

JC PENNEY TO CUT 350 JOBS



The odds are good that readers here in the USA will be familiar with the name JC Penney, for those of you who are abroad, or who are just not that familiar with the store here is a look at how the company chooses to [describe itself](#), "Over 110 years ago, James Cash Penney founded his company on the principle of treating customers the way he wanted to be treated himself: fair and square. Today, rooted in its rich heritage, J. C. Penney Company, Inc. is re-imagining every aspect of its business in order to reclaim its birthright and become America's favorite store. The Company is transforming the way it does business and remaking the customer experience across its 1,100 jcpenny stores and on jcp.com. At every visit, customers will discover straightforward Fair and Square Pricing, month-long sales that are in sync with the rhythm of their lives, exceptionally curated merchandise, artful presentation, and unmatched customer service." Apparently while the company believes in Fair and Square with its customers the same is not true with its employees. The company is getting ready to layoff a significant number of workers from its headquarters. The company [released a statement](#) about the layoffs, which provides more details to about the job cuts, "J. C. Penney Company, Inc. ("jcpenny") (NYSE:JCP) today announced that the restructuring effort it began in April to create a leaner and more simplified operating structure is now fundamentally complete...Today's announcement will result in the elimination of approximately 350 positions at jcpenny's headquarters. The savings generated by these actions will contribute to the Company's previously announced expectation to achieve an annual run rate of approximately \$900 million in expense savings by the end of 2012, one year ahead of its initial plan." These cuts will be more than enough to qualify as a mass layoff action under the current federal guidelines. For a mass layoff action to take place a company must get rid of more than 50 workers in one place in one 30-day span. When a mass layoff action goes into effect the workers must be give 60 days of notice before they are taken off of the payroll, in order to give the workers and the surrounding community time to adapt to the loss of income. In the wake of this mass layoff action the CEO of the company, Ron Johnson, [said](#) the following about the loss in the same release, "One of the most challenging tasks for any leadership team is to reorganize a company. In April, we began right-sizing our headquarters from a people perspective to align our teams with jcpenny's new business model. The actions taken today mark the final phase of those efforts. We have simplified processes, removed unnecessary work and reduced layers to help us make better and faster decisions. While difficult, these decisions are in the long-term interests of jcp and our stakeholders." While the company may feel bad they have not released any information about what kind of severance, or other benefits, they are looking to give to the soon to be displaced workers in order to help them through the transition.