Standing up for Good Jobs in Charleston:

T-Mobile Workers Speak Out

MAY 2013

CWA  TU  ver.di
On the Cover:

Top row from left to right:
• Joyce Bellamy, Customer Service Representative, T-Mobile Charleston
• CWA organizer Sylvia Cottingham and German works councilor Susanne Lehmann at the T-Mobile call center in Charleston, SC
• Nadine Jüngling, ver.di Delegate, DT Customer Service GmbH

Bottom row from left to right:
• Joyce Bellamy, T-Mobile Charleston; Sharan Burrow, General Secretary, International Trade Union Confederation; Roland Ellis, T-Mobile Nashville
• Sharan Burrow, CWA organizers, Deutsche Telekom works councilors, and current and former T-Mobile workers at the T-Mobile call center in Charleston, SC.
• Felicia Smalls, Customer Service Representative, T-Mobile Charleston

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Summary

T-Mobile employees in Charleston, South Carolina, face humiliating treatment at the hands of their supervisors, unrealistic performance standards, and the constant fear of seeing their jobs shipped overseas. With their employer consistently and maliciously fighting their efforts to organize a union, they have no collective voice to improve working conditions or fight back against the abuse they face.

On February 16, 2013, a distinguished group of national, international, and local leaders gathered in Charleston to hear testimony from T-Mobile employees. Their testimony provided compelling evidence of horrible working conditions and a complete absence of job security.

They recounted the constant fear of losing their jobs as the company sent work overseas or being walked out the door for failing to meet performance standards. They spoke out about being regularly humiliated by supervisors in an alleged attempt to motivate them to work harder. They talked about the stress they experienced every day and the sometimes serious medical consequences of that stress.

Many of the T-Mobile call center workers in Charleston are single parents who are frequently unable to spend time with their families because future work depends on the amount of hours they put in.

Workers on the panel were joined by colleagues from T-Mobile parent company Deutsche Telekom. The German workers were shocked at the treatment of workers at their employer’s subsidy. And they expressed a willingness to do what it takes to help T-Mobile workers in Charleston and throughout the United States stand up for good jobs and fair treatment.

The leaders on the panel were outraged at the stories they heard. Members repeatedly emphasized that Deutsche Telekom had a responsibility to both its workers and the community to change the culture of abuse at T-Mobile USA and to treat its workers with the dignity they deserve.

Recommendations of the Charleston Speak Out Panel

In response to the testimony provided on February 16 and other evidence, the panel made three recommendations to Deutsche Telekom and T-Mobile USA.

• In the aftermath of the T-Mobile USA merger with MetroPCS, Deutsche Telekom should commit to keeping existing jobs in the United States and should repatriate offshore jobs back to U.S. facilities.

• Deutsche Telekom should stop treating workers as disposable. Human resource managers should work to improve working conditions, lower the employee turnover rate, and provide career ladders for T-Mobile workers. Monitoring should have the goal of improved customer experience and not reducing head count.

• Deutsche Telekom should insist that management cease immediately its anti-union practices at T-Mobile. DT should apply the same openness and flexibility it practices in Germany to its American work sites. Only if workers are able to organize will they be able to end abuses at the worksite.
Former and current T-Mobile workers told their stories before the panel. From left to right: Felicia Smalls, Barry Lagler, and Roland Ellis.

Rev. Brown and Ken Riley

Joyce Bellamy, T-Mobile Customer Service Representative from Charleston, SC, addresses the panel.
Members of the Charleston Speak Out Panel

- Reverend James B. Lewis, Pastor, Covenant Missionary Baptist Church
- Ken Riley, President, South Carolina AFL-CIO and President, International Longshoremen’s Association Local 1422
- Sharan Burrow, General Secretary, International Trade Union Confederation
- Larry Cohen, President, Communications Workers of America, AFL-CIO
- Bill Saunders, Senior Staff for Rep. James Clyburn and longtime civil rights activist
- David Mack, Member, South Carolina House of Representatives
- Reverend John Paul Brown, Pastor, Mt. Zion AME Church, Charleston
- Donna Dewitt, President, South Carolina Alliance for Retired Americans and former President, South Carolina AFL-CIO
- Victor Rawl, Member, Charleston County Council
- George Hopkins, Professor (emeritus), College of Charleston, and Charleston Chapter Coordinator, SC Progressive Network
- Billy Yates, United Students Against Sweatshops

Workers Providing Testimony

- Joyce Bellamy, Customer Service Representative, T-Mobile Charleston
- Felicia Smalls, Customer Service Representative, T-Mobile Charleston
- Roland Ellis, Customer Service Representative, T-Mobile Nashville
- Barry Lagler, Jr., Former Technical Support Representative, T-Mobile Allentown
- Marie Smalls, Sales Support Representative, AT&T Mobility
- Heiko Lang, ver.di Workplace Committee, Berlin, DT Customer Service GmbH
- Tomas Lenk, Works Council Representative, DT Customer Service GmbH
- Nadine Jüngling, ver.di Delegate, DT Customer Service GmbH
- Susanne Lehmann, Works Council Representative, DT Customer Service GmbH

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Background on the Speak Out: Concerns in Charleston

T-Mobile’s call center in Charleston employs roughly 350 workers, many of whom have been trying to organize a union. The workforce is 75 percent African-American, and a majority of the employees are women. T-Mobile workers at Charleston were on edge about potential job cuts as T-Mobile positioned itself to merge with another wireless carrier, MetroPCS. (The merger became official on May 1, 2013, with the merged company renamed T-Mobile US, Inc.)

The state of South Carolina has been hostile territory for workers trying to organize local unions and for unions to make a difference for working families — the “worst state in the union for working people,” according to panelist Bill Saunders.¹ It has been a “right to work” state since 1954.² Its current governor Nikki Haley is proud that the state is one of the least unionized in the country: “We’ve fought against the unionization of South Carolina, cherishing the direct relationship between our companies — who know how to take care of those that take care of them — and their employees.”³ This fight to keep workers from organizing “is an economic development tool unlike any other,” she stated in January 2012.⁴ According to a member of her cabinet, “this is an anti-union administration.”⁵ At a press conference to trumpet her executive order banning workers who are on strike from receiving unemployment benefits, she was clear: “We don’t have unions in South Carolina because we don’t need unions in South Carolina.”⁶

South Carolina has one of the lowest percentages of workers covered by a union contract. While only 13.1 percent of workers in the U.S. were covered by a union contract in 2010, it was 6.2 percent in South Carolina.⁷ Consequently, incomes are lower in the state: median household income was the lowest of the

Sharan Burrow, CWA organizers, Deutsche Telekom works councilors, and current and former T-Mobile workers give their thumbs up at the T-Mobile call center in Charleston, SC.
50 states plus the District of Columbia in 2011.\(^8\) Not surprising, levels of poverty are higher in South Carolina than in the country as a whole — 18.9 percent in South Carolina versus 15.9 percent overall.\(^9\)

The political establishment’s anti-worker reflex comes from a racially-tinged tradition in South Carolina with deep historical roots. Jim Crow laws that enforced segregation were particularly strong in South Carolina in the post-Reconstruction era. Black and white textile workers could not work side by side.\(^10\)

One of the companion cases to Brown v. Board of Education in 1954, the landmark Supreme Court decision that outlawed segregation in schools, came from South Carolina in the form of Briggs v. Elliot in which the Court of Appeals had ruled in favor of continued segregation in schools.\(^11\)

Yet, Charleston has also been one of the centers of progressive movement-style politics in the South that has spanned the period from postwar strike to the Civil Rights Movement through the “Charleston Five” to the present.

The gospel song, “We Will Overcome” became the anthem of striking tobacco workers at the Charleston facilities of the American Tobacco Company in 1945. Union organizers at the Highlander School later spread “We Shall Overcome” to the civil rights movement.

In 1963, the so-called Charleston Movement was a peaceful protest and boycott of segregated facilities, unfair wages, and limited employment opportunities in the city of Charleston.\(^12\) The state was divided by segregation, as Jim Crow laws prohibited African-Americans from using theaters, pools, restaurants, and shops designated for whites. Senator Strom Thurmond argued for segregation as a state right, and the Klan conducted a campaign of terror. In the summer of 1963, progressives came out in full force to take a stand for civil rights, including the rights of workers.

For over three months in 1969, four hundred African American women walked off the job at the Medical College of South Carolina in support of collective bargaining. The strikers were nurses’ aides and orderlies earning significantly less than the minimum wage (as low as $0.60 an hour when the minimum wage was $2.40) and making less than their white coworkers. One of the leaders was panelist Bill Saunders, currently an aide to Rep. Clyburn. The Southern Christian Leadership Conference joined the conflict, and there were multiple arrests (including T-Mobile worker Joyce Bellamy) as local police tried to intimidate the strikers. But their courage won out as these women achieved their bargaining goals.\(^13\)

In 1999, the Danish shipping company Nordana announced that it would end its nearly 30 year recognition of the International Longshoremen’s Association (ILA) in Charleston and begin using non-union labor to unload ships. The ILA tried to negotiate, but the company unilaterally implemented the union-busting policy. In January 2000, Local 1422 started picketing the docks. The Republican State Attorney General, Charles Condon, ordered police into the area to escort the non-union workers to the docks.\(^14\) The mostly African American longshoremen mobilized on the Charleston docks but were confronted with tear gas and clubs by the state police. Many workers were injured and hospitalized, including Local 1422 President Ken Riley.
The local authorities lodged charges of inciting to riot against five workers, dubbed the Charleston Five, but the charges were thrown out by a local judge. Attorney General Condon, comparing the workers to the World Trade Center terrorists and looking for a wedge issue to further his political career, convened a grand jury and secured felony indictments with charges that could have resulted in 20-year sentences. The Charleston Five workers were placed under house arrest.

The event touched off a firestorm of support for the workers and gestures of solidarity across the globe. Longshoremen from Australia to Europe to Korea threatened to shut down ports, jeopardizing billions of dollars in trade per day. Workers in Spanish ports refused to unload Nordana ships. The state AFL-CIO mobilized 5,000 protestors in June 2000 to demand freedom for the Charleston Five. The global pressure forced the company to recognize the union. In May 2001, the company rescinded its earlier decision, and charges were dropped against the Charleston Five in November.

The T-Mobile hearing in February 2013 took place against this background of oppression of working people and resistance to unions in South Carolina. Testimony focused on working conditions and the intimidation faced by workers attempting to form a union at the T-Mobile call center in Charleston and at other work sites across the country. Four T-Mobile workers testified before the panel. A fifth worker from AT&T Mobility also offered testimony. Two workers from Deutsche Telekom, the parent company of T-Mobile, contrasted what they had seen in Charleston with conditions in Germany.

**T-Mobile USA**

In February 2013, T-Mobile was a wholly-owned subsidiary of Deutsche Telekom AG, a public company based in Bonn, Germany. It was the fourth largest wireless carrier in the United States after Verizon Wireless, AT&T Mobility, and Sprint. In 2012, it had 33.4 million customers and more than $19.7 billion in annual revenue. It employed roughly 30,000 workers.

T-Mobile bought into the U.S. market in 2001 when it purchased the assets of VoiceStream Communications and the smaller PowerTel, Inc. The 2001 acquisition was aided by the Communications Workers of America (CWA). Then-CEO of DT Ron Sommer called then-CWA President Morton Bahr to promise that his company would not interfere in workers’ attempts to organize if the deal were consummated. The deal was not a sure thing given that a foreign company (then 59 percent owned by the German government) was purchasing valuable rights to U.S. spectrum. South Carolina Senator and Charleston native Ernest “Fritz” Hollings raised serious national security concerns. CWA testified before Congress, intervened in favor of the deal at the Federal Communications Commission, and met with officials of the Clinton White House. The deal closed in spring 2001. The company was renamed T-Mobile USA the following year.

The parent company, Deutsche Telekom, had been publicly traded on German stock exchanges since 1995 when it was partially privatized. German government ownership in the company has been reduced in stages and now stands at 31.7 percent. Still, the government is far and away the largest shareholder. Since privatization, the company has moved aggressively outside German borders. More than 50 percent of DT revenues and employees are now non-German. T-Mobile USA accounts for one quarter of DT revenues.
Standing up for Good Jobs

For years, T-Mobile provided a steady stream of profits back to its parent company. By 2008, however, the company’s failure to invest quickly in a 3G network to power smart phones caused customer turnover, stagnant sales, and a growing distance between T-Mobile and industry leaders.

AT&T’s offer to purchase T-Mobile in 2011 promised to reverse T-Mobile’s fortunes, but the deal was blocked by the Department of Justice and the Federal Communications Commission out of fears of market concentration. Starting in 2012, T-Mobile moved to lower costs by cutting jobs and lowering wages. On March 22, T-Mobile announced it would close seven call centers, displacing 3,300 workers. In June 2012, the company cut another 800 jobs, most in management. In fall 2012, the company decreased the number of company-owned stores and stopped hiring full-time employees with benefits in the retail stores it retained.

The merger with Richardson, Texas-based MetroPCS, the fifth largest cell company in the United States, is intended to bolster T-Mobile’s market position by concentrating assets among prepaid customers. It will add needed spectrum for T-Mobile to compete with industry leaders. It will also bring to the merged company 9.3 million customers and $5.1 billion in revenue. Its ownership structure will change as well: the merged entity will be a public company, listed on the stock exchange, with DT holding 74 percent of the shares. The merger took effect May 1, 2013, and the new company is now T-Mobile US, Inc.

The strengthened position among prepaid customers is not likely to improve the merged company’s ability to compete with other carriers. The prepaid market is reaching maturity, and growth is not as fast in 2013 as it had been in previous years because customers demand smartphones. Moreover, the revenues from prepaid, as shown by T-Mobile’s own filings, are half those of contract customers. Thus, the merged companies will have to gain twice as many customers to drive an increase in revenues.

What makes T-Mobile different from other U.S. employers is its parent company (now majority shareholder) Deutsche Telekom. T-Mobile’s aggressive efforts to deter unionization in the United States do not exist in Germany, where DT is based. German law allows companies with more than five employees to elect a works council to represent employees. Works councils and the employer decide together such issues as scheduling, work time, work pace, work transfers, and dismissals. German supervisory boards — equivalent to boards of directors — allocate half their seats to

Total Wireless Subscribers (000s) 2013 (1st Quarter)

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Subscribers (000s)</th>
</tr>
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<tr>
<td>Verizon Wireless</td>
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<tr>
<td>AT&amp;T Mobility</td>
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<tr>
<td>Sprint</td>
<td>55,211</td>
</tr>
<tr>
<td>T-Mobile/MetroPCS</td>
<td>42,963</td>
</tr>
</tbody>
</table>

Source: company reports
employee representatives. The board selects top management and approves major business decisions. In practice, both works council members and the supervisory board employee representatives are activists from ver.di, the all-services union with more than 2 million members.

This “co-determination” between employees and management has not come without conflict — strikes in the spring of 2012 led to a two-year contract and 6.5 percent wage increase for DT workers in Germany — but the history at Deutsche Telekom and across Germany suggests mutual respect between union and employer and effective cooperation. German job cuts only happen after consultation with the union. New services and the different work routines they require are negotiated with the elected works councils.

The relationship between employers and employees could not be more different in the United States. Immediately after the T-Mobile acquisition closed in 2001, the company employed outside attorneys (who boast on their websites about keeping companies “union free”) to wage an aggressive campaign against technicians trying to form a unions in separate bargaining units in Connecticut, upstate New York, and Long Island.18 The tactic “worked” from the company’s perspective, as the workers voted not to form a union in Long Island and withdrew their petition in upstate New York. Over the last 12 years, the company has impressed upon lower management that it does not want a union at the workplace, and it has used verbal intimidation, surveillance, and thinly veiled threats to discourage local organizing.

Job Insecurity

The hearing in Charleston was called to explore how the merger between T-Mobile and MetroPCS would affect jobs. The companies promoted the merger as a vehicle to improve 4G network coverage. But the $1-$2 billion of “non-network synergies” promised at the time the deal was announced suggested that there could be large numbers of layoffs. T-Mobile workers were worried for their futures.19

Both companies have a history of outsourcing and offshoring jobs. After seven T-Mobile call centers closed in June 2012, the Department of Labor found — despite company denials — that a significant number of those 3,300 jobs were sent to the Philippines and Central America.20 MetroPCS outsources its entire customer care, billing, payment processing, and logistics operations to Telvista, a Mexican outsourcing company owned by Carlos Slim. T-Mobile workers fear the merged companies could cut and outsource even more jobs.

T-Mobile workers have seen the work flowing overseas. Barry Lagler, an ex-T-Mobile worker from the Allentown, Pennsylvania call center, testified at Speak Out that his coaches showed pictures of smiling Filipino call center workers in February 2012. “The only thing missing,” he stated, “were captions that read: ‘We’ve got your jobs.’” One month later, the company announced the call center closures, including Barry’s in Allentown. “T-Mobile said the closures were
as a result of consolidation. They admitted to the offshoring, but they said it had nothing to do with job elimination in the U.S. Nothing. We didn't believe them.”

T-Mobile workers knew that the company was shipping work overseas. Barry’s colleague at Allentown paid attention to the trainers, stating:

Even when T-Mobile said offshoring wasn’t happening, I knew the trainers were making frequent trips to the Philippines and Mexico and all the different countries, training all the new representatives in not just PDA but customer care and just everything and anything.  

Over the last two years, workers have reported management attempts to aggressively reduce the workforce. In February 2013, a memo accidentally sent to the entire workforce in the Charleston call center suggested management was supposed to fire a set number of workers every month.  

Felicia Smalls, an employee at the T-Mobile call center in Charleston, testified before the panel about the general fear of job loss at the call center:

Over the last two years there’s been a lot of people in our call center concerned about jobs leaving. We see people walked out the door on a regular basis for all sorts of reasons. There are a lot of people at the call center who wonder from day to day whether they still have a job.

Felicia’s testimony reflected a general sense that management was looking for any excuse to fire employees. A worker from the Lenexa, Kansas, call center that closed in June 2012, said it explicitly. When the merger with AT&T was stopped, the worker testified:

They just started getting rid of people — I worked with 800 people — and it was down to 300 at the time when they got rid of me. You know, they were talking about wanting to keep a core group of people that were meeting statistics, that were meeting criteria, that were around 200 was the number that I was looking at. So they really did a mass exodus of layoffs.

According to a worker from the Allentown, Pennsylvania, call center who lost his job when the call center closed in June 2012, this job anxiety “made it to the point where you weren’t sure if you came in one day, whether you were actually going to have a job or not. It was like the feeling of having an axe over your head as you do your job.”

Workers aren’t just concerned that business conditions or ownership changes might be used as an excuse to cut jobs. T-Mobile employees feel that management treats workers as disposable. Employee turnover is high: internal data from T-Mobile show annual turnover between 80 and 120 percent in most call centers.
Employees are typically fired for “performance” reasons, but performance measures change on a regular basis, making it impossible for workers to meet all the expectations of their jobs. Workers who were hired to provide service to customers have been asked to sell services. The stress of job insecurity can be unbearable. According to a former customer service representative from Wichita, Kansas:

> Workers are so terrified of losing their jobs that they tiptoe around the supervisors and seniors and managers, and they’re sick to their stomachs. I don’t know how many times you go into the bathroom and somebody is puking. And it’s because they’re stressed. They can’t get their numbers.

Workers at T-Mobile are reminded regularly that they are “at will employees” who can be fired at any time, for any reason. Management can use any failure to meet metrics, no matter what the employee’s history or circumstances, as an excuse to fire workers.

In some T-Mobile markets, such as Charleston, demand for jobs is so high that there is a reserve army of the unemployed. A job fair held in March 2013 in Charleston attracted 1,500 applicants for 50 positions.

### The Customer Short-Changed

In 2012, T-Mobile dropped from first to last in customer service in the rankings of JD Power & Associates for national wireless carriers, and stayed there in 2013. T-Mobile employees knew why: supervisors limit the time a Customer Service Representative spends with customers. CSRs face disciplinary action if they spend more than 380 seconds with a customer, but are penalized if the customer calls back within 48 hours.26

CSRs are also pressured to sell services even when the customer calls with an unrelated problem. Customers also complain that many of their calls were answered by overseas CSRs who could not answer their problems.

T-Mobile call centers are high-pressure environments in which quick turnaround of customers is prioritized over truly helping the customer. A former employee at T-Mobile Fort Lauderdale recounted that:

> I was trying to help customers, but I couldn’t. I had my hands tied because they really — they didn’t want us to help the customers. Why? Because if my numbers were down, that means my supervisor’s numbers were down. That means the team manager’s numbers are down. So everyone was being punished, I would say, because their numbers were going down. So it was just a hostile environment.27

The high turnover in the call centers means that customers do not get the benefit of experienced employees. The focus on call times and sales figures — an average of $29 of sales per hour generated by traditional customer service employees — can be overwhelming for individuals attracted to customer service because they want to help people, not sell things. It has also given employees an incentive to put unauthorized charges onto bills. According to a former employee at Fort Lauderdale, “because they set
the metrics so high, a lot of representatives would add features to customers’ accounts just to meet their goal so they don’t get in trouble.28

And more than half the calls now at T-Mobile are being answered by agents outside the company, mostly in the Philippines and Central America. According to a former agent from the Allentown call center:

> I would say 75 percent of my calls were from customers who complained about having to talk to two or three different people when they called. And sure enough, I’d look and they had talked to people overseas and information was given wrong, things weren’t done. I mean, it was truly a nightmare.29

When the overseas CSR cannot solve a problem, the call is escalated to a stressed U.S. Agent who has been instructed to reduce time with the customer. Customers then vent their frustrations in voluntary surveys, which influence employee compensation. Call center employees typically receive a combination of base salary and bonuses largely determined by customer feedback. Joyce Bellamy, T-Mobile Charleston, testified before the panel that “My Voice of the Customer” or MyVoC — an average of customer satisfaction surveys voluntarily completed after a call — is unpopular among employees because:

> Customer feedback may be based on their experience with someone else, for example, a rep in one of the offshore locations. But if the call is transferred to me, I am the person they are surveyed about.30

The Degradation of Work

As T-Mobile’s market position has slipped, the company has tried to squeeze more out of its shrinking labor force. At one time, employees considered T-Mobile an excellent employer with good pay, good benefits, and a nurturing corporate culture. Since 2009, however, working conditions have deteriorated as the company imposed sales targets on its Customer Service Representatives while reducing the time CSRs are allowed to spend with customers. According to a former worker from the closed Frisco, Texas, call center:

> It started to not become about the customer. It started to become about the numbers, and then it started to become about, if you don’t hit the numbers, you’re gone.31

A former T-Mobile worker reinforced that sentiment when she talked about working conditions at her call center in Ft. Lauderdale before it closed in June 2012:
It was all about numbers. You know, you just weren’t a person anymore. It was not a good feeling to be in that call center. Most times, I didn’t want to be there. I just didn’t think that I was appreciated. And just being at the whole environment, there was this hostile environment and this feeling like you’re just disposable.  

A CSR from the closed center in Redmond, Oregon, noted that the company perverted the metrics developed to improve customer experience to other ends:

At first, they were focused on the customers, what the metrics are for. Then they changed to only focus on business needs, the business needs to make money. That’s where it changed majorly. It went from caring about people to not really caring and caring more about the wallet.

These observations are from workers at three different call centers, suggesting a company-wide policy and not isolated instances of over-zealous managers. That policy is now to use every interaction with customer to increase sales. When a customer calls about a problem with a handset, a bill, or a rate plan, the agent answering the call must try to make a sale after fixing the problem.

The pace of work has intensified over the three years. T-Mobile workers report sales quotas being changed in aggressive directions. Currently, it is $29 per productive hour — while the employee helps customers fix their problems. All actions taken by the employee are counted toward that benchmark. If a General Care CSR adjusts a bill downward — because the customer wants to reduce service or she deletes a charge that may appear on the account — then the employee has to increase their sales to compensate. The incentive, therefore, is to add charges, not to help the customer. The result has been angry customers and frustrated employees.

The German newsweekly Der Spiegel ran a cover story in November 2012 chronicling what it termed a “Brutal Psychological Terror” at work. The story was based in part on interviews with workers from T-Mobile call centers. Workers reported that pressure to meet performance standards was unbearable and that failure to meet metrics, which changed on a regular basis, meant “disciplinary measure, harassment, and … termination.”

From left to right: Seth Whipper, Member, South Carolina House of Representatives, and works councilors Heiko Lang, Nadine Jungling, Tomas Lenk, and Susanne Lehmann proudly display their “We Expect Better” t-shirt in solidarity with T-Mobile workers.
Standing up for Good Jobs

When Work Makes You Sick

Job-induced stress for CSRs has been difficult to bear. “From a scale from one through 10,” recounted a call center worker from the now closed Brownsville, Texas facility, the stress level “was an 11.” At another call center, a former worker lamented, “I would leave work and take that frustration and anger home with me.” At a third shuttered call center, an ex-employee reported:

There were times where it got pretty stressful. I actually had to seek treatment for high blood pressure, stress-related tension in the muscles. I had to see a therapist for that just for massages and everything and, at the time, I had to take high blood pressure medicine. And so it was pretty stressful.

Several T-Mobile employees have reported that the stress had serious medical implications. A woman who worked in the now-shuttered call center in Lenexa, Kansas, reported:

I remember leaving [training] and I thought I was having a heart attack. I came home and told my husband I need to go. You need to take me to the emergency room. I think I’m having a heart attack. Blood pressure was sky-high and it was just the stress from making the numbers and having a coach who stood over you.

One woman in Tennessee who was so distraught over the pressure she faced that she needed to vomit every morning before work to cope with her anxiety. Her doctor, who treats many T-Mobile employees, recommended she quit her job for her mental health. Another T-Mobile call center worker from Oakland, Maine, spoke of a “T-Mobile Syndrome — everything from migraines to dizziness, as I had, to panic attacks.” A former T-Mobile call center worker in Ft. Lauderdale stated, “I was stressed up until I even had to go into the hospital at one point because I felt like I was going crazy. I got that stress because the job stressed me out.”

Many employees take medical leave to deal with that stress. The Family Medical Leave Act allows individuals to take unpaid, job-protected leave for personal or family illness. T-Mobile requires a doctor’s authorization for FMLA leave. According to a former employee from Frisco, Texas:

I took FMLA and I went on short-term disability, because the anxiety would build up so bad to where I would be trembling and crying. It had become so much for me to where I just couldn’t deal with it any longer, and my doctor took me off.

The use of medical leave among T-Mobile employees is at epidemic levels. In summer 2012, more employees at the Nashville call center were on FMLA time than were working on the floor. This disrupts teams and lowers incomes.
Dunce Caps, Monkey Backpacks and Other Harassment

T-Mobile uses humiliation to spur higher productivity. A manager at the Chattanooga call center gave an employee a dunce cap when her performance measures slipped. The manager forced that hat on other employees when their performances dropped. At the Albuquerque call center, coaches are forced to wear monkey-shaped backpacks if the scores of their pods decline.

Employees at T-Mobile are expected to be on the phones 96 percent of the time they are clocked in to meet the “commitment” standard, allowing only 19 minutes off the phone for an 8-hour shift. During this time, employees must check their emails for instructions from management and take their bathroom breaks. Also, if a call extends into an official break (15 minutes) or meal period (30 minutes), both mandated by law, and the employee takes the full time allotted, then the overage counts against the 96 percent commitment. The employee is put in an impossible situation: cheat yourself out of a break or lower your commitment score.

At both the Charleston and Nashville call centers, employees are encouraged to use either vacation time or pre-approved FMLA time to take bathroom breaks. Meeting the 96 percent “commitment” is particularly hard on pregnant women.

Most of the people who I knew who were pregnant, worked their way towards FMLA, so that they wouldn’t have to sit there and purposely try not to nourish themselves and not drink water because they were worried about how their numbers would look at the end of the quarter. So there was a lot of pressure on pregnant women.

ABC News covered the case of an employee at the Nashville call center who needed to clock out for bathroom use during her high-risk pregnancy.

T-Mobile schedules work in a way that makes it very difficult for employees to spend time with their families. Call center workers bid for work schedules every six months. But those bids depend on employee ranking within the call center, and the rankings are derived from the performance metrics. To bid on a good schedule, you have to work an unreasonable amount. Perla Balli, an ex-employee of the Brownsville, Texas, call center reported:

“The last part of my stay at T-Mobile was really hard because I had a really bad schedule. I didn’t get to see my kids at all because I was working on the weekends. And my kids get off at three in the afternoon, so by the time they got home I was at work. By the time I got home at night they were asleep.”

Perla was lucky that she had older children. Other workers — with several years of seniority — have had to quit because they cannot find a schedule that will accommodate their families’ needs.

Dierdre Hulsey, a former T-Mobile call center worker from the now closed facility in Frisco, Texas, expressed how many T-Mobile workers feel: “I felt like when I went to work I was working in a mill, in a slave mill.”
A Corporate Campaign to Avoid the Union

T-Mobile workers have little opportunity to express concerns about job security or working conditions. Since Deutsche Telekom entered the U.S. market, it has sought to prevent workers from organizing local unions that might negotiate with management over workplace concerns. It instructs its managers to maintain a “union-free” workforce and actively seeks to halt union organizing.

The company does not hide the fact that it opposes unions. It shows a “New Employee Orientation” PowerPoint presentation to trainees and uses 6 out of 18 slides to discuss how to fight unions. It refers to the Communications Workers of America as a “third party” and suggests that signing a union authorization card is equivalent to writing a “blank check.” The presentation claims that the union can make “false or misleading statements” but that management has the facts.

Roland Ellis, T-Mobile employee from Nashville, Tennessee, testified that trainers go well beyond the slide show and tell new employees to avoid the union:

“They basically read a script saying that it is their choice, but then go off-script and tell them if they want to work here for a long time they should not talk with the union representatives.”

The company also watches its employees, and lets them know they are watching interactions with the union. Three days before the Speak Out, management in Wichita, Kansas made it known to employees that “anyone involved with the organizing effort is being watched.” This was not new, as the National Labor Relations Board issued a complaint in December 2012 that managers at the call center in Albuquerque, New Mexico, were engaging in surveillance. Human Rights Watch documented security guards at the Allentown, Pennsylvania, call center in 2006 taking down license plate numbers of employees who stopped to take a leaflet from union organizers.

Managers have also confiscated union materials from employees and interrogated them about the union. In February 2011, managers of the Oakland, Maine, call center removed union literature from the break room.

Supervisors also spread false information about the union. T-Mobile managers claimed in the Upstate New York organizing drive that their dues might be $5,000 a year, an exaggeration of more than 700 percent! Management’s deceptive campaign caused a strong pro-union majority to evaporate, and union supporters withdrew their petition for election in August 2011.
In general, T-Mobile management tries to control any interaction a worker might have with the union. When organizers started leafleting the call center in Redmond, Oregon, the general manager:

 went around the pods and told people that we were NOT to go out and talk to them even on our own time on lunch or on breaks. We were absolutely not to have anything to do with talking to them at all or there would be very serious repercussions including the loss of our jobs.57

During organizing drives in Connecticut, Upstate New York, and Long Island, the company characterized union activists as “union bosses.” In the Long Island organizing drive, managers falsely suggested a union leader would benefit financially if workers chose representation. The concerted campaign by management transformed a strong majority into an election defeat in December 2011.58

Only one unit of 15 technicians in Connecticut withstood the onslaught of company opposition, and what had been a comfortable majority turned into a razor-thin 8-7 vote in favor of joining a union in July 2011. After that it took the company a full year to negotiate a simple contract that did not even address wages. The company’s outside attorney even took months to agree to incorporate T-Mobile’s own handbook into the contract.

With the exception of those 15 technicians in Connecticut, T-Mobile USA employees have no contracts, no job security, and no recourse against arbitrary decisions and abuse from managers. Every single T-Mobile worker at the Speak Out addressed the fact that the company actively campaigns against unions.

The anti-union behavior of T-Mobile stands in stark contrast to the labor relations at another wireless carrier, AT&T Mobility. The panel heard the testimony of Marie Smalls about how her managers at AT&T treat union organizing:

The supervisors and managers throughout the company are trained ahead of time to remain neutral and avoid expressing any opinion about the union. Unlike at T-Mobile, union reps are allowed into break rooms to speak with employees. All of this helped me to remove fear of management retaliation that plagued me while I was working at another call center. And what a piece of mind it is to know that managers have no control over your work life, earnings, and benefits. Once fear of retaliation is removed, then employees (especially in the call center environment) are more apt to make their own decisions about whether to become a CWA union member — just like me.59

Anti-union activities continued at T-Mobile after the Speak Out. On March 6, 2013, each pod at the Charleston call center had a meeting about the union. The meetings lasted 30-45 minutes and were led by the coach. In one particular meeting, the coach read from a typewritten document. In this meeting, the coach told CSRs to make sure they knew why they were signing a card. The coach stated that employees had the right to choose the union or not choose the union, but if they signed a card, they would sign away their rights to the union. She stated that “some employees” felt threatened by the union, that the union was “overpowering” them. Trainees were advised to stay away from the union.

“I was trying to help customers, but I couldn’t. I had my hands tied because they really — they didn’t want us to help the customers.”

– Peter Piña, T-Mobile employee, Ft. Lauderdale, FL
Ending an Abusive Relationship

All the T-Mobile employees at the Speak Out stated that they loved their work, that they sought out their jobs because of a desire to help others. Panelist Sharan Burrow of the International Trade Union Confederation noted, “Work gives people purpose as well as an income. When you respect your work and you put the love and care that these workers describe, and you don’t get that in return, something is very wrong.”

Marie Smalls likened the experience of T-Mobile workers to an abusive relationship in her testimony before the panel. She drew from her similar experience at anti-union Verizon Wireless before she began work at AT&T Mobility:

Early on, they verbalize how happy they are to have you as an employee. They offer employees immediate benefits and extensive training. They did discuss unions and said that we had the right to join one. However, the message was clear that unions are not welcome at Verizon Wireless. But the environment slowly changed for the worse. As a result of high stress levels, the ambulance became just as much of a mascot as the Verizon Wireless check. After five years in that relationship and passing by co-workers at the psychologist’s office trying to deal with unnecessary stress, I divorced VZW!

Her description of conditions at Verizon Wireless were all too familiar to the T-Mobile workers.

In her remarks after the workers’ testimonies, panelist Burrow reiterated the comparison to abusive relationships:

Working for this company is like living with an abusive partner. What a shocking analogy! The fact that you have no choice but to put up with the abuse — the anti-union bullying, the fear, the oppression, those tactics that Joyce and Felicia and Roland talked about, pressure every day — that’s not acceptable. To have no choice — if you don’t live with that abuse you do not have a job — the luxury of divorce is simply not there. So we have to fix this. That’s why T-Mobile/Deutsche Telekom is a global campaign.

Barry, the former T-Mobile call center employee from Allentown, ended his testimony by passing along a message that a former co-worker had asked him to deliver:

“I was evicted from my home. T-Mobile hurt me and my family. T-Mobile did not offer to pay for training. CWA took care of that by applying for TAA. I gave them a decade of time. Their severance was an insult. My husband and I are now getting a divorce. I am mad.”

“Get mad,” Barry recommended. “You’ve got to say, ‘I am a human being. My life has value.’ Don’t take it anymore.”
Drawing on his experiences as a civil rights activist in the 1960s, panelist Bill Saunders reaffirmed, “Being treated as a human being is more important than anything. You are human beings.” The Rev. John Paul Brown was brutally honest: “You have to act like you are somebody. If you don’t care enough to stand up for yourself, why should I stand up for you?” Free speech and assembly are critical to this country. We need to get this message out,” added Charleston County Council member Victor Rawl.

The first step to ending an abusive relationship with an employer is building power, and the best way for workers to level the playing field is to act collectively. Rev. Brown reminded the group, “If you act like you have no power, you will have no power. Sell your strength rather than your weakness.” Bill reminded the group, “You have a lot of support out there.” Sharan told the workers, “you can only make things better when you stand together.”

State Representative David Mack saluted the courage of the T-Mobile workers “to do what is right” and appear before the panel. “Your struggle is part of a larger struggle. If a company is abusing people, something is wrong.”

The Rev. James Lewis told the group, “You must tell the story wherever you go. Let’s make sure that those virtues that are part of our everyday faith and human conditions continue to be advanced.” The Rev. John Paul Brown reaffirmed that recommendation: “You need to communicate your conditions. When you write, it has to be answered.”

Calling on his experience fighting struggles in U.S. sweatshops, panelist Billy Yates urged the T-Mobile workers “to stand up and fight back.” Ken Riley committed the resources of the South Carolina AFL-CIO: “These workers will achieve victory at the end.”
T-Mobile vs. Deutsche Telekom

The panel heard from two employees from Deutsche Telekom, Tomas Lenk and Heiko Lang, both of whom also serve as works councilors at centers in Berlin. Along with two other works councilors — Nadine Jüngling and Susanne Lehmann — they had just spent a week in Charleston as part of a partnership program connecting Deutsche Telekom call centers with their T-Mobile counterparts under the joint auspices of CWA and ver.di. The four works councilors distributed leaflets at the call center, talked with workers, and met with members of the community concerned about T-Mobile workers.

The DT workers recounted the history of the ver.di-CWA partnership and the visits of other works councilors to the U.S. to chronicle working conditions at T-Mobile.75 “You at T-Mobile USA,” they said flatly, “are treated much worse than our colleagues in Germany.”76

Tomas and Heiko reacted strongly to the stories of working conditions, abuse, and union avoidance. “We have been carefully listening to you in the last few days,” they told the T-Mobile workers, “and we saw your fear.”77

They were angry at Deutsche Telekom’s top management for mischaracterizing the plight of workers at T-Mobile USA:

The impression we gained through conversations with individual employees here in Charleston stand in stark contrast to the statement of Ms. Schick [Director of Human Resources for DT]. We feel betrayed and lied to by the Executive Board of Deutsche Telekom.78

In particular, Tomas and Haiko were angry with the way Deutsche Telekom had responded to the Der Spiegel article. On the company intranet, Mrs. Schick explained that the atrocities detailed in the article were all in the past. The campaign was “wrong and irresponsible.”79 According to Lenk and Lang, DT management wants to minimize or ignore issues at its U.S. subsidiary, and they continually paint a rosy picture of U.S. working conditions.

But according to Lenk and Lang, the cooperation between ver.di and CWA will build a better future for T-Mobile workers. In 2008, CWA and ver.di formed TU, a joint organization created to represent T-Mobile USA workers. Already, over 700 T-Mobile USA workers across the country belong to TU.

Deutsche Telekom works councilors Tomas Lenk and Heiko Lang address the panel. Tomas and Heiko are shocked by the treatment T-Mobile workers receive in the United States.
Standing up for Good Jobs

The works councilors promised to take the stories of T-Mobile employees back to their German colleagues and continue to expand solidarity.

If we all work together, you will achieve union representation in T-Mobile USA call centers. In Germany we say: “One finger can be broken, but not the whole fist!”

As CWA President Larry Cohen remarked, “these German activists speak for 1,000 call center workers from the Berlin call center of Deutsche Telekom. They have adopted Charleston for as long as this struggle continues. They are tough, determined, and progressive. They will stick with T-Mobile workers for as long as people are organizing.”

“I stand with you,” Representative James Clyburn told the T-Mobile workers at the Speak Out. “Don’t give up the fight.”

T-Mobile and Deutsche Telekom workers come together as part of the partnership program created by CWA and the German union ver.di. From left to right: Nadine Jüngling, Heiko Lang, Joyce Bellamy, Tomas Lenk, Tierra McCord, Myisha Northcutt, and Susanne Lehmann

CWA President Larry Cohen at the T-Mobile call center in Charleston, SC.
Recommendations of the Panel

The panel was deeply moved by the workers’ testimony at the Charleston Speak Out. They were disturbed by the loss of jobs and offshoring that has already taken place. They were concerned about the degradation of work described by call center workers. They made the following recommendations concerning T-Mobile’s treatment of its workers.

1. We take note of the displacement of call center work announced by T-Mobile in 2012. We see that the company denied to the Department of Labor that the work had been sent overseas. We call on Deutsche Telekom to instruct its subsidiary to keep jobs in the United States. We appeal to the company to repatriate to the U.S. jobs that have been offshored.

2. We understand that working conditions at T-Mobile call centers are overly stressful due to the imposition of performance standards designed more to sell services than help the customer. We also note that too many workers are being fired and that employee turnover is high. We call on Deutsche Telekom to “end its race to the bottom,” as George Hopkins stated. We appeal to DT to stop treating its workers as disposable. Deutsche Telekom must improve working conditions and provide credible career ladders so T-Mobile workers can better serve their customers. Monitoring should have the goal of improved customer experience and not headcount reduction.

3. In the face of difficult working conditions, workers need to be able to articulate counter proposals and mobilize for change. We note that T-Mobile practices a concerted policy of union avoidance at all its work sites. We call on Deutsche Telekom to immediately end its anti-union practices at its T-Mobile subsidiary. It should apply to its American work sites the same openness and flexibility it practices in Germany. Only if workers are able to organize will they be able to negotiate better treatment for employees at T-Mobile.
References

1 Bill Saunders, Remarks at Charleston Speak Out, February 16, 2013.

2 The Taft-Hartley Act of 1947 allows individual states to regulate certain aspects of labor management relations, in particular whether employees covered by a collective bargaining agreement need to pay to support the cost of collective bargaining. So-called “right to work” laws allow employees to benefit from collective bargaining without paying union dues or dues equivalent.

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5 “Judge Hears Anti-Union Case,” Post and Courier, June 14, 2011.
   http://www.postandcourier.com/article/20110614/PC05/306149926

6 http://palmettopublicrecord.org/2012/01/24/haley-we-dont-need-unions-in-sc-except-when-we-do/

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Fired workers were re-hired, wages were raised, and a grievance system was put in place.

Condon was the chair of George W. Bush’s presidential campaign committee in South Carolina.


Citi Telecommunications Services Research, February 22, 2013.

See the biographies of Peter Conrad and Mark Theodore from the law firm Proskauer Rose: www.proskauer.com/professionals/peter-conrad/ and www.proskauer.com/professionals/mark-theodore/


Freedom of Information Act disclosures reveal the company denied sending work offshore.

Barry Lagler, Testimony before Charleston Speak Out, February 16, 2013.

This report is supplemented by testimonial evidence garnered from an extensive interview project conducted by CWA with current and former employees. Interview with James Long, former employee, Allentown, Pennsylvania, November 2012.

Felicia Smalls, Testimony before Charleston Speak Out, February 16, 2013.

Interview with Fred Lewis (pseudonym), former employee, T-Mobile Lenexa, November, 2012.

Interview with Steve Stilgoe (pseudonym), former employee, T-Mobile Allentown, November, 2012.

The employees are measured by iOCR or Interval One Call Resolution. Employees are disciplined if an average of 20% of customers call back within 48 hours.

Interview with Peter Pina, former employee, T-Mobile Ft. Lauderdale, November 2012.

Interview with Avalyn Robinson, former employee, T-Mobile Ft. Lauderdale, November 2012.

Interview with Nicholas Forte, former employee, Allentown, Pennsylvania, November 2012.

Joyce Bellamy, Testimony before Charleston Speak Out, February 16, 2013.

Interview with Melissa Hofmann, former employee, T-Mobile Frisco, Texas, November 2012.

Interview with Jacqueline Capatula, former employee, T-Mobile Ft. Lauderdale, Florida, November 2012.

Interview with Cade Cahoon, former employee, T-Mobile Redmond, November 2012.

Interview with Xavier Solis, former employee, T-Mobile, Brownsville, Texas, November, 2012.

Interview with Sophia Melonson (anonymous), former employee, Ft. Lauderdale, Florida, November 2012.

Interview with Jerry Smith, former employee, Frisco, Texas, November 2012.

Interview with Katherine Ramzy, former employee, Lenexa, Kansas, November, 2012.

Interview with Jules Crouse, former employee, T-Mobile, Chattanooga, Tennessee, September 2012.

See the 8-minute expose on Deutsche Telekom on the Monitor program aired by the German TV Channel ARD in September 2011. [http://www.youtube.com/watch?feature=player_embedded&v=pjp037P7dkE](http://www.youtube.com/watch?feature=player_embedded&v=pjp037P7dkE)

Interview with Carol Charles, former employee, T-Mobile, Ft. Lauderdale, Florida, November 2013.

T-Mobile limits the use of FMLA time to 12 weeks a year. See also the explanation of FMLA by the U.S. Department of Labor: [http://www.dol.gov/whd/fmla/](http://www.dol.gov/whd/fmla/).

Interview with Kimberly McIntyre, former employee, T-Mobile, Frisco, Texas, November, 2012.

“Brutaler Psychoterror.”

Interview with Anthony Guillory, former employee, T-Mobile, Frisco, Texas, March 2013.


Interview with Perla Balli, former employee, T-Mobile, Brownsville, Texas, November 2012.

Interview with Dierdre Hulsey, former employee, T-Mobile, Frisco, Texas, November 2012.

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Marie Smalls, Testimony.
62 Burrow, Remarks.

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73 Billy Yates, Remarks at the Charleston Speak Out, February 16, 2013.

74 Ken Riley, Remarks at the Charleston Speak Out, February 16, 2013.


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77 Lenk and Lang, Testimony.

78 Lenk and Lang, Testimony.

79 These comments drew additional complaints from Der Spiegel because they were formatted to appear as if they were part of the magazine and not company propaganda. Deutsche Telekom later issued an apology for its fake interview to Der Spiegel. See http://www.weworkbettertogether.org/news/entry/Wrong_and_Irresponsible_The_Fake_Interview_in_Der_Spiegel/

80 Lenk and Lang, Testimony.

81 Larry Cohen, Remarks at Charleston Speak Out, February 16, 2013.

82 James E. Clyburn, Remarks at Charleston Speak Out, February 16, 2013.

83 George Hopkins, Remarks at Charleston Speak Out, February 16, 2013.
CWA organizers, Deutsche Telekom works councilors, and current and former T-Mobile workers dance at the T-Mobile call center in Charleston, SC

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