The Coronavirus pandemic continues to test organizations. Adapting quickly will demonstrate the resilience of business and employees alike. Recovery may be difficult and challenging for some, and stable and disciplined for others. Gathering insight regarding economic outlook, employer concerns, and financial recovery efforts will help organizations navigate this altered environment.

**Continuing Research**

**Long-term Implications – Level of Concern**

Financial viability and business operations remain the highest concern for organizations. Concern also remains around overall business strategy and human resources, however to a lesser degree.

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**Economic Impact**

Considering data from U.S. and specific business operational perspectives helps organizations make more informed business decisions. Focusing on what is needed to fit your business strategy and what connects best in your culture will provide direction for success. Finding the balance that is right for your organization will help propel your organization forward.

**U.S.**

Over 60% of employers surveyed have heightened concern about the impact the current state of the U.S. economy will have on business.

- **24%** Very concerned
- **39%** Moderately concerned
- **25%** Somewhat concerned
- **10%** Slightly concerned
- **2%** Not at all concerned
Business Performance

Prior to COVID-19 restrictions/orders, a majority of organizations (70% — 30% Excellent; 40% Very Good) indicate business was booming. The aftermath does not have the same appearance (20% — 3% Excellent; 17% Very Good).

Business Outlook

Business outlook for the next 6 — 18 months has worsened; yet some have optimism for emerging stronger.

**Next 6 — 18 Months**

- **2%** Improve significantly
- **12%** Improve moderately
- **23%** No change
- **50%** Worsen moderately
- **13%** Worsen significantly

**Emerging Weaker or Stronger**

- **4%** Much stronger
- **33%** Somewhat stronger
- **24%** No change
- **36%** Somewhat weaker
- **3%** Much weaker
Economic Outlook: Coronavirus Workplace Realities

Recovery
Organizations do not anticipate swift recovery once the pandemic passes. Just under a third of organizations expect full recovery to occur within 8 months to 1 year; the same amount expects full recovery to occur within 1 to 2 years.

- 31% Within 8 months to 1 year
- 31% Within 1 to 2 years
- 19% Within 3 to 7 months
- 7% My business is not impacted by the pandemic
- 1% Immediately after Safer at Home/Shelter in Place restrictions/orders are lifted
- 7% Within 2 months after restrictions/orders are lifted
- 4% More than 2 years after we reopen
- <1% My business will never fully recover

Aligning Business Expenses
Organizations are taking actions to align business expenses with current challenges.

- 50% Canceled conferences
- 48% Canceled summer events/company picnic
- 41% Hiring freeze
- 38% No merit increases
- 30% Freezing pay
- 24% Reduced hours
- 23% Canceled internships
- 23% Permanent staff reductions
- 17% Rotating furloughs
- 16% Pay cuts
- 17% Other*  
  * Additional actions include delayed/reduced merit increases or contributions to retirement funds; limited or eliminated business travel; cost containment/revised budget strategies; or no action taken at this time.

Note: Multiple answers can total more than 100%
Economic Outlook: 
Coronavirus Workplace Realities

Shifts in Long-term Business Strategy

Forty-four percent of organizations have kept their long-term business strategy as it existed pre-pandemic. Others have made adjustments to soften the economic impact of the COVID-19 pandemic.

- **Status quo**: 44%
- **Conducting a reorganization of department responsibilities**: 23%
- **Downsizing staff**: 21%
- **Looking to add a niche market/service**: 16%
- **Restructuring our business lines**: 13%
- **Adding a product/service line**: 13%
- **Other**: 13%

*Downsizing locations; eliminating a product/service line; reevaluating business/marketing strategy

Note: Multiple answers can total more than 100%

Top Challenges Impacting Business Financials

The financial health and current state of mind of consumers, suppliers, and employees is unpredictable and will be of utmost concern as businesses move forward.

- **Hard to forecast sales**: 70%
- **Supply chain disruption**: 33%
- **Aligning payroll budget with revenue**: 28%
- **States reopening in different phases**: 22%
- **Getting people back to work who do not want to come back**: 19%
- **Unpredictable stimulus packages and legislative changes**: 18%
- **Not meeting PPP loan forgiveness criteria**: 9%
- **Other**: 8%

*Decreased demand, customer closures, and hiring/finding new talent

Note: Multiple answers can total more than 100%
Conclusion

With stay-at-home orders across the country being lifted, employers continue to face a number of difficult issues. There is no one-size-fits-all approach. Organizations are working diligently to balance a situation that continues to evolve daily with varying guidance. MRA is here to partner with you and provide the resources necessary to navigate ahead.

MRA’s Hot Topic Surveys based on employer reported data, combined with deep online resources, virtual training, best practices, and experienced professionals provide business tools for your success. Together we can move forward and make a difference.

Demographics

Industry Type

- **Manufacturing**: 56%
- **Non-Manufacturing**: 21%
- **Nonprofit**: 11%
- **Financial Activities (Banking, Finance/Financial Services, etc.)**: 5%
- **Healthcare**: 4%
- **Education**: 3%

Size of Organization

- Fewer than 50 employees: 21%
- 50 to 500 employees: 70%
- 501 to 1,000 employees: 5%
- 1,001 to 2,500 employees: 2%
- More than 2,500 employees: 2%

Methodology

- **433 MRA Participating Organizations**
- **Brief 13 Question Survey**
- **May 28 – June 1, 2020 Data Collected**

Questions regarding this survey? Contact the Survey Department at surveys@mranet.org or 800.488.4845 ext. 3508.
Our Currently Published Surveys

**Compensation Surveys**
- Benchmark Compensation*
- Industrial & Production Trades*
- National Executive Compensation
- National IT & Engineering Compensation*
- National Sales Compensation
- National Wage & Salary

**Policy & Benefit Surveys**
- Health & Insurance Benefits
- Holiday Practices
- National Policies & Benefits

**Business Trend Surveys**
- Compensation Trends
- National Business Trends
- Turnover

**Industry Surveys**
- Healthcare Compensation Survey*
- Logistics & Construction Compensation
- Nonprofit Compensation & Benefits*

**Hot Topic Surveys**
- Advancement of Women in the Workplace Survey
- Business Continuity Coronavirus Workplace Realities—Series
- Compensation Besides Base Pay Survey
- Compensation and Talent Insights for 2020 and Beyond
- Diversity and Inclusion—Best Steps Forward
- Don’t Underrate the Power of Soft Skills
- Employee Turnover Survey
- Hiring Interns Survey
- Variable Pay: Your Advantage in a Competitive Labor Market
- Opioid Epidemic Survey
- Sexual Harassment in the Workplace Executive Summary
- Wellness and Wearable Technology Survey
- Your Competitive Edge in Attracting, Retaining, and Rewarding Top Talent

* MRAPay and On-Demand Salary Tool available for these surveys

Rely on MRA Surveys

From strategy to tactics, how do you apply these insights to your organization’s total rewards story?

Known for local, regional and national, employer-matched, employer-reported data—with MRA surveys, you can be confident your organization is making vital business decisions based on solid, high quality market data.

Participate in MRA Surveys

- Free survey results for member participants
- Data analytics at your fingertips via MRA’s online survey tools—MRAPay and On-Demand Salary Tool
- HRCI credit for recertification or SHRM Professional Development Credit (PDC) for qualifying surveys

Turn to MRA to build your powerful data analytics!

Questions?
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