



NORTHROP GRUMMAN

DEFINING THE FUTURE

Gulf Coast Shipbuilders Consortium Survey

June, 2008

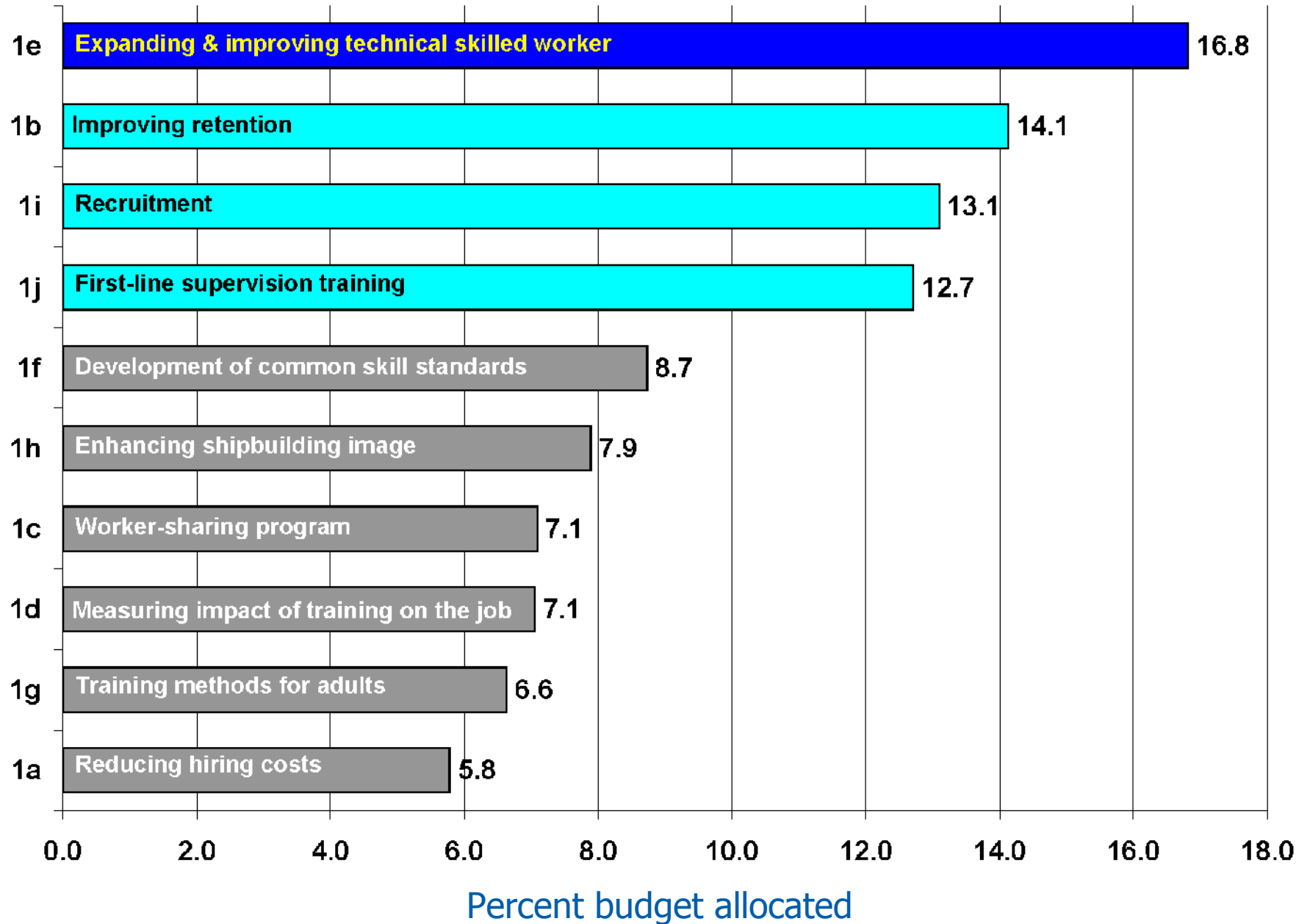
Dick Boutwell

Northrop Grumman Shipbuilding-NN
Manager, Training Services



- Survey conducted at the Gulf States Shipbuilders Consortium in Biloxi, Mississippi
- Purpose of Survey
- There were 58 Survey respondents
- Principal Investigators: Dick Boutwell & Dave Bennett

1. Given a budget earmarked for the following, what percentage would you allocate for each?





2. The shipbuilding/repair industry has a high turnover rate.
Rank the following areas that you believe this turnover rate costs your company with "1" being the highest cost.

*36% **Productivity**

*19% **Training**

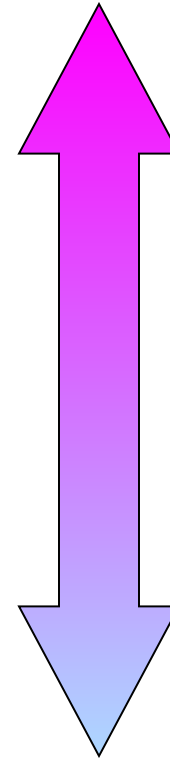
*17% **Quality**

*14% **Safety**

*10% **Recruiting**

} "Neck & Neck"

Highest Cost from Turnover



Lowest Cost from Turnover

*Represents percentage of respondents assigning top ranking to item



3. Rank the order of criticality of each of the following with "1" being most important and "6" being least important

Lack of skilled workers (1.8 avg.)

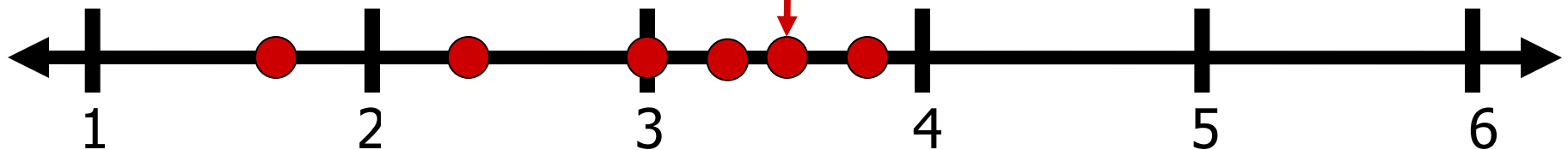
Retention of existing employees (2.4 avg.)

Career awareness among schools, parents and guidance counselors (3.0 avg.)

Aging workforce (3.3 avg.)

Lack of a standardized shipyard curriculum (3.5 avg.)

The image of shipbuilding (3.8 avg.)



Most Important

Least Important

4. Distribute the percentage of an allocated budget encompassing the following issues according to their importance to your organization



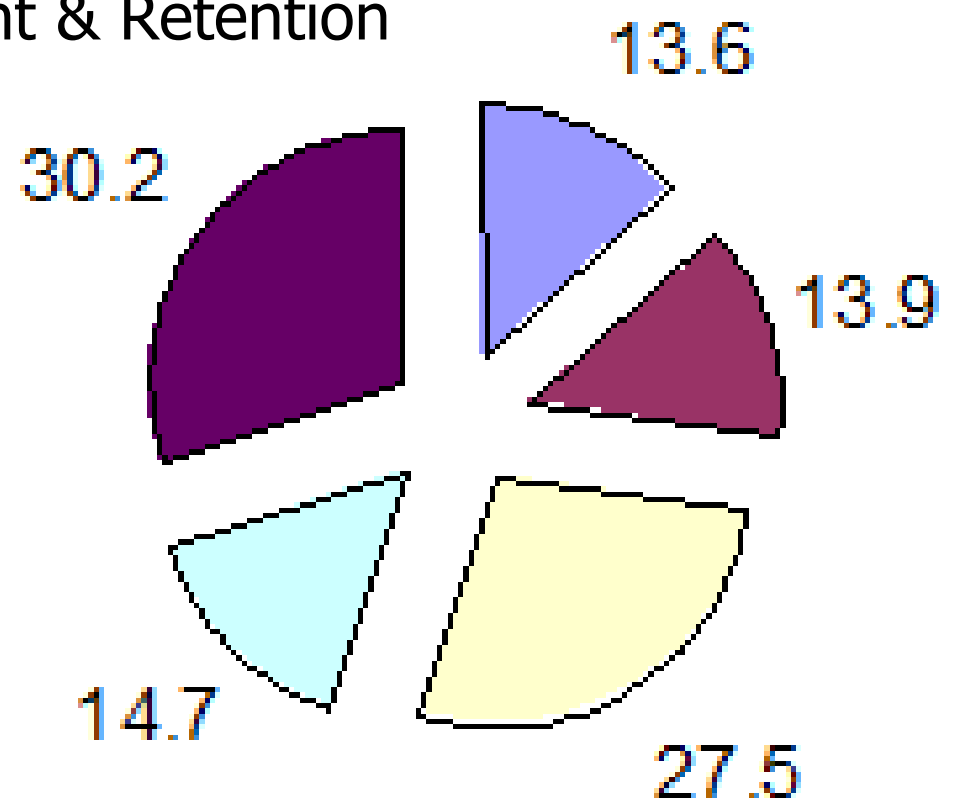
30.2 %: Workforce development & Retention

27.5 %: Education & training

14.7 %: Technology transfer

13.9%: Human resource

13.6%: Organizational & cultural change





5. Rank order three ways to improve employee retention

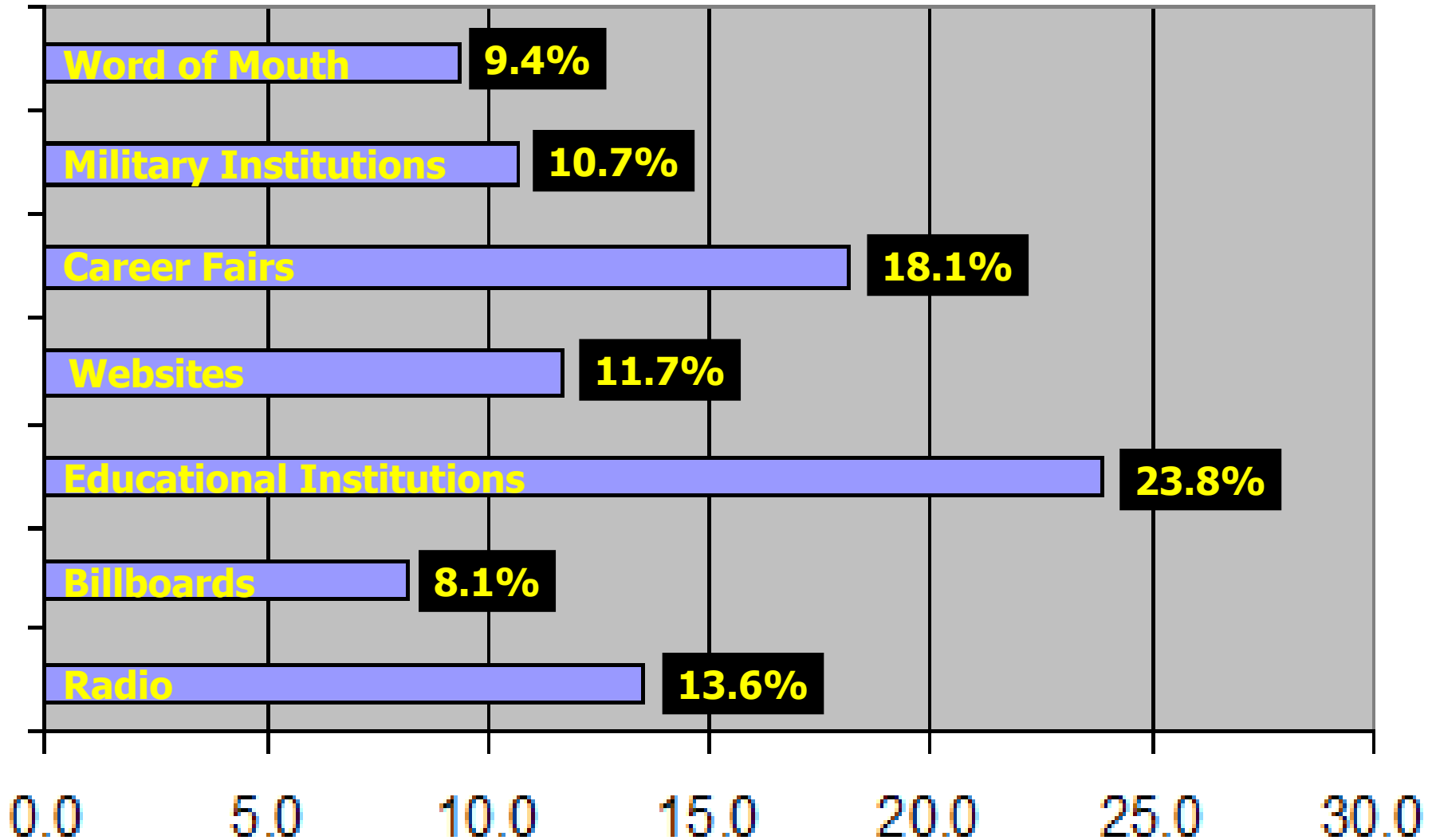
Retention Strategy	1st Choice	2 nd Choice	3 rd Choice
Career path/ Employee development			
Training/leadership dev.			
Benefits/salary/health			
Flexible work schedule			
Employment Stability			
Communications			
Improved working conditions			
Recognition/Motivation/involvement/ relationships			
Build industry image			

Question 5 “Write-ins” for Improving Retention



- **Competitiveness**
- **Technology**
- **Screening**

6. Distribute 100% of a budget among the following recruitment strategies.





Question 6 "Write-ins" for Recruitment Strategies

These are the percents of the budget allocated by respondents for these "write ins":

Employee Referral.....	5%
Magazine Ads.....	15%
Virtual Mall Recruiter.....	50%
Newspapers.....	20%
Talking to parents about shipbuilding.....	25%
Outside manpower.....	30%



Question 6 “Write-ins” for Recruitment Strategies

The following were added by respondents but were not assigned a percent value:

- Newspaper advertisement
- Mailings
- Open house for the community
- Visit local high schools (same as educational institutions)
- Handouts

Question 6 "Write-ins" for Recruitment Strategies



"Television" was written in by 5 respondents and assigned the following percents of the allocated budget:

- 25%
- 20%
- 5%
- 20%
- 20%





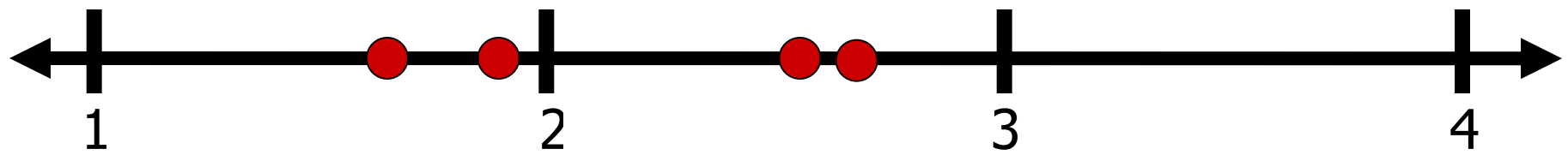
7. Please rank order (1 being the most important) the following list of research topics that would be beneficial in terms of recruiting, developing & retaining your workforce

Case studies on innovation for workforce development (1.7 avg.)

Best shipyard practices (1.9 avg.)

Cultural change methodology (2.6 avg.)

Demographic, environmental and global issues (2.7 avg.)



Most Important

Least Important

Coming up...



The next presentation shows the results from an additional survey sent out to the 9 NSRP Panels

Be prepared to discuss recommendations following that presentation...

NORTHROP GRUMMAN

DEFINING THE FUTURE

5. Rank order three ways to improve employee retention

Retention Strategy	1st Choice	2 nd Choice	3 rd Choice
Career path/ Employee development	8/40 : 20%	7/40 : 17.5%	6/37 : 16.2%
Training/leadership dev.	11/40 : 27.5%	11/40 : 27.5%	7/37 : 18.9%
Benefits/salary/health	5/40 : 12.5%	14/40 : 35%	9/37 : 24.3%
Flexible work schedule	2/40 : 5%	0/40 : 0%	2/37 : 5.4%
Employment Stability	1/40 : 2.5%	1/40 : 2.5%	1/37 : 2.7%
Communications	2/40 : 5%	0/40 : 0%	3/37 : 8.1%
Improved working conditions	3/40 : 7.5%	3/40 : 7.5%	2/37 : 5.4%
Recognition/Motivation/involvement/ relationships	7/40 : 17.5%	4/40 : 10%	3/37 : 8.1%
Build industry image	1/40 : 2.5%	0/40 : 0%	1/37 : 2.7%