



“One Of The Worst Downturns In Recent History”: Zuck Warns Facebook Employees To Brace For Layoffs

Description

USA: One month ago we showed that while the BLS still revels in its seasonally-adjusted statistical nonsense to divine the monthly level of payrolls, the real world is seeing a wave of mass layoff the likes of which have not been seen since the covid crash

Company Layoff Announcements				
	Announcement Date	Company	Sector	Estimated Number
1	2/8/2022	Peloton	Tech	2,800
2	4/19/2022	Better	Real Estate	3,000
3	4/19/2022	Blend	Real Estate	200
4	4/19/2022	Wells Fargo	Financial	N/A
5	4/26/2022	Robinhood	Tech	380
6	4/28/2022	Netflix/Tudum	Streaming	25
7	4/29/2022	GoPuff	Grocery	400
8	4/29/2022	Noom	Tech	495
9	5/3/2022	BizPay	Fintech	30% Staff
10	5/4/2022	Cameo	Tech	87
11	5/5/2022	Mainstreet	Fintech	50
12	5/5/2022	Meta	Tech	Hiring Freeze
13	5/5/2022	On Deck	Tech	72
14	5/10/2022	Thrasio	E-commerce	N/A
15	5/10/2022	Reef Technology	Tech/Grocery	750
16	5/10/2022	Sezzle	Fintech	20% of N. American Staff
17	5/11/2022	DataRobot	AI	70
18	5/12/2022	Carvana	Auto	2,500
19	5/12/2022	Twitter	Tech	Hiring Freeze
20	5/13/2022	Latch	Tech - SaaS	30
21	5/13/2022	Section4	Tech - Education	32
22	5/17/2022	Wayfair	E-commerce	Hiring Freeze (90 days)
23	5/17/2022	Scholar Rock	Biotech	25% of workforce
24	5/17/2022	Netflix	Tech - Streaming	150
25	5/20/2022	Exact Sciences	Biotech	3% Global Workforce
26	5/20/2022	Zulily	E-commerce	99 (10%)
27	5/20/2022	Vroom	Auto, E-commerce	270
28	5/20/2022	Outside Inc.	Media	15% of Workforce
29	5/20/2022	Skillz	Tech - Gaming	70
30	5/23/2022	PayPay	FinTech	83
31	5/23/2022	Klarna	FinTech	650 (10%)
32	5/23/2022	Pennymac	Financial - Mtg	207
33	5/24/2022	Gorillas	Tech - Grocery	300

Fast forward to today when it appears that we are about to hit the motherlode of mass layoffs, after none other than Zuck sounded the alarm. According to Reuters, Facebook-owner Meta Platforms (which will likely be undoing its name change just as bitcoin bottoms) has cut plans to hire engineers by at least 30% this year, CEO Mark Zuckerberg told employees on Thursday, as he warned them to brace for a deep economic downturn.

"If I had to bet, I'd say that this might be one of the worst downturns that we've seen in recent history," Zuckerberg told workers in a weekly employee Q&A session, audio of which was heard by Reuters.

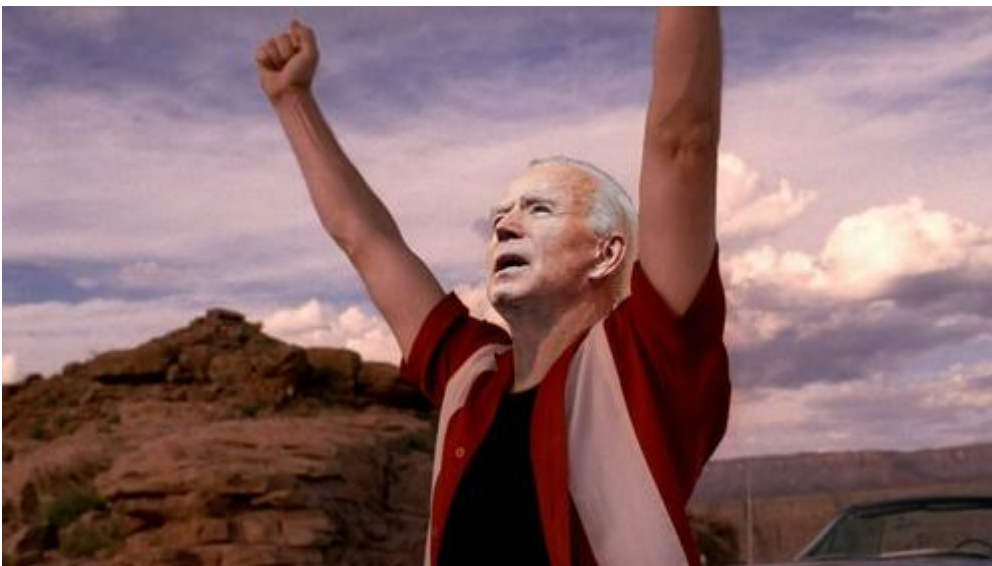
And while Zuck emphasized the lack of hiring – noting that it has reduced its target for hiring engineers in 2022 to around 6,000-7,000, down from an initial plan to hire about 10,000 new engineers, which comes amid a hiring paused announced month – he confirmed that layoffs are also coming saying the company was “turning up the heat” on performance management to weed out staffers unable to meet more aggressive goals.

“Realistically, there are probably a bunch of people at the company who shouldn’t be here,” Zuckerberg said, adding that “part of my hope by raising expectations and having more aggressive goals, and just kind of turning up the heat a little bit, is that **I think some of you might decide that this place isn’t for you, and that self-selection is OK with me.**”

Others made the message even more forcefully, with Chief Product Officer Chris Cox saying that the company must “prioritize more ruthlessly” and “operate leaner, meaner, better executing teams.”

“I have to underscore that we are in serious times here and the headwinds are fierce. We need to execute flawlessly in an environment of slower growth, where teams should not expect vast influxes of new engineers and budgets,” Cox wrote.

Translation: when even the most profitable tech companies are bracing for mass layoffs, the bottom is about to fall out... or as Biden would say:



by Tyler Durden

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