Boeing's Strategic Changes Linked To CEO Compensation Growth And Oversight Concerns

Comparison Of Boeing CEO's Compensation To Recent IAM 751 Union 2002-Present (QA EXPERT DARYL GUBERMAN UNVEILS)

Boeing's Strategic Changes Linked to CEO Compensation Growth and Oversight Concerns



Over the next two decades, Boeing's CEOs saw their compensation grow by an astounding 1150%, rising from \$2 million in 2002 to \$25 million in 2022.

REASONS WHY

In April 2002, Boeing implemented two pivotal changes in its supplier oversight: adopting NADCAP (National Aerospace and Defense Contractors Accreditation Program) and issuing supplier bulletin PQIT-02-001. These initiatives eliminated the need for on-site audits of suppliers and subcontractors, relying instead on third-party certifications like AS9100 accredited by ANSI-ANAB.



Kelly Ortberg, a Boeing executive, made a controversial statement during negotiations with the International Association of Machinists (IAM). In a tense moment during contract talks, he allegedly said, "This is our last and final offer. If you don't take it, we will hire scabs,"





The average annual pay for IAM 751 members rose from \$60,000 in 2002 to \$85,000 in 2022—a 41.67% increase over the same period.

Stratford, Connecticut Dec 4, 2024 (<u>Issuewire.com</u>) - The issue began in 2001 when Boeing announced massive layoffs of **20,000-30,000** employees following the downturn in the aviation industry after 9/11 (<u>https://money.cnn.com/2001/09/19/europe/boeing/index.htm</u>)

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(https://www.boeingsuppliers.com/nadcap/nadcapletter.pdf In this document what does this mean? -need arises) and issuing JULY 2002 Supplier Bulletin PQIT-02-001

(https://www.boeingsuppliers.com/supplier/BQMS Bulletin-BQMS CRB and Survey-July 2002.pdf In this document what does this mean? - if need be) These initiatives eliminated the need for on-site audits of suppliers and subcontractors, relying instead on third-party certifications like AS9100 accredited by ANSI-ANAB.

REASONS WHY BOEING DEMANDS ANSI-ANAB

- 1.2002 July: Boeing Supplier Bulletin Requires AS 9100 International Standard Aerospace MUST BE ANSI-ANAB accredited
- 2-Boeing Sits On ANSI-ANAB Management Committee. Illustrated on website that can grant, suspend and withdraw certification. QA Expert Daryl Guberman exposed this control of the fox

watching the hen-house, by Boeings demands on supplier bulletin, supplier portal and Boeings membership and their customer relationship (which effects impartiality) with their accreditation body ANSI-ANAB.

Conformity assessment — Requirements for accreditation bodies accrediting conformity assessment bodies

According to ISO 17011

- **4.4.4** All accreditation body personnel and committees who could influence the accreditation process shall act objectively and shall be free from any undue commercial, financial and other pressures that could compromise impartiality. The accreditation body shall require all personnel and committee members to disclose any potential conflict of interest whenever it may arise.
- 3-Boeing Supplier Portal: Requires ANSI-ANAB for 3rd party registrars or international equivalent.

NOTE OF IMPORTANCE:

- 1. ANSI-ANAB are founders of the IAF (International Accreditation Forum incorporated in Delaware, they are an association of accreditation bodies national and international that are equivalent to ANSI-ANAB accreditation. IAF sister organization ILAC (International Laboratory Accreditation Cooperation-Australia)
- 2. ANSI-ANAB are underwriters for IAF-ILAC per numerous Federal Contracts.
- 3. Due to Quality Expert Daryl Guberman's exposure of ANSI-ANAB being underwriters for IAF/ILAC they are attempting to **REBRAND** them as **GLOBAC** Global Accreditation Cooperation

While these changes were framed as efficiency measures, they marked a shift in Boeing's operational focus. By outsourcing supplier auditing, Boeing significantly reduced costs, enabling greater emphasis on financial performance, including stock buybacks and executive pay. Over the next two decades, Boeing's CEOs saw their compensation grow by an astounding 1150%, rising from \$2 million in 2002 to \$25 million in 2022.

In **2009**, the FAA granted Boeing authority to self-certify its aircraft technologies (example MCAS System -Maneuvering Characteristics Augmentation System Reference Ethiopian & Indonesian crashes **340+ fatalities**), and designs (Reference April 17, 2024, DHS Subcommittee meeting Capital Hill Sam Salephour whistleblower, design issues Boeing **777 &**

787-(https://www.newstribune.com/photos/2024/apr/18/3749044/) under the Organization Designation Authorization (ODA) program. This designation allowed Boeing to act as an agent of the FAA, approving its own products without direct FAA oversight. Critics argue this shift weakened regulatory safeguards, prioritizing efficiency over safety and independent verification. https://www.avweb.com/news/faa-grants-boeing-more-autonomy-on-certification/

In contrast, IAM 751 union workers, who represent Boeing's manufacturing workforce, experienced a much smaller increase. The average annual pay for IAM 751 members rose from \$60,000 in **2002** to \$85,000 in **2022**-a 41.67% increase over the same period.

These developments highlight growing disparities in compensation and oversight. Critics claim Boeing's cost-cutting measures and self-certification authority prioritized shareholder returns and executive pay

over employee equity, safety, and product quality, with profound implications for the company's culture and operations.





IAF and ILAC are seeking tenders for the rebranding of IAF and ILAC as the Global Accreditation Cooperation (GLOBAC), the new international organization for accreditation being formed by IAF and ILAC.





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