

# Hard Data, Human Truths and the State of the SMB

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# Agenda

The State of Small and Medium Sized Business

Employee Productivity and Wellbeing

Business Resiliency and Preparedness

# About the Study

- A collaboration between The Harris Poll and TriNet
- An SMB pulse, not news headlines
- SMB sentiment and the action they're taking
- Ten polls SMBs industry-wide over the last 5 weeks (April 3 – May 8), interviewing ~200 leaders per pulse across three key overarching topic areas:
  - Cash flow and liquidity
  - Employee wellbeing and productivity
  - Business resiliency and preparedness

In this webinar we'll deep dive into how SMBs are addressing employee productivity and wellbeing, and dealing with business resiliency and preparedness.



# The State of Small and Medium Sized Business

# The struggle is real, but SMBs are facing it and some are thriving

**77%**

of SMB leaders agree that “Dealing with the pandemic has been the most difficult challenge my business has faced.”

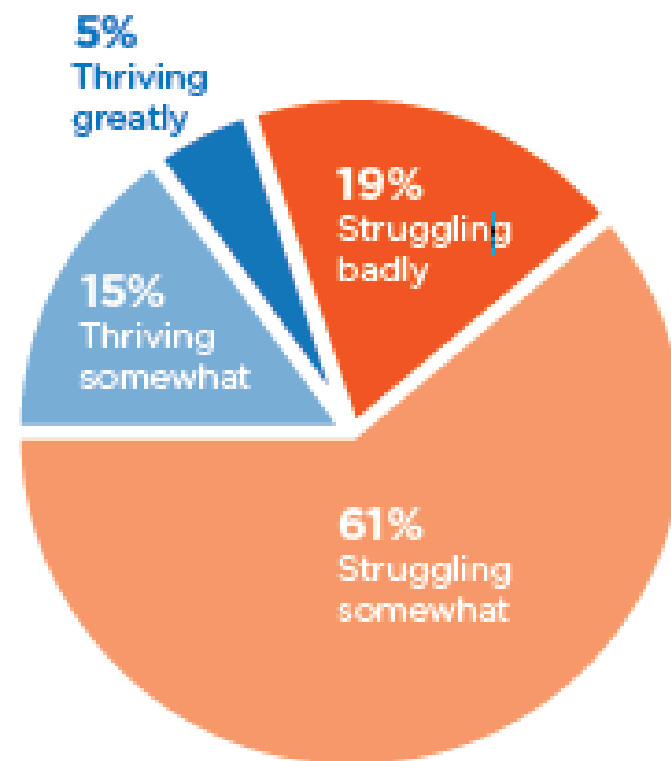
**57%**

have made changes to their business model, products, and/or services in response to the pandemic

**86%**

of SMB leaders say their business has handled the challenges brought on by the pandemic well

To what extent would you say your business is **struggling** or **thriving** during the pandemic?



# Uncertainty is the single biggest challenge; community support helps

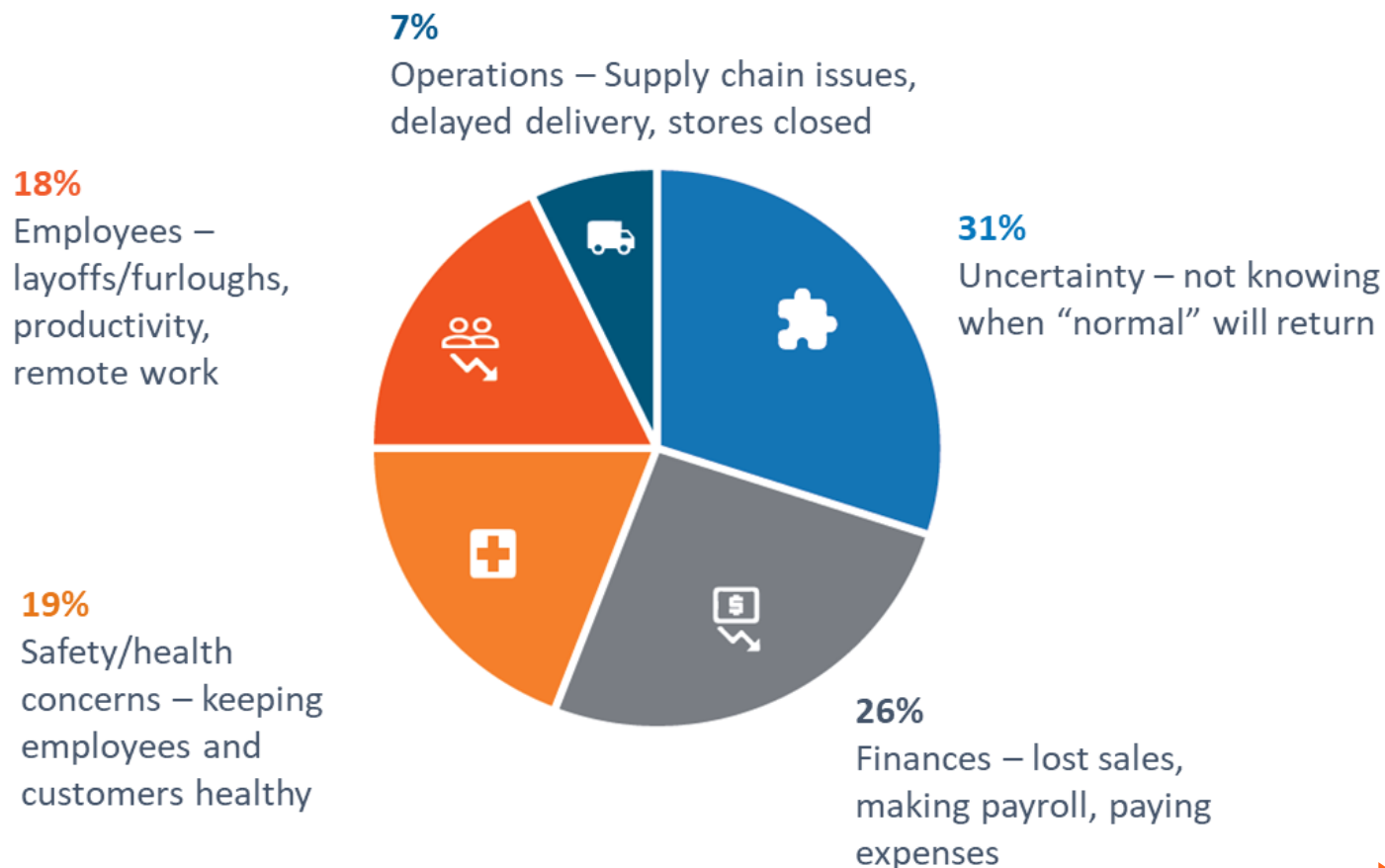
**89%**

of SMB leaders feel supported by other members of their company

**73%**

feel supported by their local community

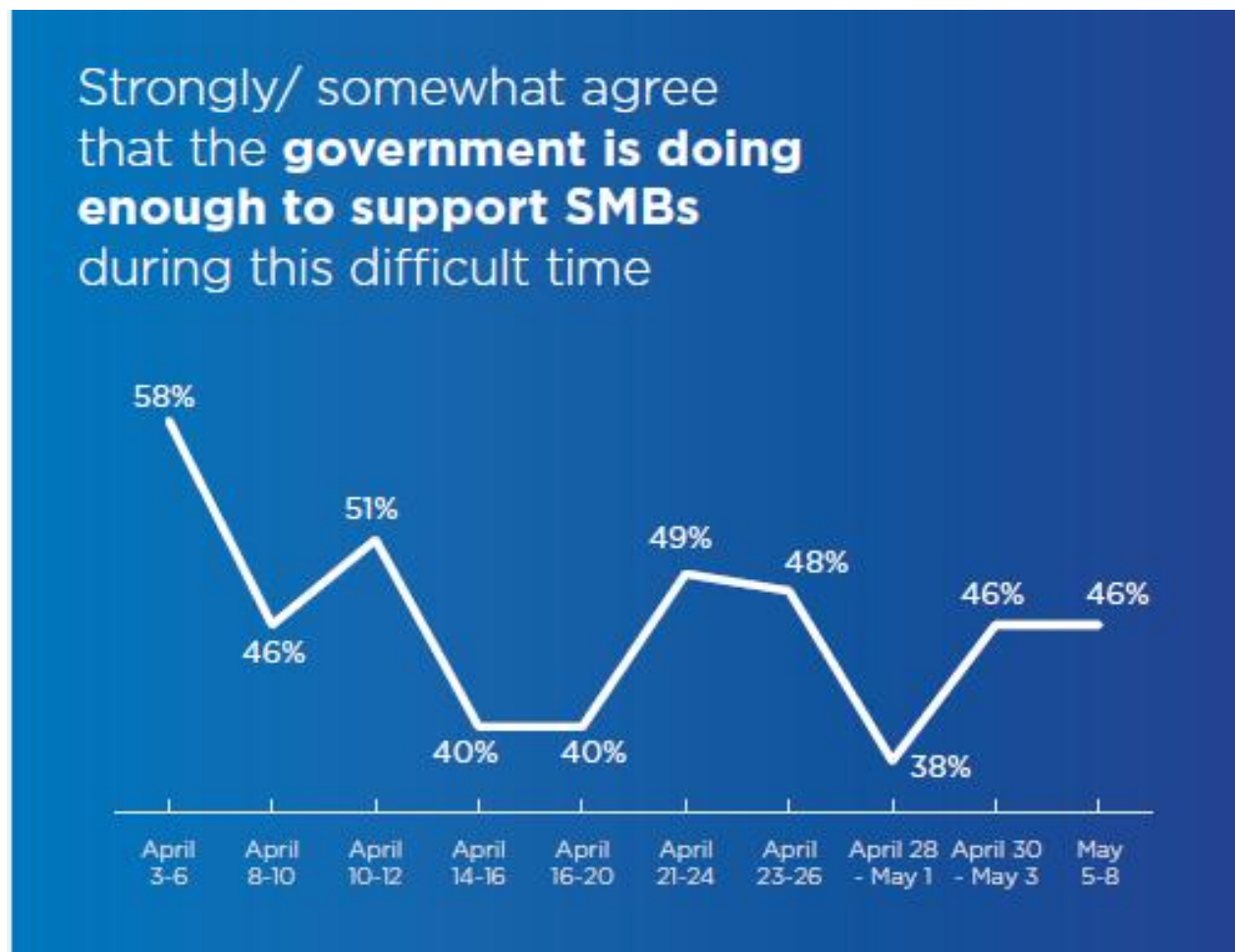
What would you say is the **single most difficult area** of dealing with the pandemic for your business?



# Reaction to government efforts has been volatile

Confidence in government support has been as volatile as the news headlines:

- **High:** early April, as Paycheck Protection Program was getting underway
- **Low:** end of April/early May amid continued confusion and lack of access to necessary funding.





# Employee Productivity and Wellbeing



# SMB leaders are investing in the health of their workforce



## 4 in 10

SMBs have changed their healthcare benefits to respond to the pandemic (39%). Of those who have made changes, these include:

- Extending healthcare coverage to laid off employees (53%)
- Offering telemedicine (38%)
- Increasing employee assistance programs (37%)
- Offering short-term medical plans (32%)



## 53%

of SMBs are offering at least some form of guidance for employees that are losing healthcare coverage as a result of the pandemic. Of those who are offering, this guidance includes helping employees navigate:

- Affordable Care Act plans (51%)
- COBRA (37%)
- Short-term medical (36%)
- Telemedicine (32%)

# Shifting to a remote workforce proves challenging but rewarding

**92%**

of SMBs have made efforts to shift to a remote workforce as a result of the COVID-19 pandemic

Of those:

**75%**

of those say shifting to a remote workforce has been challenging

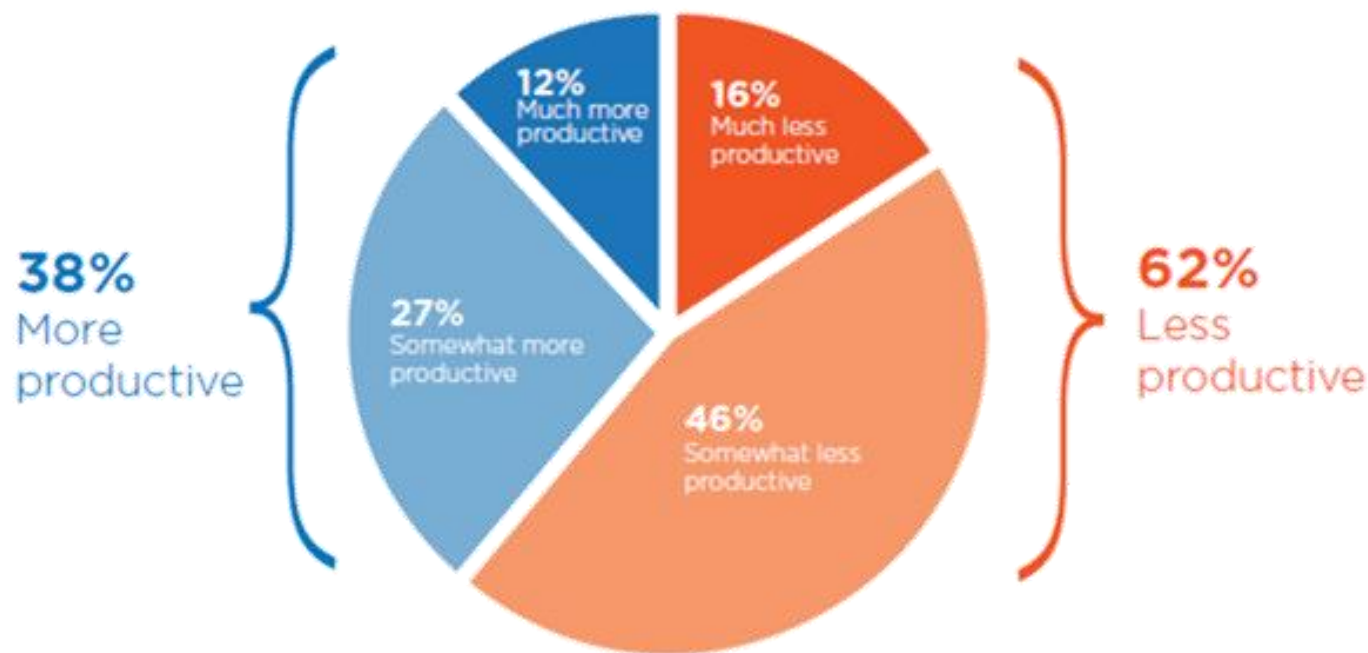
**65%**

wish they had moved to a remote model earlier

**67%**

Say that some or all of their employees will remain remote after the pandemic subsides

To what extent would do you think the recent change to working remotely has made your employees **more** or **less** productive?



# Biggest Challenge: Maintaining morale under continued uncertainty

What would you say is the **single biggest challenge** to managing your workforce during the pandemic?



**82%**

have taken actions to enhance employee wellbeing

**44%**

say **increased flexibility** to balance new work/home life has been their **most effective action**

**57%**

say their workforce remains optimistic



# Actions taken to enhance employee wellbeing run the gamut



## INCREASED FLEXIBILITY

**56%**

have increased flexibility for employees to balance new work/ home life situations



## MENTAL, PHYSICAL, AND FINANCIAL HEALTH

**27%**

have provided stress management information

**20%**

have provided financial education information, such as 401K, etc.

**21%**

have offered meditation/ mindfulness courses or activities

**16%**

have initiated fitness challenges



## SOCIAL SUPPORT

**33%**

have increased visibility of the leadership or management team

**30%**

have offered virtual gatherings, such as happy hours, coffee breaks, book clubs, etc.



## SUPPORT FOR PARENTS

**26%**

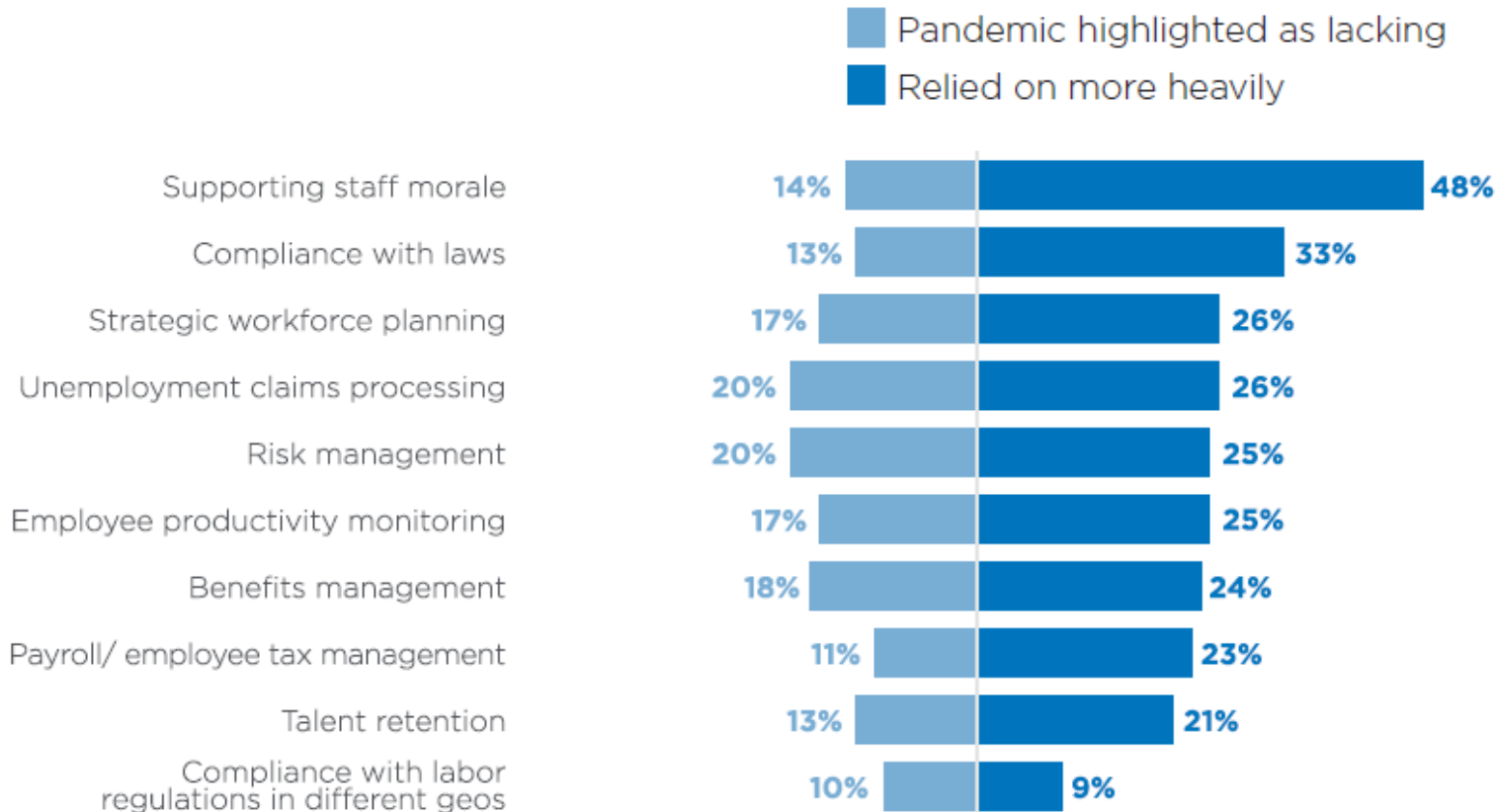
have offered resources for parents managing at-home/ online schooling

**16%**

have provided ideas for keeping children occupied

# The pandemic highlighted some areas of opportunity for HR...

What aspects of HR has your business **relied upon more heavily** in the face of the pandemic/ did the **pandemic highlight as lacking**?



# ...And SMB leaders plan to make HR-related changes as a result

**7 in 10 (71%) of SMBs have made HR changes**, or plan to make them, as a result of the pandemic.



**48%**  
are making a  
concentrated  
effort to **enhance**  
**staff morale**



**42%**  
are ramping up  
employee **health**  
**and safety**  
**programs**

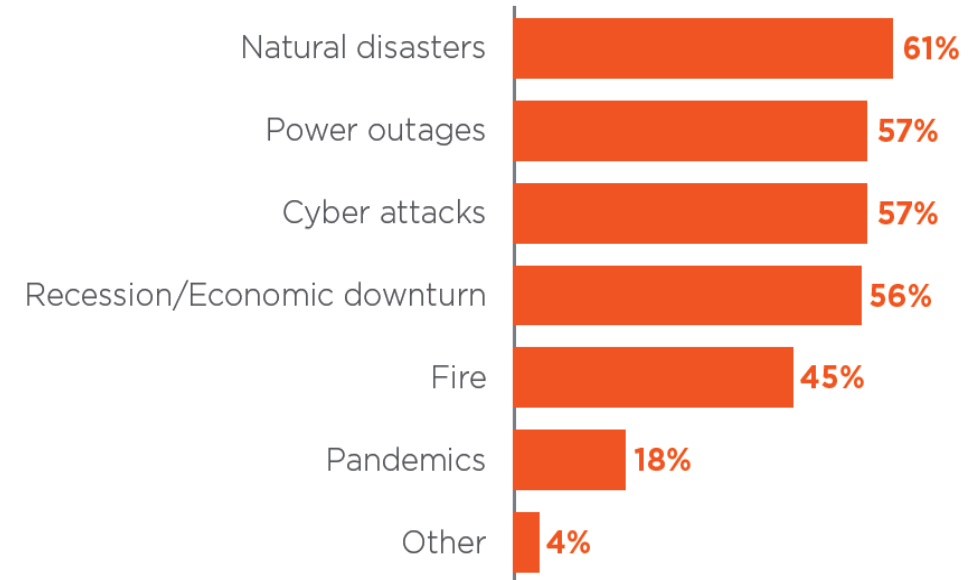


# Business Resiliency and Preparedness

# SMBs were prepared for business disruption, if not specifically a pandemic



Prior to the pandemic, **which, if any, of the following areas** did your business's **continuity plan** account for?



**7 in 10**

SMBs have a formalized business continuity plan in place

Despite not being pandemic-specific, **68%** said their continuity plan **was effective** in helping them handle the current situation

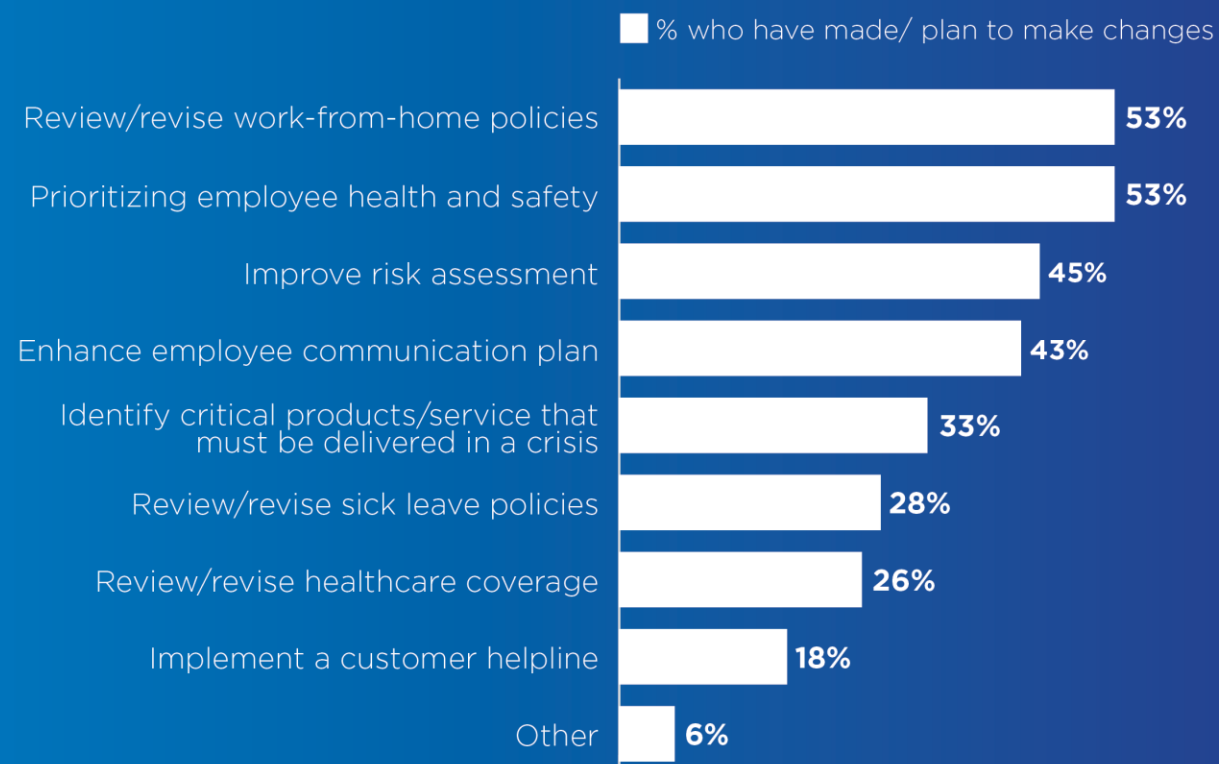
# Given this pandemic experience, most are now updating their plan

Now, having experienced this pandemic:

**86%**

have already made, or plan to make, changes to their business continuity plan

After your business's experience with the pandemic, what **changes to the continuity plan** have been or will be made?



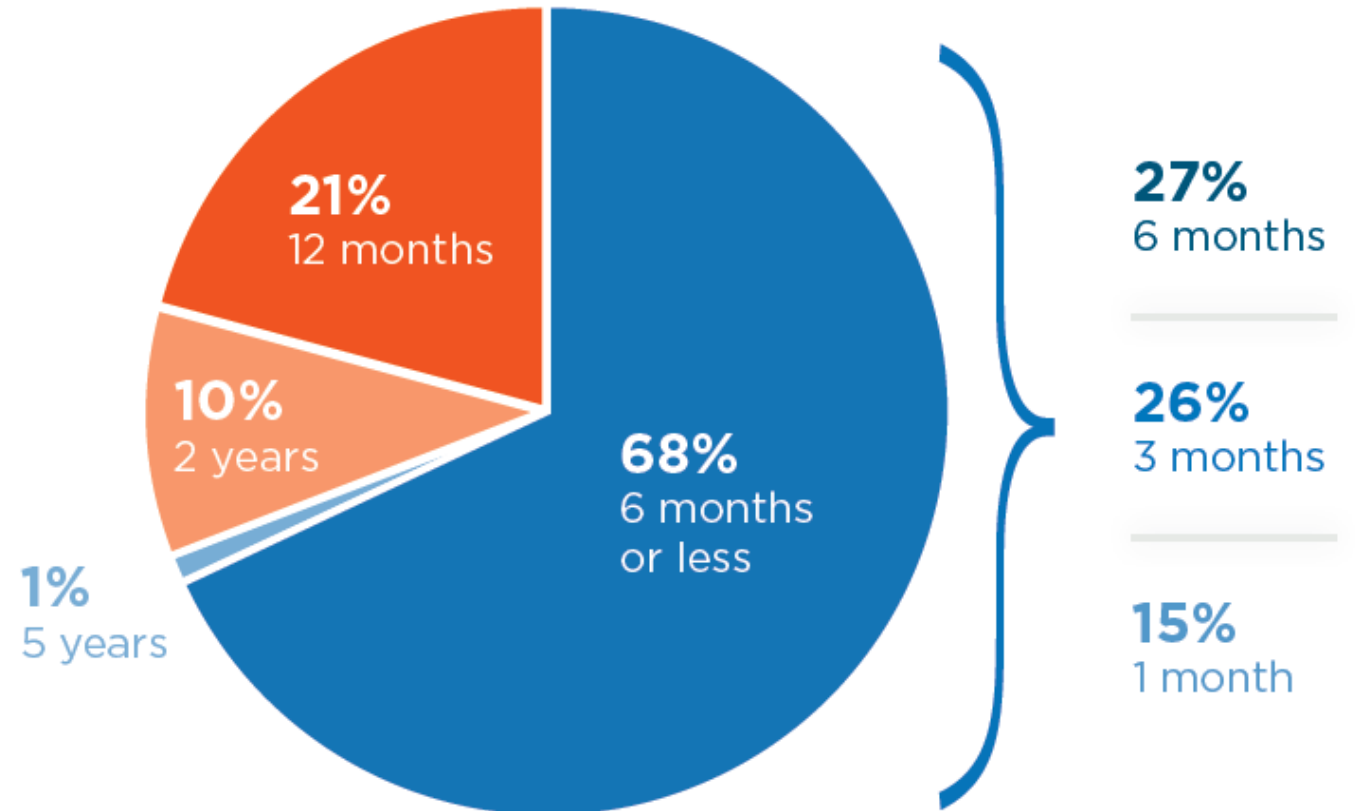


# Leaders are optimistic about recovery

**70%**

of SMB leaders have a recovery strategy in place

How long do you think it will take **for your business to bounce back** once it is at full capacity again?



# But challenges related to the economic and social environment abound

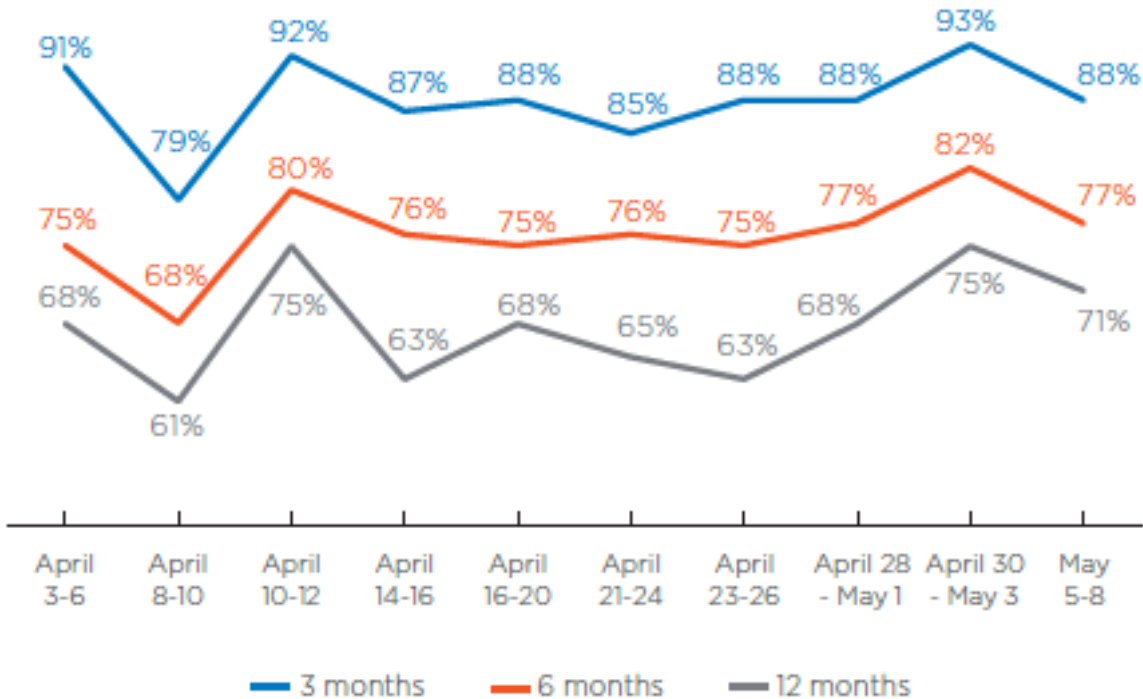
The biggest challenges to recovery have to do with the changed economic and social environment:

- Broader economic issues (78%)
  - Dealing with the economic downturn (51%)
  - Recovering from lost sales (42%)
  - Lack of demand for products/ services (35%)
- Social distancing requirements (46%)
- Sanitization protocols (27%)
- A disrupted supply chain (27%)
- Reopening at a reduced capacity (20%)

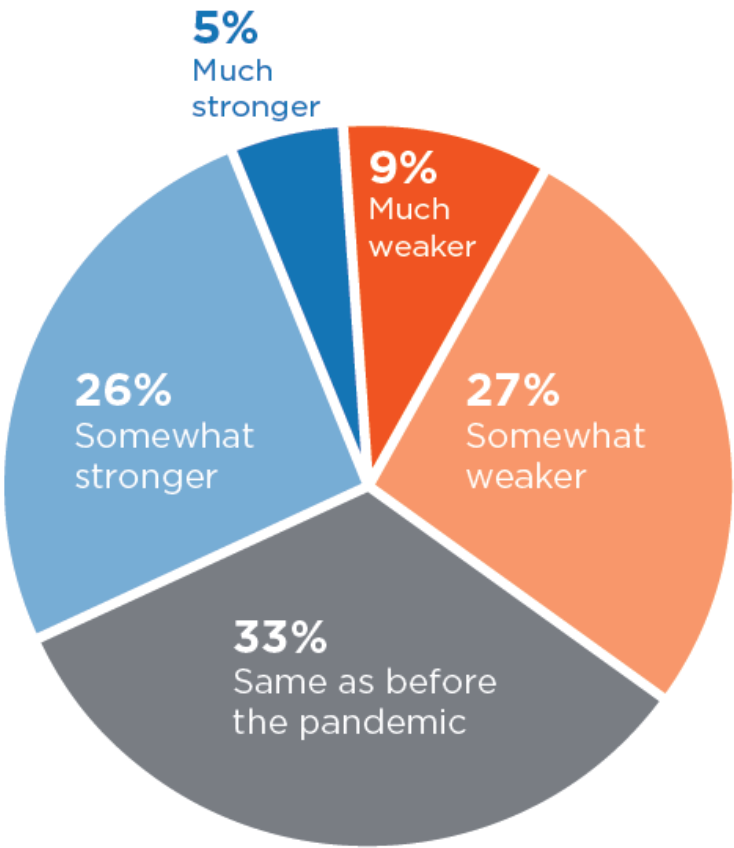


# One third of leaders expect to emerge from the pandemic stronger

Given the current circumstances, **how confident** are you that **your business will survive for another...**



Coming out of the pandemic, **to what extent do you think your business overall** will be **stronger** or **weaker** than it was before the pandemic?





# Q&A



# COVID-19 resources for SMBs


COVID-19: TriNet Business Resiliency & Preparedness Center. [Learn more](#)



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## COVID-19 Resources



**Message from our CEO**

As we come together to navigate this challenging global event, our thoughts go out to those impacted by COVID-19. TriNet continues to closely monitor the situation and is...



**CARES ACT, PPP & MORE**

Information on new legislation

Watch a collection of videos that explain the CARES Act, the Payroll Protection Plan (PPP), and learn what steps you can take to protect your business finances.



**LATEST WEBCASTS**

Upcoming and on-demand webcasts

Watch as we share expert advice and explore salient issues impacting SMBs with legal and business advisors.

[www.trinet.com/covid-19](http://www.trinet.com/covid-19)