

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our Subscriber Agreement and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit [www.djreprints.com](http://www.djreprints.com).

<https://www.wsj.com/tech/microsoft-offers-buyouts-to-7-of-workforce-755b8534>

## TECHNOLOGY

# Microsoft Offers Its First Ever Buyouts to Shape Workforce Around AI Push

Company also changing how it awards bonuses and stock options as it reorganizes workforce around AI efforts

By Sebastian Herrera [Follow](#)

Updated April 23, 2026 2:02 pm ET



CHONA KASINGER FOR WSJ

### Quick Summary ∨

- Microsoft is offering voluntary buyouts to long-tenured U.S. employees for the first time, reorganizing staff for AI efforts.

[View more](#)

Microsoft **MSFT 1.28%** ▲ is offering long-tenured employees voluntary buyouts, a first for the software giant as it continues to reorganize staff around its push to accelerate its artificial-intelligence efforts.

The voluntary retirement program, as Microsoft calls it, is part of a broader shift by Microsoft to alter its performance system and how it awards bonuses and stock options, according to a memo to employees from Chief People Officer Amy Coleman viewed by The Wall Street Journal.

“Across the company, we’re looking at where we can simplify to move faster and deliver the solutions our customers count on,” Coleman wrote. “To sustain this pace, we have to stay focused on doing great work, trusting and empowering our managers, and simplifying to support everyone.” Coleman wrote that the voluntary buyout is being offered to a small percentage of long-serving U.S. employees.

Roughly 7% of the company’s U.S. employees are eligible, according to a person familiar with the matter. To be eligible, employees must be at a senior director level or below, and their years of employment and age must add up to at least 70. The company is also changing the way it awards stock, with it no longer being directly tied to bonuses.

Microsoft employed about 125,000 people in the U.S. as of June 2025.

The AI boom, and Microsoft’s urgency to respond to it, have set off a cascade of changes in the past year at the 51-year-old company.

After striking gold with its investment in OpenAI, Microsoft has been on the defense lately. Investors have sent its shares down nearly 20% in the past six months due to a mix of issues, including the company’s dependence on OpenAI, its struggles to build its own AI models and products, and broader industry worry about the costs and payoffs of building out AI data centers.

In the past several months, Chief Executive Satya Nadella has made changes to the leadership of its Copilot AI and gaming teams while also dealing with several high-profile departures.

This week, Microsoft named Dan Shapero as its new CEO of LinkedIn, succeeding Ryan Roslansky, who recently became part of a new group in charge of its Microsoft 365 apps.

In October, Nadella promoted longtime executive Judson Althoff to head the company’s commercial business, putting him in charge of a swath of operations.

Nadella has also made changes aimed at sorting out challenges with Copilot, its family of AI products. Copilot has struggled with problems including consumer confusion and interoperability, The Wall Street Journal reported in February.

In March, Nadella created a unified Copilot team led by Jacob Andreou, who headed product and growth for Microsoft AI and previously had similar responsibilities at social-media company Snap. Microsoft AI Chief Executive Mustafa Suleyman, a splashy hire in 2024, saw his remit shrink to focus on the company's proprietary AI models.

Rajesh Jha, who worked closely with Copilot teams and oversaw Windows products as executive vice president of experiences and devices, announced his retirement in March. Another notable departure this year was Phil Spencer, who served as CEO of gaming and has been at the company for 38 years. Spencer was replaced by Asha Sharma, who had been an executive in its CoreAI Product unit.

Last year, Microsoft laid off more than 15,000 employees across sales, Xbox and other departments. Its new fiscal year begins in July.

The company is set to report its next quarterly earnings on Wednesday.

*Appeared in the April 24, 2026, print edition as 'Microsoft Offers Buyouts to 7% of Staff'.*

---

Sebastian Herrera covers technology for The Wall Street Journal from the San Francisco area, with a focus on Microsoft, artificial intelligence and cloud computing. He writes about how AI is transforming the way people work and live, its promises and risks and the infrastructure that underpins the...



---

## Further Reading

### Meta Signs Multibillion-Dollar Deal With Amazon to Use Its CPU Chips for AI

## **Behind Meta's Huge Layoffs Is a Relentless Shift Toward AI**

### **Meta to Lay Off 10% of Employees in May**

### **EU Plans to Order Meta to Change WhatsApp AI Policy During Antitrust Probe**

### **TSMC Shows Where AI Demand is Headed**

---

## **Videos**