

**2020
Business
Impact and
Workforce
Trends
Report**



INDUSTRIES REPRESENTED

As the COVID-19 pandemic began to take hold earlier this year, life as we knew it was upended and changed. Who would have predicted such upheaval when we rang in 2020? Schools closed, businesses shuttered, lockdowns ordered, millions of jobs lost.[i] It's been a lot. And yet, in the midst of everything, creativity and innovation abound and there's much hope for improved ways of living and working.

As we forge our way forward, the new "normal" is looking different than the old normal. None of us has a roadmap, and we are all making our way through the ambiguity as best we can. Challenging times like this can feel isolating, and you may be wondering how your experiences compare with others. How are most companies faring through the COVID-19 pandemic? How are employees working now? What are companies anticipating for the future?

To try to understand these issues, we conducted a survey in September, 2020, with companies representing a wide range of industries, including:



Alcoholic Beverages



Aerospace



Architecture Services



Airlines



Financial



Government



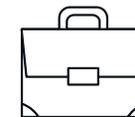
Services/Banking/Insurance



Healthcare



Advertising/PR



Professional Services/Consulting

[i] According to the Pew Research Center, 15% of Americans have lost their jobs due to the COVID-19 pandemic and 25% report that someone in their household has lost a job a result of the pandemic ("Economic Fallout From COVID-19 Continues to Hit Lower-Income Americans the Hardest," September 24, 2020).

Of our survey respondents:

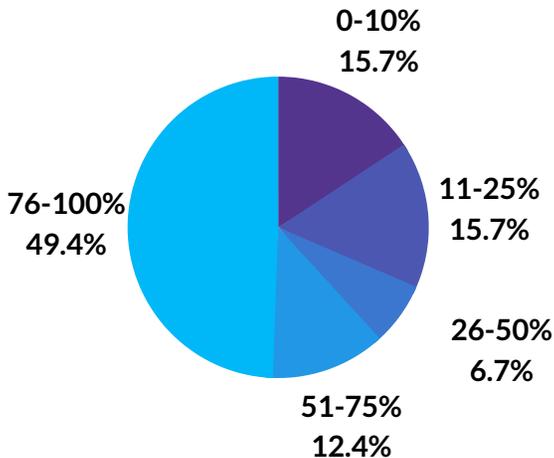
- 38% are small companies with 100 or less full-time employees
- 16% have 101-500 employees
- 11% have 501-1000 employees
- 11% have 1,001-5,000 employees
- 24% have more than 5,000 employees.

Here is what they said...

REMOTE WORK

When lockdowns began in March, many offices closed their doors and employees moved to remote work. Our respondents were no different, and the vast majority of them still have large percentages of staff working from home (See Figure 1).

Figure 1: What percentage of your employees are working remotely right now?



MANAGEMENT CHALLENGES

As employees moved to remote work and many companies were forced to rethink their business, managers and leaders have faced numerous challenges presented by the COVID-19 pandemic.

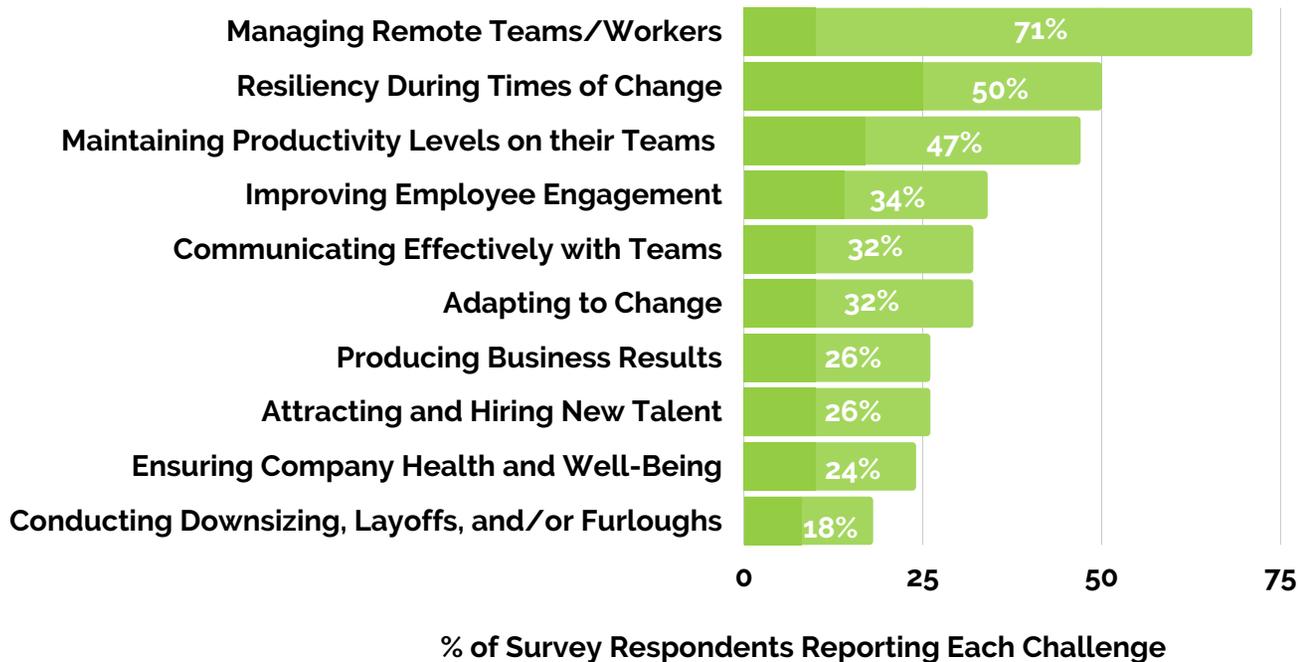
We asked our respondents about the greatest challenges facing their managers and leaders in 2020, and the challenge reported most often was “Managing remote teams/workers” (71%). Other top challenges included “Resiliency during times of change” (50%) and “Maintaining productivity levels” (47%).

The top ten responses are illustrated in Figure 2. Unsurprisingly, not one company said that they faced no challenges.



TOP 10 CHALLENGES IN 2020

Figure 2: What have been the greatest challenges for your organization's managers and leaders in 2020?
(Respondents could select more than one.)



The majority of companies (84%) indicated that they are actively working to address these challenges. Of those companies:

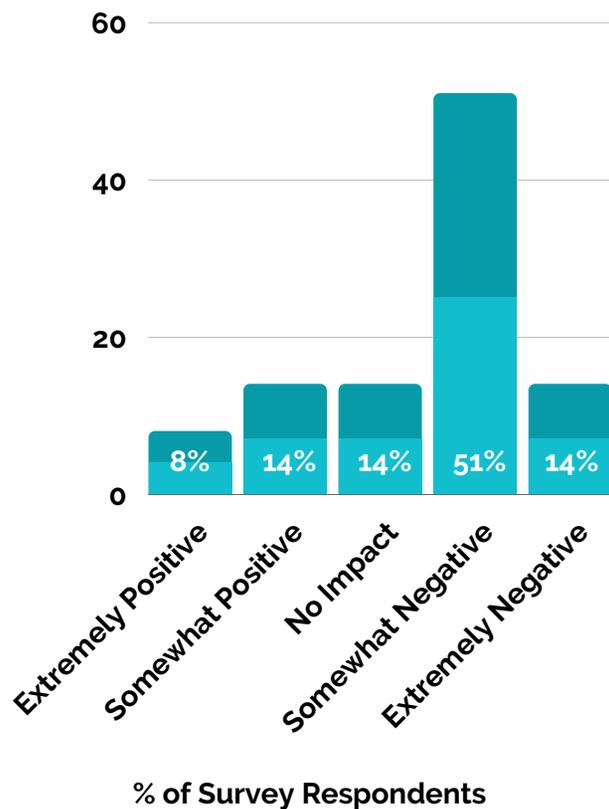
- 56% are addressing challenges by creating solutions internally
- 14% are partnering with external firms
- 14% are actively addressing challenges through some combination of creating internal solutions and partnering with others

COVID-19'S IMPACT ON REVENUES AND OPERATIONS

The COVID-19 pandemic has not affected every industry and company in the same way (see Figure 3). For airlines and healthcare organizations, in particular, the impact of COVID-19 on revenues has been somewhat negative or extremely negative.

71% of survey respondents say managing remote teams has been their biggest challenge in 2020

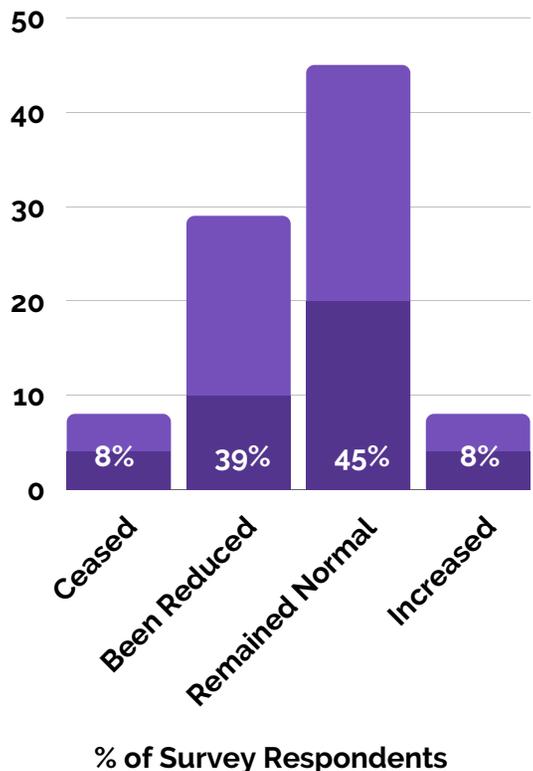
Figure 3: COVID will have a(n) _____ impact on my organization's 2020 revenues.



Similarly, the COVID-19 pandemic has affected business operations in different ways for different companies.

While the largest number of respondents indicated that their business operations have remained normal or have had little disruption this year (45%), almost as many reported that their operations have been reduced (39%). Again, companies noting reduced operations included those in the airline and healthcare industries. See Figure 4.

Figure 4: So far in 2020, business operations have:



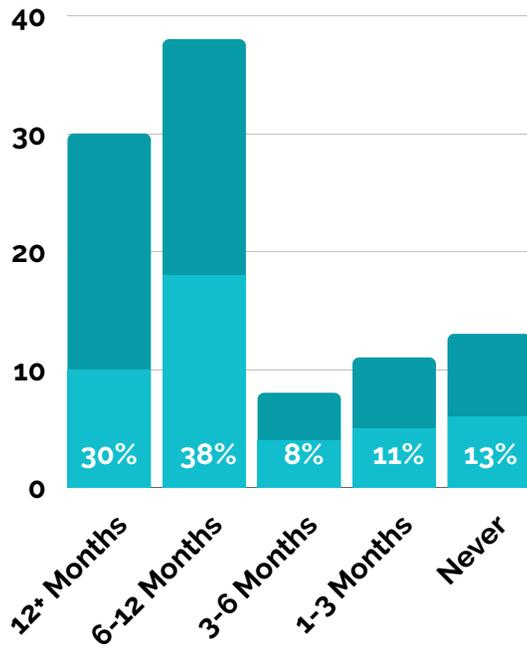
LOOKING FORWARD

We will eventually emerge from the pandemic, but how long will it take? Of course, some businesses will return to some sense of “normal” sooner than others, depending on how the pandemic has affected them.

The majority of companies (38%) anticipate a return to “normal” operations in 6-12 months. Those that are most optimistic, 19%, are predicting a return to “normal” in less than six months. Thirteen percent, however, say they will never get back to “normal” operations. See Figure 5.



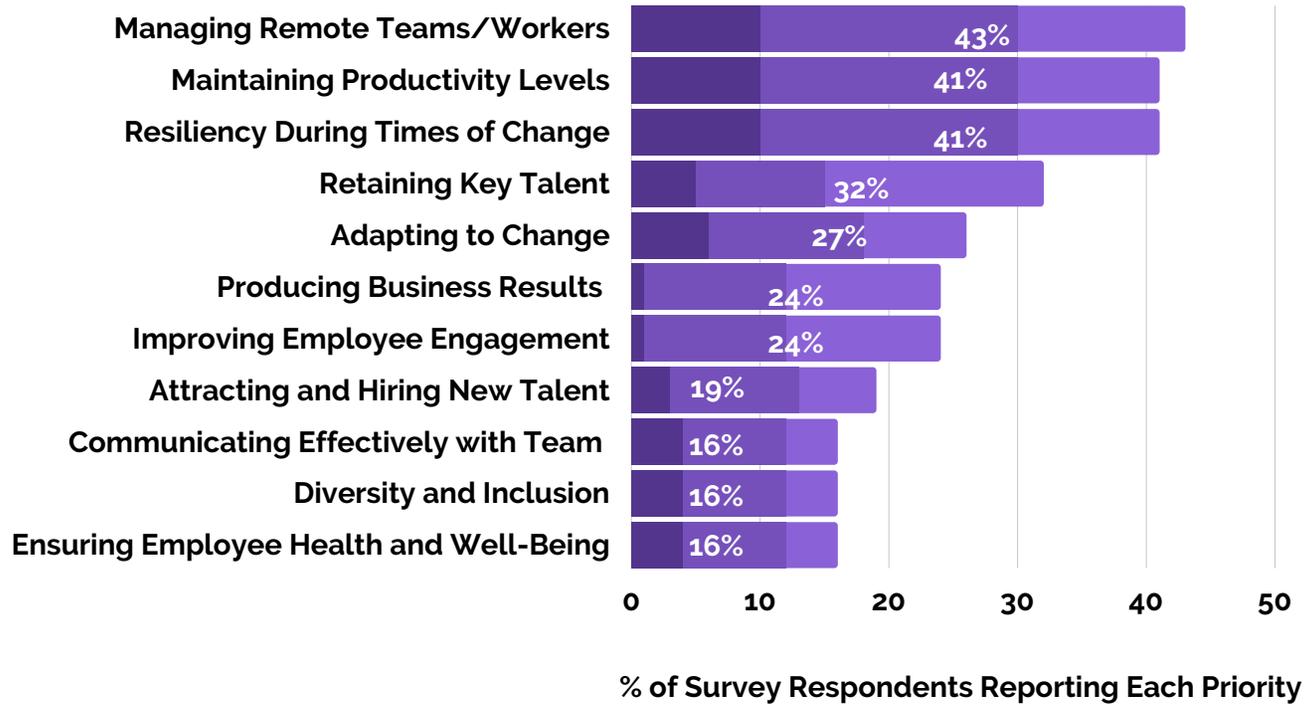
Figure 5: Our business is predicting standard business operations to return to “normal” in:



% of Survey Respondents

In this season of business planning for next year, companies are focused on continuing to address the challenges they reported facing this year (as illustrated in Figure 2). In addition to the challenges faced in 2020, “Diversity and inclusion” is another priority for many for 2021, making the top 11. See Figure 6 for the top eleven 2021 priorities identified by our respondents.

Figure 6: As you plan ahead for 2021, what are your top 3 priorities for supporting your employees, managers and leaders?



% of Survey Respondents Reporting Each Priority

This year has taught most of us a lot. We clearly never know what lies around the corner, so it is important to always stay nimble. In many ways, the pandemic has sent us fast-forward toward new ways of interacting and working. Many of these ways of working are likely to remain as our new “normal.” As we emerge from the pandemic’s hold, these possibilities that may have seemed so future-oriented will be our new reality.



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