

# Meta axes 10,000 jobs in new round of cuts

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In an email to employees, CEO Mark Zuckerberg said Meta would shed 10,000 jobs over the next few months, targeting middle management.

Facebook owner Meta announced a fresh wave of job cuts on Tuesday, part of what CEO Mark Zuckerberg called the company's "year of efficiency" as the US tech sector continues to downsize.

In an email to employees, Zuckerberg said Meta would shed 10,000 jobs over the next few months, targeting middle management, and that 5,000 other roles would remain unfilled.

The cuts follow a cull of 11,000 positions announced by the company in November that started a wave of similar jobs cuts across big tech companies, including Amazon, Google and Microsoft, but not Apple.

"This will be tough and there's no way around that. It will mean saying goodbye to talented and passionate colleagues who have been part of our success," Zuckerberg said.

The first victims will be Meta's recruitment department as the company officially puts an end to the hiring spree that came when big tech ramped up operations to meet high demand during the coronavirus pandemic.

In subsequent months, tech and business departments will also be affected and "in a small number of cases, it may take through the end of the year to complete these changes," Zuckerberg said.

In January, the multi-billionaire Meta founder warned that further pain was coming when he told analysts the company's "management theme for 2023 is the 'Year of Efficiency'" and that he would focus on making the company "a stronger and more nimble organization."

Meta had suffered a rough 2022 amid a souring economic climate, which forced advertisers to cut back on marketing, and Apple's data privacy changes, which have reduced leeway for ad personalization.

"For most of our history, we saw rapid revenue growth year after year and had the resources to invest in many new products. But last year was a humbling wake-up call," Zuckerberg wrote.

"I think we should prepare ourselves for the possibility that this new economic reality will continue for many years."

## **Leaner, faster?**

The company is also under pressure for making a huge gamble on the metaverse, the world of virtual reality that Meta believes will be the next frontier online.

"Zuckerberg promised investors that 2023 would be a year of efficiency for Meta and he needs to make good on that," said Insider Intelligence analyst Jasmine Enberg.

"Meta knows it needs to downplay its farfetched and costly metaverse ambitions, and highlight the work it's doing in the near term to improve its core services as new threats, like AI, rise," she added.

In another blow to the metaverse promise, Zuckerberg said early analysis showed that engineers collaborating in person with colleagues were more efficient than those working remotely.

He said the company was "focusing on understanding this further," but that "in the meantime, I encourage all of you to find more opportunities to work with your colleagues in person."

The problems last year sent the company's share price down by an astonishing two thirds over 12 months, but the stock has recovered in 2023, with investors satisfied by Zuckerberg's pledge to run a [leaner company](#).

Meta's share price shot up by almost six percent after the announcement of the latest job cuts.

Meta's chief executive said he "will make our organization flatter by removing multiple layers of management" which would mean many managers will be ordered to become "individual contributors."

Zuckerberg explained he was pleasantly surprised by the benefits of running a more tightly organized operation where "many things have gone faster" with the elimination of lower priority projects.

"A leaner org will execute its highest priorities faster. People will be more productive, and their work will be more fun and fulfilling," he said.

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