CPA Practice Advisor

practice.

Jason Bramwell • Feb. 20, 2023

KPMG laid off staff from its U.S. advisory practice last week in an effort to "better align our workforce with current and anticipated demand in the market," the Big Four firm's head of advisory said.

The layoffs on Feb. 15 amounted to about 5% of KPMG's advisory practice—roughly 700 people—which is approximately 2% of the firm's total U.S. workforce. KPMG employs more than 40,000 professionals and partners in the U.S. Partners were not among those let go by the firm, according to published reports.

In a message sent to advisory staff on Wednesday, Carl Carande, KPMG's vice chair of advisory in the U.S. and global head of advisory, said the firm tried to pursue other ways of reducing costs, including slowing hiring, reducing travel and expenses,

program.

In a statement provided to media outlets about the layoffs, KPMG said, "Our business and outlook remain strong. However, we have experienced prolonged uncertainty affecting certain parts of our advisory business that drove outsized growth in recent years. We have reduced expenses and prioritized investments in those areas and remain confident in the future of our firm and these services. However, we are taking prudent actions to match our resources to the needs of the market today.

"These actions are incredibly difficult and impact people's lives. We are supporting our colleagues with a holistic package that includes severance, healthcare, emotional and well-being support, career counseling, and learning and development opportunities.

"We continue to make strategic investments for the future of our business and to deliver with quality and excellence in FY23 and beyond. In these moments, we lead with our values and are focused on supporting all of our colleagues."

The last time KPMG did a mass layoff was during the first year of the COVID-19 pandemic when the firm let go of 1,400 employees, just under 4% of its total workforce, in September 2020. At that time 396 professionals from advisory were laid off, as well as 194 from tax and 189 from audit. The remaining 620 or so employees who were laid off had non-client-facing roles.

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