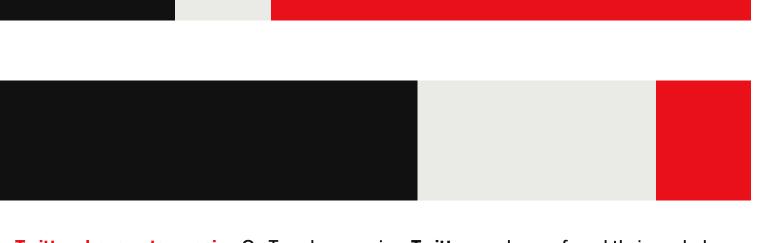


## Musk creates bedrooms at Twitter, prompting city investigation as chaos piles up

**Article** 



Twitter chaos gets messier: On Tuesday morning, Twitter employees found their workplace had been outfitted with bedrooms.





- The night before, CEO <u>Elon Musk</u> had beds, nightstands, and armchairs added to the company's San Francisco headquarters, totaling about four to eight bedrooms per floor, according to <u>Insider</u>.
- As a result, the city's Department of Building inspection (DBI) is investigating the unpermitted bedrooms, prompting Musk to question Mayor London Breed's priorities via tweet.
- The bedrooms were added for "hardcore" staffers, which include Musk loyalists like his cousins, James Musk and Andrew Musk, who are acting as full-time Twitter employees, and dozens of Tesla engineers and The Boring Company employees, per <a href="Insider">Insider</a>.
- About 150 people from Musk's other companies are working for Twitter.

**Real-world consequences:** The unconventional staffing moves come in the wake of Musk gutting the company's workforce by more than half. The chaos of the volatile decision-making is palpable.

- Having significantly relaxed <u>content moderation</u> policies, the loss of Twitter's talent base is making it difficult to fulfill basic standards.
- For instance, about 40 major corporate brands, including **Amazon**, **Snap**, and **Uber**, as well as the **US Department of Health and Human Services**, had their ads appear alongside extremist accounts, per <a href="https://doi.org/10.2016/journal.org/">The Washington Post</a>.
- Three former Twitter employees have filed arbitration claims and 22 other employees are threatening to do so over severance and compensation agreement breaches, per <u>Forbes</u>.

**Financial fallout:** As a billionaire with a large fan club, Musk may feel immune to failure, but Twitter isn't. The mounting litany of problems could <u>accelerate the company's financial ruin</u>.

- Musk may view adding HQ bedrooms as trivial, but with San Francisco's DBI working to repair its reputation tarnished by past corruption scandals, the agency isn't in a position to give Twitter a code-violation pass, which could mean citations and possible hefty fines.
- Musk's loyalists might be willing to go "hardcore" for him now, but with The Boring Company's chief operations officer Jehn Balajadia on coffee-fetching duty at Twitter's HQ, per Insider, we might see allegiance wane over time.
- The company's recent job postings, listed with a "not for immediate hire" caveat, indicate that replacing further workforce losses might not be possible any time soon.



- Potential city fines, lawsuit settlements, and more advertisers avoiding the platform could make financial solvency impossible.
- Meanwhile, social media competitors like Facebook, Instagram, Mastodon, Hive Social, and newly minted **Post** are scheming to take advantage of Twitter's weakened state.
- While there's no indication that any will be able to replace Twitter at its height, a crumbling Twitter is easier to topple.

## Have US Digital Buyers Made a Purchase via Select Social Media Platforms in the Past Month?

% of respondents, by demographic, Oct 2022

	Female	Male	18-34	35-54	55-64	Total
Facebook	20%	20%	27%	23%	10%	20%
Instagram	13%	20%	32%	15%	3%	16%
TikTok	6%	15%	24%	6%	1%	10%
YouTube	6%	13%	18%	8%	2%	9%
Pinterest	4%	6%	8%	6%	1%	5%
LinkedIn	2%	3%	4%	2%	1%	2%
Snapchat	4%	12%	18%	4%	1%	7%
Reddit	2%	8%	10%	5%	0%	5%
Twitter	2%	13%	15%	6%	1%	7%
Other	2%	1%	1%	2%	2%	2%
No, I have not purchased from any of these sites in the past month	72%	61%	47%	68%	85%	67%
Note: n=891 who made a digital purchas Source: "The Insider Intelligence Ecomm					by Bizrat	te

Insights, Oct 27, 2022

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