



Amazon To Fire 10,000 Employees, Largest Layoff In Company History

Description

Over the past month, technology companies have laid off tens of thousands of employees. And the **momentum in layoffs only appears to be worsening.**

According to a new report via NYTimes this morning, Amazon could add to the count this week as **approximately 10,000 people in corporate and technology jobs will be slashed**, in what could be the **most significant job cut in the company's history.**



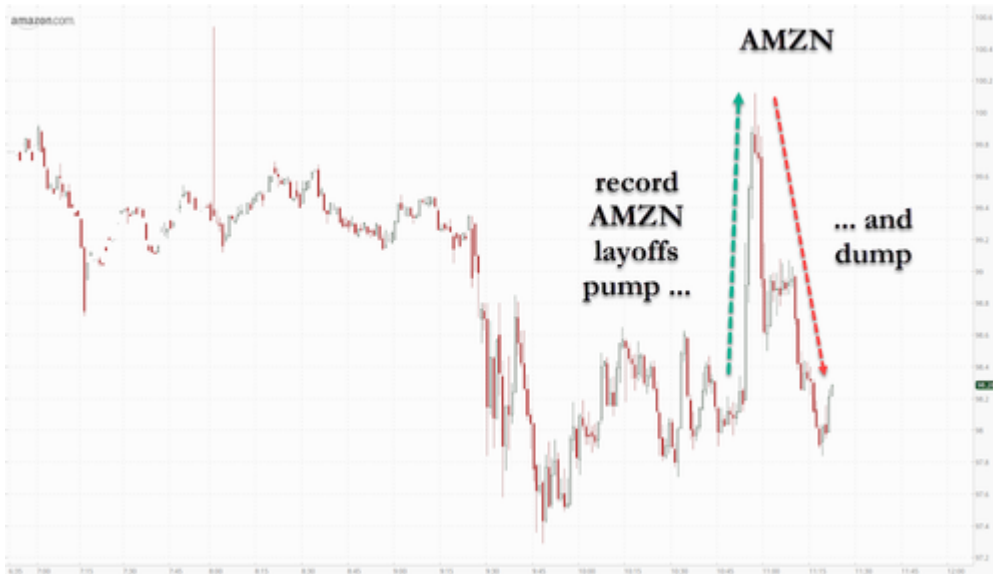
People with direct knowledge of the layoff plan said **job cuts would be focused on Amazon's devices organization, including the voice-assistant Alexa, its retail division, and human resources.**

*"The total number of layoffs remains fluid. But if it stays around **10,000, that would represent roughly 3 percent of Amazon's corporate employees** and less than 1 percent of its global workforce of more than 1.5 million, which is primarily composed of hourly*

workers,” NYTimes said.

A deteriorating macroeconomic backdrop led America's second-largest employer to announce a hiring freeze in early October. Amazon recruiters were instructed to halt all hiring for “corporate roles, including technology positions, globally in its Amazon stores business, which covers the company’s retail and operations, and accounts for the bulk of Amazon’s sales” by mid-Oct. Then in late October, the company froze hiring for its lucrative web services division, Amazon Web Services.

Amazon shares pumped and dumped on today's news.



Amazon would become the latest tech company to reduce headcount. Just in the last few months, Twitter, Facebook parent Meta, ride-hailing company Lyft, software service firm Salesforce, payment platform Stripe, and a growing list of tech companies have announced layoffs of engineers, salespeople, and support staff.

Layoffs in 2022 (% of Workforce):

1. Twitter: 50%
2. Intel: 20%
3. Snapchat: 20%
4. Coinbase: 18%
5. Meta: 13%
6. Redfin: 13%
7. Credit Suisse: 5%
8. Goldman Sachs: 3%
9. Microsoft: 1%
10. Amazon: Hiring Freeze
11. Apple: Hiring Freeze

The layoffs are now spreading beyond tech.

— The Kobeissi Letter (@KobeissiLetter) [November 13, 2022](#)

“It does feel a little like 2000,” Lise Buyer, a tech analyst, executive, and investor, recently told WaPo.

The tsunami of layoffs comes after Silicon Valley peaked last year. Since then, the NYSE FANG+ Index, a basket of tech stocks with Facebook, Apple, Amazon, Netflix, and Alphabet’s Google, has collapsed 42% from the 2021 peak.



Until the Federal Reserve pivots, the ripple effect of aggressive monetary tightening will lead to even more layoffs in Silicon Valley.

by Tyler Durden

Category

1. Economy-Business-Fin/Invest
2. Main

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