



America's Economic Engine: The State of Small and Medium-Size Business During COVID-19

PREPARING FOR RECOVERY

Key Findings

Small- and medium-sized business (SMB) leaders are optimistically looking to the future by leveraging a recovery strategy that has their businesses bouncing back in a matter of months once operating at full capacity again. Dealing with the economic downturn and new social distancing requirements as a result of the pandemic rise to the top in terms of challenges, even more so than recovering from lost sales.

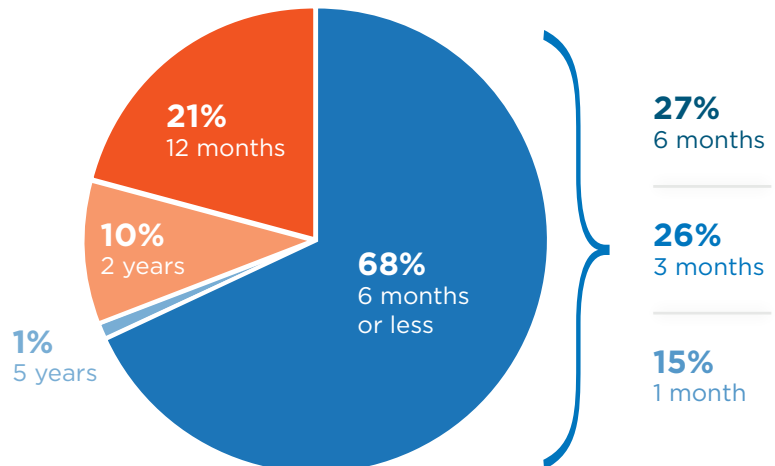
Most SMB leaders (70%) have a recovery strategy in place, and two thirds (68%) expect their businesses will be able to bounce back in 6 months or less once they're able to operate at full capacity again. About 1 in 5 (21%) expect to be able to recover in 12 months, and 11% expect recovery to take longer than that.



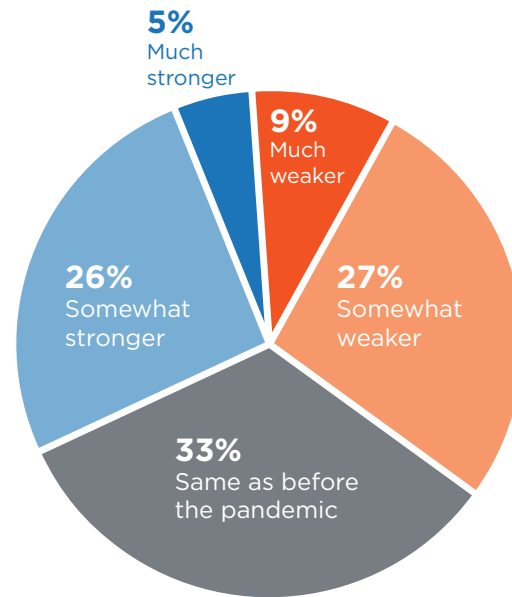
70%

of SMB leaders have a recovery strategy in place

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



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?



Recovery Challenges

When it comes to this recovery, the biggest challenges they're facing have to do with the new economic and social environment they now find themselves in. Looking ahead, they expect their greatest challenges to be:

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

SMB leaders are about evenly split on whether their business will be stronger or weaker coming out of the pandemic. 27% of SMB leaders expect a somewhat weaker business, 26% expect a somewhat stronger business, and 33% expect their overall business to be about the same as it was before the COVID-19 crisis.

Methodology

TriNet is partnering with The Harris Poll to conduct an ongoing series of surveys with business leaders in companies of 5 to 249 employees. Business leaders are qualified as either owners/partners or C-level executives. Quotas are set by company size and industry for each wave.

We surveyed 184 SMBs in latest wave of the research (May 5-8, 2020); actual distribution by company size and industry is as follows:

- 68 business leaders with 5-19 employees
- 89 business leaders with 20-99 employees
- 27 business leaders with 100-249 employees
- 50 business leaders in Main Street industries (such as automotive, construction, hospitality, manufacturing, real estate, retail, skilled trade, etc.)
- 134 business leaders in Technology, Financial Services, Professional Services, Life Science, Non-Profit, or other industries

This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

About TriNet

TriNet (NYSE: TNET) provides small and medium size businesses (SMBs) with full-service HR solutions tailored by industry. To free SMBs from HR complexities, TriNet offers access to human capital expertise, benefits, risk mitigation and compliance, payroll and real-time technology. From Main Street to Wall Street, TriNet empowers SMBs to focus on what matters most—growing their business.

Go to **TriNet.com** to get started or speak with a TriNet representative at **888.874.6388**.

About The Harris Poll

The Harris Poll is one of the longest-running surveys in the U.S., tracking public opinion, motivations and social sentiment since 1963. It is now part of Harris Insights & Analytics, a global consulting and market research firm that strives to reveal the authentic values of modern society to inspire leaders to create a better tomorrow. We work with clients in three primary areas; building twenty-first-century corporate reputation, crafting brand strategy and performance tracking, and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible.