

Apple finally cuts jobs, showing it's not immune to economic woes

Article

The news: Apple is eliminating jobs within its corporate retail teams, marking the first layoffs at the company since it began its focus on austerity, per [Bloomberg](#).

Why it's worth watching: Apple was the one Big Tech company to largely avoid job cuts, resorting instead to hiring freezes and reducing its contract recruiters and engineers.

The company is [terminating a handful of positions](#) in its development and preservation teams—which are responsible for the construction and upkeep of Apple Retail Stores and other company facilities.

- Apple told employees that the changes were designed to improve upkeep of stores globally and that the company will provide support to affected workers, including as much as four months of pay.
- Retrenched employees can reapply for a number of roles similar to their prior jobs but with reduced salaries.

The bigger picture: Despite the recent layoffs, Apple, which had 164,000 employees as of September, still remains resilient compared with all other Big Tech companies that have reduced headcount by tens of thousands.

- Apple didn't expand its workforce as quickly as other tech behemoths during the pandemic.
- The majority of Apple's production takes place in China, India, and Vietnam, where the company relies on partners like **Foxconn** and its factories.

Tech companies have laid off more than 186,000 employees (including [Accenture's announced 19,000 layoffs](#)) so far this year, surpassing 2022's total of **164,411** tech layoffs, per [Layoffs.fyi](#).

Zooming out: Meanwhile, layoffs continue to gut the technology sector, even as we're starting to see [recovery buoyed by Big Tech stocks](#).

- **Hyland Software** is laying off 1,000 employees, a fifth of its workforce, due to inflation, rising interest rates, and wage increases, per [Forbes](#).
- **Roku** announced it was [cutting another 200 jobs](#) as it restructures to entertain a possible takeover.
- **Hulu** is reportedly [laying off 90% of its Beijing workforce](#), or 200 employees.

Our take: How technology companies enact layoffs and cut costs during economic uncertainty is a yardstick of their management, resilience, and company structure.

Apple's decentralized nature and its conservative hiring practices have enabled it to hold on to key employees longer.

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.](#)*