

Twitter: Attrition up a bit, companywide layoffs not planned

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The Twitter splash page is seen on a digital device on April 25, 2022, in San Diego. In a regulatory filing Wednesday, July 13, 2022, the company is telling employees that it's not planning any companywide layoffs, but there could be some restructuring and organization changes as it heads into a legal battle over the potential sale to Elon Musk. Credit: AP Photo/Gregory Bull, File

Twitter is telling its employees that it's not planning any companywide layoffs, but there could be some restructuring and organization changes as it heads into a legal battle over the potential sale to Elon Musk.

The San Francisco company included the communication in a filing Wednesday with the Securities and Exchange Commission.

It also says Twitter is losing workers at a slightly higher rate than in normal economic times, but attrition is in line with current tech industry trends. The company says it will monitor turnover "to ensure that we can quickly identify any areas of concern and help mitigate where possible."

Twitter said it had planned to offer packages to retain employees, and on June 20, it had asked Musk to agree to programs that had been approved by the board and its compensation committee. The filing said that Musk has "not provided his consent to implement these programs."

The employee question-and-answer document attached to the filing says that teams across the company are making changes so it operates responsibly and efficiently in the current environment. That means restructuring and [organizational changes](#) are possible "as we continue to align with our revised business needs."

Twitter sued Tesla CEO Elon Musk on Tuesday, trying to force him to complete his \$44 billion takeover of the social media company by accusing him of "outlandish" and "bad faith" actions that have caused the platform irreparable harm and "wreaked havoc" on its [stock price](#).

Back in April, Musk pledged to pay \$54.20 a share for Twitter Inc., which agreed to those terms after reversing its initial opposition to the deal. But the two sides have been bracing for a [legal fight](#) since the billionaire said Friday that he was backing away from his agreement to buy the company.

Twitter's lawsuit in Delaware Chancery Court asserts that "Musk refuses to honor his obligations to Twitter and its stockholders because the deal he signed no longer serves his [personal interests](#)."

Part of Musk's argument for terminating the deal is his allegation that Twitter broke the acquisition agreement when it fired two top managers and laid off a third of its talent-acquisition team. But in its lawsuit, Twitter reveals communications from Musk starting shortly after the deal was signed showing his concerns about "headcount and expense growth" and his desire for more aggressive cost-cutting.

Twitter said Musk "refused to approve—or even discuss—Twitter's proposed retention programs for key [employees](#)."

"Musk had notice back in early May of many of the actions about which he now complains for the first time," the lawsuit says.

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