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An Invitation to Strengthen our Affordability Thinking Skills...



Who: Lockheed Martin Employees

What: Engage in the Affordability Thinking Initiatives and strengthen our affordable thinking skills

When: Any time

Why is this so important? To strengthen our affordability skill by infusing behaviors that drive affordability. This will also provide a venue for asking questions and sharing ideas.

How will we accomplish this? Through a blended learning approach of videos, discussions, case studies and examples of current events. Communicate and cultivate a world of affordable thinking in Lockheed Martin.

- » Leadership
- » Value Engineering
- » Lifecycle
- » Innovation
- » Customer Focus
- » Lean Thinking
- » Cost



Affordability Thinking Focus Areas

Getting Started

1. **View** the Affordability Thinking Overview video and review the interactive Affordability Thinking Maturity Model. (ATMM)
2. **Discuss** each video corresponding to an area of the Maturity Model. Each ATMM video is 4 minutes or less, and includes a explanation of the behavior category, examples of how it is applied, and concludes with three summary points for teams to discuss. At the end of each video, review the key take-aways. Use the workbook as a guide to capture your comments and suggestions.

After viewing each video and completing a discussion, take credit in MyLearning. The course code is provided on each workbook page.

3. **Keep the Conversation Going...** Communicate with your leadership and teams on how our Affordability Thinking Initiatives can be applied on a daily basis. Bring examples of affordability thinking initiatives or current events to discuss.

Getting Started...How we can strengthen our Affordability Thinking Skills

Overview (Course Code 067045SSM00)

Affordable will allow us to provide our customers with a good value solution that meets their needs and stays within their budget. Key points to remember:

- *Provide innovative quality solutions. It is more than just cutting costs*
- *Think proactively about alternatives*
- *Understand what's valuable to the customer and put their needs first*

Questions I have on Affordable Thinking:

- What can I do on my program to be more affordable?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

How can I become a more affordable thinker?

Cost (Course Code 067052SSM00)

Understanding cost drivers and the domino effect on the bottom line is critical to being more affordable. Key points to remember:

- *Strategically understands the customer perspectives and needs*
- *Treat cost as a requirement and understand the customer's tolerance*
- *Take a proactive stance in demanding improvement; hold team accountable*

Questions I have on Cost:

- How can I impact cost savings on my program?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

How do we look at cost as a way to be more affordable?

Lean Thinking (Course Code 067051SSM00)

Lean Thinking is an approach that tries to eliminate any step, process, or formality that doesn't add value to the end product. Key points to remember:

- *Define the affordability objective*
- *Pull together the toolkit; Define the tools you have and what you need*
- *Tap into the network for feedback and share your results*

Questions I have on Lean Thinking:

- How can I look for ways to reduce waste and increase value?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

How do we leverage lean thinking?

Leadership (Course Code 067046SSM00)

As leaders we need to reach across other disciplines and use our networks to help solve affordability challenges. Key points to remember:

- *Start with what works and execute*
- *Understand the mission at hand*
- *Consistent communication with your team and across the enterprise*

Questions I have on Leadership:

- How can I make an impact during an affordability challenge?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

How can I strengthen my leadership skills?

Customer Focus (Course Code 067048SSM00)

When working with customers, open lines of communication and developing an environment of trust is critical. Key points to remember:

- *Understand the trade space and the customer mission*
- *Be flexible; don't rush to a solution, keep the options open*
- *Communicate and develop an environment of trust with the customer*

Questions I have on Customer Focus:

- What can I do to improve customer relationships?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

How do we work with our customers to be more affordable?

Innovation (Course Code 067047SSM00)

Thinking outside the box, expanding the solution space and considering the problem from a different perspective is all part of Innovation. Key points to remember:

- *Look for and expand the trade space*
- *Stay connected and approach their needs with effective solutions*
- *Understand cost as it applies to the alternatives, not just a single solution*

Questions I have on Innovation:

- How do I submit my innovation ideas?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

Where do we find innovative solutions?

Lifecycle (Course Code 067050SSM00)

How do we strike the appropriate balance between design and cost for the lifecycle of a product? Key points to remember:

- *Address the problem upfront or the cost will exponentially grow*
- *Design for flexibility*
- *Focus on entire lifecycle costs not just acquisition costs*

Questions I have on Lifecycle:

- How can I make an impact on total ownership costs?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

How can we impact affordability during the lifecycle?

Value Engineering (Course Code 067049SSM00)

How do we use value engineering to create a more affordable solution? Key points to remember:

- *Put yourself in the customer's shoes and define what they really want*
- *Understand the domain and the mission*
- *Reach across Lockheed Martin and customer base to find the experts*

Questions I have on Value Engineering:

- How do we manage scope keeping in mind customer expectations and cost?*
- b.
- c.
- d.

Examples and experiences I have to discuss:

How do we work with customers to expand the trade space?

Use the Affordability Thinking Maturity Model (ATMM) to assist in developing your affordability thinking skills.



1. There are 7 focus areas of the ATMM. Each area has a companion video that reviews the focus area objectives. Familiarize yourself with the ATMM, it's functionality, the levels of maturity, and the measures for each level.
2. Employees are urged to complete a self-assessment in each focus area and discuss the results with their Leader. (optional if you wish to decline) Use this as an additional opportunity to discuss your career growth and future learning opportunities. This can be done at performance assessment/career discussion time or periodically to address learning needs.
3. Based on the joint assessment, growth opportunities established during discussions, and possible funding use the various learning opportunities to develop skills in areas identified. (Refer to [Wheel of Learning](#) for various learning alternatives)

Using the Affordability Thinking Maturity Model (ATMM)

My ATMM Action Plan

ATMM Focus Area	My strong skills <input checked="" type="checkbox"/>	Skills important to my leadership <input checked="" type="checkbox"/>	Skills important to my career growth <input checked="" type="checkbox"/>	My Suggestions for learning opportunities and skills growth
Cost				
Value Engineering				
Lifecycle				
Innovation				
Customer Focus				
Leadership				
Lean Thinking				

Improving my affordability thinking skills

Keep the Conversation Going

Your participation is critical, we suggest the following:

- Ask questions!
- Bring examples of affordable thinking (e.g., articles, world events, etc.) initiatives to your staff meeting and discuss with the team.
- Capture events occurring and discuss them and how they align with the affordability initiatives.
- Refer to current and historical events. What are the risks and opportunities? How do these items map to a successful affordability plan.
- Use the *Next Steps* chart provided as a guide.

Your participation in affordable thinking is important to Lockheed Martin

Next Steps....

Focus Area	Additional Affordability Initiatives I want to discuss
Cost	
Value Engineering	
Innovation	
Leadership	
Lean Thinking	
Lifecycle	
Customer Focus	

Working towards a more affordable solution

*Affordability Thinking Maturity Model
Employee Guidebook*



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