The Tech Industry’s Workforce Crisis: 90,471 layoffs so far in 2025, projected to reach 236K by the end of the year

June 13, 2025. Alan Cohen

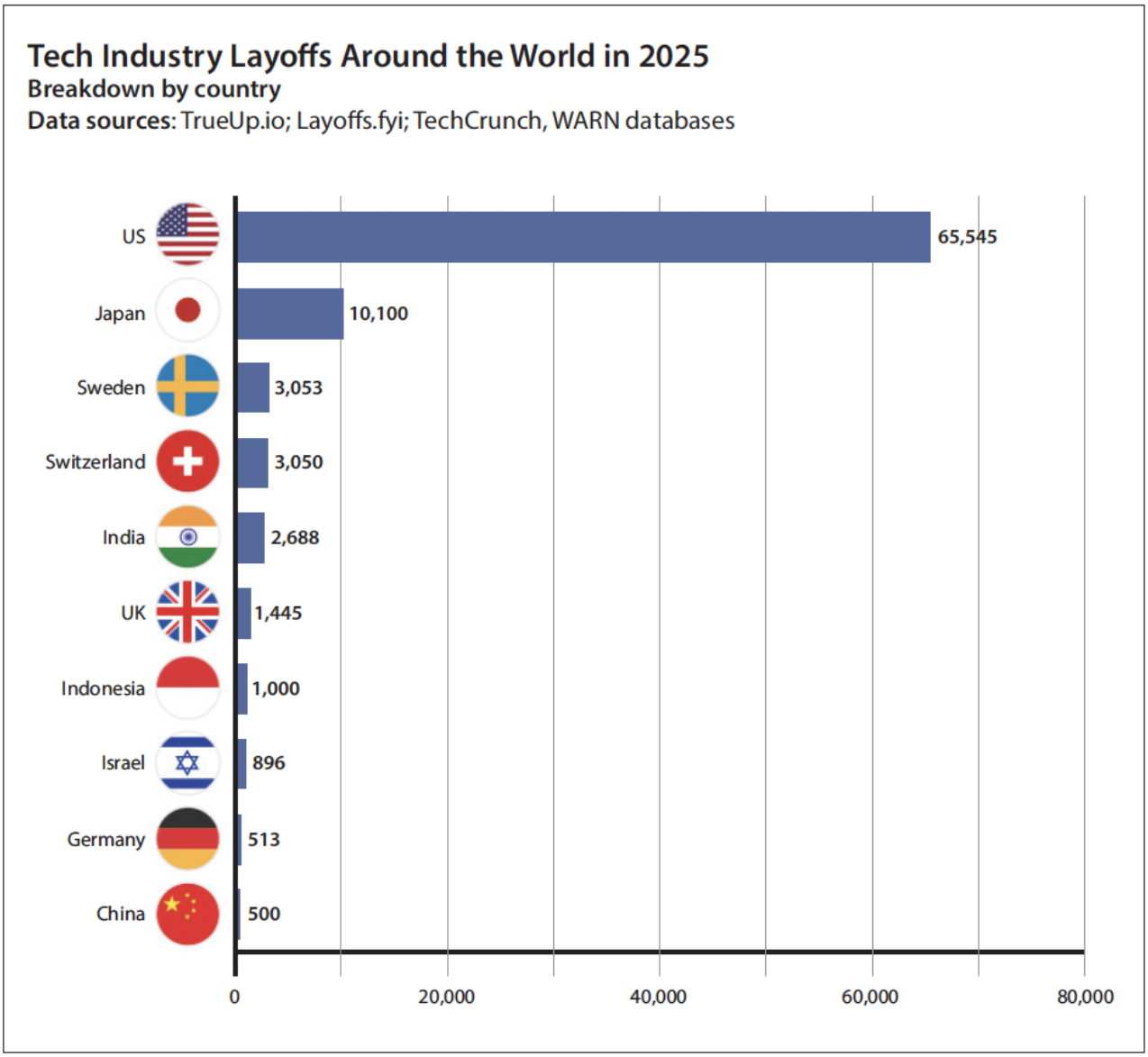


Since the beginning of 2025, there have been 90,471 announced layoffs across the global tech industry, as companies continue to double down on downsizing and cost-cutting efforts. American companies lead the trend, accounting for 65,545 layoffs, about 72.5 percent of the total. Companies that have slashed the most jobs so far in 2025 are Intel (21,780), Panasonic (10,000), and Microsoft (8,840).

Economic uncertainty, high interest rates, and the accelerating shift toward automation and AI continue to drive mass layoffs across the tech sector. It’s not just individuals being made redundant; entire roles that were once deemed essential are disappearing from the workforce. In response to this trend, the team at RationalFX investigated the wave of layoffs, analysing the number of job cuts that have occurred so far in 2025.

Based on figures from several sources, including TrueUp, TechCrunch, and Layoffs.fyi, we identified the companies with the most significant workforce reductions. So far in 2025, more than 90,471 people have been laid off, and if the trend continues at the same rate, this number will reach 235,871 by the end of the year.

With the biggest tech hub in the world being located in the US, it is no wonder that the vast majority of layoffs in 2025 would be reported by American companies. Currently, US-based company job slashes account for 72.5 percent of the 90,471 reported across the globe. Panasonic’s recent four percent workforce decrease, affecting 10,000 jobs, has pushed Japan to second place. The Japanese technology conglomerate’s latest role slashes aim to boost profitability and streamline operations. The tech industry in Sweden has also suffered a blow in 2025, with more than 3,000 people losing their jobs as a result of the recent bankruptcy of battery manufacturer Northvolt. Other countries where tech roles have been slashed in the thousands include Switzerland, India, Indonesia, and the UK.



Tech Companies boost Profits while Trimming Global Workforces

Microsoft's revenue has continued to grow steadily, as reflected in its 2025 quarterly financial results. The company reported USD 70.1 billion in revenue for the three months ending March 31, a 13 percent year-over-year increase, and a net income of USD 25.8 billion, up almost 18 percent. Despite its strong financial performance, the U.S. tech giant is also leading a wave of layoffs, not even sparing

management and senior positions in the company. Since the beginning of 2025, Microsoft has laid off 8,840 of its employees, just above three percent of its total workforce.

Meta shares rose by five percent following the company's strong Q1 financial results. The U.S. based social media and communications giant reported a 16 percent year-over-year increase in sales, with net income climbing to USD 16.64 billion, up from USD 12.37 billion in the previous quarter. Despite this strong performance, the company has already laid off 3,720 employees since the start of the year.

Many tech companies are cutting data-centric roles as they shift their focus toward cloud and AI-related positions. Education technology firm Chegg recently announced it is laying off 248 employees, about 22 percent of its workforce, after making significant investments in its AI-powered learning assistant, which was built using OpenAI's GPT-4.

Manufacturing Giants Lead in Tech Layoffs in 2025

Intel is leading in layoffs this year. Following last year's 15,000 job slashes, it seems that it is doubling down on cutting jobs as the company announced that it will be reducing its workforce by a whopping 20 percent by the end of the year. Despite executives refusing to confirm the much-publicised 20,000 figure, it is expected that the downsizing would be similarly massive, and up to 21,000 employees could lose their jobs. The news came after a new CEO took over and a very unprofitable first quarter for the US-based tech corporation, in which it reported a net loss of USD 821 million.

Panasonic announced plans to cut 10,000 jobs worldwide as part of efforts to reduce costs and boost profit margins. Microsoft, on the other hand, has announced workforce reductions on two separate occasions in 2025. The first round targeted about one percent of its employees, around 2,000 people, based on performance. Later, the company revealed a second wave of layoffs affecting approximately 6,840 employees, representing roughly three percent of its total workforce.

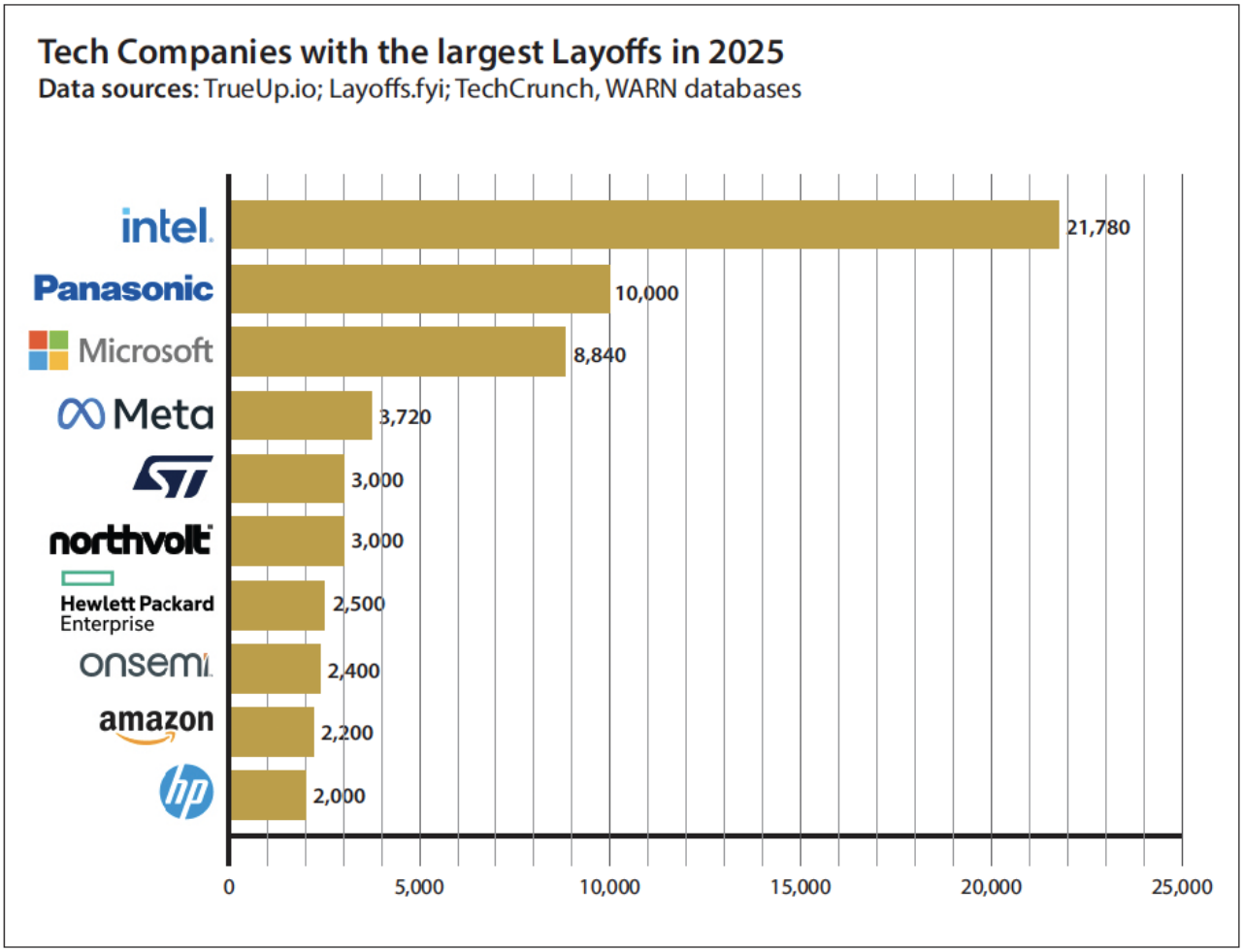
Social media plat form and communication company Meta has reduced the size of its workforce numerous times throughout 2025. The latest wave of layoffs sacked 100 employees across Reality Labs, the company's augmented and virtual reality unit. In total, Mark Zuckerberg's Meta ranks in fourth place with a total of 3,720 jobs

cut since the beginning of the year.

Semiconductor manufacturing and design company STMicroelectronics announced its plans to lay off 3000 workers by 2027. The company’s 2024 annual report reveals that they employ 11,500 employees in France and 12,700 in Italy. The Italian and French governments own a combined 27.5 percent share of STMicroelectronics, and there is currently a heavy push from both governments towards limiting the number of layoffs to 1,000 in Rome and the same amount in France.

The Swedish battery manufacturer Northvolt has recently been struggling to generate the revenue needed to support its operations. With most battery production centred in China, Japan, and South Korea, Northvolt was founded as Europe’s answer to reducing its dependence on suppliers from other continents. However, the company has now announced plans to lay off 3,000 of its 6,500 employees in an effort to cut costs and preserve resources.

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California and Silicon Valley: A Tech Hub and Centre of Job Cuts

As expected from the state's high concentration of technological companies, California has spearheaded layoffs in the U.S. tech sector this year, with 38,352 job cuts. These account for 58.5 percent of all tech layoffs in the country. Companies headquartered in California that had the biggest layoffs in 2025 include Intel (21,780), Meta (3,720), HP (2,000), Workday (1,750), Autodesk (1,350), Cruise (1,050), and Salesforce (1,000).

Washington State, another major hub for tech companies, has seen 13,385 tech jobs cut since the start of the year, accounting for 20.4 percent of all tech layoffs in the U.S. The biggest layoffs in the state of Washington happened at Microsoft (8,840), Amazon (2,200), Blue Origin (1,000), Redfin (500), and Expedia (495).

Over in Texas, there have been 3,656 job cuts from seven different tech companies this year. They are Hewlett Packard Enterprise (2,500), CrowdStrike (500), Match Group (325), ICON (114), AT&T (79), Sure (70), and Syzygy (68). Job layoffs in the Lone Star State account for 5.4 percent of the total number in the US.

Massachusetts ranks fourth with 2,520 out of the 65,494 job slashes in the US. The companies with the most layoffs for the state are the following: Wayfair (1,070), Brightcove (450), Symbotic (400), Tripadvisor (150), Mercury Systems (145), Flywire (125), and Tracelink (120). Boston has the most layoffs, with four out of the seven companies headquartered in the city.

The Current State of the Tech Industry in 2025

The tech sector was hit hardest in the aftermath of the COVID-19 pandemic, with nearly a million jobs lost since 2021. In 2025, the ongoing wave of mass layoffs appears to be driven by automation, AI-driven job displacement, and broader cost-cutting strategies. While roles easily replaced by automation were the first to go, Microsoft’s recent layoffs of 6,000 employees, including a prominent AI director for the company, show that even senior positions are no longer secure.

Intel recently announced plans to reduce its workforce by 20 percent, with cost-cutting and management restructuring as the main motivators. The company’s Q1 financial report revealed USD 12.7 billion in revenue and a net loss of USD 821 million from the previous quarter. Despite these challenges, Intel remains a key player in the AI space, particularly with its Gaudi chips, which are built for AI deep learning and inference and compete directly with rival chip-maker Nvidia.

Hiring managers are placing greater emphasis on AI development as a core skill when evaluating candidates. Historically, when jobs have been at risk, companies have often turned to reskilling their workforce to help mitigate the impact of potential layoffs. While mass layoffs have continued into 2025, current market trends suggest that total job cuts may actually hit their lowest level since 2021. Only time will tell if tech companies will continue to focus on cost-cutting and downsizing through 2025, or if advancements in AI will lead to the creation of new roles and opportunities in the technology market.

Between January 1 and May 20 of 2025, more than 90,000 employees were laid off in the technology sector. We estimate that every day, 646 workers have lost their jobs on average since the start of the year, and at this pace, the tech industry is set

to let go of another 145,500 people by the end of the year. If the trend progresses, calculations show that the total number of tech sector layoffs in 2025 would reach 235,871.

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