Unacceptable: We Expect Better

REPORT ON THE VISIT BY VER.DI LEADERS AND DEUTSCHE TELEKOM WORKS COUNCIL MEMBERS WITH T-MOBILE USA WORKERS

MAY 2012
T-Mobile and DT

German corporate giant Deutsche Telekom bought T-Mobile in 2001 from VoiceStream Communications, with considerable help from the Communications Workers of America (CWA), who believed the German company would extend its vision of social partnership to the United States. During the next eleven years, DT developed its asset into a significant national company, and the subsidiary repatriated billions of dollars in dividends to its parent. At the same time, T-Mobile has fought every attempt by workers to build a union.

T-Mobile by the Numbers

1. 4th largest wireless company in U.S.
2. $20.6 billion revenues in 2011
3. 33.2 million customers in 2011
4. Accounts for 25% of Deutsche Telekom’s sales
PREFACE

Globalization cannot be stopped but we can create ways to make it more acceptable. If companies such as Deutsche Telekom invest around the world, labor unions cannot be constrained by traditional national boundaries. We need to construct global networks and mutual support mechanisms. The cooperation between the Communications Workers of America (CWA) and ver.di in the creation of the joint union TU is a successful example of practical cooperation and solidarity. The following report demonstrates this once again.

We cannot allow companies to operate with different standards across national borders. Otherwise, we face a worldwide race to the bottom of social standards for workers everywhere. Therefore, the struggle for fair treatment and the right to organize at T-Mobile USA is also our struggle.

Frank Bsirske
Chairman, ver.di

We expect better of Deutsche Telekom, and we are grateful for ver.di’s leadership and taking on the struggle for organizing rights in the U.S. as its own. Ver.di is an inspiration for CWA and global unions.

Larry Cohen
President, CWA
We Expect Better At Deutsche Telekom / T-Mobile USA

CWA Local 1298, Connecticut, standing in solidarity with ver.di during bargaining with Deutsche Telekom, April 2012.

CWA activists in Denver, Colorado, supporting ver.di’s push for pay increases and better working conditions at DT, April 2012.
Personal thoughts from the German delegation

Our impressions varied as much as the weather – 78°F in Dallas and snow in Washington, D.C.

We all agreed that the working conditions endured by T-Mobile USA employees were shocking.

T-Mobile USA workers have no labor contracts, no job security. Employees can lose their jobs on a whim from a supervisor. There are no works councils in the American system, and legal protection is weak. Unimaginable discipline takes places every day at T-Mobile.

A trivial action at a call center – such as failing to offer a product to an already delinquent customer – can lead to dismissal. Insufficient or inauthentic remorse about “mistakes” or arriving to work a few minutes late can also lead to such consequences. Sometimes the discipline is “decision time”: the employee is sent home for a few days to write a short essay about why the company should retain him/her as an employee and what s/he could do better next time. Occasionally, a supervisor “saves” one employee from dismissal, but that is rare because managers are under the gun as well. Many T-Mobile workers prefer looking for another job rather than accept such humiliation.

The American legal system allows these workplace conditions, and Deutsche Telekom hides behind the law. So Mr. Obermann, you accept this treatment of human beings in DT’s subsidiary. What good, then, is our Social Charter or our commitment to international standards?

We heard unbelievable stories during our trip. In Chattanooga, Tennessee, someone placed a dunce cap at a worker’s job site, showing the entire call center “without saying a word” that management thinks the colleague is stupid. This is medieval!

Managers scream at customer service reps while they answer calls. This is motivation?

Another colleague – an open member of her union CWA – had all her calls monitored for a week. Management seemed to hope she would make a mistake. No mistakes were found - she is one of the top performers of her call center. We make this promise to German and American management: We will keep a close eye how our colleague is being treated.

The comparison with German working conditions is stunning. Call resolution times are much shorter in the U.S. than in German call centers. We hear that U.S. management is again tightening screws and shortening times again, despite asking more of each customer service representative. Is it any wonder that American consumers are angry with the company and customer turnover is higher at T-Mobile than at the other national carriers?
And management seems to be eliminating the most senior employees. New workers are cheaper.

Labor is also cheaper in the global labor market. The offshoring of jobs to Latin America and the Philippines was the reason behind the loss of hundreds of jobs in T-Mobile call centers.

German management knows that cheaper is not always better, and sometimes cheaper in the short term is more expensive in the long term. Deutsche Telekom in Germany found out that the quality of the outsourcing partner cannot reach the same level as the domestic regular staff, even with increased training and schooling. German management reversed course on offshoring and now it focuses on its own employees. The customer loss and the need to constantly fix mistakes turned out to be too costly.

Yet, a top T-Mobile retention agent told us, "I feel like I am constantly running behind an elephant cleaning up his mess." Is there no learning at Deutsche Telekom or is management in Bonn afraid to offer much advice to its subsidiary?

Resistance is possible, however. In Oakland, Maine, brave CWA call center agents found partners to fight job loss at T-Mobile, which was quietly cutting jobs paid for with public funds. There are now more employees at that location.

We stand with our American brothers and sisters and will do everything possible to change conditions at T-Mobile USA.
Unacceptable: We Expect Better

Report on the Visit by ver.di Leaders and Deutsche Telekom Works Council Members with T-Mobile USA Workers

In February 2012, thirteen trade unionists and works councilors employed by German telecom giant Deutsche Telekom (DT) visited the United States to meet workers at DT subsidiary T-Mobile USA. The visitors were members of ver.di, the large service union, who wanted to learn how their company operates abroad and to show support for their American colleagues.

The ver.di delegation traveled for a week, meeting with T-Mobile workers in Washington, D.C., Nashville, and Dallas. Every day they heard stories that shocked and outraged them. By the end of the journey, the German workers returned home more determined than ever to demand that Deutsche Telekom respect the rights of all its employees.

CWA and ver.di: An Alliance Against Fear

The workers’ mission illustrates the strong bond of cooperation between the Communications Workers of America (CWA), the union that is helping T-Mobile workers organize, and ver.di. In advance of the trip, ver.di issued a press release to explain its importance, quoting Ado Wilhelm, coordinator of the union’s telecom units:

The violation of workers’ rights at T-Mobile is a violation of basic human rights. . . . The anti-union campaign at T-Mobile threatens the economic livelihood of workers and their families, harms the image of the company and therefore poses a risk to the economic interests of the Deutsche Telekom Group. Deutsche Telekom management in Germany is responsible for the ongoing violations of rights by U.S. management, and this has to stop. Ver.di and the colleagues of the U.S. sister union CWA will not rest until this undemocratic charade is put to an end.

Left to right: Richard Trumka, AFL-CIO President, Ado Wilhelm, ver.di telecom leader; Larry Cohen, CWA President at reception honoring the ver.di delegation, February 24, 2012.
Klaus Barthel, a distinguished member of the German parliament and a ver.di member, accompanied the delegation. During his visit to the United States, Mr. Barthel explained his point of view on a television talk show, stating, “I am here because we must support each other” in the face of globalization.

In Germany, ver.di represents 95,000 workers at Deutsche Telekom, or 75% of the total workforce at the company. This was the second trip to the United States for ver.di activists; T-Mobile workers have also made two trips to Germany. The two unions share the goal of ensuring that Deutsche Telekom respects labor standards across the globe. Unfortunately, DT’s respect for workers’ rights in Germany is not always replicated in the 33 other countries in which DT has significant operations.

In the United States, the suppression of workers’ rights is particularly acute. Even so, some T-Mobile workers have organized and signed cards. When T-Mobile USA workers organize collectively, they are backed not only by CWA, but also by TU, a joint union of CWA and ver.di members. According to Wilhelm, TU’s most important goal is freedom from fear:

Perhaps the biggest goal that we have together with CWA is to force Deutsche Telekom to leave the workers alone, so that workers don’t have to be afraid, so that they can support their union free from fear.

“We are shocked.”

To put it plainly, what the Germans discovered on their American journey stunned them. The DT employees listened to the stories of workers who spoke about fear on the job and stressful, unfair working conditions. They heard about managers who harassed workers engaged in union organizing and about large and small campaigns of intimidation. They learned about workers’ struggles with oppressive job performance criteria and high turnover rates in call centers.

Lisa Künne, a works councilor at a Deutsche Telekom call center in Recklinghausen, thought she was prepared for these revelations. She had read articles in the ver.di press about working conditions and union avoidance at T-Mobile, but hearing the details directly from workers was a different experience.

“We are shocked about the way T-Mobile USA treats its employees. Management at T-Mobile should be ashamed that they allow this to happen.”

On my way from Germany to the U.S., I thought about how things would be like here. After talking with T-Mobile workers, I am appalled at how dreadfully Deutsche Telekom treats its employees here.... [W]orkers are being pushed around and pressured, working conditions change constantly. It is unbearable! I am deeply ashamed to work for such a company in Germany that treats its employees in such a horrible manner.

“I am deeply ashamed to work for such a company in Germany that treats its employees in such a horrible manner.”

— Lisa Künne, works councilor, Deutsche Telekom
Ado Wilhelm agrees. Despite repeated trips to the United States to meet with T-Mobile workers, Wilhelm is still overwhelmed when he hears a new story of abuse. “Every time we are here, we are shocked about the way T-Mobile USA treats its employees. Management at T-Mobile should be ashamed that they allow this to happen.”

The Journey

Union Avoidance: T-Mobile’s Tactics

The week began in Washington, D.C., with lessons from CWA and ver.di leadership explaining the differences between U.S. and German labor laws and institutions. The visitors learned that management campaigns against worker organizations in the United States are permitted under a curious right given to the employer: so-called free speech. Management has the right to speak openly in opposition to the union during work time, while simultaneously preventing employees and managers from expressing alternative views. This means management has an ongoing, open anti-union campaign in the workplace, while workers (and managers) are not permitted to discuss union issues during work time.

Anti-union campaigns are carefully crafted, the Germans discovered, with T-Mobile’s managers trained to suppress union organizing without breaking the law. For example, it is illegal to tell workers the company will move operations if a workplace representation vote for the union is positive. But it is legal for managers to tell workers that another company moved operations when that company’s workers voted in the union. Everyone understands the implicit threat.

Many U.S. companies hire consultants who specialize in fighting worker attempts to organize. T-Mobile is no exception. The company hired at least two consultants—Peter Conrad and Mark Theodore—from the law firm Proskauer Rose LLP—to craft the avoidance strategy.

- **Peter D. Conrad** has represented T-Mobile since 2001. His website brags that “[t]he remainder of Peter’s time is devoted to the relative areas of union avoidance and corporate campaigns (defending employers against organizational activity in its many forms).” Conrad helped delay elections by filing what the National Labor Relations Board ultimately decided were frivolous objections.

- **Mark Theodore** introduced himself to T-Mobile workers by leading the employer team at collective bargaining sessions in Connecticut (see page 4). Theodore brags that he helps clients by “avoiding the filing of representation petitions by organizations, and should a petition be filed, assists clients in proceedings before the NLRB [National Labor Relations Board].” He then gives numerous examples of successfully thwarting workers’ efforts.

“We have no seniority. We have no bargaining rights. We can’t even get a vacation without fighting for it. We can’t be sick.”

—Candace Harrison, employee Mobile, Albuquerque, NM
NEW YORK: MANAGERS ATTACK THE UNION AS AN UNWANTED “THIRD PARTY.”

T-Mobile worker Elvis Alvira joined the discussion with the German visitors to recount a Long Island, New York, union election campaign in December 2011 that ended in defeat due to management interference. The workers who supported forming a union had had majority support before the carefully crafted management attack, Alvira explained.

Managers held mandatory meetings to tell employees why the company did not want the union. In fact, one day after the election date was set, the field manager called all technicians to inform them that the company did not want the union. Just before the election, workers were called back from Christmas vacation for these meetings against the union. The supervisors always referred to the union as an unwanted “third party.”

As the election approached, the tone got even nastier in meetings held without union activists present. Tom Ellefson, T-Mobile Vice President for Engineering, said that shop stewards would be “union bosses” and that if workers were to vote for the union, the two strongest worker-activists would “benefit financially from the CWA.”

In another meeting without activists, Ellefson attacked Elvis Alvira personally: “I would not trust him,” said Ellefson, “I wouldn’t lend him my tools.” He later asked, “Why would anyone listen to Elvis” when he “just wants to be a union boss?”

A week before the election, the area director wrote an email to the employees, doubling down on T-Mobile’s false claims: “Everything we have shared with you has been a fact, all of which is based on verifiable evidence, including the law, newspaper articles, government records and our own experiences.”

For three days before the election, a regional director established an office next to the polling station. Regardless of intent, the action intimidated the technicians and provided a stark reminder of the company’s interest in how workers voted. The workers seeking to organize a union lost the election.

CONNECTICUT: T-MOBILE SAYS A UNION IS “CONTRARY TO OUR CULTURE.”

Bill Henderson, President of CWA Local 1298 in Connecticut, met with the ver.di representatives and described T-Mobile’s blocking techniques before a union vote in July 2011. The workers succeeded there, voting to join the union by a slim 8-7 margin, despite the company’s best efforts.

As they had in New York, managers held mandatory meetings to sell their point of view to workers. One employee reported that a manager had warned, “CWA will f**k up a job that is not too bad to begin with.”
Connecticut managers campaigned constantly against voting for a union. Getting a union would be “meaningless,” they said. One manager opined that if workers voted for a union, they would pay dues, and “I don’t want to see you guys pay dues for a union that won’t do anything for you.”

As they had in New York, managers here consistently referred to the union as an unwanted “third party.” They claimed that CWA desperately needed money—and this was the reason for the organizing effort. As in Long Island, management in Connecticut segregated the union supporters and spoke disparagingly of the union and union activists.

In a stunning bit of theater, T-Mobile flew in Marcine Hull, Vice President for Human Resources—3,000 miles from Bellevue, Washington—to meet with workers and dissuade them from joining the union. She warned that a union would destroy T-Mobile culture, adversely affecting day-to-day activities:

> When I do labor relations training to groups of people, which I do from time to time, I do a comparison of what it’s like to work in a union environment versus a non-union environment. And it’s inherently ... an adversarial type of relationship. And it’s contrary to our culture.

**CONNECTICUT: BARGAINING BECOMES UNION AVOIDANCE.**

Despite the intense management campaign, Connecticut workers ultimately voted in favor of the union, but the decision did little to improve management behavior. At an all-hands meeting for the entire Northeast, Regional Director Mark Appel repeated the claim that Connecticut workers had voted for an unwanted “third party.” He said that the company was “disappointed” and that T-Mobile continued to believe that a “direct” relationship was the better course.

Two months after the workers voted to unionize, it was time to negotiate a contract. Unfortunately, the process has been painful and frustrating for the small unit of 15 workers.

The workers wanted language on grievances in the contract, including acceptance by the company that loyalty matters, and therefore, seniority would be honored. They also looked for recognition of the union in the event the business was sold.

Management, for the most part, balked. T-Mobile agreed to abide by the law on non-discrimination, but refused to integrate the company’s own employee handbook into the contract. The company wanted to recognize the union at only the two existing locations, so if a new location were opened, workers there would not be covered by a collective bargaining agreement. Unbelievably, T-Mobile pressed for discipline, scheduling, and location of work to be walled off from the grievance process.

Worker suspicion increased as management stalled and postponed meetings, and one manager was demoted, so that he became part of the bargaining unit. By this unscrupulous tactic, support for the union became 8-8. Legally, a new election could be held in July 2012, to show whether a majority of workers still supports...
the union. Today, of course, workers fear de-certification in the July election. Bargaining with T-Mobile is now union avoidance by another name.

TEXAS, TENNESSEE, FLORIDA: A WAR IS WAGED ON WORKERS.

Workers from all over the country shared stories of union resistance with the visitors from Germany. One worker from the call center in Frisco, Texas, explained:

Management is constantly telling us that we should not join a union. They give out inaccurate information and make workers attend anti-union meetings. Last fall, we filed an Unfair Labor Practice charge with the National Labor Relations Board, alleging that the company managers were giving us inaccurate, overly strict orders about our rights to organize on our breaks.

A worker in Nashville, Tennessee, speaking for himself and his colleagues, put a challenge directly to the company:

I challenge you, T-Mobile USA, to give us the opportunity to speak for ourselves and don’t just put words in our mouths and say we do not want a union. We do want a union. We deserve better!

One of the more shocking stories revealed to the ver.di emissaries came from Fort Lauderdale, Florida, where Sally Willis explained that half the union committee at her call center had been fired. Most were dismissed for offenses that resulted in lesser punishments for other workers.

For Frank Bethke, a ver.di leader from the state of North Rhine-Westphalia, this was unbelievable. “It is very shocking to hear how T-Mobile USA is fighting these brave and engaged activists.” Kornelia Dubbel, works council member for Deutsche Telekom Customer Service and a member of the ver.di Council, dubbed it a “war on workers.”

During a television interview that took place during the visit, Klaus Barthel got to the heart of the situation facing T-Mobile employees, describing it as a regime of “fear, intimidation, and disrespect.”

T-Mobile Workers Deserve Respect

The ver.di visitors were stunned by the force of T-Mobile’s resistance to union organizing, but perhaps even more shocked by working conditions at the company.
Day-to-day work in the German and U.S. wireless industries does not differ markedly. In Germany and the United States, Deutsche Telekom has call centers to field questions from customers about their devices, rate plans, and accounts. In both countries, DT has retail stores that sell devices and rate plans. Technicians in both countries maintain the network. And on both sides of the Atlantic, the wireless industry is competitive, so workers feel the pressure.

The most significant differences between the German and American experience are workers’ authority, protections, and respect in the workplace.

A Senior Technical Specialist at a T-Mobile call center described the pressure he and fellow workers are under:

“Stress, around meeting call time limits and the other dozen or so metrics make me feel like I don’t even know what I’m doing, and that every day I am just failing the company.”
---Anonymous T-Mobile worker

A typical day at work involves resolving customers’ issues as quickly as possible to avoid an instant message from my supervisors telling me to wrap up the call, escalating unresolved issues to Engineering, identifying network trends to reduce call volume, etc.

[I help people]... with various issues with their phones as well as mobile broadband/Internet products and services. Sometimes I also connect them to other avenues of support. I am expected to resolve all issues on every call in less than 785 seconds. That comes out to about 13 minutes, and this includes uninstalling/reinstalling programs from PC’s, restarting PC’s, even educating customers on how to use their computers, and so much more.

Giovanni Suriano, works councilor at Deutsche Telekom Customer Service, understands these demands on the individual workers: “We share many issues, such as pressure and high expectations. However, because we have a union, we have many more ways to defend and protect ourselves—thanks to ver.di.”

A LEARNING ENVIRONMENT VS. A DISCIPLINARY ENVIRONMENT.

In Germany, Deutsche Telekom managers seek to improve the performance of employees. If someone’s Call Resolution Time (CRT) is too high, for example, then the employee receives help in dealing more efficiently with customers. The employee also may be directed toward supplemental training classes. The goal is to make sure that workers learn the skills they need to succeed.

Although DT has created a learning environment in Germany, it has relied on punitive measures in the United States. Instead of a two-way conversation at the workplace over how best to service the customer while being attentive to costs, U.S. managers prefer a one-way authoritarian approach.

“I have seen dozens of great people quit the job or be terminated because of metric changes that are unfair to the demands.”
---Anonymous T-Mobile worker
Nashville, Tennessee

“Managers would not dare act like this in Germany,” ver.di staffer Sven Weiger declared. What’s the difference? The German workers believe that management bullying is the direct result of the lack of trade unions at T-Mobile USA.
T-Mobile call center workers told the ver.di group that they feel constant pressure to save time at the expense of servicing the customers. Performance ratings are calculated on a monthly basis, and those ratings affect both bonuses and schedules. A poor month can result in an impossible schedule for workers with children.

Concern over changing performance standards was universal among T-Mobile workers. Scoring on these standards affects pay, vacation scheduling, and ultimately job security.

Reiner Ginko, works council member at Deutsche Telekom, suggested that this approach is short-sighted: “You really need to arm the employees with the sharpest skills possible. Don’t just pressure to perform, perform, perform. Instead, train your workers and service your customers. You lose your customers, you lose your business.”

JOBS ARE ALWAYS ON THE LINE.

Perhaps the most stressful situation among T-Mobile workers is the persistent sense that everyone’s job is on the line.

This constant threat of unemployment shocked the German visitors, who listened attentively as a call center worker told them:

I’ve been doing this work for three years, and I used to like it, but I constantly worry about my job security. The conditions we work under are painfully stressful, and every time we’ve tried to resolve these issues with T-Mobile, they’ve failed to hear us out. They turn the tables and find a way to blame us for causing the problems. They tell us we need to do our jobs and start taking ownership of our own actions instead of making excuses.

Because there is no union contract at T-Mobile—and U.S. workers do not have individual contracts—workers are “employees at will.” In other words, the employee can legally be discharged for any cause apart from race, gender, age, and religion. Managers remind workers of their vulnerable employment status on a regular basis.

Reports from call centers across the country show a clear reduction in personnel over last year. But T-Mobile has stated publicly that no employees have been “laid off.” (In the American lexicon, a “layoff” is subject to a “call back.”) In others words, economic conditions may dictate the temporary suspension
of employment, subject to re-employment when business conditions improve.) The company can plausibly state that there have been no layoffs because there is no expectation that discharged workers will be rehired.

Audited data in the company’s annual reports show a reduction of 3,200 employees from December 2010 to December 2011.

**T-MOBILE’S “DECISION TIME” POLICY IS “MEDIEVAL.”**

In the absence of a set of clearly defined rules, managers frequently act in ways that can demoralize the workforce, all in the name of extracting higher productivity. At T-Mobile, the ver.di group heard about cases in which treatment of workers crossed the line to become humiliation:

- A customer service representative in Chattanooga, Tennessee, found a dunce cap on her desk for her allegedly low performance. (A dunce cap has been used since the medieval era to single out “dull-witted” or “stupid” people.)

- Several T-Mobile workers talked about experiencing “decision time.” In this process, poor performance on a set of metrics or minor mistakes led to suspension, during which the worker had to write an essay explaining why he or she should not be fired, and what he or she could do to fix the deficiency. The worker then has to read the essay to the supervisor — an experience recalling elementary school punishment.

These methods of humiliation deeply appalled Kornelia Dubbel: “It is unbelievable that adult men and women are treated this way. It is dark, even medieval. T-Mobile managers clearly see workers as disposable resources.”

**“We Want the Company to Succeed”**

Despite the humiliations, T-Mobile workers were unanimous in their desire to build the company.

T-Mobile workers who talked with the ver.di visitors all argued that giving workers a voice in the workplace would benefit not just themselves, but the company as well.

As the relationship stands now, T-Mobile does not listen to workers. “We have many great ideas,” suggested one worker from Albuquerque, “but they don’t listen.”

**CUSTOMERS RECEIVE POOR SERVICE WHEN WORKERS ARE UNDER PRESSURE.**

Workers believe that customers suffer under the current regime. “What has made T-Mobile great over the years,” suggested one employee, “has been our attention to customer needs.”

T-Mobile employees speaking to their German counterparts expressed distress that the customer ranking by the marketing company J.D. Powers had dropped T-Mobile from first in the U.S. to fourth among
the four national wireless companies. T-Mobile employees have long taken pride in the quality of the services they provide customers, and the annual rankings have been pushed aggressively by T-Mobile supervisors.
T-Mobile workers believe that the cause for the low rating in 2012 was the incessant pressure to limit time with customers while simultaneously trying to sell them something. Workers are uncomfortable trying to sell products to people who have called simply to ask a question.

One customer service representative (CSR) from Redmond, Oregon, criticized the company for steadily reducing call time. “The goal of management seems to be to get those customers off the phone—fast, fast, fast.” With so little time to spend with the customer, the CSR believed she was unable always to deliver quality service.

Another CSR suggested that if a customer calls T-Mobile too many times—say over a defective handset—then the call is routed into a separate queue and is handled through voice recognition by so-called “call deflection” software. The customer is forced to wade through a series of prompts with the expectation that some customers will hang up in frustration and relieve call volumes. When that customer finally reaches a CSR, his or her anger is heightened.

Customers also become angry when the CSR feels compelled to sell them something, even on a routine call. One Albuquerque CSR stated that customers do not like being “sold to when they are simply calling with a billing problem.” According to another CSR from Oakland, Maine, managers insist that “you must learn to balance both service and sales.” The worker responds that “with ever increasing quotas that must be met in order to keep your job, this is an unrealistic goal. I feel that you either have to focus on sales or you focus on service. Realistically, you can’t do both equally and make it work.”

Many employees just want to be left alone to attend to their customers’ needs. Instead, their managers blast music in the background, allegedly to “give them energy.” The employees are embarrassed because their customers can hear the racket. One manager hovered over CSR’s blurting out, “Six minutes. Wrap it up,” or “What’s taking so long?” or “Sound confidant and make that sale.” Employees believe that some coaches diminish their effectiveness and make their interaction with the customers less productive.

Finally, several workers reported they were saddened by the increased reliance of T-Mobile on outsourced and offshored call centers. One worker told the group that he has fielded calls from customers who complained that they could not understand the previous customer service representative who dealt with their account due to an accent or that the representative simply could not resolve their particular issue.

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Postcard from America:
“It’s shocking”

On the one hand, it is wonderful to meet these great T-Mobile workers. On the other hand, it’s really shocking to hear what the workers are telling us about what they are experiencing at T-Mobile.

—Connie Parisi-Bahmbolt, employee and works councilor in the retail sector Deutsche Telekom
The German works councilors participated enthusiastically with CWA activists and T-Mobile workers in leafleting in front of the T-Mobile call centers in Nashville and Frisco. “We Expect Better” declared the banners and flyers.

In Frisco, a security guard approached the group as it posed for photos. Ado Wilhelm asked the guard if he could talk with management and meet with call center workers in non-work areas. The request was denied, and the guard suggested calling the telephone numbers of T-Mobile Media Relations and Government Affairs which could handle the request.

Ironically, the subsequent phone conversations provided a concrete demonstration of T-Mobile’s unwillingness to communicate with CWA or its German sister union ver.di. Callers in front of the call center, then CWA activists, then followers of Facebook.com/loweringthebar, then Twitter.com/WeExpectBetter followers from around the country called the two telephone numbers distributed by the security guards. They were given different answers, transferred, and hung up on in a ridiculous series of phone calls when they posed the simple question of why T-Mobile would not allow its workers to meet with ver.di in non-work space during non-work hours.

In Frisco, window blinds were drawn to prevent workers from witnessing the ver.di group in front of the building. The director of the call center sent an e-mail to all workers, describing the ver.di actions as a “publicity effort.” The communication claimed that “we remain convinced that it is better for both T-Mobile employees and our business to maintain a direct working relationship between management and employees. The vast majority of our employees have chosen not to be represented by a union.” T-Mobile workers in the group suggested that the vast majority of T-Mobile workers have never been given a choice!

This episode drove home three very clear messages for the ver.di group. First, American managers did not want to communicate with either CWA or ver.di representatives and they sought to prevent the workforce from communicating as well. Second, it was also clear that the left hand did not know what the right hand was doing at T-Mobile. Company employees in both Media Relations and Government Affairs expressed surprise and frustration that the Frisco call center had distributed their telephone numbers. They knew nothing about Frisco, the ver.di delegation, or the issue. Indeed, they were angry at the Frisco management for distributing their telephone numbers. Third, T-Mobile management cared nothing about its parent company. The ver.di delegation was composed largely of works councilors and supervisory board members – individuals who make decisions at the company.

This cold reception—whether determined locally, in Bellevue, or in Bonn—left a lasting impression.
Souvenirs from the Journey: Awareness and Anger

The German visitors went home with their eyes opened and their faith in Deutsche Telekom shaken. But even more important, what they discovered about working conditions and lack of respect for employees exhibited by DT’s subsidiary, T-Mobile, led them to question these issues in the company and to do so publicly.

Three Deutsche Telekom technicians – Werner Schönau, Dieter Badel, and Helmut Angerer – summarized their new awareness:

What do we take back to Germany? At least a very deep impression. And the questions: Why is the situation here in the USA so different as in Germany? And, what can we do to support our American co-workers when we are back at home?

We definitely won’t give up in the future. We will use every opportunity to talk with our German co-workers about the experience we had during this week. We will encourage them to ask questions, also tough questions, to our management about what’s going on at T-Mobile in the USA.

Werner Schönau, a member of the Deutsche Telekom Technik works council, went on to say, “This week here has moved me a lot. Hearing from workers about their working conditions here in the U.S. has moved me deeply, even made me angry…. What stuck with me was “decision time.” Before an employee is threatened with dismissal for “poor performance,” he or she has to go home, sometimes write an essay, but always return to his/her supervisor to describe ‘why the company should keep me, why I want to keep working at the company.’ The supervisor will then decide whether he/she stays or leaves. This is absolutely unbelievable for me. This is degrading!”

“As long as I have been at T-Mobile in Germany,” Schönau said, “I have been proud to be an employee there. But now I have my doubts regarding the company. That the company can treat people like that—I guess it’s just because they can. We need to fight this behavior by management in Germany and around the world. It is unacceptable.”

Ado Wilhelm described the double standard that the German workers found so unacceptable: “While the call center, retail, and tech workers are doing the exact same jobs as their colleagues in Germany, their working conditions and their pay are completely different.”
Josef “Jupp” Bednarski, Vice Chairman of the Deutsche Telekom Group Works Council, agreed that it is time for DT workers to fight against the double standard:

This week affected me deeply. . . . What I have seen here is in no way comparable to what is happening in Germany. And I will try on the Group Works Council level, but also on the ver.di level, to talk to the responsible managers and directors at Deutsche Telekom so that these serious deficits can be stopped.

Lisa Künne will also spread the word back in Germany: “I will not be silent about this when I return to Germany. I will keep talking about it, and I will ask everyone to help me so that working conditions at T-Mobile change and workers are treated with the respect they deserve.”

For Bednarski, “at the end of the day we only have our solidarity to fight against the power of the employer.” He continued:

I think in the future it will be more and more important that this international solidarity that we are practicing here, right now, be strengthened. If you look at the situation of Deutsche Telekom as a whole, it is clear that all workers, no matter if they work for the parent company or for one of the foreign subsidiaries, have to expect increasing pressure—and the only thing that can help the employees in this situation is their solidarity, to fight against these forces. At the end of the day we only have our solidarity to fight against the power of the employer.

“We want you to know that you are not alone. Every time you stand up for yourselves, remember that this is a movement-wide effort — we are standing with you and will be with you for as long as it takes.”

—Richard Trumka, President AFL-CIO

Lisa Künne expects Deutsch Telekom “to live up to its own standards.”
Conclusion

Looking back at the journey of the ver.di workers and their CWA and T-Mobile colleagues during that week in February, Bundestag member Klaus Barthel summed up the implications of T-Mobile’s short-sighted policies for DT and for workers around the world:

Globalization cannot look like this—the Board of Directors of Deutsche Telekom and its main shareholder, the German Government, must end the anti-employee and anti-union practices at T-Mobile USA now! ... The right to organize unions is a human right. Acknowledging this in practice is one of the requirements for an open world economy.

CWA President Larry Cohen concurred and emphasized:

Our economy will never improve if we keep attacking workers and destroying workers’ rights. Together, we can restore our nation and our democracy.

T-Mobile is part of the problem. Our work with T-Mobile workers will be part of the solution.

Deutsche Telekom has an opportunity to do things differently. It can continue to take advantage of weak labor law in the United States and use legal means to perpetuate a war on its workers.

Alternatively, it can embrace the ideals embodied in its Social Charter and bring U.S. management into alignment with its group-wide commitments. Such corporate social responsibility and dialogue between social partners would show the world that Deutsche Telekom assumes this responsibility and takes its own conduct seriously. This would also signal to the world that globalization need not be a race to the bottom.

Addendum

Less than a month after the ver.di delegation returned home, T-Mobile made a startling announcement: The company would close seven call centers (including the Frisco site), “displacing” 3,300 workers. Instead of working with employees to improve services in the United States (workers have made many recommendations for improvement) and instead of investing in a next-generation 4G network, the company pursued the cut-rate policy of offshoring work to low-wage countries. Trainers at Allentown call center (slated to be closed) claimed that the company uses 10 call centers from various contractors in the Philippines alone. T-Mobile USA is shipping work to Mexico, Honduras, Guatemala, and Panama as well.
Lothar Schröder, member of the ver.di board, criticized the decision. “In the United States, intelligent solutions are needed to persist and grow in the market in the long term. Unimaginative austerity policies, including the closure of workplaces and the dismissal of thousands of employees, have never been successful and never lead to lasting solutions.”

T-Mobile workers are experiencing an array of emotions.

Blake Poindexter, Technical Support Specialist (until April 1, 2012), Frisco, Texas, says:

Shame on T-Mobile! After years of service, this is what we get? There are other ways to save money. We could “stick together” and work to get our customers back and keep our jobs. Just a few days ago, I mentioned to my coach that I was scared about job security, and she gave her standard response: Employees only leave if they want to. The company gives you chance after chance after chance to excel. Really? Well we don’t want to leave and we’re furious that our jobs left the country! One of my co-workers, who has been here just a year, expressed concerns about downsizing from the beginning and was told over and over: "Your job is secure."

Rose Wynn, Customer Service Representative, Fort Lauderdale, Florida, says:

Team Together. Team Apart. T-Mobile lied about our Team Values. Now we’re without a job.
Listbella Burgos, Customer Service Representative, Fort Lauderdale, Florida, says:

In a way I feel relieved. They were killing us with the sales quotas going higher and higher and higher. I would wake up every morning and felt I was going before a firing squad. Now I can get my health back. T-Mobile lied by feeding us information that everything was going to be ok. They knew the union would have helped us and they made sure the union was not going to be.

Jim Brilhart, Technical Support Specialist, Allentown, Pennsylvania, says:

The events of Thursday simply highlight the power that wealthy executives hold over those who work for a living. They can tease us with the possibility of a stable life or they can crush our livelihoods in an instant, throwing us, the ones who put them where they are, into the trash. All the while, they walk away without any of the worries that we face every day. Who in the world is okay with this?

Barry L. Lagler, Technical Support Specialist, Allentown, Pennsylvania, says:

Sending jobs to other countries is not the answer. T-Mobile USA has a responsibility to the community at large to keep the jobs where they belong. Right here.

Jon Brookshire, Technical Support Specialist, Frisco Texas, says:

Devotion is returning to work after my son was born hours earlier. Determination is to make every call matter and to regain JD Powers (see page 9). Loyalty was to stay with T-Mobile during the buyout even though management lost their focus on what was important. Betrayal is when T-Mobile put price tags on our heads and decided that cutting our jobs within the United States was better than bringing the jobs back home.

Blake Poindexter was a customer service representative at the Frisco call center until T-Mobile announced its closure. He is now helping to organize T-Mobile workers.
Dear Mr. Humm,

We contact you because we are concerned about our U.S. co-workers in the call centers of T-Mobile USA.

If we are informed correctly, you have decided on a strategy of offshoring jobs to low-wage countries. Consequently, call centers in the U.S. will be downsized. A total of 3,300 workers will be relocated and 1,900 jobs will be cut by the end of June 2012.

In Germany, we have learned that no foreign call center can provide customer services equivalent to those performed by our permanent staff on an everyday basis.

We are the work counselors of the Customer Service division of Deutsche Telekom (DTAG). In Germany, it has long been recognized that outsourcing to low-wage countries is not the right way to maintain customers.

And this should be your concern as well! Maintaining customers requires excellent customer service.

Some of us had the opportunity to meet and to exchange information with employees of your call centers in the U.S. We learned that the quality problem with offshore call centers is similar to the experiences we have had in Germany. The permanent staff spends its time remedying the mistakes made in external call centers. The customers are unhappy, and the total cost of offshoring and then fixing mistakes is more expensive than simply paying permanent staff.

Why not learn from the experiences we have had in Germany?

We ask you to revise your decision and to give your permanent staff the opportunity to provide high-quality service to T-Mobile customers – both to retain them and even to attract them back to the company. You will not do this with call centers in Guatemala or in the Philippines.

Keep the jobs in your call centers!

This is the demand of work councils of DTKS GmbH, representing 14,000 Deutsche Telekom employees in Germany.

Sincerely,

Josef Bednarski

Chairman of the Central Works council DTKS GmbH (Deutsche Telekom Customer Service LLC)
T-Mobile USA has been directing an aggressive union avoidance campaign since 2001. Such actions reflect poorly not just on the parent company Deutsche Telekom AG but also on the Federal Republic of Germany, since the German state is by far the largest shareholder of Deutsche Telekom. CWA and ver.di (the large service sector union) have joined together to help T-Mobile USA workers exercise their rights to freedom of association and justice at the workplace. The AFL-CIO, UNI Global Union, and the International Trade Union Confederation (ITUC) have jointed ver.di and CWA in a global campaign under the slogan “We expect better.”

Video of visit: www.weworkbettertogether.org/video-delegation

COMMUNICATIONS WORKERS OF AMERICA (CWA)
501 Third St., NW
Washington, DC 20001

May 2012

The report can ordered from tdaley@cwa-union.org

Support the campaign: www.WeExpectBetter.org

Find out more about the campaign:
www.WeWorkBetterTogether.org (U.S. campaign website)
www.WeExpectBetter.org (Global campaign website)
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