

Citi offers to pay partial bonuses to encourage departures



The bank's offers to a limited number of staff are part of the Wall Street giant's continued restructuring efforts.

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- By Bloomberg News

Citigroup Inc. is offering to pay some staffers a portion of their bonuses early if they agree to depart as executives continue with their [restructuring](#) of the Wall Street giant.

The bank is making the offer to a limited number of staff, according to people familiar with the matter. In addition to the bonus awards, employees who accept the offer would also be allowed to keep all of their deferred stock awards, the people said, asking not to be identified discussing personnel information.

Staffers can't volunteer for the offers, which are being made to those affected by Citigroup's ongoing reorganization, which is focused on restructuring its ranks to fit [Chief Executive Jane Fraser's strategy](#) for the bank.

A spokesperson for Citigroup declined to comment.

Fraser [announced in September](#) that she would undertake the biggest restructuring of Citigroup in decades as she seeks to make the company more efficient and eliminate layers of management within the bank's 240,000-person workforce. The bank has said it's expecting to record a charge of a couple hundred million dollars associated with the moves in the fourth quarter.

Executives hope offering staffers a portion of their annual bonus will coax more of them to leave rather than having to rely solely on layoffs for the restructuring, the people familiar with the matter said. Employees who accept the offer are still expected to honor their requirements for gardening leave, meaning they cannot immediately take a new job, the people said.

For staffers considering their options, the offers are a chance to earn a guaranteed portion of their bonus rather than running the risk of remaining with Citigroup only to be caught up in the cuts early next year, which could leave them jobless with no bonus.

The New York-based lender has already cut more than 300 senior management roles as part of the revamp. Those are part of a wider staff cull that is expected to continue into 2024, though the company has yet to put a figure on the ultimate number of job cuts.

"Building a winning bank requires a great deal of commitment, hard work and resilience from each of us," Fraser said in a memo to staff last month. "I'm fully aware we're asking a lot of our people."

For some elite traders and bankers, their annual bonuses can stretch into millions of dollars and is often many multiples of their annual salary. Citigroup typically awards staffers their bonuses in February.