



COVID-19 RESEARCH

IMPLICATIONS FOR THE AMERICAN WORKFORCE

IF THEIR TOWN OR CITY
WERE PUT UNDER QUARANTINE

1 IN 5 SMALL BUSINESSES

CAN ONLY AFFORD TO PAY EMPLOYEES FOR **ONE**
WEEK OR LESS.





HALF OF SMALL BUSINESSES

CAN'T AFFORD TO PAY EMPLOYEES FOR A FULL MONTH UNDER QUARANTINE

UNDER QUARANTINE...

1 IN 5 AMERICAN WORKERS SAY THEY WILL BE UNABLE TO MEET THEIR BASIC FINANCIAL NEEDS IN **ONE WEEK OR LESS.**
(E.G. PAYING RENT, BUYING GROCERIES, PAYING BILLS)

58% SAY THEY WILL BE UNABLE TO MEET THEIR BASIC FINANCIAL NEEDS IN **ONE MONTH OR LESS.**

AMERICAN WORKERS UNABLE TO MEET THEIR BASIC FINANCIAL NEEDS...

IN 1 WEEK OR LESS

25%

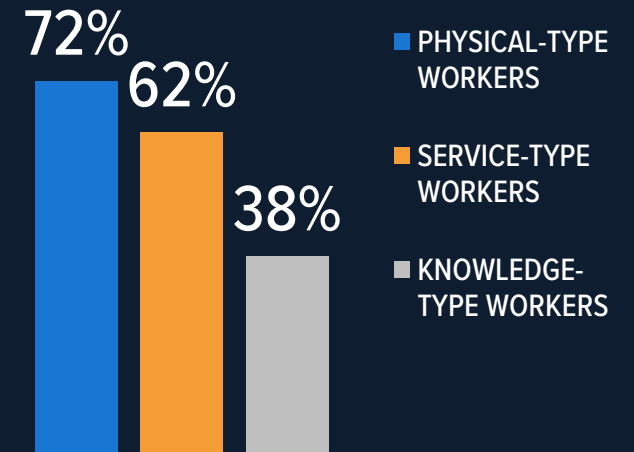
OF SERVICE-TYPE
WORKERS

IN 2 WEEKS OR LESS

50%

OF PHYSICAL-TYPE
WORKERS

IN 1 MONTH OR LESS



DUE TO THE CORONAVIRUS,

MORE THAN HALF OF SMALL BUSINESSES

EXPECT REVENUE LOSSES OF 10-30%.



1 IN 5

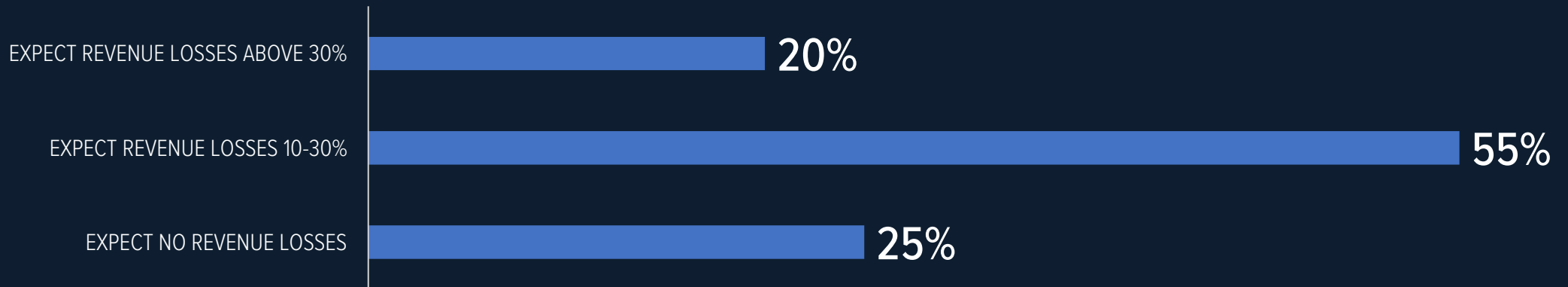
EXPECT TO LOSE MORE THAN 30% OF THEIR REVENUE—
4% EXPECT TOTAL LOSS OF REVENUE AND CLOSURE.

27%

OF SERVICE-TYPE BUSINESSES EXPECT TO LOSE
MORE THAN 30% OF THEIR REVENUE



SIMILARLY, MORE THAN HALF OF HR PROFESSIONALS SAY THEIR ORGANIZATION EXPECTS REVENUE LOSSES OF 10-30%



WHILE NEARLY 1/3 OF KNOWLEDGE-TYPE ORGANIZATIONS EXPECT NO LOSSES, 14% OF SERVICE-TYPE ORGANIZATIONS EXPECT REVENUE LOSSES GREATER THAN 50% OR TOTAL LOSS

LESS THAN A THIRD

(31%) OF U.S. SMALL BUSINESSES SAY
THEY CAN OPERATE TOTALLY REMOTELY

1/3 SAY **NONE** OF THEIR BUSINESS
PROCESSES CAN BE DONE REMOTELY

50%

OF AMERICAN WORKERS
SAY THEIR JOB **CANNOT**
BE DONE REMOTELY



ALMOST HALF

OF ALL SERVICE AND PHYSICAL-TYPE
SMALL BUSINESSES ARE **UNABLE TO
CONDUCT ANY BUSINESS OPERATIONS
REMOTELY.**

97%

OF SHRM-MEMBER HR PROFESSIONALS
HAVE **DISCUSSED PREPAREDNESS** FOR
CORONAVIRUS

80%

HAVE A FORMAL OR INFORMAL BUSINESS
CONTINUITY **PLAN IN PLACE**

OVER 1 IN 4 AMERICAN WORKERS (27%)

REPORT THEY **HAVEN'T BEEN TOLD ANYTHING** ABOUT HOW THEIR ORGANIZATION WAS REACTING, HIGHLIGHTING A POTENTIAL DISCONNECT BETWEEN HR/EXECUTIVE PREPAREDNESS AND COMMUNICATION TO THE WORKFORCE

*For the purposes of this analysis, the 14-industry standard demographic list was condensed into four categories based on the **type of work done by the majority of workers** in that industry.*

Service-type workers and businesses those where the primary business function is providing services directly to a customer (e.g. Retail, Health care, Food service). Physical-type workers and businesses are those where the primary business function requires physical interaction with a product, material, or environment (e.g. Manufacturing, Construction).

Service-type Industries:

- **Accommodation or food service** (such as hotels or other travel accommodations, restaurants and other food services, or drinking places)
- **Health care** (such as doctors' offices, dentists, optometrists, home health care services, hospitals, social services, or nursing care facilities)
- **Retail trade** (such as auto dealers, household or electronics stores, grocery stores, clothing stores, etc.)
- **Other services** (such as auto repair, electronics repair, barber shops and beauty salons, dry cleaning, funeral homes, or working in private homes)
- **Education** (such as K-12 teachers or administrators, colleges or universities, or business or trade schools)

Knowledge-type Industries:

- **Finance, insurance or real estate** (such as banking, financial investing, insurance companies, real estate agents, or other goods and equipment rental)
- **Government, public administration or military** (such as state, local or national government, justice and safety activities, national security, or military)
- **Administrative support services** (such as business support, travel arrangements, security services, landscaping, or waste management)
- **Professional, scientific, or technical services** (such as legal, accounting, computer systems, advertising, or scientific research services)

Physical-type Industries:

- **Construction**
- **Manufacturing**
- **Wholesale trade** (such as the wholesale trade or sale of vehicle parts and supplies, furniture and construction materials, plumbing and heating equipment, clothing or food and beverage supplies)
- **Transportation and warehousing** (such as airline, trucking, bus or metro, taxis, couriers or messengers, or warehousing and storage)

AMERICAN WORKERS: A sample of 492 Working Americans was surveyed using the Amerispeak Omnibus survey, NORC at the University of Chicago's probability-based panel designed to be representative of the U.S. household population. Data was weighted to reflect the U.S. adult population. The survey was administered Thursday, March 12 to Monday, March 16, 2020. Study margin of error was $\pm 4.34\%$

SMALL BUSINESS OWNERS: A sample of 512 Small Business Owners (*owners, operators, leaders, or chief executives of businesses with 2-99 employees*) was sourced from Pure Spectrum. The survey was administered Friday, March 13 to Monday, March 16, 2020.

HR PROFESSIONALS: A sample of 518 HR professionals were received from 30,000 SHRM members invited via e-mail to participate in a survey, yielding a response rate of approximately 2%. The survey was administered Friday, March 13 to Wednesday, March 18, 2020. Study margin of error was $\pm 4.31\%$