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GM expected to start cutting 4,000 white-collar workers Monday

By Jamie L. LaReau (excerpt)

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General Motors is expected to start its next round of white-collar job cuts Monday, but the carmaker apparently has fewer staff reductions left to make than has been anticipated.

In November, GM said it needed to reduce its North American white-collar workforce by about 8,000. About 2,250 salaried workers volunteered to take a buyout, leaving as many as 5,750 workers still to be cut.

But on Friday a GM spokesman said the automaker had trimmed about 1,500 contract jobs, meaning about 4,000 more staff jobs will be cut.

As to when those workers will be served pink slips, GM won't say, beyond, "We've indicated that the involuntary reductions would happen in the first quarter," said Pat Morrissey, GM spokesman.

"We are not confirming timing," said Morrissey. "Our employees are our priority and we will communicate with them first."

Black Monday

An investment strategist who works with many GM employees tweeted Thursday night that the cuts are expected to start on Monday.

"Black Monday at General Motors. To those who are about to separate, we salute you," David Kudla tweeted. He is chief investment strategist of Mainstay Capital Management.

Kudla followed up in an investor note on Friday writing, "The promised, deep cuts to the salaried workforce will begin next week — On 'Black Monday.'"

GM's Morrissey would not comment on Kudla's note. Morrissey also declined to comment on which GM areas might escape cuts or which would experience the heaviest job reductions.

Many salaried workers inside GM have said they and colleagues have been on pins and needles for the past two months, ever since GM said it would make involuntary cuts. Those who spoke to the Free Press did so on the condition of anonymity for fear of losing their jobs. ...

... Kudla said as the white-collar cuts start, he expects GM will experience more political and public backlash.

"GM's CEO Mary Barra is clearly not timid about making bold decisions to implement radical change, whether it be forging new technologies or the gut-wrenching shuttering of factories," Kudla wrote in his investment note. "GM is ahead of the pack when it comes to restructuring the business to focus on the future of (electric vehicles) and autonomous."

GM is scheduled to release its fourth-quarter earnings on Wednesday. Kudla said GM is being disciplined as it balances "profiting from today to build for tomorrow."

He warned, "2019 will be a pivotal year for GM — one in which we will see how a 100-year-old auto company takes drastic steps to convert from (internal combustion) to electric. It's a huge bet." ...

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