



Leveraging our Best Practices: Hitting the Parity Jackpot

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Vice President,
Diversity & Equal Opportunity
Programs**

The Men and Women of Lockheed Martin



- **132,500 Employees**
- **60,000 Scientists and Engineers**
 - **20,000 IT Professionals**
- **6 Software Maturity Level-5 Companies**
- **Recognized as an “Employer of Choice”**
- **\$26.6B in Sales**
- **\$70B in Backlog**
- **Operations in 45 States and 56 Countries**

Partners to Help Customers Meet Their Defining Moments

The US / Defense Industry Challenge



War on Terrorism

- Make it Proactive -



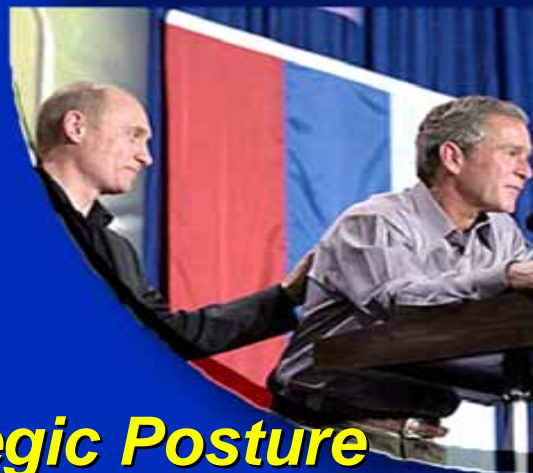
Transformational Forces

- Make it Relevant -



New Strategic Posture

- Make it Flexible -



Homeland Security

- Make it Effective -



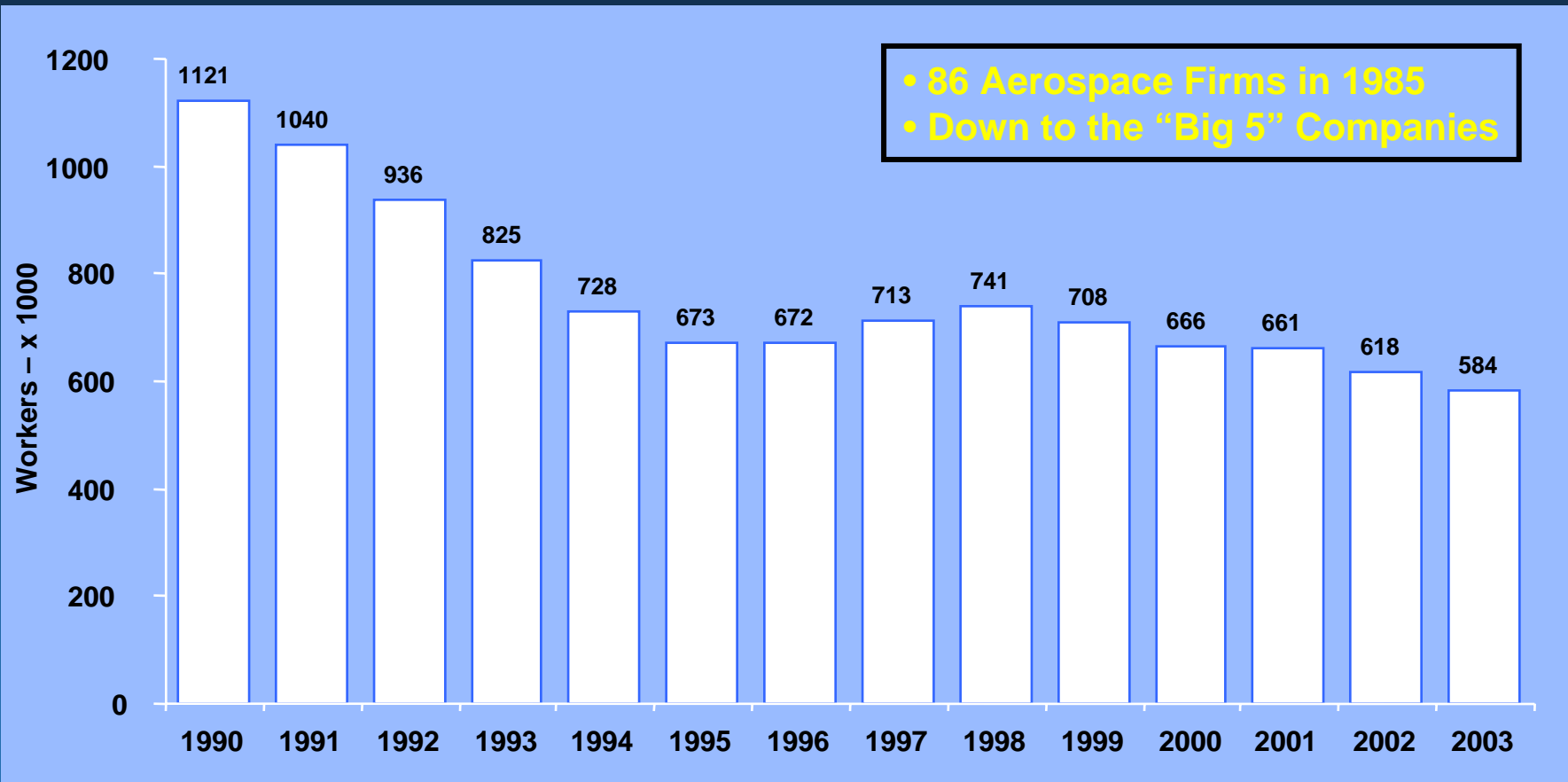
To Maintain Our Competitive Advantage...



... and Industry Leadership

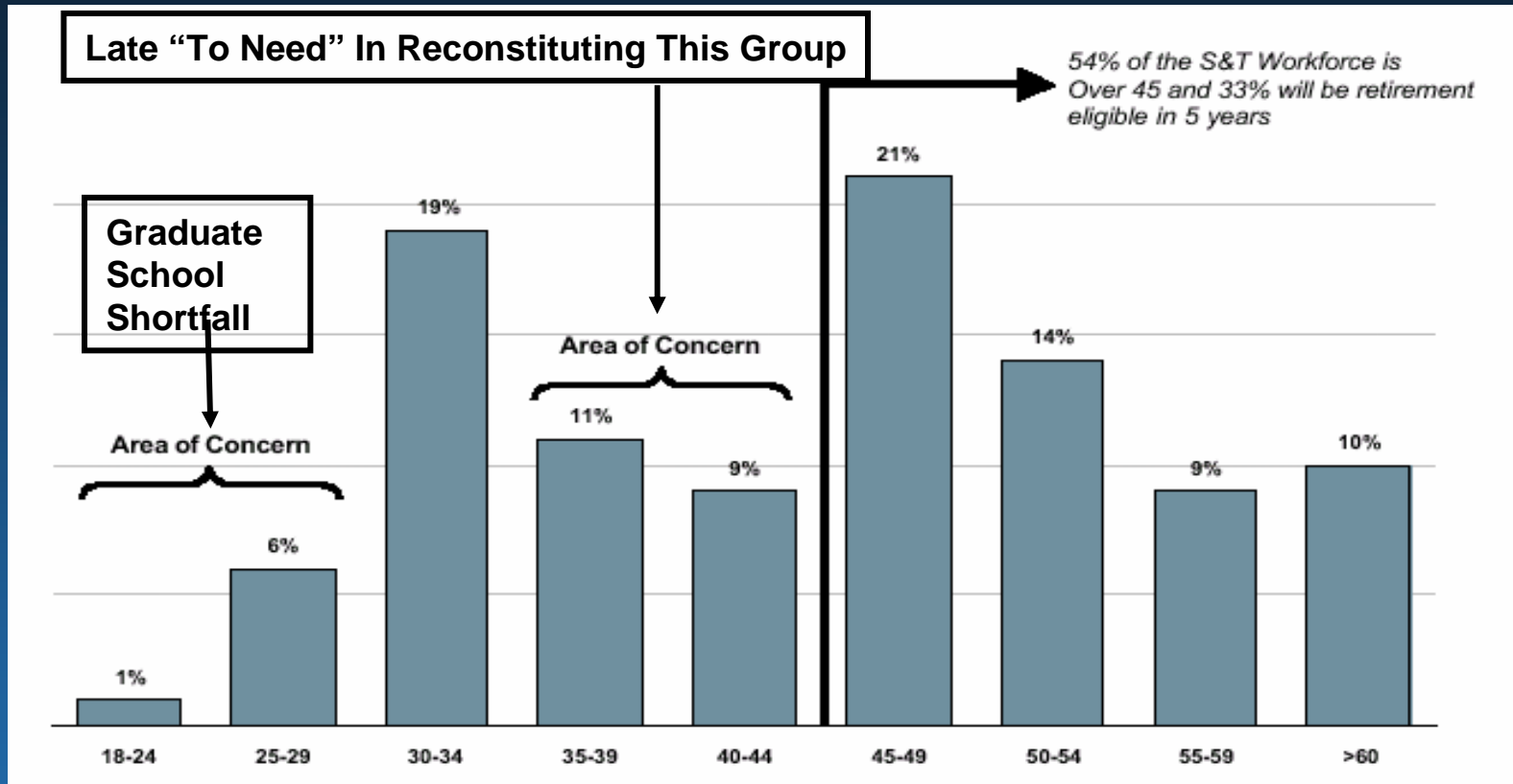
**Lockheed Martin Must Proactively
Engage and Partner with the
“Education System” to Produce
Engineers & Scientists**

Total Aerospace Workforce 1990 – 2003



Consolidation in the Industry Has Taken its Toll

Workforce Distribution



Average Space Industry S&E Workforce Age Distribution

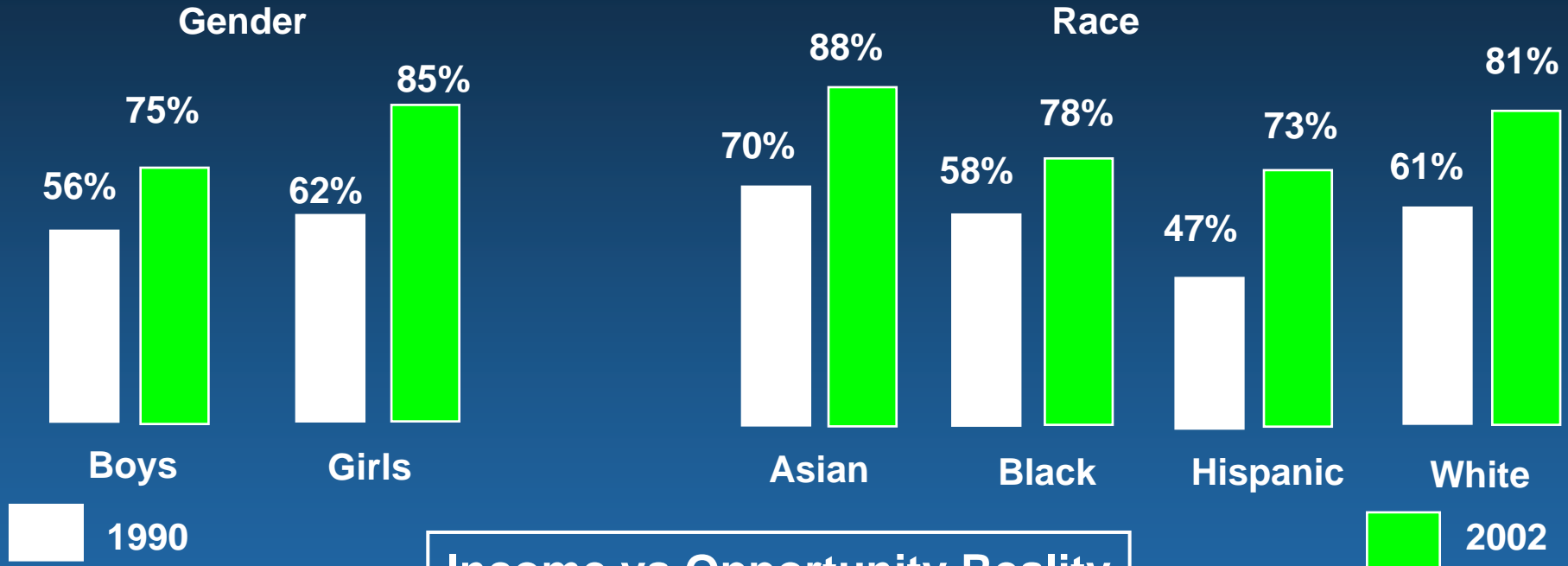
Talent Pipeline is Uncertain

Future Workforce Assessment - Progress Towards Parity in Education -

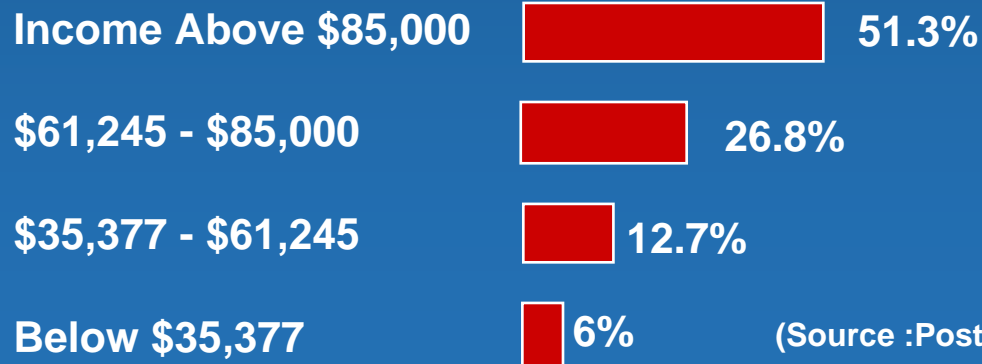


College Aspirations by Gender & Race (10th Graders)

(Source : National Education Longitudinal Study 1988& 2002)



Income vs Opportunity Reality



US 18 to 24 years olds from Higher Income families are more like to earn a bachelors degree but this is not a growing population....

(Source :Post Education Opportunity Analysis 2002 Census data)

Future Workforce Assessment

- Engineering Enrollment Trends -



Full-Time BS Engineering Enrollments



Source: Engineering Workforce Commission

Graduate Stats

- 1991 Total 60,798
- 2002 Total 62,377
- US is Ranked 17th Worldwide in Producing Scientists & Engineers

Future Workforce Assessment



Engineering Graduates' Selected Disciplines

Includes B.S., M.S., Ph.D.

Discipline	1991	2002
Aerospace	4,072	2,665
Electrical	29,024	21,376
Mechanical	19,443	17,948
Computer	8,259	20,388
Total	60,798	62,377

Source: Engineering Workforce Commission

Terms of Reference

- China ~ 300,000 Graduates
- India ~ 150,000 Graduates

- 2002 degrees earned by Foreign Nationals
 - B.S. 8.0%
 - M.S. 49.5%
 - Ph.D. 58.9%
- Percentage of Foreign Students Return Home on the Increase and those who Stay Clearances are Taking an Average of 375 Days

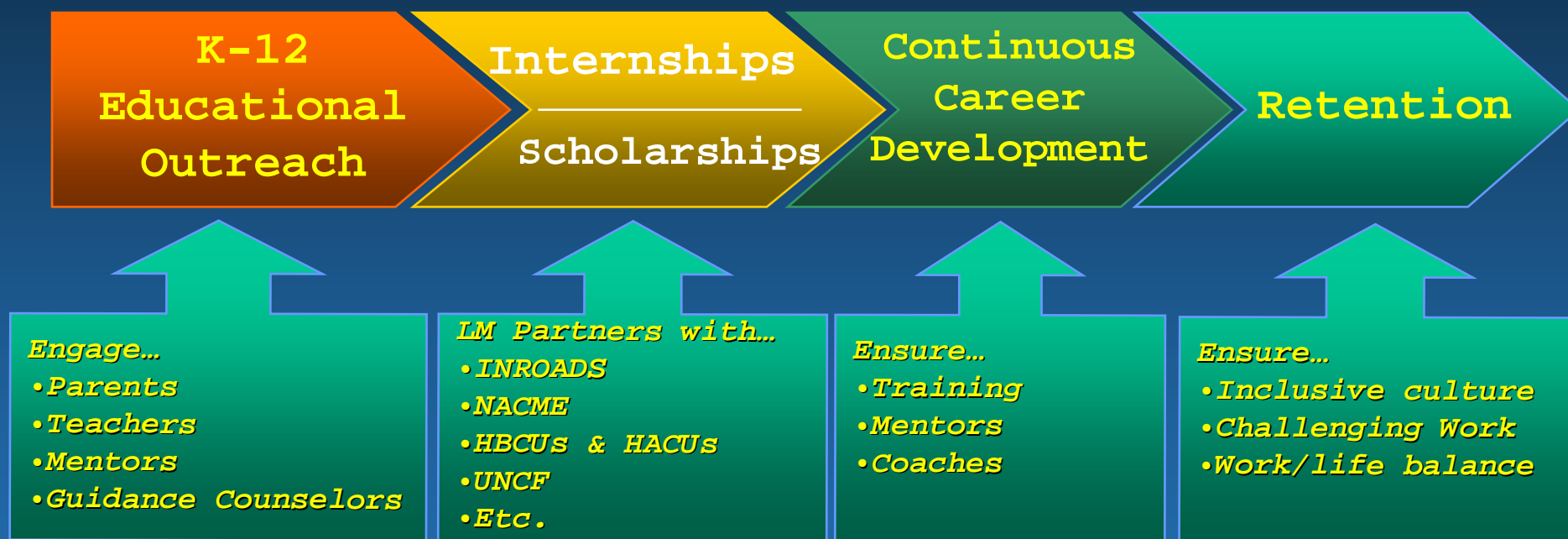
Looking Ahead...



- Given this picture, how will we ensure parity in education and opportunity?
 - *Preparation and opportunity = success*
 - *Partnership with organizations who share the mission*
 - *Recruitment and retention strategy*
 - *Accountability*

“Have I Done Enough Yet?” O. Davis

Building A Diverse Talent Pipeline



An Integrated Approach

Lockheed Martin Approach to Leveraging Diversity and Inclusiveness



Our Business ...

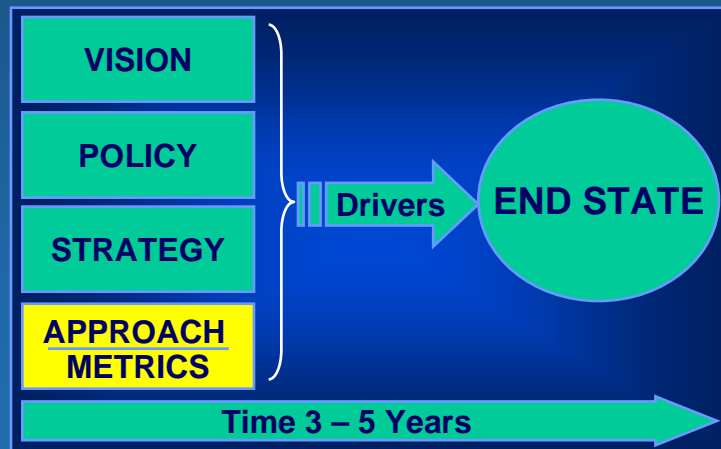


Similar to our approach to doing business

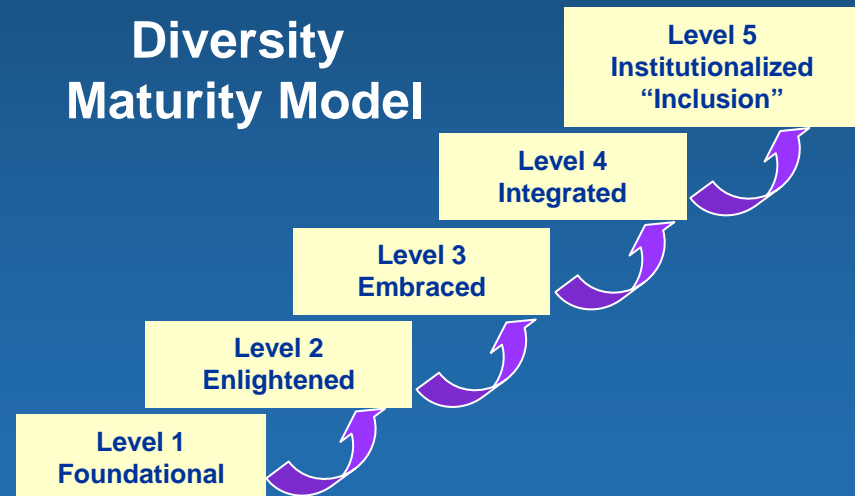
... culture focuses on “process”

- Define the right process
- Measure adherence / progress
- Evolve process maturity

Our People ...



Diversity Maturity Model



Vision: One Company, one team, all-inclusive, where diversity contributes to mission success

Business Imperatives

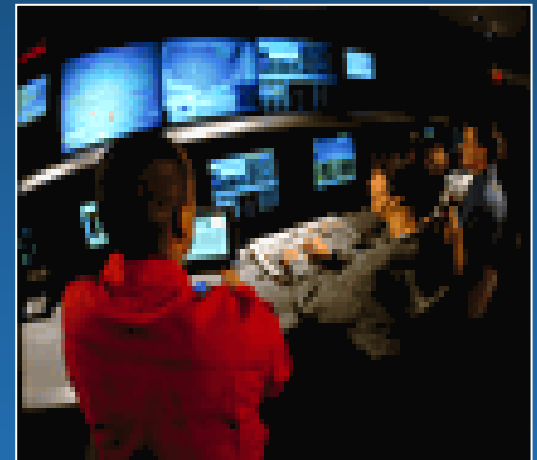


Lockheed Martin must ...

- Recruit and acquire a disproportionate share of available talent
- Continue efforts to balance the experience mix of workforce
- Optimize the utilization of our workforce by redefining work methods
- Explore ways to extend our retirement eligible workforce and transfer knowledge to the next generation
- Be an inviting environment to an increasingly diverse labor market
- Create an environment where high performance is enabled and recognized
- Continue focus on leadership identification and development

A Focus on People is Important

HAVE YOU DONE ENOUGH.....TO ENSURE PARITY?



***One company, one team, all-inclusive, where
diversity contributes to mission success***

Lockheed Martin Aeronautics Company