

Tesla insiders say its a s-t show under beleaguered Elon Musk

By [Maureen Callahan](#)

| Updated

Modal
Trigger

Elon Musk

AP

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As Elon Musk continues to struggle — with Tesla under investigation by the SEC

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following [his tweet that it might go private after “funding secured,”](#) among several other self-inflicted wounds — employees tell The Post that the company is in turmoil.

“Elon talks about being a socialist and doing good for mankind — unless you work for them,” says one source. “It’s a s-t show.”

Musk is walking a razor wire, another source says, between the things he’s promising and the things he can actually deliver. Until recently, Tesla investors and employees bought into Musk’s vision, even though Musk was “saying things that don’t make sense, because he’s accomplished so much.”

That core belief may be eroding.

Last August, [the Wall Street Journal published an exposé](#) about the deep divide between the Tesla engineers working on self-driving cars and Musk’s pronouncements about deadlines and capabilities. At least 14 people had already resigned, and the electric car maker continues to suffer a talent drain.

In March, corporate treasurer and VP of finance Susan Repo left after five years, sales chief Jon McNeill left for Lyft, and chief accounting officer Eric Branderiz left for personal reasons. Chief engineer Doug Field left in July, as did top sales executive Ganesh Srivats.

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An employee who worked under Srivats says he was recruited as a sales rep — or “owner adviser” in Tesla parlance — one year ago. He couldn’t resist Tesla’s seductive pitch.

“They told me, ‘Your industry is destroying the world,’” so come to Tesla and save it. Elon himself has been the ultimate draw for many.

Staff meetings with Musk, according to another source, aren’t that far afield from the infamous Trump cabinet meeting in which members went around the table praising the president and thanking him for the privilege.

And when Musk makes promises about a car’s capabilities that aren’t realistic, he’ll double down.

“He is very difficult to move off his stance,” says the source. “He’ll say, ‘The car can do X, Y or Z,’ and yes, that is possible — two decades from now,” the source said. “He bases his argument on the physically possible rather than the practical reality.”

Musk’s sudden public unraveling has placed Tesla under more scrutiny. In May, he alarmed investors by calling their - semi-challenging questions “boring” and “boneheaded.” In July, after unsuccessfully inserting himself into the Thailand cave rescue attempt, Musk took to Twitter and **called one hero diver “a**

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pedo.”

On Aug. 7, Musk shocked Tesla and its investors with **the “funding secured” tweet** — at \$420 a share, that would put the company’s valuation at about \$80 billion.

In the wake of that tweet, the SEC **opened an investigation**, reportedly **subpoenaing Tesla one week later**.

This likely prompted Musk’s **unhinged interview with the New York Times**, published Aug. 16, in which he vacillated between tears and laughter.

Musk, 47, described the past year as “excruciating.” He said he hadn’t taken a week’s vacation since 2001. He **claimed to be working 120 hours a week**, with three to four days spent sleeping at the factory, never seeing daylight. Musk said **he sometimes took Ambien to sleep**, but according to the Times, board members know he has occasionally used recreational drugs.

Musk said much of his stress comes not from production woes or missed deadlines, nor a failure to delegate or master time management, but from the short-sellers who, Musk said, “are desperately pushing a narrative that will possibly result in Tesla’s destruction.”

Musk said he had no intention of abandoning Twitter, despite the pleas of board members and outside observers to

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do so.

“You had a very big shareholder last week say they want him to focus on executing and stop with the tweets,” Gordon Johnson, managing director of investment research firm Vertical Group, [told the Washington Post in July](#). “What’s his angle? What is he doing? ... He keeps promising things, and he keeps missing, and he’s not being held to task.”

One insider vouches for this and says that when Musk tweets about a new functionality or feature, it’s often in response to a fan who has asked when such a thing might be available. Musk, says this source, will often email the tasked department, then tweet back to the fan the date it will be done, no matter how unrealistic the request.

Some of Musk’s more incendiary tweets, goes one theory, are a form of distraction — if there are a number of commitments Musk knows he’ll never fulfill, he hopes people will forget by moving their eyes off the ball.

Meanwhile, Tesla’s current great hope, the (relatively) affordably priced Model 3, is having its own issues, as is the sales force responsible for moving them.

On Tuesday, [Business Insider reported](#) that although [Tesla hit its production goal of 5,000 Model 3s by the end of June](#), 4,300 of those vehicles

Elon Musk is a total fraud

required substantial fixes. That's 14 percent making it through "first pass yield," or an initial production line that requires no fixes at all.

An industry exec told the site that the standard automaker FPY is 80 percent.

This Tesla employee isn't surprised.

"The Model 3s come in [to the showroom] scratched or damaged," he says. "They don't fit together properly. If you look at the panels, they'll be mismatched. They won't line up."

On Thursday, [Business Insider](#) reported that Wall Street analysts tore apart a Model 3 to find multiple failures, including "inconsistent gaps & flushness throughout the car, missing bolts, loose tolerances, and uneven & misaligned spot welds ... The results confirm media reports of quality issues & are disappointing for a \$49k car."

This "owner adviser" says he left a job paying \$150,000 a year for a Tesla base salary of \$34,000, with Tesla execs promising enough in annual commissions to match his previous salary. He soon learned that would never happen, because Tesla keeps moving the goal posts.

"I had a friend who killed it — her commission check was going to be \$42,000," he says. "They said, 'Just kidding. You missed [your goal]. It's going

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to be \$4,000 for the year.”

Last May, Tesla settled a class-action suit brought by three former salespeople who accused the company of abusive workplace practices, including the constant

manipulation of sales figures and commission fees.

Yet Tesla employees are directed to feel for only one victim: Elon Musk.

Recently, the owner-adviser says, headquarters “literally sent out a picture of the couch and blanket that he sleeps on” at the Tesla factory. “They were selling it to us like his team pitched in to buy him a new couch. He’s a f–king billionaire. He can afford a couch.”

Even as doubts fester within Tesla’s factory walls, few want to believe the trajectory may be downward.

“Elon emails us directly, saying, ‘We’re on top, we’re going to prove [everybody] wrong,’” this employee says. “Everyone realizes it’s f–ked up, but everyone’s afraid of losing their job before Tesla ‘hits it big.’ It’s a mess.”

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