

Amazon starts annual hunt for costs to cut, rounding out rough year

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Amazon is starting a cost-cutting review, part of an annual process that this year will involve the same macroeconomic factors that have led the company to freeze hiring and cut several projects.

The [review](#) comes a week after Amazon announced it was freezing

corporate hiring for the next few months.

As part of the review, Amazon has told employees in some unprofitable divisions that their teams were being suspended or closed, The Wall Street Journal reported Thursday. The Journal was among the first to report on the cost-cutting review.

Amazon did not respond to questions about whether the review could lead to layoffs or what parts of the business it was analyzing.

After news of the cost-cutting analysis, Amazon's stock jumped nearly 12% early Thursday.

"Our senior leadership team regularly reviews our investment outlook and [financial performance](#), including as part of our annual operating plan review," spokesperson Brad Glasser told The Seattle Times, adding that the review occurs each fall.

"As part of this year's review, we're of course taking into account the current macro-environment and considering opportunities to optimize costs," Glasser said.

At the same time, Amazon has begun shutting down some projects, including two robotics experiments, a virtual travel experience, a video device for kids and personal delivery robots.

It also ended its Treasure Truck program, a fleet of roving vans that offered daily discounts on an ever-changing list of items, and is planning to end its health care venture, Amazon Care, at the end of the year.

"With the economy in an uncertain place and in light of how many people we have hired in the last few years," CEO Andy Jassy and Amazon executives decided to pause new hires in the corporate

workforce, wrote Beth Galetti, senior vice president of people, experience and technology, in a November 2 letter to employees.

Across the tech industry, companies are taking steps to cut costs and slim their workforce as they face economic uncertainty. Meta and Redfin both announced job cuts Wednesday.

Meta, Facebook's parent company, is laying off 11,000 people, about 13% of its workforce, citing faltering revenue and broader [tech industry](#) woes. Seattle-based Redfin plans to lay off 862 employees nationwide, cutting its workforce by at least 13%, and shut down its house-flipping business, RedfinNow.

Amazon told investors in October it was "taking actions to tighten our belts," including pausing hiring and winding down some products and services.

"We aim to strike the right balance between the best thing for our customers for the long term, while driving operational efficiency improvements, and accomplishing more with less," Chief Financial Officer Brian Olsavsky said.

After announcing its hiring freeze, and again Thursday, Amazon said it remains "excited about the future of our larger businesses," including Prime video, Alexa, grocery, [health care](#), its satellite division Kuiper and its self-driving division Zoox.

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