

Ford to continue salaried layoffs through spring

By Breana Noble, Ian Thibodeau and Daniel Howes (excerpt)

Ford Motor Co. is continuing to cut salaried jobs, the company said Wednesday, a process expected to culminate in the second quarter.

The Dearborn automaker is undergoing a worldwide restructuring expected to save the company \$25.5 billion in the next few years. The company earlier this year began layoffs at its top levels and now is moving deeper into the salaried ranks, accelerating the workforce cuts as departments with more people are affected. The company expects to complete the process in the second quarter.

"As we have said, Ford is undergoing a Smart Redesign process that will help us create a more dynamic, agile and empowered workforce, while becoming more fit as a business," Said Deep, Ford North America communications director, said in a statement. "Our redesign will reduce bureaucracy and empower our leaders, enabling us to focus on the most value-added work and ensure we have the right cost structure around the world. This work has resulted in some separations of salaried employees and the reassignment of others."

Senior executives have said Ford is looking to flatten the organization by removing layers of management, reducing costs and giving managers more authority to make decisions while favoring lean operations and deciding which skills are needed now and for the future.

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... David Kudla, chief investment strategist for Mainstay Capital Management, said the

automaker is playing catch-up to General Motors Co. and Fiat Chrysler Automobiles NV.

"Ford is finally implementing another leg of its cost-cutting plan in the U.S. as salaried jobs cuts get underway," Kudla said in a statement.

"Ford's stock price is suffering because investors are unclear as to what the future is at Ford. This is not a surprise and is long overdue." ...

Global restructuring is expected to cost Ford \$11 billion to right-size struggling business units in Europe, South America and China. The automaker in February announced plans to idle a Brazilian plant and exit the South American commercial truck business as part of an effort to correct the business there.

That came a month after the automaker announced plans to cut hourly and salaried positions in Europe, possibly exit a Russian joint venture, and potentially shutter plants in Europe. Meantime, Ford is continuing to negotiate separate partnerships abroad with Volkswagen AG and the Mahindra Group of India.

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