

COMMERCE

## Nordstrom plans job cuts to promote growth, efficiency

April 18, 2016



*Instagram image from Nordstrom*

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By STAFF REPORTS

Department store chain Nordstrom is planning a reduction of 350-400 jobs in its corporate center and regional support offices to better position itself for growth.

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The layoffs will be happening in phases, with the completion in the second quarter of this year. Nordstrom says the cuts will give it more flexibility to respond and react to the changing retail environment and deliver on service, estimating that the reduction in jobs will result in \$60 million saved throughout the 2016 fiscal year.

### Making changes

Looking to lessen the impact on its workforce, Nordstrom will first try to eliminate unfilled positions. Those who lose their jobs will get benefits and separation pay.

Nordstrom's consumer-centric business model has led it to make other changes. Putting emphasis on its ecommerce and digital activities, the retailer reorganized the processes of its Technology group.

Other areas that have seen innovation are Nordstrom's supply chain and marketing.



### *Nordstrom anniversary sale*

"We will never change our commitment to serving customers, but recognize how they want to be served has been changing at an increasingly rapid pace," said Blake Nordstrom, co-president of Nordstrom, Inc., in a brand statement.

"Meeting our customers' expectations means we must continually evolve with them," he said. "We see opportunities to create a more efficient and agile organization that ensures we're best positioned to achieve our goals."

For the 2015 fiscal year, ended Jan. 30, Nordstrom reported that its sales grew 7.5 percent and comparable sales were up 2.7 percent. Throughout the year, Nordstrom grew its marketshare in full-price and off-price retail, and the brand made an investment in its order delivery capabilities, opening a third fulfillment center in Pennsylvania to open two-day shipping to a larger audience.

Reflecting its desire to deliver a seamless shopping experience, Nordstrom looked to drive innovation with a key hire.

The retailer recently hired Kumar Srinivasan to join the retailer as chief technology officer to further its innovations in customer service.

Mr. Srinivasan was recruited by Nordstrom for his development practices, cloud expertise and experience in curating innovative customer-facing initiatives through the use of technology. Omnichannel retailing is all the more important to today's consumer, and hiring to fulfill that interest will keep department stores competitive and modern ([see story](#)).

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