

BANK OF AMERICA PLANS TO REDUCE 324 JOBS IN MANHATTAN

Bank of America



After losing half its market value, Bank of America Corp. is looking to reduce any kind of expense. Unfortunately, this means that next month in New York, Bank of America Corp. will be eliminating 324 jobs, which include investment bankers and equity traders. Most of the cuts will be starting around December 14, which includes 250 positions out of the 324. These cuts will take place at the firm's Midtown tower at 1 Bryant Park, according to a filing to the state's Department of Labor dated September 29. The rest of the terminated will commence on November 30. This will affect offices at 2 and 4 World Financial Center and 222 Broadway. T.J. Crawford, a bank spokesman, says that workers have been notified who are part of the 3,500 disclosed in August. More than 288,000 workers are stressing out about their job positions after Chief Executive Officer Brian T. Moynihan announced that there will be 30,000 more jobs cut over the next few years. Many firms are following suite, like Barclays Capital and Credit Suisse Group AG by reducing staff as revenue from trading stocks. Those affected in New York include:

- Investment bankers
- Equity traders
- Capital-markets workers
- Technology & operations personnel

As stated by Richard Lipstein, a managing director for headhunter Boyden Global Executive Search: *"There's no part of Bank of America that's being untouched. People who get let go now may have the best prospects of the lot, because there very well may be many more people looking for these kinds of jobs six months down the line."* Bank of America's goal is to cut about \$5 billion in annual costs by the end of 2012. Managers are now looking for cost-cutting opportunities in global markets, commercial and corporate banking. The first phase of Project New BAC affected the firm's consumer-finance operations, thus making it even harder for the employees in New York. Sallie Krawcheck and Joe Price are now left jobless because of the management shakeup caused by Moynihan's plan, which is called Project New BAC. The bank released a statement though that they will be giving the executives a total of \$11 million in severance. It is believed by New York State Comptroller Thomas DiNapoli that each job gained or lost in the industry creates or eliminates three other jobs in the state. DiNapoli is also saying that Wall Street may cut 10,000 more workers through next year and that bonuses for those remaining are "certainly going to be lower." It is Bank of America's duty to provide their employees 90 days' notice of a plant closing, mass layoff, relocation or reduction in work hours because The New York State Workers Adjustment and Retraining Notification Act, which is commonly referred to as the WARN Act. Since the beginning of 2011, Bank of America has been down more than 53 percent. Recently, Bank of America fell 5.5 percent to \$6.22 in New York trading. They aren't the only bank that is suffering though. Capital One Financial Corp. plans to cut 136 positions in Long Island starting December 4.