



Commentary

Doug Eadie on Leadership

The Stakeholder-Savvy CEO: Talking with SFMTA's Nathaniel Ford

One of the most popular breakout group exercises in the hundreds of board retreats I've facilitated over the years is what I call "stakeholder quid pro quo analysis." First the breakout group makes a list of the transportation authority's stakeholders; then the group identifies the stakes involved in each relationship.

Going through this real-life exercise, retreat participants invariably come to recognize how important stakeholders are to their authority's long-term success. Not only is effectively managing stakeholder relations a critical leadership function, experience has taught me that the most effective transportation CEOs play a large role in managing stakeholder relations, indeed are truly "stakeholder-savvy" leaders.

One of the most "stakeholder-savvy" CEOs in the transportation business is Nathaniel Ford, executive director/CEO of the San Francisco Municipal Transportation Agency. Nat, who joined SFMTA as its CEO in January 2006, brought 26 years of public transportation experience to this new leadership challenge.

Beginning his transportation career as a train conductor at the New York Metropolitan Transportation Authority, Nat worked his way up the ranks, eventually serving as assistant chief transportation officer at the San Francisco Bay Area Rapid Transit District and senior vice president of operations and general manager/CEO at the Metropolitan Atlanta Rapid Transit Authority.

The seventh largest system in North America, "Muni," as the transit system is popularly known, is a uniquely comprehensive transportation network encompassing historic streetcars, modern light rail vehicles, buses, electric trolley coaches, and the world-famous cable cars. The greater SFMTA is also responsible for bicycling, pedestrian planning and accessibility, traffic engineering, parking, and even taxicab regulation.

I recently spent a fascinating and thoroughly enjoyable couple of hours with Nat at SFMTA headquarters, discussing his involvement in stakeholder relations.

Doug: Nat, who are the top-tier stakeholders who regularly command the lion's share of your time and attention?

Nat: Doug, you need to know that I take managing relationships with my key stakeholders very seriously, and I'd say I spend 45-50 percent of my time on stakeholder relations. I learned early in my career the importance of building and nurturing relationships. Here in San Francisco, I'd say I have six preeminent stakeholders I devote a great deal of time and attention to. Externally there's the public-at-large, our customers, the Mayor

of San Francisco, and key constituency groups who participate in what we call the "Advocates Meeting"—advocates for city planning and greening; bikes; pedestrians and better streets. Internally, there's obviously my seven-person Board of Directors and my staff.

Where the public-at-large is concerned, wearing my "Diplomat-in-Chief" hat, I regularly speak to groups all over San Francisco, such as the Chamber of Commerce, SPUR (San Francisco Planning and Urban Research), and other civic-based organizations. My diplomatic task is to explain the Muni mission, how well we're performing, and key initiatives

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we've got going, such as our Central Subway Project, which will provide rail service to the Moscone Convention Center, Union Square and Chinatown, and our Transit Effectiveness Project, the first system-wide assessment we've conducted in over 25 years. Keeping our relationship with our direct customers—our Muni customers, pedestrians, bicyclists, parkers—is essentially a matter of providing high-quality service that meets their needs. Of course, that means we have to pay attention to changing needs and demands, and one of my key CEO responsibilities is making sure we're listening to our customers and stakeholders.

Doug: Tell me about your relationship with the office of the Mayor.

Nat: Well, although we have a Board of Directors that's charged to provide me with regular guidance, SFMTA is essentially a department of the City and County of San Francisco, and I report directly to the Mayor, Gavin Newsom, who appoints the seven members of my Board (they must be confirmed by the Board of Supervisors) and approves our budget request to the Board of Supervisors. The City and County of San Francisco, by the way, contributes approximately 50 percent of SFMTA's general fund budget, which must be unique in the U.S.

Among the most passionately "green" big city mayors in the U.S.,

Mayor Newsom has been a tremendous proponent of the cause of public transportation generally, and a steadfast supporter of Muni. How do I approach this key relationship? Well, it's simple. First, I communicate frequently and honestly with the Mayor and his staff. I do not place the Mayor in a situation where he is caught off guard by an issue of any kind. If there's bad news to deliver, I deliver it; the Mayor never hears it second-hand. Second, I really do play as a member of the Mayor's executive team. I attend the Mayor's cabinet meetings, and I treat other department heads as close colleagues engaged in a common cause: serving the residents of San Francisco. By the way, I know there'll be readers of your column who think Muni's being a unit of local government is a hindrance, but my experience is that it's a tremendous asset.

Doug: What's this "Advocates Meeting" you mentioned?

Nat: For nearly three years I've been meeting with the representatives of key constituency groups that have a stake in what we do, like the Senior Action Network, San Francisco Planning and Urban Research, the San Francisco Bicycle Coalition, and Walk SF, in free-wheeling monthly sessions. I listen to their concerns and discuss SFMTA initiatives. My philosophy is reach out—and then reach out some more; bring potential and actual critics into the family and listen to what they have to say. Taking the time to meet with these community activists has paid off handsomely for the agency. For example, they played a key role in getting Proposition A passed in November 2007, giving SFMTA more authority and funding. One of my most important external roles is turning potential critics into allies and advocates, and the Advocates Meeting is an example.

Doug: What about the Board and staff?

Nat: My strategy for maintaining a close partnership with the Board includes three key elements: I make sure Board members are always in the know and never caught by surprise; I meet one-on-one with every Board member at least monthly for an hour or more, listening to their concerns; and we hold a quarterly all-day retreat involving all Board members, myself, and my executive team, getting into complex issues (like the Central Subway Project and our adding taxicab regulation to the SFMTA portfolio). On the staff front, I'm passionate about breaking down the "silos," like rail and parking, and building a cohesive team that buys into the concept of a truly "holistic" transportation agency for San Francisco. I'm the pre-eminent cheerleader for one, unified transportation team.

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