

Ford to cut 1,400 jobs via retirements as profit lags

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Ford is cutting staff ahead of the departure of Chief Executive Jim Hackett, who will step down in October

US automaker Ford on Wednesday announced it would offer around 1,400 voluntary retirement packages as it aims to cut staff amid a

shakeup in leadership and struggles with profitability.

In a memo to employees, Kumar Galhotra, president of the carmaker's Americas operations, said the voluntary retirements were part of "a multiyear process of making Ford more fit and effective around the world.

"We have reprioritized certain products and services and are adjusting our staffing to better align with our new work statement," Galhotra said.

A company spokesman said the retirements were aimed at 1,400 workers based in the United States. Workers accepted in the program will leave the company by the end of the year.

The automaker has seen its share price fall in recent years during the tenure of chief executive Jim Hackett. Ford last month announced he will be replaced in October by auto veteran Jim Farley, though Hackett will stay on as a special advisor through March of next year.

Hackett was criticized for major decisions he made at the 117-year-old Detroit firm, including phasing out most sedan models in the US market and launching the Mustang Mach-E, an all-electric sport utility vehicle built on one of the [auto industry](#)'s most iconic brands.

Analysts have pointed out that phasing out sedans alienated some customers, and design mavens decried the Mustang's makeover into a suburban-oriented mainstay.

The company also botched the 2019 rollout of the Explorer SUV due to manufacturing fumbles that Ford blamed on an overly-ambitious plan.

Ford's stock had trended lower at the open but was up 1.4 percent around 1655 GMT.

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