



## **Cisco plans thousands of jobs cuts in cyber, AI shift**

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**Highlight:** **Cisco** will reportedly eliminate 4000 jobs in a second round of layoffs this year, as it moves its focus to areas such as cybersecurity and artificial intelligence.

### **Body**

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**Cisco** Systems plans to eliminate thousands more jobs in a second round of layoffs this year, Reuters reported, as the networking equipment maker shifts its focus to faster-growing businesses such as cybersecurity and artificial intelligence.

The news follows **Cisco's** move to cut about 4000 jobs in February after a slowdown in corporate tech spending wiped out its sales growth. The company had almost 85,000 workers at the end of fiscal 2023, which ran to July of that year.

**Cisco** joins other tech companies in paring jobs as they cope with uneven demand. Though AI spending has helped fuel growth in some areas, traditional information technology giants have not benefited as much.

Intel [announced plans this month](#) to slash 15,000 jobs as it contends with sluggish sales. Dell Technologies is also cutting positions as part of a reorganisation of its sales teams.

**Cisco** shares fell as much as 1.3 per cent to \$US45.24 in New York. They were down 9.3 per cent this year heading into Friday's session.

The latest job cuts could be announced as early as Wednesday when the company reports fourth-quarter results, according to Reuters.

Three months ago, an upbeat **Cisco** forecast sparked hope that IT customers had picked up spending again. But the broader tech industry has been dogged by more recent concerns about the economy - and the idea that AI spending might not have a near-term payoff.

A representative for **Cisco** declined to comment on layoff plans.

Over the longer term, chief executive Chuck Robbins has been trying to transform **Cisco** into a provider of networking services and software, rather than a company focused on one-time sales of hardware.

It also looks to capitalise more on the AI boom that has fuelled sales for companies such as Nvidia. Last year, the company made a big move into the cybersecurity market with the [\\$US28 billion acquisition of software firm Splunk](#).

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