
COVID-19 Impact on Iowa Businesses - Survey 2

United Way of Central Iowa

Service Area Report of Nonprofits

July 20, 2020

Prepared For:



The information used in this report is from an online survey conducted on behalf of the Iowa Economic Development Authority, from May 14 through May 29 of all Iowa businesses. Overall, 9,681 businesses responded to the survey. The University of Northern Iowa is providing local summaries to help communities and organizations in understanding the ongoing impact of the COVID-19 crisis on local businesses and to assist local partners in identifying recovery strategies.



Research conducted by:

University of Northern Iowa
Business & Community Services
Institute for Decision Making | Strategic Marketing Services

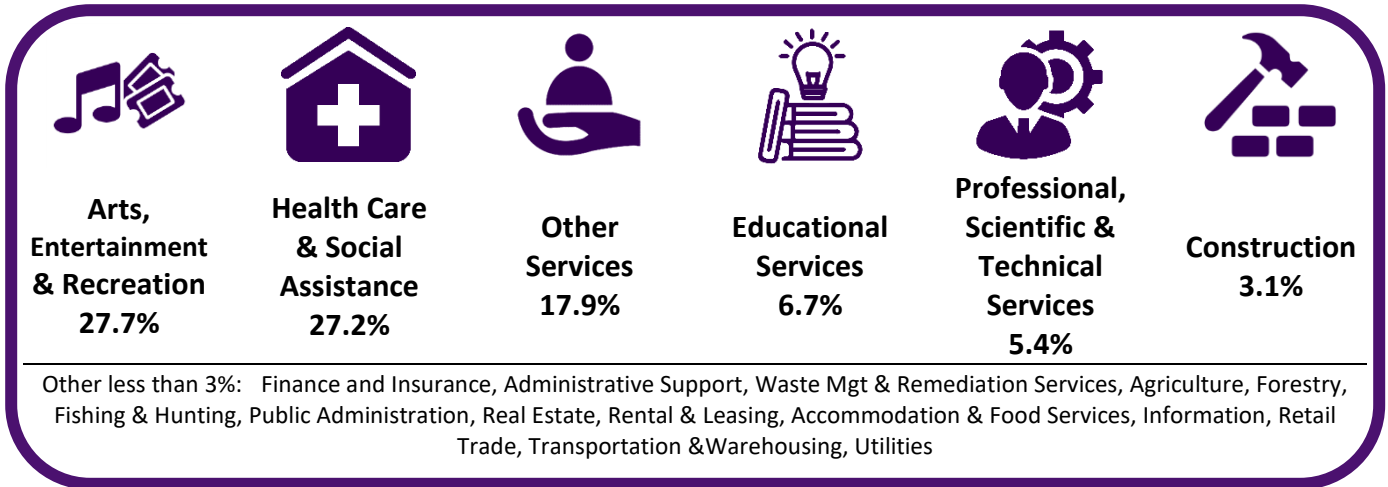


A project of the EDA's University Center

About the Respondents:

Survey 2 had 224 participating respondents representing nonprofit businesses within the United Way of Central Iowa’s service area of Polk, Dallas and Warren Counties. As a comparison, 206 nonprofit respondents completed Survey 1 in March. Nonprofit businesses from several industry sectors (Figure 1) and various employee sizes offered responses to the survey questions.

Figure 1: Respondents by Industry Sector



Just over 47% of the survey respondents were small businesses with fewer than 10 employees and over 68% had fewer than 25 employees (Figure 2).

Survey respondents were asked to provide 2019 annual revenue data by selecting an appropriate revenue range. A total of 198 respondents provided 2019 annual revenue information (Figure 3).

Figure 3: Average Annual 2019 Revenue

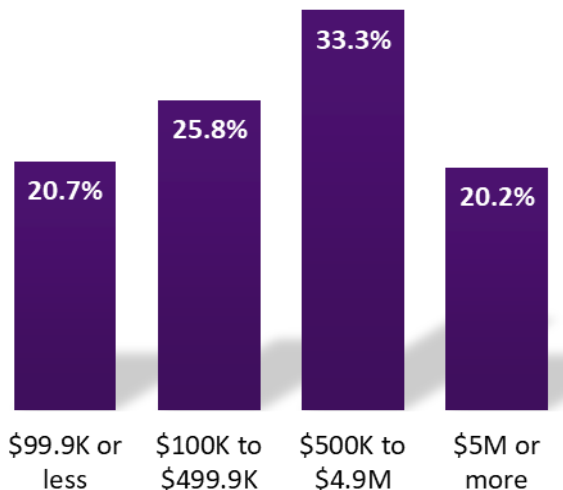
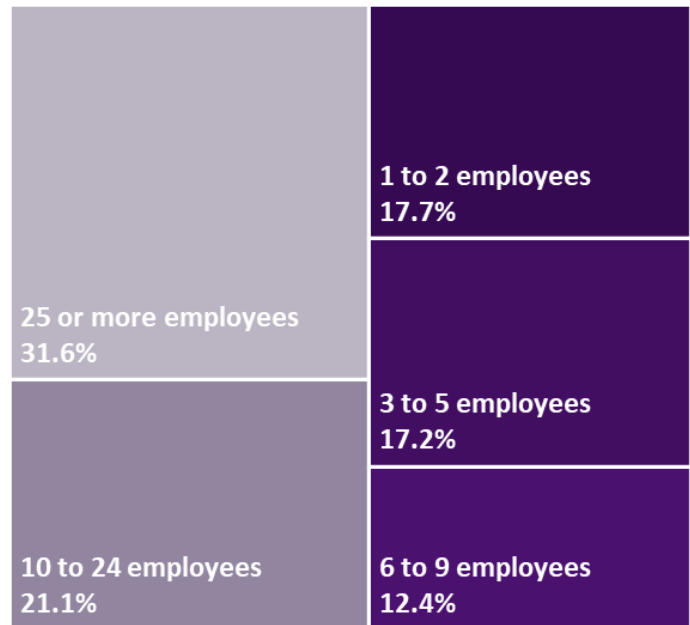


Figure 2: Respondents by Business Employment Size



Average 2019 annual revenue: \$7,693,787
Median 2019 annual revenue: \$749,950

Organizational Impact of the Coronavirus (COVID-19) Outbreak:

Respondents were asked about the impact of the outbreak overall (Figure 4) and on specific areas of business (Figure 5). In general, the overall impact percentages from respondents in Survey 2 were very similar to the percentages in Survey 1. When comparing areas of business impact to Survey 1 responses, Survey 2 respondents were for the most part in alignment with issues noted by Survey 1 respondents. One notable difference was in employee availability, where 33.8% of Survey 2 respondents experienced an impact, 17.7 percentage points lower than Survey 1's respondents.

Figure 5: Overall Impact

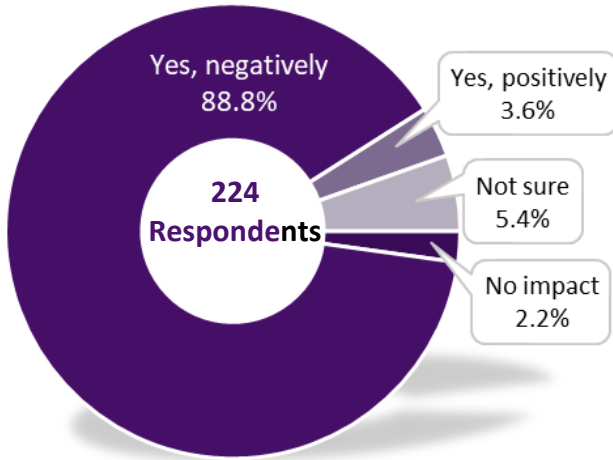
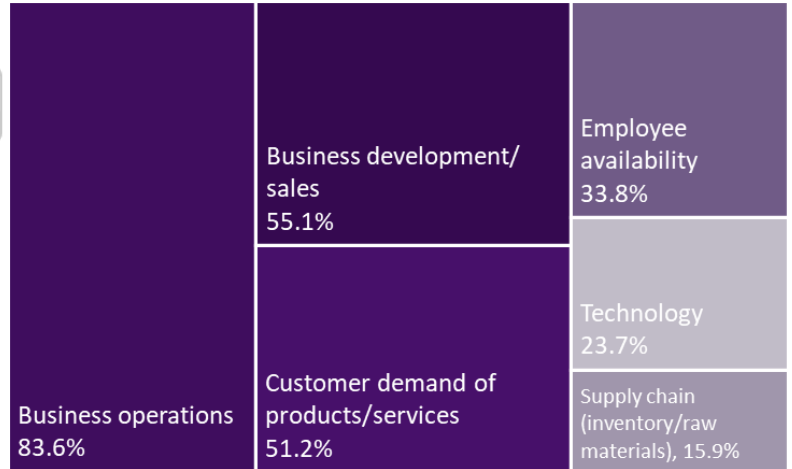


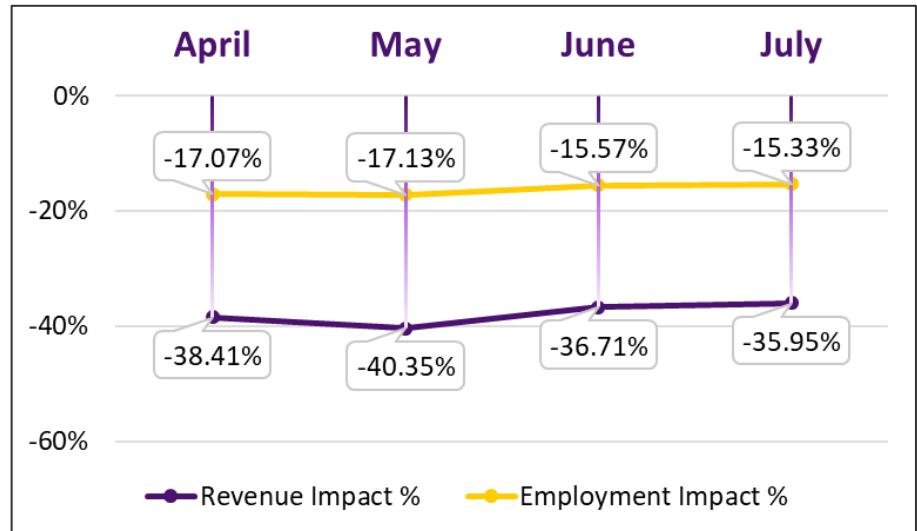
Figure 4: Areas of Business Impact



Estimated Impact on Revenue and Employment

Respondents noted a continuing negative impact on revenue and employment (Figure 6). Respondents indicated April revenues decreasing by over 38%, and employment levels decreasing by about 17%. Respondents expect to see an ongoing negative outlook in the coming months, with very little to no improvement through July.

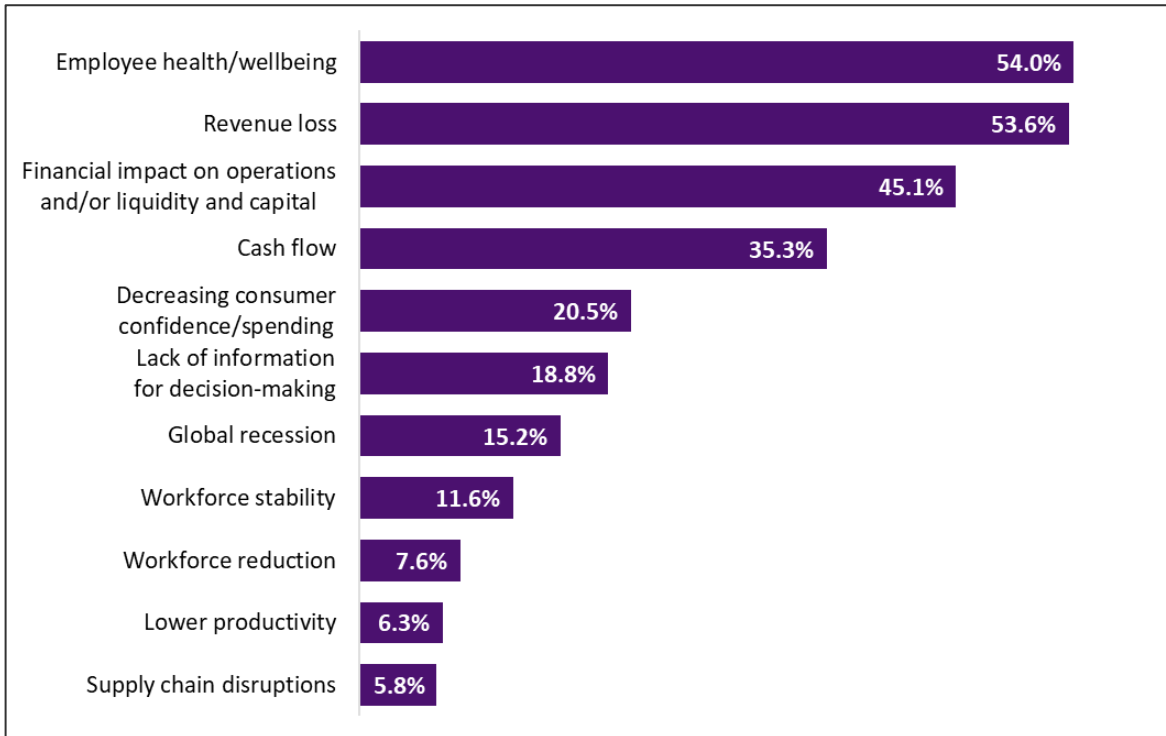
Figure 6: Current and Expected Impact on Revenue and Employment



Top Concerns with Respect to COVID-19

Over half of the respondents (54.0%) indicated that employee health/wellbeing was one of their top three concerns in regard to coronavirus (COVID-19). Other top concerns included revenue loss (53.6%) and financial impacts to operations, liquidity and capital (45.1%) (Figure 7). Respondents were least concerned about impacts on tax and trade issues (2.2%).

Figure 7: Top Organizational Concerns with Respect to COVID-19



Financial Assistance Applications

Respondents were asked which, if any, financial assistance options they had applied for (Figure 8) and the status of their applications (Figure 9). Over 27% of the respondents indicated that they had not applied for financial assistance. Of those that did apply, 240 applications were submitted to various programs.

Figure 8: Financial Assistance Options Sought by Respondents

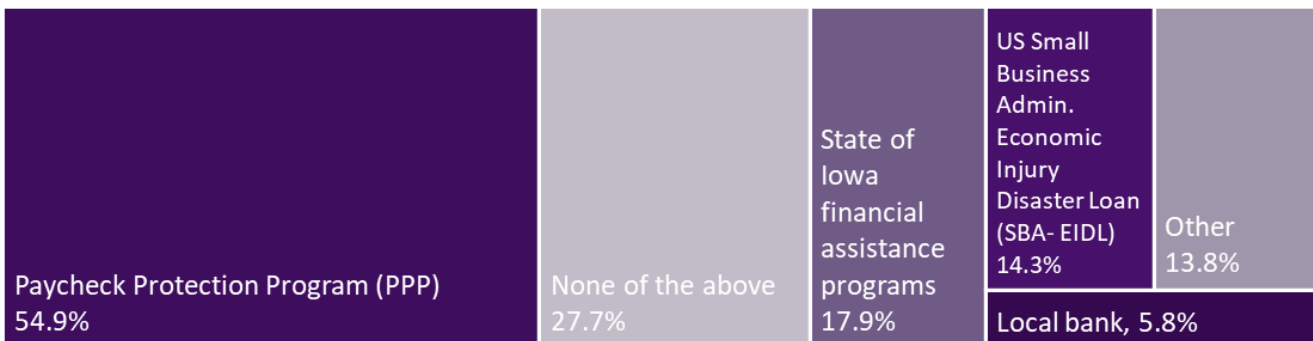
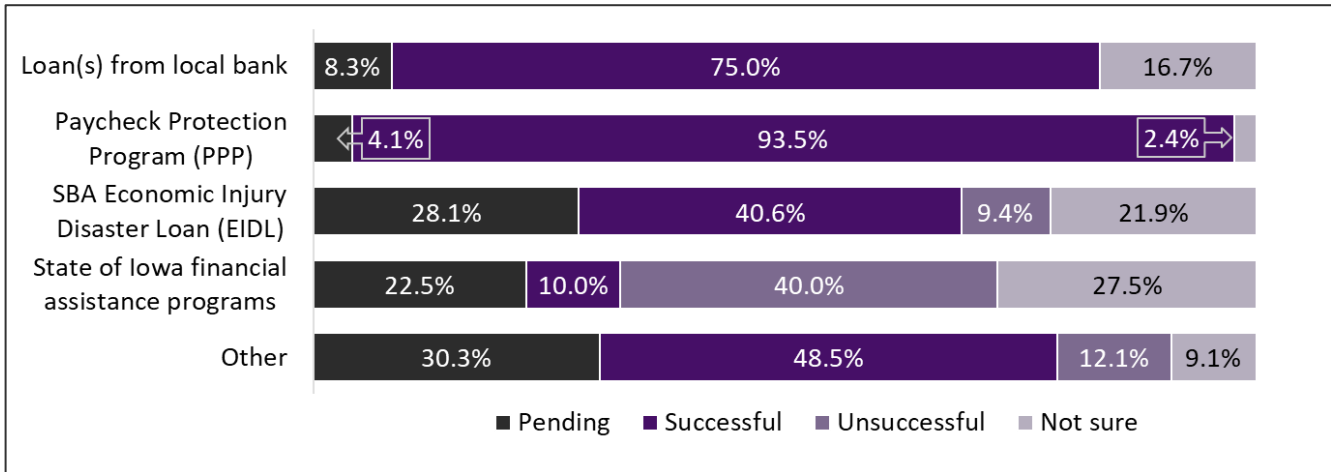


Figure 9: Status of Financial Assistance Applications



Organizational Precautions & Concerns

Respondents were asked about the precautions taken or planned by their organization to limit the spread of COVID-19 within the workplace (Figure 10) and their level of concern for certain barriers the organization may face as employees return or continue working in the workplace (Figure 11). Top precautions included limitations on the size of in-person meetings (58.9% of respondents) and increased sanitation efforts (58.0% of respondents), followed by mask or other PPE requirements (49.6%).

Figure 10: Precautions Implemented or Planned

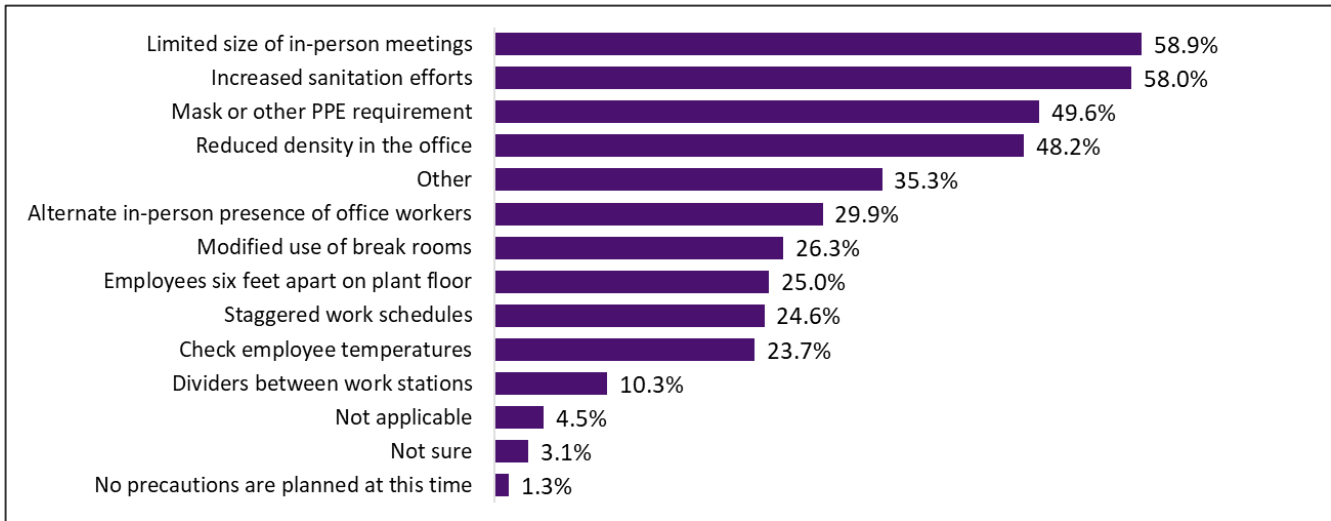
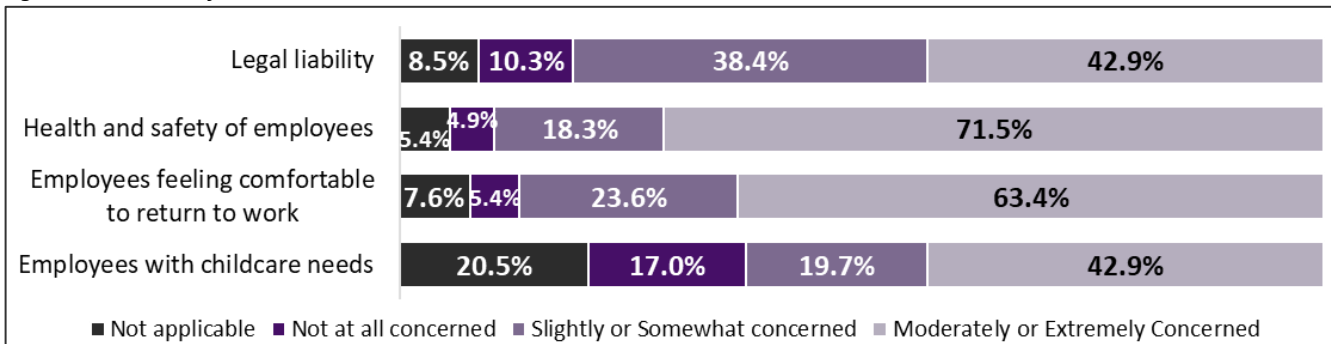


Figure 11: Concern for Potential Barriers



Online Sales Presence

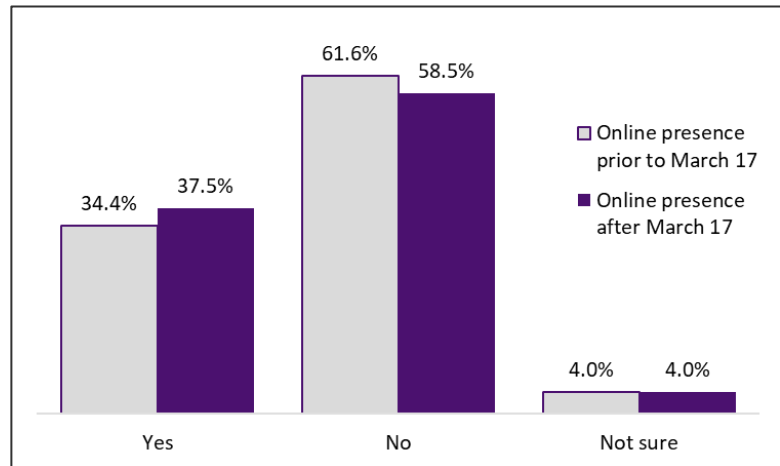
Over 34% of respondents reported having an online presence prior to March 17th of 2020. This grew by three percentage points to 37.5% after March 17th (Figure 12)

Around 14% of the respondents with an online sales presence noted that online sales supplemented between 1 and 10% of normal monthly revenue in March, increasing to 22% in April and May.

While over half of respondents indicated that online sales or services were not applicable, others identified top barriers to offering online sales or services which included:

- Knowledge of software or technology to implement (17.0%)
- Time (13.8%)
- Adequate internet connection in the region (11.6%)
- Cost (10.3%)

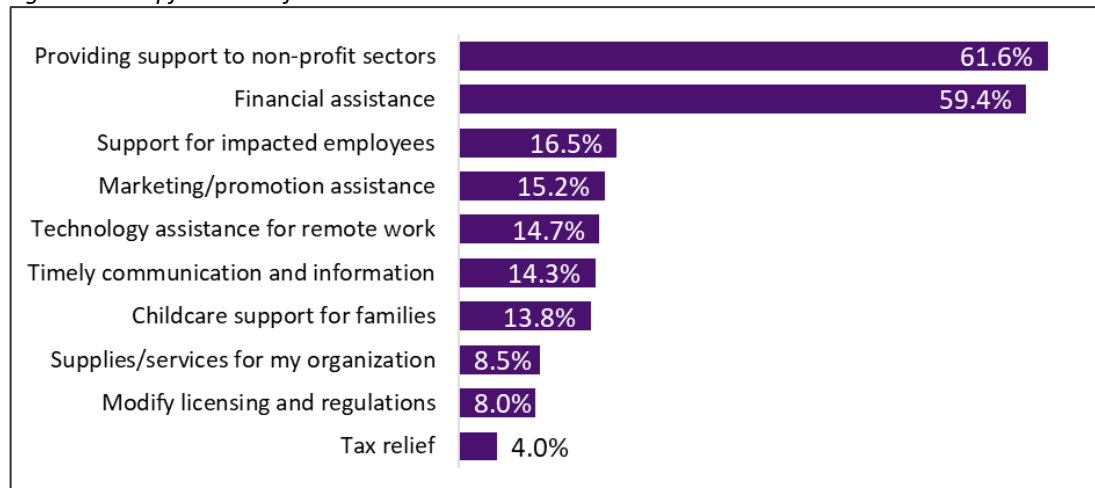
Figure 12: Online Sales Presence Before and After March 17



Helpful Assistance or Resources

Respondents were asked about the types of assistance that would be most helpful to their organizations. Support for nonprofit sectors was selected by over 61% of the respondents, and Financial Assistance was selected by about 60% of the respondents (Figure 13).

Figure 13: Helpful Areas of Assistance



The most common areas of providing support for nonprofits were financial assistance through grants, donations or tax credits, and technical assistance in the form of information, resources, and training. Financial assistance was detailed most commonly as being needed for operating costs.

Nonprofit Sector – Additional Questions

Nonprofit sector respondents reported losing an average of 224 volunteer hours per month as the COVID-19 crisis continues. On average, 43.7% of these nonprofit organizations’ clients, customers or beneficiaries were no longer being served or received reduced or incomplete services as a result of COVID-19 impacts. Nonprofit respondents were asked to estimate the dollar amount needed by their organization to meet expenses from May to August 2020 due to COVID-19 related revenue decreases, and if it was made available, how it would be used (Figure 14).

Figure 14: Funds Needed For:

