

# THE EXTRA POINT

BY JERRY ROBERTS



## # 966 Behind the Scenes of the 900-Person Zoom Firing

Did you hear about the CEO who fired 900 workers during a Zoom call? That made the news everywhere, and destroyed the Internet. It turns out there is more to the story. I'm Jerry Roberts, and we'll talk about that, plus my take on what his actions could mean for him and his company, on The Extra Point.

Vishal Garg, founder and CEO of the digital mortgage company [Better.com](#), angrily dismissed 900 of his workers a couple of days ago. Details of the call have been reported, and while that was the main issue initially, now Garg's background has been examined and public opinion has turned against him.

To the call itself, he spent three minutes complaining how workers were stealing from the company. The theft, in his mind, was that the employee would clock in for a full shift, but only perform actual work for two hours. He said the mass firing was necessary to ensure the bright future of the company.

Workers felt insulted by Garg's accusations, and responded with disbelief and anger that all were being let go, especially during the holidays.

The fury intensified when it was revealed that the day prior to the terminations, the company – which announced in May it would go public sometime near the turn of the year – would receive a \$750 million cash infusion from its backers.

Further, specific workers were to receive lavish financial benefits showered on them, while the 900 were being tossed out on the street. The terminated employees will receive a month of severance pay, and a month of full benefits.

So, the Internet jumped all over this story, and Garg was accused of doing similar things in past companies. Stories are now circulating about his poor treatment of employees, and

basic ugly behavior. In addition, it was revealed he has been the subject of numerous fraud and financial misappropriation allegations.

Despite the bad media coverage, [Better.com](#)'s implied valuation ahead of its arrival on the markets is \$6.9 billion. Another outlet pegged it at \$7.7 billion. Garg may well see his personal pockets get a lot deeper in the weeks to come.

Garg fits the term "serial entrepreneur." He has been involved in startup companies for the past 20 years, winning some and losing some. Regardless of how [Better.com](#) ends up, it's a virtual certainty that he'll continue his current career path.

Given the current situation, he'll now find it more difficult to attract qualified workers. Keeping [better.com](#)'s key talent may also become more difficult, and more expensive.

A worker is generally a fragile, reactive being. When senior leaders treat some people extremely well, other workers say to themselves, "Hey, that could be me!"

When senior leaders treat some people poorly, other workers say to themselves, "Hey, ooh, that could be me!"

Workers who are still employed with the company are unlikely to support the Zoom firing. If they test the job market and get competitive offers, Garg will have to pay a lot more to keep them on the payroll.

This isn't just an issue with senior leaders, it affects managers at all levels. The decisions you make that affect people...the way you handle relations with workers...your general integrity...your overall behavior – none of it is lost on the members of your team.

(Con't.)

They know your good points and bad points, and they talk about you when you're not around.

Managers who do stuff to earn themselves a place in the Jerk Boss Hall of Fame, lose good people more often, and make the talent retention game more expensive for their organization.

It's bad news when you end up having to continually overpay for talent. A bad reputation makes that happen.

If it does, they'll only have themselves to blame.

That's the Extra Point. Be responsible and make something good happen today. For 93.3 and the Ray Gibson Show, I'm Jerry Roberts.

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