

decisionmaking must find out if there is disagreement. A person whose contrary feelings have not been exposed might well be uncooperative or even ignore a decision. A primary task of a manager, therefore, is to steer the process of information sharing and consultation.

An able manager has a keen sense of empathy for people, what the Japanese call *omoiyari*—the ability to feel what others are feeling, to anticipate their needs, and to help them satisfy those needs. This is an important virtue in Japanese society.

Empathy can manifest itself in intuitive communication. One of my manager acquaintances gives an evocative illustration of this kind of empathy. To paraphrase him, there is such an intimate understanding between a manager and his subordinates that if the boss says do 1, the employee knows he means do 10. Americans working for him in Los Angeles apparently think that 1 means 1.

### DEVELOPMENTAL MANAGEMENT

Education is a recurring theme when I talk with Japanese managers. It also has its roots in the Confucian heritage.

The term "developmental management" accurately captures the essence of the education-oriented philosophy espoused by Japanese managers. That development does not refer exclusively to technical skills. An employee's attitude of how to approach work is equally relevant. This is accomplished through informal, one-to-one talks concerning work philosophy or individual work problems; official explication of company goals and strategy; and formal mechanisms, such as a suggestion box, for ensuring employee participation.

Undoubtedly, it is difficult for a manager accustomed to a technically oriented management style, who expects to see a direct relationship between input and output, to adopt Japanese practices. Some American managers, who have tried unsuccessfully to institute quality control circles, would have profited from a developmentally oriented approach that would have adequately prepared workers to understand and accept the work attitudes underlying this concept.

Discussions of what the United States can fruitfully borrow from Japanese management practices give too little heed to the fact that these practices form an integrated system. Instituting a version of lifetime employment in a U.S. company, by itself, cannot ensure the harmonious and dedicated effort that we associate with Japanese workers. Moreover, we tend to concentrate on the formal elements of Japanese management, failing to comprehend the cognitive processes that order the thought and behavior of workers.

Much of the recent commentary contends that the lesson to be learned from Japanese management lies in its human-centered, developmental approach. This may well be the case. Nevertheless, basic American assumptions regarding the relationship of the individual to society and how to conduct interpersonal relations significantly differ from traditional Japanese assumptions. Japanese management offers an instructive model, but it does not offer any formulas to quick success.

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**WENDELL COX**

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## "Facilitating Mobility— A New Role for Government"

*Presented in this and the following digest are two somewhat different views about the public transportation situation in the Los Angeles area. As a result of the gasoline shortages and price hikes of the 70s, the public's use of and need for mass transit has increased. This increase has been highly visible in the Los Angeles area because, unlike most other major urban areas, the population density has grown since 1950. Mr. Cox, the City of Los Angeles representative on the Los Angeles County Transportation Commission, suggests that government—at all levels—should become less the provider and more the facilitator of urban mobility. He suggests, in particular, that the use of government transit subsidy programs should be reexamined. A banker by profession, Mr. Cox also is a member of the Caltrans Productivity Committee and the American Public Transit Association.*

*Presented to Town Hall Transportation Section  
Chaired by Albert Perdon*

Urban areas in the United States are faced with a mobility problem. In the period before the gasoline allocation crises of the 70s the problems were basically traffic congestion and air pollution. Now the increasing cost of gasoline has added a new dimension. As gasoline has become much more expensive the public has become, at least psychologically, less mobile. These changes, and others, threaten the economic viability of our large urban areas, as employees become less willing to commute long distances, industry restricts expansion to smaller urban and rural areas, and transit capacity is strained in high density employment areas.

Faced with declining revenues and increasing needs, the role of public sector transportation should become less that of transportation provider and more that of mobility facilitator.



## URBAN MOBILITY

At one time, public transit provided a large percentage of trips within urban areas. However, urban areas have changed a great deal. Since World War II, urban area densities have dropped precipitously, as development has spread well beyond the previous urban perimeters. These more sparsely populated urban areas are more expensive for transit to serve.

The extent of this dispersion is illustrated by the fact that from 1950 to 1970 the 12 largest U.S. urban areas increased in population by 31%, while they increased in area by 102%. The argument is frequently advanced that Los Angeles has "insufficient population density to support mass transit." However, no area other than the New York and Philadelphia urbanized areas is more densely populated than the Los Angeles area.

Serving such urban areas with transit is very difficult. And, while transit remains an important provider of mobility, it is by no means dominant. With public resource constraints, there seems little hope that it will become dominant without a complete reversal of the land-use changes of the last 35 years. The first assumption is that the urban areas of the 80s also require varied private transportation modes. Transportation systems planned on a 1946 model will do little to impact the mobility of the 80s.

The second assumption is that all public transit services and riders should be subsidized. Public transit subsidies were established when the industry was threatened with extinction and there was the prospect of leaving many economically disadvantaged people without transportation. Until 1973, public transit ridership was largely limited to the economically disadvantaged and subsidies were justified.

However, the gasoline allocation crises radically changed the picture. The increase in fuel prices drove numbers of new riders to public transit. These new riders were not in need of subsidies. Yet, they were subsidized and, because of the nature of the service, usually at distances and frequencies well above those received by the economically disadvantaged. Our continued reliance upon subsidies has been at the expense of increased fare revenue. Increased revenue could have funded increased service and diminished the serious overcrowding that has become a common phenomenon.

The prospects for transit funding at the federal level are dim. Federal subsidies, which represent about 20% of our current operating budgets, are proposed for discontinuance. However, as a result of a favorable state Supreme Court decision upholding the 1980 voter-approved Proposition A, county funding prospects have been dramatically improved. The court's ruling will give the Transportation Commission control over hundreds of millions of dollars beginning July 1. This money will be used for bus subsidies and new transit facilities, including the long-planned Wilshire corridor subway and the proposed light rail line between Los Angeles and Long Beach.

## THE PRESENT SYSTEM

In Los Angeles public transit ridership has increased very significantly in the last seven years, more than double that of 1974.

Operationally, the transit system exhibits both overcrowding and excess capacity at the same time. Every evening rush hour, 40% of the local service buses in the area from

the Santa Monica Mountains to Inglewood and Compton, and from Montebello to Santa Monica achieve peak loads of above 70 passengers (seating capacity ranges from 41 to 51) and about 55% reach more than 60. Often, waiting passengers are passed at bus stops by full buses. This serious overcrowding problem inconveniences transit riders and also discourages new ridership.

Failure to address the overcrowding issue successfully retards mobility and also threatens to retard economic growth, especially in concentrated employment centers such as downtown Los Angeles.

Commuter express lines are near capacity. However, the peak-only nature of these lines results in very high operating costs and large subsidies, despite premium fares and full loads. In 1979, the average subsidy per passenger on these lines was \$1.70, more than seven times that of the well-patronized local lines. These high subsidies seem especially inappropriate in view of the fact that express patrons have average family incomes three times that of other transit riders. On some lines the subsidy per passenger is above \$3.75. The patronage levels on existing services suggest that this market has considerable growth potential—potential that cannot be tapped due to the high subsidy requirements.

## NEW DIRECTIONS

Faced with a mobility crisis, the first proposition is that it is essential that public resources be effectively marshalled to maintain and improve mobility. It is this matching of resources to needs that will require new directions.

The most basic change required is that government should identify its transportation product as mobility rather than as a particular mode of transportation, such as public transit or paratransit. The occupant-to-vehicle ratio must be increased and the modes by which that increase is obtained are largely secondary. Unfortunately, public transit operators have jealously guarded their rights to provide services that require high subsidies, even when less expensive alternatives are proposed.

The second proposition is that service policies and subsidy policies should be separately addressed. It is only by such a separation that both service and subsidy resources can be effectively utilized. This leads to two secondary propositions: (1) that service should be distributed, to the maximum extent feasible, based upon demand; and (2) that subsidies should be distributed based upon economic need.

Targeting subsidies to those in economic need requires a user-subsidy program. There are difficulties in administering such a program, but there seems to be little economic or social justification to today's system that provides a small subsidy to those in need and many times that to others not in need.

The effect of such a user-subsidy program would be that, for the most part, those who are not economically disadvantaged would pay the full cost of their transit ride. The increased revenue would provide the opportunity to increase service where demand is high. If we fail to direct subsidies to meet the economic needs, then there will continue to be pressure to identify new sources of revenue to meet needs—needs that could be met today if resources were allocated based upon economic disadvantage.

## SERVICE & DEMAND

The services provided directly by the public sector fall into two broad categories: general purpose (transit and paratransit fixed-route services) and specialized services for those physically unable to utilize the fixed-route services.

Clearly, the public sector should continue to provide specialized transportation services for the handicapped. Economics, however, precludes the provision of specialized services to nontransportationally handicapped, except in areas where demand is so low that fixed-route services are infeasible in terms of cost effectiveness.

High demand areas, with comparatively short trips, are best served by public transit. It is clear that, with the proper fare structures and the high demand, there is great potential for growth in these areas.

Longer trips to concentrated employment areas may be served by two approaches that require little public sector involvement.

The first of these, private bus operators, offers the opportunity to reduce transit subsidies while increasing service to the public. Already the private sector is providing nearly as many commuter express trips daily in Los Angeles areas as are provided in peak service by public transit operators. These operators are completely unsubsidized, yet charge fares comparable to those of public transit express services.

The second approach is car and van pooling. Studies have shown that congestion on our freeways could be nearly eliminated with a modest improvement in the occupant-to-vehicle ratio. Car and van pooling, like private bus operations, has the great advantage of requiring little public sector involvement and no subsidies. In fact, this advantage makes it possible for car and van pooling to impact significantly even the markets discussed above.

While car and van pooling can provide a significant portion of longer trips to concentrated employment centers, it is in the low- or medium-density employment centers that its greatest potential lies. These are the employment locations that cannot justify intensive public transit or private bus service. In most urban areas, the majority of jobs are in such areas. In the Los Angeles area, a number of firms have undertaken large-scale ridesharing programs, including Northrop, Bechtel, and Hughes.

And so, a balanced complement of services is required, tailored to the particular market to be served. But most important, a public policy directed toward mobility would go far toward preserving our lifestyle and facilitating economic growth in Los Angeles' urban areas.

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Transportation Section*



**JOHN A. DYER**  
*General Manager,  
Southern California Rapid Transit District*

## "Implementation of Transit Challenges of the 80s"

*Presented in this and the preceding digest are two somewhat different views about the public transportation situation in the Los Angeles area. Mr. Dyer, as SCRTD General Manager, oversees the largest all-bus system in the world. The system logs about 1.3 million weekday boardings in 5 counties and provides transit service for 78 cities in Los Angeles County. There are a large number of transit challenges that can be defined either as problems or opportunities for the area. Decisions made in the 80s will shape not only the region's transportation capability but also its economic viability for years to come. Mr. Dyer, formerly transportation coordinator for Metropolitan Dade County, Miami, Florida, assumed leadership of the SCRTD—the nation's third largest transit system—in August 1981.*

*Presented to Town Hall Transportation Section  
Chaired by Albert Perdon*

Current conditions and recent history reveal rather clearly that mass transit in Southern California, as well as in the nation, is in a state of transition. The pendulum has begun to swing back from the past 10 years when the federal government invested heavily to increase mass transit capacity, to improve mass transit facilities, vehicles, and equipment, and to promote expanded use of these facilities.

This strong federal role in transit development has had a major influence on the current state of transit in Southern California. Local decisionmaking has been preempted to a great extent by federal policies and priorities that, while resulting in sizable investments in modernization of the region's bus fleet, have left Southern California with little more than small change for construction of new fixed-guideway rail transit facilities.

In terms of public transportation, Southern California, in general, and Los Angeles, in particular, have not received their proportionate share of federal and state funds in relation

