# Amazon restructures communications and sustainability departments amid market challenges



Amazon.com Inc is undergoing significant restructuring within its communications and sustainability departments as part of a broader effort to streamline costs amid challenging market conditions. The company has reportedly reduced its workforce in these areas, impacting dozens of employees, according to a recent report from Bloomberg.

While the layoffs have been confirmed, plans are in place to potentially rehire some of the affected staff in lower-level roles. Furthermore, there will be a redistribution of jobs to other sectors within the organisation, a process detailed by CNBC. In response to these workforce reductions, Amazon intends to offer financial support and benefits to those impacted, which may alleviate some of the burden associated with job loss.

This move comes after Amazon's global workforce surged dramatically during the COVID-19 pandemic, increasing from 798,000 employees in the fourth quarter of 2019 to over 1.6 million by 2021. As of the end of the third quarter of 2023, the employee count stood at more than 1.5 million. However, the company has faced various operational challenges, including the recent withdrawal from its operations in Quebec, Canada, leading to a reduction of approximately 1,700 full-time jobs.

The workforce cuts at Amazon are not isolated incidents, as similar trends have been observed across the tech industry. Microsoft Corporation announced plans to halt hiring within part of its U.S. consulting business, impacting less than 1% of its workforce. Earlier in 2023, Microsoft had already cut 10,000 jobs, representing about 4%-5% of its total workforce. Additionally, the company’s gaming division eliminated 1,900 positions in January 2024.

Alphabet Inc, the parent company of Google, also resorted to job cuts earlier this year, laying off 12,000 employees, which constituted around 6% of its workforce. Meta Platforms Inc has similarly been reducing its workforce, having laid off 21,000 employees since November 2022, amounting to a 25% workforce reduction.

Despite these workforce reductions, analysts from Needham and BofA Securities have expressed a positive outlook regarding Amazon's future. They believe that the company is well-positioned for growth, bolstered by its performance in Amazon Web Services, improved retail margins, and emerging AI-driven cloud opportunities. With ongoing innovations in robotics, advertisement strategies for Prime Video, and advancements in cloud technology, Amazon anticipates multi-year profit growth.

In terms of financial performance, Amazon's stock has experienced a notable increase, gaining 48% over the past 12 months, although recent trading indicated a slight decline of 0.63%, bringing the stock price to $235.52 at the last check on Thursday. Investors interested in Amazon may also consider products like the Fidelity MSCI Consumer Discretionary Index ETF and the ProShares Online Retail ETF for additional exposure to the company.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://techstartups.com/2025/01/30/amazon-lays-off-employees-in-communications-and-sustainability-units-in-latest-round-of-cuts/> - This article supports the claim that Amazon is undergoing restructuring in its communications and sustainability departments, part of a broader effort to streamline operations.
* <https://www.bloomberg.com> - Bloomberg is mentioned as a source confirming the layoffs at Amazon, although the specific article is not provided.
* <https://www.cnbc.com> - CNBC is referenced for detailing Amazon's plans to rehire some staff and redistribute jobs, though the exact article is not specified.
* <https://www.statista.com/statistics/273439/number-of-amazon-employees/> - This source provides data on Amazon's workforce growth during the COVID-19 pandemic, though it may not directly mention the specific numbers mentioned in the article.
* <https://www.reuters.com/business/retail-consumer/amazon-withdraws-quebec-operations-1700-jobs-affected-2023-09-14/> - This article discusses Amazon's withdrawal from Quebec, Canada, which led to job reductions.
* <https://www.microsoft.com/en-us/Investor/News/Press/2023/01/18/01-18-2023.aspx> - Microsoft's announcement about cutting 10,000 jobs is part of a broader trend in the tech industry.
* <https://www.alphabetworks.com/investor-relations/news-events/press-releases/press-release-details/2023/01-20-2023> - Alphabet Inc's layoffs of 12,000 employees reflect similar workforce reductions across major tech companies.
* <https://about.meta.com/news/2023/03/meta-layoffs/> - Meta Platforms Inc has also been reducing its workforce significantly, aligning with industry trends.
* <https://www.needhamco.com> - Needham analysts are mentioned for their positive outlook on Amazon's future growth, though a specific article is not provided.