



# Business Performance during COVID-19

MEA Survey  
Preliminary Results,  
September 2020



SURVEY, SEPTEMBER 2020

# Methodology

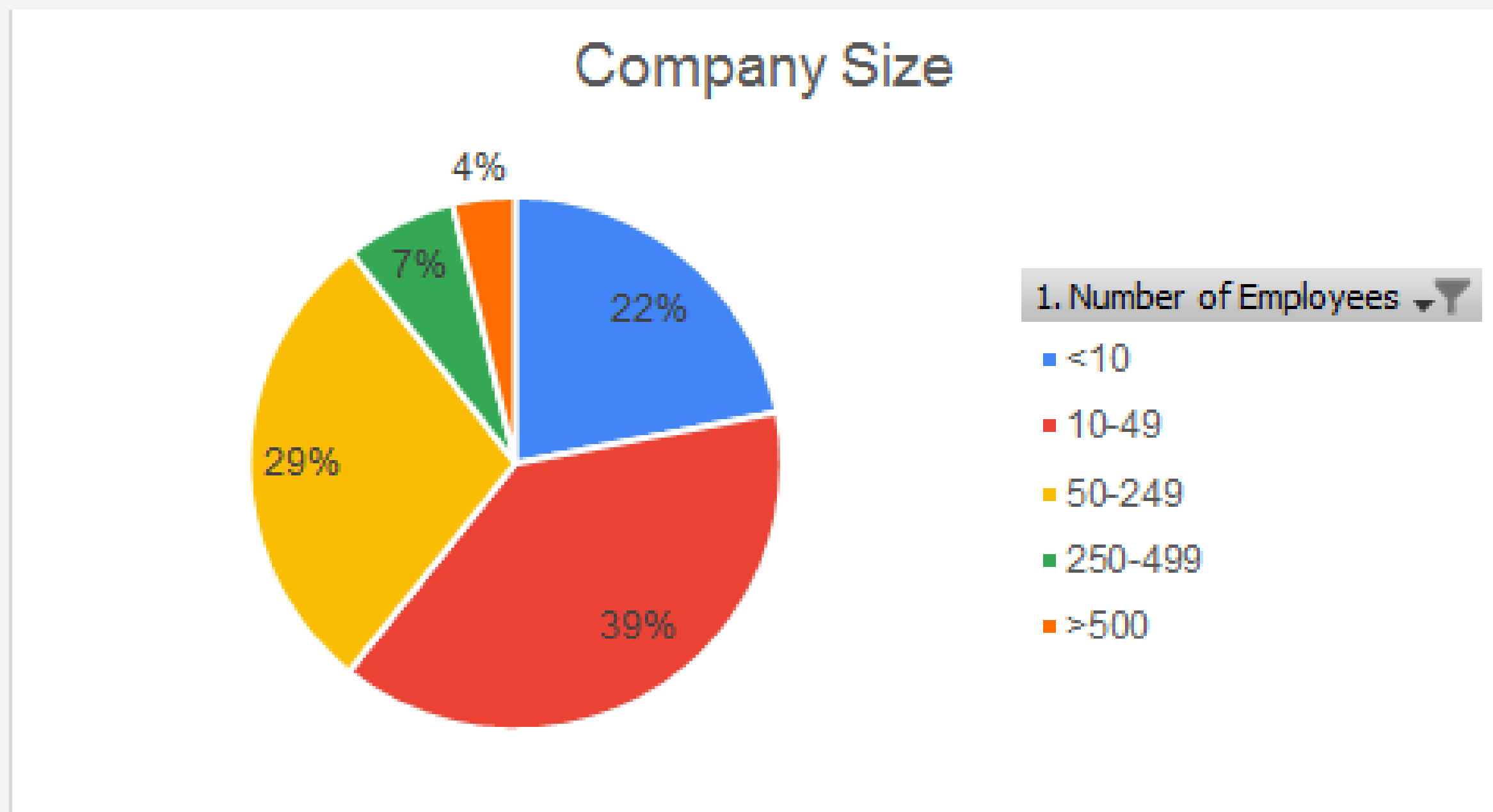
## Online Survey

- Open & Ended Questions
- One reply per user

## 237 Respondants

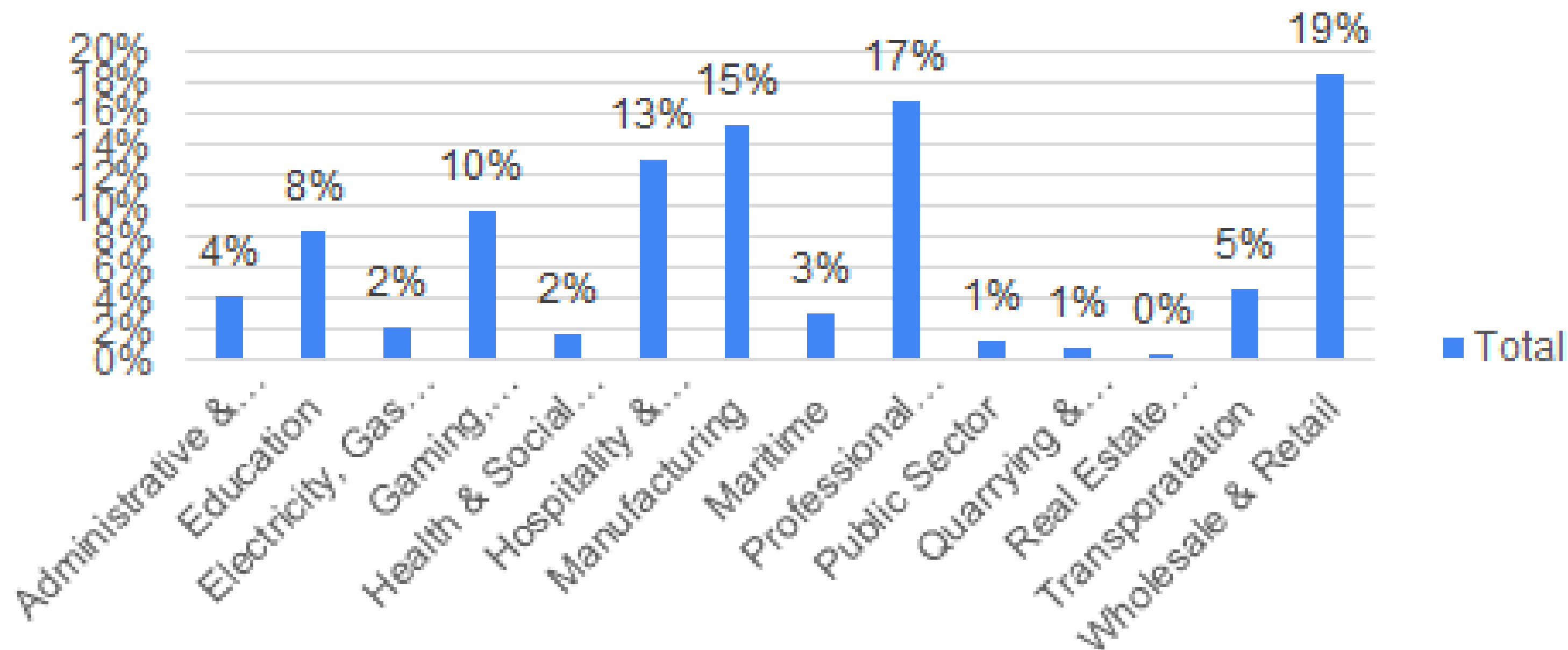
- 27th August - 4th September 2020
- Different Sectors (incl. groups of companies)



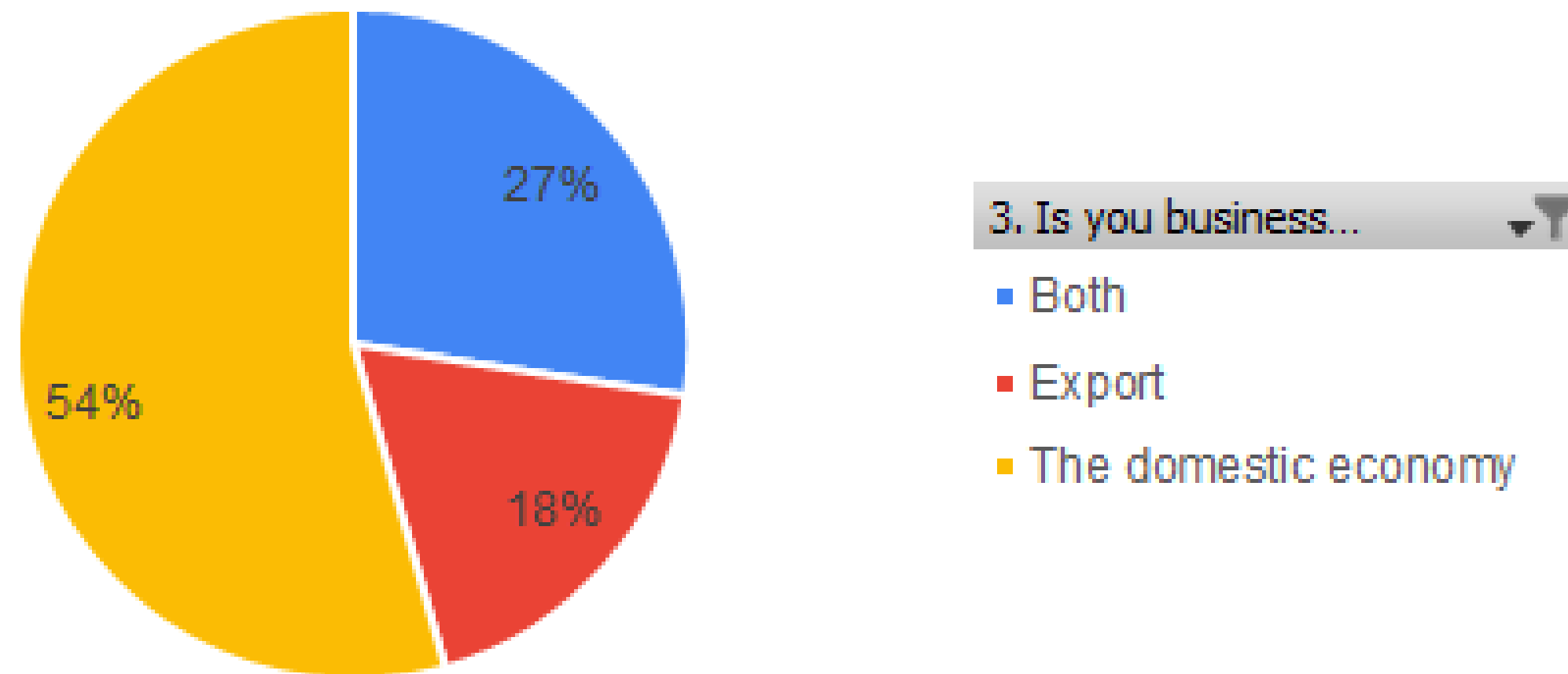


Out of 237 survey respondents, 22% of companies employ less than 10 employees, 39% employ between 10-49 employees, 29% employ between 50-249 employees, 7% employ between 250-499 employees, and 4% employ more than 500 employees.

## Company Sector

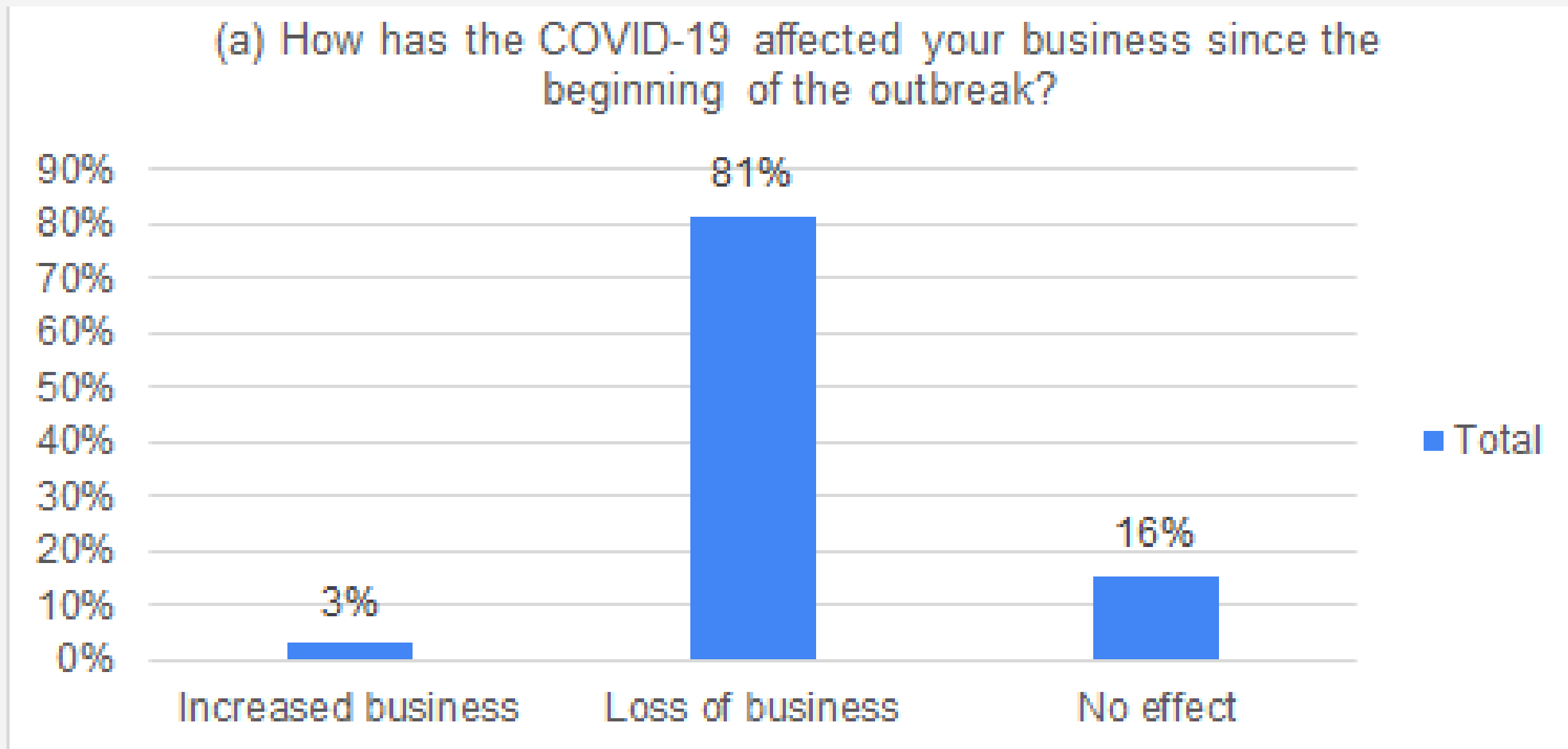


## Business is geared for:



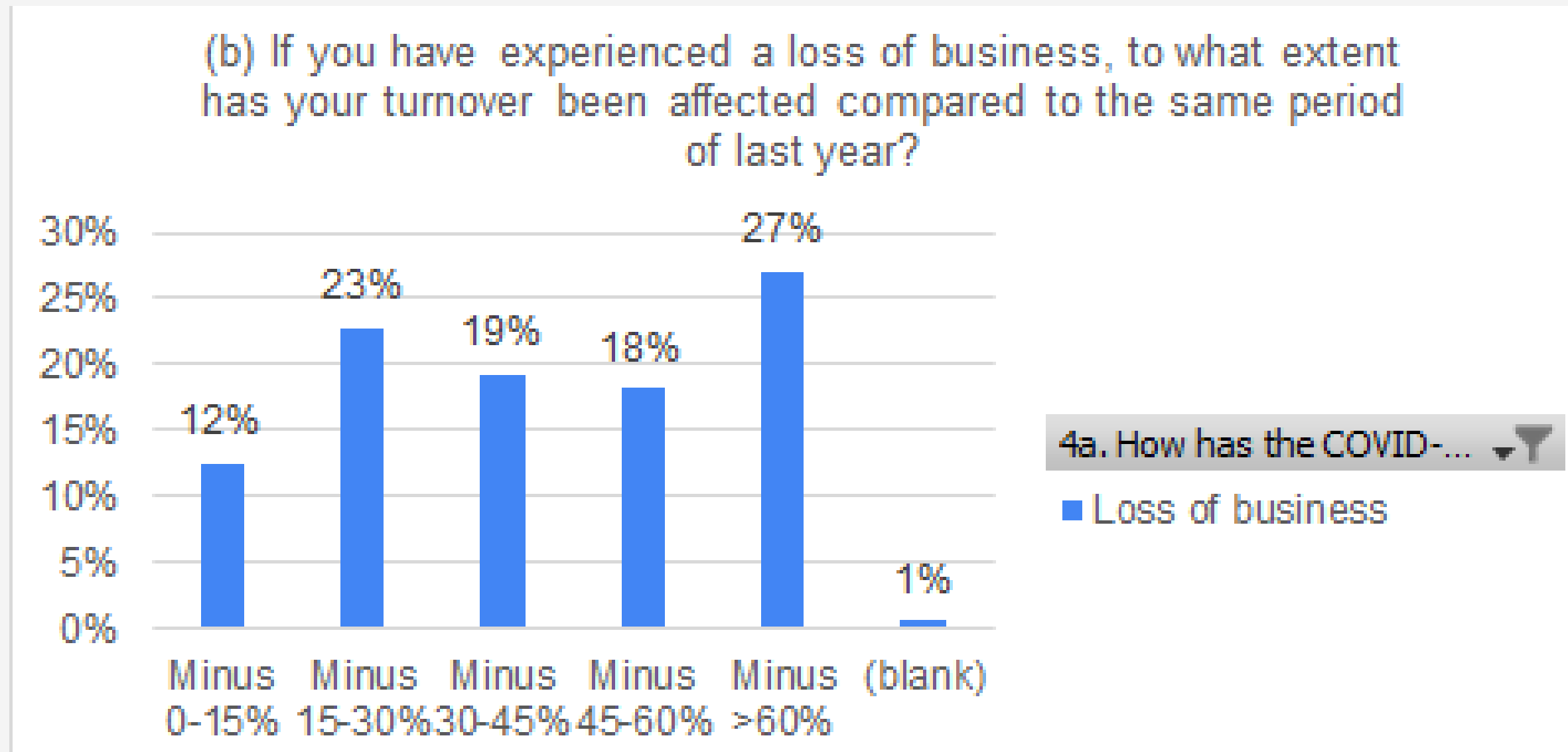
Out of 237 respondents, 54% of the companies are geared for the domestic economy, whilst 18% are geared for export. 27% of respondents claim that their business is geared for both the domestic economy and export.

# Effects of Covid-19 on Business



Out of the 237 survey respondents, 81% experienced a loss of business, 3% experienced an increase in business and 16% of respondents claim that COVID-19 is having no effect on their business operations.

There is a slight decrease in 'loss of business' (-6%) and an increase in 'no effect' (+6%) from previous survey conducted in June 2020.

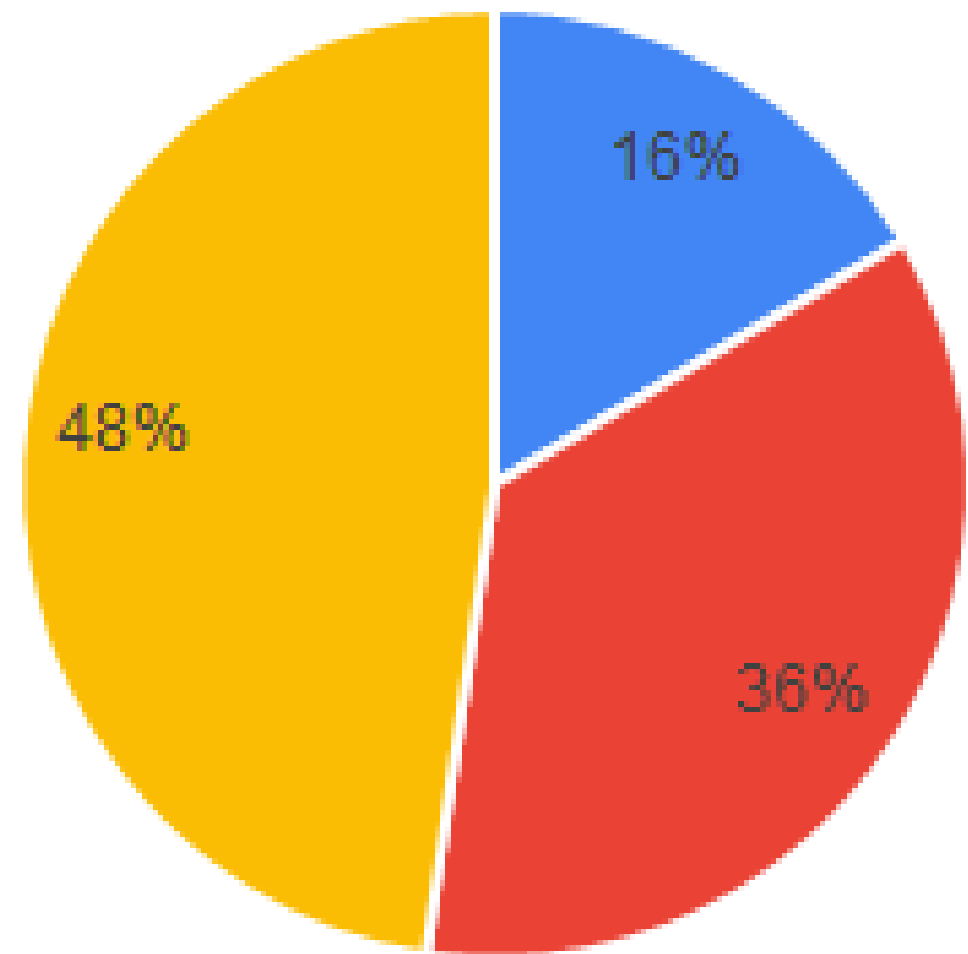


Out of the 193 respondents that have claimed a loss of business, 12% registered a loss between 0-15%, 23% registered a loss between 15-30%, 19% registered a loss between 30-45%, 18% registered a loss between 45-60%, and 27% registered a loss of more than 60%.

As expected, the hospitality sector is the most sector that have been affected - with 12% of respondents claiming that they have experienced a loss of business by more than 60%.

# Improvement in Business Performance

Business Performance during Jun-Aug, 2020



5. Have you seen any... 

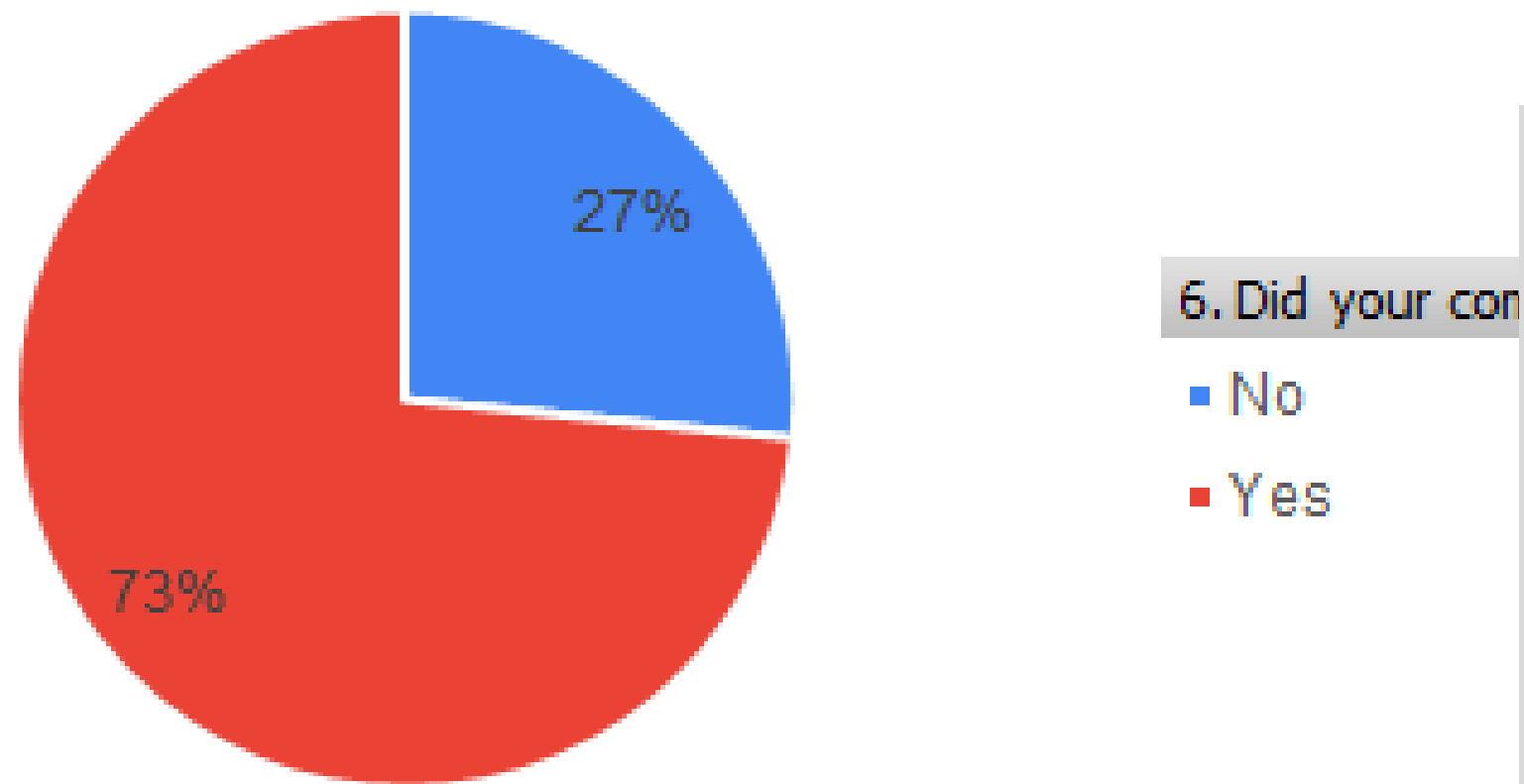
- Business performance was worse in Jun-Aug compared to Mar-May
- Business remained the same
- Improvement in Jun-Aug compared to Mar-May

When asked about improvements during the last 3 months (when compared to Mar-May), 48% of respondents stated that they had improvements, 36% stated that business remained the same, and 16% stated that business performance was worse.

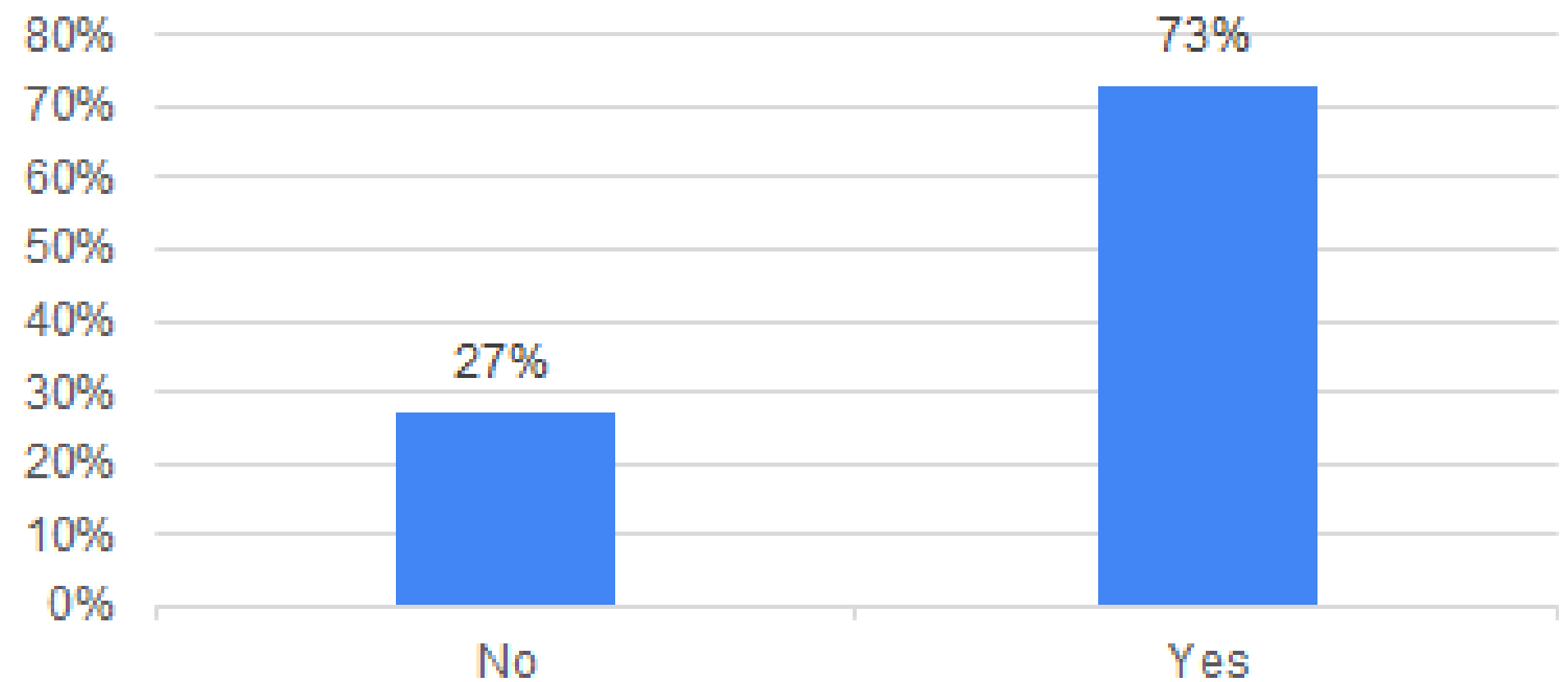


# COVID-19: Second Wave

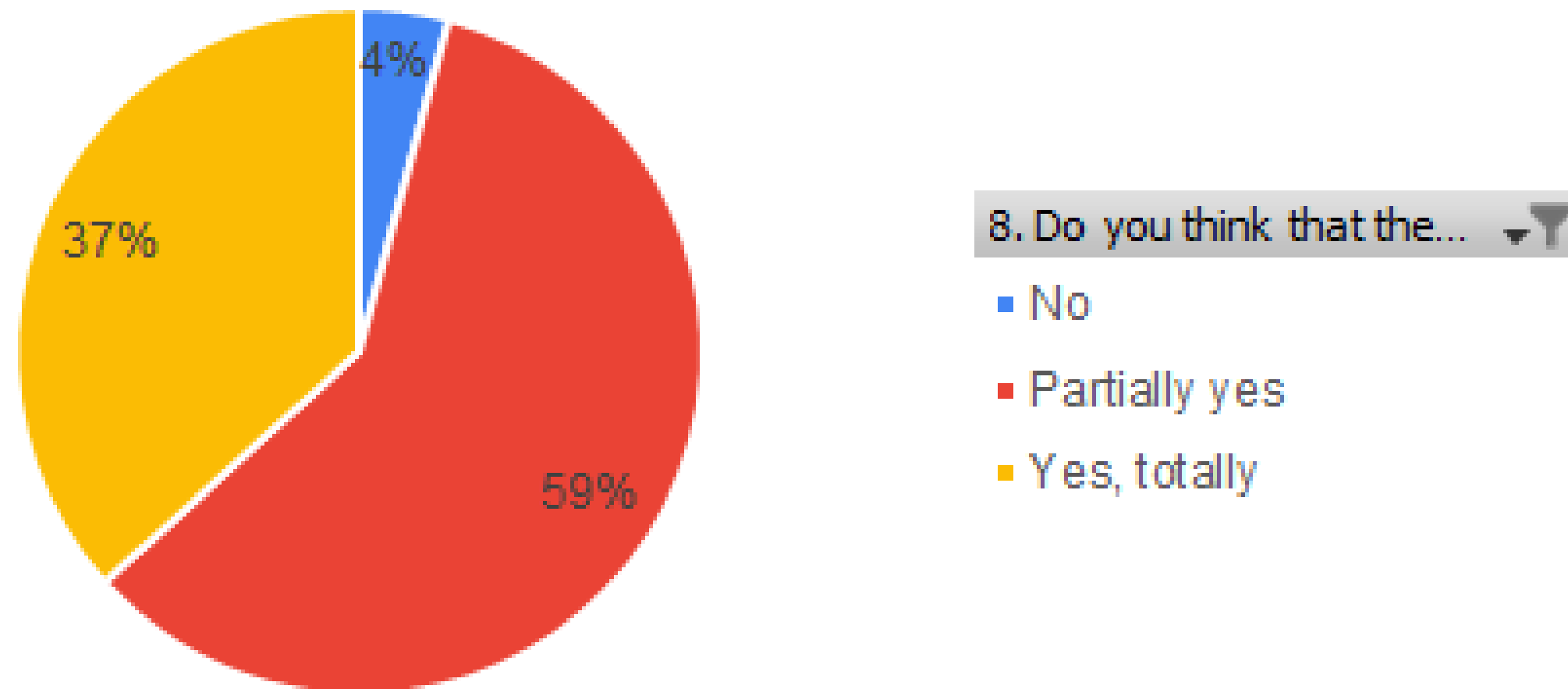
Did your company foresee a second wave following the increase in Covid cases following 20th July?



Has the second wave affected your business projections for the fourth quarter of 2020?

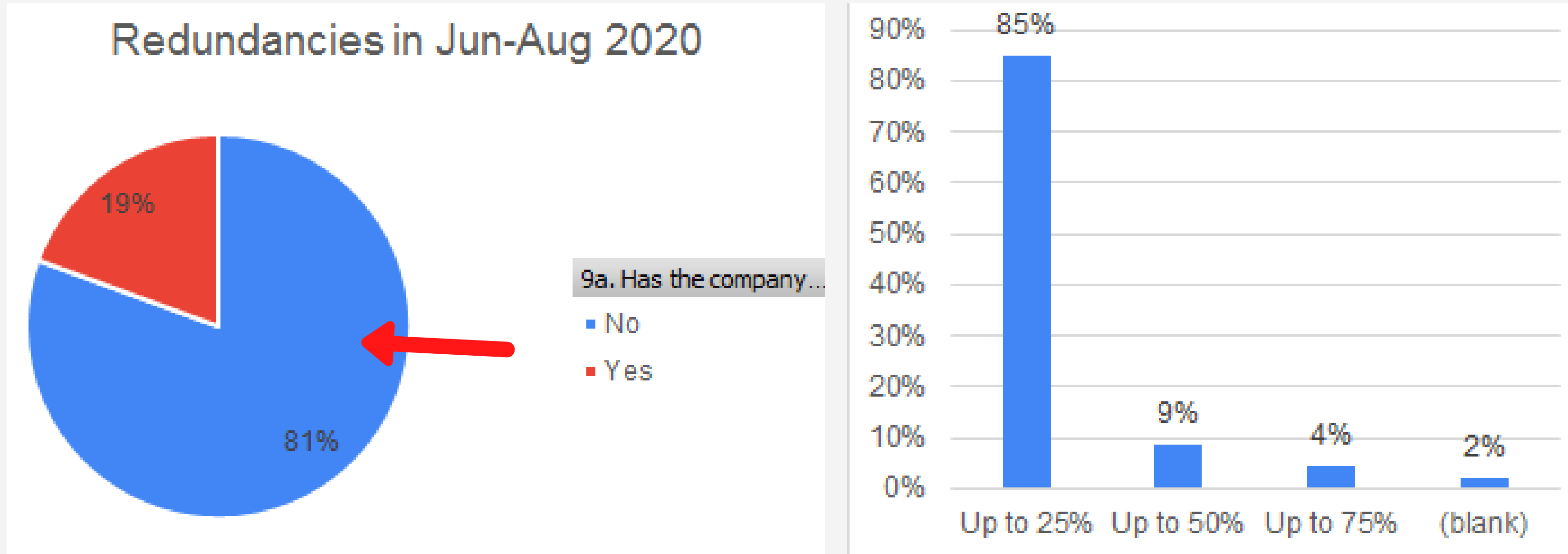


Do you think that the second spike could have been avoided?



When asked whether the second spike could have been avoided, 37% of survey respondents have answered in the affirmative, and another 59% stated 'Partially, yes'. 4% answered in the negative.

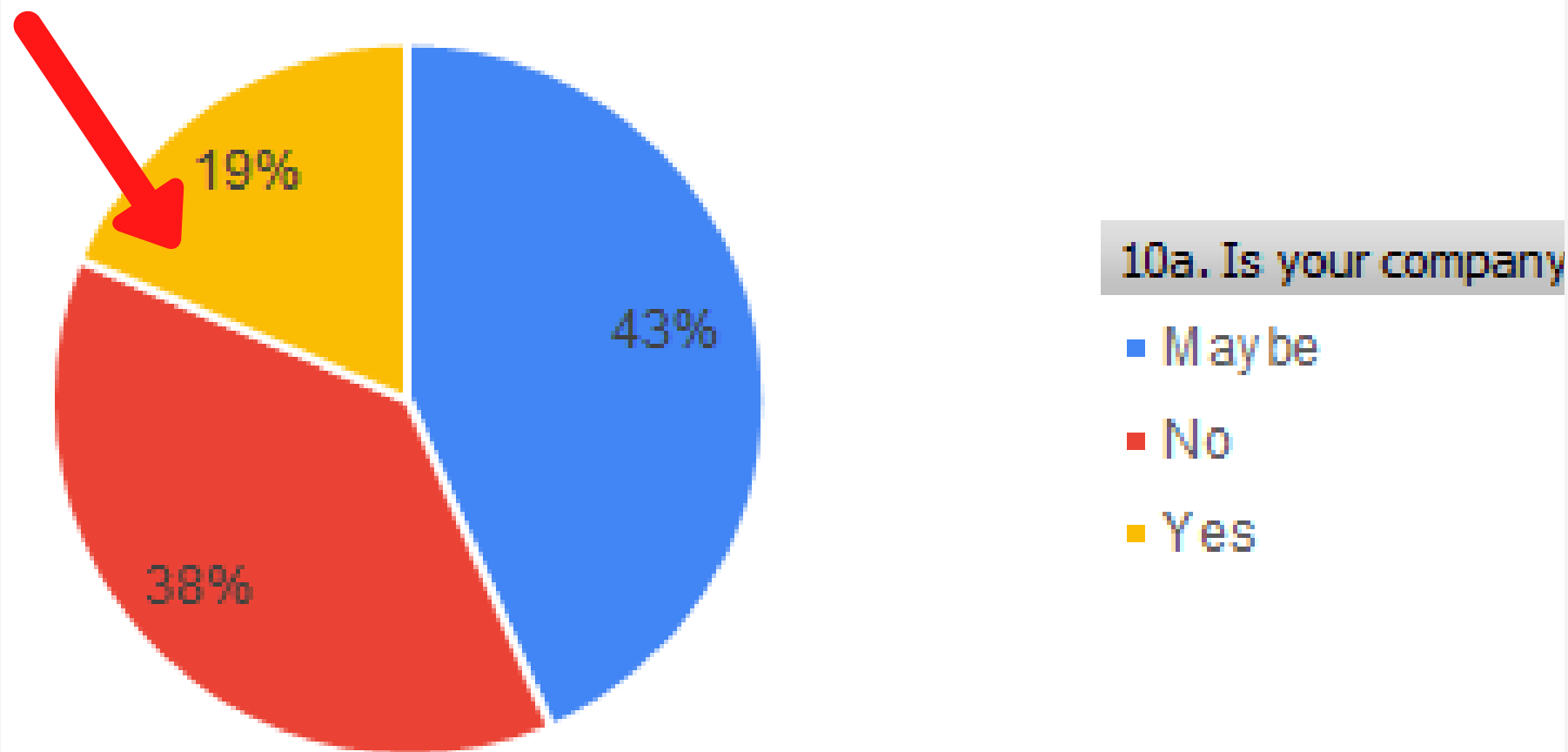
# Redundancies



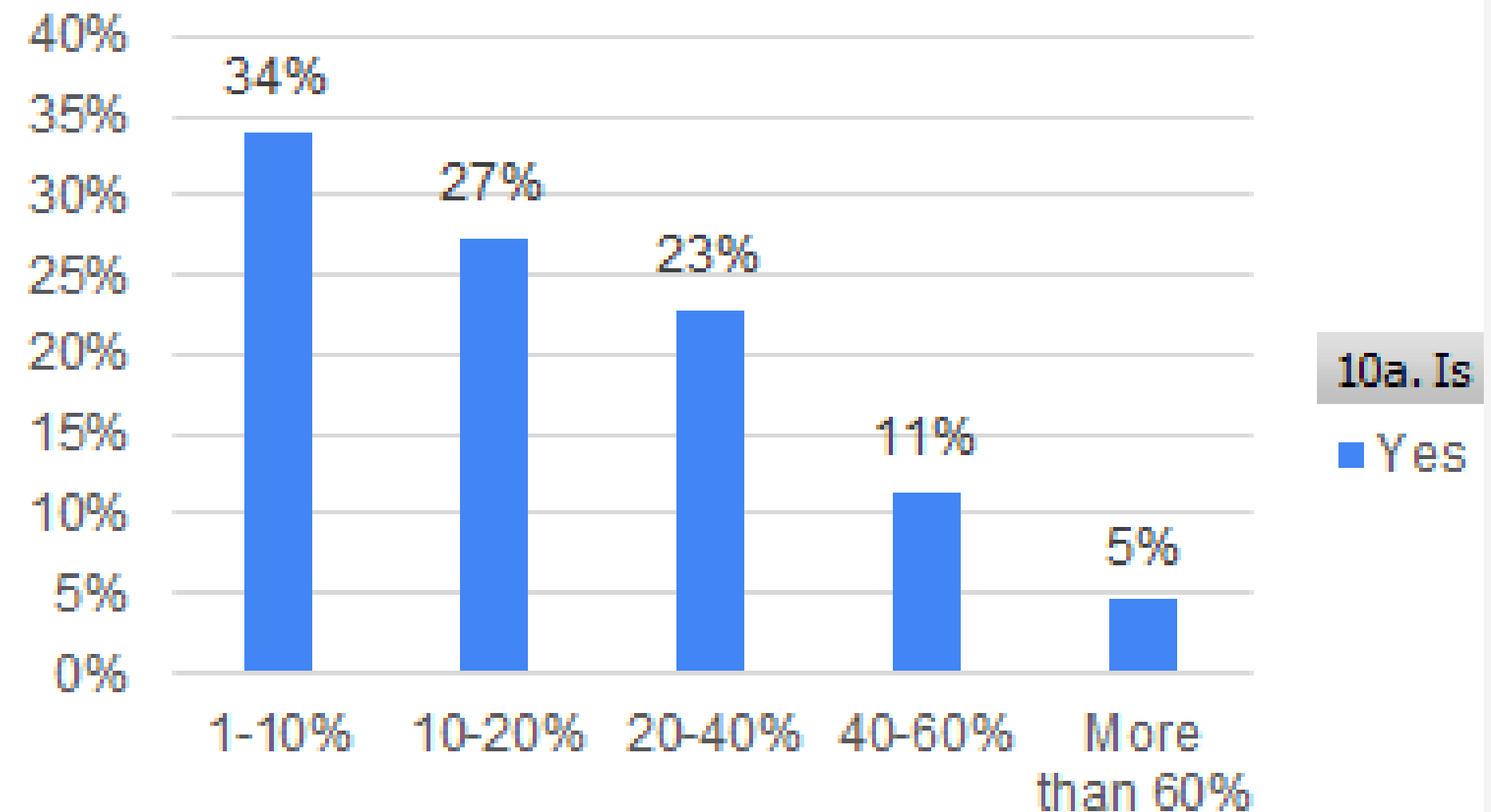
81% of respondents state that they have not made any redundancies in their company. The other 19%, amounting to 46 companies, have made some redundancies by different percentages – 85% by up to 25%; 9% by up to 50%; and 4% by up to 75%. The other 2% did not response the question.

# Expected redundancies in the next 3 months

(a) Is your company likely to reduce its labour force from current levels in the coming 3 months (Sept-Nov)?

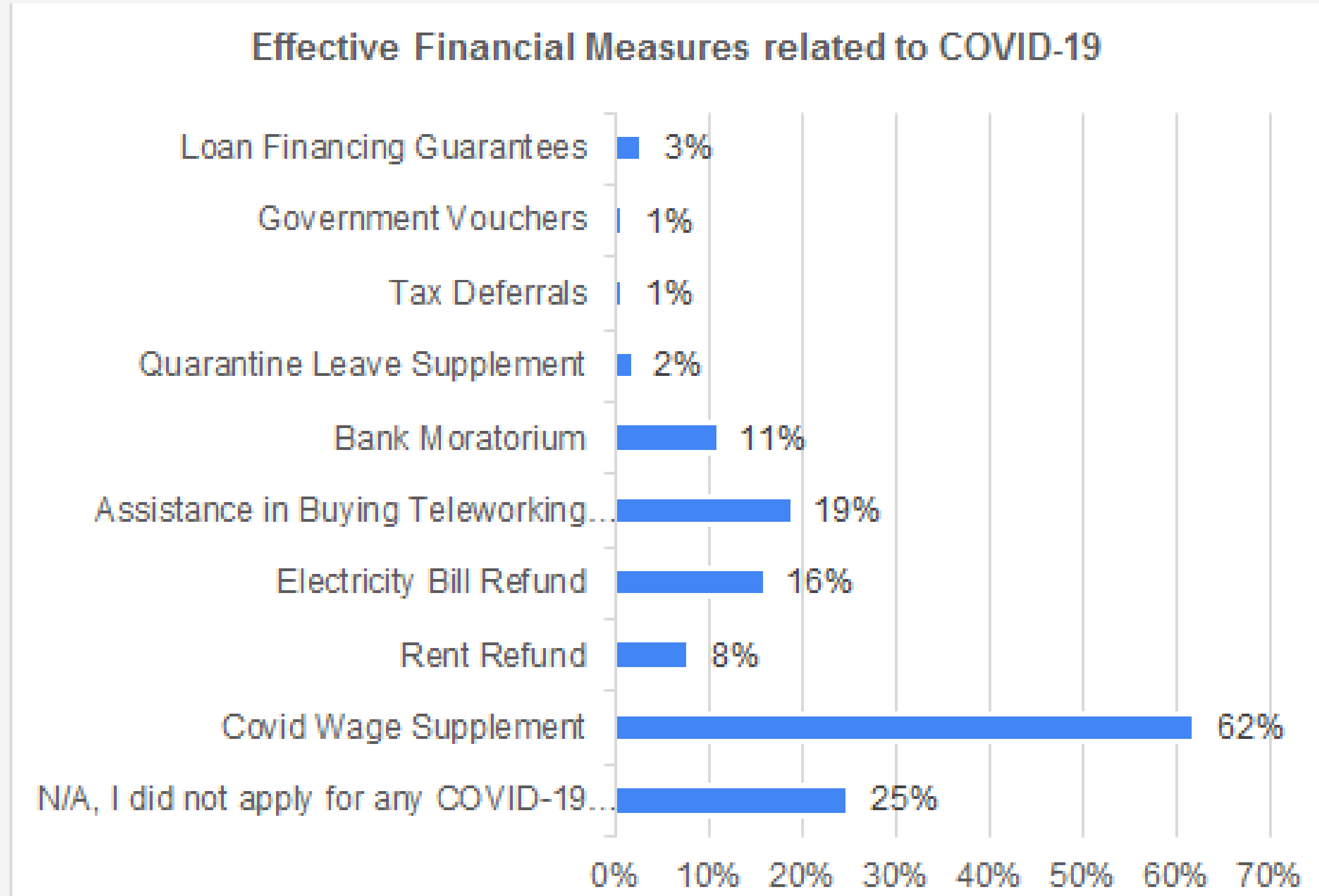


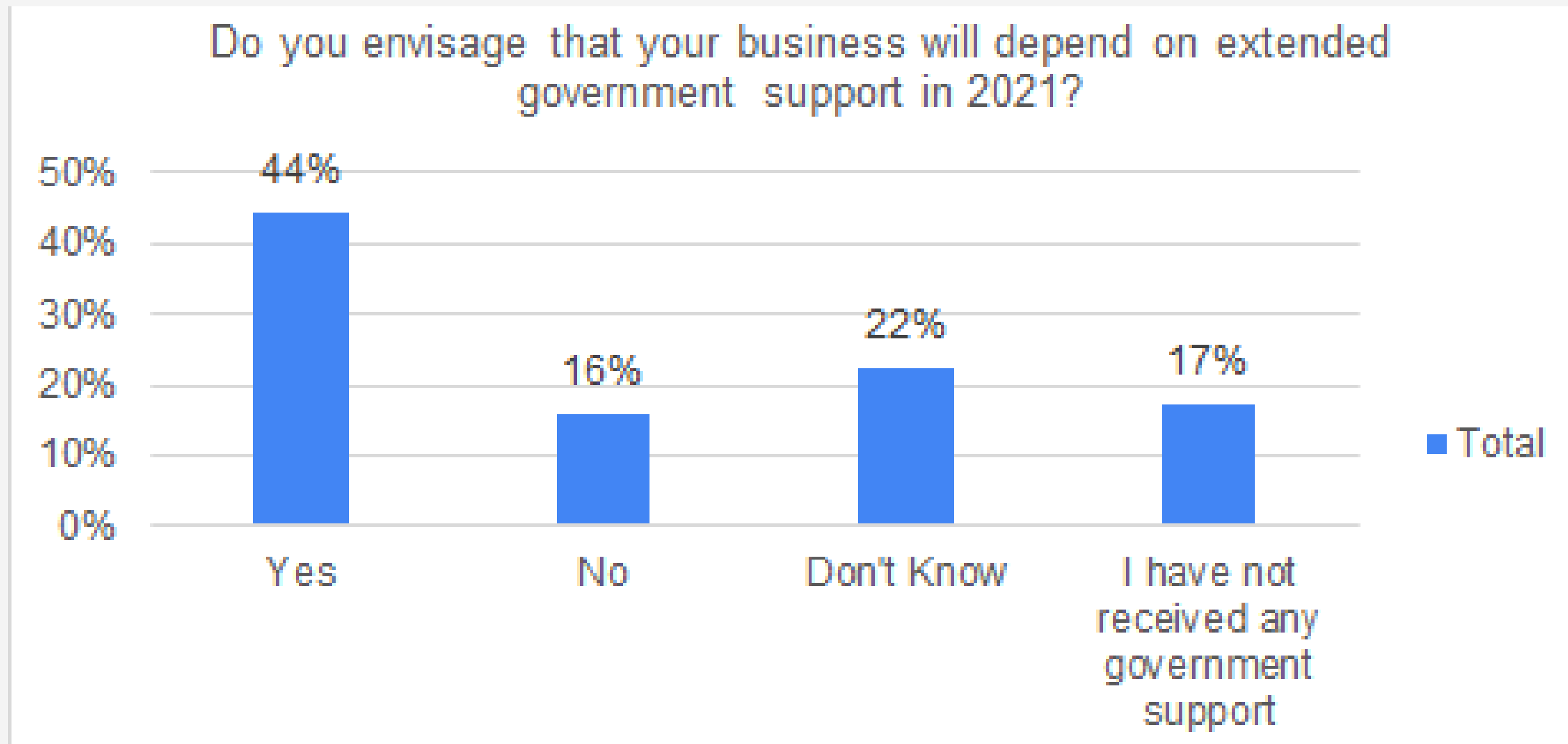
(b) If yes, to what extent?



When asked if companies can see an increase in redundancies in the next three months (Sept-Nov, 2020), 38% of respondents answered 'No'. 19% of respondents answered 'Yes' and 43% are still 'Undecided'.

# Government Support

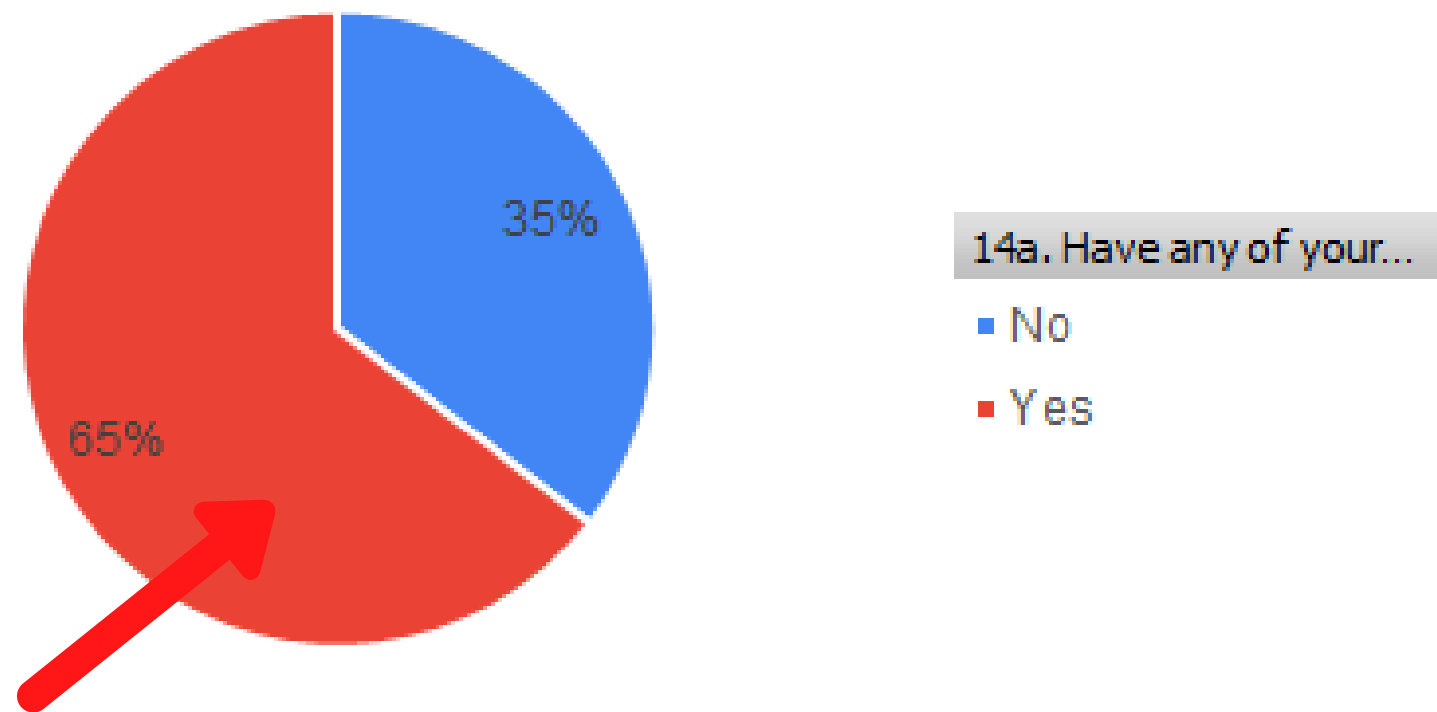




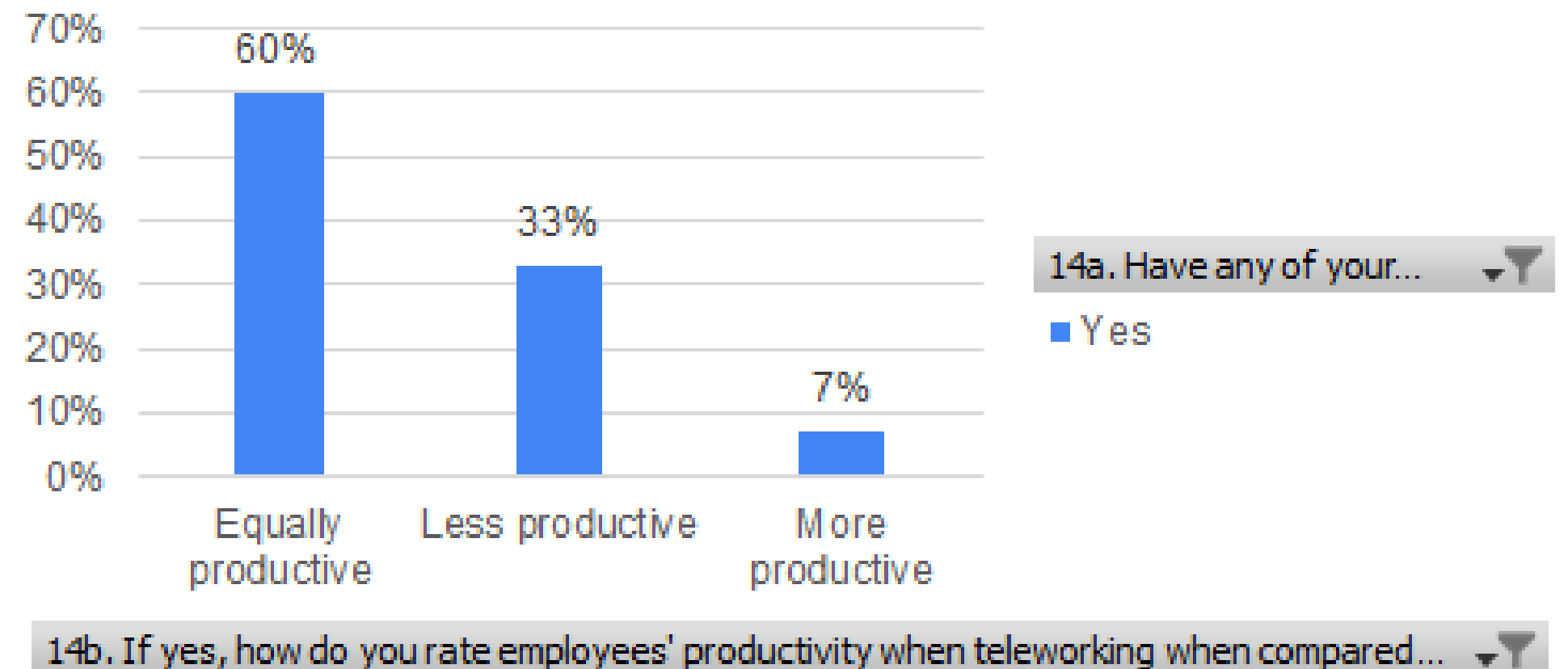
When asked if companies will depend on extended government support in 2021, 44% of respondents claimed 'Yes', 16% claimed 'No' and 22% claimed 'Don't Know'. 17% of survey respondents do not qualify for any governmental support.

# Telework Arrangements

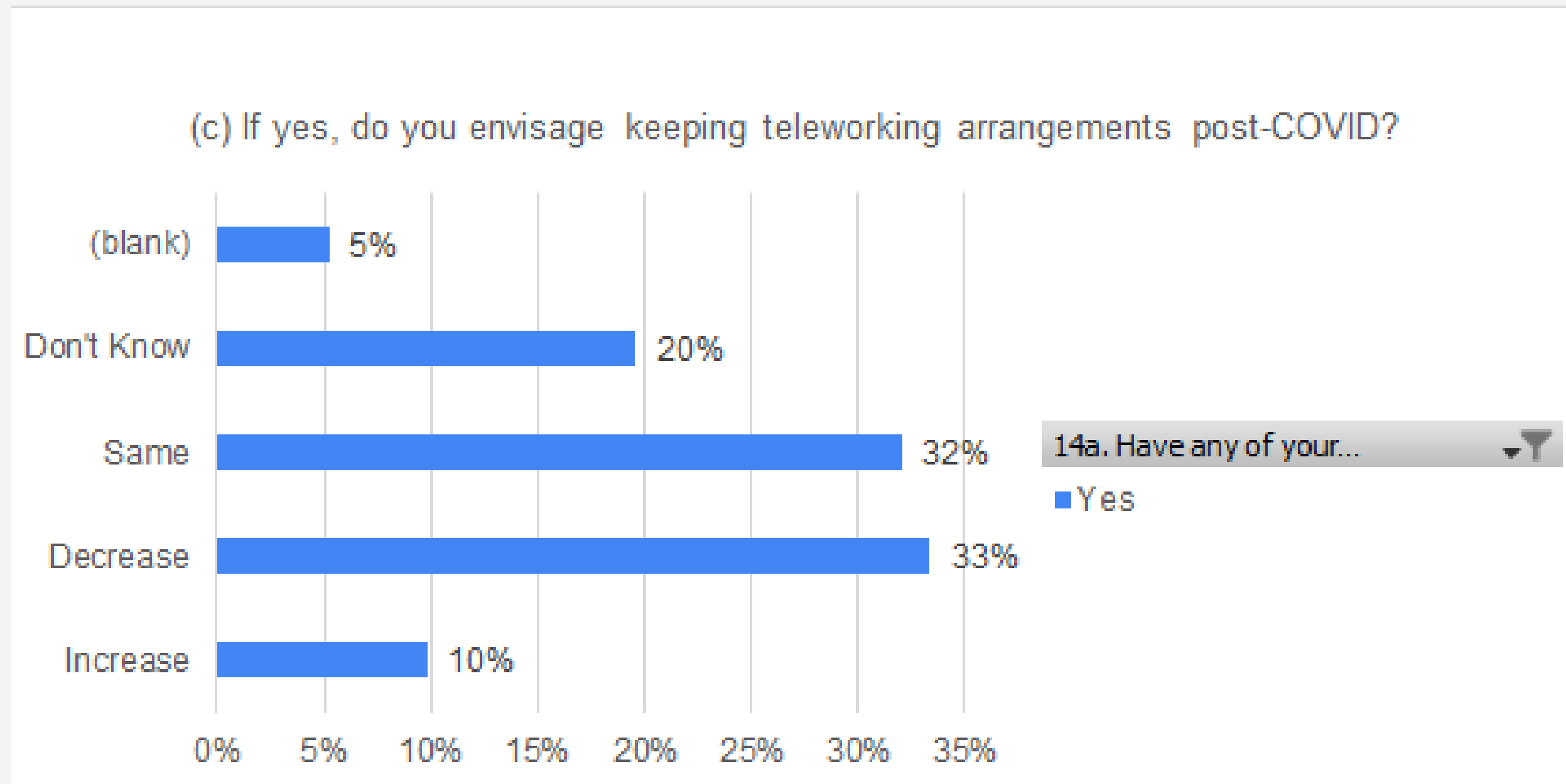
(a) Have any of your employees benefitted from teleworking arrangements?



(b) If yes, how do you rate employees' productivity when teleworking when compared to working on site?



**65% of survey respondents have employees that are making use of teleworking arrangements.**

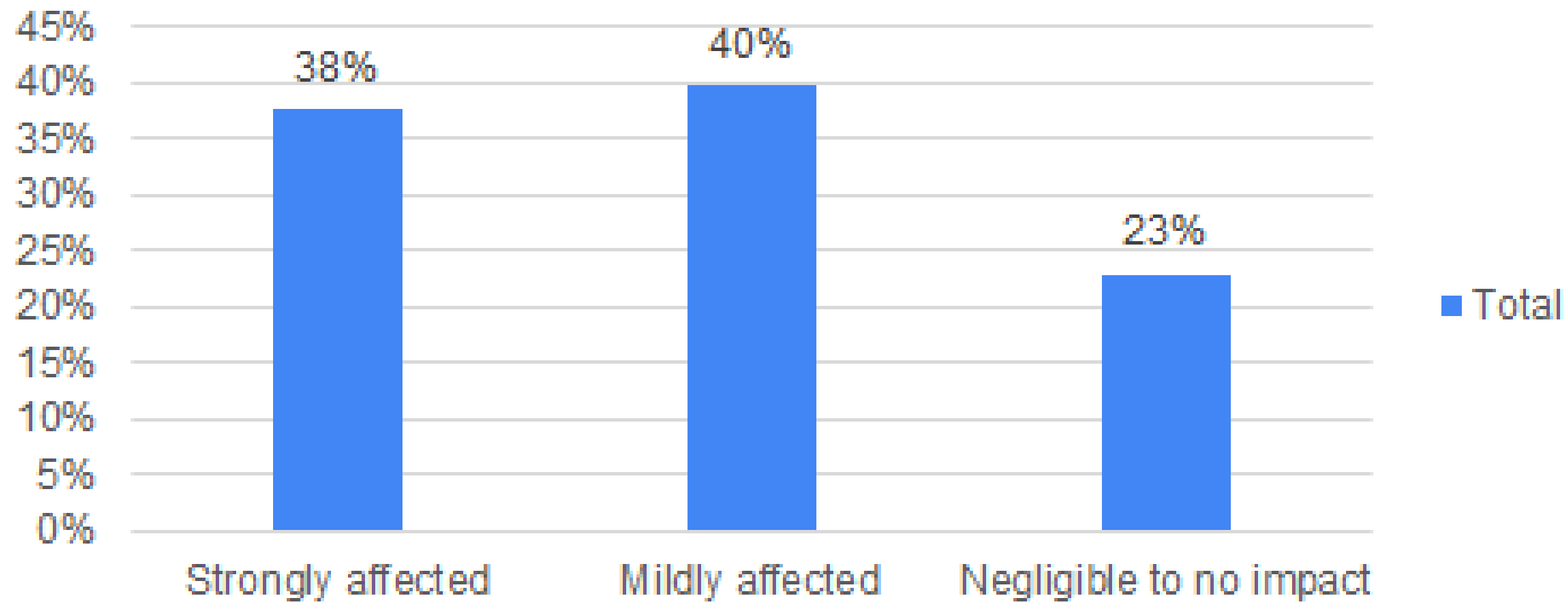


**Out of the 65% that answered 'Yes', 42% of respondents deem to keep the same and/or increase teleworking arrangements following Covid-19. 33% of respondents will decrease the arrangements that have been introduced, and 20% of respondents are still undecided.**



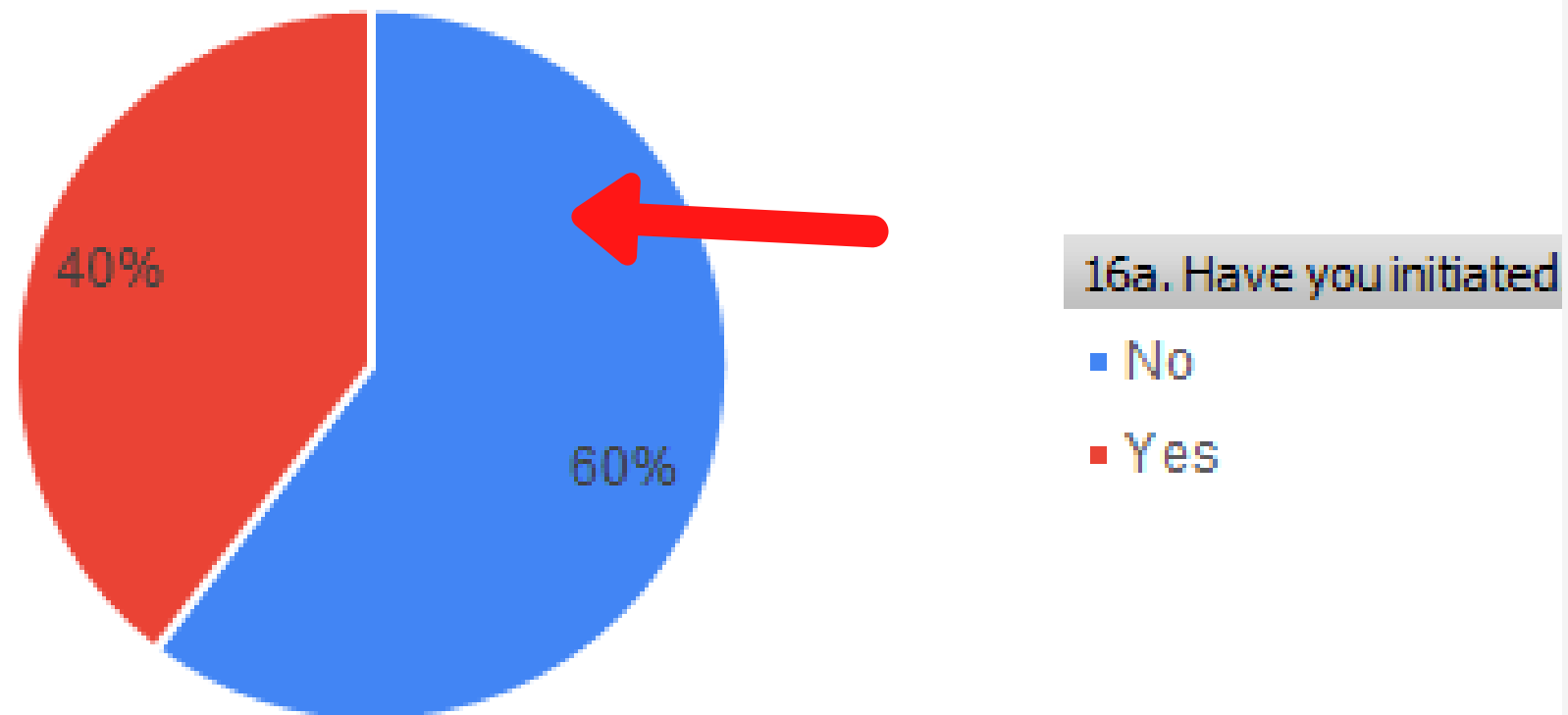
# Opening of Schools

How will your business operations be affected if schools do not operate normally in the coming scholastic year?

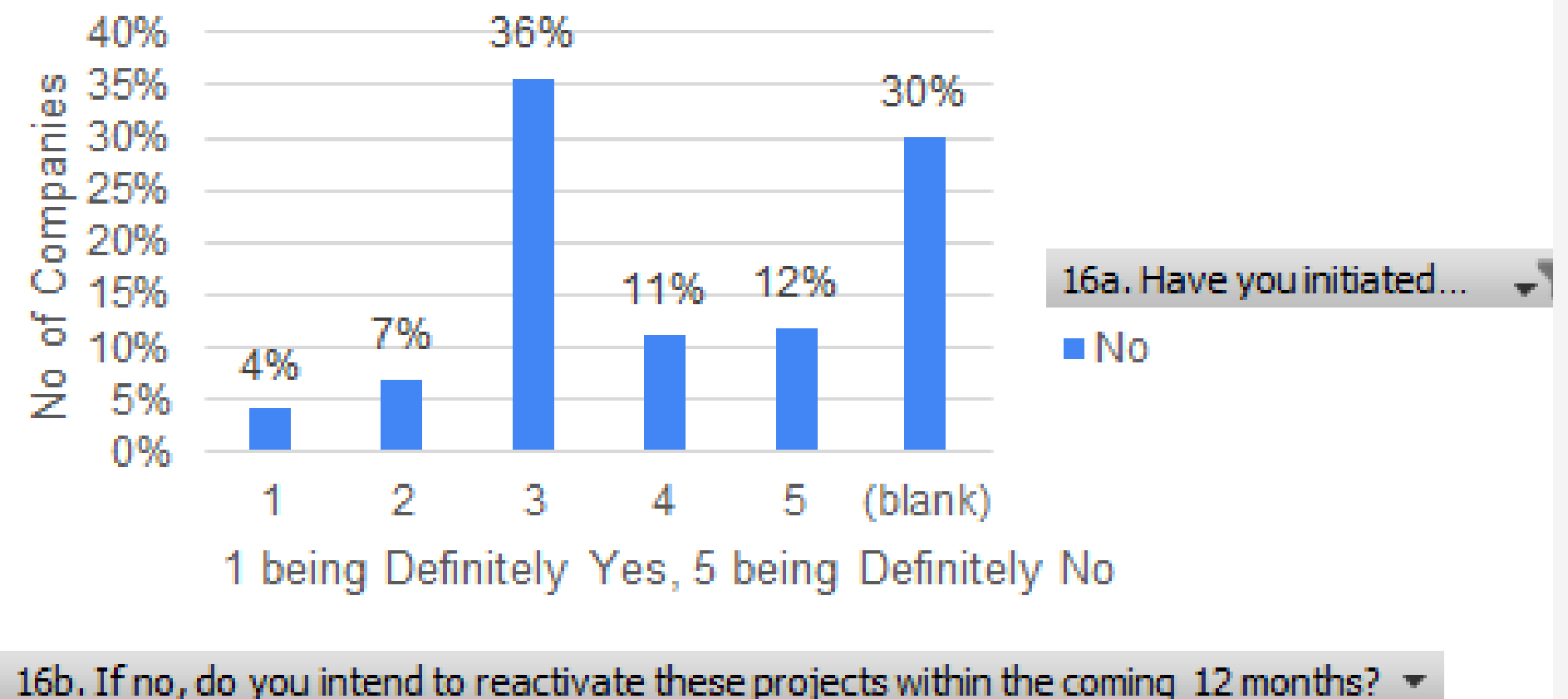


# Postponement of Investment Projects

(a) Have you initiated any investment projects that have been postponed due to COVID-19?



(b) If no, do you intend to reactivate these projects within the coming 12 months?

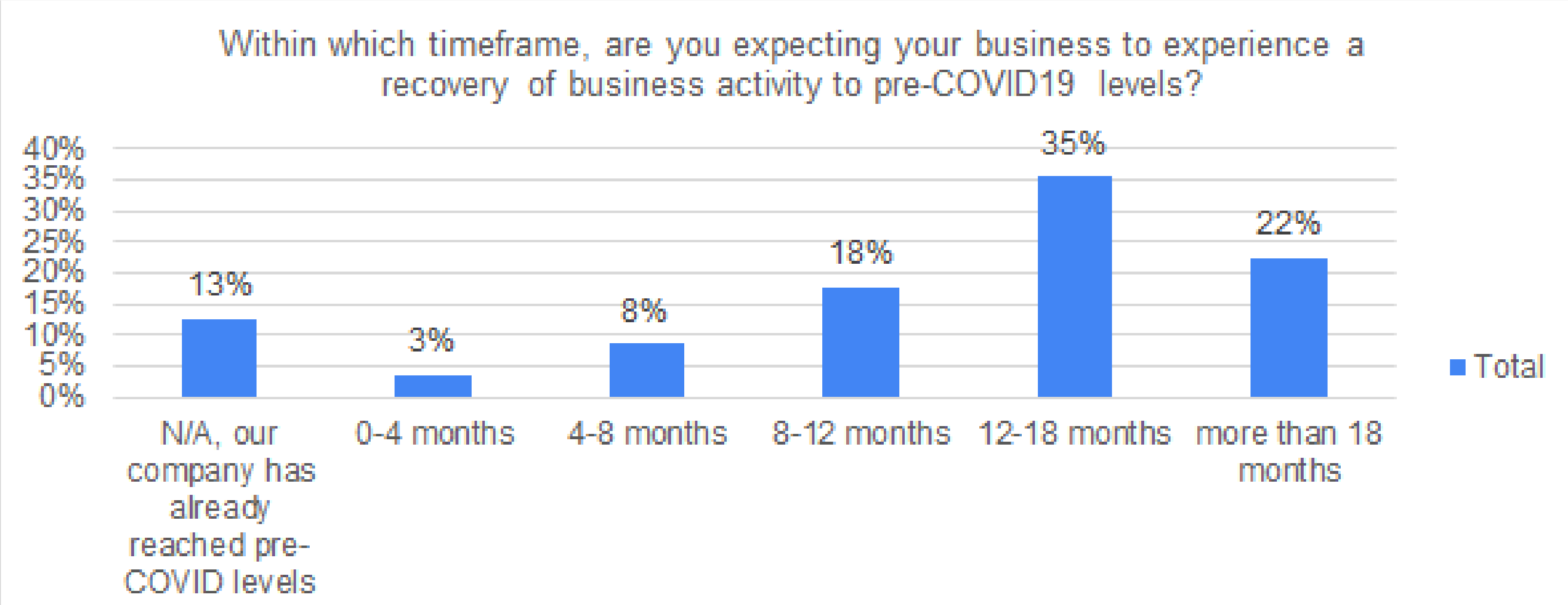


60% of survey respondents have not yet initiated any investment projects that have been postponed due to COVID-19. Out of this 60%, 11% stated that they will definitely be reactivating their projects within the next 12 months. 23% stated that they will definitely NOT be reactivating their projects within the coming 12 months, while another 36% are still unsure. Another 30% did not answer the question.

# Major employment related matters affecting business due to COVID-19:

- Sense of instability and uncertainty
- Demotivated employees
- Fear of returning to work
- Less cash in hand (struggling to pay salaries)
- Lack of skilled staff (recruitment issues)
- Permits of foreign nationals
- Increase in sick leave
- Quarantine Leave

# Recovery of Business Activity to pre-COVID levels:



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