

T-Mobile USA Axing 1,900 Jobs, Closing Call Centers

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T-Mobile USA plans to close seven call centers and lay off 1,900 employees in a cost-cutting move its chief executive says is needed to "invest for growth."

The cuts come as T-Mobile is preparing to embark on a costly "reinvigorated challenger strategy" in the wake of AT&T's failed takeover attempt.

"Concentrating call centers is an important step to achieve competitive cost structures to successfully compete as challenger and value player in the wireless market," T-Mobile President and CEO Philipp Humm said in a statement released Thursday afternoon. "These are not easy steps to take, but they are necessary to realize efficiency in order to invest for growth."

Call centers in Allentown, Pa.; Fort Lauderdale, Fla.; Lenexa, Kan.; Thornton, Co.; Redmond, Ore.; and Frisco and Brownsville, Texas, will remain open for the next three months before being shut down.

About 3,300 people work at the facilities. T-Mobile says it will begin hiring immediately for up to 1,400 positions at its remaining 17 call centers and is offering relocation assistance to workers who are able to find a new post.

Severance pay, outplacement support and some health care coverage is being offered to the 1,900 workers left displaced by the restructuring.

More cuts could be in store. The company said it plans to "restructure and optimize" some of its other operations by the end of June.

T-Mobile received \$3 billion from AT&T as part of its breakup fee, but it plans to use the cash for a \$4 billion network modernization project and the launch of its LTE service next year. It also plans to "revitalize" its brand and invest in 1,000 new business sales employees.

The carrier has been gradually shrinking its U.S. call center workforce. Reports emerged last August that its parent company Deutsche Telekom planned to [cut about 2,600](#) [1] American call center jobs, but T-Mobile dismissed the claims as a rumor spread by the Communication Workers of America union and claimed the staff reductions had been from "natural attrition" instead of layoffs.

Verizon Wireless recently announced a similar move, but insisted its call center consolidation was "not a cost-cutting exercise" and said it would attempt to relocate the more than [3,000 workers](#) [2] affected by the changes.

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[1] <http://www.reuters.com/article/2011/08/27/us-deutschetelekom-jobs-idUSTRE77Q0XL20110827>

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