

DEPUTY SECRETARY ELAINE CHAO SPEECHES FROM JANUARY 1990 -

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03/15/90	Talking Points Trade Association Liaison Counsel	Washington, D.C.

REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
TRANS EXPO OPENING PROGRAM
WASHINGTON, D.C.
JANUARY 7, 1990

Good evening distinguished guests, ladies and gentlemen.

I am Elaine Chao, Deputy Secretary of the Department of Transportation, and it is my pleasure to welcome you here tonight to the opening of TransExpo.

We will begin the program with the presentation of the colors by the United States Coast Guard Honor Guard, followed by the playing of our national anthem by the United States Coast Guard Band.

Please rise for the presentation of the colors.

(Colors, Anthem ,Applause)

Thank you. Please retire the colors. (Colors retired)

Please be seated.

Legislation establishing the Department of Transportation called for it "to assure the coordinated, effective administration of the transportation programs of the Federal government" and to develop "national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost . . ."

Critical to the achievement of this mission are the distinguished individuals that have joined me here on the platform. They are the heads of the Department's in operating administrations. It is my privilege to introduce them to you.

Beginning on my right, and your left, we have:

Commandant of the United States Coast Guard,
Admiral Paul A. Yost, Jr.

Administrator of the Federal Aviation
Administration Admiral James B. Busey.

Tom Larsen, Administrator of the Federal Highway
Administration.

Administrator of the Federal Railroad
Administration, Gil Carmichael.

Secretary of Transportation Samuel K. Skinner

(OPEN CHAIR FOR GUEST SPEAKER, IF ANY)

Administrator of the National Highway Traffic
Safety Administration, Jerry Curry.

Bryan W. Clymer, Administrator of the Urban Mass
Transportation Administration.

Administrator of the Saint Lawrence Seaway Development Corporation, James L. Emery

Maritime Administration Administrator Warren Leback. And

Administrator of the Research and Special Program Administration, Travis P. Dungan.

(applause)

In addition to the dignitaries that I have just introduced, we also have with us other senior officials of the Department, as well as former Administrators and officials who provide leadership, advice and counsel to the Department.

With us, as well, are many senior Administration officials from other federal agencies.

(Seated in front two rows -- ask to stand for applause)

Thank you all for joining us on this important occasion.

(Leave blank card for special recognition of special guests.)

1. Congressman John Dingell ,Chairman of the House Energy and Commerce Committee,.and Mrs. Dingell,

2. (Other members of Congress attending. FAA will try to monitor this attendance and alert us to any special recognition required.)

I would also like to take this opportunity to acknowledge and thank the Transportation Research Board for the cooperative spirit in which they worked with the Department on this event. In particular, special thanks are extended to:

Mr. Frank Press, President of the National Academy of Sciences;

Mr. Tom Dean, Executive Director of the Transportation Research Board; and
the other members of the TRB staff, who have been a tremendous help in making TransExpo a reality.

TransExpo is a unique presentation by the Department of Transportation. The idea of hosting a major transportation exposition originated with Secretary Skinner as part of his overall effort to develop a national transportation strategy.

Those of you joining us at the reception following this program and those touring the exhibit hall during the upcoming week, will see an exciting and varied array of transportation technology.

With nearly 150 exhibits by U.S. and international corporations, colleges and universities, and national associations, you will receive a striking picture of the diversity of the transportation industry -- and the vitality of the effort to renew the Nation's infrastructure and meet its transportation needs into the next century.

I hope each of you will take a moment to look at the section in your program listing the exhibitors in TransExpo. Quite frankly, we were concerned that the short time in which to organize this show would discourage participation from the vast transportation industry.

Nothing could have been farther from the truth. The response and enthusiasm has been overwhelming, and I think this attests to the cooperative spirit which has been fostered by Secretary Skinner and the constituency we serve.

It is now my pleasure to introduce the moving force behind TransExpo -- and the leader of our nation's transportation programs: The Honorable Samuel K. Skinner, Secretary of Transportation.

(applause)

(Note: If the Vice President is in attendance, Secretary Skinner will make brief remarks and then introduce him)

Thank you Mr. Secretary.

I hope that all of you will now join us in the exhibit hall for the reception and advance viewing of TransExpo.

Good evening, and thank you all for coming. I hope you enjoy the exciting exhibits of transportation technology displayed in this building today.

REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
HARVARD BUSINESS SCHOOL CLUB OF WASHINGTON
WASHINGTON, D.C.
JANUARY 25, 1990

Good evening. It is a special pleasure for me to be here with my friends in the Harvard Business School Club.

Like many of you, I did a lot of growing up in my years at Harvard. For a few years, the place was home to me, and I have had the benefit ever since of the advice and counsel -- and perhaps most of all, the *example* -- of many of my colleagues as our lives and careers have moved ahead.

Tonight, I have the great honor of bringing my boss home to you for a proper introduction. The Secretary of Transportation, Sam Skinner, has also been the source of good advice and counsel for me, and one of the best examples in town of what a leader with vision can accomplish in government.

I think Sam Skinner has what I would call "a thirst for what works." That doesn't mean he automatically abandons old ways of doing things just because they are old. It means he is open to change when it is called for --

and ready to explore the best ideas for making that change.

These are instincts that had to be born and bred in the private sector. Secretary Skinner discovered at the DOT that there are no ready-made answers to our transportation problems. This means we are going to have to question conventional wisdom, and take some risks. In fact, the biggest risk in transportation right now is not taking one.

Many of us here are still discovering what Sam Skinner already knows: Risking failure is a necessary part of striving for success. And when the stakes are as high as they are right now, risk taking can no longer be the exception to the rule. It has to become the rule itself.

A good example is the National Transportation Policy, which we expect to release next month. Secretary Skinner recognized that it was time to question some basic assumptions about transportation in this country -- to discuss it from different points of view and communicate what we know with methods more comprehensive than in the past.

This is the kind of management vision that they tried to teach us at the Harvard Business School.

Mr. Secretary, you would be the first to admit that the government can't solve all our problems -- but let me be the first tonight to say you are making a terrific run at it, and I'm proud to be right behind you.

Ladies and gentlemen, please join me in welcoming the Secretary of Transportation, Sam Skinner.

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REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE CHAO
FY 1991 BUDGET BRIEFING FOR INTEREST GROUPS
JANUARY 30, 1990
WASHINGTON, D.C.

As Secretary Skinner announced yesterday, the Administration's proposed budget for the Department of Transportation for fiscal year 1991. This request is based on an assessment of needs, paying particular attention to critical safety programs and effective, efficient management of our responsibilities. It lays the groundwork for improving the nation's transportation infrastructure consistent with the President's often-stated objective of investing in the future. Investment in our nation's future transportation needs is necessary if America is to maintain its competitive edge in an ever increasing global market.

As Deputy Secretary, I have stressed the importance of, and need for, a strategic national transportation policy because effective and efficient transportation is critical to our global competitiveness, to our quality of life and to our national security. We will soon unveil our policy in detail. However, this budget, with its emphasis on infrastructure, research and development, increasing the role of state and local governments and transportation authorities in financing transportation infrastructure, is consistent with our objectives in developing such a policy.

Overall, we are requesting \$26.9 billion in appropriations and obligation limitations. This request is 9.1 percent above the FY 1990 President's Budget. Compared to the enacted FY 1990 level, the budget includes areas of significant increases in each mode, but especially for the Federal Aviation Administration, the U.S. Coast Guard, the National Highway Traffic Safety Administration and the Maritime Administration. It includes funding for the Office of Commercial Space Transportation. Given significant reductions in select program areas, the request overall is 4.2 percent below the FY 1990 enacted level.

Regarding personnel, our request totals 106,161 Full Time Equivalents (FTE), a two percent increase over FY 1990. While I firmly believe that DOT should be lean and efficient, much of our staffing increase is necessary, in the face of external events, to meet our safety and security responsibilities. The proposed staffing increase includes additional inspectors in the areas of aviation, railroads, motor carriers, pipelines and hazardous materials.

Before I highlight individual modal budget requests, let me summarize the major themes of the budget.

- We are requesting \$1.6 billion for safety programs, an eight percent increase over FY 1990, needed to carry

out the Department's responsibilities to ensure a safe transportation system. This includes inspections, search and rescue, safety grants to states and aviation security.

- Our request includes \$18 billion, or 67 percent of the Department's budget, for programs directly supporting capital investments in highway, transit and aviation infrastructure. Such investments are needed to maintain conditions as well as to expand capacity. This includes \$4 billion for aviation investments -- a 27 percent increase over FY 1990. Over the next five years, we propose a 78 percent increase in funding for aviation facilities and infrastructure compared to the past five years. In addition to this direct federal spending, we are proposing to allow airports to levy passenger facility charges which will generate additional funds for infrastructure.
- We are proposing \$776 million, a ten percent increase over FY 1990, to support the Department's drug enforcement activities, including \$731 million to support the Coast Guard's role.
- Our request includes \$422 million for research and development programs, a growth of 26 percent to

prepare us for the future and to help make the transportation industry even more competitive.

- We are requesting \$372 million, or 1.4 percent of the Department's budget to support the Coast Guard's responsibilities for military readiness as well as the Ready Reserve Force and the National Defense Reserve Fleet in MARAD.
- \$20.7 billion or 77 percent of the Department's budget would be financed from user fees, up from 67 percent in FY 1990. Our user fee package includes increased aviation fees and fee proposals in Coast Guard, Railroad Safety and Commercial Space, all of which are critical to support the funding requests in this budget.

Now let's turn down the lights and go to the graphics.

REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
GSA MANAGERIAL EXCELLENCE PROGRAM
WASHINGTON, D.C.
JANUARY 30, 1990

Good morning, and thank you for that kind introduction. I'm delighted to be here to talk about management issues because my concentration at Harvard Business School was in general management. And also, despite much lip service, management issues do not get enough attention in government -- and good managers do not get enough reward.

Management is not a sexy issue, and is often shunted aside in favor of more appealing and more urgent orders of the day. Yet, good management is the foundation of good decision making and good public policy.

In my opinion, the key to policymaking is ensuring that all points of view are expressed -- that the pros and cons are fully vetted. A variety of opinions should be sought. This is the function of public servants: To make sure that diverse points of view are heard and considered.

So, I would like to share with you today some of the common sense management basics that I try to follow -- general guidelines that have been effective for me, both in managing my immediate staff and governing

the increasingly large organizations I've been privileged to serve in my career.

In my opinion, good managers are good team builders, good communicators, and good teachers -- and not necessarily in that order.

First, let me say that in government I think team work is particularly crucial. Government agencies are vast bureaucracies, often with their own institutional outlook. An effective government manager must emphasize teamwork in order to foster concern for the organization as a *whole* -- and prevent the staff from becoming mere proponents of any one sector or service.

As Deputy Secretary, I often don't have the luxury of focusing on any one mode of transportation, and need to help the Secretary develop policies that are balanced and productive across-the-board. I need a staff that thinks like that too -- and to get it, I need team players.

The same is true in each of your immediate offices. Morale is important -- and a manager that really leads a team is going to generate strong morale. It's basic: cultivate participation within the organization -- and help develop pride on the job.

One technique is to make good use of meetings. We all know: Meetings can be a waste of time. It's been

said that if Moses had been a committee, the Israelites would still be in Egypt. But meetings can be a very effective management tool -- the most visible signal that a manager is really building a team.

Meetings can be the best way to make your staffs feel that they are part of the process -- that their opinions are heard --. and that *they have a stake* in your own success or failure.

This is particularly important in government, because leadership Ideas take hold within a large organization when its members sense that they are part of a team preparing to tackle more significant and exciting tasks.

My second point is that a good manager is a good communicator. None of us are perfect in this regard. I may wonder later whether *this speech* was an example of good communication.

But the communication I am talking about has as much to do with a manager's *attitude* as it does with speaking or writing the English language.

I once had a boss who continually expressed a desire for 'creativity' from the staff, and pointed out that 'his door was open' -- as though this was the ultimate proof of free communications.

Well, his door was open all right, but it was open after passing through three layers of increasingly vigilant and hostile matriarchs, who looked upon you vaguely as some form of lower animal life from which the boss should be protected.

Worst of all, when you did arrive in the inner sanctum with a new idea or proposal, you were reminded again that "This is the job" and "This is how it's done."

As Hollywood producer Sam Goldwyn once said, "I don't want any yes-men around me. I want everybody to tell me the truth -- even if it costs them their jobs."

With management like that, you can forget creativity. You can probably forget suggestions of any kind. And you can certainly forget any delusions that you have a 'team.'

So I say to all those who presume to excellence in management: Keep an open mind behind the open door.

My last basic management rule is perhaps the most important. A good manager is a good teacher. It sounds a little trite, but let me explain.

I think, in the long run, the most effective managers lead by example. In the course of this seminar, I am sure you will talk about many management techniques and

organizational plans. And that is fine. However, a manager's personal commitment to the job -- and follow-through on the task at hand -- is far more important than technique or structure.

This is the example your staff will notice, and both the productivity and talents of the team you lead will increase. A good manager knows the importance of developing managerial talent on his or her own staff, and is not threatened by it.

To me, success in the public sector means making a lasting contribution to the agency's mission -- and perhaps a molding of the organization and the career staff into a more effective team for succeeding leaders.

In other words, a good manager is not only concerned that the organization succeed at its current task -- but also that it build its strength for future ones. This is the true legacy of organizational and management excellence.

My last suggestion is that you say 'thank you' to your staff for jobs well done. Say it frequently. It's good manners and good management.

Following my own rule, let me say 'thank you' to this distinguished group for having me here today. Best of luck and God bless you all.