Joint Economic Committee Congressional Forum on Gender Parity

Prepared Testimony, 10/24/17

Thank you Congressman Beyer, Congresswoman Maloney and everyone participating in today's forum for this important discussion on gender parity in corporate leadership. This issue is not only fundamental to the lives of millions of women and their families, but also to strengthening our country's leadership in the competitive global marketplace. Thank you for focusing on this critical topic.

My name is Kymberlee Dwinell and I am the Corporate Director of Global Diversity and Inclusion for Northrop Grumman Corporation, a leading global security company providing innovative systems, products and solutions to government customers worldwide. Northrop Grumman offers an extraordinary portfolio of capabilities and technologies for applications from undersea to outer space to cyber. We are proud to employ approximately 67,000 employees worldwide and to be headquartered in Congressman Beyer's district in Falls Church, Virginia.

Developing, maintaining and growing a diverse workforce are critical to our success and a priority for our company. I would like to start by reading a short quote from Wes Bush, Northrop Grumman chairman, chief executive officer and president:

"Diverse thinking and an inclusive environment generate better ideas and foster stronger team commitment, collaboration and engagement. And these, in turn, power the performance excellence that delivers value to our customers and shareholders. With an inclusive environment where diversity can flourish, creativity and innovation are enhanced, enabling us to create some of the most technically sophisticated products in the world." To accomplish this goal, Northrop Grumman has a number of initiatives to help build a pipeline of qualified, diverse, high performing women for the labor force of the future that I will discuss here today. I am proud to say that for the last eight years, Northrop Grumman has earned a top 50 ranking from DiversityInc. In this year's ranking, we were once again the only aerospace and defense company to make the Top 50 and we were rated the number one company for veterans, and number two for both executive women and people with disabilities. At Northrop Grumman we are continually striving to 'Build the Best Culture,' leveraging the power of women and all of our employees. However, before we talk about Northrop Grumman's diverse workforce, it's valuable to understand why it's important.

First, I'd like to cite a McKinsey study of 101 large corporations that focused on women in governing positions. It showed that companies with three or more women in senior management functions scored higher in key factors of leadership, accountability and innovation than companies with no women at the top across nine standard criteria of organizational excellence.

A second study of Fortune 500 companies, by the Catalyst organization, whom I am pleased to be here with this afternoon, demonstrated that firms with the highest representation of women on their boards of directors outperformed those with the lowest, as measured by return on equity and return on sales.

The last research I'll share is by Quantopian which found that women CEOs in the Fortune 100 drive three times better returns than the S&P 500 enterprises run predominately by men, producing equity returns more than 200% better than the S&P 500.

It's clear that private sector support of women in the workforce, especially in leadership roles, is important for a successful business. Companies like Northrop Grumman understand the value of providing additional support to women in the company, as well as young girls across the world.

Over the next few minutes, I'll quickly highlight a few of Northrop Grumman's initiatives aimed at developing, attracting, sustaining and empowering women leaders:

Accountability: Our company's leadership tracks and measures the number of women in senior management positions and it is a priority to increase gender equity. We have seen significantly greater representation of women across the board since this effort began, and I am proud to say that 50% of the direct reports to our CEO (our company's senior most leadership team) are women. Additionally, I am even more excited that over the past two years more than 50% of our new hires at all levels in the company have been women. Assuming we are able to continue on this path, our workforce will become even more diverse, stronger and more competitive in the years to come.

Women in Leadership & Training: We established a Women in Leadership cohort program specifically designed to help prepare our current and future women leaders for professional career growth and expand their networks. Since everyone has a stake in gender parity, we work to ensure BOTH men and women understand and advocate for a fair, inclusive work environment. We host in-person Men Advocating Real Change discussions for all employees, with a focus on leaders looking to promote efforts to achieve gender balance and people of color inclusion. Our growing number of participants are walking away with tools, tips and resources about how to drive toward a more inclusive work environment.

Conferences: Internally, since 2006, we've planned our own well-attended Women's Conference that supports Northrop Grumman's women employees. Alternating every other year, our Northrop Grumman Women's Conference focuses on directly applicable education, shared experience and networking opportunities. Since 2012, Northrop Grumman has also hosted a Diversity and Inclusion Conference aimed at educating leaders and individual contributors across the company about how to build a diverse, innovative and inclusive culture.

Workforce Flexibility: Recognizing that every employee has different demands in his or her personal life, Northrop Grumman offers a number of flexible work-life solutions (child care, help for new parents, moving and relocation services, eldercare, home repairs and much more) and telework options that are critical to attracting and retaining

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the best talent. I am especially pleased that just recently we launched a new flexibility initiative to support employees, to include women, who want to reduce their hours or take an extended leave in support of a life event. It addresses flexible work arrangements and re-entry programs for those who take extended leave of absence for child rearing or elder care, as examples. This program is an addition to our cadre of established Flexible Work options—including a 9/80 program where employees at a number of our locations work a compressed work week and have an "off day" every other Friday.

In 2017, we launched a new external recruitment pilot program, designed to help women successfully return to the technical workplace after taking a break from their career. Northrop Grumman is one of six companies involved in the Society of Women Engineers (SWE) STEM Re-entry Task Force, and their program, SWE-iRelaunch. The program provides a re-entry internship for professionals in engineering and technology, providing interns with professional development experiences, technical and mentoring resources, and a cohort structure for support during the transition. We continue to seek innovative ways to attract talented female professionals to the company and offer new approaches that help women to achieve professional success, while balancing family. We recognize that these sorts of programs are critical to attracting and supporting our talented employees and strengthening our business.

Leadership commitment—in both words and actions—is vital to sustaining and expanding the diversity of any organization. Every year Northrop Grumman's CEO and the company's senior leadership not only supports, but attends and participates in a major national diversity conference. Just last month, Northrop Grumman's CEO, Wes Bush, keynoted the Society of Asian Scientists and Engineers and attended the conferences for both the Society of Women Engineers and HENAAC, which is dedicated to promoting STEM education in Hispanic and underserved communities. From our leadership to our talent acquisition teams, we are dedicated to building, attracting and retaining a diverse, qualified workforce.

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Northrop Grumman is especially focused on young girls and underrepresented populations. To that end, we prioritize exposing them to STEM careers as early as possible to truly expand the diversity of the workforce. We have found that if we wait until high school or college it is often too late—students have decided that they like math and science or they don't. However, if we show young students, even elementary age, that STEM is exciting and that they too can pursue opportunities in the field, there is a greater the likelihood that they will consider pursuing STEM careers. For that reason, many of our women engineers serve as role models by visiting classrooms to talk about their work and experiences. Additionally, we regularly host school groups of all ages at our sites. I am also excited that Northrop Grumman is building America's next great telescope—NASA's James Webb Space Telescope, the successor to the Hubble Space Telescope. The James Webb Space Telescope will look further into the galaxy than we have ever seen before and the incredible scientific discoveries it will generate are hard to even imagine. We hope that the telescope will inspire a new generation to reach for the stars and pursue STEM careers.

Our company's strategic priority is to contribute to the development of a pipeline of diverse young talent by supporting STEM, educational programs, and initiatives that align to the future competitiveness of our country and the business needs of our industry. Young girls and students of color are particular target of this effort.

A few highlights of these programs include:

Our signature youth STEM initiative is the CyberPatriot National Youth Cyber
Education program and competition, created by the Air Force Association. It's a
global program and the United States' largest and fastest growing youth cyber
education program. The Northrop Grumman Foundation is the presenting sponsor
and Northrop Grumman contributes scholarship money to the winning teams.
Middle and high schools from all over the world compete in teams to protect the
network of a fictitious company from a cyber-attack. This year an astounding 5,554
teams competed. The participation of girls in this program is a focus for both
Northrop Grumman and the Air Force Association. The program offers a fun, team

environment that makes it easy for girls to get involved. We encourage all girl teams and even provide them registration free of charge. This initiative encourages young girls to see the enormous possibilities in pursuing a STEM career path. In addition, the program's focus on diversity has grown the female population from 6 % to 23% in 5 years. Many of Northrop Grumman's women employees spend time volunteering in classrooms and coaching CyberPatriot teams. These women are fantastic role models and help inspire future generations of girls to get involved in cyber.

- A number of our women engineers have also served as role models, for the DiscoverE, Girl Day, worldwide campaign to introduce girls to the fascinating world of engineering. Our employees were highlighted in advertising and social media, sharing their personal stories and encouraging young girls to get, and stay interested in STEM.
- Last Spring, Northrop Grumman was honored to be the lead sponsor for the Confidence Code for Girls and the Women in Their Lives conference in Baltimore. Northrop Grumman provided 125 scholarships (\$50,000) for girls at our partner schools in Baltimore to attend and had a number of our women leaders as speakers and participants. Research shows high school girls often lose confidence just when they most need it as they prepare to make career choices, leave home and join a larger world community and this is exactly the population that this event was focused on.

In closing, Northrop Grumman recognizes that diverse teams are not only essential to developing the most innovative and effective solutions, but they are also vital to strengthening our national and economic security. Diversity is truly a strategic asset. A respect for diversity and an inclusive work environment are not just important values, but essential to long- term success. I am honored to be here today representing Northrop Grumman. I am especially proud of our company's efforts to support women while creating a workplace that empowers

us to thrive and lead! Thank you holding today's forum and for having me here today. I would be happy to answer any questions.