

The Greater Phoenix Chamber conducts a monthly online survey with Chamber members regarding the impacts businesses are experiencing as a result of COVID-19. A baseline survey was conducted in March, and a follow-up survey was conducted the week of April 14-21, 2020. This survey provides a better understanding of the needs of the business community, and determine the best ways to assist them. This report will demonstrate the changes in business responses between March and April.

IMPACT OF COVID-19 ON BUSINESSES

In response to whether businesses have had to lay off employees, or reduce salaries (more than one option could be selected):

	MARCH	APRIL
Laid off employees	13%	20.5%
Implemented salary reductions	4%	28.4%
Suspended employee salaries	6%	7.8%
Reported no action taken	60%	48%

Businesses were also asked about the changes they are making to their workplaces to accommodate for employee health and safety throughout COVID-19. The top measures being taken for employee safety include (more than one option could be selected):

	MARCH	APRIL
Transition to remote work	51%	85%
Flexible work schedules	46%	65.6%
Limited social contact	65%	80%
Additional sanitation resources for those working in an office or public setting	54%	51%

In March, the most commonly shared regulation that negatively impacted businesses' ability to operate is the cancelling of gatherings over 10 people/ social distancing guidelines. **This remained the top item in April.**

In March, the majority of businesses did not indicate supply chain challenges yet. Those who did were unable to obtain primarily cleaning/sanitation supplies, and medical supplies.

This trend continued April. Some additional industries noted difficulty in getting necessary materials (non-medical/sanitation-related) from both overseas and across states lines. One credit union noted that the SBA's PPP program/lack of availability was a serious impediment.

DEMOGRAPHICS AND BASIC INFORMATION

Survey yielded **103** responses from across the state

60% of responses were companies of 100 employees or less

16% of responses were companies of 101-500 employees

74% of respondents indicated COVID-19 had a semi-dramatic to dramatic negative impact on their business

26.4% ranked it as a 10/10 – being most dramatic negative impact

**This survey was sent to members of the Greater Phoenix Chamber. The make up of survey respondents in regard to business size and industry does not necessarily mirror the make up of the full Greater Phoenix or Arizona business community. Appendix A shows the respondents by industry.*

In March, 72% of businesses showed a decrease in revenue. 23% said they had not seen an impact yet.

In April, 80.3% showed a decrease in revenue, and 17.6% indicated no change in revenue.

BUSINESS NEEDS

Businesses were asked what the most valuable resources from the state and local government are, or would be at this time. Five options were presented, and respondents could select all that applied. They could also list additional thoughts in an open comment section.

MOST REQUESTED STATE/LOCAL GOVERNMENT RESOURCES:	MARCH	APRIL
Temporary cancellation of payroll taxes for March, April, and May	56%	54%
Delay the tax filing deadline	43%	29.7%
Easement of unemployment requirements for furloughed or laid off employees	43%	30.6%
Information on reemployment and/or temporary placement for laid off employees	43%	30.6%
SBA Economic Industry Disaster Loan	35%	48.5%

A decrease in need of certain resources between March and April may indicate that businesses have received the support necessary.

In March, respondents indicated pressing needs of delayed mortgage and loan payments, relief funds for self-employed and small businesses, and grace periods on bills.

In April, the most commonly-cited information needed was in regard to PPP information and funding. Several indicated not having received funding yet and concern that there would not be enough additional funding to meet their needs. Business interruption insurance was also mentioned by a couple of respondents.

When asked what Chambers and patrons can do to support their businesses, the most common responses include:

- Continued information and resources
- SBA resources, specifically regarding the PPP
- Continued lobbying and advocacy

In April, respondents were asked what the biggest concerns were in transitioning back to normal business operations, in the event that they had temporarily shut down or moved to remote work. More than one option could be selected.

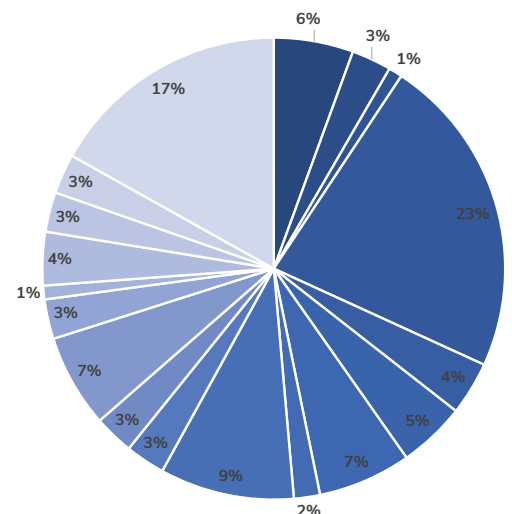
- **Ability to bring back staff:** 31.5%
- **Ability to secure supplies/inventory in a timely fashion:** 24.6%
- **Ability to protect customers/employees:** 43.8%
- **Customer volume as we ease out of social distancing:** 47.9%

IN APRIL, RESPONDENTS WERE ASKED TO SHARE THE NUMBER OF DAYS CASH ON HAND AVAILABLE AT THEIR BUSINESS:

- Less than 15: **6.6%**
- 16-30: **8.8%**
- 31-60: **14.4%**
- 61-90: **27.7%**
- 91 or more: **42.2%**

APPENDIX A – INDUSTRIES REPRESENTED

- Advertising & Media
- Arts, Culture & Entertainment
- Automotive & Marine
- Business, Professional Services, Marketing
- Construction
- Family, Community & Civic Organizations
- Financial & Insurance
- Government & Education
- Health Care
- Industrial Supplies & Services
- Information Technology
- Lodging, Travel, Sports & Recreation
- Manufacturing, Production & Wholesale
- Personal Services & Care
- Public Utilities & Environment
- Real Estate, Moving & Storage, Home
- Restaurants, Food & Beverage & Retail
- Other



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