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

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.

Industry differences:

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

<table>
<thead>
<tr>
<th>Action</th>
<th>Taken</th>
<th>Considering</th>
<th>Not Considering</th>
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<tbody>
<tr>
<td>Delaying New Hire Start Dates</td>
<td>50%</td>
<td>17%</td>
<td>33%</td>
</tr>
<tr>
<td>No Longer Hiring</td>
<td>50%</td>
<td>19%</td>
<td>31%</td>
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*Have taken this action, considering action, not considering*
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.*

*Of organizations that have made adjustments or are considering making adjustments due to COVID-19.

Industry differences:

56% of accommodation/food services businesses have decreased pay, and 13% are considering it.
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% have hired new employees, 10% are considering hiring new employees, 10% not considering hiring
- 5000+ Employees: 74% have hired new employees, 21% are considering hiring new employees, 5% not considering hiring

**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.

- Offering additional paid leave:
  - Have taken this action: 32%
  - Considering action: 18%
  - Not considering: 50%

- Offering additional unpaid leave:
  - Have taken this action: 34%
  - Considering action: 25%
  - Not considering: 40%
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

**ORG SIZE DIFFERENCES**

<table>
<thead>
<tr>
<th>HAVE PROVIDED RESOURCES</th>
<th>ORGS 1-99</th>
<th>ORGS 100-499</th>
<th>ORGS 500-4999</th>
<th>ORGS 5000+</th>
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<tbody>
<tr>
<td></td>
<td>25%</td>
<td>33%</td>
<td>43%</td>
<td>59%</td>
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**INDUSTRY DIFFERENCES**

- 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.

**Org Size Differences**
- 47% of orgs with 500-4999 employees
- 70% of orgs with over 5000 employees

**Industry Differences**
- Almost half (46%) of health care orgs have experienced increases
- Over 1/3 of accommodation/food service and retail trade
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.