



“I Have Difficult News To Share”: Google CEO Tells Employees 12,000 Jobs Will Be Cut

Description

Google parent Alphabet Inc. on Friday became the latest addition to an increasing list of technology companies that have announced plans to reduce headcount because of overhiring during the last several years and fears of recession.

The company plans to fire 12,000 employees or reduce headcount by about 6% — the largest-ever round of layoffs for the tech firm.

Chief Executive Officer Sundar Pichai wrote an email to employees about the layoffs on Friday, posted on the company’s blog, titled “*A difficult decision to set us up for the future.*”

“I have some difficult news to share,” Pichai wrote at the start of the email. He cut right into it, telling employees:

We’ve decided to reduce our workforce by approximately 12,000 roles. We’ve already sent a separate email to employees in the US who are affected. In other countries, this process will take longer due to local laws and practices.

He explained the business environment a few years ago had dramatically changed, explaining:

Over the past two years we’ve seen periods of dramatic growth. To match and fuel that growth, we hired for a different economic reality than the one we face today.

The reductions will be across Alphabet units and geographies:

So, we’ve undertaken a rigorous review across product areas and functions to ensure that our people and roles are aligned with our highest priorities as a company. The roles we’re eliminating reflect the outcome of that review. They cut across Alphabet, product areas,

functions, levels, and regions

Following the news, Alphabet's shares are up nearly 2% in premarket trading.



The cuts mark the latest high-profile layoffs from some of the biggest tech names. Days ago, rival [Microsoft Corp said it would slash](#) its headcount by 10,000 workers. Amazon, Meta, and others have also announced job cuts as macroeconomic headwinds continue to mount.

Here's Pichai's full letter to employees:

Sundar sent the following email to Google employees earlier today.

Googlers,

I have some difficult news to share. We've decided to reduce our workforce by approximately 12,000 roles. We've already sent a separate email to employees in the US who are affected. In other countries, this process will take longer due to local laws and practices.

This will mean saying goodbye to some incredibly talented people we worked hard to hire and have loved working with. I'm deeply sorry for that. The fact that these changes will impact the lives of Googlers weighs heavily on me, and I take full responsibility for the decisions that led us here.

Over the past two years we've seen periods of dramatic growth. To match and fuel that growth, we hired for a different economic reality than the one we face today.

I am confident about the huge opportunity in front of us thanks to the strength of our mission, the value of our products and services, and our early investments in AI. To fully capture it, we'll need to make tough choices. So, we've undertaken a rigorous review across product areas and functions to ensure that our people and roles are aligned with our highest priorities as a company. The roles we're eliminating reflect the outcome of that review. They cut across Alphabet, product areas, functions, levels and regions.

To the Googlers who are leaving us: Thank you for working so hard to help people and businesses everywhere. Your contributions have been invaluable and we are grateful for them.

While this transition won't be easy, we're going to support employees as they look for their next opportunity.

In the US:

- *We'll pay employees during the full notification period (minimum 60 days).*
- *We'll also offer a severance package starting at 16 weeks salary plus two weeks for every additional year at Google, and accelerate at least 16 weeks of GSU vesting.*
- *We'll pay 2022 bonuses and remaining vacation time.*
- *We'll be offering 6 months of healthcare, job placement services, and immigration support for those affected.*
- *Outside the US, we'll support employees in line with local practices.*

As an almost 25-year-old company, we're bound to go through difficult economic cycles. These are important moments to sharpen our focus, reengineer our cost base, and direct our talent and capital to our highest priorities.

Being constrained in some areas allows us to bet big on others. Pivoting the company to be AI-first years ago led to groundbreaking advances across our businesses and the whole industry.

Thanks to those early investments, Google's products are better than ever. And we're getting ready to share some entirely new experiences for users, developers and businesses, too. We have a substantial opportunity in front of us with AI across our products and are prepared to approach it boldly and responsibly.

All this work is a continuation of the "healthy disregard for the impossible" that's been core to our culture from the beginning. When I look around Google today, I see that same spirit and energy driving our efforts. That's why I remain optimistic about our ability to deliver on our mission, even on our toughest days. Today is certainly one of them.

I'm sure you have many questions about how we'll move forward. We'll be organizing a town hall on Monday. Check your calendar for details. Until then, please take good care of yourselves as you absorb this difficult news. As part of that, if you are just starting your work day, please feel free to work from home today.

-Sundar

by Tyler Durden

Category

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

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