

## REVIEW AND DISCUSSION QUESTIONS

1. What are the similarities and differences between the cooperative culture and the adaptive culture?
2. How does a code of ethics help enforce ethical behavior in an organization?
3. What level(s) of moral reasoning would socially responsible companies impress upon their leaders, and why?
4. How would individualism as a value dimension among followers affect their interaction and relationship with other coworkers who display collectivism?
5. What potential problems could develop in a case where a leader has a scarce time orientation but his followers have an abundant time orientation?
6. Why has the “melting pot” mentality of multiculturalism been replaced with the “salad bowl” mentality?
7. What are the major obstacles often encountered in trying to achieve diversity?
8. What are the leading characteristics of learning organizations?

**CASE 11**
**Vance Coffman—Lockheed  
Martin Takes a Proactive  
Approach to Diversity**

Vance Coffman, Chief Executive Officer (CEO) of Lockheed Martin since 1996, has gained the admiration and respect of many diversity scholars and diversity advocates. Through his leadership, Lockheed Martin—a highly diversified, advanced-technology corporation with approximately \$30 billion in annualized sales and approximately 190,000 employees—has one of the most successful diversity programs in the nation today. Coffman is most admired for his efforts at creating a work environment that fosters greater awareness and sensitivity to the needs of Lockheed’s diverse employee population. These efforts include crafting a “mission success” statement that clearly delineates the corporation’s commitment to diversity and also hiring executives with the skills and commitment to implementing the corporation’s diversity initiatives. Lockheed Martin’s core values on its mission statement are ethics, excellence, “can-do,” integrity, people, and teamwork. On people, Lockheed maintains that it will “embrace lifelong learning...combined with company-sponsored education and development programs,...” On teamwork, it will “multiply the creativity, talents, and contributions...by focusing on team goals.”

Teams will “assume collective responsibility..., share trust and leadership, embrace diversity, and accept responsibility for prudent risk-taking.”

At Lockheed Martin, the belief is that to attract the best of the best, the corporation must include all segments of the population. In this respect, the Corporation’s Equal Opportunity Office (EOO) has created Workforce Diversity Initiatives that provides guidelines for implementing diversity programs at the business unit levels. The EOO is set up to provide information to Lockheed Martin companies on how to achieve diversity. According to Holley, director of EOO, there is no cookie-cutter approach to achieving diversity at Lockheed. Many Lockheed Martin companies have diversity departments charged with ensuring, among other things, that their companies are flexible enough to meet the needs of all employees. A number of Lockheed Martin companies have enhanced their diversity efforts by creating employee councils that serve as the conduits that carry concerns from employees to the councils and from the councils to management. The councils, all of which work on a volunteer basis, carry out the goals and programs suggested by the diversity department and by fellow employees.

**CASE 11***continued*

Another diversity initiative of Lockheed Martin has been the creation of employee organizations. Examples of social support networks of this kind include members of the Gay, Lesbian, or Bisexual at Lockheed Martin (GLOBAL) organization, the Asian American and Pacific-Islander American Lockheed Martin Association (ALMA), and the Black Effectiveness Support Team (BEST). Minority-based social networks such as these are important because they tailor their training and mentoring to the specific issues of a particular subculture, says Paul Ma, research specialist with the Missiles and Space division and chairman of ALMA.

Lockheed Martin has also actively advocated community outreach, which allows employees of the corporation to work with the community to enhance diversity. The corporation awards scholarships to minority students, and sponsors and participates in local and national conferences such as the Society of Women Engineers Conference, the Mexican-American Society Conference, the NAACP Intensive Summer Studies Program (ISSP), and the Academic Olympics for African American students.

Diversity managers and volunteers at companies throughout Lockheed Martin take different approaches to assessing how big a role their diversity initiatives have played in helping current employees feel at home. One of the most quantifiable approaches for self-evaluation is the Diversity Progress Index for measuring improvements in diversity overtime. The index, which was first piloted in 1997, evaluates a department's approach to advocacy, assessment, planning, and implementation—as they relate to diversity. The index also allows a department to evaluate the role diversity has played in its business success. Outstanding performers are honored with the prestigious President's Diversity Awards.

Because of strong leadership from Coffman and his executive team and a highly motivated and committed group of lower-level managers, Lockheed Martin has received national attention for its diversity efforts. In the 1997 issue of "Diversity/Careers in Engineering and Information Technology," the corporation was credited

with having a wide-ranging diversity program that is tied to business activities, employee training, and development, the workplace environment, employee support and communication—as well as to a variety of recruitment strategies.

*Go to the Internet:* For more information on Vance Coffman and Lockheed Martin and to update the information provided in this case, do a name search on the Internet and go to the website at [www.lockheed.com](http://www.lockheed.com). For ideas on using the Internet with cases, see Appendix C.

Support your answer to the following questions with specific information from the case and text, or with information you get from the Web or other sources.

1. Would you say Lockheed Martin Corporation has a low- or high-performance culture? Support your answer with evidence from the case.
2. In what ways has Lockheed Martin taken a proactive approach toward supporting and encouraging diversity?
3. Describe the organizational form (traditional versus the learning organization) appropriate for a corporation like Lockheed Martin. Support your answer.

### Case Exercise and Role Play

*Preparation:* Put yourself in Vance Coffman's position. You have been invited to make a special appearance at a ceremonial event honoring departments that have achieved the highest score on the Diversity Progress Index. Honorees will receive the President's Diversity Award. Develop an inspirational speech highlighting the value of diversity to your corporation and why it is necessary to continue the effort towards greater diversity. Your instructor may elect to form groups to share ideas and develop the speech. Groups should select one leader to present the speech to the entire class.

*Role Play:* One student (representing themselves or their group) may give the speech to the entire class. Use information from this chapter on diversity for input.

## Video Case 11-1

### Diversity in Business—Hudson's

#### Case Summary

Dayton Hudson's (headquarters in Minneapolis) is the fourth largest retailer in the United States. Hudson's consists of Target, Bourbon's, and the Department Store Division (Dayton's, Hudson's, and Marshall Fields). Hudson's is committed to providing excellent customer service and to being an outstanding corporate citizen. By promoting diversity in each of their twenty-two stores and headquarters, they are able to reach this goal. According to Dennis Toffolo—President/CEO of Hudson, the company wants to make people (customers and employees) feel welcomed and valued in stores, so they do not go somewhere else. Hudson's merchandises to *all* customers—short, tall; fat, thin; Caucasian, Black.

Hudson's has diversity committees in each store to promote diversity awareness. The committees plan events focusing on cultural diversity. They hold forums at which people from different backgrounds talk about their experiences. They have regular diversity training programs for all current and new employees.

#### Learning Objective

To value diversity.

#### Critical Thinking Questions

1. Why is Hudson's committed to diversity?
2. What can Hudson's do to promote diversity?

## Video Case 11-2

### Culture in an Organization—W. B. Doner

#### Case Summary

W. B. Doner and Company is an international advertising agency with offices in Michigan, Maryland, and throughout the world. Doner has done award-winning creative advertising for well-known companies such as British Petroleum, Chiquita International, and Red Roof Inn. Doner employees pride themselves in their creative work. In order to succeed as a medium-sized company, top management has designed a distinctive organizational culture. Doner is unique in that it encourages creativity, requires teamwork, and rewards entrepreneurial behavior. According to the CEO, Alan Kalter, for Doner to successfully compete with those companies listed on the Stock Exchange, Doner needs to be quicker, smarter, and understand who they are. The company's founder, Rod Doner, established the core value of "creative first, everything else second." He always questioned if the output

could be improved. During the past sixty years, Doner has developed and nurtured an organizational culture, which has enabled it to succeed, evolve, and grow in a very competitive industry.

#### Learning Objective

To understand the value of culture to organizational performance.

#### Critical Thinking Questions

1. How does Doner's corporate culture contribute to its success?
2. Is it important to define and communicate unacceptable behavior in an organizational culture?
3. Should people whose behaviors personify Doner's core cultural values receive special recognition?
4. What role can a strong organizational culture play in a time of crisis?