

The Survey Center

NH Small Business Development Center

Phase 2 Business Resiliency Survey

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The University of New Hampshire Survey Center

The UNH Survey Center is an independent, non-partisan academic survey research organization and division of the UNH College of Liberal Arts.

The Survey Center conducts telephone, mail, web, and intercept surveys, as well as focus groups and other qualitative research for university researchers, government agencies, public non-profit organizations, private businesses and media clients.

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The NH Small Business Development Center (NH SBDC) is the leading resource for business advising and education for small businesses in the Granite State. SBDC's team of certified business advisors provides highly individualized, confidential advising, at no charge to NH enterprises. Whether a company is just getting started, seeking capital, bringing new products to market, or improving operations, SBDC's team can help them achieve their goals.

NH SBDC is funded in part through a Cooperative Agreement with the U.S. Small Business Administration (SBA) and through assistance provided by the State of NH. NH SBDC is an outreach program of the UNH Peter T. Paul College of Business and Economics in conjunction with SBA, the State of NH (BEA), the University of NH, and the private sector.

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Executive Summary

The University of New Hampshire Survey Center conducted a survey for the NH Small Business Development Center (SBDC) to assess the impact of COVID-19 on small businesses throughout New Hampshire. This is Phase 2, the second iteration of the SBDC Business Resilience Survey, following the first iteration which was conducted in June 2020. By better understanding the challenges and needs of NH business owners, economic development partners can more effectively help businesses recover and become more resilient.

Fifty-six business organizations partnered with the NH SBDC by sending an open-link email invitation to participate in the survey to their member businesses. The survey partners represented a wide range of industries, business associations and regions. They were encouraged to send periodic reminders to potential respondents. Overall, one thousand six hundred and eleven (1,611) participants from 174 towns and cities completed the survey between February 1 and February 22, 2021.

The following figures display survey results including any demographic differences. Due to rounding, percentages may not sum to 100%.

The Phase 2 NH SBDC Business Resiliency Survey was made possible with funds from the CARES Act.

Key Findings

Demographics

Businesses located in the Seacoast and in Northern NH responded most prodigiously. Responding businesses most commonly report belonging to the arts, entertainment, and recreation, the accommodation and food services, the retail trade, and the professional, scientific, and technical services industries. Nearly a third of respondents say their business is affiliated with a Chamber of Commerce, more than a quarter are affiliated with the NH Small Business Development Center (SBDC), and nearly one in five are affiliated with the U.S. Small Business Administration NH District Office.

Open Status During COVID-19 Pandemic

Nearly half of respondents say their business has reduced its hours of operation since the COVID-19 pandemic began and one-third have closed temporarily. Most of those who reduced their hours say their business cut more than a quarter of their hours and half of those who closed temporarily say they did so for one to three months. Businesses that closed temporarily most often did so due to health and safety concerns, being required to close by government order, or due to a loss of revenue, while others report closing because they were homeschooling children or were caring for a family member, because of suspected or confirmed COVID-19 cases, or because employees were unable or unwilling to work.

Employees

The average respondent's business has just twelve employees which is largely unchanged since June but is down slightly compared to mid-February 2020, when the average business had a reported average of just under fifteen employees. Nearly half say they currently have the same number of employees as they did in February 2020 while three in eight report having fewer employees.

Finances

Seventy percent of respondents say their business has seen its monthly revenue decrease as a result of the COVID-19 pandemic. While this proportion remains high, it has fallen since June 2020 (83%). Respondents cite the same top four factors as they did in June 2020 - a decline in sales, reduced hours of operation, being required to close, and supply chain interruptions - as the primary factors that have caused their business to experience financial losses, with a decline in sales clearly the most important factor. Three in eight say their accounts receivable have been slower as a result of the pandemic, down from nearly half in June, while a quarter report deferring or modifying their payments to vendors due to COVID-19, also lower than in June.

Relief Programs

Three-quarters of respondents say their business applied for financial relief in 2020 and just over half plan to apply for relief in 2021. The Payroll Protection Program was by far the most commonly utilized federal relief program; nine in ten respondents say their business received it, while just over half received an Economic Injury Disaster Advance or Loan. Among state, municipal, and private relief programs, three-quarters received relief through unemployment for their employees and through the Main Street Relief Fund while nearly two-thirds received relief through unemployment for themselves. Use of unemployment for oneself or one's employees has increased dramatically since June 2020, when only about a quarter reported using these relief options. Overall, respondents are far more likely than in June 2020 to report that their business received relief from federal, state, municipal, and private sources.

Resiliency

Only one in six respondents say their business had a resiliency or continuity plan prior to the COVID-19 pandemic but another fifth of respondents say their business has developed one since. Larger businesses are more likely than others to have had a plan before the onset of the pandemic. Most businesses who do have a resiliency or continuity plan report lacking at least one important component of their plan.

Nearly two-thirds of respondents believe that resiliency planning will be very important or somewhat important to their business in the future, including more than three-quarters of those with a plan but also a majority of those who say their business currently lacks such a plan.

Management of Business

As a result of COVID-19, just over half of respondents say their business has purchased PPE for their employees while four in ten have maintained or brought employees back under the Payroll Protection Program and just over a third have changed the layout of their business to protect employees. Businesses are slightly more likely than in June to report having purchased PPE and changed the layout of their business. One in five businesses have some employees working remotely, unchanged since June 2020, with larger businesses more likely to do so.

Respondents also reported innovations and modifications that their business has implemented due to COVID-19 with more than a quarter now offering new products or services, collaborating with other businesses, and using e-commerce. When asked about one successful thing their business has done in response to COVID-19, respondents most frequently mention that they changed how they deliver or produce their products or that they protected the health of employees or customers, while others mention how they implemented remote or virtual work or practiced better external communication or advertising.

Recovery

Nineteen percent of respondents say that their business is better off financially than they were in June 2020, 35% say they are in about the same position financially, and 42% are worse off. Businesses in the health care and social assistance and the manufacturing industries are more likely to say they are better off.

As in June, maintaining sales and revenue and maintaining customers are by far the biggest concerns of respondents as their businesses recover from COVID-19, followed by concerns about the availability of the COVID-19 vaccine for employees and public acceptance of the vaccine. Majorities also are concerned about supply chain disruptions, access to capital, cybersecurity, timely payment of bills, and energy costs. Concern about timely payment of bills and access to PPE have declined since June but concern over access to COVID-19 testing and cybersecurity have increased.

Going Forward

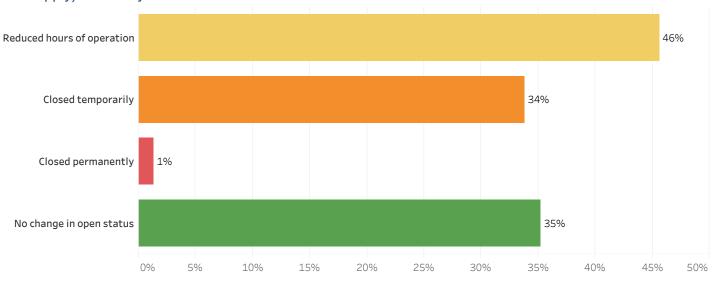
Respondents most frequently cite renewed access to customers, health and safety guidance, financial assistance, and access to the COVID-19 vaccine for their employees as most important to their business in the future. Mirroring results in June 2020, most businesses plan to continue the changes and innovations they made in response to COVID-19 even after the pandemic has passed; more than three-quarters of those who are utilizing e-commerce, collaborating with other businesses, offering takeout, offering new products or services, and having employees work from home plan to continue doing so.

Respondents are more confident than they were in June in the continued survival of their business in the short and long-term as more than four in five respondents are confident their business will be operating in twelve months. Very small businesses, those in Northern NH, and those in the arts, entertainment, and recreation industry are particularly more confident than they were in June. Respondents are also more bullish than in June in their expectations for the recovery of the state's economy to pre-pandemic levels. Few still believe that this will happen within three months, but more than seven in ten are confident it will happen within twelve months.

Open Status During COVID-19 Pandemic

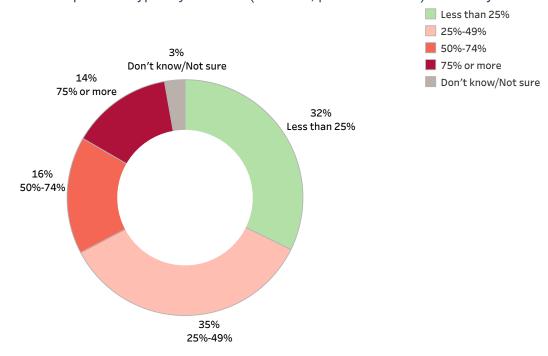
Forty-six percent of respondents say that their business reduced their hours of operation since February 15, 2020, one-third (34%) say that their business closed temporarily, 1% say that their business closed permanently, and 35% say their business has had no change in its open status since that time.

Figure 1: Which of the following has happened to your business since February 15, 2020? (Please select all that apply) - February 2021



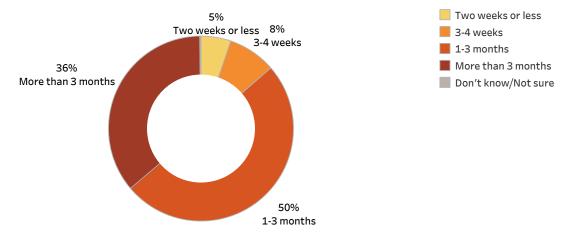
Among those who say their business reduced their hours since February 15th, 2020 (N=722), one-third (32%) say that while operating under reduced hours their business typically reduced their hours by less than 25%. Thirty-five percent say their business typically reduced hours by 25%-49%, 16% typically reduced hours by 50%-74%, 14% typically reduced hours by 75% or more, and 3% don't know or are unsure.

Figure 2: Since February 15, 2020, when your business was operating under reduced hours, by about how much were your business's hours of operation typically reduced? (If unsure, please estimate) - February 2021



Among those who say their business closed temporarily since February 15th, 2020 (N=536), only 5% say their business closed for two weeks or less while 8% say they were closed for three to four weeks. Half (50%) of respondents whose business closed temporarily say it closed for one to three months while 36% say it closed for more than three months and less than 1% don't know or are unsure.

Figure 3: Since February 15, 2020, how long in total has your business been temporarily closed? (If unsure, please estimate) - February 2021



Among those who say their business reduced their hours, closed temporarily, or closed permanently since February 15th, 2020 (N=1,040), large numbers say they reduced their hours or closed because of health and safety concerns (43%), because they were required to close per government order (42%), or because of a loss of revenue (36%). Fewer respondents say their business reduced their hours or closed because employees were unwilling or unable to work (16%), because they were unable to get a sufficient workforce to maintain operations (16%), because of suspected or confirmed COVID-19 exposure (12%), due to homeschooling children (7%), due to caring for a family member (3%), or because they closed for the season (2%). Nineteen percent say they reduced hours or closed for another reason while 3% say none of these are reasons they reduced hours or closed.

Figure 4: Why did your business close or reduce its hours of operation? (Please select all that apply) - February 2021

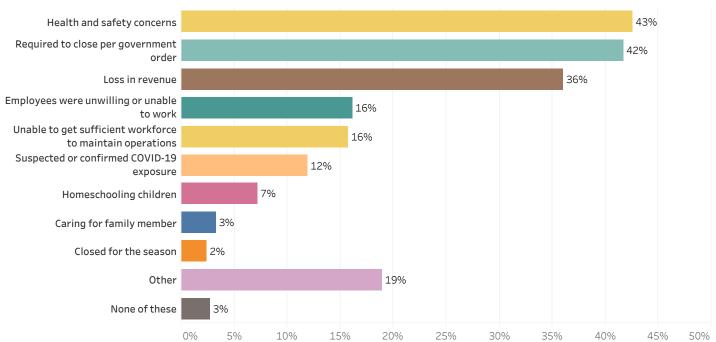
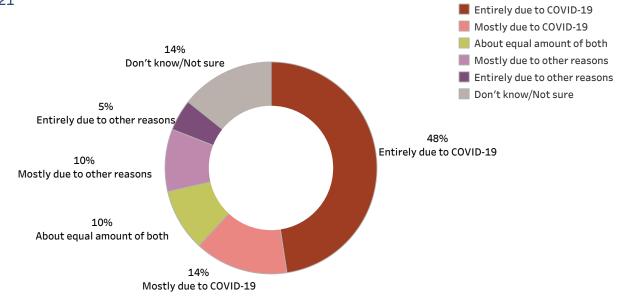


Figure 5: Would you say your business closed permanently due to COVID-19 or due to other reasons? - February 2021



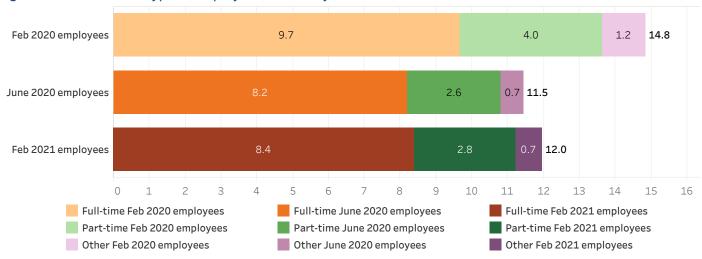
Employees

Respondents report that on February 15th, 2020, their businesses on average employed 14.8 people in the state of New Hampshire; on average they had 9.7 full-time employees, 4.0 part-time employees, and 1.2 other types of employees at that time.

In June 2020, respondents report their businesses employed on average 11.5 people in New Hampshire; on average they had 8.2 full-time employees, 2.6 part-time employees, and .7 other types of employees.

Currently, respondents say their businesses employ on average 12.0 people in New Hampshire; on average they have 8.4 full-time employees, 2.8 part-time employees, and .7 other types of employees.

Figure 6a: Number and type of employees - February 2021

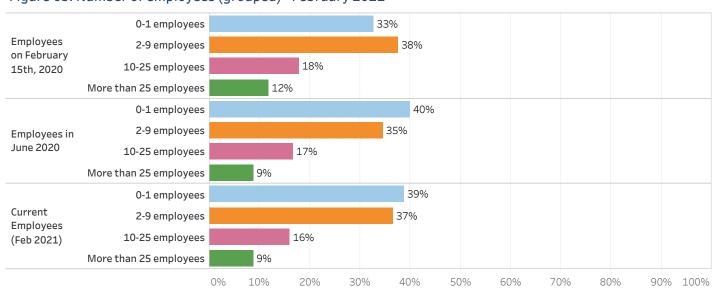


On February 15th, 2020, 33% of respondents say their business employed one person or no one, 38% employed 2-9 people, 18% employed 10-25 people, and 12% had more than 25 employees.

In June 2020, 40% report their business employed one person or no one, 35% say they employed 2-9 people, 17% employed 10-25 people, and 9% had more than 25 employees.

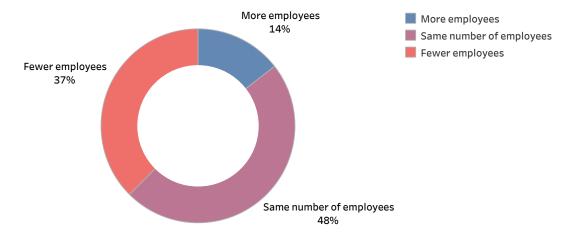
Currently, 39% of respondents say their business employs one person or no one, 37% employ 2-9 people, 16% employ 10-25 people, and 9% have more than 25 employees.

Figure 6b: Number of employees (grouped) - February 2021



Fourteen percent of responding businesses currently have more employees than they did on February 15th, 2020; 48% have the same number of employees now as they did in February while 37% have fewer employees.

Figure 7: Change in number of employees since February 15, 2020 - February 2021

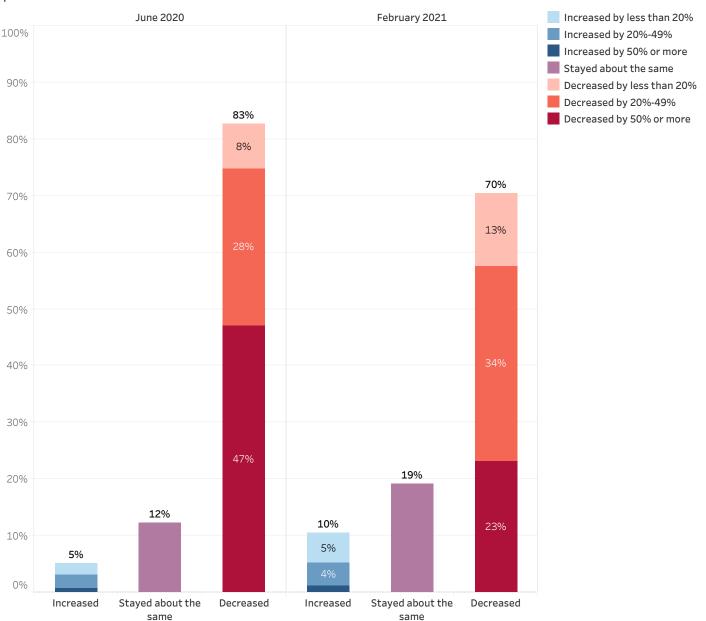


Finances

Seventy percent of respondents say their business has seen its monthly revenue decrease as a result of the COVID-19 pandemic; 13% of respondents say their business's monthly revenue has fallen by less than 20%, 34% say their revenue has fallen by 20%-49%, and 23% say their revenue has fallen by 50% or more. Nineteen percent of respondents say their monthly revenue has stayed about the same, while 10% say their revenue has increased by less than 20% (5%), 20%-49% (4%), or by 50% or more (1%).

The proportion of respondents who say that their monthly revenue has decreased as a result of the COVID-19 pandemic (70%) remains high but has fallen since June 2020 (83%).

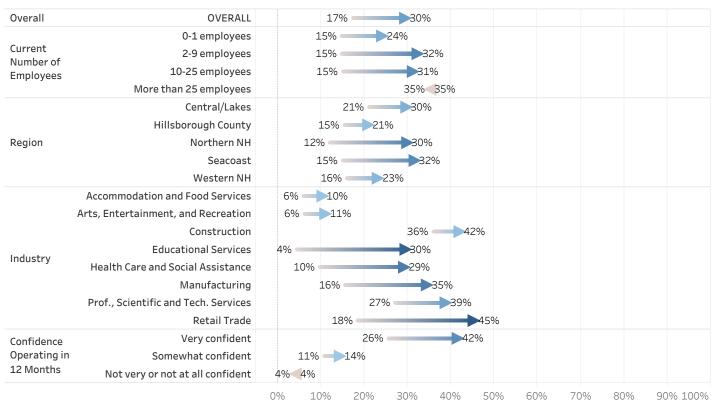
Figure 8a: To the best of your knowledge, how has your monthly revenue been affected by the COVID-19 pandemic?



- February 2021
- Businesses with 2-9 employees (+17 percentage points) and those with 10-25 employees (+16) are a good deal more likely
 than in June to say that their monthly revenue has increased or stayed about the same as a result of the COVID-19
 pandemic.
- Businesses in all regions of the state are more likely than in June to say that their monthly revenue has increased or stay about the same as a result of the COVID-19 pandemic. Businesses located in Northern NH (+18) and the Seacoast (+17 percentage points) have seen the largest increase since June in the percentage of businesses whose revenue has increased or stayed the same.
- Businesses in the retail trade (+27 percentage points), educational services (+26), health care and social assistance (+19 percentage points) and the manufacturing (+19) industries are substantially more likely than in June to say that their monthly revenue has increased or stayed about the same as a result of the COVID-19 pandemic.
- Respondents who are very confident that their business will be operating in twelve months (+16 percentage points) are a good deal more likely than in June to say that their monthly revenue has increased or stayed about the same as a result of the COVID-19 pandemic but others are no more likely than in June to say so.

Figure 8b: To the best of your knowledge, how has your monthly revenue been affected by the COVID-19 pandemic?- Change from June 2020 to February 2021

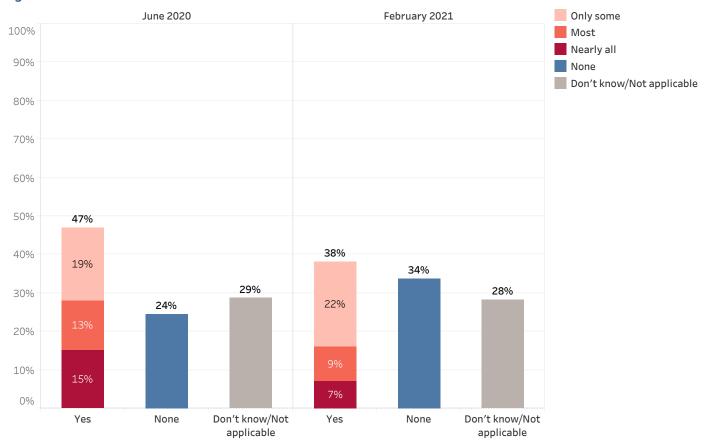
Increased or stayed about the same



Thirty-eight percent of respondents say their business's accounts receivable (money owed to company by customers) from customers have been slower due to COVID-19; 22% say that only some have been slower, 9% say most have been slower, and 7% say that nearly all have been slower. Just over a third (34%) of respondents say their accounts receivable have not been slower while 28% say they don't know or the question is not applicable.

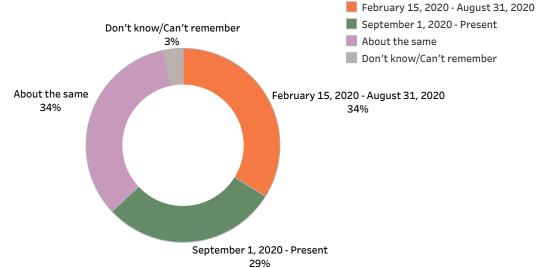
Respondents are less likely than in June 2020 to say that any of their accounts receivable from customers have been slower due to COVID-19.

Figure 9: Have accounts receivable from customers been slower due to COVID-19?



Among those who say at least some of their accounts receivable have been slower (N=612), 34% say their accounts receivable were slower from February 15, 2020 - August 31, 2020, 29% say their accounts receivable were slower from September 1, 2020 to the present, while 34% say the two periods have been about the same and 3% don't know or can't remember.

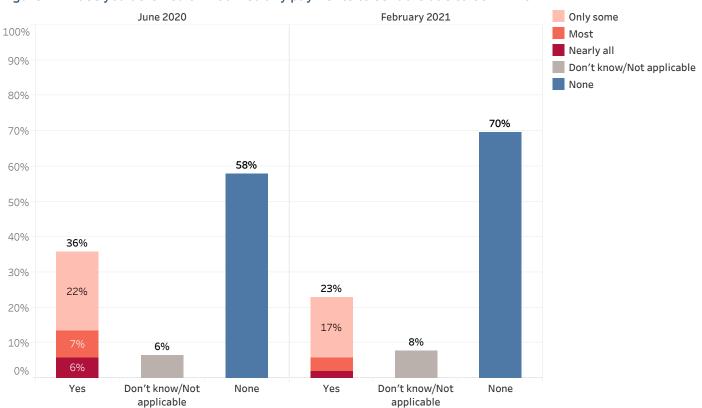
Figure 10: Were your accounts receivable slower from 2/15/2020 to 8/31/2020 or from 9/1/2020 to the present? - February 2021



Twenty-three percent of respondents say their business has deferred or modified payments to vendors due to COVID-19; 17% have deferred or modified only some of these payments, 4% have deferred or modified most, and 2% have deferred or modified nearly all of them. Seventy percent of respondents say their business has not deferred or modified any payments while 7% don't know or say the question is not applicable.

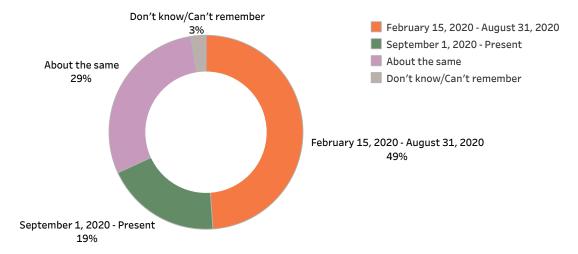
Respondents are less likely than in June 2020 to say that they have deferred or modified any payment to vendors due to COVID-19.





Among those who say they have deferred or modified at least some of their payments (N=358), 49% say they deferred or modified payments more often from February 15, 2020 - August 31, 2020, 19% say they have deferred or modified payments more often from September 1, 2020 to the present, while 29% say the two periods have been about the same and 3% don't know or can't remember.

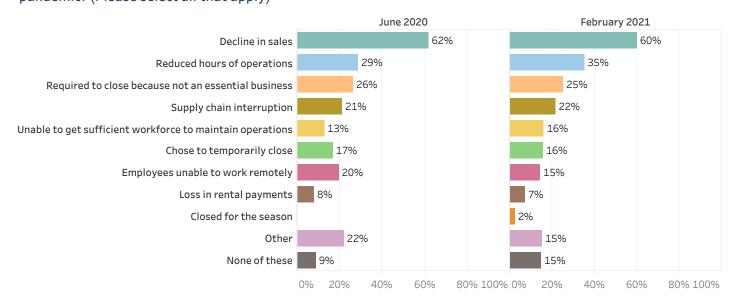
Figure 12: Have you deferred or modified payments more often from 2/15/2020 to 8/31/2020 or from 9/1/2020 to the present? - February 2021



Sixty percent of respondents say that a decline in sales has caused their business to experience financial losses as a result of the COVID-19 pandemic and 35% have experienced financial losses due to reduced hours of operation. A quarter or less say they have experienced financial losses due to being required to close because they were not an essential business (25%), due to supply chain interruption (22%), because they were unable to get a sufficient workforce to maintain operations (16%), because they chose to temporarily close (16%), because employees were unable to work remotely (15%), due to a loss in rental payments (7%), or because they closed for the season (2%). Fifteen percent say they experienced financial losses in another way as a result of the COVID-19 pandemic while 15% say their business has not experienced any of these things.

When asked what caused them to experience financial losses, respondents cite the same top four factors as they did in June 2020. A slightly larger percentage of respondents than in June 2020 say that reduced hours of operation have caused them to experience financial losses while a slightly smaller percentage say employees being unable to work remotely has caused them to experience financial losses.

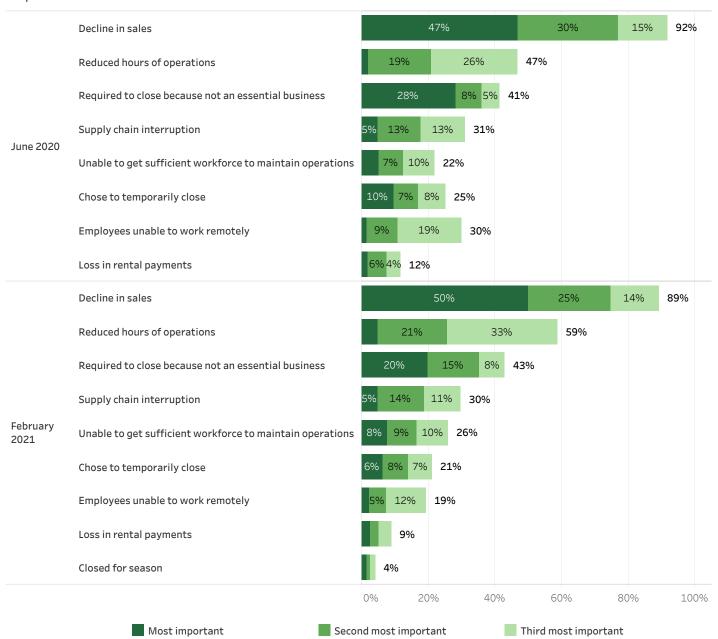
Figure 13: Which of the following has caused you to experience financial losses as a result of the COVID-19 pandemic? (Please select all that apply)



Nearly all respondents (89%) say that a decline in sales has had the most (50%), second most (25%), or third most (14%) impact on their business's finances, while 59% say that reduced hours of operation is among the three most important factors impacting their business's finances and 43% say the same about being required to close because their business was not deemed essential. Fewer respondents say that supply chain interruption (30%), being unable to get a sufficient workforce to maintain operations (26%), choosing to temporarily close (21%), employees being unable to work remotely (19%), a loss of rental payments (9%), or closing for the season (4%) are among the three most important factors impacting their business's finances.

Compared to June 2020, a larger percentage of respondents say that reduced hours of operation is among the three most important factors impacting their business's finances while a smaller percentage say employees being unable to work remotely is among the top three most important factors.

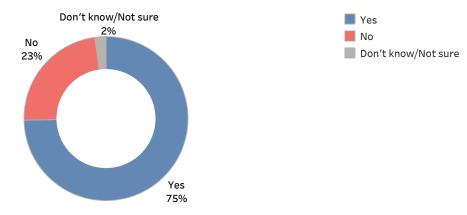
Figure 14: Which of the following have had the greatest impact on your business's finances? - Three most important



Relief Programs

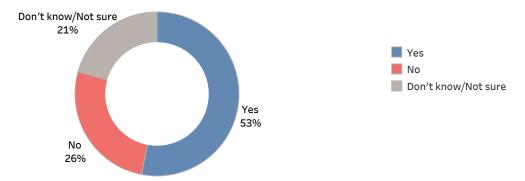
Three-quarters (75%) of respondents report that their business applied for some type of relief in 2020, 23% did not do so, and 2% don't know or are unsure.

Figure 15: Did your business apply for relief in 2020? - February 2021



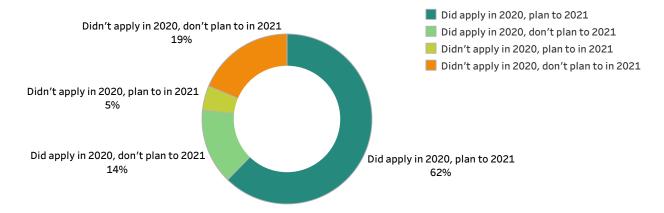
More than half (53%) of respondents say they plan to apply for relief for their business if it is available in 2021, 26% do not plan to do so, and 21% don't know or are unsure.

Figure 16: Do you plan to apply for relief if it is available in 2021? - February 2021



Sixty-two percent of respondents say that they applied for relief for their business in 2020 and plan to do so in 2021. Fourteen percent say they did apply for relief in 2020 but don't plan to in 2021, 5% say they didn't apply for relief in 2020 but plan to do so in 2021, and 19% say they didn't apply in 2020 and don't plan to in 2021.

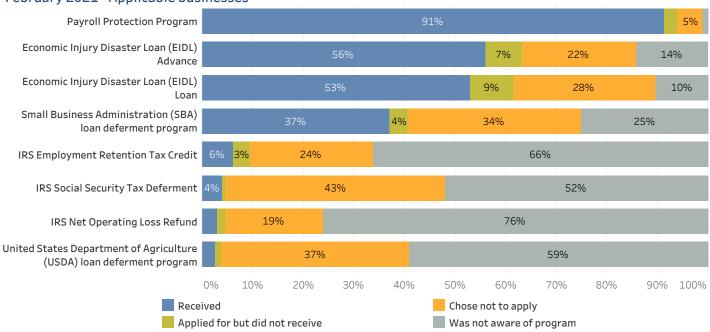
Figure 17: Application for aid in 2020 & plan for 2021 - February 2021



Among respondents who say the following programs are applicable to their business, nearly all (91%) say their business received relief from the Payroll Protection Program, while an additional 3% say they applied but did not receive relief from this program, 5% say they chose not to apply, and 1% say they were not aware of the program. Just over half say they received relief through the Economic Injury Disaster Loan (EIDL) Advance (56%) and the EIDL Loan (53%) programs, while just under one in ten say they applied for but did not receive relief through these programs and around a quarter chose not to apply. Thirty-seven percent say they received aid through the Small Business Administration (SBA) loan deferment program, 4% applied for this program but did not receive aid, 34% chose not to apply, and 25% were not aware of it.

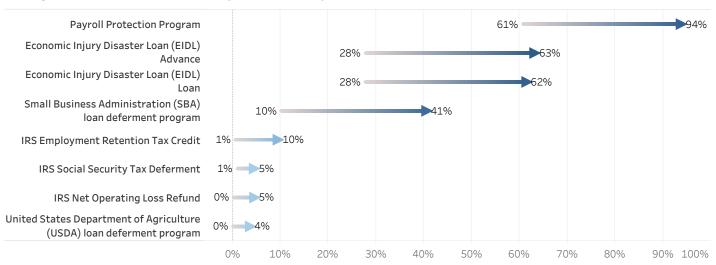
Very few respondents received relief through the IRS Employment Retention Tax Credit program (6%), the IRS Social Security Tax Deferment program (4%), the IRS Net Operating Loss Refund program (3%), or the United States Department of Agriculture (USDA) loan deferment program (3%). Majorities say they were unaware of each of these programs while others say they chose not to apply to these programs.

Figure 18a: What did your business do with regard to the following federal relief programs in 2020? - February 2021 - Applicable businesses



Among all respondents, the percentage who received or applied for the Payroll Protection Plan (+33 percentage points), an EIDL Advance (+35), an EIDL Loan (+34), or the SBA loan deferment program (+31) have increased dramatically since June 2020.

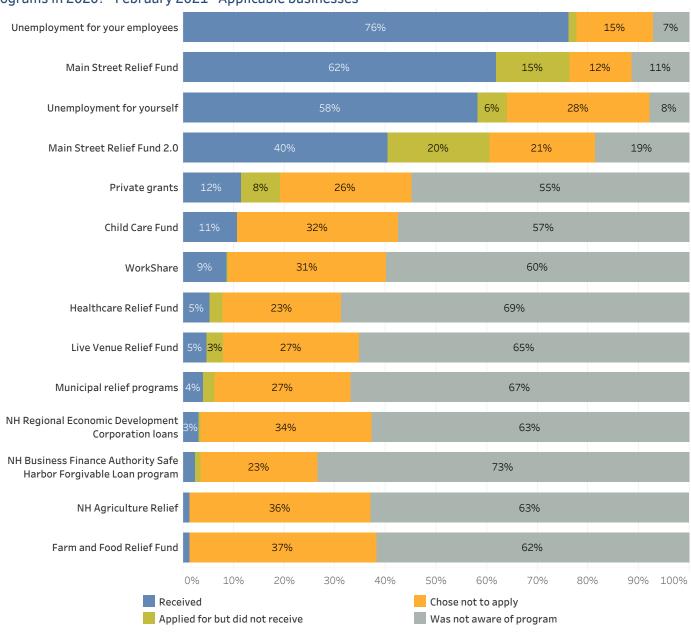
Figure 18b: Business received or applied for relief through following federal programs in 2020 - Change from June 2020 to February 2021 - All respondents



Among respondents who say the following programs are applicable to their business, more than three-quarters (76%) say their business received relief through unemployment for their employees, while an additional 1% say they applied but did not receive relief through this program, 15% say they chose not to apply, and 7% say they were not aware of the program. More than half say they received relief through the Main Street Relief Fund (62%) program and through unemployment for themselves (58%), while small numbers say they applied for but did not receive relief through these programs and others chose not to apply. Forty percent say they received aid through the Main Street Relief Fund 2.0, 20% applied for this program but did not receive aid, 21% chose not to apply, and 19% were not aware of it.

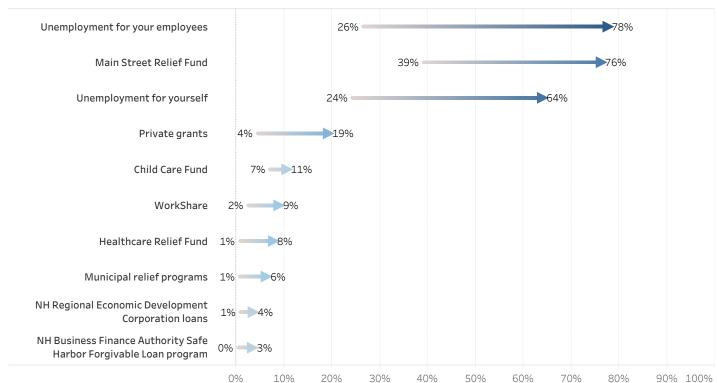
Far fewer respondents received relief through private grants (12%), the Child Care Fund (11%), WorkShare (9%), the Healthcare Relief Fund (5%), the Live Venue Relief Fund (5%), municipal relief programs (4%), NH Regional Economic Development Corporation loans (3%), the NH Business Finance Authority Safe Harbor Forgivable Loan program (2%), NH Agriculture Relief (2%), or the Farm and Food Relief Fund (1%). Majorities say they were not aware of each of these programs while between 20% and 40% chose not to apply.

Figure 19a: What did your business do with regard to the following state, municipal, or private relief programs in 2020? - February 2021 - Applicable businesses



Among all respondents, the percentage who received or applied for relief through unemployment for their employees (+51 percentage points), through the Main Street Relief Fund (+37), and through unemployment for themselves (+40) has increased dramatically since June 2020 while the percentage who received or applied for relief through private grants (+15) has increased by a smaller amount. The percentage who received or applied for the other programs has increased more modestly in that time.

Figure 19b: Business received or applied for relief through following federal programs in 2020 - Change from June 2020 to February 2021 - All respondents

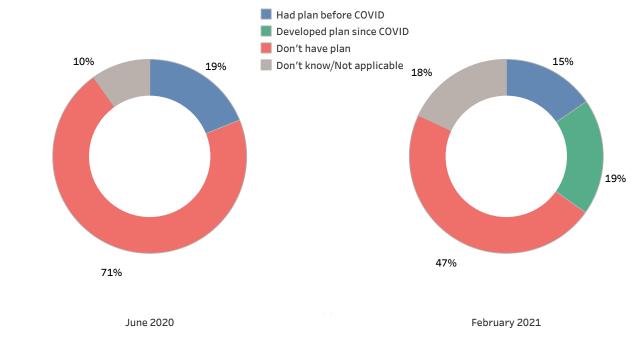


Resiliency

Fifteen percent of respondents report that their business had a resiliency or continuity plan in the event of a disaster prior to the COVID-19 pandemic, 19% have developed a plan since the pandemic began, 47% don't have a plan, and 18% don't know or say the question is not applicable.

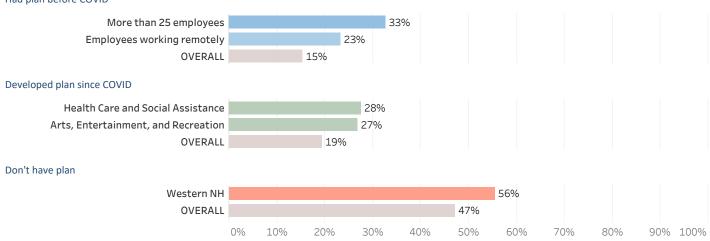
In June 2020, 19% of respondents reported that they had developed a resiliency or continuity plan prior to the pandemic and 71% did not have a plan.

Figure 20a: Did your business have a resiliency or continuity plan in the event of a disaster prior to the COVID-19 pandemic or have you created a plan since the start of the pandemic?



- Respondents whose business has more than twenty-five employees and those with employees working remotely are more
 likely than others to say that their business had a resiliency or continuity plan in the event of a disaster prior to the
 COVID-19 pandemic.
- Respondents in the health care and social assistance and the arts, entertainment, and recreation industries are more likely than others to say that their business developed a resiliency or continuity plan since the onset of the COVID-19 pandemic.
- Respondents whose business is located in Western NH are more likely than others to say that their business doesn't have a resiliency or continuity plan.

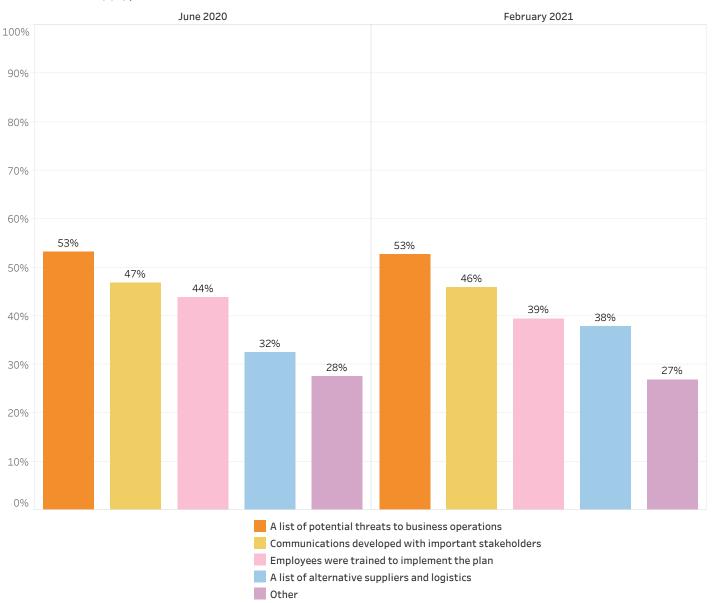
Figure 20b: Business's resiliency or continuty plan status - by Select Demographics - February 2021
Had plan before COVID



Among those who had a resiliency or continuity plan prior to the COVID-19 pandemic or have created one since (N=537), 53% say a list of potential threats to business operations is included in their plan, 46% say their plan includes communications being developed with important stakeholders, 39% say their plan includes employees being trained to implement the plan, 38% say their plan includes a list of alternative suppliers and logistics, and 27% say their plan includes another component.

Respondents with a resiliency or continuity plan are slightly more likely than in June to say that their plan includes a list of alternative supplier and logistics but are slightly less likely to say that it includes employees being trained to implement the plan.

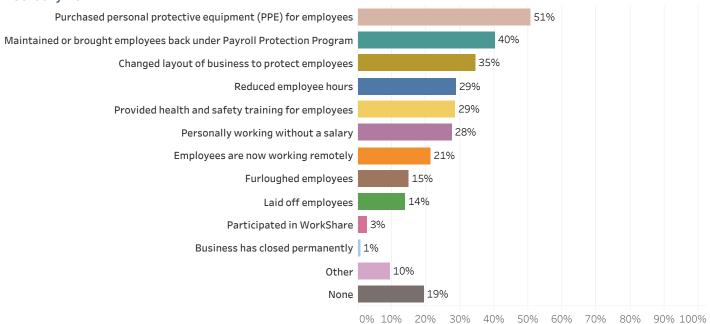
Figure 21: Which of the following components were included in your resiliency or continuity plan? (Please select all that apply)



Management of Business

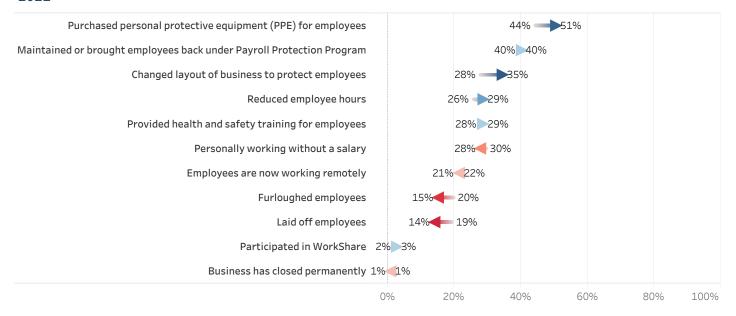
As a result of the COVID-19 pandemic, 51% of respondents say that their business has purchased personal protective equipment (PPE) for employees, 40% have maintained or brought employees back under the Payroll Protection Program, and 35% have changed the layout of their business to protect employees. Less than a third of respondents say they have reduced employees' hours (29%), provided health and safety training for employees (29%), personally worked without a salary (28%), or have employees now working remotely (21%). Slightly fewer respondents say their business has furloughed employees (15%), laid off employees (14%), participated in WorkShare (3%), or say their business has closed permanently (1%). Ten percent have managed their workforce in another way while 19% say they have done none of these things.

Figure 22a: How have you managed your business's workforce as a result of the COVID-19 pandemic? - February 2021



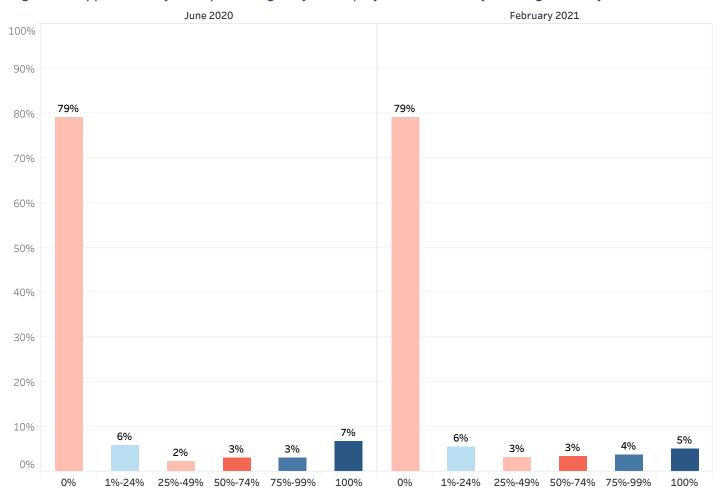
Respondents are slightly more likely than they were in June 2020 to say they have purchased personal protective equipment (PPE) for employees (+7 percentage points) and that they have made changes to the layout of their business to protect employees (+7). Respondents are slightly less likely than in June to say they have furloughed (-5) or laid off (-5) employees.

Figure 22b: How managed business as a result of COVID-19 pandemic - Change from June 2020 to February 2021



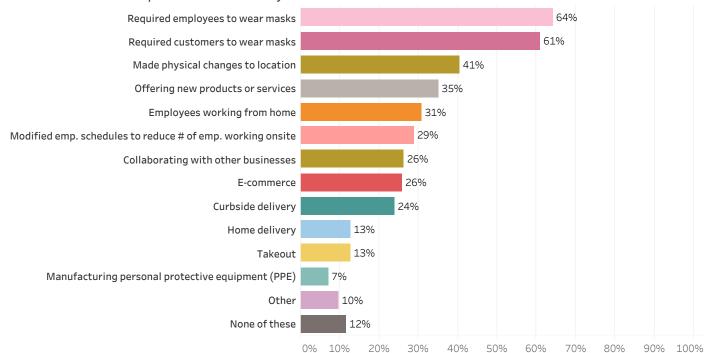
More than three in four (79%) respondents say that none of their employees are currently working remotely. Six percent say that 1%-24% of their employees are working remotely, 3% say that 25%-49% are working remotely, 3% say that 50%-74% are working remotely, 4% say that 75%-99% are working remotely, and 5% say that all of their business's employees are currently working remotely. These results align closely with those provided in June 2020.

Figure 23: Approximately what percentage of your employees are currently working remotely?



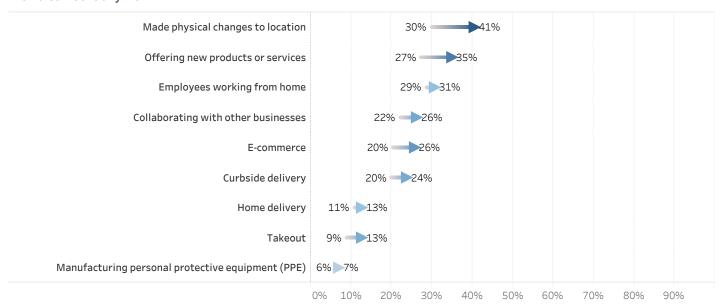
As a result of the COVID-19 pandemic, a majority of respondents say that their business requires employees (64%) or customers (61%) to wear masks. Four in ten (41%) respondents say they have made physical changes to their location, 35% are offering new products or services, 31% have employees working from home, and 29% have modified employee schedules to reduce the number of employees working onsite at any one time. About a quarter of respondents say that as a result of the pandemic they are now collaborating with other businesses (26%), using e-commerce (26%), or offering curbside delivery (24%), while fewer respondents say they now offer home delivery (13%) or takeout (13%, are manufacturing personal protective equipment (PPE) (7%), or are doing something else (10%). Twelve percent of respondents say they have not made any innovations or modifications as a result of the pandemic.

Figure 24a: Which of the following innovations or modifications have you implemented at your business as a result of the COVID-19 pandemic? - February 2021



Respondents are more likely than they were in June 2020 to say they have made physical changes to their location (+11 percentage points), are offering new products or services (+8), and are engaging in e-commerce (+6).

Figure 24b: Innovations or modifications business made as a result of COVID-19 pandemic - Change from June 2020 to February 2021

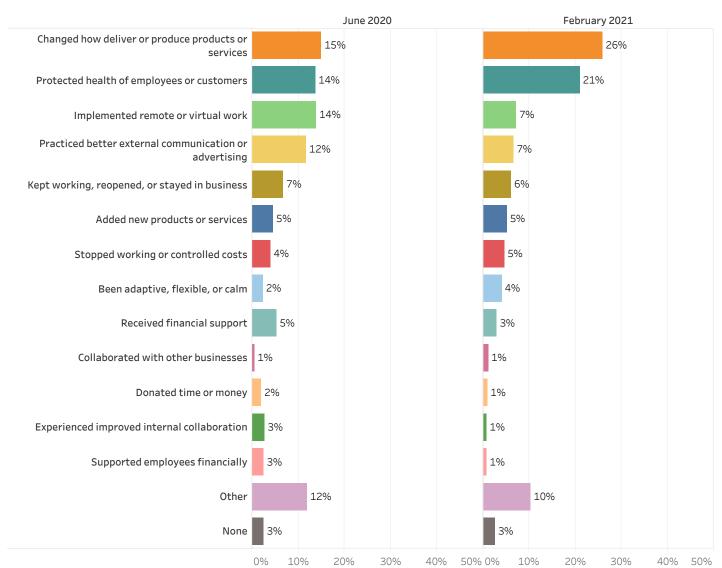


When asked for one thing their business has done in response to the COVID-19 pandemic that has been successful, 26% mention something related to changing how they deliver or produce products or services and 21% mention how they protected the health of employees or customers.

Fewer respondents say one successful thing their business has done in response to COVID-19 is that they implemented remote or virtual work (7%), that they practiced better external communication or advertising (7%), that they kept working, reopened, or just stayed in business (6%), that they added new products or services (5%), or that they stopped working or controlled costs (5%). Less than 5% note that they were adaptive, flexible, or calm (4%), that they received financial support (3%), that they collaborated with other businesses (1%), that their business donated time or money (1%), that they experienced improved internal collaboration (1%), or that they supported employees financially (1%). Ten percent mention another type of successful thing their business has done in response to COVID-19 while 3% say nothing has been successful.

Respondents are more likely than in June 2020 to cite changing how they deliver or produce products or services and protecting the health of employees or customers as one thing their business did in response to the COVID-19 pandemic that has been successful.

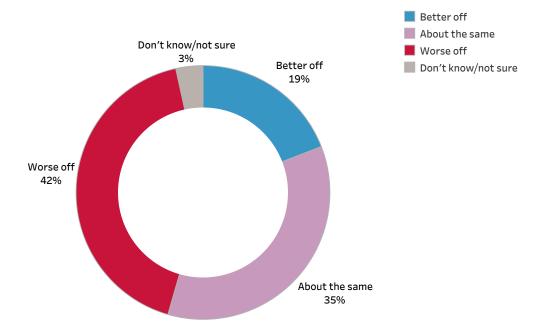
Figure 25: What is one thing your business has done in response to the COVID-19 pandemic that has been successful?



Recovery

Only 19% of respondents report that their business is better off financially than they were in June 2020; 35% say they are in about the same position financially as they were in June 2020, 42% are worse off, and 3% don't know or are unsure.

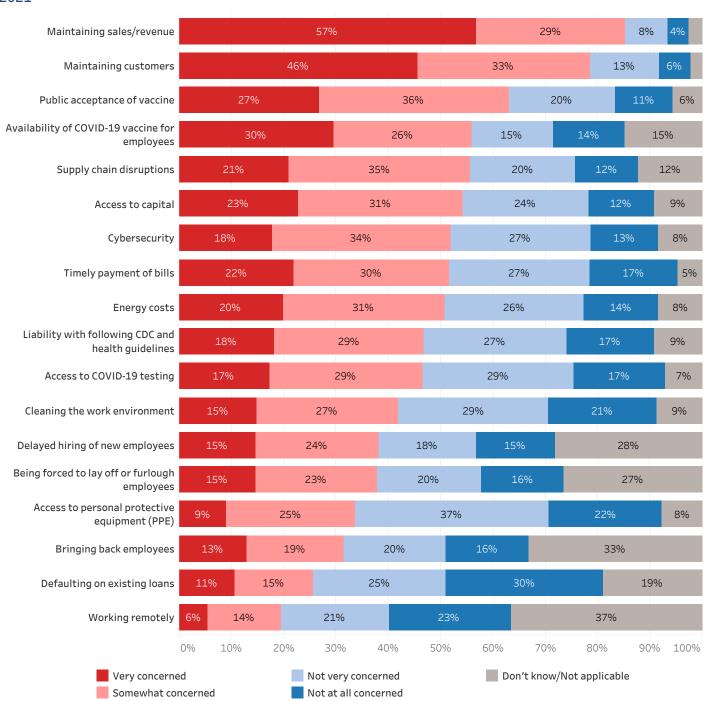
Figure 26: Would you say that you and your business is better off or worse off financially than you were in June 2020? - February 2021



Eighty-five percent of respondents say that they are very (57%) or somewhat (29%) concerned about maintaining sales/revenue as their business recovers, while 79% are very or somewhat concerned about maintaining customers. A majority of respondents are very or somewhat concerned about public acceptance of the COVID-19 vaccine (63%), the availability of the COVID-19 vaccine for their employees (56%), supply chain disruptions (56%), access to capital (54%), cybersecurity (52%), timely payment of bills (52%), and energy costs (51%) as their business recovers.

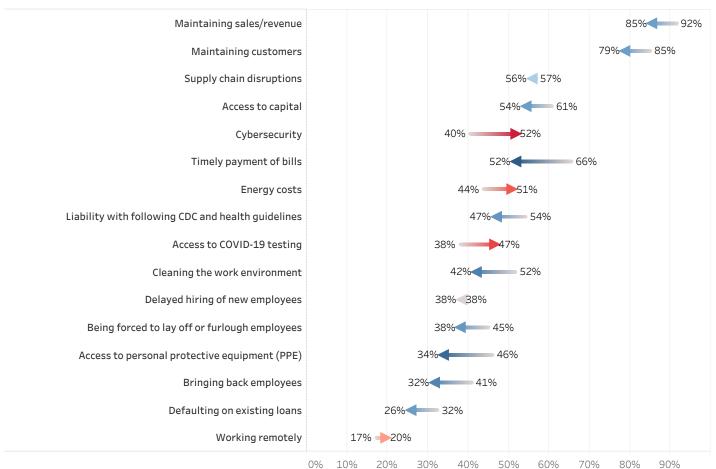
Less than half of respondents say they are concerned about liability with following CDC and health guidelines (47%), access to COVID-19 testing (47%), cleaning the work environment (42%), delayed hiring or new employees (38%), being forced to lay off or furlough employees (38%), and access to personal protective equipment (PPE) (34%). Less than a third are concerned about bringing back employees (32%), defaulting on existing loans (26%), or working remotely (20%).

Figure 27a: How concerned are you about the following potential issues as your business recovers? - February 2021



Respondents express less concern about timely payment of bills (-14 percentage points), access to personal protective equipment (-12), cleaning the work environment (-10), and bringing back employees (-9) than they did in June 2020. However, respondents are more concerned than they were in June about cybersecurity (+12) and access to COVID-19 testing (+9).

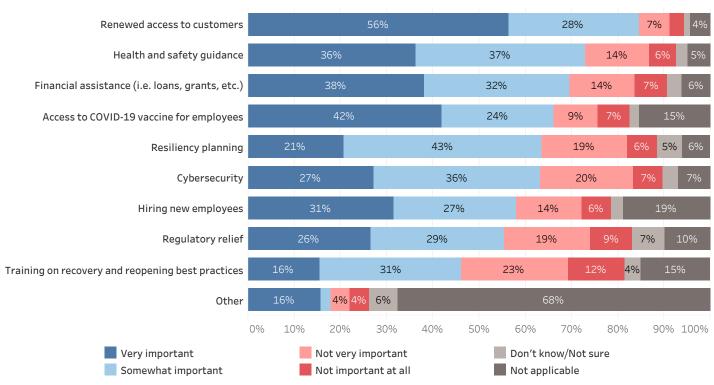
Figure 27b: Very or somewhat concerned about following as business recovers - Change from June 2020 to February 2021



Going Forward

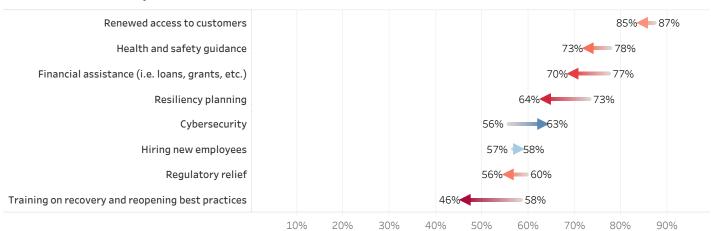
Eighty-five percent of respondents expect renewed access to customers will be very (56%) or somewhat (28%) important to their business in the future while 73% believe health and safety guidance will be very or somewhat important and 70% say financial assistance will be very or somewhat important. Two-thirds (66%) believe that access to the COVID-19 vaccine for employees will be very or somewhat important while slightly fewer say the same about resiliency planning (64%), cybersecurity (63%), hiring new employees (58%), and regulatory relief (56%). Just under half of (46%) say that training on recovery and reopening best practices will be important going forward while eighteen percent cite something else that they believe will be important.

Figure 28a: How important do you expect the following things will be to your business in the future? - February 2021



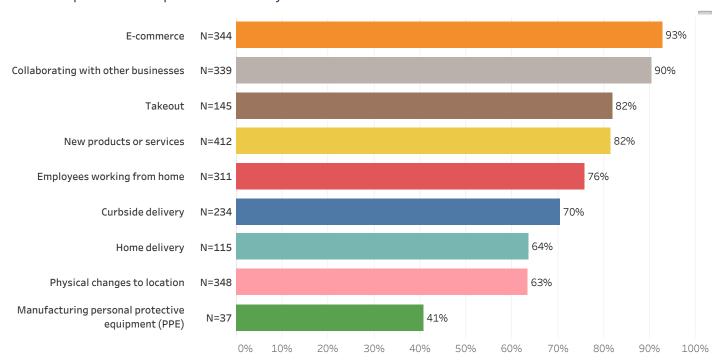
Respondents are less likely than in June 2020 to believe that training on recovery and reopening best practices (-12 percentage points), resiliency planning (-9), and financial assistance (-7) will be very or somewhat important to their business in the future but are slightly more likely to believe cybersecurity (+7) will be very or somewhat important.

Figure 28b: Believe the following will be very or somewhat important to business in the future - Change from June 2020 to February 2021



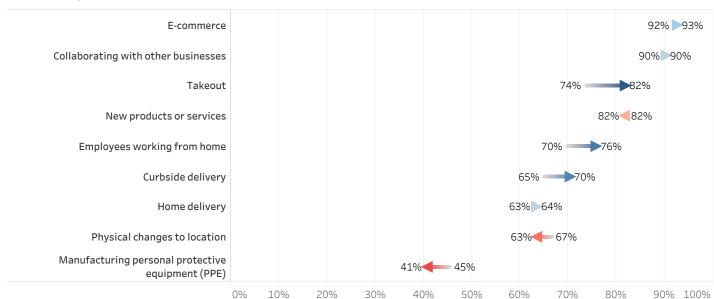
More than four-fifths of businesses which have implemented e-commerce (93%), are collaborating with other businesses (90%), offer takeout (82%), and are offering new products or services (82%) plan to continue to do so after the COVID-19 pandemic has passed. Majorities of those who now have employees working from home (76%), offer curbside delivery (70%), offer home delivery (64%), and have made physical changes to their location (63%) plan to continue doing these things after the pandemic has passed, while 41% of those who have been manufacturing personal protective equipment plan to continue to doing so.

Figure 29a: Which of these innovations or modifications do you think your business will continue after the COVID-19 pandemic has passed? - February 2021



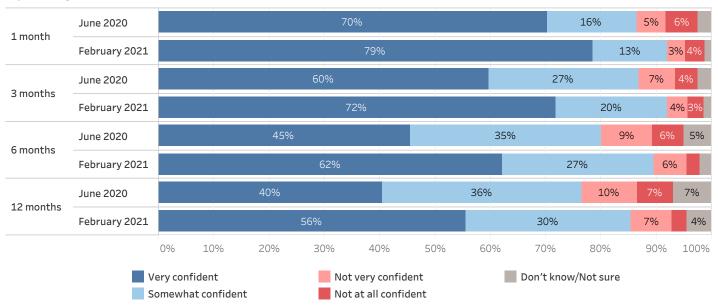
Respondents who have implemented these innovations or modifications are slightly more likely than in June 2020 to say that they plan to continue offering takeout (+8 percentage points), have employees working from home (+6), and offer curbside delivery (+5).

Figure 29b: Plan to continue innovation or modification after pandemic has passed - Change from June 2020 to February 2021



Respondents are generally slightly more confident in the continued operation of their businesses than they were in June 2020. Ninety percent of respondents or more are very or somewhat confident that their business will be operating in one month (92%), three months (92%), and six months (90%), each higher than in June 2020. Slightly fewer respondents say they are very or somewhat confident they will still be operating in twelve months (85%), but this also has increased since June 2020 (77%).

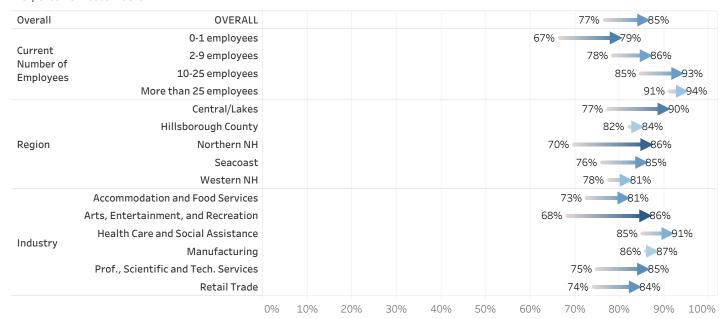
Figure 30a: Based on what you know now, how confident are you that your business will continue to be operating in...



- Businesses of all sizes are more likely than in June 2020 to be very or somewhat confident that they will be operating in twelve months, with the largest gain among those with 0-1 employees (+12 percentage points).
- Businesses in Northern NH (+16 percentage points), the Central/Lakes Region (+13), and the Seacoast (+9) are more likely than in June 2020 to be very or somewhat confident that they will be operating in twelve months.
- Businesses in the arts, entertainment, and recreation (+18 percentage points), the professional, scientific, and technical services (+10), and the retail trade (+10) industries are more likely than in June 2020 to be very or somewhat confident that they will be operating in twelve months.

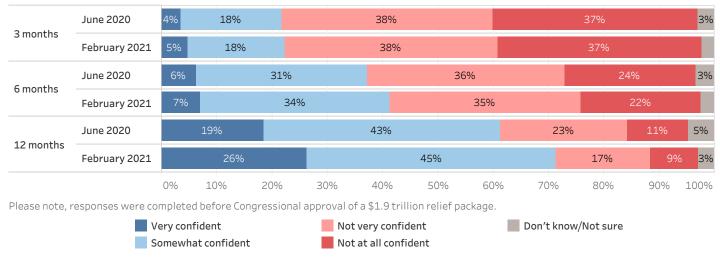
Figure 30b: Confidence business will still be operating 12 months from now - Change from June 2020 to February 2021

Very or somewhat confident



Only 22% of respondents are very (5%) or somewhat (18%) confident that the New Hampshire economy will have recovered to pre-pandemic levels within three months, unchanged since June 2020 (22%), and 41% are confident the state economy will have recovered within six months, up from 37% in June. Respondents are more bullish on an economic recovery within twelve months: seven in ten (71%) respondents are very or somewhat confident the state economy will have recovered to pre-pandemic levels in that time, up from 61% in June 2020.

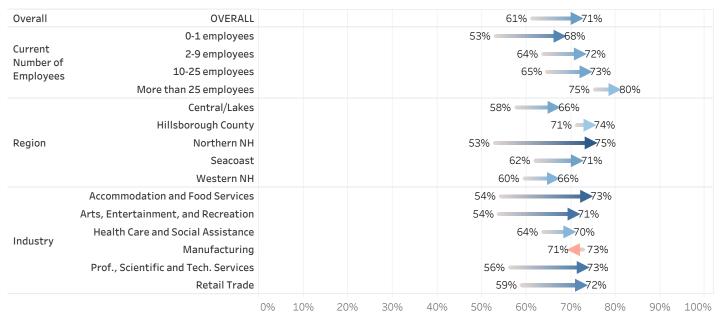
Figure 31a: Based on what you know now, how confident are you that the New Hampshire economy will have recovered to pre-COVID-19 levels in...



- Businesses of all sizes are more likely than in June 2020 to be very or somewhat confident that the state economy will have recovered to pre-pandemic levels within twelve months, with the largest gain among those with 0-1 employees (+15 percentage points).
- Businesses in all New Hampshire regions are more likely than in June 2020 to be very or somewhat confident that the state economy will have recovered to pre-pandemic levels within twelve months, with the largest gains among businesses in Northern NH (+18 percentage points).
- Businesses in the accommodation and food services (+19), the arts, entertainment, and recreation (+17), the professional scientific, and technical services (+17), and the retail trade (+13) industries are more likely than in June 2020 to be very or somewhat confident that the state economy will have recovered to pre-pandemic levels within twelve months.

Figure 31b: Confidence NH economy will recover to pre-pandemic levels within 12 months - Change from June 2020 to February 2021

Very or somewhat confident



Demographics

Overall, businesses from 174 towns and cities in New Hampshire responded to the survey. Thirty-nine percent of these respondents say their business is located in the Seacoast region, 21% are located in Northern NH, 18% are located in Hillsborough County, 15% are located in the Central/Lakes Region, and 7% are located in Western NH.

Figure 32: Town where business located - February 2021

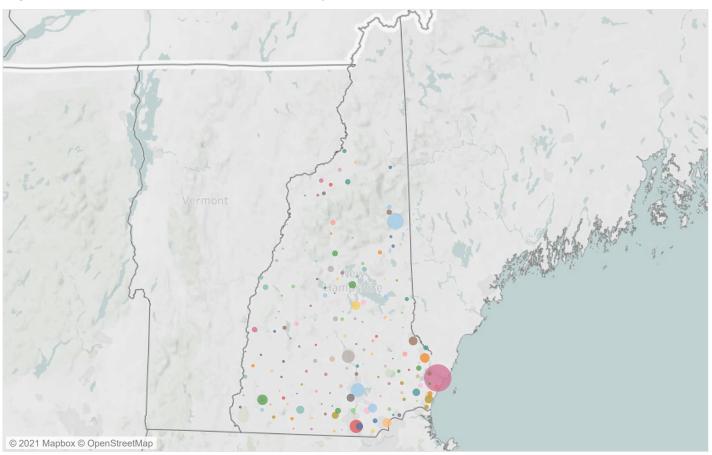
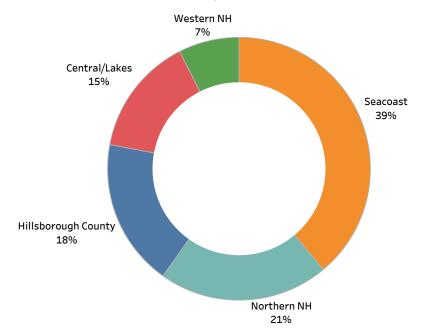
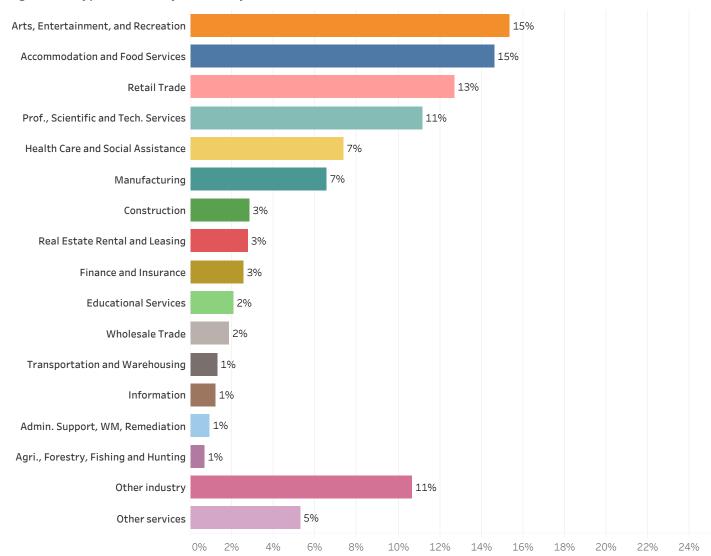


Figure 33: Region where business located - February 2021



Fifteen percent of respondents each say their business is in the arts, entertainment, and recreation industry or in the accommodation and food services industry, 13% are in the retail trade industry, 11% are in the professional, scientific, and technical services industry, and 7% each are in the health care and social assistance or manufacturing industries. Fewer respondents say their business is in the construction (3%), real estate rental and leasing (3%), finance and insurance (3%), educational services (2%), wholesale trade (2%), transportation and warehousing (1%), information (1%), administrative support, waste management, and remediation (1%), or agriculture, forestry, fishing, and hunting (1%) industries. Eleven percent say their business belongs to another type of industry while 5% say their business is part of another type of services.

Figure 34: Type of Industry - February 2021



Special thanks to the Phase 2 Small Business Resiliency Survey Partners

U.S. Small Business Administration - NH District Office NH Department of Business & Economic Affairs UNH Peter T. Paul College of Business & Economics

Center for Women & Enterprise

SCORE

UNH Cooperative Extension **UNH Center for Family Enterprise**

UNH Innovation

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New Market Business Association

NH Aerospace & Defense Export Consortium

NH Association of Chamber of Commerce Executives

NH Business & Industry Association NH Businesses for Social Responsibility

NH Grocers Association

NH Lodging & Restaurant Association

NH Made

NH Retail Association

NH State Council on the Arts

NH Tech Alliance

State Early Learning Alliance

Stay Work Play

UNH Career and Professional Success

Upper Valley Business Alliance

Wentworth Economic Development Corporation

Central NH Chamber of Commerce

Chamber Collaborative of Greater Portsmouth

Exeter Area Chamber of Commerce The Falls Chamber of Commerce

Greater Claremont Chamber of Commerce Greater Concord Chamber of Commerce

Greater Derry Londonderry Chamber of Commerce

Greater Dover Chamber of Commerce Greater Hudson Chamber of Commerce Greater Manchester Chamber of Commerce

Greater Merrimack-Souheagan Valley Chamber of Commerce

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Meredith Area Chamber of Commerce

Mt. Washington Valley Chamber of Commerce Northern Gateway Chamber of Commerce

Twin Mountain Bretton Woods Chamber of Commerce Western White Mountains Chamber of Commerce