

"If it's wrong, we'll fix it"

By Frank N. Wilner

Here's a man bites dog story. United Transportation Union President Paul Thompson approached Conrail President and COO Ron Batory, extended his hand and exclaimed, "You could put us out of business." "How?" asked a bemused Batory.

"It's your management style," Thompson replied. "When a railroad president says, 'If it's wrong, we'll fix it,' there isn't too much need for a union."

"Not to worry," said Batory. "Good union officers help ensure efficient operations."

In an industry that counts in the thousands its grievances pending at the National Mediation Board, Batory's management style is as anticipated as a month of Sundays or news that hell froze over.

With 515 train-and-engine service workers (1,300 employees total) switching one million cars annually for 1,000 industries in Northern New Jersey, the Philadelphia area, and Detroit, there are opportunities galore for labor-management strife.

Batory credits his "strong belief in people" for keeping grievances low and productivity high. "If you do what's right—concentrate on treating people as you want to be treated—you get a successful operation. You don't manage people; you lead them. Actions fulfill words," says Batory.

That's sage advice. Today's Conrail, after all, traces its origins to legacy carriers New York Central and the Pennsylvania Railroad, where infamous red-team/green-team bickering doomed the Penn Central merger. It took more than a decade for the Conrail phoenix to rise from those ashes. So when CSX and Norfolk Southern carved up the rebuilt and rejuvenated Conrail in 1999, then whittled out three distinct neutral switching districts called Shared Assets Areas, the call went forth for a tested operating expert with Churchill-like statesman qualities.

Enter Ron Batory, a three-decade veteran of operating departments at Grand Trunk Western, Southern Pacific, Chicago's Belt Railway, and pre-split Conrail. Into his management tapestry is woven a lifetime of interpersonal skills learned from his union-officer father.

As the post-Conrail carveup mutated to meet demands of regulators, customers, and unforeseen events, Batory maintained a dialogue with employees, arming them with facts—not always pleasant to hear—to counter the traditionally divisive gossip of the trackside shanty. "Successful managers include employees as partners and listen to them

closely," says Batory. "Employee opinions and expertise matter; the boss doesn't always know best."

Batory also crafted incentive and bonus payments to improve morale, efficiency, and productivity. Effective employee training was another imperative. Twelve-week peer instruction in a classroom and field setting—with emphasis on understanding and applying operating rules—was instituted for new hires, with mentors selected based upon their demonstrated abilities and people skills. New hires and their spouses were invited to group dinners to learn more about the Conrail culture. "First impressions matter," says Batory.

Let's return to Batory's father, Lou, a former U.S. Marine who hired on with the New York Central as a car checker and member of the Brotherhood of Railway and Airline Clerks (now the Transportation Communications Union). "My dad was elected vice local chairman, local chairman, and then general chairman before moving to BRAC headquarters, where he frequently assisted Department of Labor officials in training matters," says Batory. "I learned from him that words are your bond and you take care of other people. I saw that my entire childhood."

Batory says he also learned from his father "the value to management of a union. It can be a conduit to effective communication with employees, and can help create a surprise-free and constructive environment. A labor organization maintains a check and balance," he says. "You can say, 'I don't need a union because I will take care of my employees; but my successor may not have the same mindset.'"

As for Batory's relatively grievance-free railroad, he observes, "It's only when you are not treating each other right" that grievances are spawned. "When something is wrong, you fix it together. Good managers don't count the people they fired or disciplined. That's a sign supervision isn't very effective. I want supervisors who know the rules and administer them with fairness and consistency, so as to develop and maintain a safety-conscious work force that consistently abides by those rules for their own well being."

"Managing isn't a popularity contest," says Batory, "but neither is it an unpopularity contest."

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Conrail President and COO Ron Batory's (top) management style is to include employees as partners. "When something is wrong, you fix it together," he says.

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