

## Final Portfolio

MGMT 697- Karen Ross

December 2<sup>nd</sup>, 2019

Deisy Ruiz

## **Table of Contents**

- I. Executive Summary
  - a. History and Background
  - b. Organizational Structure
  - c. Revenue
  - d. Market
- II. Stakeholder Analysis
- III. SWOT Analysis
- IV. Differentiation
  - a. Specialty
  - b. Work Life Balance
- V. Strategic Recommendation

## **Ia. History and Background**

Sandia National Laboratories (also known as Sandia Labs) is a Government owned contractor operated facility. Sandia's mission is to develop advanced technologies to ensure global peace. The laboratory first began in 1945 as a division of Los Alamos National Laboratory and did not become its own laboratory until 1948. The labs was a descendant of the Manhattan Project and about 20 years later, Sandia National Laboratory became part of the Department of Energy (DOE) laboratories.

Sandia was an owned subsidiary under Martin Marietta (Lockheed Martin Corporation), until May 2017. The contract named the National Technology of Engineering Solutions of Sandia, LLC (NTESS) to assume management of Sandia.

Sandia Labs has over ten thousand employees and many different facilities nationwide. The largest plant is in Albuquerque, NM. Albuquerque's site is special in location since it is the only plant located on a base. To name a few of the other locations:

- California
- Washington
- Nevada
- Hawaii

## **Ib. Organizational Structure**

Sandia's organizational structure is a hierarchy structure. There are numerous divisions within Sandia that are then broken down into centers and further broken down into departments.

### **Ic. Revenue**

Sandia is a Federally Funded and Development Center, therefore they do not generate revenue with the purpose to make profit. They receive funding from the government and sponsored by government agencies. This past year in 2018, Sandia's total funding was \$3,642 million dollars. About 97% of its funding is used for operating expenses, and the other 3 percent is split between capital equipment and construction. The purpose of funding is to allow Sandia's scientists and engineers to perform, support, and apply research and development. Below are some of the national priorities that Sandia focuses on:

- Nuclear Weapons
- National Security Programs
- Energy & Climate
- Homeland Security
- Global Security
- Cybersecurity
- Nonproliferation
- Infrastructure
- Counterterrorism

## **1d. Market**

Sandia does not produce products for the market to sell for the public. Since Sandia is funded through government agencies and universities, the volume of products made are very low. Companies/ universities who contracts with Sandia may have hire Sandia to create a product, for the purpose to replicate the product once Sandia perfects it. Sandia would do all the research, development and testing in order to produce an effective product.

In essence, Sandia markets two different ways. The first way is that Sandia often times makes trips to either other government agencies or Universities to show and display their potential projects and technology. This serves the purpose to attract sponsors for the projects. The second way Sandia markets itself is by their employees. Sandia recruits the best and the brightest to provide opportunities to collaborate with technical experts.

## **II. Stakeholder Analysis**

Sandia is government funded; thus, it does not contain any stakeholders. Congress is the one who manages the laboratory. Instead, individual projects and programs have their specific stakeholders. Some examples include: Universities, The Navy, federal and local state agencies.

Sandia is huge on project management. This is their method to ensure projects are on schedule and at cost to satisfy the “stakeholders.” Project managers have the duty to manage a project’s schedule, which involves meeting with the engineering project

manager. These meetings happen twice a week to ensure productivity and documentation. A project ranges from design, fabrication and testing. Many of the projects at Sandia can range from 3-10 years. This means that planning and forecasting cost, deliverables, and the schedule has to be done as accurate as possible. Project managers also manage project controllers. Project controllers are the ones who do the detailed work with maintaining the numbers and schedule. At Sandia, projects must be managed to stay below the max funding amount, otherwise any over cost will need to have an explanation and support to back it up.

The project managers on the technical and business side have either monthly or some other form of sequence that they meet with the stakeholders to review the status of the project. The reviews with the stakeholders can happen through phone, skype, or travel to meet in person. All the work and communication that occurs between project controllers, project managers and the technical managers is to ensure the stakeholder's expectations and needs are being satisfied.

### **III. SWOT ANALYSIS**

#### **Strengths**

- Best and the brightest scientist and engineers
- Contribute to national security in the form of solving problems and creating solutions
- Community Involvement

- Large pool of interns to contribute to the mission. Interns don't cost as much as full time.
- Government health and benefits
- Location of a national laboratory is in a low-cost city (Albuquerque)
- Remote and virtual opportunities to work off-site
- Work life balance

## **Weaknesses**

- Funding is only through the government
- Cost to operate the projects are very expensive
- Small businesses are less likely to get involved
- Security risks
- Out of state recruiting is mainly for the technical line, therefore business hires yield mainly from Albuquerque, NM
- Ladder to promotions is extremely high

## **Opportunities**

- To support more local business
- Have more community outreach
- Advance technology across the labs; not just physically in the labs but in the office space
- Increase security through technology
- Increase space for more work

## **Threats**

- National threat against foreign threats
- Government shutdown
- More affordable labs can do the same type work
- Kirkland Airforce Base controls

## **IV. Differentiation**

Sandia does not really have a strategy to market their products. Since the government or educational programs are the only one that fund research and testing to produce a product. In Sandia, there is a business unit called Strategic Partnership Programs. These are partnerships that Sandia has to do the work for others. Under this partnership, marketing the technology, capabilities are essential. This also helps promote more sponsoring opportunities as mentioned before.

Sandia differentiates itself by the work that it offers. The Albuquerque site for Sandia provides nuclear weapons engineering. To reiterate the mission, Sandia focuses to ensure the nation's safety within the nation's stockpile. Sandia's creates a foundation where they can leverage capabilities and solve complex national security problems. Sandia's differentiation strategy is their specialty; what products can be produced using by the best and brightest employees across the nation.

## **Work Life Balance**

Another method that Sandia has to differentiate itself is it's work life balance. Sandia is flexible with telecommuting and virtual agreements, when the need is present. They offer three different types of work schedules:

1. Regular 8-hour days for 5 days
2. Working 36 hours in one week and 44 another week to have every other Friday off
3. Working 10-hour days for 4 days

These options are attractive to employees who either live a busy out of work life and employees with young children. As a government funded lab, overtime is highly discouraged, rather Sandia offers flex time. Flex time is the concept of using the extra hours worked in another week and charging the full-time amount of 80hrs per week.

## **V. Recommendations**

My recommendation for Sandia to continue being one of the biggest employers in Albuquerque, NM and one of the biggest labs is to first advance in better technology. The government funding is difficult to manage and use, because it is so heavily watched. This delays the opportunities to have the latest technology in the everyday business operations. I recommend pushing for more high-tech business products. This would help the business operations work faster and more efficiently to ultimately support the technical line.

Another recommendation is to continue having the community involvement. Sandia provides many opportunities to have employees engage in the community whether it's

through tutoring, science fairs, food banks, and more. Corporate social responsibility is important to every company. If Sandia maintains its strong outreach, it will gain more sponsors.

The last recommendation is to improve the promotion and raise structure of the company. In this day and age, millennials are taking over the workforce. Statistics are showing that millennials are much different from past generations when it comes to the workforce. Today's millennials show that they are not likely to stay at one job until retirement. Sandia must come up with a strategy to recruit and retain young employees. The amount of time it takes to become a manager, or a director may be unattractive to the eye of a millennial. The career opportunity latter must be fixed in order to reduce turnover and increase the number of Sandians.