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Amazon expands corporate layoffs to 18,000 jobs - The Boston Globe

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By **Karen Weise** New York Times, Updated January 4, 2023, 10:22 p.m.



The company previously planned to lay off about 10,000 employees late last year and early this year, The New York Times reported in mid-November. MICHEL SPINGLER/ASSOCIATED PRESS

Amazon plans to eliminate 18,000 corporate and technology jobs in a significant expansion of its cost-cutting plans, the company's chief executive, Andy Jassy, said in an e-mail to employees Wednesday.

The company previously planned to lay off about 10,000 employees late last year and early this year, The New York Times reported in mid-November. The first layoffs were primarily focused on the company's devices and books organizations.

Employees in human resources were also given buyout offers to resign. The new wave of layoffs will begin Jan. 18, Jassy said, and will focus on human resources as well as the large division that Amazon refers to as Stores. That includes the teams behind Amazon's main online site, its vast field operations and warehouses, its physical stores, and other consumer teams.

It's not clear how many cuts might come in the Boston area, which has emerged as one of Amazon's largest hubs for tech and corporate workers after Seattle and its so-called second headquarters outside Washington, D.C.

In recent years, the company has become one of Boston's larger private-sector employers. As of June, Amazon employed roughly 4,500 white-collar workers in Kendall Square and the Seaport, where it opened one large building last summer and has a second under construction.

The company also has a major robotics operation here, centered in North Reading. While Amazon business units are distributed across the country, many of its tech employees here work on Alexa and related speech technology, not the corporate and retail-focused teams that are the focus of these cutbacks.

Still, in a sign of Amazon's slowing growth here, the company advertised barely 30 open tech and corporate jobs in Greater Boston on its website Thursday, down from 330 in November.

The 18,000 in total cuts represents roughly 6 percent of Amazon's corporate workforce. Late last year, managers in a variety of groups said they had been asked to prepare for potential layoffs, and employees have been bracing for the

cuts.

Hourly warehouse workers are not included in the layoffs. Amazon has typically reduced those jobs through high attrition.

“These changes will help us pursue our long-term opportunities with a stronger cost structure,” Jassy wrote. “However, I’m also optimistic that we’ll be inventive, resourceful and scrappy in this time when we’re not hiring expansively and eliminating some roles.”

The company more than doubled its workforce during the pandemic as customers flocked to online services. It had about 1.5 million employees at the end of September.

Amazon’s growth, however, slowed to its lowest rate in two decades, and Jassy has been reeling in the company’s overexpansion. Amazon recently cautioned investors that growth could weaken to its slowest pace since 2001.

Jassy said the expanded reductions were the result of Amazon’s annual business review, which this year “has been more difficult given the uncertain economy and that we’ve hired rapidly over the last several years.”

The Wall Street Journal reported earlier Wednesday that Amazon had expanded its planned job cuts.

Amazon is among several tech companies that have recently announced significant cuts. Salesforce, the giant business software company, said Wednesday that it planned to lay off 10 percent of its workforce, or about 8,000 employees, amid concerns about the economy. Other companies, including Meta and Twitter, have had big layoffs in recent months.

*Tim Logan of the Globe staff contributed to this report.*

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