

LAYOFFS, UNEMPLOYMENT, AND UNCERTAINTY - AND WE ARE JUST TALKING ABOUT BANK OF AMERICA



The Bank of America has embarked upon a new program that they have labeled BAC. The program has been designed and implemented to streamline assets, getting rid of unneeded acquisitions, downsize the work force, and save overall cost. This aggressive program has sparked fear in the hearts and minds of Bank of America's top employees. The Bank of America has been around since the early 1900s and has been in the fore front of the banking industry. Those that work there have benefited from the success of the bank, but recent events undoubtedly have them wondering what, or who next? Fear ignites action and these top notch employees are now looking for jobs. It is reported that competitors of Bank of America are being bombarded with calls, resumes and all forms of job request. These employees are trying to get out while the getting is good. Bank of America stands to lose their best employees, as other banks are being selective as to who they hire from the other institution. This is an unusual situation for the second largest financial institution in America. This employee panic attack has grown in the last few months as Bank of America has begun layoffs and no one was spared. Senior leaders have been among the first to go. The plan calls for 3,500 layoffs to take place in phases. In addition there will be a re-organization of the management teams. Continued low interest rates, foreclosures, and the sluggish economy have bank leaders looking for ways to cut cost and increase revenues. Bank of America attempted to implement a \$5.00 monthly debit card fee, but because of public outcry have dropped that idea. It appears that Bank of America is living by the motto of desperate measures for desperate times. But Bank of America under the leadership of CEO Brian Moynihan runs the risk of cutting too deep and causing a negative impact to the morale of the remaining workforce. But from the outside it appears to be a series of poor decisions. It leaves room to question how he is going to battle back in these tough times when he has laid off senior officers and may lose many more valuable employees to other institutions. Employees that have knowledge and experience that can be useful in these difficult times. When an organization as big as Bank of America gets that desperate, it really makes the general public sit up and take notice. Bank of America has been in the news a lot lately, and it has not been positive. The troubles that are being faced by the Bank of America, mirror the troubles faced by the Country of America. There is a lot of work to be done to correct the issues of both entities.