

# **COVID-19 Impact on Iowa Nonprofit Organizations**

Aggregated Data Report – April 15, 2020

*Research conducted by:*

University of Northern Iowa

Business & Community Services

Institute for Decision Making | Strategic Marketing Services



## **Project Overview**

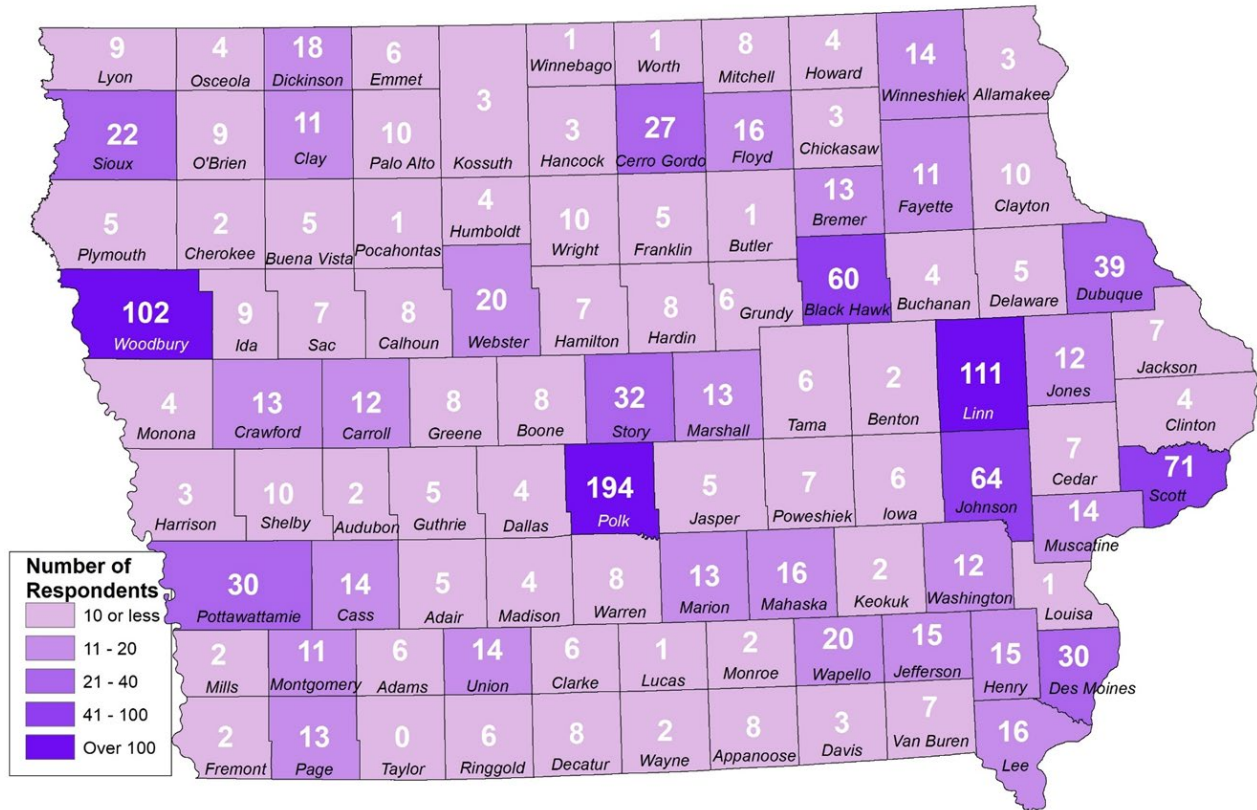
The Iowa Economic Development Authority (IEDA) partnered with the University of Northern Iowa's Institute for Decision Making (IDM) and Strategic Marketing Services (SMS) to survey businesses and organizations across the state about what they are experiencing and how the businesses and organizations are handling the current COVID-19 crisis. The survey was launched on the evening of Tuesday, March 17, 2020 and was closed at 5 pm on Monday, March 23, 2020. A total of 13,905 businesses completed the survey as of the survey's close on March 23<sup>rd</sup>. Of these, 1,455 were not for profit organizations. This report details the aggregate findings for these 1,455 organizations.

During data analysis, data was segmented by primary industry, employee size, and county type (metro vs. non-metro) in order to uncover any meaningful differences between the respective groups. Key meaningful differences are noted in the body of the report, however, all significant differences are included in the Appendix. If no meaningful differences are reported, you can safely assume the aggregate data is representative of all respondents.

## Demographics

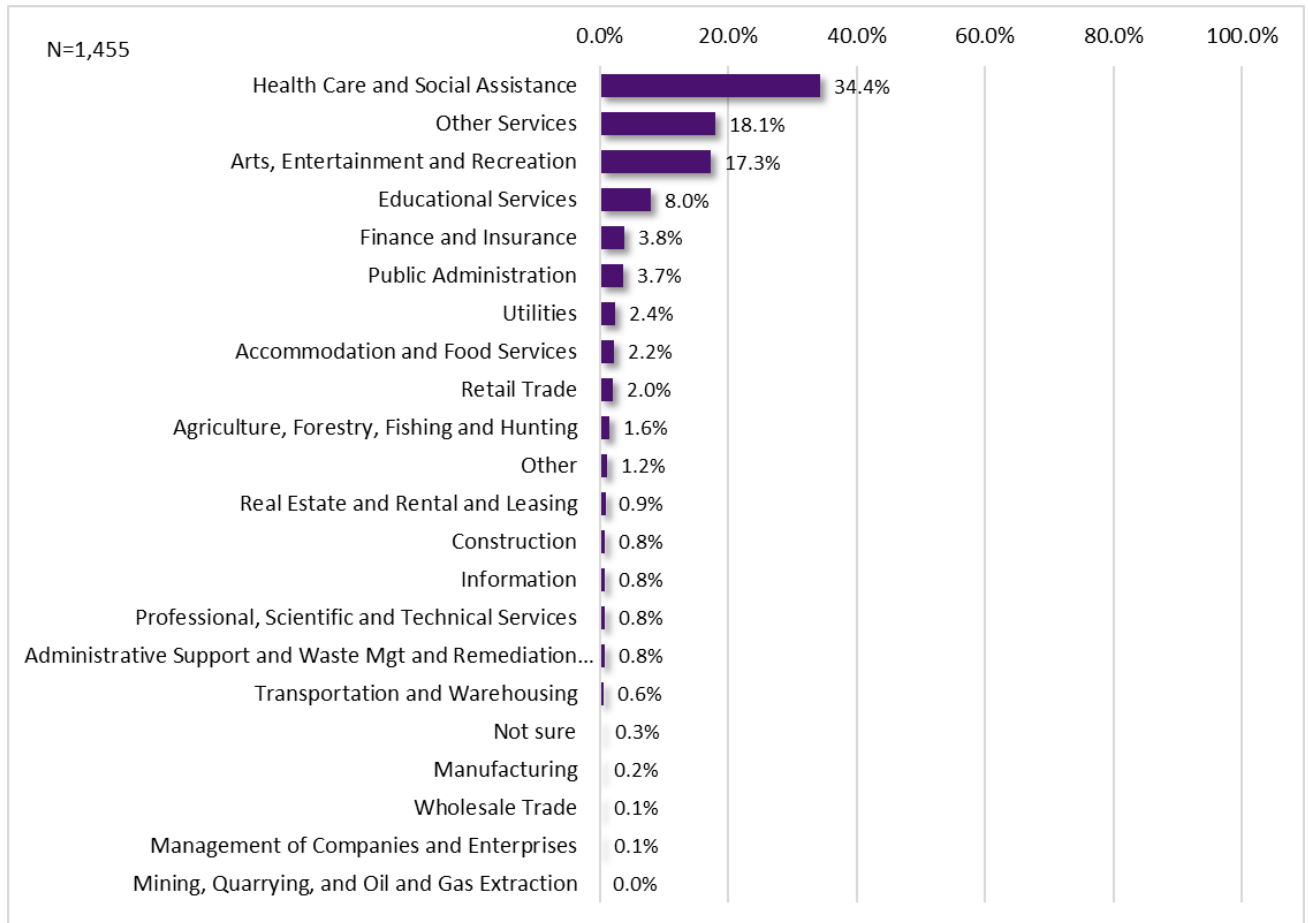
### Geographic Overview

There were not for profit respondents from 98 of Iowa's counties with strongest participation being from Iowa's metro areas. However, overall fairly equal responses were collected from metro counties (54.6%) and rural counties (45.4%). Additionally, responses were received from 293 different Iowa zip codes.



### Organization’s Primary Industry

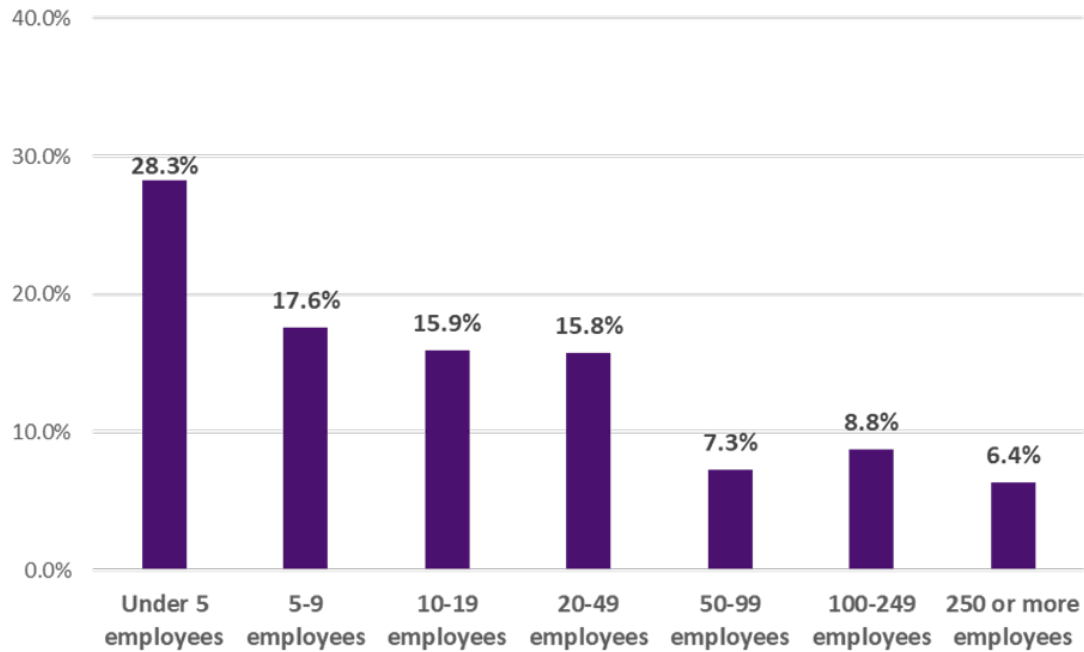
Among the not for profit respondents, the top participating industry sectors were Health Care and Social Assistance (34.4%), Other Services (18.1%), and Arts, Entertainment and Recreation (17.3%). Educational Services had 8% representation with the remaining industries being represented by less than four percent of respondent organizations.



## Most Recent Monthly Full-Time & Part-Time Employees

Looking at both full and part time employees combined, a total of 99,149 were reported by 1,206 respondents. The number of employees ranged from 1 to 8,700 with a mean of 82.21 employees and a median of 11 employees. Approximately 70% were full time employees.

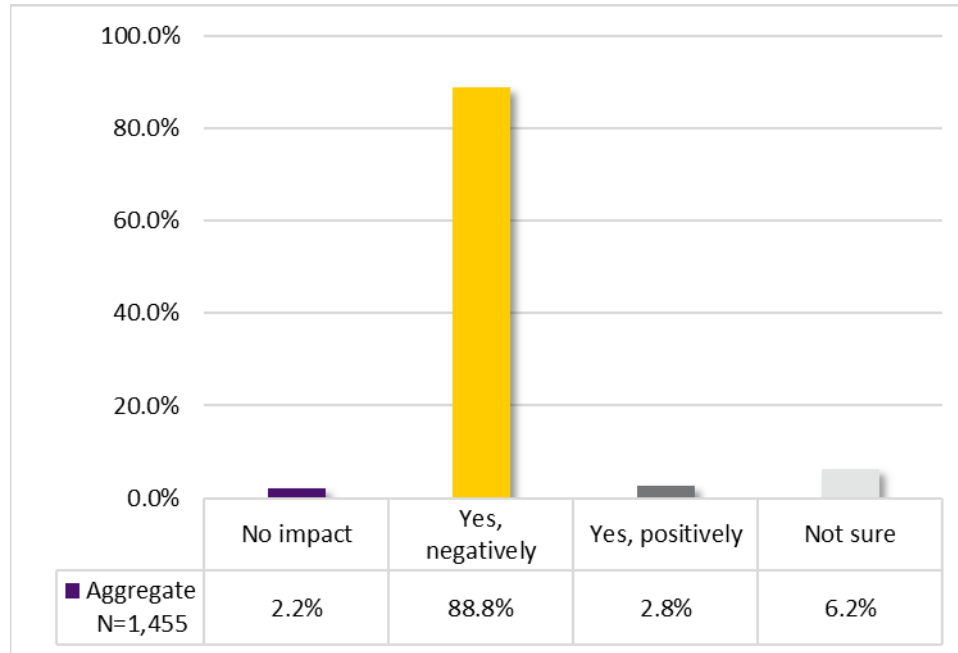
### Respondents by Employment Size



## Survey Results

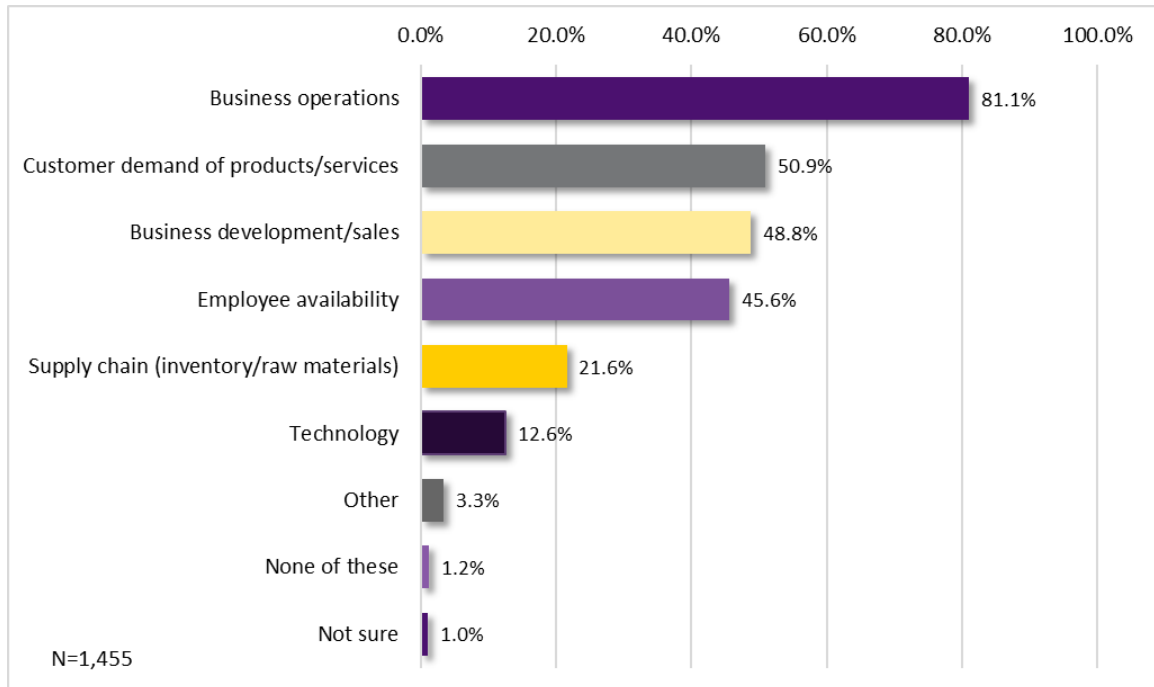
### Has the recent outbreak of the coronavirus (COVID-19) directly impacted your organization?

The majority of respondents (88.8%) have been negatively impacted by the recent outbreak of the coronavirus (COVID-19), while just 2.8% were positively impacted. Less than three percent of respondents have not been directly impacted as of when the survey was launched.



## Which of the following areas of your organization have been impacted by the coronavirus (COVID-19)?

The top three organizational areas impacted by COVID-19 include Business operations (81.1%), Customer demand of products/services (50.9%), and Business development/sales (48.8%). Nearly half of respondent organizations have been impacted by Employee availability (45.6%), and over one-fifth have been impacted by Supply chain (inventory/raw materials). Technology has been impacted for only 12.6% of respondent organizations.

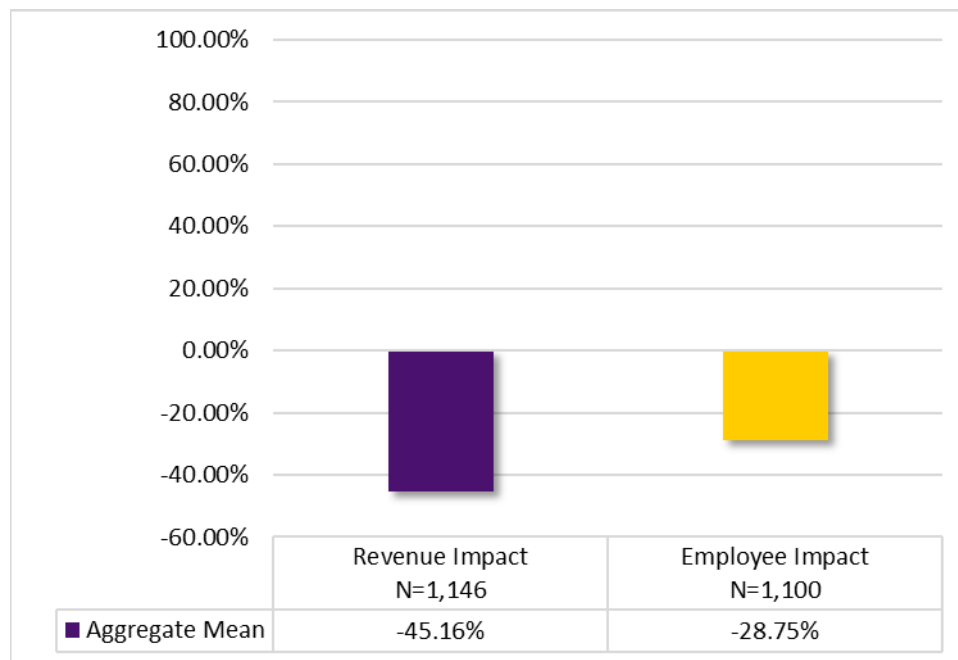




**What do you estimate the impact of the coronavirus (COVID-19) is having on your organization’s current revenue and employment?**

Respondents were asked to estimate the impact COVID-19 is having on their organization’s current revenue and employment on a scale of -100 to +100, with negative numbers indicating a decreased percentage of revenue/employees, 0 indicating no impact, and positive numbers indicating an increased percentage of revenue/employees. Respondents indicated a moderately negative impact for both current revenue (mean value of -45.16%) and current employees (mean value of -28.75%).

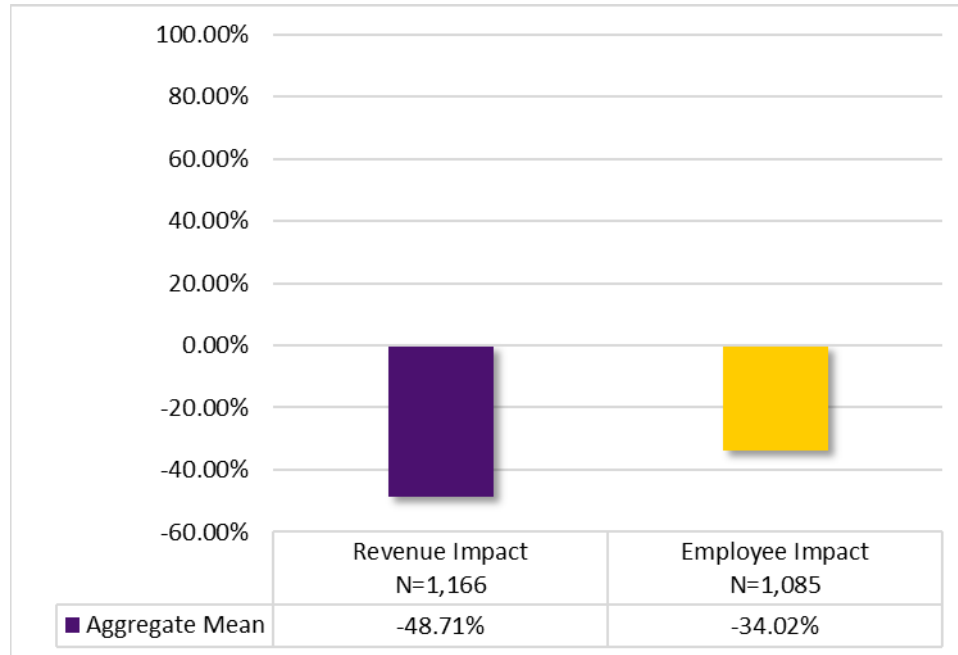
A total of 303 respondents were not sure about the current revenue impact and 344 were not sure about the current employee impact.



## What do you estimate the impact of the coronavirus (COVID-19) will have on your organization's revenue and employment in 30 days)

Respondents indicated an increasing negative 30-day impact for both revenue (mean value of -48.71%) and employees (mean value of -34.02%) as compared to current impact estimations.

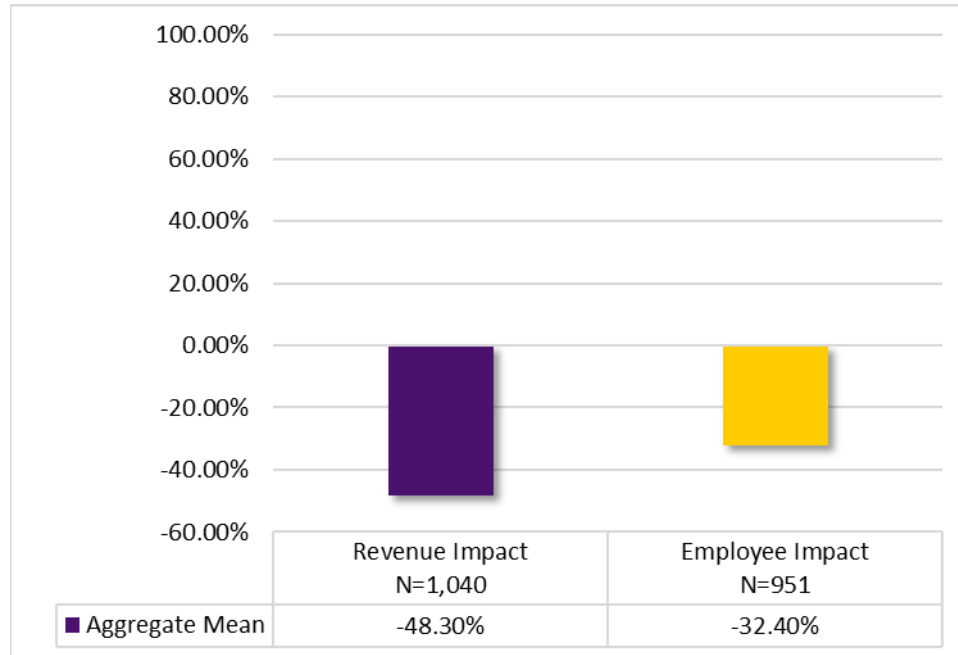
A total of 278 respondents were not sure about the revenue impact in 30 days and 359 were not sure about the employee impact in 30 days.



**What do you estimate the impact of the coronavirus (COVID-19) will have on your organization’s revenue and employment in 60 days?**

Respondents indicated a steady negative 60-day impact for both revenue (mean value of -48.30%) and employees (mean value of -34.40%) as compared to 30 day impact estimations.

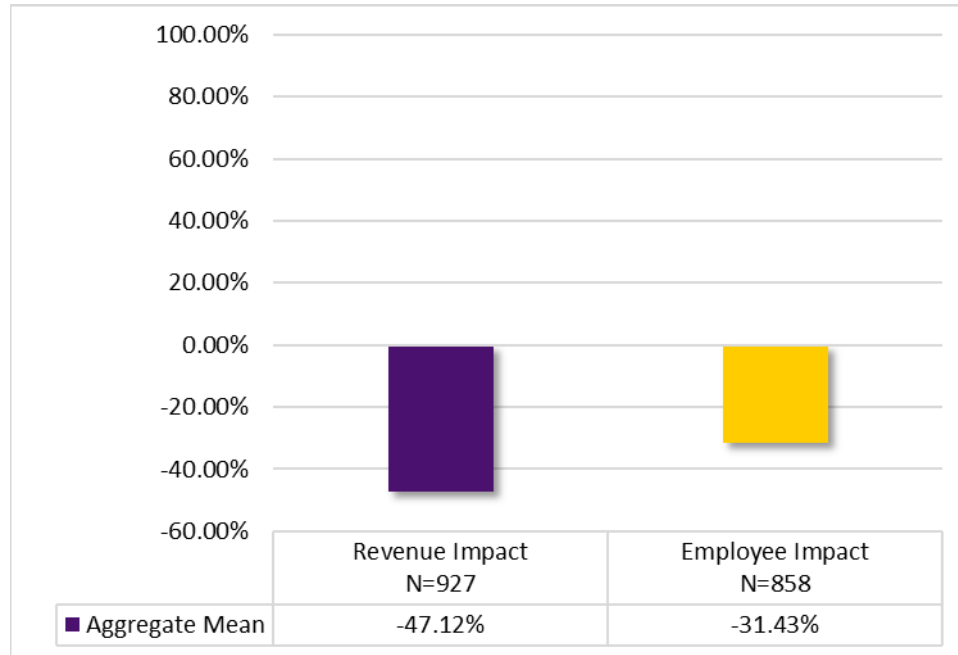
A total of 409 respondents were not sure about the revenue impact in 60 days and 496 were not sure about the employee impact in 60 days.



## What do you estimate the impact of the coronavirus (COVID-19) will have on your organization's revenue and employment in 90 days?

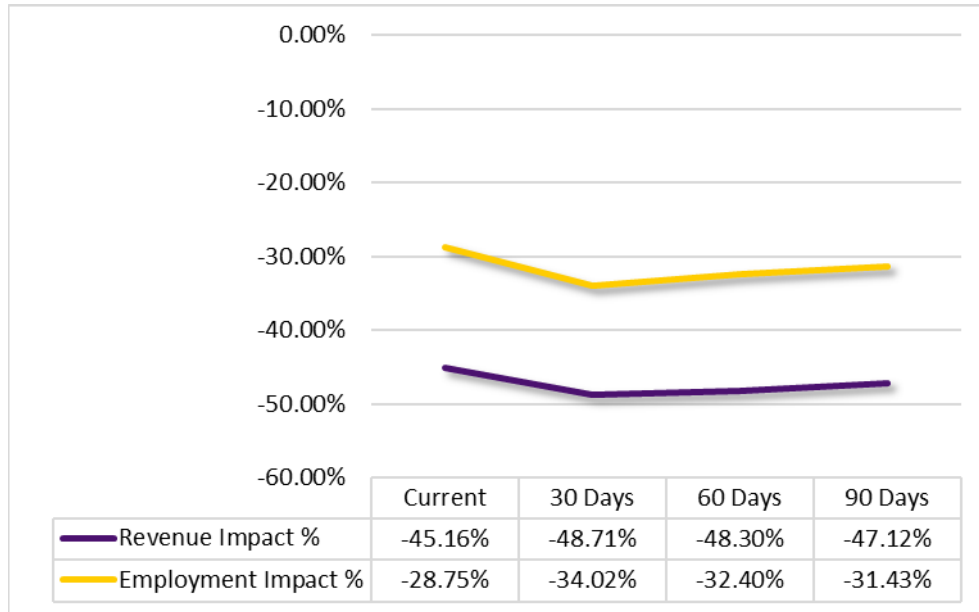
Respondents again indicated a steady negative 90-day impact for both revenue (mean value of -47.12%) and employees (mean value of -31.43%) as compared to 60-day impact estimations.

A total of 525 respondents were not sure about the revenue impact in 90 days and 593 were not sure about the employee impact in 90 days.



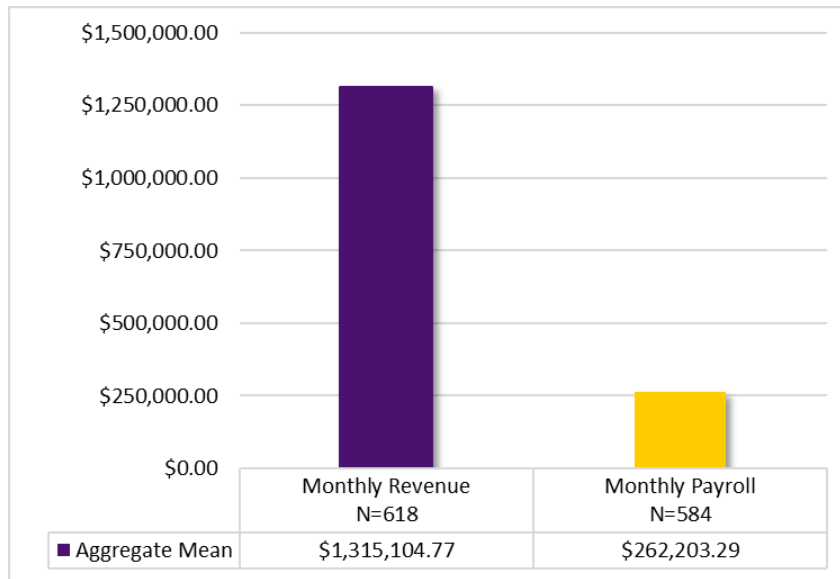
### Revenue & Employment Impact Trend

Aggregately, respondents indicated a negative impact for COVID-19 currently and across the next 90 days, with a small decrease in the mean values over the next 30 days for both revenue (-3.55%) and employment (-5.27%). The mean values remain steady to a slight increase for both revenue and employment after 60 days and 90 days.

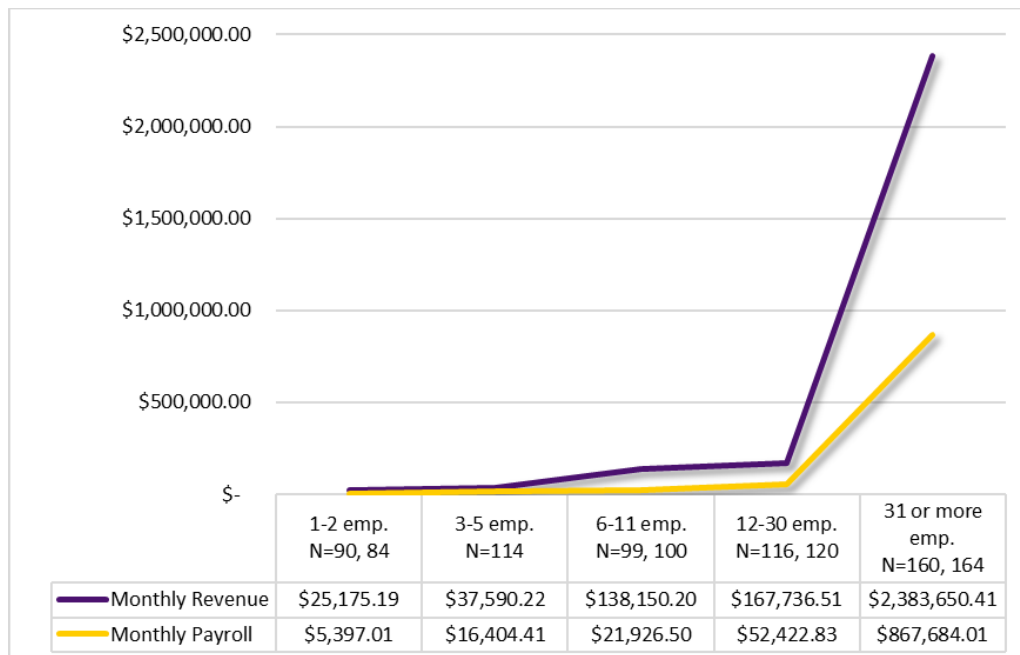


## Most Recent Monthly Revenue and Payroll

Survey respondents were asked to provide monthly revenue and payroll data for the month of February 2020. Extensive data review and cleaning were performed to ensure high data quality. Not for profit organizations reported monthly revenues ranging from \$100 to \$375,000,000 with a total sum of \$812,734,748. The average monthly revenue was \$1,315,104.77 with \$40,750 being the median. Respondents reported monthly payroll ranging from \$1000 to \$19,567,362 with a total sum of \$153,126,720. The average monthly payroll was \$262,203.29 with \$24,000 being the median.



Due to the wide range in employment size reported by respondent organizations, employee size categories were created for comparison purposes. The graphic below offers average monthly revenue and payroll for respondents in each of these employee size categories.

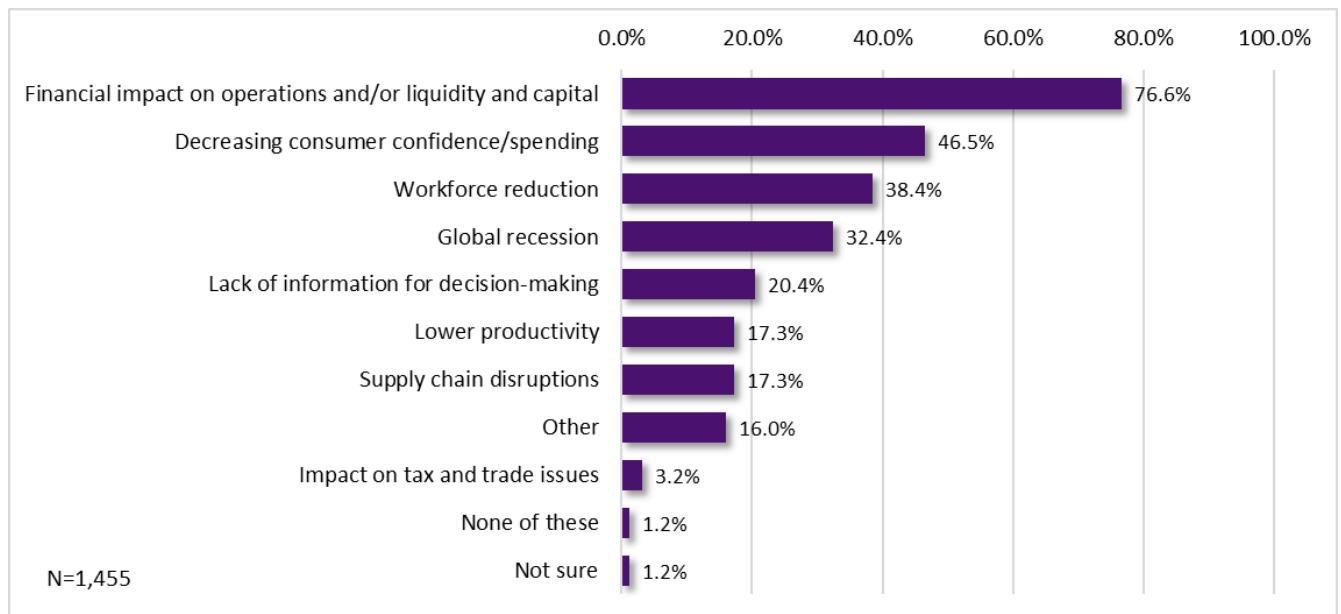


## Which of the following are your organization’s top 3 concerns with respect to the coronavirus (COVID-19)?

Respondents are most concerned with the Financial impact on operations and/or liquidity and capital (76.6%) and Decreasing consumer confidence/spending (45.5%) with respect to COVID-19. Just over 38% of respondents are concerned about Workforce reduction and almost one-third are concerned with a Global recession. Respondents are least concerned with Impact on tax and trade issues (3.2%).

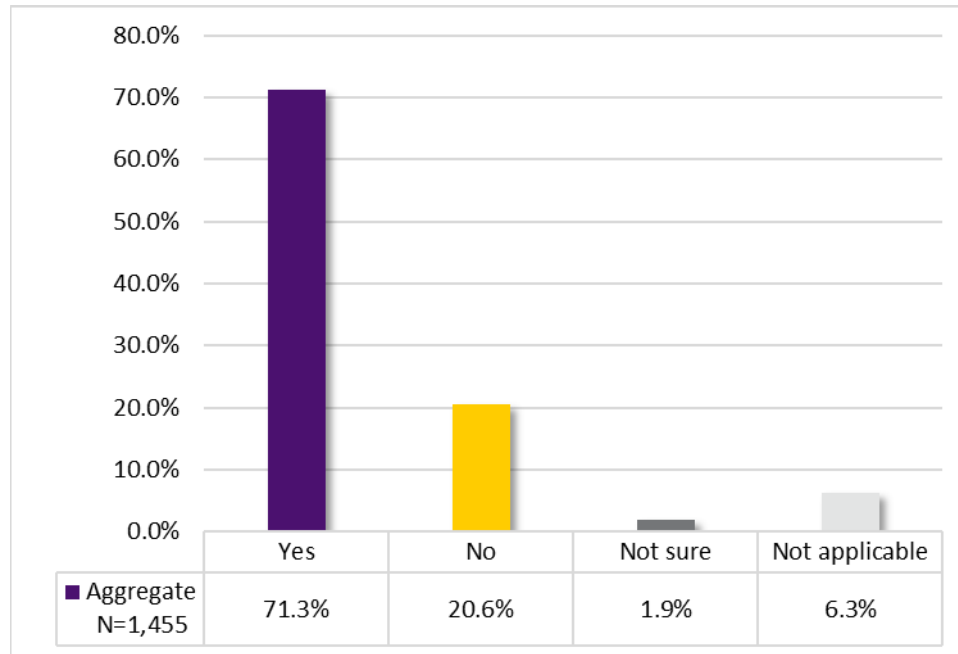
Other responses indicated by respondents include:

- Employee/owner/customer health, mental health and safety – 44
- Decreasing fundraising opportunities/ contributions/donations/grants/members – 43
- Not being able to meet with clients/customers, social distancing or travel ban – 36
- Community impact (gov’t services, churches , events, volunteerism, public spaces) – 25
- Education/impact to graduates/children – 12
- More work or need than organization can handle (workforce) – 9
- Long-term change in customer behavior/ability to pay – 8
- Health insurance coverage/general insurance reimbursements – 5
- Shutdown orders – 4
- Permanent business closure – 4
- Employee financial stability/losing employees – 4
- Childcare for workers – 3
- Remote work (how to, how to afford, setup, etc.) – 3
- Long term government interference/government overreach/government change – 2
- Cash flow for retirement contributions/life insurance payments/loss of investments – 1
- Product waste/spoilage/expiring – 1



## Has your organization enacted any employee restrictions to physical work sites?

A strong majority of respondents (71.3%) have enacted employee restrictions to physical work sites, while only one-fifth have not (20.6%).





**Please describe employee restrictions you have enacted to your organization’s physical work site(s)**

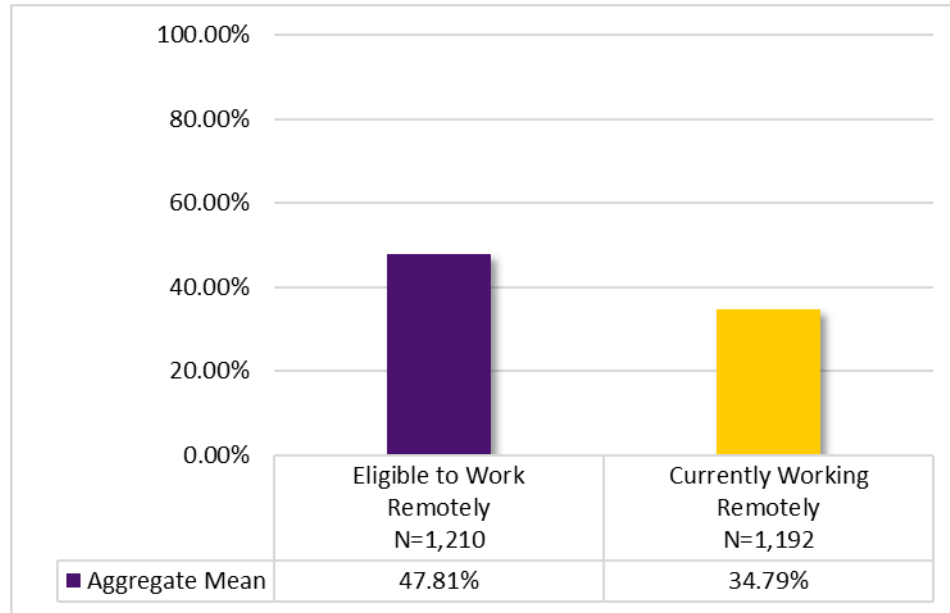
All organizations have changed their approach toward work and the workplace. The timeline for reassessing the changes listed below is 3-4 weeks. This is a summary of employee restrictions that have been enacted in the past few weeks:

	<b>Aggregate N=1,036</b>
<b>Reduced staff / Layoffs or furloughs</b>	44.0%
<b>Social distancing</b>	34.7%
<b>Closed business/organization</b>	24.1%
<b>Reduced access / No customers, suppliers, vendors, volunteers, patients or visitors on site</b>	21.9%
<b>Canceled meetings/events</b>	21.8%
<b>Working from home/remotely</b>	18.1%
<b>Restaurant Take out only/store pick up OR bank drive up</b>	10.8%
<b>Travel ban - reduced travel</b>	8.4%
<b>Self quarantine</b>	7.0%
<b>Telehealth</b>	6.2%
<b>Health screenings</b>	4.1%
<b>Cleaning, sanitizing, housekeeping, PPE, etc.</b>	3.1%
<b>None - very few</b>	2.3%
<b>Other</b>	0.1%

## What percentage of your organization’s employees do you estimate are eligible to work remotely and what percentage do you estimate are currently working remotely?

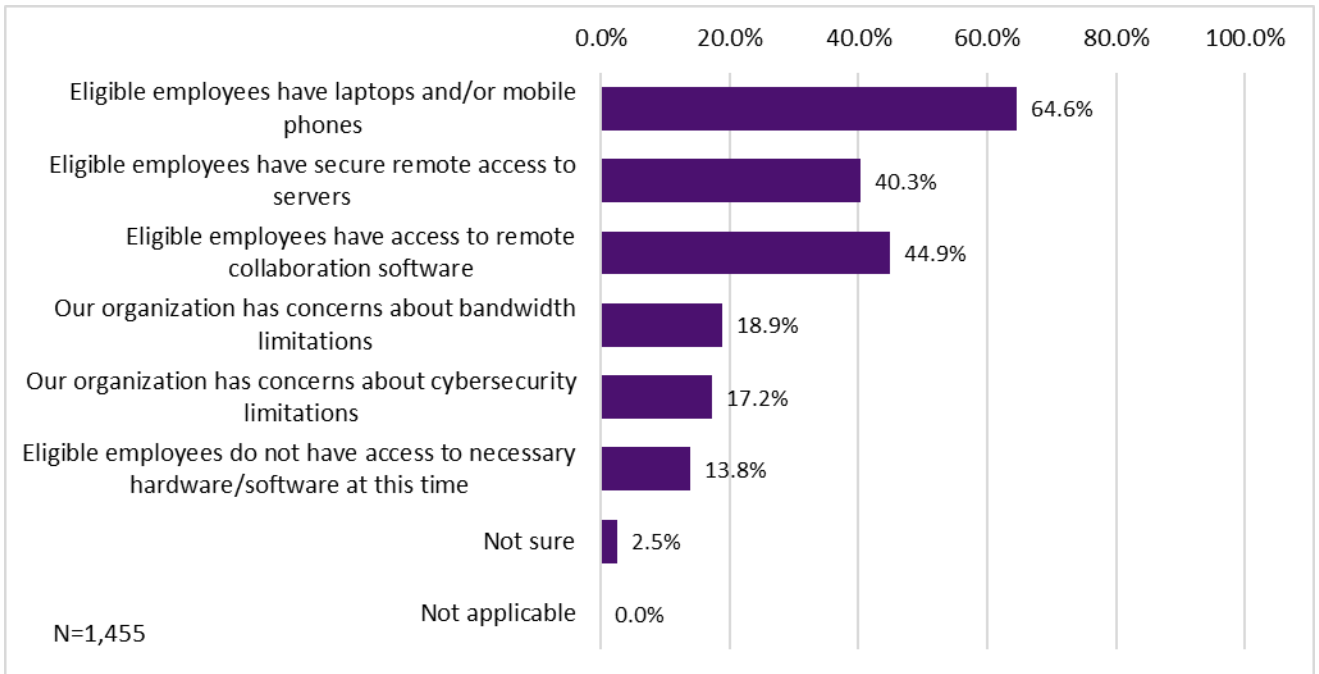
Aggregately, respondents reported just under half of their employees (47.81%) are eligible to work remotely, while slightly more than one-third (34.79%) are currently working remotely.

A total of 245 respondents were not sure about the percentage of employees eligible to work remotely and 263 were not sure about the percentage currently working remotely.



**Which of the following describes your organization’s readiness with respect to employees’ access to remote work infrastructure?**

Aggregately, nearly 65 percent of eligible employees have laptops and/or mobile phones, while just over 40% have secure remote access to servers. Nearly 45% have access to remote collaboration software while only 13.8% reported their eligible employees do not have access to necessary hardware/software at this. In addition, a modest percentage of organizations have concerns about bandwidth (18.9%) and cybersecurity (17.2%) limitations.

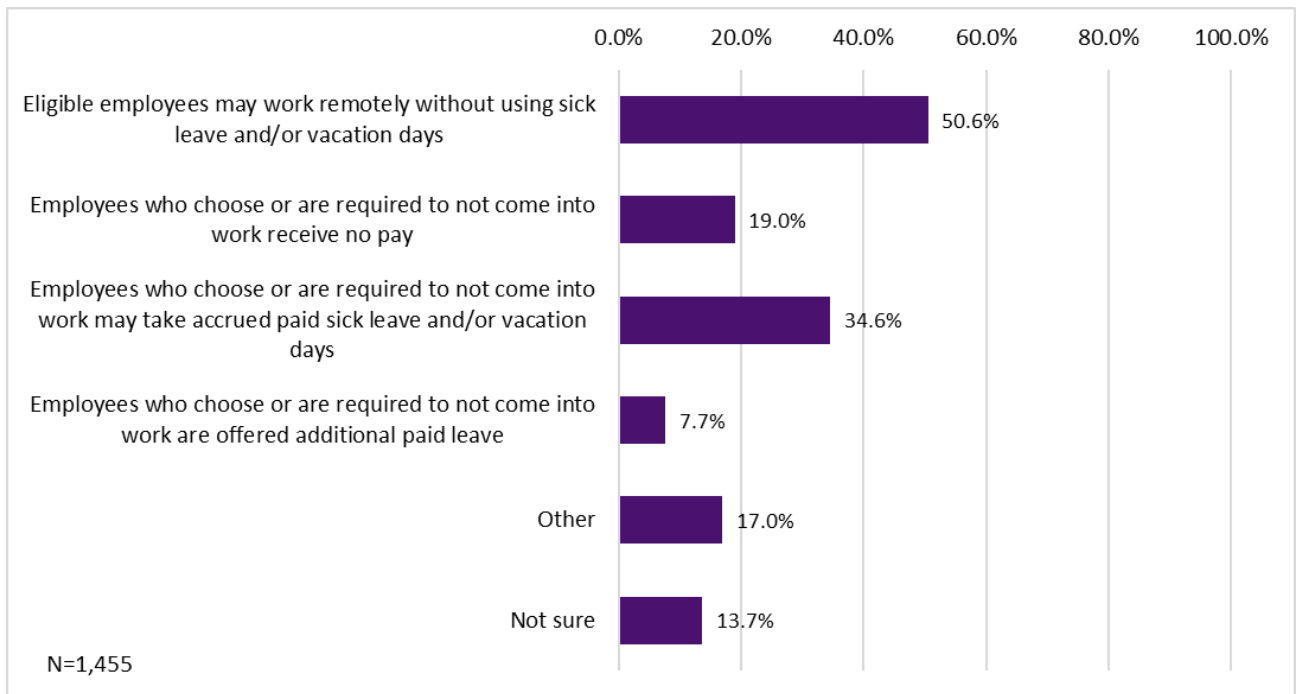


## Does your organization currently have any of the following leave and/or absence policies in place for employees related to the coronavirus (COVID-19)?

Leave and absence policies vary greatly among respondent organizations, with 50.6% indicating eligible employees may work remotely without using sick leave and/or vacation days, while 34.6% may take accrued paid sick leave and/or vacation days, and 7.7% are offered additional paid leave. Just under 20% of respondent organizations offer no pay to employees who choose or are required to not come into work.

Other responses indicated by respondents include:

- Self-employed, owner-operator, family business – 3
- Seasonal employees – 1



## What assistance or resources would be helpful to your organization?

A total of 991 respondent organizations provided a response to the question regarding what assistance or resources would be helpful to their organization. Those responses were sorted into one or multiple common themes as necessary. Most frequently mentioned themes by respondents include Financial Assistance, Communication and Information, and Unemployment/Workers Comp.

<b>Financial Assistance -</b>	<b>58.5%</b>
General, Access to Capital	38.3%
Low/no interest loans/forgivable/LOCs	4.5%
Grants	5.9%
Payroll related/sick leave pay	6.4%
Defer/delay/extend/restructure payments (accts payable: loans, utilities, rents...)	1.3%
For/in the future (reopening, long term affects)	1.0%
Tax credits	0.6%
<b>Communication and Information (about COVID-19, about available programs for employees and businesses, what they should be doing, what to plan for)</b>	<b>16.1%</b>
<b>Miscellaneous Ideas (testing, shut downs, reopens, workforce needs, requests to be “essential businesses”)</b>	<b>9.8%</b>
<b>Unemployment/Workers Comp</b>	<b>9.8%</b>
Unemployment Ins/Workers Comp: Policy changes (not count against employer, speed up benefit payments, ease eligibility, for self-employed, 100%)	3.0%
Laid off/underemployed/sick: Direct payments to employees/financial and other assistance for employees	6.1%
Unemployed/laid off/reduced hours: Continuation of health insurance for employees/self employed	0.7%
<b>General Comments (political, story sharing, find a cure, stop the panic)</b>	<b>7.0%</b>
<b>Supplies - Protection-related (hand sanitizer, PPE...)</b>	<b>6.3%</b>
<b>Technology assistance and equipment for working remotely/online sales</b>	<b>4.3%</b>

# Business & CommUNITY Services

University of Northern Iowa

<b>Engage/Support Nonprofit Sector</b>	<b>2.8%</b>
<b>For customers: Stimulus/ Financial Assistance/ Confidence boost</b>	<b>2.4%</b>
<b>Licensing and Regulations - relax requirements and/or restrictions (for trades, other workforce, electronic/remote activities, reimbursements)</b>	<b>2.1%</b>
<b>Tax Relief</b>	<b>1.9%</b>
Tax Relief/Deferment – broad comments	0.7%
Payroll Tax Relief: defer/delay/cancel/suspend filing/payments	0.7%
Sales Tax Relief: Defer/delay/eliminate filing/payments	0.2%
Property Tax Relief/Deferment	0.2%
Income Tax Relief: Defer/delay filing/payments	0.1%
<b>Access to/improved internet/broadband</b>	<b>1.5%</b>
<b>Childcare</b>	<b>1.5%</b>
<b>Marketing/Promotion Assistance</b>	<b>0.6%</b>
<b>Preventing disruption/ assistance with supply chains and/or critical supplies and services (utilities, gas, internet, post office, government)</b>	<b>0.2%</b>
<b>Revenue loss insurance/business interruption insurance to apply to this scenario</b>	<b>0.2%</b>
<b>Unsure/Nothing</b>	<b>11.3%</b>
Unsure/Don't Know (yet)	6.3%
No/Nothing/NA/Not yet	5.0%

## Appendix: Significant Statements

Statistical procedures such as crosstabs, independent t-tests and ANOVA were performed on the nonprofit data set to identify significant differences between various segments. The following statements identify statistically significant differences by county type (metro vs. non-metro), employee size and industry sector.

### County Type

#### **Q1: Impact of COVID-19 on organization**

Nonprofits in metro counties are impacted significantly more negatively compared to nonprofits in non-metro counties.

#### **Q2: Areas of organization impacted by COVID-19**

Nonprofits in metro counties are significantly more impacted in the areas of business development/sales, business operations, and employee availability compared to nonprofits in non-metro counties.

#### **Q3: Current impact of COVID-19 on revenue and employment**

Nonprofits in non-metro counties reported a significantly higher negative current impact on both revenue and employment compared to nonprofits in metro counties.

#### **Q4: 30 day impact of COVID-19 on revenue and employment**

Nonprofits in non-metro counties reported a significantly higher negative 30 day impact on employment compared to nonprofits in metro counties.

#### **Q7: Organization's top 3 concerns with respect to COVID-19**

Nonprofits in metro counties are significantly more likely to be concerned by global recession and lower productivity compared to nonprofits in non-metro counties.

#### **Q8: Physical work site restrictions enacted**

Nonprofits in metro counties are significantly more likely to have enacted employee restrictions to physical work sites compared to nonprofits in non-metro counties.

#### **Q10: Percentage of employees eligible to work remotely and Percentage currently working remotely**

Nonprofits in metro counties reported a significantly higher percentage of employees eligible to and currently working remotely compared to nonprofits in non-metro counties.

#### **Q11: Organization's remote work readiness**

Nonprofits in metro counties are significantly more likely to have laptops and/or mobile phones, access to servers via VPN, and remote collaboration software available for eligible employees compared to nonprofits in non-metro counties

Nonprofits in metro counties are significantly more likely to have concerns about bandwidth and cybersecurity limitations compared to nonprofits in non-metro counties.

Nonprofits in non-metro counties are significantly more likely to not have access to necessary hardware and software for eligible employees compared to nonprofits in metro counties.

**Q12: Organization leave and/or absence policies in place**

Nonprofits in metro counties are significantly more likely to allow eligible employees to work remotely without using sick leave and/or vacation days or to use accrued paid sick leave and/or vacation days compared to nonprofits in non-metro counties.

Nonprofits in non-metro counties are significantly more likely to provide no pay to employees who choose or are required to not come into work compared to nonprofits in metro counties.

**Q17: Monthly revenue and payroll**

Nonprofits in metro counties reported a significantly higher level of monthly payroll compared to nonprofits in non-metro counties.

## **Employee Size**

**Q1: Impact of COVID-19 on organization**

Organizations with over 12 employees are impacted significantly higher negatively compared to organizations with 1-11 employees.

**Q2: Areas of organization impacted by COVID-19**

Organizations with over 12 employees are significantly more impacted in the areas of business operations, customer demand of products/services, employee availability, supply chain, and technology compared to organizations with 1-11 employees.

**Q3-6: Current, 30 day, 60 day and 90 day impact of COVID-19 on revenue and employment**

Organizations with 3-30 employees reported a significantly higher negative impact on current, 30, 60, and 90 day revenue compared to organizations with 1-2 and more than 31 employees.

Organizations with 3 or more employees reported a significantly higher negative impact on current, 30, 60, and 90 day employment compared to organizations with 1-2 employees.

**Q7: Organization's top 3 concerns with respect to COVID-19**

Organizations with less than 12 employees are significantly more likely to be concerned by decreasing consumer confidence/spending and global recession compared to organizations with more than 12 employees.

Organizations with 3 to 30 employees are significantly more likely to be concerned by the impact on information for decision making compared to organizations with 1-2 or 31 or more employees.

Organizations with 31 or more employees are significantly more likely to be concerned by supply chain disruptions and workforce reductions compared to organizations with less 31 employees.

**Q8: Physical work site restrictions enacted**



Organizations with 12 or more employees are significantly more likely to have enacted employee restrictions to physical work sites compared to organizations with less than 12 employees.

**Q10: Percentage of employees eligible to work remotely and Percentage currently working remotely**

Organizations with less than 5 employees reported a significantly higher percentage of employees eligible and currently working remotely compared to organizations with 6 or more employees.

**Q11: Organization's remote work readiness**

Organizations with 1-2 or 31 or more employees are significantly more likely to have laptops and/or mobile phones available for eligible employees compared to organizations with 3 to 30 employees.

Organizations with 12 or more employees are significantly more likely to provide access to servers via VPN for eligible employees and to have broadband and cybersecurity limitation concerns compared to organizations with less than 12 employees.

Organizations with 31 or more employees are significantly more likely to provide eligible employees with access to remote collaboration software compared to organizations with 30 employees or less.

**Q12: Organization leave and/or absence policies in place**

Organizations with 31 or more employees are significantly more likely to allow eligible employees to work remotely without using sick leave and/or vacation days or take accrued paid sick leave and/or vacation days compared to organizations with less than 31 employees.

Organizations with 6 or more employees are significantly more likely to offer additional paid leave to employees compared to organizations with less than 6 employees.

**Q17: Monthly revenue and payroll**

Organizations with 31 or more employees reported a significantly higher monthly revenue and payroll compared to organizations with less than 31 employees.

## **Industry Sector**

**Q1: Impact of COVID-19 on organization**

Nonprofits in Health Care and Social Assistance and Arts, Entertainment, and Recreation organizations are significantly more likely to be impacted negatively by COVID-19 compared to nonprofits in the Other Services industry sector.

**Q2: Areas of organization impacted by COVID-19**

Nonprofits in Arts, Entertainment, and Recreation organizations are significantly more impacted in the area of business development/sales compared to nonprofits in the Health Care and Social Assistance and Other Services industry sectors.

Nonprofits in Health Care and Social Assistance and Arts, Entertainment, and Recreation organizations are significantly more impacted in the areas of business operations and customer demand of products/services compared to nonprofits in the Other Services industry sectors.

Nonprofits in Health Care and Social Assistance organizations are significantly more impacted in the area of employee availability, supply chain, and technology compared to nonprofits in the Arts, Entertainment, and Recreation and Other Services industry sectors.

### **Q3-6: Current, 30 day, 60 day and 90 day impact of COVID-19 on revenue and employment**

Nonprofits in Arts, Entertainment, and Recreation organizations reported a significantly higher negative impact on current and 30, 60, and 90 day revenue compared to nonprofits in the Health Care and Social Assistance and Other Services industry sectors.

Nonprofits in Health Care and Social Assistance and Arts, Entertainment, and Recreation organizations reported a significantly higher negative impact on current, 30, 60, and 90 day employment compared to nonprofits in the Other Services industry sectors.

### **Q7: Organization's top 3 concerns with respect to COVID-19**

Nonprofits in Arts, Entertainment, and Recreation organizations are significantly more likely to be concerned by decreasing consumer confidence/spending and financial impact on operations compared to nonprofits in the Health Care and Social Assistance and Other Services industry sectors.

Nonprofits in Arts, Entertainment, and Recreation and Other Services organizations are significantly more likely to be concerned by global recession compared to nonprofits in the Health Care and Social Assistance industry sectors.

Nonprofits in Health Care and Social Assistance organizations are significantly more likely to be concerned by lower productivity, supply chain disruptions, and workforce reduction compared to nonprofits in the Arts, Entertainment, and Recreation and Other Services industry sectors.

### **Q8: Physical work site restrictions enacted**

Nonprofits in Health Care and Social Assistance organizations are significantly more likely to have enacted employee restrictions to physical work sites compared to nonprofits in the Arts, Entertainment, and Recreation and Other Services industry sectors.

### **Q10: Percentage of employees eligible to work remotely and Percentage currently working remotely**

Nonprofits in Other Services organizations reported a significantly higher percentage of employees eligible to and currently working remotely compared to nonprofits in the Health Care and Social Assistance and Arts, Entertainment, and Recreation industry sectors.

### **Q11: Organization's remote work readiness**

Nonprofits in Other Services organizations are significantly more likely to have laptops and/or mobile phones for eligible employees and to have concerns about bandwidth limitations compared to nonprofits in the Health Care and Social Assistance and Arts, Entertainment, and Recreation industry sectors.

Health Care and Social Assistance and Other Services organizations are significantly more likely to provide eligible employees with access to servers via VPN and remote collaboration software and have concerns about cybersecurity limitations compared to nonprofits in the Arts, Entertainment, and Recreation industry sectors.

### **Q12: Organization leave and/or absence policies in place**

Nonprofits in Other Services organizations are significantly more likely to allow eligible employees to work remotely without using sick leave and/or vacation days compared to nonprofits in the Health Care and Social Assistance and Arts, Entertainment, and Recreation industry sectors.

Nonprofits in Health Care and Social Assistance and Arts, Entertainment, and Recreation organizations are significantly more likely to not offer pay to employees who choose or are required to not come into work compared to nonprofits in the Other Services industry sectors.

Nonprofits in Health Care and Social Assistance organizations are significantly more likely to allow employees to take accrued paid sick leave and/or vacation days compared to nonprofits in the Arts, Entertainment, and Recreation and Other Services industry sectors.

**Q16: Full-time and part-time employees**

Nonprofits in Other Services and Arts, Entertainment, and Recreation industry sectors are significantly more likely to have less than 11 employees, while nonprofits in the Health Care and Social Assistance industry sectors are significantly more likely to have 11 or more employees.

**Q17: Monthly revenue and payroll**

Nonprofits in Health Care and Social Assistance organizations reported a significantly higher monthly payroll compared to nonprofits in the Arts, Entertainment, and Recreation and Other Services industry sectors.