The Empty Memos: Corporate Graveyards

1. Provide Context about layoffs
2. Show abridged list of company memos
3. Summarize main quote – due to unfortunate circumstances
4. Summarize secondary quote – I take responsibility
5. Memo 1 discussion
6. Can it really be true that all these companies are experiencing the same circumstances?
7. Memo 2 discussion
8. How can people genuinely take the statement, “We regretfully must part with our talented employees?”
9. Memo 3 discussion
10. With each additional memo, the words lose more and more meaning. It creates a kind of numbing effect that allows these companies to escape responsibility
11. What are the public financials of these companies?
12. How does the main quote and second quote change with these financial contexts in mind
13. They hollow out even further, the unfortunate circumstances and responsibility are seen for what they really are, veiled acknowledgements to the corporate responsibilities to shareholders
14. Stating a pro-individual agenda over an anti-corporate agenda

While layoffs have been a staple of capitalist economies since their inception, one development that’s unique to this generation is the publicized nature of the event. Within hours of an announced layoff, the information is public and it includes lists of affected employees along with “heartfelt” statements from tech CEO’s on the unfortunate nature of the decision. In this round of tech layoffs, the list of memos continues to grow. Reading just one of these memos doesn’t come off as particularly unusual. It takes the standard conciliatory tones with dashes of optimistic praise for those departed and the future. However, as we read more and more of these, back to back, a strange picture forms. All those small glances of compassion and warmth lose their sense. The unfortunate circumstances seem to instead read as a collective creation or taking advantage of an opportunity.

Rereading these intentions seems necessary, because when one takes on a greater scope, some of the collective reasoning doesn’t hold up. “Unfortunately, we have to let go of some of our most talented employees today.” “Due to the changing economic realities, we need to rethink our business model.” “Amidst all these changes, I take full responsibility.” The question of where to begin rests at the forefront of my thought. Instead of taking all these ideas on at once, let’s start by looking at the text directly. There’s a long list of CEO statements to choose from (A really long list), and in many ways this article could be written on any of these statements, however, after reading through all of them (in what was a strange twilight zone lunch), I’ve selected three to look at more deeply.

The first is from Stripe brothers, Patrick and John Collison. The full letter can be found here, but there are three lines I want to look at, which mirror the lines referenced above.

“Today we’re announcing the hardest change we have had to make at Stripe to date. We’re reducing the size of our team by around 14% and saying goodbye to many talented Stripes in the process. If you are among those impacted, you will receive a notification email within the next 15 minutes. For those of you leaving: we’re very sorry to be taking this step and John and I are fully responsible for the decisions leading up to it.”

For context, 14% in this instance is roughly 1000 employees. 1000 employees who, within 15 minutes, will start the next chapter of their life. 1000 employees who are talented but must be let go. A series of decisions that these two individuals claim full responsibility for. But what does full responsibility actually mean in this case? Beyond this letter, a 1 page public acknowledgement, how can one take full responsibility for the direction of 1000 employees.

Obviously, I’m coming off as an anti-corporate maligner, but it’s because I can’t see how some of these statements can be made without shining a light on their contradictions. In the very next paragraph both executives go on to offer the positive outlook their company faces, “We transitioned into a new operating mode and both our revenue and payment volume has grown more than 3x [since 2020].” I have no doubt that the world of the executive has access to some higher level information, but it creates a rather painful ringing. In the same thought, we must square the release of 1000 talented employees with the fact that Stripe is on it’s most profitable, growth inducing trend yet.

Yet as the memo continues, we’re taken back to a more empathetic appeal, “While this is definitely not the separation we would have wanted or imagined when we were making hiring decisions, we want everyone that is leaving to know that we care about you as former colleagues and appreciate everything you’ve done for Stripe.” I genuinely don’t wonder about statements like this. It sounds so correct, and I imagine if I was sitting down with an executive I’d have no choice but to agree, however it’s the scale of the event that turns my thoughts sour. Every single memo on the list given above take some similar stance to this one. Is it really the case that all of the tech industry has made the exact same mistake? Can we really believe that all these executives “deeply regret” this unfortunate situation we’ve found ourselves in? And to crystalize these questions, can the empathetic tone of all these memos really be squared with the sudden nature of 1000 employees being laid off in the next fifteen minutes.

These are grandiose questions, so let’s pull it back to what we see directly in front of us. The memos, the thoughts of the executives directly. The second one comes from Marc Benioff, the CEO of Salesforce. The full memo can be found here.

“We’ve made the very difficult decision to reduce our workforce by about 10 percent, mostly over the coming weeks.”

It sounds eerily familiar because 10% in this case is also roughly 1000 employees. And these numbers register so close to meaningless on a page. 1000 people, colleagues, friends and family, sons, daughters, mothers, and fathers. And for what it’s worth, this is acknowledged in the statement itself. “The employees being affected aren’t just colleagues. They’re friends. They’re family. Please reach out to them. Offer the compassion and love they and their families deserve and need now more than ever. And most of all, please lean on your leadership, including me, as we work through this difficult time together.” Again, statements like this sound so right. But something in this long list of memos is missing the heart of what that statement is trying to convey. Maybe it’s because with such a short statement, we as people can fill in the ground work of what is needed to actually convey those two sentences. But if rereading these memos does anything, it strengthens the suspicion I have that there is something more being said here. That there is more to this long list of memos than executives who were caught off guard by the “Changing economic landscape.”

I have a growing resentment as I write this article. To put it another way, I know that my thought process is shifting away from that hyper-objective, rational robot speech that is necessarily common amongst political and economic pundits. Certainly, one can dismiss this article as the ramblings of a spurned former employee of a massive corporation (of which I am), but I can’t fight the deep feeling that all these heartfelt notes from the high executive class are simply bullshit. And just because everyone of them has been able to land on the same few lines doesn’t mean that any of those “economic realities” are actually true.

Looking at a third and final memo crysatlises the ideas I’m feeling. I’ve selected this memo for last because it actually goes beyond the façade of empathy and calls many of these layoffs what they are, efforts to improve stakeholder positions and enforce a profitable revenue line. One thing to note, before we look directly at the speech of another executive, keep in mind that there are thousands of these memos and the list keeps growing. Hundreds of thousands of employees laid off, with executives repeating the same refrain about “talented employees and economic realities.”

The final memo from Jennifer Witz at SirusXM can be found here. I won’t include the statements about “talented employees” and “unfortunate economic situations” and instead will simply focus on the reasons given for these “tough decisions.”

“However, today’s decision to reduce our workforce was required in order for us to maintain a sustainably profitable company.”

Finally, a CEO had the courage to say the lines that every other CEO is thinking. The irony here is that coming out with the truth does little to assuage the swirl of emotions I or any of the affected employees feel.

It’s at this point that the article opens itself up to these wider ideological critiques. As a software engineer I spoke to who was recently laid off said “These companies are free to do what they want, it’s what we signed up for when we chose to work here.” I want to sidestep the thought that these statements are just bitter notes from a former employee and keep the focus on the interpersonal. Of course I have a political and ideological agenda that relates to these CEO statements, however we don’t even need to visit this position. All we need to look at is the continued statements of the execs that just don’t hold up to scrutiny. The vibrant emotions they glimmer with all fade to grey when you put them in line one after another.

“In closing, thank you for your focus, dedication, and resilience. This is not an easy moment for any of us, so it’s more important than ever that we support each other, and that you lean on our leaders, including me, as we work through next steps.”

And also, don’t forget any of your belongings on the way out.