Lehman Brothers Plans More Systems Staff Lay-Offs; This Time, Mainframe Programmers May Get the Ax

As *TST* goes to press, Lehman Brothers Inc. was bracing for yet another round of belt-tightening—this time involving the lay-off of more than 100 systems personnel at the firm's Hudson Street offices in Jersey City, N.J. According to sources, the staff cuts were set to be announced May 11; it could not be determined at press time whether the firm went ahead with the plan.

While details remain sketchy, sources say the group hit hardest will be mainframe programmers working under Dawn Lowell, Lehman's vice president in charge of main-frame-based systems. Lehman officials decline to comment or didn't return phone calls seeking comment on the firm's lay-off plans. Sources say Lowell herself would remain at Lehman. She didn't return calls seeking comment.

The lay-offs are the latest in a series of disruptive high- and low-level technology staff changes that have battered the firm over the past two years. The uppermost tier of the firm's technology hierarchy underwent a major overhaul following the appointment of trading services chief Jerry Callaghan (*TST*, Oct. 4, 1993). More recently, Kevin McGilloway's arrival as the firm's new chief technology officer (*TST*, Dec. 12, 1994) coincided with the layoff of some 250 trade processing and computer operations staff in December (*TST*, Jan. 9). Lehman was able to accomplish the latter round of down-sizing because of a clearing and settlement outsourcing agreement it signed late last year with Bear Stearns Securities Corp. (BSSC) (*TST*, Oct. 31, 1994).

Lehman signed a five-year pact with

Settled In Already, CS First Boston's New CIO Says He Won't Cut Systems, Projects or Staff

Having taken stock of the firm's roster of projects, CS First Boston Corp.'s new chief information officer Ross Salinger says the firm will move ahead with the full gamut of its ongoing technology projects. Among technology agenda items Salinger says will be carried forward are First Boston's long-ongoing back-office reengineering project, its plans to outfit a new headquarters building in Manhattan and its interest in deploying Teknekron Software Systems Inc.'s digital data distribution system as a worldwide standard.

First Boston abruptly appointed Salinger in the place of chief information officer Charlie Mayer in March. A colleague of

Mayer's from First Boston affiliate Credit Suisse Financial Products (*TST*, March 20), Salinger's first move was to take a look at everything that was under way—temporarily slowing the progress of many initiatives in the process. "We've taken a very hard look at the way we do things and why we do things," Salinger says.

While Salinger not surprisingly believes he will add value to the projects that now come under his oversight—including the costly three to five year global back-office migration—he says there are no major overhauls planned. "I'm really not changing the