



*Q2 2020 MFBI COVID-19 IMPACT SURVEY*  
Executive Summary and Final Report  
April 24 Through May 11th 2020

# About the Q2 2020 MFBI COVID-19 Impact Survey

The Michigan Future Business Index (MFBI), commissioned semi-annually by the Accident Fund Insurance Company of America and the Michigan Business Network, surveys owners of small- to mid-sized businesses in Michigan. The MFBI provides business leaders a forum to offer their perspectives and opinions on doing business in Michigan, the overall business climate in the state, and various issues in the news. This edition of the MFBI was significantly redesigned to capture the experiences and expectations of Michigan's small business community during the COVID-19 pandemic.

Thanks to the participation of thousands of Michigan's small business leaders, we are able to amplify the voice of small business in Michigan and provide data to inform the public and guide policymakers toward data-driven decisions, helping Michigan's small businesses thrive.

## Methodology

- Michigan Statewide survey of nearly 1,700 small to medium-sized businesses
  - Nearly 1,300 (n=1,285) completed the survey, with a completion rate of 76%
  - The survey was conducted entirely online in order to reach both essential businesses and non-essential businesses that were closed during the pandemic.
- The survey is commissioned by the Accident Fund Insurance Company of American & the Michigan Business Network.
- The survey is designed, conducted and analyzed by ROI Insight, a Michigan-based research firm.
  - Field Dates: April 24 through May 11, 2020
- Measuring Accuracy: While this is a non-probability sample, the statistical data (annual revenue, number of employees, etc) from our survey is representative of similar small business surveys conducted by the Federal Reserve Bank, which are weighted to be representative using data provided by the National Opinion Research Center at the University of Chicago. Therefore, it is prudent to use the Bayesian Credibility Interval (BCI) in lieu of the standard Margin of Error calculation. (For more about the BCI, please see: [https://www.aapor.org/Publications-Media/Public-Statements/Understanding-a-credibility-interval".aspx](https://www.aapor.org/Publications-Media/Public-Statements/Understanding-a-credibility-interval))
  - Sample Size: 1,285
  - Credibility Interval:  $\pm$  3.3% or less
  - 95% Degree of Confidence

## Key Takeaways

Michigan's small business owners are in a bind. They appreciate the original intent and need for the state-mandated Stay Home, Stay Safe orders that were put in place to stop the spread of COVID-19 in Michigan, but they feel trapped by the uncertainty of what may come next. Respondents to the latest MFBI are clearly concerned about COVID-19 and the toll it has taken on Michiganders, but they feel certain that they will have plans in place and a responsibility to keep their customers and employees safe when they reopen.

Their enthusiasm about recovery and growth opportunities during one of the roughest economic periods in history shows the resiliency of Michigan's small businesses. They have taken a significant hit, with sales, profits and cash flow hitting record lows; but surprisingly, more than six in ten (65%) believe their business will full recovery within the next year. However, they do have concerns about potential political games being played in our nation's and state's capitals and feel their voices are largely going unheard by policymakers. These are some conclusions from our data analysis. Following are some of the key takeaways from the survey:

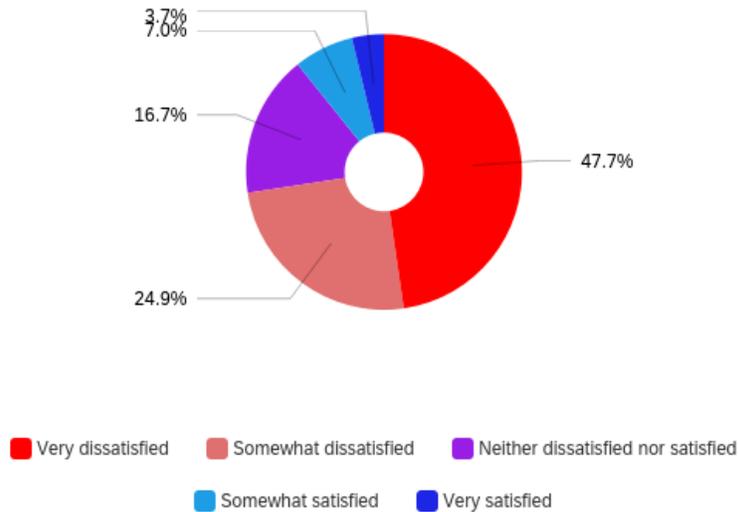
- Only eleven percent (11%) are **satisfied with the economy** in Michigan, which is a new all-time record low for the MFBI survey.
- Nearly eight in ten (79%) said they were in **pretty good or excellent shape before the pandemic**, but nearly the same percentage (76%) say they are now in poor or not so good shape. A swing of this significance in a span of a few weeks is unprecedented.
- Given those results, it is not surprising that small business leaders are uncertain about their future, yet they remain hopeful. While forty-four (44%) say they are pessimistic about **getting back to normal**, nearly the same percentage (39%) are optimistic. Those who are optimistic pin their hopes on expectations of pent up demand, potential opportunities for growth, as well as their trust in their loyal customers to return when doors open.
- Customers are also on the minds of those who are pessimistic. They cite the loss of customers as their top concern, followed by with their uncertainty with what is to come when they open. This concern for the loss of customers is confirmed by nearly half of the respondents (47%) who say their **customer retention** has decreased since the start of the pandemic.
- Their motivation to reopen doesn't trump their prudence to act with caution. Thirty-four percent (34%), a plurality, believes **they can reopen** at the end of the Stay Home, Stay Safe order with protections and practices in place to keep employees safe. Nearly the same percentage (30%) believe the State should reopen slowly and thoughtfully, allowing only those regions with low spread rates to open first. Forty-eight percent (48%), a plurality also says they will also open gradually, while monitoring and analyzing data and experiences in their own communities.
- While more than eight in ten of small businesses have experienced significant decreases in sales, profits and cash flow, they are striving to protect their second-most precious assets: **their employees**. A majority (52%) have not laid off any employees and nearly two thirds (63%) have not cut wages. This is made possible by their ability to adapt, significantly increasing the number of employees allowed to work remotely. This

practice is largely meeting or exceeding expectations and the data confirms it will likely be part of the new normal of doing business from now on.

- The vast majority are making **preparations** to not only survive, but thrive post-COVID. While nearly eight in ten (79%) have applied for financial assistance to get through the pandemic, more than seven in ten (72%) say they are well prepared to reopen and more than six in ten (65%) say they are enthusiastic about remaining in business after it's over. However, they understand it's going to take some time to get back to normal.
  - A plurality (26%) believe it will take between three to seven months for a full recovery to take place, while nearly the same percentage believe it may take between seven months and a year. That said, sixty-five percent (65%) expect their business to **fully recover within one year**.
- They plan to work hard to keep their **employees and customers safe** as they move toward recovery. Nearly all (96%) say they either have plans in place (62%) or soon will (34%) to provide PPE for their employees, practice social distancing, sanitize their spaces or routinely test/screen for the virus.
- Nevertheless, uncertainty prevails regarding **what comes after COVID-19**. While they are enthusiastic to get back to work, fifty-two percent (52%) believe doing business in Michigan will never be the same. And fifty-nine percent (59%) believe their business will emerge at least somewhat weaker.
  - The reason for their pessimism may lie with their **dissatisfaction with the pandemic response** from government. A plurality of those who applied for financial assistance say they are dissatisfied with the application and approval process, while nearly two-thirds (63%) fear their voices are not being heard by lawmakers.
- While they clearly believe they can restart their businesses safely, some traditional, yet potentially unsafe, business practices may not evolve so quickly. While more than four in ten (44%) say they will either probably not (27%) or definitely not (16%) **shake hands** with others moving forward, one third (33%) say it will depend on the situation and nearly one quarter (23%) say they will either probably (13%) or definitely (11%) continue to shake hands after the pandemic.

# Survey Findings

Q4 - Thinking about the economy as it affects your business, are you:



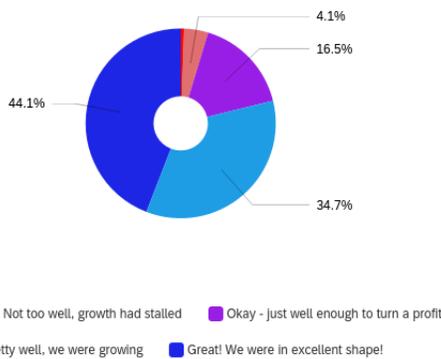
#	Answer	%	Count
1	Very dissatisfied	47.7%	612
2	Somewhat dissatisfied	24.9%	319
3	Neither dissatisfied nor satisfied	16.7%	214
4	Somewhat satisfied	7.0%	90
5	Very satisfied	3.7%	48
	Total	100%	1283
	TOTAL DISSATISFIED	72.6%	931
	TOTAL SATISFIED	10.8%	138

Compared to roughly six months ago (November 2019) when the MFBI was last conducted, we've seen a significant drop in overall satisfaction with the state business economy, from a near all-time record high of eighty-two percent (82%) satisfied, to a now all-time record low of eleven percent (11%) satisfied. Dissatisfaction has skyrocketed from eighteen percent (18%) in November to seventy-three percent (73%) now, a result not seen since the end of the last recession (2010).

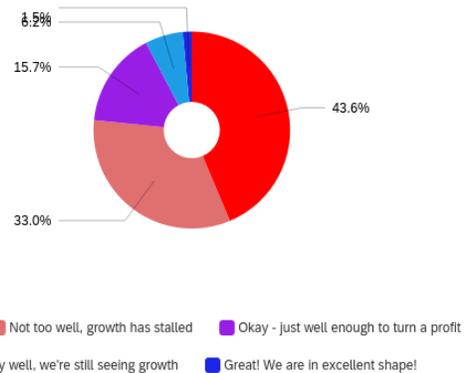
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Dissatisfaction is highest in the Retail sectors (84%) and lowest in Business and Professional Services sectors (67%).

**Q5 - How was your business doing just prior to the COVID-19 Stay Home, Stay Safe order?**



**Q6 - How is your business doing now?**



#	Answer	%	Count
1	Poorly	0.5%	7
2	Not too well, growth had stalled	4.1%	53
3	Okay - just well enough to turn a profit	16.5%	212
4	Pretty well, we were growing	34.7%	446
5	Great! We were in excellent shape!	44.1%	567
	Total	100%	1285

#	Answer	%	Count
1	Poorly	43.6%	560
2	Not too well, growth has stalled	33.0%	423
3	Okay - just well enough to turn a profit	15.7%	201
4	Pretty well, we're still seeing growth	6.2%	80
5	Great! We are in excellent shape!	1.5%	19
	Total	100%	1283

As you can see, the results are essentially flipped from pre-pandemic to now. A near ninety-point swing like this from one end of the spectrum to the other, in the span of a few weeks, is unprecedented.

Respondents from nearly all sectors indicated that business was strong before the Stay Home, Stay Safe order was given, with over forty percent in all sectors saying they were in great shape. Only the retail sector fell below forty percent (38%), where nearly one quarter of respondents (24%) said they were just doing well enough to turn a profit.

It's clear that the pandemic has hit all areas of the state hard, but some sectors have experienced more difficulty than others. For instance, the retail and hospitality sectors are being negatively impacted most significantly, with nearly 6 in 10 now saying they're doing poorly. Fewer than two percent said they were doing poorly before the pandemic.

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The insurance and finance sectors and business and professional services sectors are least impacted, even though 2 in 10 in insurance/finance and 3 in 10 in business/professional services say they are now doing poorly. Still, that is a significant increase from pre-COVID results, which was at less than three percent (3%).

**Q7 - Is your business currently open?**

#	Answer	%	Count
1	Yes	65.1%	837
2	No	34.9%	448
	Total	100%	1285

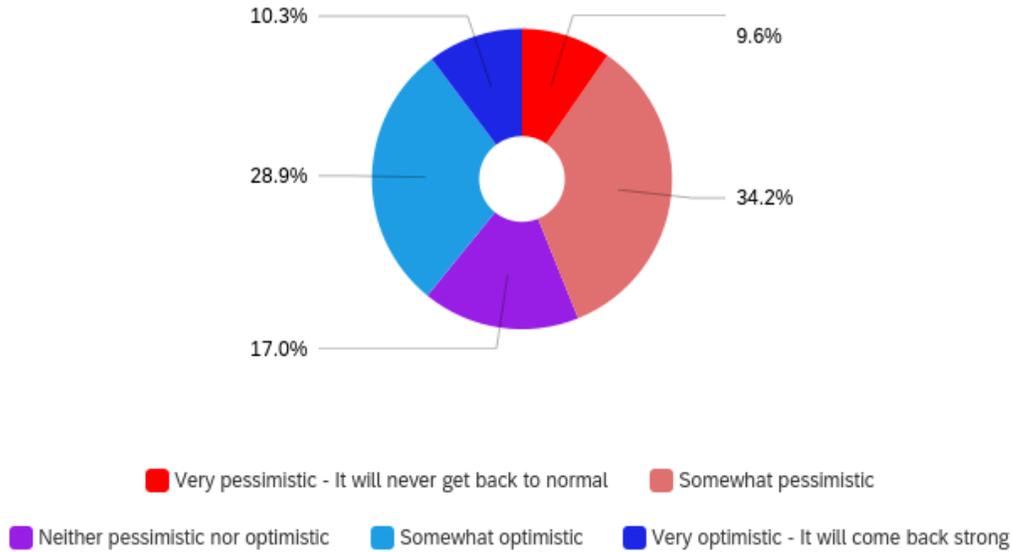
Nearly 7 in 10 businesses are still open in the Detroit, Lansing and West Michigan media markets, the highest results in the state. When looking at sectors, Business and Professional Services (79%), Manufacturing and Construction (68%), and Insurance and Finance (65%) are most likely to remain open. Retail businesses are least likely to remain open (36%).

**Q8 - How are you transacting business with your customers right now?**

#	Answer	%	Count
1	Limited sales transactions in person (curbside pickup, delivery)	15.3%	128
2	Online ordering / third party delivery	12.0%	100
3	Web and phone conferencing, while billing hours for work done remotely	40.6%	339
4	Other	32.2%	269
	Total	100%	836

A plurality are working from home, especially in areas where most businesses remain open (Detroit, Lansing, West). Those in the Manufacturing and Construction sectors are most likely to say they've been deemed essential.

**Q9 - What are your expectations for business getting back to normal after the COVID-19 pandemic?**



#	Answer	%	Count
1	Very pessimistic - It will never get back to normal	9.6%	124
2	Somewhat pessimistic	34.2%	440
3	Neither pessimistic nor optimistic	17.0%	218
4	Somewhat optimistic	28.9%	371
5	Very optimistic - It will come back strong	10.3%	132
	Total	100%	1285
	TOTAL PESSIMISTIC	43.8%	564
	TOTAL OPTIMISTIC	39.1%	503

Optimism reaches its peak in West Michigan where forty-four percent (44%) say they are either somewhat (33%) or very (11%) optimistic. Pessimism is highest in the Upper Peninsula where more than 6 in 10 (63%) say they are either somewhat (50%) or very (13%) pessimistic.

When looking at sectors, optimism for a quick recovery is highest in the Insurance and Finance sectors (53%), while pessimism is highest in Retail (50%).

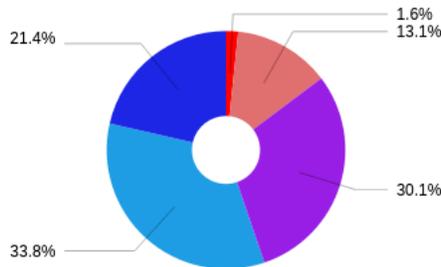
**Q10 - What are you most pessimistic about when it comes to your business right now?**

Total Count		564
Loss of Customers/Clients	144	25.53%
Uncertainty About Getting Back To Normal/What Is The New Normal	109	19.33%
When can we get back to work?	80	14.18%
Economy	42	7.45%
Market For My Product/Service Disappearing, Not Coming Back	42	7.45%
Lack of Money/Cash Flow	40	7.09%
Governor Whitmer	40	7.09%
Government/Overreach	36	6.38%
Financial Security/Stability	30	5.32%
Safety	29	5.14%
Sales	27	4.79%
Will employees come back? / Having enough staff	23	4.08%
People have less income to spend	22	3.90%
Going out of business	20	3.55%
Shutdown	16	2.84%
Fear in the media	15	2.66%
Growth Limitations	15	2.66%
Lack of Leadership	14	2.48%
Worried about survival, paying bills, regulations	14	2.48%
Automotive Industry	11	1.95%
Unemployment	11	1.95%
Regulations & Restrictions	7	1.24%
Lack of Testing/Vaccine/PPE	6	1.06%
Unknown	6	1.06%
Budget Cuts	5	0.89%
Health	5	0.89%
President Trump	5	0.89%
Expenses	4	0.71%
Admissions/Enrollment	3	0.53%
Cost of doing business	3	0.53%
Payroll	2	0.35%
Recession/Depression	2	0.35%
Lack of Trust in Information	1	0.18%

**Q11 - What are you most optimistic about when it comes to your business right now?**

Total Count	503
Pent Up Demand	72 14.31%
Growth Potential/New Opportunities	61 12.13%
Customers Will Still Need My Product/Service	59 11.73%
Customers (Loyalty)	49 9.74%
We Are Opening	47 9.34%
People Staying Positive/Need To Work	41 8.15%
General Optimism/We Will Be Fine	37 7.36%
Great Employees	28 5.57%
We are still working/open	24 4.77%
We Will Come Back Stronger	19 3.78%
The end of COVID-19	15 2.98%
Economy	14 2.78%
Getting Back To Normal/New Normal	13 2.58%
We Are Designated Essential	13 2.58%
Our Ability To Adapt	12 2.39%
Strong Cash Position	11 2.19%
Unknown	11 2.19%
This is a learning/retooling/improvement opportunity	10 1.99%
Nothing	9 1.79%
Sales Potential	9 1.79%
Support From Community/Customers	9 1.79%
Hope	8 1.59%
PPP Loan	8 1.59%
Reputation	8 1.59%
Government Leadership/Politics	7 1.39%
Online Sales	6 1.19%
It Can't Get Worse	4 0.80%
Work From Home	4 0.80%

**Q12 - Which of the following statements comes closest to your own opinion about fully reopening businesses in Michigan?**



- We must keep businesses closed indefinitely until we have a pharmaceutical solution (e.g. vaccine, anti-viral drugs)
- We must keep businesses closed until we have the capability and capacity to accurately test everyone coming back to work
- We should slowly reopen businesses by region, opening businesses in areas with low incidences of COVID-19 first
- We can all safely return to work at the end the current Stay Home, Stay Safe order, as long as we practice social distancing, wash hands and have proper personal protection equipment
- We must reopen all businesses in Michigan now! Keeping businesses closed is doing too much damage to the economy.

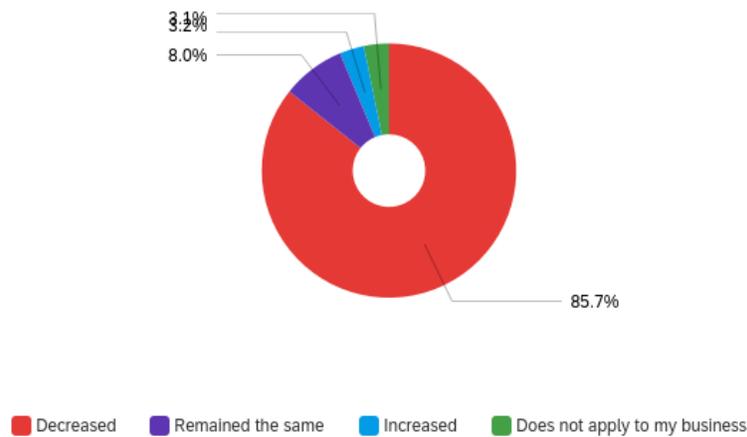
#	Answer	%	Count
1	We must keep businesses closed indefinitely until we have a pharmaceutical solution (e.g. vaccine, anti-viral drugs)	1.6%	21
2	We must keep businesses closed until we have the capability and capacity to accurately test everyone coming back to work	13.1%	168
3	We should slowly reopen businesses by region, opening businesses in areas with low incidences of COVID-19 first	30.1%	386
4	We can all safely return to work at the end the current Stay Home, Stay Safe order, as long as we practice social distancing, wash hands and have proper personal protection equipment	33.8%	434
5	We must reopen all businesses in Michigan now! Keeping businesses closed is doing too much damage to the economy.	21.4%	275
	Total	100%	1284

A slight plurality of respondents in West Michigan, Metro Detroit and Tri-City media markets believe we can safely return to work after the current Stay Home, Stay Safe order, with proper protection. However, a plurality in the Lansing and Upper Peninsula, and a majority in Northern Lower Michigan believe we should slowly reopen businesses by region, opening only areas with low spread rates first.

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Those in Manufacturing and Construction are most likely to want to move quickly toward reopening the economy, with thirty-one percent saying open now, while those in Government and Healthcare are more inclined to take it slowly.

**Q13 - Have your sales decreased, remained the same or increased since the start of the COVID-19 pandemic?**

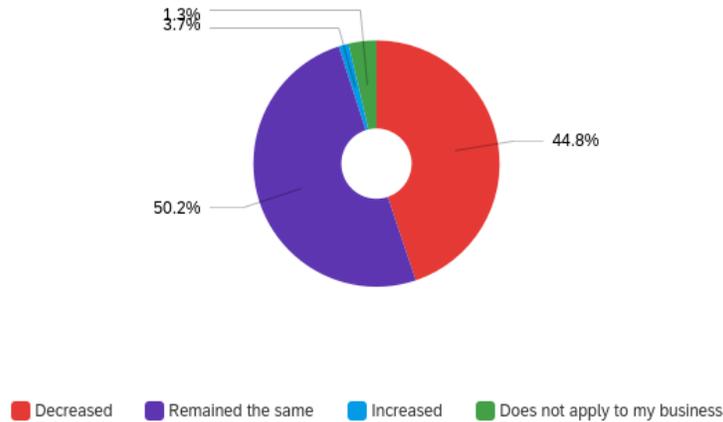


#	Answer	%	Count
1	Decreased	85.7%	1101
2	Remained the same	8.0%	103
3	Increased	3.1%	40
4	Does not apply to my business	3.2%	41
	Total	100%	1285

Roughly six months ago in the November 2019 MFBI, nineteen percent (19%) of respondents reported sales decreases, while forty percent (40%) reported increases. In this survey sales decreases are now reported by eighty-six percent (86%) of the respondents, while only three percent (3%) report sales increases.

Regionally, the highest percentages of businesses reporting sales decreases are in Northern Lower Michigan (93%) and Metro Detroit (87%). When analyzing sectors, the highest percentages of those reporting losses were in Retail (93%) and Manufacturing and Construction (91%).

**Q14 - Has your number of employees decreased, remained the same or increased since the start of the COVID-19 pandemic?**

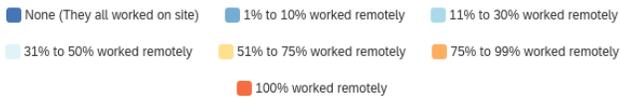
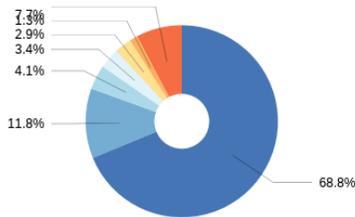


#	Answer	%	Count
2	Remained the same	50.2%	645
3	Increased	1.3%	17
4	Does not apply to my business	3.7%	47
1	Decreased	44.8%	576
	Total	100%	1285

Roughly six months ago in the November 2019 MFBI, fifteen percent (15%) of respondents reported layoffs, while twenty percent (20%) reported hiring increases. In this survey, layoffs are now reported by forty-five percent (45%) of the businesses surveyed, while only one percent (1%) report hiring increases.

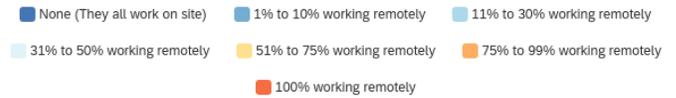
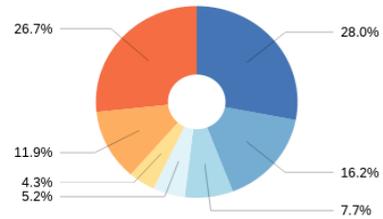
Layoff percentages are consistent around forty-six percent (46%) statewide, except for the Tri-City area where only thirty-nine percent (39%) reported layoffs. When analyzing sectors, the highest percentages of those reporting layoffs were in Retail (70%) and Manufacturing and Construction (57%).

**Q16 - What percentage of your employees were working remotely (e.g. from home) before the COVID-19 pandemic?**



#	Answer	%	Count
7	100% worked remotely	7.7%	99
6	75% to 99% worked remotely	1.3%	17
5	51% to 75% worked remotely	2.9%	37
4	31% to 50% worked remotely	3.4%	44
3	11% to 30% worked remotely	4.1%	53
2	1% to 10% worked remotely	11.8%	151
1	None (They all worked on site)	68.8%	883
	<b>Total</b>	<b>100%</b>	<b>1284</b>

**Q15 - What percentage of your employees are currently working remotely (e.g. from home)?**



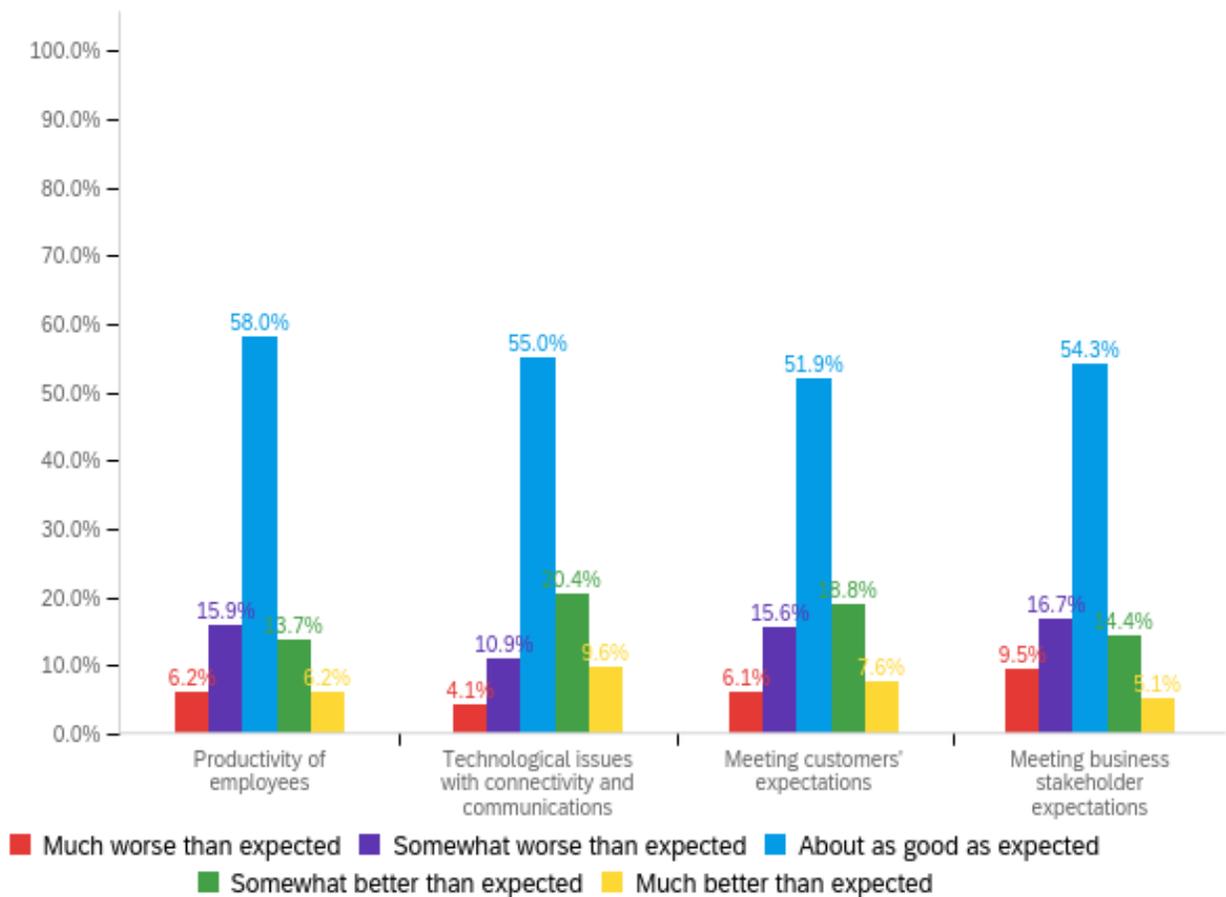
#	Answer	%	Count
7	100% working remotely	26.7%	342
6	75% to 99% working remotely	11.9%	153
5	51% to 75% working remotely	4.3%	55
4	31% to 50% working remotely	5.2%	66
3	11% to 30% working remotely	7.7%	99
2	1% to 10% working remotely	16.2%	207
1	None (They all work on site)	28.0%	359
	<b>Total</b>	<b>100%</b>	<b>1281</b>

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According to this survey, the number of small businesses in Michigan that require at least three in four of their employees to work from home grew by more than four-hundred and twenty-five percent (425%) during the pandemic. Furthermore, the number of businesses requiring all staff to work on site shrunk by more than two-hundred and forty-five percent (245%).

Businesses in the Lansing market are most likely to require their employees to work remotely, followed by Metro Detroit and West Michigan. The Business and Professional Services sectors are most likely to work from home, while the Retail and Manufacturing/Construction sectors are least likely.

**Q17 - Regarding your current work-from-home practices, how would you rate the following, based on your expectations?**

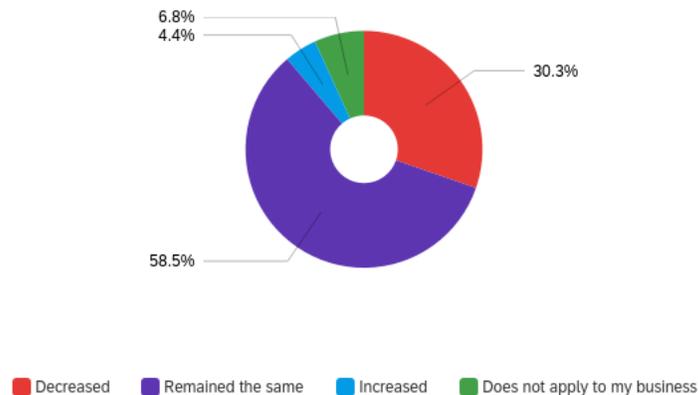


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#	Question	Much worse than expected		Somewhat worse than expected		About as good as expected		Somewhat better than expected		Much better than expected		Total
1	Productivity of employees	6.2%	56	15.9%	145	58.0%	528	13.7%	125	6.2%	56	910
2	Technological issues with connectivity and communications	4.1%	37	10.9%	99	55.0%	499	20.4%	185	9.6%	87	907
3	Meeting customers' expectations	6.1%	55	15.6%	142	51.9%	472	18.8%	171	7.6%	69	909
4	Meeting business stakeholder expectations	9.5%	85	16.7%	149	54.3%	485	14.4%	129	5.1%	46	894

While a majority of respondents say employees working remotely are meeting or exceeding expectations, their most significant challenge is meeting business stakeholder expectations. This is most evident in the Manufacturing and Construction sectors, where thirty-four percent (34%) say meeting stakeholder expectations is either somewhat or much worse than expected.

**Q18 - Has the average wage level of your employees decreased, remained the same or increased since the start of the COVID-19 pandemic?**



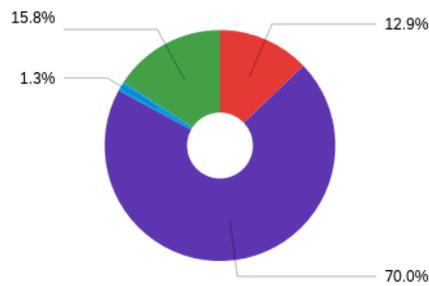
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#	Answer	%	Count
1	Decreased	30.3%	388
2	Remained the same	58.5%	749
3	Increased	4.4%	57
4	Does not apply to my business	6.8%	87
	Total	100%	1281

While a majority (59%) of respondents report that they have kept employee wages the same during the pandemic, thirty-percent (30%) report wage decreases, which is an increase of twenty-seven percentage points since November 2019 when only three percent (3%) reported wage decreases.

Wage decreases were most prevalent in the Retail sector at (44%).

**Q19 - Have employee benefits decreased, remained the same or increased since the start of the COVID-19 pandemic?**



Decreased Remained the same Increased Does not apply to my business

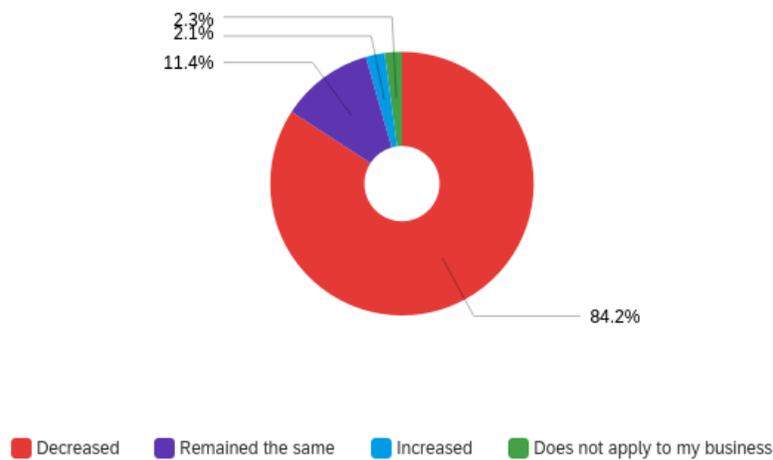
#	Answer	%	Count
1	Decreased	12.9%	165
2	Remained the same	70.0%	898
3	Increased	1.3%	17
4	Does not apply to my business	15.8%	202
	Total	100%	1282

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Seven in ten (70%) report that they have kept employee benefits the same during the pandemic, while one percent (1%) report an increase in benefits. Only thirteen percent (13%) report decreases in employee benefits during the pandemic, which significantly exceeds employer expectations in November of 2019 when only four percent (4%) expected to decrease or eliminate benefits in the next six months.

Employee benefit cuts were more prevalent in Northern Lower Michigan (18%) and in the Retail sector (19%).

**Q20 - Has the profitability of your business decreased, remained the same or increased since the start of the COVID-19 pandemic?**

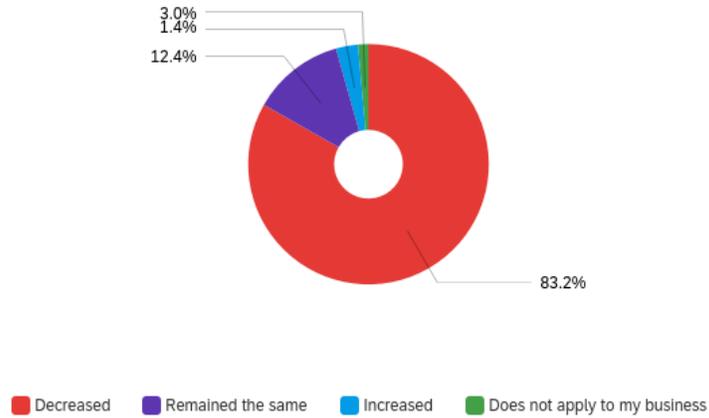


#	Answer	%	Count
1	Decreased	84.2%	1080
2	Remained the same	11.4%	146
3	Increased	2.3%	30
4	Does not apply to my business	2.1%	27
	Total	100%	1283

More than eight in ten (84%) report decreased profits. That’s a sixty-point increase from twenty-four percent (24%) in November 2019.

Profit decreases are most prevalent in Northern Lower Michigan (90%) and in the Retail (92%) and Manufacturing/Construction (90%) sectors.

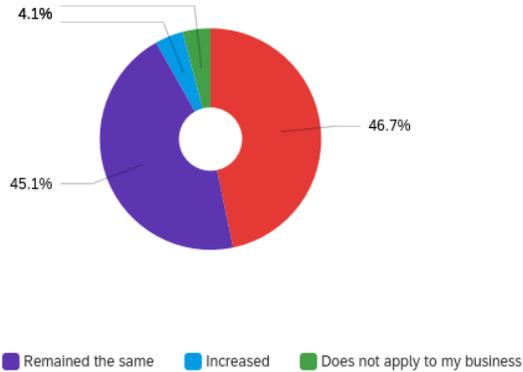
**Q21 - Has your cash flow decreased, remained the same or increased since the start of the COVID-19 pandemic?**



#	Answer	%	Count
1	Decreased	83.2%	1067
2	Remained the same	12.4%	159
3	Increased	3.0%	38
4	Does not apply to my business	1.4%	18
	Total	100%	1282

More than eight in ten (83%) report a decrease in cash flow since the beginning of the pandemic. Regionally, cash flow challenges are most significant in Northern Lower Michigan (91%) and Metro Detroit (86%). Across sectors, they are most significant in Retail (91%) and least significant in Insurance and Finance (72%).

**Q22 - Has your customer retention decreased, remained the same or increased since the start of the COVID-19 pandemic?**

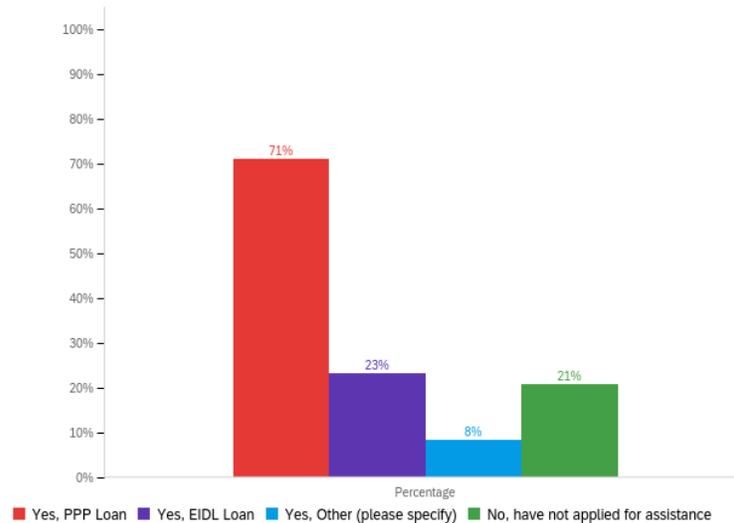


#	Answer	%	Count
1	Decreased	46.7%	599
2	Remained the same	45.1%	578
3	Increased	4.1%	53
4	Does not apply to my business	4.1%	52
	Total	100%	1282

Confirming responses to an earlier question that showed customer retention was the number one reason for pessimism, this shows that nearly half (47%) of all respondents to this survey lost customers since the beginning of the pandemic.

Customer losses are most prevalent in the Upper Peninsula (57%) and Northern Lower Michigan (50%). Across sectors, Retail (64%), Non-Profit/Healthcare (59%) and Hospitality (58%) have seen the most significant customer losses.

**Q23 - Have you applied for any financial assistance, such as a Paycheck Protection Program or EIDL loan since the start of the COVID-19 pandemic?**



#	Answer*	%	Count
1	Yes, PPP Loan	71.1%	912
2	Yes, EIDL Loan	23.3%	299
3	Yes, Other (please specify)	8.2%	106
4	No, have not applied for assistance	20.6%	265

\* More than one answer allowed

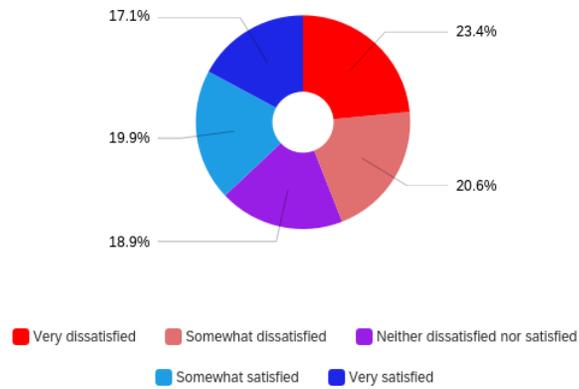
Nearly eight in ten (79%) business owners have applied for some kind of financial assistance, with PPP as the leading response (71%).

Regionally, small business owners in the Metro Detroit media market were most likely to apply for a PPP loan (75%), with only eighteen percent (18%) saying they have not applied for assistance. Applications for assistance are most prevalent among those in the Manufacturing and Construction sector, with eighty-six percent (86%) saying they've applied (sixty-two percent (62%) have applied for the PPP).

Of those who have applied, nearly six in ten (58%) have received the loan(s), while seven percent (7%) were rejected and thirty-five percent (35%) were still waiting for an answer at the time of the survey. Businesses in the Metro Detroit market have the highest percentages of applicants still waiting for an answer (40%) or rejected (8%). Businesses in the Manufacturing/Construction sectors were most likely to get approved for the loan(s) (67%), while those in the Insurance and Finance sectors had the highest percentage of application rejections (14%).

Of those who have applied, a plurality is dissatisfied with the process, as revealed on the following page.

**Q25 - How satisfied are you with the loan application or approval process?**

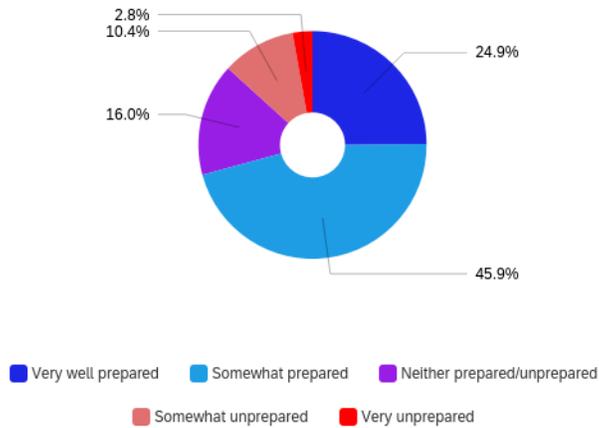


#	Answer	%	Count
1	Very dissatisfied	23.4%	238
2	Somewhat dissatisfied	20.6%	209
3	Neither dissatisfied nor satisfied	18.9%	192
4	Somewhat satisfied	19.9%	202
5	Very satisfied	17.1%	174
	Total	100%	1015
	<b>TOTAL DISSATISFIED</b>	<b>44%</b>	<b>447</b>
	<b>TOTAL SATISFIED</b>	<b>37%</b>	<b>376</b>

Those in the Metro Detroit market are least satisfied with the application process (52% dissatisfied), while those in the Tri-City (45% satisfied) and U.P. (46% satisfied) markets are most satisfied. The data reveals that those two areas also have the highest percentages of businesses successfully receiving loans.

Interestingly those in the Insurance and Finance sector – with the highest percentage of rejected applications – are most satisfied with the process (41%). So apparently they believe it is fair.

**Q26 - How prepared do you feel your business is for what comes after COVID-19?**



#	Answer	%	Count
1	Very well prepared	24.9%	319
2	Somewhat prepared	45.9%	589
3	Neither prepared/unprepared	16.0%	205
4	Somewhat unprepared	10.4%	134
5	Very unprepared	2.8%	36
	Total	100%	1283
	<b>TOTAL PREPARED</b>	<b>70.8%</b>	<b>908</b>
	<b>TOTAL UNPREPARED</b>	<b>13.3%</b>	<b>170</b>

While a strong majority consider themselves prepared for doing business after COVID-19, a plurality consider themselves only somewhat prepared.

Those in the Insurance and Finance sector are most likely to consider themselves prepared (76%), but again a majority (53%) say they are only somewhat prepared. Preparedness intensity is strongest among those in Manufacturing and Construction (28% very prepared). Those in the Retail sector say they are least prepared (21% unprepared).

**Q27 - Based on the information you currently possess, when do you expect YOUR business to fully recover from the impact of the COVID-19 pandemic?**

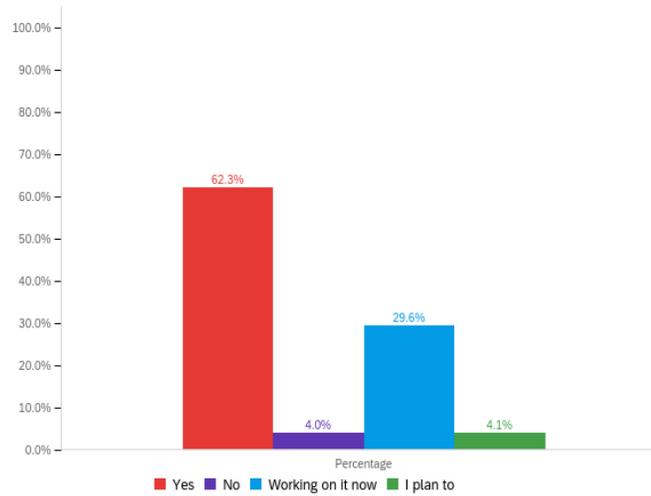


#	Answer	%	Count
1	Immediately after the stay-at-home order is lifted	6.1%	78
2	Within 2 months after the stay-at-home order is lifted	10.0%	128
3	Within 3 to 7 months after the stay-at-home order is lifted	26.2%	335
4	Within 8 months to 1 year after the stay-at-home order is lifted	23.1%	296
5	Within 1 to 2 years after the stay-at-home order is lifted	23.5%	301
6	More than 2 years after we reopen	6.6%	85
7	My business will never fully recover	4.5%	58
	Total	100%	1281

Based on the results above, nearly two-thirds (65%) of respondents expect their business to fully recover within one year. While twenty-six percent (26%), a plurality of respondents, expect a full recovery within three to seven months after the stay at home order is lifted, nearly one quarter (23%) expect it will take eight months to one year, while another near quarter (24%) expect it will take up to two years. Only six percent (6%) expect full recovery immediately. Five percent (5%) expect their business to never recover.

Those in the Insurance and Finance sector are most likely to expect in a quick recovery (35% say three to seven months), while those in Healthcare and Non-Profit are most likely to anticipate a longer recovery period (29% say one to two years). In Retail, nine percent (9%) say they believe their business will never recover, the highest percentage for that response among the sectors.

**Q29 - Does your business have a plan of action to keep employees and customers safe when you are allowed to fully open?**



#	Answer	%	Count
1	Yes	62.32%	799
2	No	3.98%	51
3	Working on it now	29.56%	379
4	I plan to	4.13%	53
	Total	100%	1282

More than six in ten (62%) say they have a plan in place to keep customers and employees safe once their doors open. More than one-third say they are either working on a plan now (30%) or will be working on one soon (4%). Another four percent (4%) say they do not have a plan in place.

Those in the U.P. (70%) and the Lansing market (66%) are most likely to say they have a safety plan in place, while those in the Tri-City market are least likely (59%).

Across sectors, those in Manufacturing and Construction are most likely to say they are prepared (71%), while those in Non-Profit and Healthcare are least likely (48%).

The plans they are putting in action include providing personal protection equipment (PPE) to employees, boosting budgets for cleaning and sanitizing, encouraging social distancing and working remotely.

**Q30 - What actions will you take to keep your employees and customers safe when your business fully opens?**

#	Answer	%	Count
3	Obtaining face masks, gloves, and other personal protection equipment for all employees	66.1%	850
1	Increasing our cleaning staff or budget for daily sanitization practices	51.7%	664
2	Redesigning the spaces within my business to adhere to social distancing recommendations	38.3%	492
5	Continuing "work from home" policies for those who don't need to work on site	38.2%	491
4	Plans for onsite testing or routine screening of staff for COVID 19 symptoms (fever, cough, etc)	24.7%	317
8	Nothing, we feel our employees and customers are safe with our current practices	11.6%	149
6	Increase/Create benefits to cover costs of COVID 19 (healthcare, hygiene, PPE, etc)	7.9%	101
7	Other	6.0%	77

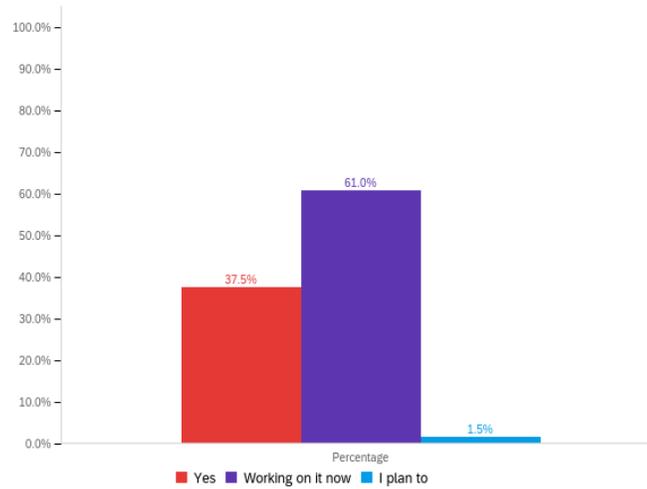
Two-thirds (66%) of businesses who say they have a safety plan will provide PPE to their employees, more than half (52%) will increase staff and budgets for daily sanitization, nearly four in ten (38%) say they will redesign their space to adhere to social distancing practices and another thirty-eight percent (38%) will continue “work from home” policies. One quarter (25%) are planning for onsite testing and screening of their staff. Eight percent (8%) say they will increase benefits for COVID-19 care. Slightly more than one in ten (12%) say they don’t need a safety plan because they feel they are already safe.

Non-Profit and Healthcare are most likely to start new safety policies, with only six percent (6%) saying they are currently safe enough. The Hospitality sector is least likely to install new safety policies, with fifteen percent (15%) saying they are currently safe enough.

More than half of those in the Retail sector and the Non-Profit/Healthcare sector say they will redesign their spaces to encourage social distancing, while more than one-third of those in the Manufacturing/Construction and the Non-Profit/Healthcare sectors say they will conduct onsite testing and screening of staff for COVID-19.

Fewer have plans in place to stave off financial instability, as revealed on the following page.

**Q32 - Does your business have a plan of action for financial stability during the COVID-19 pandemic?**



#	Answer	%	Count
1	Yes	37.5%	481
3	Working on it now	61.0%	781
4	I plan to	1.5%	19
	Total	100%	1281

Thirty-eight percent (38%) say they had a financial plan in place when the survey was taken. This was forty percent (40%) fewer than those who said they had a safety plan in place. Across sectors, the Insurance and Finance sector (45%) and in Manufacturing and Construction (43%) are most likely to have plans in place.

Just over one-quarter (27%) will rely on financial assistance to ensure financial stability, while twenty-one percent (21%) will bring back fewer employees, twenty percent (20%) will allow employees to continue to work from home and eleven percent (11%) will reduce wages. Another twenty percent (20%) said that a financial plan wasn't necessary.

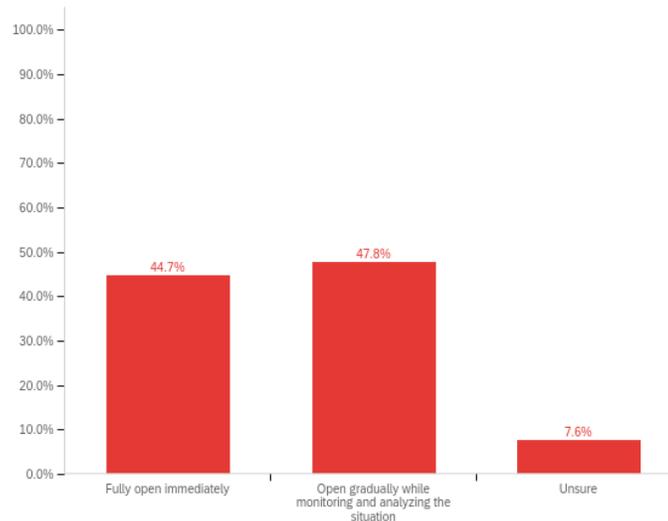
The complete list is presented on the following page.

**Q33 - What actions will you take to keep your business financially stable during the COVID-19 pandemic?**

#	Answer	%	Count
7	Apply for additional financial assistance and loans	27.2%	349
1	Bring back fewer employees than the company had before the COVID-19 pandemic	21.1%	271
6	Allow a significant number of employees to continue to work remotely	19.8%	254
2	Reduce employee wages	11.4%	147
5	Offer fewer products or services	8.6%	111
3	Reduce employee benefits	6.4%	82
4	Close locations	2.6%	34
8	Other	13.1%	168
9	Nothing, we expect to remain financially stable and will be back to business as usual	20.0%	257

While nearly everyone is planning to reopen, not everyone plans to reopen immediately.

**Q34 - When the Stay Home, Stay Safe order is lifted, do you expect to fully open immediately or will you open gradually while monitoring and analyzing the situation?**



#	Answer	%	Count
1	Fully open immediately	44.7%	568
2	Open gradually while monitoring and analyzing the situation	47.8%	607

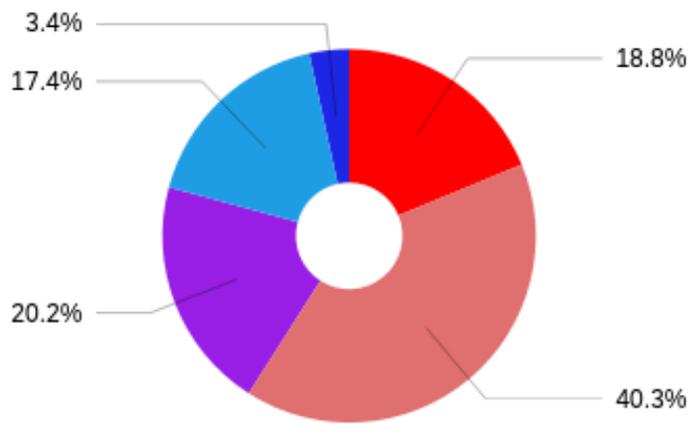
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3	Unsure	7.6%	96
	Total	100%	1271

As you can see, a plurality of respondents (48%) say they will take it slowly when reopening their businesses, while monitoring and analyzing the situation. Slightly fewer (45%) say they will fully open immediately.

Businesses in the Manufacturing/Construction sector are most likely to fully open immediately (54%), while those in the Non-Profit/Healthcare sector are most likely to open slowly and cautiously (68%).

**Q35 – Do you expect your business to emerge from the COVID-19 pandemic weaker or stronger?**



■ Much weaker   
 ■ Somewhat weaker   
 ■ No change   
 ■ Somewhat stronger   
 ■ Much stronger

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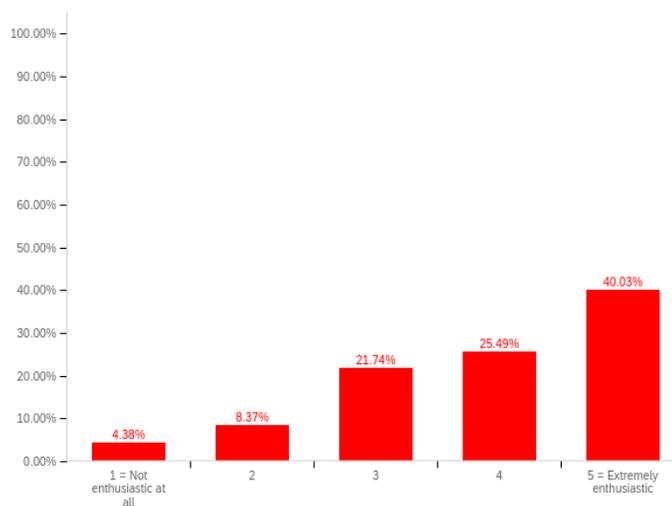
#	Answer	%	Count
1	Much weaker	18.8%	240
2	Somewhat weaker	40.3%	515
3	No change	20.2%	258
4	Somewhat stronger	17.4%	222
5	Much stronger	3.4%	44
	Total	100%	1279
	TOTAL WEAKER	59.0%	755
	TOTAL STRONGER	20.8%	266

While nearly six in ten (59%) believe their business will emerge from the shutdown weaker, a plurality (40%) believes it will be only somewhat weaker. Twenty percent (20%) believe the shutdown will have no financial effect on their business, while twenty-one percent (21%) believe they'll emerge stronger.

Those in the Insurance and Finance sector are least likely to believe they will emerge weaker (50%), with three in ten (30%) saying they'll emerge stronger and twenty percent (20%) there will be no financial impact on their company.

That said, most are enthusiastic about remaining in business.

**Q36 - Using the following scale, how enthusiastic are you about remaining in business after COVID-19?**



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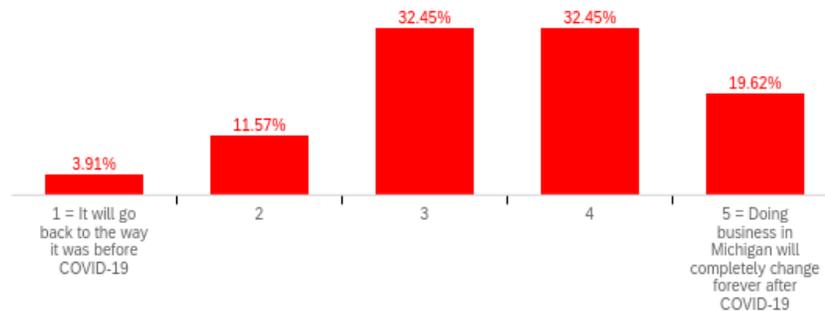
#	Answer	%	Count
1	1 = Not enthusiastic at all	4.4%	56
2	2	8.4%	107
3	3	21.7%	278
4	4	25.5%	326
5	5 = Extremely enthusiastic	40.0%	512
	Total	100%	1279

As shown above, two-thirds of respondents (66%) say they are enthusiastic about remaining in business after the pandemic is over. Forty percent (40%) say they are extremely enthusiastic. Only thirteen percent (13%) consider themselves not very enthusiastic, with only four percent (4%) saying they are not enthusiastic at all.

Those in the Insurance and Finance sector are most likely to be enthusiastic, with a majority (51%) giving a rating of “extremely enthusiastic.” Those in the Retail sector and the Hospitality sector are least likely to be enthusiastic, with only one third giving a rating of “extremely enthusiastic.”

Nevertheless, uncertainty reigns when it comes to how respondents envision the business world after COVID-19.

**Q37 - Using a similar scale, how much do you think doing business in Michigan will change after COVID-19?**



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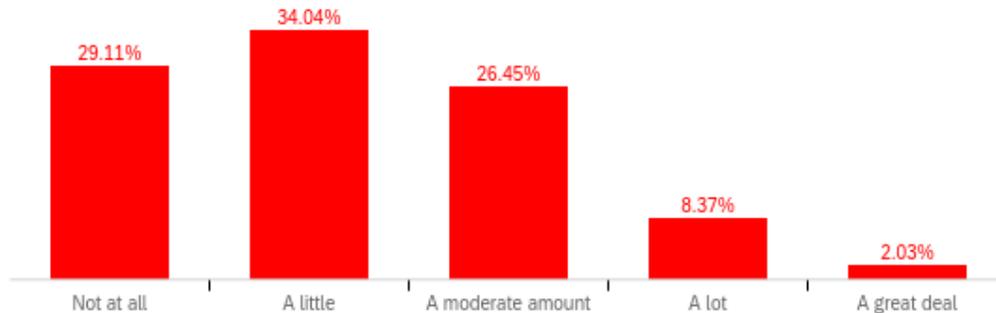
#	Answer	%	Count
1	1 = It will go back to the way it was before COVID-19	3.9%	50
2	2	11.6%	148
3	3	32.4%	415
4	4	32.4%	415
5	5 = Doing business in Michigan will completely change forever after COVID-19	19.6%	251
	Total	100%	1279

A majority of respondents (52%) believe there will be a new normal for doing business in Michigan after COVID-19. Only sixteen percent (16%) believe business will return to the way it was before COVID-19. The remaining thirty-two percent (32%) are uncertain.

Those in the Non-Profit/Healthcare sector are most likely to believe the business world will be forever changed, with sixty-two percent (62%) giving a rating of four or five. The plurality (39%) gave a rating of four.

What is clear, is that most believe the voices of small business owners are not being adequately heard by those making the rules.

**Q39 - Do you think the voices of small business owners are being heard by lawmakers during the COVID-19 pandemic?**



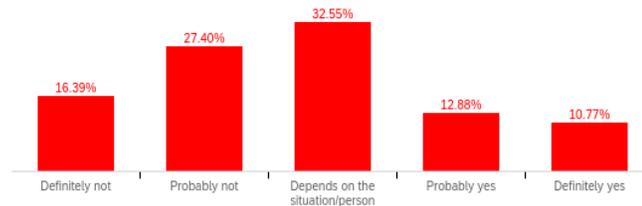
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#	Answer	%	Count
1	Not at all	29.1%	372
2	A little	34.0%	435
3	A moderate amount	26.4%	338
4	A lot	8.4%	107
5	A great deal	2.0%	26
	Total	100%	1278

Nearly two thirds of respondents (63%) say they believe their voices are not being heard by lawmakers (only a 35% said only a little and 29% said not at all). Only one in ten believe they are heard either a lot (8%) or a great deal (2%). This is most evident in the U.P. (83% say either only a little or not at all) and in the Tri-City media market (74% say either only a little or not at all).

When they get back to business, will they continue the long-held business tradition of shaking hands? Many say it depends on the person or situation, but probably yes.

**Q40 - When you finally go back to business as usual, will you shake hands with others?**



#	Answer	%	Count
1	Definitely not	16.4%	210
2	Probably not	27.4%	351
3	Depends on the situation/person	32.6%	417
4	Probably yes	12.9%	165
5	Definitely yes	10.8%	138
	Total	100%	1281

## Statistical Data

### QID4 - What is your title or position with your company?

#	Answer	%	Count
1	Owner/Proprietor	60.2%	774
2	President	17.2%	221
3	Vice President/EVP	2.8%	36
4	Chairperson	0.4%	5
5	CEO/CFO/COO Other C-level position	7.2%	92
6	Partner	3.4%	44
7	Manager	3.0%	39
8	Director	2.3%	30
9	Administrator	1.4%	18
10	Executive	0.8%	10
11	Administrative Assistant	0.5%	6
12	Controller	0.4%	5
13	Financial Officer	0.2%	3
14	Secretary	0.2%	2
	Total	100%	1285

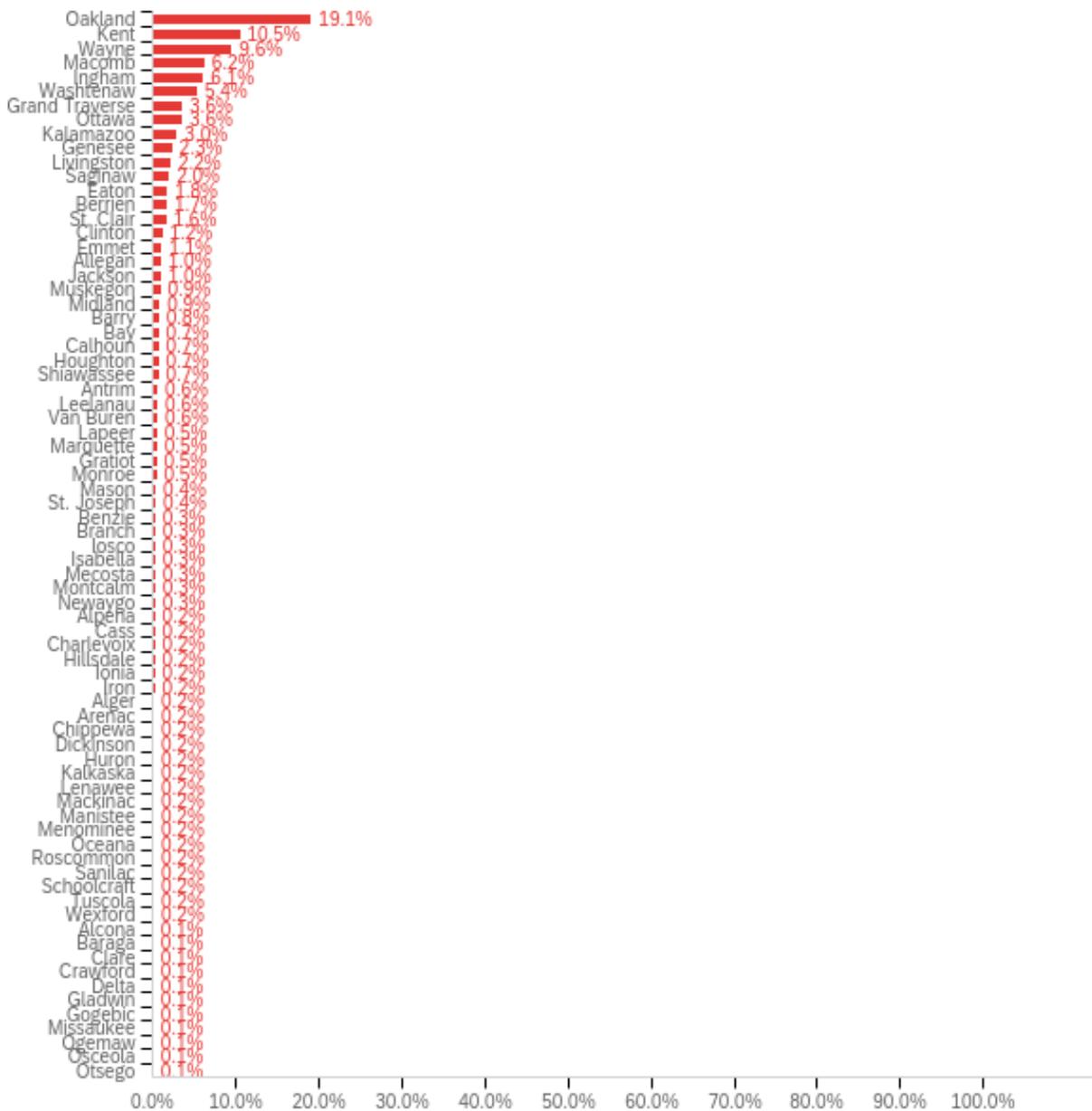
### QID5 - How many employees currently work at your company?

#	Answer	%	Count
1	1 to 2	21.4%	275
2	3 to 4	12.7%	163
3	5 to 10	21.5%	276
4	11 to 20	16.2%	208
5	21 to 50	16.2%	208

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6	51 to 100	5.4%	70
7	101 to 250	4.8%	62
8	251 to 500	1.8%	23
	Total	100%	1285

**QID6 - Please select the county where the Michigan headquarters of your business is located?**



**Q41 - How long has your company been in business?**

#	Answer	%	Count
1	1 to 5 years	3.9%	50
2	6 to 10 years	7.7%	99
3	11 to 15 years	12.5%	161
4	16 to 20 years	12.4%	159
5	21 to 25 years	11.7%	150
6	26 to 30 years	13.2%	169
7	31 to 50 years	23.1%	297
8	More than 50 years	15.4%	198
	Total	100%	1283

**Q42 - What type of business do you operate?**

#	Answer	%	Count
1	Business services	9.1%	117
2	Professional services	17.2%	221
3	Health care	4.3%	55
4	Manufacturing or manufacturing supplier	18.1%	232
5	Retail	6.3%	81
6	Real estate	2.8%	36
7	Insurance	2.4%	31
8	Public service (Government)	0.3%	4
9	Finance	1.5%	19
10	Distribution/trucking	1.6%	21
11	Food service	1.9%	25
12	Non-profit	4.3%	55
13	Telecommunications	0.7%	9
14	Education	1.1%	14

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15	Construction	7.6%	97
16	Recreation	1.6%	20
17	Personal services	1.1%	14
18	Childcare	0.5%	6
19	Property management	0.9%	11
20	Other (please specify)	16.8%	216
	Total	100%	1284

**Q43 - On average, what is the annual gross dollar amount generated by your business?**

#	Answer	%	Count
1	Less than \$50,000	4.5%	56
2	\$50,000 to \$99,999	4.9%	62
3	\$100,000 to \$249,999	11.0%	138
4	\$250,000 to \$499,999	12.1%	152
5	\$500,000 to \$999,999	14.2%	179
6	\$1 million to \$5 million	32.6%	410
7	More than \$5 million	20.7%	260
	Total	100%	1257

**Q44 - What is your gender?**

#	Answer	%	Count
1	Male	69.2%	875
2	Female	30.4%	384
3	Other	0.5%	6
	Total	100%	1265

**Q45 - Is yours a female-owned or minority-owned business?**

#	Answer	%	Count
1	Female owned	24.2%	311
2	Minority owned	4.3%	55
3	No/Neither	71.6%	921
	Total	100%	1287