

Deutsche Telekom to cut 4,900 jobs from troubled IT unit

March 18 2014

German telecom giant Deutsche Telekom will cut 4,900 jobs over the next two years from its IT and consultancy unit T-Systems, the company said on Tuesday.

"We will cut 2,700 jobs this year and 2,200 [jobs](#) next year in Germany," a spokesman told AFP, confirming a report by daily Frankfurter Allgemeine Zeitung.

T-Systems has struggled for years to turn a profit, competing with IBM, EDS and other IT giants to provide companies with their computer network systems.

The subsidiary says it currently employs about 50,000 people, but the spokesman said the [layoffs](#) were only planned in home-market Germany for now.

"We are now looking at our reach in the rest of the world and we have yet to conclude on a way forward," the spokesman added.

T-Systems generated revenue of around 9.5 billion euros (\$13 billion) in the 2013 financial year.

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Citation: Deutsche Telekom to cut 4,900 jobs from troubled IT unit (2014, March 18) retrieved 28 April 2024 from <https://phys.org/news/2014-03-deutsche-telekom-jobs.html>

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