

Uber CEO Travis Kalanick resigns following months of chaos

 [theguardian.com/technology/2017/jun/20/uber-ceo-travis-kalanick-resigns](https://www.theguardian.com/technology/2017/jun/20/uber-ceo-travis-kalanick-resigns)

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6/21/2017

Uber co-founder [Travis Kalanick](#) has resigned from his position as chief executive of the \$68bn ride-hailing app following a tumultuous six months of scandal.

Kalanick stepped down in the face of pressure from five of Uber's largest investors, according to the [New York Times](#). Kalanick will, however, stay on the company's board.

"I love Uber more than anything in the world and at this difficult moment in my personal life I have accepted the investors' request to step aside so that [Uber](#) can go back to building rather than be distracted with another fight," Kalanick said in a statement to the New York Times.

The resignation comes just one week after Kalanick began an [indefinite leave of absence](#) amid efforts to bring about wholesale change of Uber's corporate culture. Though Uber had long had a reputation for defying rules and regulations, the company faced a new kind of crisis in February when a former employee published a blog post describing a workplace rife with gender discrimination and sexual harassment.

Uber enlisted former US attorney general Eric Holder to conduct an investigation into the company's workplace culture, the results of which were released last Tuesday. Among a sweeping list of recommendations for reform, the report called for reviewing and reducing Kalanick's role in the company. During Kalanick's absence, the company was to be led by a committee of executives.

According to the New York Times, the leave was not enough for the group of investors, who own more than a quarter of Uber's stock and account for about 40% of voting share. The investors – Benchmark, First Round Capital, Lowercase Capital, Menlo Ventures and Fidelity Investments – demanded Kalanick's immediate resignation in a letter delivered to him earlier on Tuesday.

Kalanick's departure has been preceded by those of many other senior figures in the company. Most recently venture capitalist David Bonderman resigned from Uber's board of directors last Tuesday evening after making a [sexist comment](#) at the all-staff meeting where the Holder report's recommendations were presented.

Other executives to have left this year include president Jeff Jones, senior vice-president of engineering Amit Singhal, head of policy and communications Rachel Whetstone, vice-president of maps Brian McClendon, vice-president of product and growth Ed Baker and head of finance Gautam Gupta.

Early this month Eric Alexander, the president of business for Uber Asia Pacific, was fired over his mishandling of the rape victim's medical records, and Emil Michael, senior vice-president for business, departed amid [pressure from the board of directors](#).

At least [20 employees were also fired](#) over incidents of harassment, retaliation, discrimination and bullying, dozens more were disciplined and 57 complaints remain under investigation by Holder's law firm, Perkins Coie.

The Holder report's recommendations are notable for how rudimentary many are for such a large company with a valuation as high as \$70bn. The report, for example, calls for training human resource personnel on "the effective handling of complaints", training senior management and executives in leadership, and the introduction of a policy banning romantic relationships between employees and their managers.

Uber commissioned the inquiry and report following the publication of a [blogpost by the former engineer Susan Fowler](#), who described her experience of sexual harassment and gender discrimination at the company. Fowler responded to the report's release on Twitter, where she reacted to a comment about its lack of an apology, [saying](#), "Ha! Yeah, they'll never apologize. I've gotten nothing but aggressive hostility from them. It's all optics."

The report also called on Uber to significantly improve its diversity efforts, starting with elevating the head of diversity to the most senior level of the company's executive team. In addition, [Uber](#) is encouraged to establish an "employee diversity advisory board", use a blind résumé review process for evaluating job applicants, and adopt a "Rooney Rule" requiring at least one female and one underrepresented minority candidate be identified for key positions.

Another recommendation was for Uber to "reformulate" the company's [notorious cultural values](#), eliminating "those values which have been identified as redundant or as having been used to justify poor behavior, including Let Builders Build, Always Be Hustlin', Meritocracy and Toe-Stepping, and Principled Confrontation".

Kalanick's leadership style was already under fire after Bloomberg released a [video of the executive berating an Uber driver](#) after the driver complained about the difficulty making a living with Uber's falling rates. Kalanick apologised for his behaviour in a statement that conceded he needed "leadership help", and he announced his intention to hire a chief operating officer to assist him in the management of the company.

The brand's reputation was also tarred at the start of the year by its association with US president Donald Trump, due to Kalanick's position on a Trump economic advisory council and the company's non-participation in a New York City taxi strike in protest of the first iteration of Trump's travel ban. Kalanick [stepped down from the advisory council](#), and the [company claimed](#) it did not intend to violate the strike, but the damage was done: according to the [New York Times](#), about 500,000 users followed through on a social media campaign calling for people to #DeleteUber.

In February, Fowler's blogpost paved the way for dozens of [reports](#) on a seemingly [toxic workplace](#), and a non-stop drip of revelations including a trip by executives to a [South Korean escort bar](#), an internal "[sex memo](#)", and the [alleged mishandling of a rape victim's medical records](#) by executives who sought to discredit her story.

The company will hope Kalanick's departure and the implementation of the Holder report's recommendations can lead to a period of respite. But Uber continues to face challenges on multiple fronts.

The embattled company is currently squaring off against Google parent company Alphabet's self driving car arm Waymo in an intellectual property lawsuit that could pose an "existential" threat to Uber's future. The suit has already [claimed the job of the head of Uber's self-driving car programme](#), ex-Googler, Anthony Levandowski. Uber is also under federal investigation for its use of a program designed to deceive law enforcement in cities where its service was barred.