

Technology

## Cisco Paring Thousands of Jobs in New Cutbacks, Reuters Says

- Networking company had previous layoff round earlier this year
- Cisco joins Intel and other tech companies in eliminating jobs



Cisco Systems headquarters in San Jose, California. *Photographer: David Paul Morris/Bloomberg*

By [Ian King](#)

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Cisco Systems Inc. plans to eliminate thousands more jobs in a second round of layoffs this year, Reuters reported, as the networking equipment maker shifts its focus to faster-growing businesses such as cybersecurity and artificial intelligence.

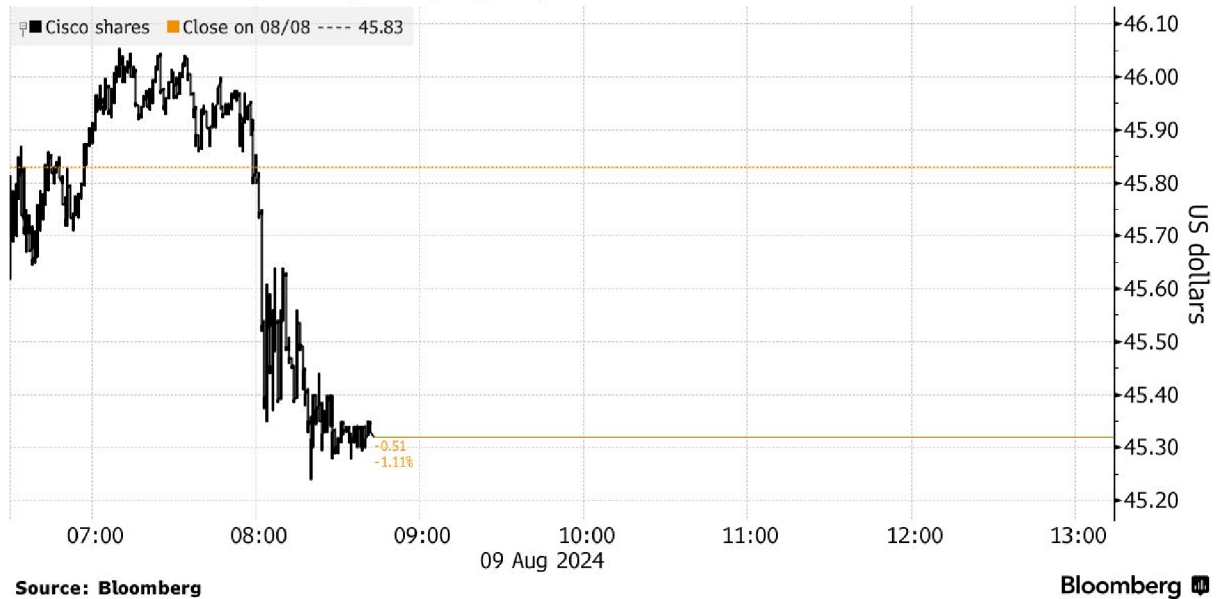
The news follows Cisco's move to cut approximately 4,000 jobs in February after a slowdown in corporate tech spending wiped out its sales growth. The company had nearly 85,000 workers at the end of fiscal 2023, which ran through July of that year.

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WATCH: Dan Ives on layoffs in the tech sector.

Cisco joins other tech companies in paring jobs as they cope with uneven demand. Though AI spending has helped fuel growth in some areas, traditional information technology giants haven't benefited as much. Intel Corp. announced plans last week to slash 15,000 jobs as it contends with sluggish sales. Dell Technologies Inc. is also cutting positions as part of a reorganization of its sales teams.

### Cisco Layoff News Jars Investors Shares of the networking company slip



Cisco shares fell as much as 1.3% to \$45.24 in New York. They were down 9.3% this year heading into Friday's session.

The latest job cuts could be announced as early as Wednesday when the company reports fourth-quarter results, according to Reuters. Three months ago, an upbeat Cisco forecast sparked hope that IT customers had picked up spending again. But the broader tech industry has been dogged by more recent concerns about the economy – and the idea that AI spending might not have a near-term payoff.

A representative for Cisco declined to comment on layoff plans.

Over the longer term, Chief Executive Officer Chuck Robbins has been trying to transform Cisco into a provider of networking services and software – rather than a company focused on one-time sales of hardware. It also looks to capitalize more on the AI boom that has fueled sales for companies like Nvidia Corp.

– *With assistance from Brody Ford*

*(Updates with previous layoffs in third paragraph.)*

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