

## UBI BANCA TO CUT 1,500 JOBS



Unless you have spent a decent amount of time Italy, or you really keep a tight eye on foreign markets, the odds are good that you do not know much about UBI Banca. For those of you who have never heard of this particular bank here it a look at how the bank chooses to [describe](#) itself, “ UBI Banca is the fifth largest Italian banking Group in terms of branches with a market share of approximately 6% and a significant presence in the wealthiest areas of the country. UBI Banca is a cooperative Group, listed on the Milan Stock Exchange and included in the FTSE/MIB index.” This week the bank put out a statement, in a PDF press release, saying that they were going to make some serious changes to the way that things are run in the bank, “UBI Banca announces a revision of the organizational structure of the Group designed to simplify operations, making them more “streamlined”, less onerous and more in line with market demands, to be achieved also through an enhancement of the customer service model.” The cuts are set to impact a significant number of workers, when all is said and done the bank is looking cut back on about 1,500 full time workers and closing about 44 locations in order to set its finances to right. The bank laid out the full extent of the job cuts and what kind of costs will be associated with the laying off of these workers in the same release “the introduction of a series of organizational changes designed to simplify the functioning of the Group with an estimated impact of annual savings in costs of over 115 million when fully phased in starting from 2014 (of which at least 70 million already in 2013), consisting of lower administrative and personnel expenses. In order to help achieve this objective, the overall size of the branch network will be revised (with the closure or sale of 44 of branches and the transformation of 78 branches into mini-branches) and the internal structure of the network banks, the Parent UBI Banca and UBI Sistemi e Servizi will be rationalized and simplified. The reduction in personnel numbers is estimated at approximately 1,500 full time equivalents...” Of course, this is not the only bank to experience some serious fallout from problems with the economy in the EU right now, and banks in nations far from the hot zone are feeling the pinch. Take for example the case of The Royal Bank of Scotland, which also laid off workers this year. For those of you who missed out on our [earlier coverage](#) here is an excerpt that will get you up to speed in no time at all, “The Royal Bank of Scotland is getting ready to lay off worker again. The bank is getting ready to let go of about 618 of its workers in its latest bid to get rid of anything that will drag down the bottom line. The company is making a significant round of cuts not long after making job cuts that numbered in the thousands earlier in this year...”

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