

**Statement by Lee L. Gardner**  
**Managing Director, Surface Transportation Board**  
**before the Committee on Oversight and Government Reform**  
**Subcommittee on Government Operations**  
***“The Best and Worst Places to Work in the Federal Government”***

**April 6, 2017**

Thank you, Chairman Meadows, Congressman Connolly and members of the Subcommittee. I am Lee Gardner, Managing Director of the Surface Transportation Board (STB or Board). I have worked at the Board since its inception in 1996, and prior to that, worked for the Board’s predecessor agency, the Interstate Commerce Commission, for 20 years. I served in the U.S. Air Force from 1970 to 1973. I take great pride in my 45 years in public service and greatly appreciate your Subcommittee’s strong interest in ways to ensure growth in employee engagement at agencies such as ours.

**STB’s History with the Federal Employee Viewpoint Survey (FEVS) Survey**

From 2009 through 2014, the STB was ranked the best small agency in the government, according to the FEVS annual survey. In fact, in 2014, the STB scored the highest of any government agency. We even received accolades from entities outside of the survey, including a spot in *Washingtonian* magazine’s 50 Great Places to Work for 2013. We took great pride in this distinction.

After six impressive years, our scores on the survey fell in 2015, placing us 5<sup>th</sup> among all small agencies. In 2016, our scores declined further, placing the Board at 16 out of 29 small agencies. This decline is of concern to management at all levels at our agency.

**Analysis of Results**

We compared the scores on specific questions asked in the 2014, 2015, and 2016 surveys.

We found several key questions with positive scores worth noting, including balance of work and other life issues, a willingness on the part of employees to put forth extra effort to get the job done, supervisor communication with employees about their performance; and the overall quality of work. These items scored in the 90% range or higher.

We have also seen high positive scores in areas that indicate the high level of professionalism and dedication of our employees, including: “my work gives me a sense of personal accomplishment”; “I like the work I do”; “I know what is expected of me on the job”; “the work I do is important”; and “I know how my work relates to agency goals and priorities”

With respect to negative responses, we fell in areas including the relationship between pay raises and performance; supervision and leadership; steps taken to deal with poor performers; opportunities to get a better job; training; and diversity.

### **Factors Contributing to the Board's Decline**

Over the last few years, the STB has been an agency in transition. Our staff has experienced a significant amount of change and uncertainty in the areas of leadership, responsibilities and resources. These factors have no doubt contributed to the drop reflected in the 2016 survey.

In the span of two years, our agency underwent a change in the chairmanship several times. Naturally, each change in the chairmanship brought a transition for staff and an adjustment to new priorities and differences in management style.

Sustained periods of constrained resources have also been a real challenge for the Board. Our FTE levels have been dropping during the past several years, leaving the agency with fewer staff to fulfill the agency's workload. While the STB leadership believes in fiscal responsibility and delivering the best service to our stakeholders for the least impact to taxpayers, the strain on the workforce is real.

We currently have a staff of 128 FTEs, a significant reduction from our highest employment level of 149 FTEs in 2010. Between 2014 and 2017, we had 45 departures compared to only 30 hires. This represents a 12% reduction from our prior staffing levels. For such a small organization, these numbers are significant. We appreciate the on-going support of our oversight and appropriations committees in Congress for funding for technology and staffing, especially in light of our new status as an independent agency.

Another factor that has adversely affected the morale of STB staff is the prospect of relocating due to the recent expiration of our lease. In April 2013, GSA notified us that at the end of our lease in February 2017, we could be required to relocate to a new facility. This has been very unsettling to staff, since during this time, they have not known what the full impact of relocation might be on their daily lives. Just this week, GSA informed us that a lease award should be finalized within the next 30 to 40 days, and we very much welcome that news.

Finally, enactment of the Surface Transportation Board Reauthorization Act of 2015 (STB Reauthorization Act). That new law reauthorized the Board for the first time since its inception in 1996 and made the Board a fully independent agency, after having been administratively aligned with the Department of Transportation (DOT) for the past 20 years. The STB Reauthorization Act expanded the Board's membership from three to five members, empowered the agency with investigatory authority, shortened timelines for adjudications of railroad rate cases, and imposed reporting requirements on formal and informal complaints. While independence has been invigorating, exciting, and challenging for staff, it marks another transition to new and expanded responsibilities. With fewer staff and the increased unlikelihood

of new hires on the horizon, the agency must manage the new reality of doing more with less in the best way possible for our stakeholders. I am happy to report, though, that while it has been stressful, the Board's implementation of the Reauthorization Act was completed on time and successfully due to our excellent leadership, the hard work of our staff, the cooperation of DOT, and the assistance of our Congressional oversight committees.

### **Actions Taken to Improve**

As I mentioned earlier, the Board's management is very concerned about the agency's recent drop in ranking and is exploring ideas that could help improve those scores, and most importantly, employee engagement and satisfaction. To that end, we have taken several positive steps intended to address concerns identified in the 2015 and 2016 surveys.

We are working to address the low survey scores regarding senior leadership. First, we met with senior managers at the agency to obtain their thoughts on the reasons for our lower scores and ways that we might improve. In addition, Acting Chairman Begeman requested our employees to share with her their thoughts on underlying factors that contributed to the Board's poor results, as well as suggestions on actions that could be taken to improve the STB overall.

We recently invited staff from the Partnership for Public Service to brief the Board Members and staff on the Board's survey results. This briefing provided useful insights into the key drivers of our most recent scores and identified major issues that require our attention. The Partnership for Public Service staff also shared best practices used by other agencies as well as the private sector for improving engagement at the agency.

Also, we provided in-person leadership training to approximately 25 senior managers and supervisors. The Office of Personnel Management's Center for Leadership delivered an executive training course entitled, "Leadership in Action," which provided an in-depth discussion and interactive sessions on developing core leadership skills, including how to effectively lead, communicate, build strong teams, and manage change.

In addition to the actions taken to address the survey directly, we have continued to provide staff with important training in areas of concern to our agency as well as the government. For example, we provided in-person diversity training for the entire agency last fall. All agency staff and managers were asked to attend the training entitled "Respectful Communications." This program provided information about Equal Employment Opportunity, and offered practical approaches to increasing inclusion, respecting diversity, and effective communication and problem-solving. The training was well received by everyone who attended, and we believe it was impactful.

## **Conclusion**

Leadership and management at the STB are acutely aware of the agency's drop in rankings in the most recent survey. We are engaging managers and employees in a meaningful dialogue on how we can improve our scores, and more importantly, our employees' work satisfaction. In addition, we have sought the assistance and guidance of the Partnership for Public Service.

Please be assured that the STB intends to promote a collaborative partnership with our employees as we work to fulfill our agency's important mission.

I would be happy to respond to any questions. Thank you.

Lee L. Gardner  
Managing Director  
Surface Transportation Board

Lee Gardner has been a Senior Executive with STB since 1996 and became Managing Director of the Surface Transportation Board (STB) in August 2010. Lee oversees a wide range of administrative service to the STB staff, including building and space management, financial management and procurement services, human resources management, and information technology.

From 1996 to 2010, Lee was Director of the STB Office of Economics, Environmental Analysis and Administration. This office was responsible for conducting economic and environmental analyses in adjudicating cases before the agency as well as the administrative functions now performed by the Managing Director.

Lee began his government service with the Interstate Commerce Commission (the predecessor agency to the STB) in December 1975 as an analyst in the Bureau of Economics. Subsequently, he was Assistant to the Director in the Office of Economics.

Following passage of the ICC Termination Act of 1995, Lee was instrumental in implementing the termination of the ICC and establishing the Surface Transportation Board as a modal administration within the Department of Transportation. Lee had a major role in establishing the STB as an independent agency following passage of the STB Reauthorization Act in December 2015.

Lee received a Bachelor of Science degree in Business Administration from the University of Maryland in January 1970, with concentrations in marketing, logistics and transportation management. He served in the U.S. Air Force from April 1970 until December 1973. He was awarded a Masters of Business Administration degree from the University of Maryland in May, 1975.