FTI CONSULTING TO CUT 115 JOBS

When you think about it there are a lot of companies in this world that do not really make anything. Take for example FTI Consulting, for those of you who are not familiar with the company here is a look at how they describe themselves, "**FTI Consulting (NYSE: FCN),** the global business advisory firm dedicated to helping organizations protect and enhance their enterprise value, today announced that the Company has taken actions to realign its workforce to address current business demands and global macro-economic conditions, and to reduce excess real estate capacity." So this company, which makes its money off of advice, is looking to give a significant number of its workers the advice to find a new job. That's right, they are laying off 115 employees, or just about three percent of the people currently on the payroll. This is more than enough to qualify as a mass layoff action under the current federal guidelines. For those of you who are not familiar with the idea of a mass layoff action here is a look at how the federal government defines the term, "The **Mass Layoff Statistics (MLS)** program collects reports on mass layoff actions that result in workers being separated from their jobs. Monthly mass layoff numbers are from establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period. Extended mass layoff numbers (issued quarterly) are from a subset of such establishments—where private sector nonfarm employers indicate that 50 or more workers were separated from their jobs for at least 31 days." The company release the following statement about the job cuts that they are making and how they fit into a larger plans for the company, "**…**These actions include the termination of approximately 115 employees, representing approximately 3% of the Company's more than 3,800 employees, and the consolidation of leased office space within six office locations. The majority of affected employees were employed in the two business segments most impacted by current economic conditions. The affected employees were notified by June 29, 2012 and will be released subject to defined notice periods. The Company estimates the impact of these actions will result in a pre-tax income charge of approximately $28.0 million in the second quarter of 2012. The cash portion of the charge is approximately $23 million with the balance relating to non-cash costs primarily resulting from terminating certain employees who are contractually entitled to employee loan forgiveness and the accelerated depreciation of leasehold improvements in the properties, which will no longer be utilized. The Company expects that these actions in combination with other actions taken over the last 100 days will result in operational savings of approximately $14 million over the remainder of 2012." For the time being the company has not said when exactly the soon to be displaced workers will be put out of a job or what kind of severance benefits, if any, they plan to give to the workers who are being cut.