates under the governance of a Board of Trustees, composed of Johnson & Johnson employees who adhere to separate non-profit rules and regulations. Day-to-day operations are managed by the Global

Community Impact (GCI) team, with support from professionals at the local country level.

Financial Highlights:

The Foundation is primarily funded through cash contributions from Johnson & Johnson, including matching contributions from employees and retirees to qualified organizations in the United States. Expenses include grants to organizations aligned with the Foundation's mission, charitable employee engagement activities, and payments under the Matching Gifts Program.

Financial Analysis:



1. Contributions: The Foundation received total contributions of \$94,131,352 in 2021, comprising \$92,817,725 in cash contributions and \$1,272,904 in donated services, with a minor amount of \$40,723 from other sources. This represents a slight decrease from the \$97,207,543 received in 2020.

2. Expenses: In 2021, the Foundation incurred expenses totaling \$68,655,945, including \$37,132,949 in grants, \$30,084,074 in employee matching gifts, and \$1,438,922 in operations. This marks an increase from the \$62,521,078 in expenses recorded in 2020.

3. Grants: The Foundation allocated \$55,148,000 towards grants in 2021, supporting various charitable organizations. This is higher than the \$32,773,429 allocated in 2020.

4. Employee Matching Gifts: The Foundation contributed \$28,474,925 towards employee matching gifts in 2021, reflecting the company's commitment to supporting employee philanthropy. This is an increase from the \$23,328,355 contributed in 2020.

Overall, while contributions slightly decreased in 2021 compared to the previous year, expenses increased, particularly in grants and employee matching gifts. This indicates a continued commitment to philanthropic activities despite economic challenges or changes in funding sources.

CSR ACTIVITY IN INDIA

Strengthening community-based healthcare services for underprivileged mothers and children in Aurangabad district of Maharashtra

Healthy, empowered women and children are at the center of strong families and the core of thriving communities. However, some mothers do not have proper access to healthcare support for themselves and their children.

In the Aurangabad district of Maharashtra, the infant mortality rate is currently slated at 28, and the under-five mortality rate is 36, both of which are higher than the state average. As per the NFHS4 data, only 3.1% of mothers received financial help under the Janani Suraksha Yojna in the district. It was also found that only 50% of mothers underwent Antenatal Care checkups in their first trimester, and 38% of mothers had four Antenatal Care visits.

To help address this gap, Johnson & Johnson has partnered with Humana People to People India, a not-for-profit organization, to help build the capacity of Government Community Health Workers (CHWs), including Auxiliary Nursing Midwives (ANM), Accredited Social Health Activist (ASHA), and Anganwadi workers in the district. The project aims to enhance maternal and child health care service delivery and reduce mortality indicators in the district. The project will cover 100,000 people in nine villages through 100 Anganwadi centers and 10 health sub-centres around three Primary Health Centers

(PHC) of Jikthan, Shendurwada, and Daulatabad in Aurangabad.

An assessment study conducted by Humana People to People India revealed that most of these villages are out of reach to receive services from the Primary Health Centre. Local health sub-centers are not adequately equipped to deliver quality Antenatal Care and Postnatal Care services. These PHCs lack an adequate number of ANMs, and Medical Officers required to provide regular Mother and Child health services. The study also showed that community awareness around Govt. health schemes, maternal benefits and Anganwadis remain low. Poor health-seeking behavior often leads to less accessibility to the Govt. health facilities, resulting in incomplete antenatal care and postnatal care. Cases of anemia are high among mothers and children, and sanitation is a major issue in these villages.

The project utilizes professional resources and digital tools for enhancing the capacity of Community Health Workers. By developing the right skill sets, competencies, and technical knowledge, we hope that the Community Health Workers would be better positioned to bridge gaps in the service delivery and overcome operational challenges to improve institutional birth, complete antenatal care and postnatal care, and child immunization figures in the selected geography.

Indian Academy of Pediatrics Adaption of Nurturing Care for Early Child Development (IAP-Nurture-ECD)

The first three years of a child's life are fundamentally important. They are the foundational years wherein maximum brain growth occurs, child-parent attachments are formed, and pre-academic learning starts.

Unfortunately, around 250 million (43%) children under 5 years from low- and middle-income countries (LMIC) were not reaching their expected development potential as per a 2017 Lancet report¹. This is because adverse factors such as poverty and stunting significantly outweigh protective ones like educated parents and stimulatory home environments. This imbalance negatively affects brain growth, physical health, and

psychological development in young children resulting in faltering or a downward deviation of the developmental trajectory.

In early 2021, **Johnson & Johnson** partnered with the **Indian Academy of Pediatrics** to support a program on ‘**Nurturing care for ECD (NC-ECD)**’ with the goal of improving outcomes related to holistic child health, growth and development, with an emphasis on early childhood (0 – 3 years).

The objectives of the project are:

- Capacity building of pediatricians to effectively sensitize and impart knowledge and skills to parents/caregivers
- To popularize the concept of well-child visits at specific ages in which checklists can be administered to identify gaps in parental practice related to NC & ECD
- To help parents develop/enhance their caregiver skills for providing NC

NC-ECD is a holistic approach that provides a framework to not only survive and thrive, but also to go to the next phase, i.e. to transform health and human potential². This comprises components that are evidence-based and proven to be effective in LMIC: good health, optimal nutrition, opportunities for early learning, responsive parenting, safety, and security. It is believed that the provision of nurturing care can enhance child development even in the presence of adversities.

As part of this project, nationwide training workshops will be conducted to help pediatricians enhance their skills in communication, build professional relationships with parents, counseling, and planning activities with them that will promote NC & ECD in their children in less than three years.

3. CONCLUSIONS



The Johnson & Johnson Foundation's commitment to corporate social responsibility (CSR) is evident through its robust governance structure, financial transparency, and dedication to making a positive impact on communities worldwide. Governed by a Board of Trustees and managed by the Global Community Impact (GCI) team, the Foundation operates with a clear mission to blend heart, science, and ingenuity to profoundly impact health for humanity.

Financially, the Foundation relies on contributions from Johnson & Johnson, supplemented by matching contributions from employees and retirees. Despite fluctuations in funding and economic conditions, the Foundation consistently allocates resources towards grants, employee matching gifts, and charitable initiatives that align with its mission and guiding principles.

Through strategic partnerships, grant programs, and employee engagement activities, the Foundation addresses critical issues such as advancing women's and children's health, strengthening healthcare systems, promoting livelihood capacity, and addressing global disease challenges. These efforts reflect Johnson & Johnson's commitment to creating a healthier and more equitable future for all, guided by the principles of its longstanding Our Credo.

In essence, the Johnson & Johnson Foundation's CSR initiatives demonstrate the company's dedication to social responsibility, ethical leadership, and sustainable impact. By leveraging its resources, expertise, and global reach, the Foundation plays a vital role in improving health outcomes and fostering positive change in communities around the world.

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