

- Dell is restructuring its sales division and cutting staff as part of its "modernization."
- Managers and senior managers were the main targets of layoffs, employees told Business Insider.
- Workers said they expected more layoffs as Dell implements its AI strategy internally.

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Dell has laid off staff as part of a significant restructuring of its sales division.

In an internal memo titled "Global Sales Modernization Update" sent to staff on Monday, the computer maker unveiled plans to centralize sales teams and modernize internal operations to prepare for "the world of AI."

Sales divisions are being consolidated and a new AI Select Sales team created, the memo stated. As part of that move, an undisclosed number of employees were let go.

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"We are getting leaner. We're streamlining layers of management and reprioritizing where we invest," senior executives Bill Scannell and John Byrne wrote in the internal email, seen by Business Insider.

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"We don't do this lightly as we know these changes impact people and our teams. The destination is going to be worth it — it's about winning and winning big!" the two executives concluded in the memo.

A Dell representative told BI that sales teams were being reorganized and an "ongoing series of actions" were underway to make the company leaner.

Five employees in the sales division told BI they had been laid off, or knew of several colleagues who had been let go. Those affected were mostly managers and senior managers, some with 20-plus years of experience, they said.

"It was mostly managers, directors and VPs. They also hit marketing and operations. They combined organizations and also made the ratio higher for the managers," one employee, who asked to remain anonymous for job security, told BI. "Now every manager has a minimum of 15 employees."

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A second sales worker said: "Several managers that have been here for a long time got let go. It just kind of shows you it doesn't matter how much effort you put into this job. As soon as it helps their bottom line, you're gone."

A BI source at Dell with access to leadership discussions said there was a sense the company had "too many middle management" roles, meaning some directors and senior directors would be cut.

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The person added that more layoffs were expected, leading to the "largest cut in history coming this summer."

Dell has already carried out several rounds of layoffs since February 2023, bringing the overall workforce down from 130,000 to about 120,000.

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One Dell sales worker said that they were exhausted and frustrated by the process.

"Every six months we have layoffs," the employee said. "There are no opportunities to move up. I have been looking for a new job outside of Dell for nine months."

Have you been laid off by Dell, or are still working at the company? Contact this reporter in confidence at pthompson@businessinsider.com