

## FAA Administrator Randall Babbitt's Speech

Delivered to NATCA's CFS-2011 convention

Las Vegas, 3/23/11 at 8:30AM

*Note: this copy has been modified with boxes around three keywords: safety, collaborate and culture. Footnotes have been added for clarity and perspective.*

**Paul Rinaldi:**<sup>1</sup> "It is an honor and a privilege, brothers and sisters and invited guests, to introduce this morning's speaker. He is a man with credentials unparalleled to anybody, to become an FAA Administrator. He has stood on the labor side, the management side, he has stood in the cockpit and he knows just about as much as we do in air traffic control.

"He speaks with a passion for the worker. He speaks with a passion for the **safety** of the system. And, when he talks, he is not blowing smoke in our direction.

"He is constantly trying to do the right thing to enhance the **safety** of the system, to make the FAA the best it can be, and to steal his line, he says he wants the FAA to become a 'high-functioning bureaucracy'. (crowd laughter)

"It is kind of an oxymoron, but the FAA is a bureaucracy, so let's get him to be a high-functioning<sup>2</sup> one, right?

"He talks almost everyday, and gives speeches about the **safety** of the system, and enhancing the **safety** of the system, and working towards NextGen. But he also talks about **collaboration** and partnership and developing relationships and doing it as a team, as opposed to going alone. His is the first time an Administrator is addressing ***Communicating for Safety***, which says a lot. He has a very busy schedule and he flew out to Las Vegas last night, and he will be flying back to DC this morning. But he wanted to make time to come and speak to this group, and talk about changing the **culture** of the FAA into **safety** first.

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<sup>1</sup> The key people in this speech are Paul Rinaldi (NATCA President since 2009), Trish Gilbert (NATCA Executive VP since 2009), and Randall Babbitt (FAA Administrator since 2009).

<sup>2</sup> This term resonates with air traffic controllers who recalled that in 2006, when FAA unilaterally imposed the infamous 'Non-tract' work rules that banned casual attire, supervisors were identified as having a 'higher skill set'.

"It is an honor and a privilege to have Randy Babbitt, the FAA Administrator, here to speak to you..." (crowd applause)

**Randy Babbitt:** "Thank you ... thank you. Paul, thank you very much for that incredibly kind introduction. That was very, very thoughtful, and it really is a pleasure for me to be out here. Uh, this is one of the areas that, when I get an opportunity to meet with the people who make our, our system what it is today, I really ... it's hard for me to pass up. And you are such a great group of folks. Your organization is a wonderful one. I have been associated and known of it, and worked with it, over the years ... uh, I guess I didn't realize some of the power that NATCA has. This morning, I got a note from Paul and I thought, wow, that's impressive. He's having breakfast at a restaurant and they have changed the name of it to Sao Paulo which, in Portuguese means 'St. Paul'." (crowd laughter) "Impressive. For someone who has never had the word 'saint' within five yards of the word 'Randolph', uh, ... very impressed.

"And, I had fun last night. I met with a lot of folks. I had a good time. It does raise concerns for me going home tonight because I think everyone in the Washington Center is here (crowd laughter) ... so uh, but, uh ... yes, met them all too. It was really a fun evening and I had a chance to meet and chat with a lot of you. So, it was really, really a good opportunity for us to have some good conversations.

"One of the things I want to start with this morning is, just go right sort of to the punchline; I want to thank you for a job incredibly well done. Uh, we all know, we have the busiest system in the world, and we have the most complex system in the world. Several of us, including Paul and Trish, have to testify occasionally, and often you will hear well, you know, in this complex in Amsterdam ... we move more traffic in most of our Metroplexes than most countries move. And that's a credit ... and it's the **safest** system in the world. This is two years, knock on wood, we have not killed a commercial passenger in this business. It's remarkable. And, it's a testament to the people who work this system, not only you in air traffic, but the people who inspect and make certain that all these carriers and crews and operations and facilities work. It's a testament to everybody who works here.

"We also, ... this is an incredibly **safe** system, as we know, but it's something I think all of us should take a great deal of pride in, and you personally should for your contributions to it.

"When we look over the many reasons why we have such an incredibly **safe** system, I would suggest that a lot of them are sitting right in this room. And for that I want to thank you. The bottom line is, you get it done. Air traffic controllers ... seven days a week, twenty-four hours a day, you are expected to excel, and you do. It's remarkable, and I am always amazed that people will point out ... you know, they tend to focus if you ... I think some of the town hall meetings I have had, I remind people that if you had a forty foot ... if that whole wall over there was a glass mirror, and it was perfectly polished and there was one thumbprint at the bottom, they would notice only the thumbprint. And that is the scrutiny that we are subjected to. They never notice the tens of thousands of operations that we do hourly. What they notice is every now and then something gets inside a parameter that we have set to monitor ourselves. That becomes an issue.

"But, I can tell you from my own experience, and I have had almost fifty years flying in this system, I have flown big airplanes, small airplanes, long-haul, short-haul, you name it I have probably done it. And I know that the system, and the service that it provides is always the same, and it's two words: first class. And again, it's a tribute to the jobs that you all do.

"I want to focus a little bit ... by the way, I should note that I've decided this ... that you all are guinea pigs of a sort. Usually you have paper with your notes on it and so forth, I am all digital today, so, if this thing quits, you are going to hear about two more minutes of pilot-controller jokes and ... (crowd laughter) ... and then I'll just be NORDO up here and you can ... (more crowd laughter).

"But I want to talk about the incredible strides, and I mean this from the bottom of my heart: the strides that we have made working together.<sup>3</sup> Working with you is making a

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<sup>3</sup> Here the Administrator is referring to the mended relationship between FAA and NATCA. Although the contract was imposed in June 2006, it was three years later before a new U.S. President brought the parties together via a 'Mediation to Finality' panel. The MTF decision notes that the imposed work rules had generated more than 450,000 grievances.

difference. It will continue to make a difference and I would suggest that we are, I don't know, maybe half way there. The strides that we have made together are incredible.<sup>4</sup> And the better we get at it, and the more we do of it, it's a regenerating cycle. We will continue to get better. But, because of the efforts of a lot of people working towards the same goal ... as one observation, all of NATCA's bargaining units now have agreements. (long crowd applause) ...

"Wheels are round, you know, you can't have a one sided wheel. So, this took work on everybody's part, and I am happy to have that behind us. I also ... we made a lot of effort in working toward **collaboration**.<sup>5</sup> We've had workshops where both sides have had to learn and take lessons in how to be more **collaborative**. And that's working. But I want to get to the point where **collaboration** is not something that we sit down and work out the details for the next hour and a half so that we are going to have a **collaboration**. I want **collaboration** to become something we just do. It's just natural; you want to do it. The enthusiasm of folks on both sides of these is remarkable to me. People enjoy working together, whether you are on the management side, whether you are a controller, whether you are a representative. People enjoy getting the job done. It's natural, and I am glad that we've been able to make the steps to change the way we work.

"I would also make the observation that it didn't just happen. It took some very courageous steps, to increase the flow of information, to increase the communication – the direct and candid communication that we enjoy today, has taken some very courageous steps, and it started with your president, Paul Rinaldi. Paul stepped up to the plate, took a leap of faith, Trish and the people that they work with, Dale and your **safety** structure ... all of these people have made huge strides in ... and a leap of faith. Well, you know what, let's try these new guys out, let's find out if they are really serious here.

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<sup>4</sup> The MTF panel's 7/6/09 decision summarized the imposed work rules as "...the terms and conditions of employment for bargaining unit employees; ranging from the trivial to the essential (including) economic take-backs, in the name of fiscal prudence, that constituted unprecedented draconian reductions in compensation, bordering on the unconscionable...." The MTF panel decision also concluded: "...the abrupt imposed changes in working conditions ... (with the unilateral imposed work rules) ... was so profound, and spawned so much hostility and distrust, that the labor-management relationship since has degenerated into a state of dysfunctionality." So, yes, the strides made by March 2011 were impressive.

<sup>5</sup> 'Collaboration' had recently become the newest buzzword for FAA-NATCA.

"I can tell you my very first NATCA Board Meeting was not Sunday at the beach; it was a very candid meeting. I knew we had a lot of work to do, but because they had the courage of their convictions ... And I would also suggest to you, it was mirrored on the other side. The foresight and courage of people like Hank Krakowski, who had as a goal from day one, to improve these communications, to improve **collaboration**, and to get back to working together from his experience in another industry ... that was a courageous step as well. And, having people that he works with, folks like Teri and Rick,<sup>6</sup> John Pipes ... all of them working together to change the **culture**, the way we interface. So, yes it did start at the top, but it has been captured all the way down. It's a wonderful thing. And, it is really impressive, when you see people everywhere, once they begin to see it and have the courage to agree to work together, not only to make this an even better and **safer** system, but make this the best place to work. Best place to work in the world. So, I applaud all of you for your contributions.

"There's a lot of people that make contributions to professionalism, too. And, I'd suggest that a good portion of you are sitting in this room, that have done that. I used to remark, for the volunteers and the pilot's association, I sort of wondered, why do they do this. People have better things to do on Saturdays, then read manuals and things, but I sort of ... it dawned on me that if someone invited you to come over and stay at their house, you'd probably leave that guest room, you would try to leave it at least as nice as you found it. Maybe even better, if there was something you could do to make that room a little nicer and clean it up a little bit when you left. And that is what professionals do. And that is what you are doing here.

"This is a good profession. It is a terrific profession to pursue, and those of you who are working in here are working to make it even better. You are going to leave this profession ... people before you made it a good profession. And your contributions are going to make it an even better profession. And it is going to make our system **safer**, so I applaud you for your volunteer time, because that is exactly what you are doing here.

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<sup>6</sup> Teri Bristol (WSA ATO Terminal Director in 2007, then VP of Tech Ops; became Deputy COO ATO in September 2012). Rick Ducharme (Senior VP of Operations, ATO; retired from FAA in August 2012).

"You know, I think if you follow a lot of the remarks I make, I talk about fundamentally two things in the system: professionalism, and **safety**. And if you stop and think about it, you really can't have just one of those. You really can't. It's impossible to have an unprofessional system that's **safe**. And, I think it is impossible to have a **safe** system where you have people being unprofessional. And so this is something that together we are working on and I think we are making huge progress.

"You are making things happen. And I would be remiss if I did not think – and speak – about some of the things that **collaboration** has brought us. Let's take ERAM. In a large part, we are improving ERAM today because of the **collaboration** we have received from you, the controllers. Lots of people work hard, and I had the opportunity to spend some time yesterday with Beverly Cook, and get first insights into the team and how NATCA approaches working with us for ERAM. And her contribution –that's a great example – here is somebody who has a lot better things to do than read fifty-page reports on the last two drops in the ERAM system, but she does. She does it and the team she works with does it, because it is going to make ERAM better for all of us. It's a better product, a better tool for you, and it is going to make the airspace system better.

"When we think about things like the transition to the ICAO standard of 'line-up-and-wait'. I think a lot of us held our breath for that one. But, you know, the transition was incredibly seamless. I still fly, and it was amazing, the outreaches that we made internally to you, and the outreaches that we made to the pilot groups and everything, it was really a seamless transition. And that is what you get when you have **collaborative** efforts.

"Partnership for **Safety** is another great example, I mean, the things that we are getting. The bottom line of all this is that we are getting more data from this system, and from ATSAP, confidential reporting. And that is what we need. And the **culture** needs to change so that we are all comfortable at providing that information, but, more importantly, if we work together when we have that information so we can do something constructive with it, that is when we know we are sort of hitting on all cylinders.

"The uh ... I think if you think about it a little bit, the primary pillar of **safety** starts with a **safety** **culture**. A place where you are not afraid ... you are not concerned to say to

people you work with, 'hey, you know, this new procedure, it's just not working and, maybe we were even part of the design team but it just, it has got some flaws ... I think we should tell somebody about this'. That's what we need. We don't need to be investigating tragedies; we need to be sifting through data. And that is where we are going to be in the next generation of ... We're moving from forensics to data analysis. And that is only available to us if we have that type of a **culture**.

"You know, we have seen some reported losses of separation, and you know these different reporting programs and the new ability to capture things digitally, will lead us to trends. We are paying more to that. I spend a fair amount of time trying to explain to the public sometimes that you shouldn't be that concerned. These things that we report, remember, we have set parameters and all we are doing is getting on the edge of the parameters. You've seen the close replays of a football player; was he out-of-bounds, was he inbounds, was that 2.99 miles or was it 3.01. The bottom line: there was no **safety** compromised. We simply put a line out there and said, we want to know if we get inside of that, we want to report it and we want to fix it. We have a buffer zone there. The other analogy I use a lot is the red light cameras. I used to have an office in Arlington, VA, and they used to give about two tickets a week. And they put a camera in and started giving forty a week. There weren't 38 new people deciding to run the light; they were just catching more, because it was electronic. So, we need to take and understand the information that we are getting, and put it to good use and work together. Because, working together, we will improve. That's a guarantee.

"I also want to tell you that the **Safety** Management System approach has my full endorsement. You know, we value what you have to say. We are getting the data, and then, working with your **safety** committees ... and this is a very important point. We get this data, we find out that something is not perfect in the system. So, what do we do with that? Well, let's look at how we train, and we are working together with you to change training. We've got a lot of new things coming, and working together with you, so we take this data that we got, this procedure isn't working. So, let's retrain a little bit, put that into the system. What happened? Did the data change? If the answer is no, then we did not train the right thing yet, so let's go back and we ... And, it's a classic **safety**

triangle, where we analyze, we retrain, we watch the data, did we fix it yes or no? And that's a constant improvement, a quality improvement cycle of **safety**. And I am really happy that you all are such big participants in it, because that's what is going to make it successful.

"When we talk about all of these programs, I think at the end of the day we have to congratulate ourselves because, at the end of the day, we are going to raise the whole of the FAA's **safety** profile. And, I think, well I don't think, it would be absolutely impossible without your participation.

"We learn more about risk. We learn how to analyze risk, manage risk. That is all coming from the data that we get. We can prioritize; we can take corrective actions. This type of a process works. We use it in other parts of the industry. Commercial Aviation **Safety** Team is used by the commercial aviation, and that takes input from all over. We want to do the same thing here so that we have that flow of information that takes us around.

"Let me close up. A number of you asked me last night, one other area that really wasn't ... I really wasn't going to start with it but I suspect I'd get a question from the floor, so I might as well give you a quick overview. Where are we with reauthorization? Where are we with these continuing resolutions and ... Let me just tell you the short of the situation we are in. The President has a budget. That's our budget, and with that budget we would propose that we can do everything that we want to do to continue this aviation system improving, we can continue the work we do on a number of fronts on that budget. There are people who think that – and I appreciate the concern of the indebtedness of the nation – we have to find ways to do things better. We are doing that. We have a number of programs that we have talked about inside the FAA, to streamline what we do to be more efficient, to be that 'high-performance bureaucracy'. It is an oxymoron sounding term, but we want to do that. And ...

"But, at the same time, we spend a lot of our time explaining to people in Congress, you know, fundamentally, we only do really four big things. OK. We have our **safety** concerns. You know, we have our certification, which I would say is part of that. We control air traffic for about seventy percent of the world's air traffic, including oceans.

OK. Then we have airports. And, we are building a NextGen system. So, the budget we put forward does all that. And, what I have been trying to tell people is, you know, we can't just do six percent across the board. We just can't, you know, close all the centers from 2AM to 4AM at night. We can't do that. We can't close the major airports for a few hours everyday to save a few bucks. We can't not inspect all the airplanes. We can't not maintain all of the navigational facilities. And some of these things have really serious consequences to them. We've got people in here – air carrier inspectors. If we can't certify equipment ... We have twenty-two hundred things in the queue right now, that people want to have certified. Equipment. This is equipment that makes airplanes **safer**, it makes navigation simpler, it makes airplanes more efficient. Maybe it's a wingtip, maybe it's a radio device, maybe it's a new antenna design. It doesn't matter. It is going to do two things: it is going to make things either **safer** or more efficient. But, more importantly, the people who make them get jobs. And if we can't certify those things, those people don't go to work. We've got a factory that Boeing is going to build on the East Coast, in South Carolina. It is going to employ four thousand people. Should we delay the opening of that factory for four months because we don't have five inspectors to send out there, we've had to put a moratorium on it? That would be crazy use of – a misuse of our funds. So, we have to tell people, we have to tell our story. It's a business case, folks. It is not a want for just more money because we think we need more money. We can show you, in our case, it is a business case. These are huge business cases. Does it make sense to take fifty million dollars out of ERAM funding and delay it a year, so we save \$50M, but it costs us ten million dollars a month to run the HOST system? Does that make any sense? And when you give people the business case, I think they understand it. Does it make any sense to slow down NextGen for a couple years when we can show you, we can model, that we can save a billion gallons of fuel by the year 2020 every year? A billion gallons? If anybody thinks it is going to be below three dollars a gallon, uh, you know, you should be out there gambling (points toward the doors to the casino; crowd laughter). It's not gonna happen...

"So, it's an incredible amount of money. So, to save four or five billion dollars, what, we are going to throw away possibly four or five billion dollars a year forever, in savings? So, anyway, I just wanted to give you a quick overview. We've got wonderful support.

We are on the same page with all of your representatives and all of the folks that represent employees here at the FAA. And, I think we have had a wonderful opportunity to give a unified voice to make people hear our concerns. So, I'm optimistic that while we may be forced to be, you know as efficient – and that's fair – but, I certainly don't want to get into the heart of what we do to keep this the **safest** system in the world that has, hands down, the finest group of employees in the world. So, thank you for your time. I've got a couple... (crowd applause) ... thank you (applause continues) ... thanks."

(Administrator Babbitt then took a series of audience questions)

**Randy Babbitt:** "Well, let me wrap up with one final thought for you. It really was a pleasure for me to come out here and be with everybody. One of the things that I was really encouraged with last night ... we have a great working relationship with your Board, with all of your executive leadership. But, when I asked what the Reload shirts were all about, ... made me a little concerned (crowd laughter) ... Did you miss me the first time? (more crowd laughter) ... But, when I understood what your program was about, I have to congratulate you. Many, many organizations make a terrible mistake of getting some really good people and you ride them all the way to the end and they retire. And you never bother to train anybody else. And shame on all of us who let that happen. So, I really applaud your leadership to inspire the next generation. You mentor them, you teach them. You've got so much to impart on them. Having seen a lot of the new energy last night was really terrific for me, and I applaud both the senior leadership and the younger team coming in, the willingness to do just what they did for you, making this a better place, making this a better profession; making this a better place to work. So, congratulations to you all. Great for me to be out here, and I really appreciate the invitation. Have a great conference, and thank you."