COVID-19 RESEARCH
HOW THE PANDEMIC IS CHALLENGING AND CHANGING EMPLOYERS
34% of employers didn’t have an emergency preparedness plan prior to COVID-19.
Almost 2/3 of employers did have an emergency preparedness plan prior to the COVID-19 pandemic. However, over half of employers with policies had one that did not cover communicable disease.
NOW, OVER (53%) OF EMPLOYERS ARE REVISING EMERGENCY PREPAREDNESS PLANS, INCLUDING:

- **62%** OF HEALTH CARE ORGANIZATIONS
- **59%** OF MANUFACTURING ORGANIZATIONS
- **53%** OF WHOLESALE TRADE & TRANSPORT ORGANIZATIONS
OVER 7 IN 10
EMPLOYERS ARE STRUGGLING TO ADAPT TO REMOTE WORK

IDENTIFIED AS A CHALLENGE BY:

- 83% OF PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES
- 69% OF HEALTH CARE
- 65% OF MANUFACTURING
2 IN 3 employers say maintaining employee morale has been a challenge.

Employers with over 500 employees report this as more of a challenge than small and medium-sized employers.

Industry differences

Nearly 3/4 of accommodation/food services & health care organizations are experiencing problems with morale (73%).
MORE THAN 1/3 OF EMPLOYERS ARE FACING CHALLENGES WITH:

- Maintaining company culture
- Managing employees who are unable to telework
- Shifting communications to meet remote needs
- The time required to implement and stay compliant with government leave requirements

*Over 3 in 10 organizations (31%) are having trouble managing the increased number of leave requests*
35% of employers are grappling with changes in employee productivity.
WITH COVID-19 STALLING THE ECONOMY,

42% OF EMPLOYERS SAY CONSUMER/CLIENT SPENDING IS DOWN

30% OF EMPLOYERS CITE PAYING THEIR EMPLOYEES AS A CHALLENGE

INDUSTRIES MOST IMPACTED BY SPENDING DECLINES INCLUDE: ACCOMMODATION/FOOD SERVICES (60%), RETAIL TRADE (54%), WHOLESALE TRADE & TRANSPORT (51%), AND PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES (48%)
4 IN 10 EMPLOYERS HAVE SHUTDOWN CERTAIN ASPECTS OF THEIR BUSINESS—19% ARE CONSIDERING DOING SO

NEARLY HALF

OF EMPLOYERS WITH OVER 500 EMPLOYEES HAVE SHUTDOWN ASPECTS, WITH 1/3 CONSIDERING DOING SO

BY CONTRAST,

47%

OF EMPLOYERS WITH LESS THAN 500 EMPLOYEES ARE NOT CONSIDERING SHUTTING DOWN ANYTHING
OVER 1 IN 10 EMPLOYERS ARE FACING TOTAL SHUTDOWN
83% OF EMPLOYERS HAVE MADE BUSINESS PRACTICE ADJUSTMENTS AS A RESULT OF COVID-19

8% ARE CONSIDERING ADJUSTMENTS RELATED TO COVID-19

ACCOMMODATION/FOOD SERVICES (98%) AND RETAIL TRADE (96%) WERE MOSTLY LIKELY TO HAVE MADE ADJUSTMENTS, FOLLOWED BY MANUFACTURING (91%), AND HEALTH CARE (90%). PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES WERE LEAST LIKELY TO HAVE MADE ADJUSTMENTS (70%), BUT 15% ARE CONSIDERING DOING SO.
OF BUSINESS WHO HAVE MADE ADJUSTMENTS...

HALF ARE NO LONGER HIRING OR DELAYING NEW HIRE START DATES
38% of employers have decreased hours for employees, and a further 28% are considering it.*

79% of accommodation/food service ORGS have already decreased hours—12% are considering it.

Over half (51%) of retail trade ORGS have done the same.

*OF ORGANIZATIONS THAT HAVE MADE ADJUSTMENTS OR ARE CONSIDERING MAKING ADJUSTMENTS DUE TO COVID-19
19% of employers have decreased pay rates, and another 21% are considering it*

Industry Differences

56% of accommodation/food services businesses have decreased pay, and 13% are considering it

*Of organizations that have made adjustments or are considering making adjustments due to COVID-19
OVER 3 IN 10

EMPLOYERS HAVE LAID EMPLOYEES OFF*

28% ARE CONSIDERING IT
40% ARE NOT CONSIDERING IT

15%

OF EMPLOYERS HAVE PERMANENTLY CUT HEADCOUNT*

24% ARE CONSIDERING IT
61% ARE NOT CONSIDERING IT

INDUSTRY DIFFERENCES

ACCOMMODATION/FOOD SERVICES WAS MOSTLY LIKELY TO HAVE TAKEN EITHER ACTION—76% HAVE LAID OFF EMPLOYEES AND 1/3 HAVE PERMANENTLY REDUCED HEADCOUNT. ONE IN TEN HEALTH CARE ORGS HAVE REDUCED HEADCOUNT, AND 19% ARE CONSIDERING IT

*OF ORGANIZATIONS THAT HAVE MADE ADJUSTMENTS OR ARE CONSIDERING MAKING ADJUSTMENTS DUE TO COVID-19
Some organizations are increasing headcount:

14% of employers have hired more employees in response to COVID-19*

**Org Size Differences**

- 1-99 Employees:
  - 80% not considering hiring
  - 10% considering hiring new employees
  - 10% have hired new employees

- 5000+ Employees:
  - 74% not considering hiring
  - 21% considering hiring new employees
  - 5% have hired new employees

**Industry Differences**

- 31% of health care orgs are hiring, compared to
- 5% of accommodation/food service organizations

*Of organizations that have made adjustments or are considering making adjustments due to COVID-19
SOME EMPLOYERS ARE USING LEAVE POLICIES TO RESPOND—

AROUND 1/3 OF EMPLOYERS*

ARE OFFERING ADDITIONAL PAID OR UNPAID LEAVE TO EMPLOYEES

<table>
<thead>
<tr>
<th>Offering Additional Paid Leave</th>
<th>32%</th>
<th>18%</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offering Additional Unpaid Leave</td>
<td>34%</td>
<td>25%</td>
<td>40%</td>
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</tbody>
</table>

*OF ORGANIZATIONS THAT HAVE MADE ADJUSTMENTS OR ARE CONSIDERING MAKING ADJUSTMENTS DUE TO COVID-19
RETAIL TRADE

IS THE INDUSTRY CHANGING LEAVE POLICIES MOST IN RESPONSE TO COVID-19

57% OF RETAIL ORGS ARE OFFERING ADDITIONAL UNPAID LEAVE*

42% OF RETAIL ORGS ARE OFFERING ADDITIONAL PAID LEAVE*

*OF ORGANIZATIONS THAT HAVE MADE ADJUSTMENTS OR ARE CONSIDERING MAKING ADJUSTMENTS DUE TO COVID-19
40% of health care and manufacturing organizations are offering additional unpaid leave to employees.*

1 in 3 health care organizations are providing additional paid leave to employees.*

*Of organizations that have made adjustments or are considering making adjustments due to COVID-19.
OVER 3/4 OF EMPLOYERS ARE HAVING EMPLOYEES WORK FROM HOME, AS A REQUIREMENT (38%) OR DUE TO CV-19 EMPLOYEE CONCERNS (40%)*

OVER 1/3 OF EMPLOYERS ARE PROVIDING RESOURCES TO SUPPORT HEALTHY ADJUSTMENT TO REMOTE WORK, INCLUDING:

- MENTAL HEALTH PODCASTS
- CDC TOOLKITS
- BOOKS
- NEWSLETTERS
- EAP RESOURCES

*OF ORGANIZATIONS THAT HAVE MADE ADJUSTMENTS OR ARE CONSIDERING MAKING ADJUSTMENTS DUE TO COVID-19
Organization size has a big impact on availability of online work resources.

<table>
<thead>
<tr>
<th>Organization Size</th>
<th>Have Provided Resources</th>
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<tbody>
<tr>
<td>ORGS 1-99</td>
<td>25%</td>
</tr>
<tr>
<td>ORGS 100-499</td>
<td>33%</td>
</tr>
<tr>
<td>ORGS 500-4999</td>
<td>43%</td>
</tr>
<tr>
<td>ORGS 5000+</td>
<td>59%</td>
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</tbody>
</table>

Industries leading in offering online work resources:
- Accommodation/food service organizations
- Health care organizations
- Professional, scientific, and technical services
54% of employers are offering additional pandemic-related education or training for employees, and 24% are considering it.
1/3 of employers have experienced a noticeable increase in requests for information about employee assistance programs.

Organ size differences:
- 47% of organizations with 500-4,999 employees
- 70% of organizations with over 5,000 employees

Industry differences:
- Almost half (46%) of health care organizations have experienced increases
- Over 1/3 of accommodation/food service and retail trade
SHRM COVID 19 RESEARCH: METHODOLOGY

SHRM Research uses a 13-industry standard demographic list, where all responses from organizations not covered under one of the following industries are categorized as “Other”.

- Accommodation or food service (such as hotels or other travel accommodations, restaurants and other food services, or drinking places)
- Administrative support services (such as business support, travel arrangements, security services, landscaping, or waste management)
- Construction
- Education (such as K-12 teachers or administrators, colleges or universities, or business or trade schools)
- 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)
- Health care (such as doctors’ offices, dentists, optometrists, home health care services, hospitals, social services, or nursing care facilities)
- Manufacturing
- Other services (such as auto repair, electronics repair, barber shops and beauty salons, dry cleaning, funeral homes, or working in private homes)
- Professional, scientific, or technical services (such as legal, accounting, computer systems, advertising, or scientific research services)
- Retail trade (such as auto dealers, household or electronics stores, grocery stores, clothing stores, etc.)
- Transportation and warehousing (such as airline, trucking, bus or metro, taxis, couriers or messengers, or warehousing and storage)
- 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)

HR PROFESSIONALS: A sample of 2278 HR professionals from SHRM's membership were surveyed between April 1 and April 7, 2020. Respondents were invited by email, with a response rate of approximately 5.4%. Due to stratified sampling methodology, overall margin of error for the study is unavailable.