

# Yahoo CEO tries to reassure workers after layoffs

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In this Nov. 15, 2010 file photo, PayPal president Scott Thompson fields a question at the Web 2.0 Summit in San Francisco. Thompson has reassured the struggling Internet company's employees about his turnaround strategy during meetings next week. (AP Photo/Paul Sakuma, File)

(AP) -- Yahoo CEO Scott Thompson plans to tell the struggling Internet company's employees more about his turnaround strategy next week.

Thompson also sought to boost sagging employee morale in a staff memo Thursday. It came a day after Yahoo Inc. began laying off 2,000

workers in the biggest purge in the company's 17-year history.

The 14 percent cut in Yahoo's workforce marks Thompson's most dramatic move since he was hired three months ago. Yahoo Inc., which is based in Sunnyvale, Calif., lured him away from eBay's PayPal payment service.

"I have seen big turnarounds before, and this company has the foundation, the spirit, the backbone and the creativity to get it done," Thompson wrote.

Although he didn't provide specifics, Thompson hinted that he plans to streamline Yahoo's management team to enable the company to keep pace with Internet search leader [Google Inc.](#) and [social networking](#) leader Facebook Inc. in the race to sell online advertising.

"There's a lot to do, and that's why I can't stress enough that we all need to focus on getting stuff done," Thompson wrote. "Getting stuff done is short hand for eliminating bureaucracy and barriers so we can all innovate as fast as our customers and the industry require."

After meeting next week with employees, Thompson has promised to share more details about his plans with Wall Street on April 17, when the company is scheduled to release its first-quarter earnings report.

As has been the case through most of the past four years, the results are expected to show a decline in Yahoo's revenue even as advertising continues shifting to the Internet.

One of Yahoo's largest shareholders, activist investor Daniel Loeb, criticized Thompson for handing out layoff notices before spelling out his vision for the company.

In Thursday's memo, Thompson said he wanted to be "fair and respectful" to the laid-off employees before discussing the future.

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