

TUESDAY, Feb. 23, 2016

No more free food? Startups may cut perks

With cash running out for tech startups, many are looking at cutting back on employee perks — things like free food, stylish workplaces and on-site gyms.

These perks were intended to recruit the brightest in a competitive economy, but now that tech workers are being laid off, investors aren't sure if perks are still needed, according

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PERKS

to the Wall Street Journal. The Journal cited the case of Practice Fusion Inc., a San Francisco startup where workers munched on free healthy food, enjoyed “Phenomenal Friday” gatherings and raced around the office on tricycles.

Photos posted on Practice Fusion’s Instagram account last May showed employees filling the CEO’s office with balloons to celebrate his birthday, engineering dressing up in animal onesies, and races around the office on hot pink tricycles for the company’s annual olympics.

But by October, the company had burned through its cash and another round of funding looked unlikely. The CEO, Ryan Howard, was replaced and his replacement laid off a quarter of the workforce.

The company cut free meals to three times a week and there’s no more party photos on its Instagram account.

No more dessert table

Another company, the job-recruiting site Glassdoor, has eliminated its dessert table. A Glassdoor spokeswoman told the Journal the move was “about overall efficiency and simplifying the offerings to feed 500 people ... The added benefit was lowering costs.”

While startups are cutting back, Google in Menlo Park and Facebook in Mountain View still are offering their famous amenities, such as rock-climbing walls, barbers, make-your-own burrito stations and dry cleaning.

The Googleplex includes an indoor tree house, communal bikes, volleyball court, bowling alley, apiaries, community garden, swim-in-place pools, barbers, dog care, massages and a course called “Search Inside Yourself.” Airbnb offers organic meals, Twitter has barbecues, and Facebook and Apple both offer egg freezing and surrogacy assistance.

HOUSING
