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## Chairman's Letter

**November 14, 2011**

The National Mediation Board (NMB) is an independent, federal agency that addresses collective-bargaining, representation and grievance disputes in two of the nation's key transportation sectors: the railroads and airlines. The agency is headed by a three-member board, appointed by the President and confirmed by the Senate.

Already quite successful in achieving its mission, the NMB continued during FY 2011 to seek out and implement improvements in agency operations. In the spirit of the President's Open Government initiative, the NMB acted upon several recommendations of an external review committee comprised of carrier and union experts. For example, the NMB collaborated with the parties subject to the Railway Labor Act and instituted an "expedited mediation" program to shorten the length of collective bargaining negotiations. For specifics on other actions rendered, see the Chief of Staff letter in the Management Discussion and Analysis section of this Annual Report.

The Board also created an Arbitrator Forum, a working group consisting of rail carrier and labor representatives, to guide improvements and developments in railroad arbitration. The NMB continued its assault on unresolved railroad arbitration grievances: 4,294 cases were closed in FY 2011, setting a new record for the lowest number of cases pending at 2,384.

As one of President Obama's hiring-reform initiatives, the National Mediation Board transitioned to the USA Staffing system last year. This year, the NMB further streamlined its hiring process by initiating background investigations prior to new-hires reporting for duty. This has reduced the hiring process by ten days.

In order to streamline the agency's mandatory and voluntary collective-bargaining and grievance dispute-resolution processes during FY 2011, the NMB Office of Alternative Dispute Resolution Services (ADRS) was merged into the Office of Mediation Services and renamed to Office of Mediation and ADR Services

(OMAS). This improved the coordination and utilization of scarce agency personnel and resources. The highest number of NMB mediation cases since FY 2007 and the highest number of ADR cases since FY 2008 were acted on and closed in FY 2011.

Agency resources for representation and legal affairs were stretched to the limit in FY 2011. The largest number of representation cases since FY 2004 was closed out. The agency made several single-carrier determinations in airline merger situations, conducted a number of very large nationwide representation elections, and is still investigating several allegations of election interference.

Lastly, I wish to note that the agency's paperless Records Management System earned an award for "Outstanding Achievement in Records Management" from the National Archives and Records Administration. This was the second award the NMB has received in Records Management.

This Performance and Accountability Report includes a comprehensive set of performance Goals and Results pursuant to the Government Performance and Results Act. Also incorporated, as required, are the NMB Financial and Management Assurances reports. Because the NMB is not subject to the CFO Act, this Annual Report may not contain some of the information required of CFO Act agencies.



**Linda A. Puchala**  
Chairman