

PayPal to cut 325 full-time jobs

BARBARA ORTUTAY - AP Technology Writer - Associated Press

PayPal is cutting 325 full-time jobs to streamline its business and speed up product development amid intense competition from plucky startups and established companies such as Google.

The company also is ending jobs with about 120 independent contractors worldwide.

The job cuts have been expected and were reported by The Associated Press earlier this month. Its parent company, San Jose, California-based eBay Inc., said it expects to book a restructuring charge of about \$15 million in the current quarter, related to the job cuts.

Monday's cuts represent about 2.5 percent of PayPal's work force of 13,000. The company said the cuts are primarily in PayPal's product and technology organizations. PayPal said it wants to simplify and speed up how products are developed. The moves come as PayPal faces increasing competition in the world of online and offline payments services such as Square Inc. and Google Inc.

"If we don't change, we simply won't be able to sustain PayPal's global leadership position over time. And we will not let that happen," PayPal's president, David Marcus, wrote in a memo sent out to employees and obtained by the AP. "To do this we need a simpler, streamlined place to work."

Source URL (retrieved on 01/25/2015 - 9:39pm):

<http://www.ecnmag.com/news/2012/10/paypal-cut-325-full-time-jobs>