

SUMMARY

Johnson & Johnson: Exploring the Relationship Between Experience and Retention

THE CHALLENGE

Johnson & Johnson was looking to improve both employee performance and retention. The North American business team had identified employee churn as their top concern. At the time, Johnson & Johnson's recruiters prioritized candidates with job experience in the industry, assuming they were more likely to stay with the company and would be quicker to make significant contributions. As a result, the company experienced a 10 percent decline in new hires who had recently graduated from college compared to prior hiring trends.

THE SOLUTION

To test these assumptions, HR and the people analytics team at Johnson & Johnson compiled data on 47,000 employees to test the link between experience and turnover. The data revealed that employees hired right out of college remained with the organization significantly longer than more experienced candidates. Additionally, the company's HR team found that there was no significant difference between the two groups' contributions to the company. Johnson & Johnson pivoted away from prioritizing experienced candidates over recent graduates and invested in expanding their two-year leadership development program to further reduce turnover among recent graduates.

THE RESULTS

Based on the results of its people analytics, Johnson & Johnson increased hires of new graduates by 20 percent, reducing turnover while maintaining performance.

CASE STUDY SOURCE



My HR Future

ADDITIONAL INFORMATION

Effectory

