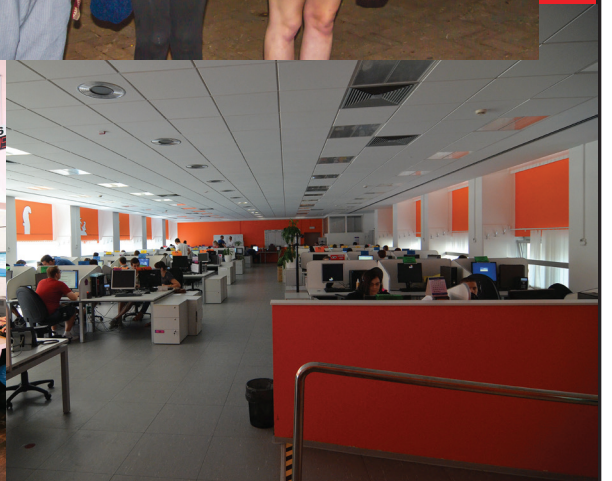


Voices of Deutsche Telekom Workers: A Report on Operations outside Germany



A Report by UNI Global Union
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Executive Summary

How do workers at Deutsche Telekom (DT) companies outside Germany experience their working conditions? Unions representing DT employees developed and administered a detailed survey about workers' experiences on the job at companies in Bosnia and Herzegovina, Croatia, the Czech Republic, Greece, Montenegro, Romania, and the United States. The results run counter to DT's claim that it is committed to social responsibility throughout its footprint.

More than 1,800 workers completed the survey. The subsidiaries provide services to 42 percent of all DT mobile customers and to 58 percent of DT mobile customers outside Germany.

Workers at DT companies suffer significant illnesses and injuries due to high stress, and they frequently work in unsafe work environments. Over half the respondents reported they had been required to perform work that risked their health or safety. Workers also reported that DT work sites are rife with discrimination and bullying. Sometimes, it was based on age or gender but it was also directed toward members of unions.

Arbitrary management at DT companies further exacerbates mistreatment at DT workplaces. Respondents reported that evaluation systems are more commonly used for disciplinary purposes than to improve employees' performance competencies.

Seventy-two percent of respondents believe that a union is the best way to improve their wages, benefits and working conditions. A high percentage of workers reported they would seek help "from a union representative" if treated unfairly. Workers reported that management in these DT companies frequently dissuades or obstructs workers' participation in the union.

DT should address the issues raised by the seven-country survey, and take concrete action:

- **Dialogue with the DT Union Alliance and UNI Global Union:** Deutsche Telekom should immediately enter into direct dialogue with representatives of the DT Union Alliance and UNI Global Union. This dialogue will enable the company and employee representatives to address the issues of working conditions and human and labor rights identified in this report.
- **Global Framework Agreement:** Deutsche Telekom should enter into a global framework agreement with UNI Global Union that goes beyond a statement of labor rights principles and allows for effective implementation in all DT operations, subsidiaries, and contractors.
- **Global Works Council:** Deutsche Telekom should work with the DT Union Alliance members, UNI Global Union, and members of the European Works Council to extend the existing structure to include worker representatives from all operations within the Group regardless of their presence in a European Union country.

Deutsche Telekom needs to meet its commitments and stop the degradation of work and workers.

Introduction

Deutsche Telekom is proud of its reputation for corporate social responsibility (CSR). In 2000, it joined the United Nations Global Compact. In 2003, it signed a corporate charter that pledged support for freedom of association and collective bargaining throughout the company and its subsidiaries. Since 2001, it has issued annual CSR reports, and every year the company asserts that it complies with all parts of its program. The websites of DT companies trumpet awards they claim to have “won” for social responsibility.

But something is amiss at Deutsche Telekom. The rosy picture painted by DT rings false to those who experience the reality of working for DT companies on a daily basis, and it’s not surprising that the so-called “awards” they give out are not based on scientific methods, and that the organizations that give them often have serious conflicts of interest with the awardees.

Researchers have chronicled a deterioration of working conditions at Deutsche Telekom workplaces in Germany in the annual Good Work Surveys conducted by the German Trade Union Federation (DGB).¹ In the most recent survey over half the German respondents rated work at DT as “poor.”²

Interested in collecting comparable research on working conditions and worker rights at DT operations outside Germany, unions from central and southeast European countries and the United States conducted a detailed survey in the spring of 2013 on the conditions those employees face.³ The survey showed disturbing trends in working conditions, worker treatment, health and safety, evaluation and promotion, and conduct toward those who work to fix negative practices by participating in unions and bargaining collectively. This report summarizes the key findings of the survey and provides recommendations for remediation and future improvements.

Deutsche Telekom, the Company

Deutsche Telekom is one of the largest telecommunications companies in Europe with significant global investment and operations. It has been publicly traded on German stock exchanges since 1996, when it was partially privatized in what was then the world’s largest initial public offering, with 40 percent of the company sold to the public. By summer 2013, the German government stake in the company stood at 31.7 percent (17 percent directly and the remainder through the state-owned development bank Kreditanstalt für Wiederaufbau). The state remains overwhelmingly the largest shareholder.

DT had € 58.2 billion in global revenue in 2012, ranking 89th in Fortune Magazine’s Global 500. It had 132.3 million mobile customers worldwide and 32.4 million fixed-network lines in 2012.

While the company took a hit to its earnings in 2012 thanks to an impairment charge in the U.S., its operational profits (defined by the company as EBITDA) stood at € 18.0 billion.⁴

Germany remains the largest single market for DT. In 2012, of the € 58.2 billion in revenues for the Deutsche Telekom group as a whole, €22 billion were derived from German telecom operations. This does not include T-Systems (the global IT services consultancy) and headquarters operations. The German market accounted for 36.6 million mobile customers and 22.4 million fixed-network lines.

While Germany is the company's largest market, DT does more business outside Germany than inside. In 2012, 55 percent of company revenue was generated outside the country. DT expanded outside Germany mostly after its IPO. It has invested largely in eastern, central, and southeastern Europe.

- It co-invested in Hungary's Magyar Telekom in December 1993, along with Ameritech International (later SBC, then AT&T), with a 30 percent stake.
- In 1996, it expanded into the Czech market with the purchase of RadioMobil, re-branding Paegas as T-Mobile in 2002.
- In 1996, it entered the Austrian market with the purchase of 25 percent of max.mobil, increasing that stake to 81 percent in 1999 and eventually 100 percent, re-branding it T-Mobile in 2002.
- In 1999, it entered the Croatian market by buying 35 percent of Hrvatski Telekom (HT), expanding its stake to 51 percent two years later. In doing so, it also entered the Bosnia and Herzegovinian market, as HT had ownership in Hrvatska Posta I Telekomunikacije (HPT) d.o.o. Mostar, now HT Mostar.
- In 1999, it also purchased One2One in the UK, re-branding it T-Mobile in 2002.
- In 2000, it bought out SBC's stake in Magyar Telekom to increase its stake to 59.5 percent. (Magyar Telekom would later buy into Montenegro Telekom in 2005.)
- In 2001, it closed the deal to purchase Voicestream Communications and PowerTel in the U.S. market and re-branded the operations T-Mobile the following year.
- In 2008, it purchased a 25.01 percent stake in OTE (Hellenic Telecommunications Organization) in Greece and upped the stake to 40 percent in 2011. (In 1998, OTE bought a 35 percent stake in Romtelecom, increasing it in subsequent years to 54 percent. The wireless company that became Cosmote Romania was originally owned by Romtelecom, but OTE bought a 70 percent stake in 2005.)
- Until May 1, 2013, DT had 100 percent interest in T-Mobile USA. On May 1, T-Mobile USA combined with MetroPCS to create the public company T-Mobile US, Inc., of which DT owns 74%.⁵

Deutsche Telekom has become a global company with significant operations throughout Europe and the United States.

The Social Standards of Deutsche Telekom

For a decade, Deutsche Telekom's corporate statements on sustainability, responsibility, and group-wide coverage have been clear and consistent. In 2009, the company specifically outlined its requirements for accurate reporting to stakeholders:

Responsibility guides our actions. As part of the principles of the Group's sustainability strategy for 2006 – 2008, the Board of Management at Deutsche Telekom specifically committed itself to sustainable corporate governance, thereby emphasizing the importance of corporate responsibility for Deutsche Telekom's own entrepreneurial role. Since then, responsibility has advanced to become an integral part of the Group's business activities.⁶

Deutsche Telekom also assured stakeholders that corporate responsibility (CR) did not apply only to its home operations in Germany:

Another important area of work in our CR strategy is to integrate the Group's national companies. Each of their CR strategies must be brought into line with the Group CR strategy in a national context. In May 2009, we launched a series of local roadshows, where we obtain the commitments of the national companies and discuss with management and local CR managers on how they are to be embedded in the strategy.⁷

CEO René Obermann provided a clear rationale for Deutsche Telekom's CSR policy by linking investor and customer attitudes with corporate social responsibility. In a May 2010 video recorded for the European School of Management and Technology, he said that "more than 5 percent of investors today are looking at a reputation in terms of social responsibility." He continued his support for CSR by arguing that:

Customers tend to look more and more towards companies who give them a good feeling in terms of being socially responsive and responsible, being responsive and responsible in ecological matters and sustainability issues and therefore it is part of the strategy."⁸

Since 2000, Deutsche Telekom has adopted policies that show it is acutely aware of what responsible corporate leadership means. In 2000, it was a founding signatory of The United Nations Global Compact, a set of principles and reporting responsibilities for global companies in the areas of environmental stewardship, corporate governance, and social relations.

The United Nations sees the Global Compact as "both a policy platform and a practical framework for companies that are committed to sustainability and responsible business practices."⁹ Principle 3 of the ten principles of the Compact states:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.¹⁰

The UN Global Compact Office has sought to ease the challenges companies may face in implementing the labor principle. On its website, the Office offered “guidance” for employers written by the International Labor Organization (ILO) and endorsed by both the International Organization of Employers and the International Trade Union Confederation (ITUC).¹¹ Of particular relevance in the case of Deutsche Telekom is the section on commitment to freedom of association:

“Employers should not interfere in workers’ decision to associate, try to influence their decision in any way, or discriminate against either those workers who choose to associate or those who act as their representatives.”¹²

Deutsche Telekom drafted its Social Charter in 2003 to “consolidate” its commitment to “internationally recognized conventions, standards of guidelines of the International Labor Organization (ILO) and the Organization for Economic Co-operation and Development (OECD).”¹³

The Social Charter is a very succinct document with nine basic principles. Essential to the discussion in this report is Section 1, Article 2, which states that Deutsche Telekom:

Recognizes the fundamental right to the freedom of association and the right to collective bargaining within the scope of national regulations and existing agreements. Deutsche Telekom also declares itself in favor of cooperating with legitimate democratic employee representations in an open and trusting manner based on a constructive social dialog with the aim of achieving a fair balance of interests.¹⁴

The Social Charter also “declares the observance and application of the stated basic principles as binding worldwide within the Deutsche Telekom Group.”¹⁵

The OECD commitments, referred to in the above-referenced DT “Communication in Progress” include the Guidelines for Multinational Enterprises. These are a set of recommendations “addressed by governments to multinational enterprises. They provide voluntary principles and standards for responsible business conduct consistent with applicable laws.”¹⁶ Section 4, Article 1a says companies should:

Respect the right of their employees to be represented by trade unions and other *bona fide* representatives of employees, and engage in constructive negotiations, either individually or through employers’ associations, with such representatives with a view to reaching agreements on employment conditions.¹⁷

Deutsche Telekom has spent the past decade promising to adhere to global standards of responsibility, including labor standards. The company has repeatedly committed itself to abide by ILO core conventions on freedom of association and collective bargaining.

In October 2013, Deutsche Telekom reaffirmed its commitment to the principles it laid out in its original Social Charter. The new document refers explicitly to the UNI Guiding Principles of

Business and Human Rights. The company pledges to communicate the Charter to all employees; establish a point of contact for human rights; review group-wide adherence; assign responsibility for implementation to managers within individual units of the company; report annually on the observance of the key principles; and use spot checks to verify accuracy of the reporting process.

Survey Methodology

Between March and May 2013, the unions representing telecommunications workers in Bosnia and Herzegovina, Croatia, the Czech Republic, Greece, Montenegro, Romania, and the United States reached out to workers employed in companies with direct or indirect DT ownership (see Table 1) to conduct a survey on working conditions, worker experiences on the job, health and safety, and workers' rights.¹⁸ The seven unions worked together to develop the survey and collect the results. They set a joint goal of 1,500 completed surveys among the seven countries, and then surpassed it with more than 1,800 responses.

Company	Country	Stake	Ownership
T-Mobile US, Inc. ⁱ	USA	74%	Direct
T-Mobile Czech Republic	Czech Republic	60.77%	Direct
Hrvatski Telekom	Croatia	51.77%	Direct
Crnogorski Telekom ⁱⁱ	Montenegro	45%	Indirect
OTE	Greece	40%	Direct
Cosmote Romania ⁱⁱⁱ	Romania	35%	Indirect
Romtelecom ^{iv}	Romania	22%	Indirect
HT Mostar ^v	Bosnia and Herzegovina	20%	Indirect
<p>Until May 1, 2013, DT had a 100% interest in T-Mobile USA. On May 1, T-Mobile USA combined with MetroPCS to create the public company T-Mobile US, Inc. of which DT owns 74%.</p> <p>ⁱ Magyar Telekom (59.3% DT stake) has 76.53% stake in Crnogorski Telekom.</p> <p>ⁱⁱ OTE (40% DT stake) has a 70% interest and Romtelecom (22% indirect DT stake) has a 30% interest in Cosmote Romania.</p> <p>^{iv} OTE (40% DT stake) has a 54.01% in Romtelecom.</p> <p>^v Hrvatski Telekom (51% DT stake) owns 39.15% of HT Mostar.</p>			

The companies where workers were surveyed service 42 percent of all DT mobile customers, 58 percent of DT mobile customers outside Germany.¹⁹

In most of the countries, the workers surveyed either belonged to a union or worked in a workplace covered by a collective bargaining agreement. Despite the union presence in many of the DT companies, the survey showed disturbing trends in working conditions, worker treatment, health and safety, evaluation and promotion, and conduct toward those who try to fix problems through union participation and collective bargaining.

Worker Outreach. During a two-day workshop in March 2013, representatives from the unions in the participating countries agreed upon a common set of survey questions. The survey included questions about worker information (age, gender, job category, geographic location, hiring arrangement etc.); working conditions such as shifts, wages, benefits, and health and safety conditions; the professional working environment including worker treatment, performance evaluations and promotions; and worker rights including perceptions regarding labor unions and employer response toward collective action. The survey was translated into the native language of each country and entered into an online survey tool, Survey Monkey, which allowed workers to fill it out online, on paper, or on a mobile device via a QR code. The survey was distributed to each union with a poster and a leaflet.

Following the development of the survey, the union in each country created a survey administration plan, using a combination of outreach activities including email distribution to membership email lists, posting on websites and social media sites, announcements at membership meetings and assemblies, and distribution to union representatives, activists and organizers who conducted one-on-one interviews with workers to complete the questions.

Obstacles to Worker Expression. In their initial outreach to workers, the unions got a glimpse into the companies' reaction to union efforts to contact workers. In general, workers were frightened to identify themselves publicly as union supporters. Even in countries with a union presence and collective bargaining, some of the unions confronted restrictions to speaking with workers about the survey.

The Rožtyly Trade Union of the Czech Republic reported, “As it was not possible to make a direct campaign on the premises of the employer, the number and capacity of suitable channels for distributing the survey were very limited.” In Bosnia and Herzegovina, the Sindikat Hrvatskih Telefomunikacija Mostar (HST) was able to obtain survey responses from 5 percent of the company’s workforce, but 40 percent of respondents refused to provide their names or even their initials. The union reported, “Less than a third of those surveyed entered their contact phone numbers and less than a fifth gave their email address, which points to a certain lack of confidence and fear of adverse consequences.” In the United States, where the Communications Workers of America (CWA) had at the time of the survey only one very small recognized bargaining unit at T-Mobile USA with 16 workers, the union had no access to workers at the workplace. CWA was limited to emailing workers who had voluntarily provided their email addresses and direct one-on-one contacts by activists during non-work times. In these three countries, workers were limited in their access to the survey by their employer and fearful of management reprisals if it became public they had spoken up about their experiences at work.

In Romania, after the survey had been sent out by email, Romtelecom’s human resources department sent a notice out to all employees declaring that the survey was “a trade union initiative.” Even though this survey was confidential, the company warned workers not to provide personal data, implying that it may be misused.

The results of the survey reflect the opinions of more than 1,800 workers in DT companies in seven countries, although they provide only a partial assessment of worker experiences in the company. While the survey was delivered to a large section of the workforce across the seven countries, in some countries, particularly in the United States, Albania, and the Czech Republic, only a small portion completed it. The relatively low completion rate in those countries may be related to some of the concerns expressed by those who did complete the survey. Because the DT companies have directly expressed their anti-union positions, it is likely that some workers were fearful about completing a union-sponsored survey, even though they received clear assurances that all personal information would remain confidential.

“My Job Makes Me Sick”

The survey responses from several countries suggest that work at DT companies is stressful and detrimental to workers’ emotional and physical health. Workers in DT companies appear to face daily threats to their health and safety on the job. Some workers have few or no mechanisms to address and correct high risk situations, and they fare far worse than those who have a union and collective bargaining with the employer.

In the United States, when asked whether they had ever become sick or injured from their work at T-Mobile USA, 53 percent of the respondents reported that they had. When asked to identify their illnesses or injuries, the majority reported stress-related conditions. In their own words, workers described “anxiety,” “stress,” “high blood pressure related to stress,” “anxiety disorder,” “mental break,” “depression and anxiety,” “severe stress and anxiety along with acid reflux disorder derived from stress.” One worker said the job “made me have migraines due to the stress and also high blood pressure and very overweight.” Another worker described health concerns like, “I started having migraines with stroke symptoms because of the stress and anxiety of management yelling at me while on the phone with customers, and because of the subliminal threats of firing because of low sales.” When asked whether the company provided compensation for work-related illness, 75 percent of the respondents stated that the company had not. One worker reported being hospitalized twice for stress-related conditions. Because she was not granted paid sick leave, she had to take unpaid leave time under the federally-mandated Family Medical Leave Act (FMLA) provisions, causing significant financial hardship for her and her family.²⁰

In Croatia, one worker wrote about a stroke caused by stress on the job that may have been connected to the fact that workers had to forgo their right to paid overtime and sick leave.

“Inside the call center, it is like a battlefield or a coal mine. Everyone is anxious,” explained one worker who has worked more than 15 years working at Crnogorski Telekom in Montenegro. “We have an enormous number of calls coming in, and our targets are constantly increased. The pressure is almost unbearable with the continuous and drastic downsizing we’ve undergone.” Twenty-three percent of the workers surveyed stated that they had suffered from an occupational disease or a work-related injury in Montenegro. The most common injury

identified was disc herniation, and the injuries were usually related to near-constant sitting, or workplace accidents or falls related to dangerous conditions at the work place. Asked whether the company provided financial compensation for a disease or work-related injury, 72 percent of the respondents stated that the company had not.

In Bosnia and Herzegovina, 40 percent of the workers surveyed at HT Mostar reported that they had experienced an occupational illness or injury, and more than 50 percent reported that they had seen their colleagues suffer a work-related illness or injury.

In Romania, 27 percent of respondents reported that they had had at one time become sick or injured from their work at Romtelecom and Cosmote. Workers described “eye disorders and vision problems,” “anxiety,” “stress,” and “double fracture of the shoulder as the result of a work accident.” Another worker described how “the stress and pressure have led to the breakdown of my body.” Several respondents reported concentration issues and back issues from long hours sitting at computers. As in other countries, when asked whether the company had provided compensation for the injury or illness, 96 percent of the Romanian respondents stated that the company had not.

While they might not take sick or disability leave to recover from mental health issues, a large percentage of the workers surveyed in various countries reported that they suffer from considerable mental and physical discomfort related to their jobs. When asked to consider if their jobs have made them feel mental distress over the last few weeks, many respondents in Romania and the United States responded “all of the time” (Table 2). The job stress was particularly acute in the U.S. where 60% of respondents worried about their job, 59% were depressed and 58% felt burned out.

Table 2							
Respondents Answering “All of the Time”							
Question: Thinking of the past few weeks, how often has your job made you feel each of the following?							
	Tired	Tense	Worried	Frustrated	Anxious	Depressed	Burned Out
Romania	6%	11%	9%	11%	6%	2%	5%
USA	42%	56%	60%	54%	55%	59%	58%

And when asked whether their jobs made them feel mental distress over the previous few weeks, respondents in the Czech Republic reported feeling different types of mental distress “often or all of the time” (Table 3). In particular, 70% of Czech workers were tired and 51% were tense.

Table 3							
Respondents Answering “Often or All of the Time”							
Question: Thinking of the past few weeks, how often has your job made you feel each of the following?							
	Tired	Tense	Worried	Frustrated	Anxious	Depressed	Burned Out
Czech Republic	70%	51%	54%	45%	27%	25%	39%

While mental distress was somewhat less reported in Bosnia and Herzegovina, Montenegro, and Croatia, roughly one third of workers nonetheless reported experiencing feeling tired and tense “some of the time” (Table 4). Over one quarter of the workers felt burned out.

Table 4							
Respondents Answering “Some of the Time”							
Question: Thinking of the past few weeks, how often has your job made you feel each of the following?							
	Tired	Tense	Worried	Frustrated	Anxious	Depressed	Burned Out
Bosnia and Herzegovina	33%	33%	33%	33%	33%	33%	33%
Montenegro	37%	38%	31%	24%	23%	20%	23%
Croatia	33%	28%	30%	25%	21%	18%	25%

In addition to emotional distress on the job, workers in DT companies appear to face high rates of injuries and physical ailments related to their job requirements. In Greece, respondents to the OME-OTE survey reported that the most common illnesses and accidents include tendonitis, back pain, musculoskeletal disorders, spine problems, falls from ladders, falls from scaffolding, car accidents, neck pain, and torn cartilage in joints.

In Croatia, 22 percent of respondents said they had suffered from an occupational disease or a work-related injury. Twice as many respondents, 45 percent, said they had seen a colleague suffer from a work-related illness or injury. One respondent wrote that he/she had “deafness in one ear from work, and have seen others fall from ladders.” Others reported spinal injuries, sprained joints, and traffic accidents as problems on the job. Three-quarters of the respondents reported pain, discomfort, or numbness in their body over the last three months, with the majority identifying problems in their neck and back, and half reporting pain in their shoulders. Many others reported problems with their eyesight or eye fatigue after spending very long hours on a computer.

In the United States, the surveyed T-Mobile USA workers reported that in the last three months 68 percent of them had experienced aches, pains, discomfort, and numbness caused by their jobs. Neck pain was the most common symptom, with 78 percent of the respondents identifying it as a frequent concern. Seventy-four percent of the respondents identified back pain as a health concern. In two written comments, T-Mobile USA workers described pain and discomfort from not being allowed to stand up. One worker wrote of experiencing pain because “no standing is allowed in our positions unless we have a doctor’s note.” Another worker wrote that her legs often hurt “from not being able to get up and move.”

Workers at Romtelecom and Cosmote in Romania described poor air quality in the workplace from inadequate ventilation. One worker reported “the lack of ventilation has led to spread of viruses. Our building’s ventilation causes exchange of viruses between rooms.”

Unsafe Work

Fifty-seven percent of all surveyed Deutsche Telekom workers reported being required to perform work that risked their health. Of those at risk, an average of 60 percent said they were required to work under excessive heat, noise, or other high-risk environments. In Greece, 38 percent of respondents reported being required to work without proper safety equipment or tools (see Table 5). A technician from OTE Group recounted, “Crews consist of one worker that lacks proper equipment for climbing stairs or columns. There is no help if an accident happens. The result is occupational accidents from falls from columns, with injuries mainly to the backbone.”

Chart 1
DT Workers That Reported Working in Excessive Noise, Heat or Other Physically Uncomfortable Conditions

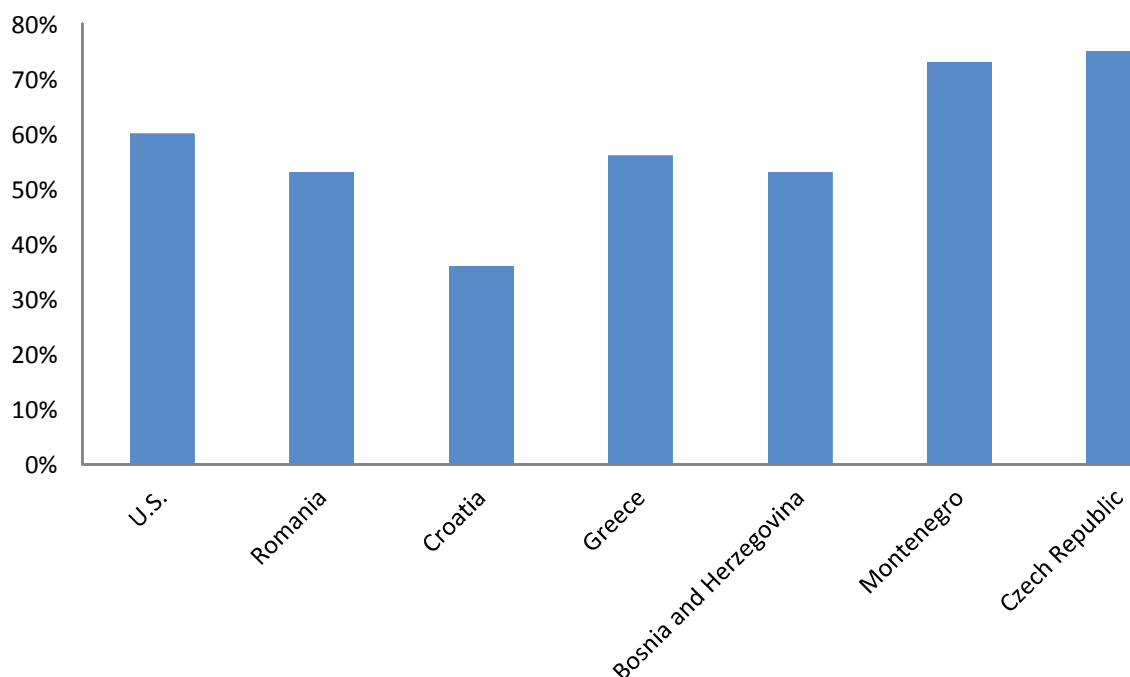


Table 5
Percentage of workers reporting high risk work and types of risks

Country	Required to perform some kind of high risk work	Excessive noise, heat, uncomfortable conditions	Lack of proper safety equipment or tools	Worked more than 12 hours in one day	Insufficient protection from aggressive customers	Insufficient protection from assault or robbery
Bosnia and Herzegovina	46%	53%	53%	20%	22%	4%
Croatia	38%	36%	14%	29%	18%	3%
Czech Republic	4%	75%	25%	-	-	-
Greece	26%	56%	38%	31%	27%	14%
Montenegro	41%	56%	24%	36%	37%	7%
Romania	23%	53%	40%	43%	38%	30%
United States	41%	60%	33%	33%	33%	7%

Another OTE Group worker from Syros Island said, “For a long time we have faced serious problems in regard to hygiene and safety. We work under horrible conditions, for example, our building’s windows, some of which do not open or close, have had no maintenance, despite our constant requests. We put adhesive tape on those that are broken. When it is raining, water falls

on the floor and our desks and computers. We work in excessive heat and cold. For years now, the conditioners have also not been maintained, nor is the building cleaned properly. Some employees have even brought cleaning products and clean their offices themselves.”

In Bosnia and Herzegovina, 50 percent reported having to work without proper safety equipment. Meanwhile, 50 percent of Croatian workers reported having to work more than 12 hours in one day. Over a third of respondents in Romania and the United States reported insufficient protection from aggressive customers.

A worker from an OTE shop in Greece commented “We have insufficient protection from aggressive customers. Given the economic crisis that Greece faces, we often face aggressive customers who complain about their bills and attack us with verbal, and sometimes physical, aggression. This causes us tremendous anxiety, tension and sometimes depression.”

DT Response to Illness and Injury at Work

With very few exceptions, respondents from all of the countries reported that they receive some kind of health and safety training at least every two years. The exception was workers from Croatian Telecom (Hrvatski Telekom), where 51 percent reported they received training about health and safety in the workplace less than once every two years. Twenty percent said they received training every two years, but 16 percent received no training at all.

In Greece, 32 percent reported that they receive health and safety training once or more per year. In Bosnia and Herzegovina, the workers reported that DT companies comply with current law that requires the employer to inform employees about health and safety and to conduct fire drills once every two years. In the Czech Republic, 72 percent of respondents reported receiving training and information from T-Mobile Czech Republic at least once or more per year. In the United States, 54 percent of T-Mobile USA respondents reported receiving health and safety information at least once per year.

Despite the regular information disseminated by the DT companies, workers in nearly all the countries surveyed noted workplace illnesses and injuries. They also said there was no systematic mechanism, such as a labor-management safety committee, to identify and resolve health and safety issues as they arise. There is no system to address the impact of a high-stress, repetitive and sedentary work environment (in the case of the call centers). As you will read in the following sections, treatment by supervisors and management exacerbates stress and other health risks brought on by the job. The combination of a high-stress environment, hostile

management practices, and no channel to prevent or address health and safety impacts, undermines workers' mental and physical health and their ability to perform productively.

Discrimination and Bullying at Work

Workers across the various DT companies described a working environment riddled with fear, distrust, and outright aggression from supervisors. Workers in Greece, Bosnia and Herzegovina, and Montenegro reported that the most frequent form of discrimination at work was directed at trade union members. Workers in Croatia, Romania, and the United States noted high incidence of age discrimination. In Croatia, 28 percent of respondents experienced discrimination, and of those, 51 percent experienced age-based discrimination and 38 percent gender-based discrimination. Nineteen percent reported discrimination based on trade union membership. Similarly, in Romania, 15 percent of the workers surveyed reported experiencing discrimination on the job. Among those, 55 percent reported age discrimination and 35 percent reported discrimination based on trade union activity.

When asked to describe how discrimination takes place at T-Mobile USA, one worker stated, "Certain younger supervisors openly express contempt for older employees or act very, very condescending when interacting with them." Another T-Mobile USA worker reported she had heard "a supervisor openly saying demeaning remarks about age."

Workers in almost every survey country provided disturbing reports of threats and bullying on the job. Many reported experiencing aggression directly while others reported that they had observed aggression toward their colleagues. Strikingly, of those that did encounter aggression at work, 93 percent of workers experienced bullying— peer pressure, verbal aggression, professional denigration, demoralization, or humiliation—at the workplace.

In Bosnia and Herzegovina, 47 percent of the survey respondents reported that they had experienced some form of aggression at work, most commonly verbal attacks and threats. Referring to such aggression, one Bosnian worker explained, "The company skillfully manipulates the system, and makes use of its own position to play union members against non-union members. While union members are threatened, non-union members get promotions."

In the Czech Republic, an extraordinarily high number of respondents – 93 percent – reported observing various forms of verbal aggression, denigration of professional capacity, and humiliating jokes directed at their colleagues. This means that nearly every respondent had observed some form of bullying against his or her colleagues. The disparity between the percentage of workers who reported experiencing bullying themselves (71 percent) and those who had observed it (93 percent) may be explained by the fact that workers are afraid to speak up when they are the target of mistreatment themselves, or because many of the harassed workers no longer work at T-Mobile Czech Republic and did not take part in the survey. In Croatia, an even higher number, 95 percent, reported experienced bullying or denigrating behavior by superiors and 94 percent reported seeing colleagues being bullied or demeaned.

In Romania, threats and bullying affect a significant number of Romtelecom and Cosmote workers, with 32 percent of respondents reporting threats on the job and 93 percent of respondents reporting bullying in the form of verbal aggression, denigration of professional capacity, or demoralizing jokes. Ninety-two percent of the Romanian respondents reported seeing their co-workers experience intimidation, mobbing (mental aggression), or bossing (verbal aggression, denigration of professional skills, demoralization, jokes, and humiliation). Thirty-eight percent reported that their co-workers had been threatened and 4 percent reported that they had seen their co-workers endure physical aggression.

In the United States, 80 percent of T-Mobile USA workers who completed the survey reported having experienced bullying in the form of verbal comments, disparagement of professional capacity, and inappropriate jokes. One worker reported getting a threatening instant message from the coach (a supervisory position). Another stated that she “had her chair shaken vigorously to encourage me to hurry up on a call.” She also described “having my supervisor snap his fingers in my ears or clap his hands loudly next to my ears to make me hurry up on a call.” Still another worker described how “when a coach wanted to get rid of me, with no coaching on what was wrong and how to fix it, [he was] yelling at me in front of all my co-workers and a customer while I was taking a call.” Ninety percent of the T-Mobile USA respondents also mentioned that they had observed bullying against co-workers, including “females being harassed by management,” “yelling,” and a “worker [who] had to wear a stuffed monkey on his back because his team finished in second place [on sales metrics].”

Arbitrary Management Behavior Exacerbates High-Stress Job

Surveyed workers experienced ongoing evaluation at the DT companies, but in many cases workers believed the evaluations were used to discipline employees for poor work performance rather than increasing efficiency, skills, or competence. In Romania, 95 percent of the respondents said that there is a system in place to review worker performance, but 34 percent of the respondents described it as a method to discipline employees. At the OTE Group in Greece, 98 percent of the respondents reported that an evaluation system exists, but 49 percent believed that it functions as a method for punishing workers for inadequate job performance.

In the United States, 97 percent of the T-Mobile USA respondents stated that there is an evaluation system, but the vast majority (78 percent) described it as a way to discipline underperformers. In Croatia, 86 percent had performance evaluations, and of those, 60 percent said that it was in place to improve efficiency in the workplace, while 22 percent said that it was to discipline employees due to poor performance.

Instead of using evaluation methods to identify training needs, improve customer service, or strengthen worker skills and capacity, as is the case in Germany, the performance reviews in several of the DT companies appear to be used to punish workers and build a record for

termination.²¹ Punitive evaluation systems coupled with stress-provoking management methods exacerbate the inherently high-stress jobs that workers in DT companies perform.

Promotions are tied to performance evaluation. The respondents from the OTE Group in Greece and from T-Mobile USA said there was no clear career path for promotion, and that promotions seemed vulnerable to favoritism and based on arbitrary decisions, a predicament echoed in many of the surveyed countries.

Among the OTE Group respondents, 65 percent stated that there was no clear system for advancement and promotion. One worker said promotions were nearly impossible to achieve: “Only if you work long hours and neglect your personal life are you positively evaluated and promoted.” According to another worker, “Usually promotions are not based on how sufficient you are at your job, but on how well you know the ‘right’ people in upper-level management or places of influence.” For still another worker, “Promotion and mobility exist but management behaves arbitrarily and does not respect merit.” One other OTE Group worker commented, “There is no process for measuring merit. Unless you have an acquaintance, even if you are good at your work, you rarely get promoted.”

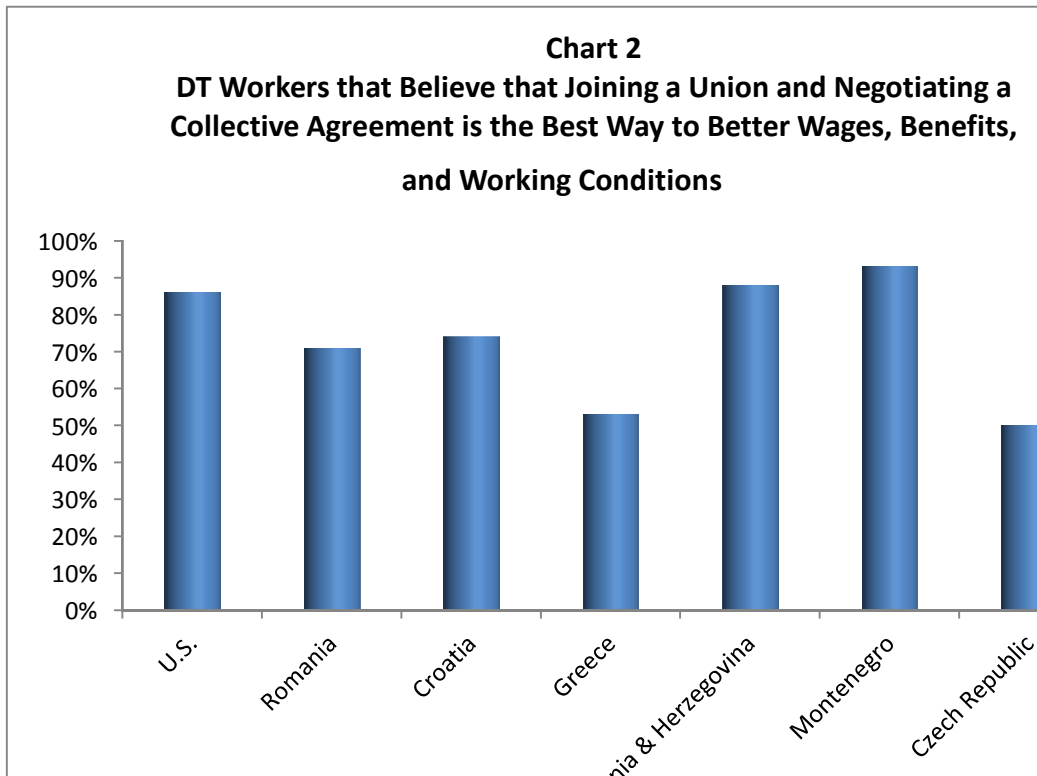
Workers at Croatian Telecom reported the same: 65 percent said there is no clear path for career advancement. Sixty percent said their employer used promises about the possibility for job advancement to increase their workload.

T-Mobile USA respondents described similar experiences of vague benchmarks for advancement undermined by arbitrary management practices. Some of the descriptions of the promotion process include, “good performance and great metric numbers and you can move up,” “great stats,” “you have to have three months of good performance.” These methods suggest that good performance can earn advancement, but they are vague and can be subverted by other factors that appear to influence the promotion process. For example, T-Mobile USA workers described that “technicians are promoted when the company is threatened with unionization” and that promotions take place “frequently among supervisor favorites.” Other workers described a promotion system based on favoritism and bias, saying “it depends on who you are friends with.” One worker summed up the lack of clarity and fairness in the advancement system when he stated, “I don’t really know it, I have seen so much preference.” Workers even claimed racial discrimination, saying “you have to be the right color because I was told that twice by one manager.”

DT Thwarts Workers’ Efforts to Exercise Freedom of Association

Workers believe that a union is the best way to address injustice at work. Seventy-two percent of respondents said they thought the best way for workers to improve their working conditions was through a union and a collective bargaining agreement. Workers at DT companies in the

seven countries surveyed have a strong identification with their fundamental labor rights and their right to be part of a union. In several of the countries, the survey was administered among union members, which might account for the positive responses toward labor rights and trade union participation. For example, when asked “in your opinion, what is the best way for workers to better their wages, benefits, and working conditions?” 95 percent of the Montenegrin respondents and 94 percent of the Greek respondents selected “workers join a union and negotiate terms and conditions into a collective bargaining agreement.” In Montenegro and Greece, the majority of workers surveyed were union members.



In two notable cases, the United States and Romania, where 55 percent and 44 percent respectively reported that they were not union members, the vast majority (88 percent of T-Mobile USA respondents and 71 percent of Romtelecom and Cosmote respondents) still stated they believed a union and a collective bargaining agreement were more effective than a “direct relationship between the individual employee and the employer” to improve wages, benefits, and working conditions. Workers in Croatia, where 80 percent of respondents were members of a union, were somewhere in the middle: 74 percent said they believe the best way for them to make improvements was through a union.

In nearly every survey country, a strong percentage of respondents reported that if treated unfairly they would “seek help from a union representative” to correct the situation. This was true in Montenegro and in Greece where 48 percent and 68 percent of the respondents, respectively, stated that they would seek out a union representative to address unfair treatment. Given the existence of collective bargaining agreements and union representatives at

the DT companies in those two countries, it seems logical that workers would choose a union representative over speaking directly to management, contacting a lawyer, or doing nothing.

Even at T-Mobile USA, where there is not a strong union presence or a collective bargaining agreement, 40 percent of the workers surveyed stated that if treated unfairly they would “seek help from a union representative” to correct the situation. Twenty-seven percent said they would talk to management and 20 percent said they would do nothing. Some workers clarified their answers stating they would “do nothing until our union is official” (that is, recognized by management), or “do nothing because without a union there are not really any options when you are treated unfairly. If you speak to management or HR they use the interaction to identify you as a malcontent and scrutinize you further.”

DT companies obstruct workers from participating in unions.

Forty-nine percent of DT workers surveyed said they believe the company trains managers to discourage union activity, and 67 percent said that their employer says negative things about the union or its reputation.

The survey results from the different countries show some variation among DT companies and subsidiaries with regard to employees’ union participation. It seems apparent that in nearly every country some percentage of the surveyed workers expressed concern that the employer exerts pressure to prevent workers from participating in the union or to undermine the effectiveness and reputation of the organization. In countries where workers have a longer history of union participation, workplace activism and ongoing collective bargaining, fewer workers described company efforts to obstruct union participation, though by no means did they describe an environment free from employer interference or worker fear of reprisals for union activity. The responses from workers in the United States, where there was only one small recognized bargaining unit at the time of the survey and a voluntary but unrecognized organization of T-Mobile USA workers, indicated a very aggressive and widespread employer campaign to prevent workers from union participation and to undermine their efforts to build their organization and reach collective bargaining (Table 6).

To understand better the ways in which the company exerts influence to prevent or obstruct union activity, the participating unions asked workers to mark the types of management pressures they had observed. Several examples demonstrated the corporate approach to union avoidance. Still, 69 percent of DT worker respondents said that they would join a union if there were no employer opposition.

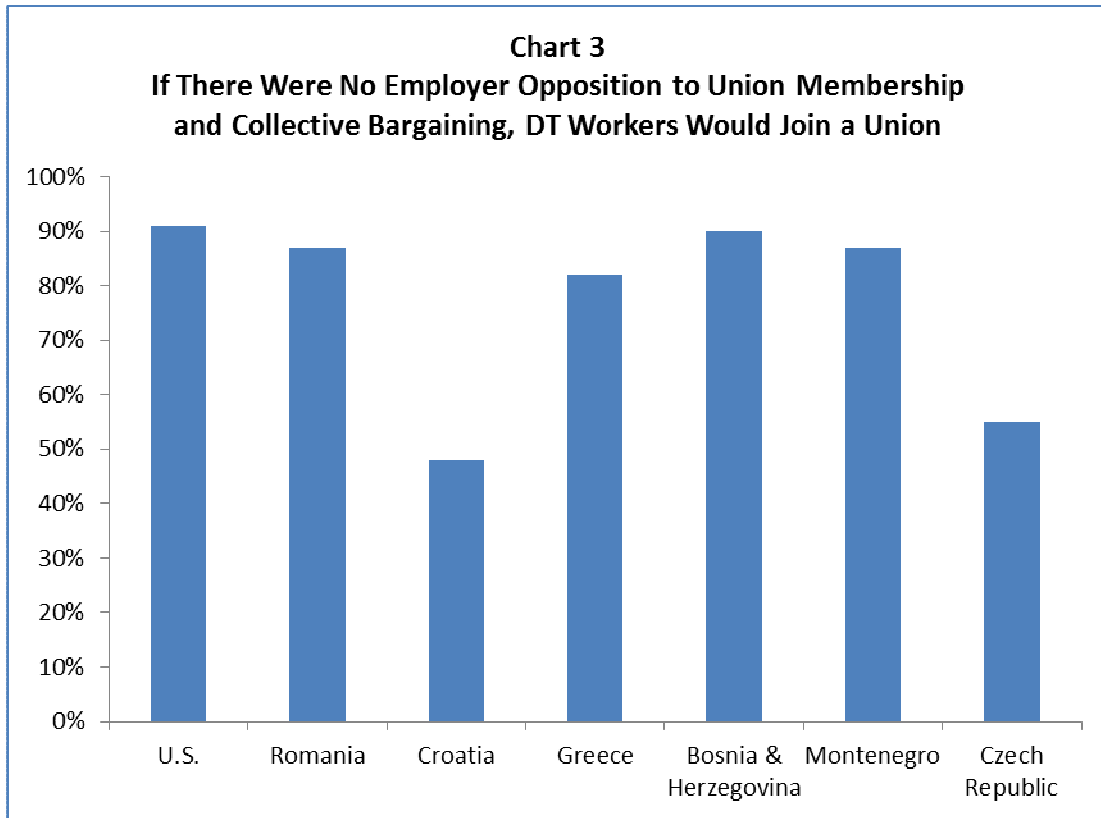
Country	Percentage
Bosnia and Herzegovina	38%

Croatia	40%
Czech Republic	20%
Greece	12%
Montenegro	25%
Romania	15%
United States	88%

In Montenegro, workers noted significant management pressure to undermine the union, particularly during contentious bargaining and a strike. During that period, workers reported that a company-led effort to establish a parallel, management-controlled union. In addition, union leaders were selectively demoted, discriminated against, and finally some were dismissed through a planned redundancy program. One worker said, “Deutsche Telekom absolutely does not respect the freedom to associate. Everything we experienced [in Montenegro] during bargaining and a strike shows DT has no tolerance for trade unions.”

In the Czech Republic, among the respondents who identified company pressure to prevent union participation, when asked to select methods used to prevent unionization, 100 percent stated that the company says negative things about the union and its reputation, 50 percent stated that they had observed that the company leads managers to discourage union participation, and 25 percent reported that management makes threats that union participation could hurt the company. One respondent commented that it is generally known that employees who had tried to create a local trade union organization were dismissed by past management.

In Romania, when asked if the company tries to prevent workers from participating in or joining the union, 14 percent of the respondents reported affirmatively. Of those respondents, 67 percent reported that they had observed that the company trains managers to discourage union participation; 37 percent said that the company says negative things about the union or its reputation; and 33 percent reported that management makes threats that union participation could hurt the company, force it to close, or cause layoffs. Seven percent of the respondents reported that the company impedes the presence of union leaders or activists in company facilities and another 7 percent reported that the company promises or provides special benefits or privileges to workers for not joining the union. One worker said “there was a person who tried to initiate a union with official mail to the CEO and with the help of other Cosmote employees, and a few weeks later the person had to leave Cosmote. The reasons are still unclear, nobody knows why he left.” The vast majority of Romanian respondents spoke strongly about their support for unions. When asked “if there were no employer opposition to union membership and collective bargaining, would you join a union?” an overwhelming 87 percent stated that they would.



In the United States, even though there was only one small recognized bargaining unit at the time of the survey, some T-Mobile USA workers have non-majority union membership through CWA-TU, a union for T-Mobile USA workers. When asked why they had not joined CWA-TU, 72 percent stated “I fear the reaction of the employer.” Seven percent said they had not thought about it, 7 percent said they did not have enough information, and only 14 percent stated that they did not think they needed a union.

When asked if the company tries to prevent workers from participating in or joining the union, 88 percent of the T-Mobile USA respondents reported that it does. When asked to select all of the methods they had observed that the company uses to exert pressure to prevent unionization, 89 percent stated they had observed the company training managers to discourage union participation, 77 percent observed the company saying negative things about the union or its reputation, and 69 percent reported that management makes threats that union participation could hurt the company, force it to close, or cause lay-offs. Sixty percent of respondents reported that the company impedes the presence of union leaders or activists in company facilities, and 17 percent reported that the company promises or provides special benefits or privileges to workers for not joining the union.

One T-Mobile USA worker commented that the company “says in its training manual that the employees decided against a union.” (Note: this is an incorrect statement, as workers have not made such a decision.) Another worker stated “union organizers are not allowed on the property. Managers have given anti-union talks where employees are told to be ‘very, very

careful about signing anything from the union' and how we 'don't need a union' because of the open door policy, which is used as a way for HR to identify those that pose a threat to the status quo of T-Mobile USA's non-union environment." Another worker commented that the company "puts literature in the new hire packet stating the employees don't want a union. A lie!" The vast majority of the respondents spoke strongly about their desire to join a union. When asked "if there were no employer opposition to union membership and collective bargaining, would you join a union?" 93 percent stated that they would join.

Workers in DT companies are eager for information about labor rights. Even among non-union workers, DT employees have a strong interest in learning more about labor rights. In nearly every country the respondents expressed their desire to learn more about their basic rights and ways to improve working conditions.

In the Czech Republic, 73 percent of the respondents said they would like information on tools to improve working conditions; 45 percent would like to know more about how unions work; 42 percent would like to know more about collective bargaining and union contracts; and 55 percent want more information about labor law and international labor rights conventions.

In Romania, when workers from Romtelecom and Cosmote were asked to identify labor rights subjects they would like to learn more about, 80 percent chose "tools to improve working conditions;" 46 percent indicated "how unions work;" 83 percent picked "collective bargaining and union contracts;" 70 percent said they would like to learn about labor law and international labor rights conventions; and 45 percent said they want to learn about social dialogue. One worker commented, "I want to know about concrete activities of the union, and when, or in what situations I would be able to seek help from the union or get involved in its actions."

In Greece, when workers were asked to select the labor rights subjects that they would like to learn more about, 72 percent said "collective bargaining and collective labor agreements," 65 percent said "tools to improve working conditions," 60 percent said "labor law and international labor rights conventions," 42 percent said "social dialogue and Works Councils," and 27 percent said they wanted to know more about how unions work. One worker said that he would like to learn about everything that helps improve the position of the workers, and another said she would like to learn about the procedure of promotions in relation to merit.

T-Mobile USA workers are hungry for information about worker rights. When asked to select the labor rights subjects they would like to learn about, over 50 percent of the respondents choose all four subjects: tools to improve working conditions, how unions work, collective bargaining and union contracts, and labor law and international labor rights conventions. One worker commented, "All of it! I'd like to be as knowledgeable as possible!"

Challenges for Workers in the DT Group Operations

DT Reporting on Health Management Conflicts with Worker Reports. In the Deutsche Telekom 2011 Corporate Responsibility Report's section under Health Management, "Promoting Health Competence and Health Awareness," the company states:

"Our health measures range from specific offers for junior staff and seminars on stress management to flu shots and health checks. Outside the realm of the employee survey, we use our health management system and preventive offers to promote health literacy and health awareness among the entire workforce – for example, through the frequently used personal and telephone-based counseling service for executives and employees. One fact is absolutely clear even without these programs and offers: the key prerequisite for a healthy corporate culture is that management reflect on their leadership behavior, reduce high-intensity change and improve the quality of their planning."²²

Weak or No Labor-Management Engagement on Health Issues. In spite of the reported corporate initiatives, there are vast variations in working conditions, treatment on the job, and workers' ability to address health problems. Workers in many DT companies confront serious issues of emotional and physical distress attributable to their jobs. In some cases, particularly where there is not a strong union presence or among workers hired through fixed-term or temporary arrangements as in Greece, workers suffer even greater damage to their health because of the additional stress and demands placed on them by arbitrary decisions and unclear guidelines related to performance, evaluation, and promotion.

The survey results across several countries demonstrate that DT companies provide some form of health and safety training or information at least once every two years. But the survey results also point to inadequate measures to prevent and address health issues that arise on the job. The results particularly emphasize the failing of what Deutsche Telekom considers a "key prerequisite for a healthy corporate culture." While the company claims in its report "that management staff reflect on their leadership behavior, reduce high-intensity change and improve the quality of their planning," it is often the very behavior of management and supervisors in the DT companies that exacerbates the health and safety issues of jobs that are, by nature, high risk for health and safety concerns. In addition, the lack of adequate methods to address work-related and management-related health issues can intensify the mental, emotional, and physical distress that some employees experience.²³

Restrictions on Freedom of Association Result in Workplace Abuses and Little Recourse.

According to the DT website, "Deutsche Telekom maintains a close, intensive dialogue with democratically legitimated employee representatives throughout the Group and close cooperation with committees of employee representatives. We would never be able to implement all our various measures and projects without the active cooperation of the employees' elected representatives." DT claims to support employees' freedom of association and codetermination, saying, "We respect and acknowledge the right to freedom of association and to collective action within the framework of national legislation, agreements and customs. Deutsche Telekom will demand and promote a course of active cooperation with employee representatives at all levels in future."²⁴

But the survey results show a stark contrast with DT's self-described "course of active cooperation with employee representatives at all levels." Where workers have had a longer-standing trade union organization and collective bargaining, they have less fear of company intimidation and believe they have more freedom to exercise their collective rights. Even in unionized facilities, however, workers report unfair practices such as bullying, arbitrary decision-making, and company efforts to thwart the union from representing workers adequately.

In Greece, in spite of existing collective bargaining, workers reported arbitrary decision-making in evaluations and promotions and an absence of jointly agreed-upon merit-based methods for determining advancement. Greek workers also reported that the evaluation system exists mostly for disciplinary purposes and not for improving effectiveness on the job or skills and competence, contributing to high levels of stress, anxiety, and depression. Similarly, in Montenegro where workers are covered by a collective agreement, workers noted significant management pressure to undermine the union, which was particularly evident during contentious bargaining and a strike.

Where workers have little or no union presence or collective bargaining coverage, there is a high level of fear. Workers believe they have almost no right to organize or bargain collectively. In these workplaces workers reported more severe impacts of unfair working conditions and very little ability to prevent or correct them.

In the United States, the reluctance of T-Mobile USA workers to participate openly and freely in union activities stems from the company's overt practices and policies to prevent workers from joining the union. It is no coincidence that in the United States, where workers reported intense management opposition to union participation, they also reported high levels of arbitrary decision-making, stress, workplace bullying, and mistreatment. Workers also reported that they have no safe channels to address concerns without reprisal or further isolation, and in the few instances where they have sought to exercise their right to organize, the company has exerted significant pressure to squelch employee interest in the union.

Remedies to Address Challenges Identified by Workers in the DT Group

In its corporate social responsibility report released in June 2013, Marion Schick, Chief Human Resources Officer for the DT Group, was clear about DT's social responsibility:

To us, 'We take responsibility' is an expression of our comprehensive CR [corporate responsibility] approach that goes beyond short-term goals and that includes every single Deutsche Telekom employee.²⁵

In 2012, DT put in place a group-wide “Employee Relations Policy.” The language is sweeping. It commits the company to “mutual respect and collaboration based on trust.” The policy refers to the five “guiding principles” of the company, which speak to customer satisfaction as well as dignity and respect in interactions with all stakeholders, colleagues included.²⁶ It also addresses employee development, issues of sustainability, diversity, fair pay, good life balance, discrimination, communication, and collaboration with employee representatives.²⁷

Deutsche Telekom Guiding Principles

- Customer delight drives our actions
- Respect and integrity guide our behavior
- Team together – Team apart
- Best place to perform and grow
- I am T – Count on me

Group responsibility, however, means more than just common policies across operations. It requires transparency about problems whenever and wherever they exist and a commitment to correct them. Reporting those problems is the first step towards resolution, and Deutsche Telekom has come under criticism before for its incomplete reporting.²⁸

Resolving those problems, in turn, requires stakeholder input. Many of the challenges faced by workers in the DT Group stem from the way management views employees. Inside Germany, Deutsche Telekom works within the system of codetermination, and it engages in collective bargaining with ver.di. While each side has its own interests and conflict occurs frequently, there is mutual respect between employee representatives and management that permits both sides to work through that conflict and reach solutions. Outside Germany, unfortunately, the company hides behind a façade, stating “we obey national law” and does not seek the high level of institutional interaction found in Germany. Obeying national law should be a precondition for doing business, not corporate policy towards employees. Instead, management practices need to rise to a level of cooperation that reflects respect for international labor standards and true application of DT’s commitments on labor rights and practices.

The following recommendations are designed to optimize employee relations throughout the Deutsche Telekom Group and to align company practices outside Germany with global labor standards that DT claims to adhere to in its public reporting.

1. Dialogue with the DT Union Alliance and UNI Global Union: We ask Deutsche Telekom to enter immediately into direct dialogue with representatives of the DT Union Alliance and UNI Global Union to address the issues of working conditions and human and labor rights identified in this report. Through dialogue the worker and company representatives should address the following concrete issues:

○ **Respect and Dialogue:**

We ask that DT issue a statement of respect and dialogue that will be reproduced in all languages and distributed to every worker. The statement should express the company’s willingness to engage in an open and on-going dialogue with employee representatives in all countries with DT operations to address and remedy the challenges identified by

the workers, particularly around the issues of management bullying, work stress and unsafe work. This statement should be a concrete application of the general principle of respect found in the new DT Social Charter unveiled in October 2013.²⁹

- Freedom of Association:

We ask Deutsche Telekom to issue a group-wide, written commitment of respect for the rights of all workers in DT operations around the world to form and join unions and participate in collective bargaining. Established in dialogue with worker representatives, the commitment should recognize that workers have the freedom to decide whether or not to participate in a labor organization and represent their interests through collective bargaining. The company should also state that it will take no measures to dissuade workers from exercising their collective rights.

- Leadership Culture:

DT should train all managers, in particular executive directors, in a manner consistent with DT's new 2013 Social Charter to ensure that all employees are treated with respect and can do their work without coercion. Furthermore, DT should establish new rules regarding the discipline of abusive leaders and supervisors who do not comply with the directives set out in the management training.

- Outsourcing and Redundancies:

In cases of outsourcing, offshoring, use of temporary and flexible hiring arrangements and redundancy plans, DT should enter into dialogue with worker representatives to seek solutions that reflect the workers' interests and do not limit the workers' ability to exercise their collective rights.

- Payment Systems, Performance Measures and Evaluation Systems:

We ask DT to work in dialogue with worker representatives to develop systems that are fair, consistent, transparent and understandable to workers. The goal of performance measures and evaluation systems must be to improve the customer experience and not to discipline or discharge employees. Metrics must be transparent, not arbitrary, and cannot be used as a means to cut wages, to punish or to discipline.

- Workplace Set-up:

To ensure a safe and productive environment in all countries, DT must immediately work with worker representatives to implement solutions to health and safety problems identified in the report, such as heating, ventilation, ergonomic arrangements, tools, and facilities.

- Health and Safety:

DT should work with worker representatives in the DT Union Alliance and UNI Global Union to implement workplace practices that ensure worker health and safety, prevent illness and accidents, and establish mechanisms to correct health and safety problems when they arise. DT should work to strengthen the health and safety committees that already exist in unionized workplaces and establish new ones in operations where they do not exist. In operations without such mechanisms, the employees should be able to elect representatives to health and safety committees charged with the authority to identify and address problems, working alongside management representatives. All committees should write a joint yearly report in which they explain the progress made in the respective countries on the planning and implementation of health and safety standards. Such reports should include facts about workplace incidents linked to health and safety standards and the remedies that were implemented.

- **Supervisory Mechanism through DT Board of Directors:**
DT should negotiate a mechanism that allows the DT Board of Directors to investigate and discipline management for behavior in the national companies that damages the reputation of the corporation and violates human rights. DT should negotiate a set of rules with UNI Global Union and the DT Union Alliance that address the escalation of national-level complaints to the Deutsche Telekom headquarters.
- **Employee Survey:**
DT should work with employee representatives to develop and implement a fully confidential worker survey that should be administered annually to all workers across the Group. The survey should be secure and confidential so that workers can respond honestly with no risk of reprisals, should they identify workplace problems or concerns. Worker representatives should participate in the drafting of questions and the implementation of the survey. The results should be shared with worker representatives.

2. Global Framework Agreement:

Deutsche Telekom should enter into a global framework agreement with UNI Global Union that goes beyond a statement of labor rights principles and allows for effective implementation in all DT operations, subsidiaries, and contractors. Such an agreement should contain implementation language, an oversight plan, and remediation mechanisms to ensure and maintain compliance with basic labor rights, particularly freedom of association and collective bargaining.

3. Global Works Council:

Deutsche Telekom should enter a first round of talks with UNI Global Union and the DT Union Alliance aimed at establishing a Global Works Council (or World Works Council).

Conclusion

The proposed remedies require commitment and hard work from both worker and company representatives. The problems identified by workers in DT operations, however, are real and must not be dismissed. They weaken morale for workers, and they weaken Deutsche Telekom. Group-wide responsibility requires consistent and even-handed group-wide implementation. DT can address the issues raised by workers in the seven countries by working more closely with employee representatives where unions exist and by ending its destructive hostility to unions where they do not yet represent employees. The Deutsche Telekom Union Alliance is committed to working with the company to implement this new framework.

NOTES

1 Every year the DGB conducts random sampling of German employees to measure work life quality. Typically the questionnaire has over 30 questions that sample on collegiality, opportunities for creativity in work, company culture, physical and emotional demands, etc. See <http://www.dgb-index-gute-arbeit.de/>. Because of the large overall sample size (roughly 8,000 respondents), the results can be reported out at companies the size of DT.

2 Input Consulting, "Gute Arbeit im Telekom Konzern: Ergebnis der Beschäftigtenbefragung im Überblick," 2013. The majority of results are reported by ver.di at <http://tk-it.nrw.verdi.de/projekte/belastungsschutz-und-leistungsbegrenzung-im-telekom-konzern/ergebnisse-der-beschaeftigtenbefragung-gute-arbeit-im-telekom-konzern> .

3 The goal was not to replicate the Good Work survey since random sampling was impossible and access to workers challenging. Therefore, the results reported below cannot be compared to the German survey.

4 DT defines operational earnings as EBITDA – earnings before interest, tax, depreciation, and amortization. See DT Annual Report 2012.

5 Note that this is not a comprehensive list of DT investments. It does not include telecom operations in Albania, Bulgaria, the Former Yugoslav Republic of Macedonia, the Netherlands, Poland, or Slovakia.

6 Deutsche Telekom AG, "We Take Responsibility: The 2009 Corporate Responsibility Report," p. 7.

7 DT AG, "We Take Responsibility," p. 8.

8 European School of Management and Technology, "90 seconds with ... René Obermann" http://www.youtube.com/watch?v=5ajCF_4qsj4.

9 United Nations Global Compact, "Corporate Sustainability in the World Economy," p. 1. http://www.unglobalcompact.org/docs/news_events/8.1/GC_brochure_FINAL.pdf

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- 10 <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/labour.html>
- 11 ILO, "The Labour Principles of the United Nations Global Compact: A Guide for Business," 2008, 2010, p. 1. http://www.ilo.org/empent/Publications/WCMS_101246/lang--en/index.htm
- 12 ILO, "The Labour Principles," p. 15.
- 13 Deutsche Telekom AG, "Deutsche Telekom's Global Compact Communication on Progress 2006, December 2006, p. 3.
- 14 Deutsche Telekom, "Social Charter," p. 3. Since the re-issue and update of the Social Charter in October 2013, the original document from 2003 is no longer available on the Deutsche Telekom website. For the 2003 version, go to <http://cwafiles.org/tmobile/DTSocialCharter2003.pdf>. For the 2013 version, go to: <http://www.telekom.com/company/at-a-glance/responsible-employer/144584>
- 15 DT, "Social Charter," 2003, p. 3.
- 16 Organisation for Economic Co-operation and Development, "OECD Guidelines for Multinational Enterprises," p. 8. <http://www.oecd.org/dataoecd/56/36/1922428.pdf>
- 17 "OECD Guidelines," p. 17.
- 18 The planning group also included the union Sindikata e Postë-Telekomit Shqiptar in Albania. However, SPTS was only able to obtain one completed survey. Union representatives attribute the minimal response to the fact that there is no recognized union at the T-Mobile facilities and no ability to talk to workers directly. The union also described considerable fear among the workers about responding to a union-sponsored survey because two workers were dismissed in September 2012 when workers attempted to form a union at T-Mobile Albania.
- 19 Deutsche Telekom, "Deutsche Telekom Results Financial Year 2012 Backup"; for Montenegro: Crnogorski Telekom Annual Report 2012.
- 20 The U.S. survey results here are consistent with those found by CWA and others. See CWA, Standing up for Good Jobs in Charleston: T-Mobile Workers Speak Out, May 2013. See also John Logan, Lowering the Bar or Setting the Standard? Deutsche Telekom's U.S. Labor Practices, American Rights at Work, 2009.
- 21 These findings are consistent with the thorough research into call centers in Germany and the United States by Virginia Doellgast. See Disintegrating Democracy at Work: Labor Unions and the Future of Good Jobs in the Service Economy, (Ithaca and London: ILR Press, 2012).
- 22 Deutsche Telekom, 2011 Corporate Responsibility Report: We Take Responsibility. Health Management: Promoting Health Competence and Health Awareness, 2011. <http://www.cr-report.telekom.com/site12/employees/competitive-workforce/health-management#atn-1388-2566,atn-1388-2562>
- 23 Deutsche Telekom, 2011 Corporate Responsibility Report: We Take Responsibility. Health Management: Promoting Health Competence and Health Awareness, 2011.
- 24 <http://www.telekom.com/company/at-a-glance/responsible-employer/144576>

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- 25 <http://www.telekom.com/corporate-responsibility/news/188440> For an overview of the report, see http://www.e-paper.telekom.com/overview_of_cr_2012/epaper/DTAG_CRR_ES_ENGL.pdf. For the full report, go to <http://www.cr-bericht.telekom.com/site13/>.
- 26 See <http://www.telekom.com/guiding-principles>.
- 27 <http://www.cr-report.telekom.com/site13/employees/hr-responsibility#atn-1383-4347,atn-1383-4348>.
- 28 Pierre Habbard, "The Deutsche Telekom 2011 Corporate Responsibility Report: An Assessment Based on Global Reporting Initiative Standards," Trade Union Advisory Committee to the OECD, February 2012. http://www.tuac.org/en/public/e-docs/00/00/OA/42/document_doc.phtml
- 29 <http://www.telekom.com/corporate-responsibility/news/202878>