

## 3i TO CUT 160 JOBS



3i is not exactly a household name. As a matter of fact when this reporter did an informal survey most people thought it was a technology company. For those of you who do not know what the company does in reality here is a look at how they [describe themselves](#). "As an international investor, we work with talented management teams to develop businesses that have potential for significant growth. For over 65 years we've invested in supporting people who start, grow, change and buy businesses; delivering significant power to the people we work with through our knowledge, experience and global network of relationships." The company is getting ready to cut back on about 160 jobs and to that end they are getting ready to close down six offices in different locations. The company put out a statement about the layoffs in which the following [was said](#), "Immediate implementation of significant cost reduction programme to create a leaner organisation and reduce annual operating costs by over £40 million: - Headcount reduction of over 160 employees, representing over a third of the Group's headcount compared to 31 March 2012, as well as a reduction of indirect and other Group support costs - Closure of offices in Barcelona, Birmingham, Copenhagen, Hong Kong, Milan and Shanghai, reducing total number of offices from 19 to 13, and a significant reduction of staff in a further 6 offices - Targeted annualised run-rate operating cost savings of £40 million to be achieved by 31 March 2013, increasing to £45 million by 31 March 2014." The closure of these six offices means that these layoffs could have far reaching consequences for a Europe that is already having some serious fiscal issues and leave the companies overall number of branches down to 13, which means that that almost one third of the locations are being shut down in this move to save the company money. In addition in the same release Simon Borrows, the Chief Executive of 3i said the following, "We will re-focus the Group's resources and capital in the regions and sectors where we have demonstrable competitive advantage and see the greatest opportunity. We will ensure a highly selective and consistent approach to new investments. Critically, our focus will be on improving the consistency and discipline of our asset management approach to drive value from our existing portfolio." Mr. Borrows then went on to say, "As part of the new strategy, from today, I will be implementing a significant cost reduction programme to align 3i's cost base with its income and investment strategy. This will reduce our annual operating costs by over £40 million. Financial year 2013 will be a transitional year of restructuring as we re-focus our international network and materially reduce operating and funding costs." Of course, these kinds of losses don't come without other cuts. The bank has lost about £.8 billion since last year and in hopes of fixing that those issues the bank is going to suspend all new investments in both southern Europe and Asia.

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