



Good Jobs

Materiality Assessment Topics: Compensation, Benefits, Working hours and wages; Freedom of association; Occupational health and safety; Restructuring/Downsizing; Talent acquisition and retention

Issue Summary

Good jobs are especially valuable in this economy. Wages and compensation, freedom of association and training are important indicators of the health of a company's workforce.

Our Position

Talented, dedicated people are key to our company's success, and we strive to be the industry's employer of choice by investing in our people. Competitive pay and benefits attract and retain a highly qualified workforce.

Data Highlights

2012 Key Performance Indicators

- Number of employees, retirees and dependents afforded health and welfare benefits: **1.1M**
- Percentage of union-represented employees: **55**
- Amount invested in direct employee training development programs: **\$280 M**
- Amount invested in tuition assistance for both management and non-management employees: **Nearly \$27M**
- Percent of employees receiving regular performance and career development reviews: **100**
- Total U.S. workforce retention rate: **87 percent** women; **88 percent** people of color
- AT&T's OSHA total recordable occupational injury and illness rate (per 100 employees): **1.75**



Our Action

Our jobs are vital to the communities we serve. The vast majority of our employees are U.S.-based, and we have employees in each of the 50 states. Our global presence continues to grow. We now have employees in more than 60 countries outside the U.S.

As our business changes — most notably shifting from a wireline to a wireless focus — and economic pressures impact our company, we continue to adjust the size of our workforce. This remains an ongoing challenge for our company, as it does for many. As of the end of 2012, we had 241,810 employees. This is compared to 256,420 employees at the end of 2011.

The pressures of the economic downturn and business conditions have required us to make some adjustments in our workforce. While we continue to add jobs in those parts of our business that are growing, we are shedding some jobs in the parts of our business that are declining, particularly wireline.

As was the case in 2011, the reduction of our workforce in 2012 was tied to three primary factors:

- A decline in customer spending driven by economic pressures
- A continued industry-wide trend of residential customers shifting from wired voice to wireless and broadband service
- Streamlining our organizational structure

In 2012, our hiring numbers can be attributed to our growth areas such as wireless, video, cloud services and mobility applications. In 2012, we hired about 28,000 employees, including about 1,100 recent college graduate new hires into 10 student hiring programs, and more than 1,600 international hires.

BENEFITS

We offer competitive pay and benefits to attract and retain a highly qualified workforce. We provide health coverage, life insurance and disability coverage, and in 2012, afforded health and welfare benefits to nearly 1.1 million employees, retirees and dependents.

We offer some of the most competitive benefits in the industry for our U.S.-based employees:

In addition to medical, dental, vision, life and disability coverage, we remain committed to helping employees plan for their retirement. Through various vehicles — including defined benefit pension plans and/or 401(k) savings plans with generous matches — employees have the opportunity to save toward retirement at a time when many companies are eliminating pension plans and/or curtailing savings plans.

For many employees, we offer flexible spending accounts, health reimbursement accounts and/or health savings accounts that allow employees to pay for out-of-pocket health care and dependent care costs with funds not subject to federal taxes.

We offer a broad selection of benefits geared toward certain life events, including adoption, tuition aid, long-term care and the treatment of certain investigational medical conditions not covered by traditional health plans.

Our employees are also eligible for employee discounts on AT&T-branded products and services, where available.



UNION RELATIONSHIPS

With about **55 percent** union-represented employees, we have the largest full-time union workforce of any company in America — more than the steel or airline industries and more than the “Big Three” automakers combined.

We’ve built cooperative relationships with our unions, primarily with the Communications Workers of America (CWA) and the International Brotherhood of Electrical Workers (IBEW). We work diligently with our unions to create competitive contracts that provide good wages and benefits for our employees.

We have about two dozen union contracts, so the company is generally bargaining with one union or another at any given time. Recent agreements are proof that, even in tough economic times and in the midst of major changes in the marketplace and the telecommunications industry, the company and unions can work together to provide and protect high quality middle class careers — good union jobs with wages and benefits that are among the best in the country.

HEALTH & SAFETY

Our goal is to provide a safe and healthy workplace for all employees — it’s an essential aspect of our Environment, Health and Safety (EH&S) Policy. We work diligently to protect our employees through the prevention of occupational injuries, illnesses and workplace incidents. We provide job-specific EH&S training to all employees based on established guidelines and record successfully completed courses in each employee’s training record.

In the event an accident does occur, it is our policy to respond swiftly and effectively to protect our employees, company assets,

neighboring communities and the environment. We require employees to report all alleged work-related injuries, illnesses and accidents. We investigate such incidents and look for opportunities to implement process improvements. For U.S. operations in 2012, our OSHA total recordable occupational injury and illness rate was **1.75** per 100 employees. This rate is lower than the most recent average published by the Bureau of Labor Statistics for the telecommunications industry, which was 2.1 for 2012.

TRAINING & CAREER DEVELOPMENT

We help our people grow and follow their desired career paths. In 2012, we invested about **\$280 million** in employee learning and professional development programs, not including the money spent for travel and work-time allotted for training. Our unmatched success in learning and development was recognized in 2012 by *Chief Learning Officer Magazine* when AT&T was named the No. 2 overall company for learning and development in corporate America — and won the Editor’s Choice for Business Performance Results for the second year in a row. In addition, we spent nearly **\$27 million** on tuition assistance for both management and non-management employees. During the year, **100 percent** of employees have performance reviews and receive feedback on results and demonstrated leadership. Career discussions are conducted with employees focusing on short-term and long-term planning.

Talent Development Programs

We encourage management and non-management employees to be the strongest contributors and leaders through job-based training, tuition aid, and various training and development programs. Some examples include:



AT&T University — Our flagship innovation and talent development epicenter, AT&T University helps us accelerate growth, foster innovation and develop leadership capabilities at all management levels. It was established in 2008. From 2010 on, nearly 100,000 managers have participated annually in live, virtual and Web development sessions.

AT&T Connect to Success — This mentoring program is designed to connect select managers in committed mentoring relationships and foster leadership training opportunities for all, including women and people of color.

AT&T Career-Development Resource Center — This virtual resource center supports all employees in developing strategies and learning skills to remain outstanding performers.

Career Movement — Management and non-management employees can nominate themselves for job openings throughout the company, providing hiring managers with diverse, qualified job candidates.

Continuing Skills Training — At AT&T, comprehensive training is offered across the globe. Thousands of courses are available to employees, including those tailored for our consumer call center and retail sales, business call center and direct sales, network engineering and direct sales and network. Our employees

completed more than 8 million training courses during 2012 — up more than 16 percent over 2011. Students completed more than 21.5 million hours of training, up about 16 percent over 2011. That's an average of 88 training hours per employee per year.

Tuition Reimbursement Program — Financial assistance is provided to management and non-management employees pursuing academic degrees that benefit both the employee and the company. In 2012, AT&T's tuition program assisted nearly 10,200 employees; nearly 43 percent were women and nearly 56 percent were people of color.

Social Media Reverse Mentoring Program — This program began in 2010 to connect officers and senior leaders with social media-savvy first- or second-level managers. These teams engage in social networking conversations and explore how AT&T might improve senior-level knowledge of social media, while encouraging adoption of these collaboration tools.

U.S. ARMED SERVICES PERSONNEL

For more than 85 years, we have remained dedicated to supporting active military personnel, their families and military veterans.

Learn more about [AT&T military support](#).