



# A New Report Casts Doubt on Tesla's Reason for Firing Hundreds of Workers

Unnamed ex-workers hit back.

By [David Meyer](#)

Last week it emerged that [Tesla had sacked hundreds of workers](#) this month. The company said these were not layoffs, but normal firings following annual performance reviews.

However, a [new report from CNBC](#) suggests that this was not necessarily the case. According to the news organization's unnamed sources, Tesla [tsla](#) is trying to disguise layoffs by claiming the sackings were performance-related.

A former employee told CNBC that the number of sacked individuals now totals more than 700—over the upper boundary of the range suggested in last week's reports. That's more than 2% of Tesla's total workforce.

The sources claimed that some employees were terminated without being told of performance issues; that some had previously scored very highly on performance; and that many were “generally the highest paid in their position.”

The firings took place over the last couple weeks and, according to CNBC's sources, they were abrupt, with some employees simply being told over the phone not to come in the next day. According to the report, those fired tended to come from Tesla's automotive business, rather than its Powerwall battery division.

Tesla is having [problems with the production of its Model 3](#) electric cars, which analysts have blamed on supplier issues. The problems have caused Tesla to slip way behind its delivery schedule. If the company really is on a cost-cutting mission, this may be part of the reason why.

However, Tesla is adamant that it continues to grow, and that “as with any company, especially one of over 33,000 employees, performance reviews... occasionally result in employee departures.”

Elon Musk’s firm is also facing [lawsuits](#) from African-American ex-employees who claimed they experienced racial discrimination and harassment while working there.