

Layoffs continue at startups as Flipkart shows door to 700

Cos Say Poor Performers Told To Go, Employees Cry Foul

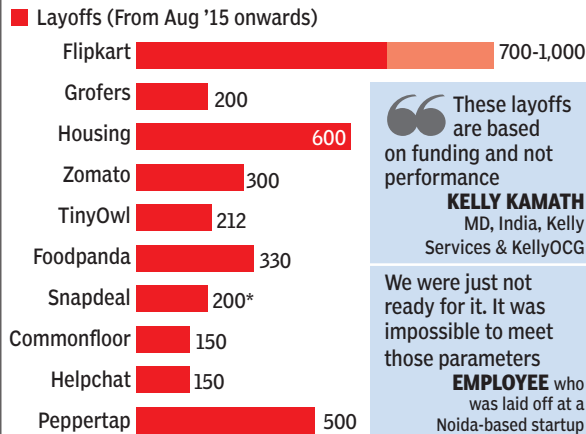
John Sarkar &
Digbijay Mishra | TNN

New Delhi/Bengaluru: Pink slips are flying thick and fast at startups and internet-based companies across the country. Flipkart's the latest. It's showing the door to around 700 employees. Previously, Snapdeal, Zomato, Grofers, Housing, TinyOwl and a host of others had laid off staff.

Companies say they are letting go of their poorest performers based on periodic assessments. Employees say the layoffs have more to do with the fund crunch at startups than performance. Some allege companies are adopting unprofessional ways of getting people to leave so that they don't have to compensate those being laid off.

An employee at a startup in Noida said he was stunned when he was suddenly handed over a new set of performance goals, which were tough to meet. A week later, he, along with some 150 others, were asked to

'AXE FALLS DUE TO FUND-CRUNCH'



*Snapdeal had said 200 employees were put on a performance improvement plan (PIP) and the ones who have refused to come under the PIP programme were protesting and left the company

Source: Industry

leave the company for non-performance. “It was impossible to meet those new parameters,” the employee told TOI. “The irony is, we had great appraisals a few months ago.”

An employee at another

company had a similar story. He said he was being appreciated for meeting 60% of his targets. But suddenly his manager told him he needed to hit 90%. “This created immense pressure. You eventually end up resigning.

That saves the management the trouble of calling it a layoff,” he said.

Flipkart said when employees do not meet the performance bar, the company works with them closely to help them improve their performance. “In due course, if these employees are unable to make the desired progress, they are encouraged to seek opportunities outside the company where their skills can be better utilized,” it said.

Snapdeal said all team members have clear measurable goals, which are discussed between them and respective managers. “Where gap is observed between stated expectation and delivery, the same is discussed and the team member is given both training and opportunity to upgrade performance,” the e-tailer said. Kunal Sen, VP at HR services company Teamlease, says these sort of layoffs are different from what happens at established companies where there is a process for such exigencies.