



The Hon. John R. Kasich

EDITOR'S NOTE John Kasich was sworn in as Ohio's 69th governor on January 10, 2011. Kasich served as a member of Congress from central Ohio for 18 years and served as the Chairman of the House Budget Committee, leading the United States to its first balanced budget since 1969. After leaving Congress in 2000 and running for President, Kasich worked as a managing director in the Investment Banking Division of Lehman Brothers. He was also a commentator for FOX News and a Presidential Fellow at his alma mater, The Ohio State University. Kasich is the author of three New York Times best-sellers: *Courage is Contagious*; *Stand for Something*; *The Battle for America's Soul*; and *Every Other Monday*, which was published in 2010.

How have you created such strength in the State of Ohio and how important was it to take a strong stance when you came in?

It took me a long time to decide that I wanted this job, because I had served for 18 years in Congress and four years in the Ohio Legislature. I left the public sector and had a very good and interesting private sector life, but I felt a calling to bring whatever talent and experience I had to help fix Ohio.

On that basis, I came into this job perhaps differently than other people would enter an office like this. I was not worrying about being re-elected. This was service work for me.

I did not have a lot of time for political considerations when formulating our strategies for getting the state back on track. I felt that Ohio was at risk, but that we could fix it with the right ideas.

Ohio is a great state but it had lost its way. What we had to do was to get back to positions that made sense – we had to get things fixed. This all happened with the support of my team because, in a job like this, one person cannot make it all happen. When you are a congressman, you can use “I” a lot, but when you are a governor, you need a great team, because without them you are not going to be successful.

Leading Ohio

An Interview with The Honorable John R. Kasich, Governor of Ohio

I convinced the team that we did not have time to play politics. We needed to look at problems and try to design solutions, and that it was fine if we took heat for tackling controversial issues as long as we move our state forward. I was also fine with only serving four years if that was how it was going to play out. The attitude of minimizing political considerations and maximizing the benefits of your solutions is an important strategy for anybody in any position, whether it is governor of a state or CEO of a company.

A lot of our work has been with the state budget. I have been involved in budgets for most of my professional life. What you find is that there are things that grow up in government that we have to get rid of because they become outdated and are only supported by narrow interest groups. Making those changes is not a hard thing to do if you simply have the will, and we did.

But it is not just about cutting costs. I also believe that you can design programs that will work better at lower costs, and that is a practice that the most successful companies utilize. For example, if you think about what the first cell phone cost and what it costs today, it is easy to see that the product is of better quality today and available at a lower price. In government, you have to constantly think about ways that you can improve your purchasing and cost structure, as well as your product.

Obviously, you can reduce more in some areas than in others because things have changed and the old structures do not always make sense anymore. Cutting costs is part of it, but the other part is redesigning the mouse trap so you get a more effective mechanism at a lower price.

Did you have to bring in people with a different mindset?

We did extensive policy planning before I decided to run and also during the campaign. Ohio was in a bad way and the right ideas and their implementation were not going to happen overnight. A lot of people volunteered a lot of ideas and made a plan that we put into action, and it is working. I was also planning what I would do if I did not run and I told those people working with me that if I did not run, we would just pass our ideas off to the person who does.

Many on the team have been around me for many years – they were ready. They immediately caught the spirit of what we were trying to do. There is more work to do, but we are getting there.

Ours is a close-knit group and whenever anyone with experience in government would tell me we could not do something, I would ask them why not. If the answer was politics, I would tell them to let me worry about the politics and that they should worry about the policy. To this day, this is the way we work.

What success have you had in job creation and workforce transformation?

We have had a significant turnaround in jobs, but our work is far from over.

We have created over a quarter of a million jobs, and while we need to do more, I am pleased about what is happening and also with the diversification of Ohio's businesses.

In Ohio, we are now seeing growth in Big Data, in cloud computing, in data analytics, and in advanced healthcare imaging. We have an energy industry that is ultimately all about technology, and we also have aerospace and logistics, among others.

While we are maintaining the old economic base in manufacturing and agriculture, we are also broadening it significantly. We grow things – great things – and we can make things the old way, the new way, and also the next way. We want to make sure that we are also attracting industries of the 21st century. What industry is not tied in some way to technology or manufacturing?

One of our best decisions was privatizing economic development. We now have an entity called Jobs Ohio, which is becoming the envy of the country. This is a not-for-profit entity whose sole focus is economic development. Those who work there are highly skilled and highly trained, and work without all the shackles of the red tape and bureaucracy that states typically have to endure.

Additionally, we have been focused on workforce development for about two and a half years. The first year was extremely difficult because we were just trying to get out of our own way. Now, we have a multifaceted program to train people, including a website called OhioMeansJobs.com, which links employers with people looking for jobs. We have introduced this website to Ohio students at all levels so they can begin to learn about available jobs, what the requirements are, what different jobs pay, and the process by which one can become qualified for them.

We know that the issue of workforce development is critical, which is why our workforce board is made up largely of business people who have been successful at creating jobs and running companies. By collaborating with the policymakers who are also on the board, they are working to align education efforts with growing job markets. Programs like these help young people put their talents to work where they can see the greatest results.

We are also trying to coordinate our efforts for those receiving public benefits and those who are unemployed, so they will not only get the immediate help they require but also the training they need and the connections with employers that need their skills, and might be able to hire them.

This is a huge undertaking and we have already put in a lot of the sweat equity. We have a lot more sweat equity to go, but I am becoming more optimistic that we can be successful here. It is essential that we make these programs work.

What is the Ohio advantage?

It is location – we are within 600 miles of 60 percent of the country. In addition, we are the seventh largest state and we have diversity in the makeup of our big cities. We also have vibrant suburbs and strong rural areas because of the strong legacy of agriculture.

We have great highways that we are making better with the most significant highway infrastructure improvement program in our history. We funded it by bonding against tolls from our turnpike to optimize its value, which no one considered doing before.

We also have a world-class higher education system with excellent research capabilities.

So I do not think we have worked any kind of magic; we have merely awakened this sleeping giant by cultivating the climate for the people of Ohio to do what they naturally do: create, build, innovate, invent, and work hard.

Going forward, we have to keep growing jobs because nothing works if we cannot do that. Ohio also has to do a better job at marketing itself, which is why I am glad the Republican convention is coming to Cleveland in 2016. We are working with people now to develop a very good marketing plan because once people get off the plane in Ohio, they do not want to leave. The key is to get them here to begin with.

We still have a solid Midwestern value system; by and large, people work hard, they are ethical, and they are friendly. I hear this all the time from people when they come here from out-of-state. We do not have traffic, people are nice, and the cost of living is low. They wonder why they did not come sooner. Values matter to us, and we are hungry to work and to produce. It is truly a great place to live and work.

At the same time, it is important for people to understand that we know that our economic renaissance is not an end unto itself. It is also a means to another end, which is to make sure that we have a vibrant, effective social service network where no one feels they are being left behind. Ohio is better when we all do better.

It is a priority to be just as innovative in our efforts to help the mentally ill and the disabled and their families as we are in building a

jobs-friendly climate. Likewise for the drug-addicted. These are people and they matter. We believe that everybody in our state ought to have opportunities. We are making progress with efforts to help encourage entrepreneurship in the minority community. I want to see Ohio more united as a Buckeye family where no one feels that others get something that they do not. You build a state the same way you build a company: you give people an opportunity to advance and a reward for being successful.

Why can't the U.S. seem to make more of an impact on K through 12 education and how critical is true reform in this area?

It goes back to the system that we originally created: get everybody into a classroom and educate everybody the same way. It is a culture that has lived way beyond its purpose.

We have a K through 12 system that is not as flexible as we want, so it is not as effective as it could be. In Ohio, we are bringing technical/vocational education into the K through 12 system more and more, and we are finding that as many students in technical education end up in four-year colleges as those in the purely academic programs.

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Often the students in our technical programs have more energy and excitement than students in our traditional classrooms because they have clear real-life goals. This needs to be cultivated in the regular classroom. Whatever it is you want to do, you should really taste your future and your passion, and we want to help make that happen.

This is hard to do, but we are working on it. We are developing mentoring programs so that every student can be in a situation where he or she can begin to think about his or her future with the help of community groups that care and that can show the way.

We created a Third Grade Reading Guarantee and had a 96 percent passage rate on it this year. This is incredible given that we had a lot of kids being socially promoted before.

We created the Straight-A-Fund, which is a \$250-million effort to help school districts make dramatic innovations in everything from technology to sharing staff to saving money. It is about finding unique ways to operate their schools and it has been hugely received, even with the requirement that the projects be transformative.

We also need to involve teachers more – we have to impose fewer burdens on them; we need to have a more flexible and open education system, where they can use their passion and judgment to do what they do best: teach.

I believe in school choice and charters, and vouchers, but I do not believe that you can fix public education by creating another system. Our traditional public school system is going to continue to exist, and we need to make sure that we are focused on ways that we can restructure it to be more effective.

What do we need to do to truly reform healthcare?

We need to pay for performance. We need to emphasize quality over quantity. Through our new Office of Health Transformation, we took the decision-making of a number of disparate healthcare programs and combined them into one entity. Quality is going up as our costs are coming down. We are now driving a system that is going to reward insurance companies and providers for good outcomes. When we get those through high-quality programs that create savings, those savings will be divided and distributed among the providers and the insurance companies who generated them. We are moving in that direction and have already had some success with it in our children's hospitals.

What are the keys to effective leadership?

We are here on this Earth for a short time, to carry out a mission we were destined to do when we were born – that is what I believe. You cannot run away from your destiny, but you have also got to work hard to realize it.

There are some really great leaders in this country who get everybody to rise above the level at which they would normally perform because of the inspiration, dedication, and the example they provide.

Leaders cannot be isolated while everyone else is working hard. They do not achieve things by talking, but by doing.

Also, leaders should never get too far ahead of the crowd they are leading because then they become irrelevant. But leaders also cannot stay in the crowd because then they are no different from it. There is a sort of magic when a leader is able to strike the right balance and stay ahead of the crowd. They must put up with the criticism when people in the crowd shake their heads or roll their eyes and, at the same time, they must remain in touch with those they lead. This sweet spot is where a leader needs to be in order to advance new ways of doing things – this is how progress is made and the future is determined.

Do you take moments to reflect on all you have accomplished?

I have been down and I have been up, and I know the best place to be is level. Life is fleeting. I am going to do the best I can where I am at all times. With great victories come great risks. On my best days, I know that I have received some gifts that I never earned. To be thinking too much about yourself means that you think you earned those gifts – you did not earn them; they were given to you, so you better use them well to do what you believe is right. ●