

Big Tech layoffs persist while workers struggle to navigate new opportunities

Article

The news: Groupon, Intel, and Workday are laying off more workers, indicating that the fallout from a slowing economy continues.

Tech companies laid off more than 77,000 global workers in January, per [Layoffs.fyi](#), nearly half the total of 159,684 tech employees laid off in all of 2022.

Here's what we've learned from the latest layoffs:

- **Groupon cut 500 employees in its second round of layoffs**, per [TechCrunch](#). The company, which also cut 500 jobs, or 15% of its workforce, in August, will spread layoffs across the first two quarters as part of its restructuring plans.
- On the heels of [a brutal quarterly earnings report](#), **Intel said it planned to lay off 340 workers** from its Folsom, California, campus, citing a “challenging macroeconomic environment,” per [KCRA](#).
- **Workday, which makes productivity software, announced it was eliminating 3% of its global workforce** of 17,000 employees, per [Bloomberg](#). Cuts are focused on its product and technology organizations.

Employees are left to wrestle with employment uncertainty, but other companies are standing by to scoop up the talent.

- “Demand has just shifted from the Big Tech industries to smaller companies, as well as other industries like education, health care, government, [and] financial services,” **Megan Slabinski**, a Bay Area district president of tech at staffing firm **Robert Half**, told [Fortune](#).
- German companies see the layoffs in Silicon Valley as an opportunity to recruit top talent, per [Reuters](#). “They fire, we hire,” said **Rainer Zugehoer**, chief people officer at **Cariad**, a Volkswagen connected car subsidiary. “We have several hundred open positions in the US, Europe, and China.”

Layoffs are damaging pandemic-era diversity initiatives: Recent layoffs have scrubbed the attempts to boost employee diversity, per [The Washington Post](#).

- **Women represent about 39% of the overall workforce but 46% of all layoffs since September**, per Layoffs.fyi.
- Many companies grew the ranks of women and minorities during the pandemic, mostly through the lure of remote work opportunities.
- Because they were newer to their jobs, and occupied roles that companies were less interested in retaining, women and minorities have been particularly vulnerable to layoffs, per

[Fast Company.](#)

Our take: Unlike previous layoff cycles in tech, the post-pandemic fallout is happening at a time of wider economic uncertainty, which means fewer laid-off workers will opt to start their own businesses.

There could be a redistribution of talent to other industries or even other countries as evidenced by Germany's pursuit of tech workers.

This article originally appeared in Insider Intelligence's Connectivity & Tech Briefing—a daily recap of top stories reshaping the technology industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.

- *Are you a client? [Click here to subscribe.](#)*
- *Want to learn more about how you can benefit from our expert analysis? [Click here.](#)*