COVID-19 BUSINESS IMPACT SURVEY (4)

PUBLISHED
JUNE 30, 2020

A follow-up to survey results published:
March 23, 2020
April 9, 2020
May 8, 2020
There is fear that, with time, the lack of medical and sanitizing supplies will required home quarantine, which will diminish any opportunity to recoup any revenue. Some businesses are so new they have already maxed out loan options. Businesses have a concern for the long-term impact of this crisis and express worry that consumer fear will negatively impact sales, reservations, investments and ’business as usual’ long into the future.
EXECUTIVE STATEMENT

The East Valley Chambers of Commerce Alliance (EVCCA) conducted the fourth in a series of surveys of its more than 5,000 members to determine the immediate impact of the COVID-19 pandemic on their revenue, operations, and supply chains. The report includes responses from 20 industry sectors and nearly 70 percent of respondents represent businesses with less than 20 employees.

It should be noted that this survey was completed prior to the Maricopa County mandate to wear masks in public. Saying that, more than half the respondents are open with employees working onsite. With twenty-four percent hosting employees onsite and remotely.

Fifty-one percent of employers noted there has been no change to their employee count during COVID-19. Fourteen percent have hired new staff. Forty percent have combined reduction in hours, a hiring freeze, layoffs, and terminations as means to reduce overhead expenses.

Top concerns expressed were acquiring and retaining customers due to lingering COVID-19 fears, followed by the ability to pay expenses, overhead and payroll. Employee stress, obtaining funding to continue operations and supply chain disruptions rounded out the top concerns of respondents.

Thirty-six percent of those who applied for the SBA EIDL loan still have not been funded. More than forty-nine percent of respondents noted they could survive less than 16 weeks of business slowdown/shutdown before permanently closing. Twenty percent of those could survive up to 8 weeks.

The EVCCA is the largest chamber organization in Arizona with more than 5,000 members. This survey was conducted with an immediate turnaround date resulting in a 6.6% response rate.
Which of the following best represents your business?

Please indicate the size of your business:
WHAT IS THE CURRENT STATUS OF YOUR BUSINESS?

- Open with employees working onsite
- Open with employees working remotely
- Open with employees working both onsite and remotely
- Temporarily Closed
- Permanently Closed
- Other
- No Responses

RESPONDENTS SHARED:
- Open with limited hours and/or staff (10)
- Plan to open very soon (5)
- Open by appointment only (3)

WHAT PERCENTAGE OF YOUR CURRENT WORKFORCE IS WORKING REMOTELY VS ONSITE?

- All current staff is working onsite
- Up to 25% remote, the rest onsite
- 26-50% remote, the rest onsite
- 51-75% remote, the rest onsite
- 76-100% remote
- No Responses
HOW MANY EMPLOYEES DID YOUR BUSINESS HAVE PRIOR TO COVID-19?

- Under 10: 20%
- 11-25: 40%
- 26-50: 60%
- 51-100: 80%
- 101-500: 100%
- More than 500: 120%
- No Responses: 140%

HOW HAS YOUR EMPLOYEE COUNT CHANGED SPECIFICALLY DUE TO COVID-19? (CHECK ALL THAT APPLY)

- No change so far: 20%
- We have implemented a hiring freeze: 40%
- We have hired new staff: 60%
- We have reduced some staff hours: 80%
- We have temporarily laid off some staff: 100%
- We have terminated some staff: 120%
- Other: 140%

RESPONDENTS SHARED:

- Some staff chose not to return (6)
- Not applicable - sole proprietor (5)
- Uncertain if the layoff is temporary or permanent (4)
- Reduced hours of a work week (3)
- Volunteers are not ready to return (2)
PLEASE ADD UP THE TOTAL NUMBER OF EMPLOYEES FOR WHICH YOU HAVE REDUCED HOURS, LAID OFF, AND/OR PLACED ON FURLOUGH:

None
1-10
11-20
21-40
41-50
51-100
>100
No Response
Not Applicable

WHAT ARE THE TOP 3 CONCERNS YOU SEE AFFECTING YOUR BUSINESS POST COVID-19? (CHECK 3 OPTIONS)

- Funding to continue operations
- Retaining employees
- Ability to pay expenses, overhead, and payroll
- Acquiring and retaining customers due to lingering COVID-19 fears
- Liability fears
- Supply chain disruptions
- Employee stress
- Lack of information for decision making
- Other

EVCCA
HAS YOUR COMPANY/ORGANIZATION STARTED TO MAP OUT CHANGES FOR POST-COVID-19 OPERATIONS?

- Yes, we already have a plan in place
- Yes, though we are still working on the details
- No, but we know that we need to
- Other
- No Responses

HAS YOUR BUSINESS APPLIED FOR ANY LOANS, GRANTS, OR TAX CREDITS?

- Yes
- No
- We haven't yet, but might in the future
- Other
- No Responses

IF YOUR BUSINESS HAS APPLIED FOR FUNDING, TO WHICH PROGRAM DID YOU APPLY? (CHECK ALL THAT APPLY)

- SBA Economic Injury Disaster Loans (EIDLs)
- Paycheck Protection Program (PPP)
- Employee Retention Tax Credit
- Grant Program
- Line of Credit
- Other

EVCCA
If your business has applied for funding, indicate whether or not receipt of your application has been acknowledged:

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<thead>
<tr>
<th>Program</th>
<th>Yes, Acknowledged</th>
<th>No, Not Acknowledged</th>
<th>Did Not Apply</th>
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<td>EIDL</td>
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If your business has applied for funding, indicate whether or not your application has been funded:

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<th>Program</th>
<th>Yes, Funded</th>
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How many more weeks of business slowdown or shutdown would you estimate your business could survive before permanently closing?

Respondents shared:

- Businesses do not plan on closing their doors, but the future is uncertain.
- Businesses that rely on memberships, clients, donations, and private funding are unsure.
- Businesses range from not making a profit, breaking even, or increasing in sales.
- Business have adjusted their operations model based on revenue.
HOW HAS YOUR BUSINESS MODEL CHANGED AS A RESULT OF COVID-19? (CHECK ALL THAT APPLY)

- Limiting capacity of customers
- Eliminating non-essential business travel
- Continuing remote work model
- Requiring use of PPE for employees and/or customers
- Transitioning to virtual meetings whenever possible
- Other

RESPONDENTS SHARED:

- Following social distancing, health screenings and sanitation guidelines
- Limited hours of operation
- Restricting customer and visitor access
- Moved to virtual meeting formats
- Moved entirely to on-line transactions
- Temporarily suspended business operations
- No changes in business model
Operating in today’s environment, including virtual operations
Navigating and staying informed on new requirements and regulation changes
Government’s role in recovery, including enforcement and potential mandates
Access to reliable information
Access to funding
Greater concern for social unrest than COVID-19