

# *COVID-19 Survey Results*

*September 21, 2020*

By Jon Vegosen, Vance L. Liebman, Peter T. Berk, Cecilia M. Suh and Paul M. King

**Thank you to everyone who participated in the FVLD COVID-19 Response Survey. We sincerely appreciate your feedback and the time you took to provide it. Below is an overview of the responses we received followed by a detailed analysis of the responses with graphs and some commentary.**

## **Overview**

We saw some interesting patterns emerge from the responses. For example, most respondents indicated they are open for employees to be on premises. Unsurprisingly, respondents who are open for employees to be on premises listed childcare as the primary concern for their employees. We also saw that most respondents whose businesses are open for employees are also open for customers to be on premises as well. Respondents reporting that their premises are not currently open for their employees listed reopening for employees as their primary concern.

Most of the respondents also reported receiving a Paycheck Protection Program (PPP) loan. Respondents who reported receiving a loan listed loan forgiveness and the potential of an audit as their two biggest concerns. As reported in our July 2020 newsletter titled, [The SBA Releases Additional Guidance for the Paycheck Protection Program](#), the Small Business Administration continues to issue guidance on PPP Loans; however, substantial questions remain. Respondents' two biggest reported legal concerns were customer bankruptcy and employee lawsuits.

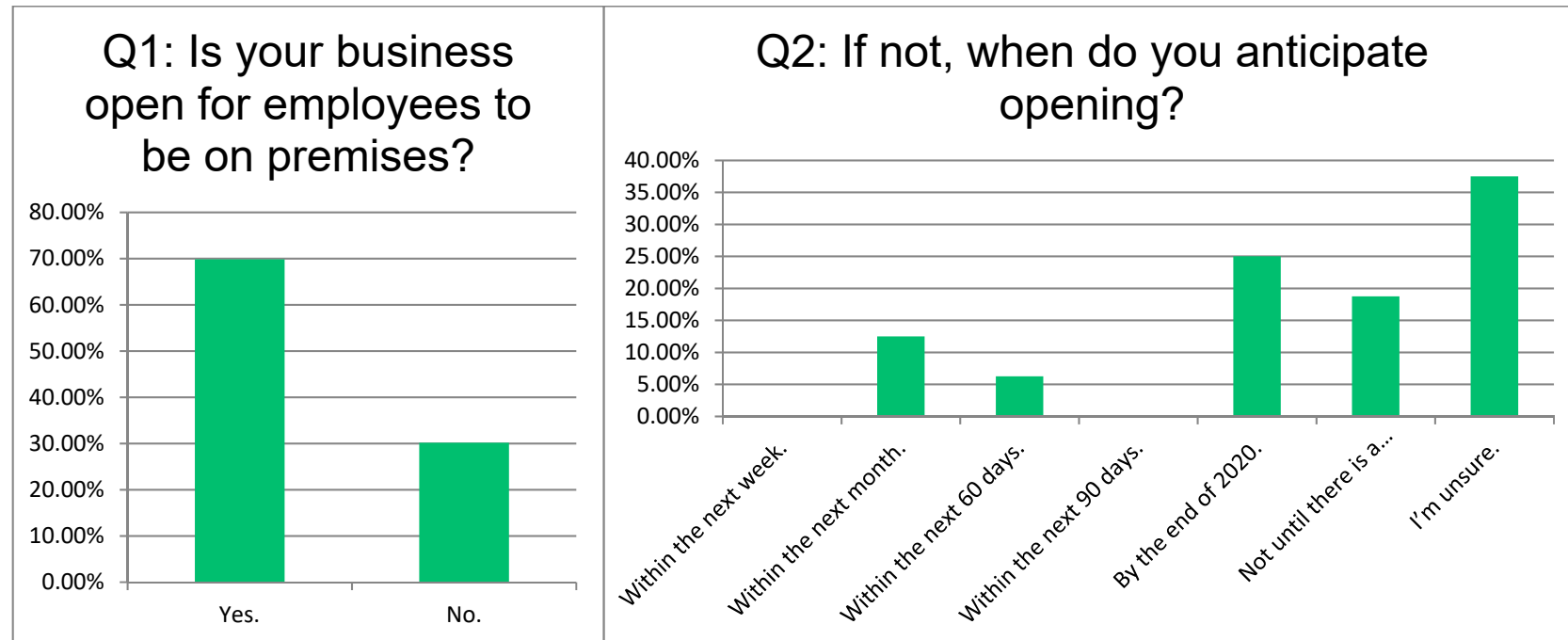
While the survey was designed to identify concerns, it also asked several questions about opportunities. Respondents reported feeling they are handling the pandemic better than their peers are. We encourage everybody to remain proactive in COVID-19 response, which may frequently include working with your counsel on protecting your business and creating new opportunities for the future.

For more detail on the survey results (including graphs) and for additional analysis, please continue reading.

FVLD

## Detailed Analysis

**Questions 1 & 2: Is your business open for employees to be on premises? If not, when do you anticipate opening your business for employees to be on premises?**

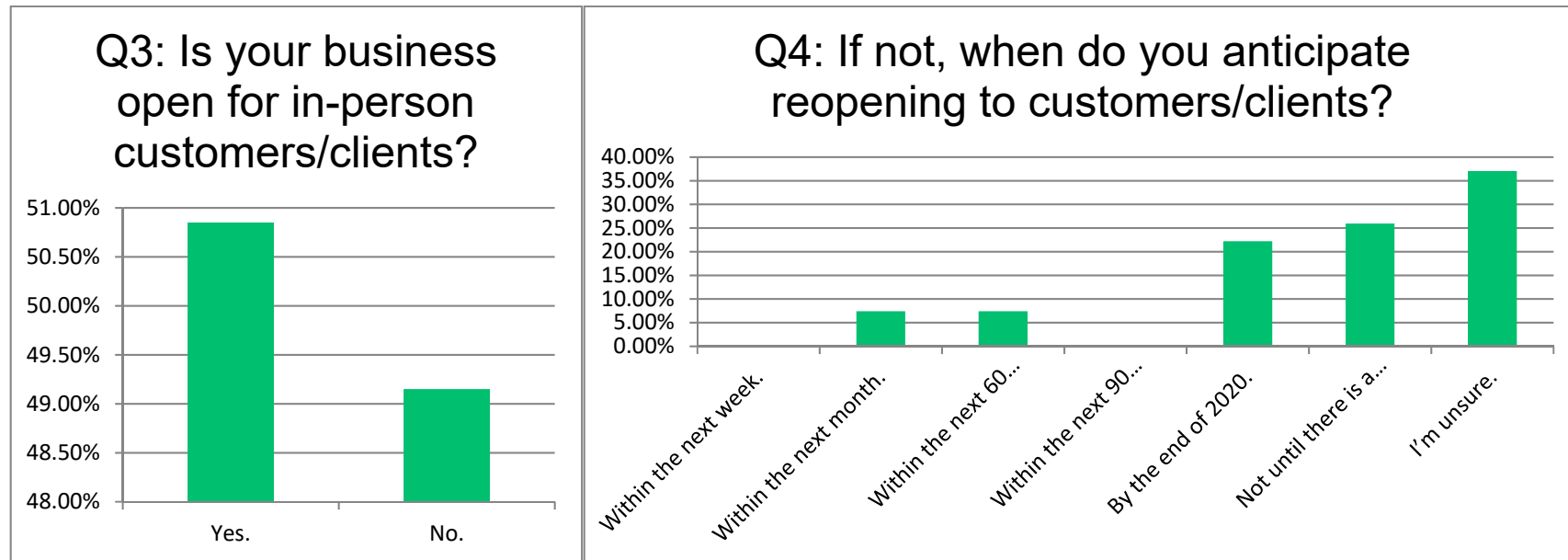


Nearly 70% of respondents said that their businesses are open for employees to be on premises. Of those respondents whose businesses are not yet open, nearly 45% said that they expect to open for employees by the end of 2020, 20% do not plan to open until there is a vaccine or treatment for COVID-19, and over 35% remain unsure.

FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.

**Questions 3 & 4: Is your business open for in-person customer/client sales/services? If not, when do you anticipate reopening to customers/clients?**

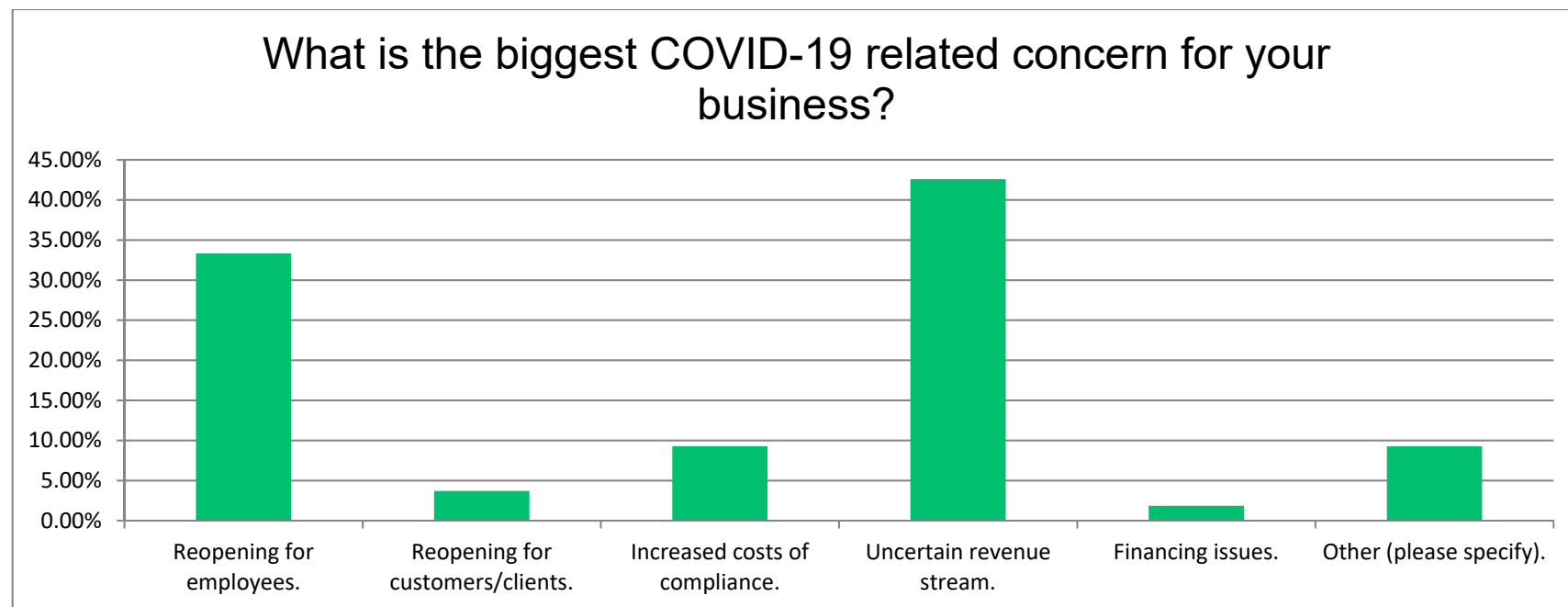


Half of the respondents said their businesses were open for in-person customers/clients. Of those respondents who are not yet open, roughly 37% expect to be open by the end of 2020, 26% will not open until there is a vaccine or treatment for COVID-19, and another 37% are unsure.

FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.

**Question 5: What is the biggest COVID-19 related concern for your business?**



Respondents' two biggest concerns were uncertain revenue streams (over 40%), and re-opening for employees (33%).

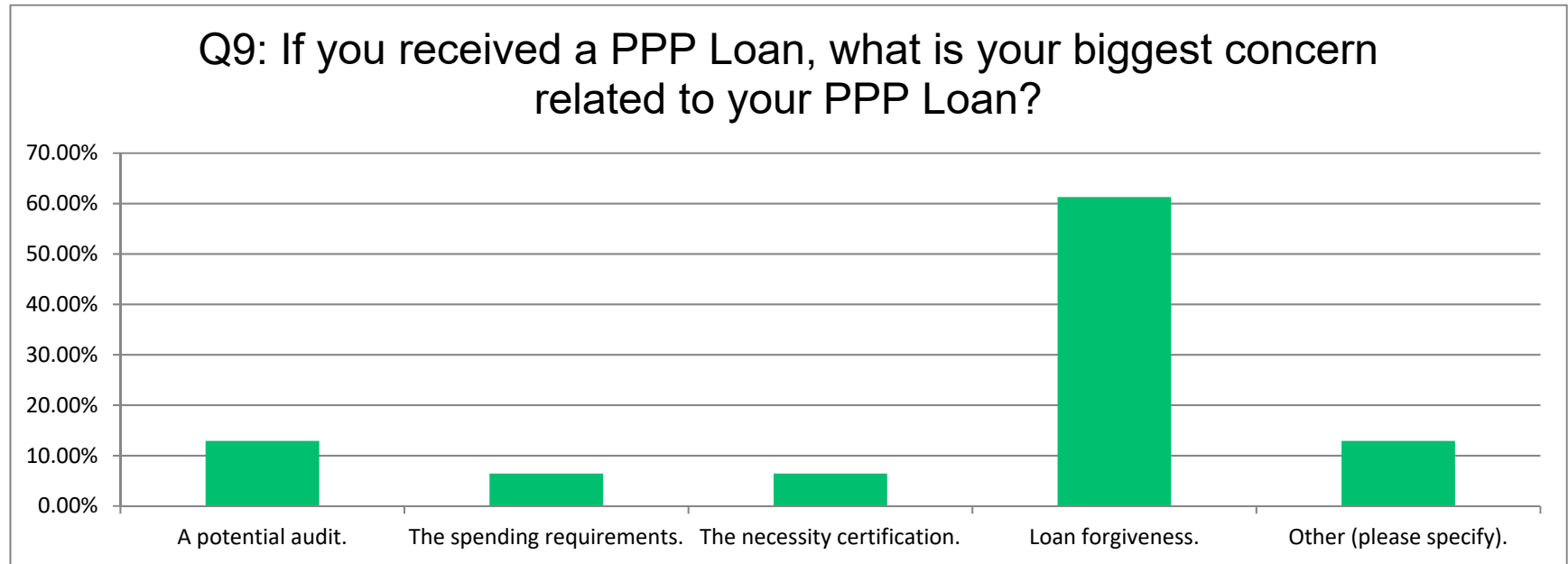
**Comment:** Any business that is considering opening for employees should be sure it has policies and procedures designed to keep employees safe. Moreover, businesses should communicate those policies and procedures to the employees. For additional information, please see our recent *Legal Update*, [FAQ: RETURNING TO THE WORKPLACE IN A COVID-19 WORLD](#). The Illinois Department of Commerce and Economic Opportunity has also published industry-specific guidelines and recommendations for reopening, which are available [here](#).

FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.

**Questions 6–9: Did you receive a loan through the Paycheck Protection Program (PPP)? If yes, which covered period will you use, what portion of your loan do you think will be forgiven, and what is your biggest PPP related concern?**

65% of respondents said they received PPP loans, approximately 45% of whom used the 8-week covered period versus 35% who used the 24-week covered period. The remaining 20% of PPP loan recipients do not know what period they will use. Nearly 80% of those who received a PPP loan think at least 75% of their PPP loan will be forgiven, but 15% remain unsure because of the Small Business Administration’s (SBA) unclear guidance on forgiveness.



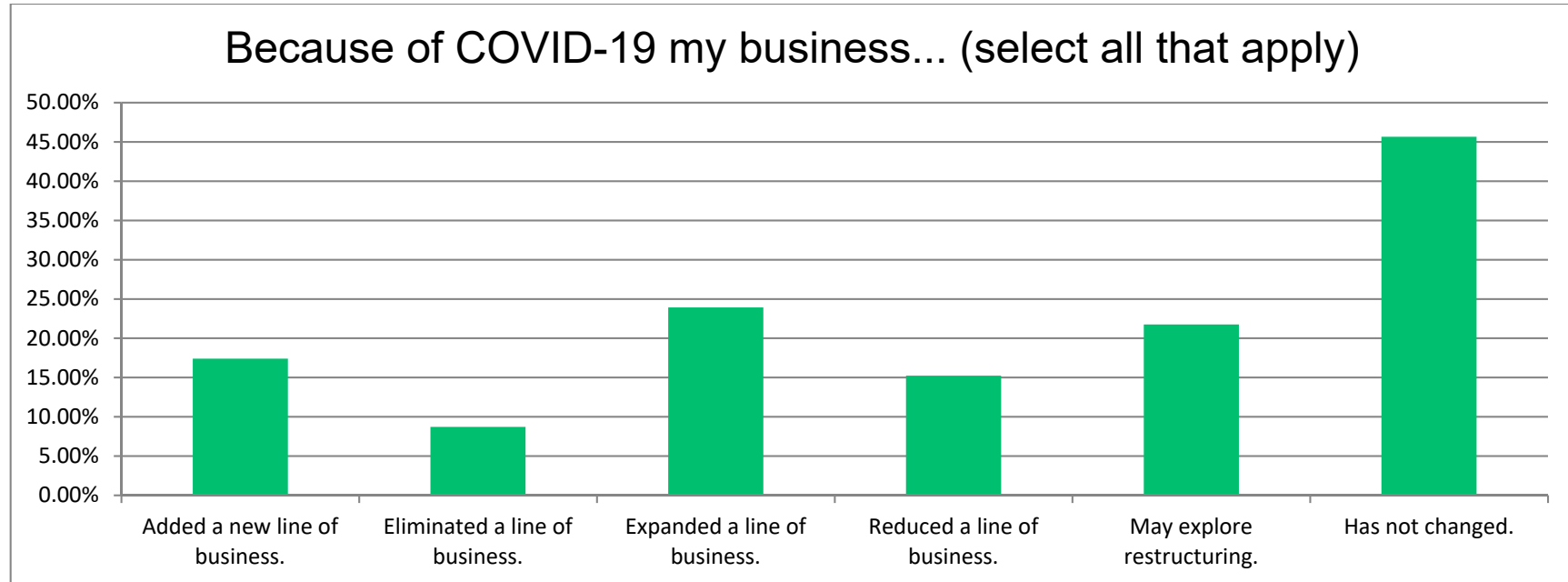
Most of the respondents who took a PPP Loan are concerned with loan forgiveness. The second largest concern among PPP Loan recipients is the potential for an audit of PPP loan spending.

**Comment:** Borrowers’ concerns over loan forgiveness and the possibility of an audit are valid. The guidelines provided by the SBA have caused uncertainty around forgiveness and the risk of an audit. The concern over an audit is especially valid. The SBA has taken the position that it may audit a PPP loan of any size in its discretion and the government has already begun filing lawsuits and enforcement actions against businesses it believes took PPP loans in violation of the necessity certification. If you are concerned about forgiveness or the possibility of an audit and how to prepare for one (or if you receive a notice of audit), contact your legal counsel immediately.

FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.

### Question 10: Because of COVID my business...



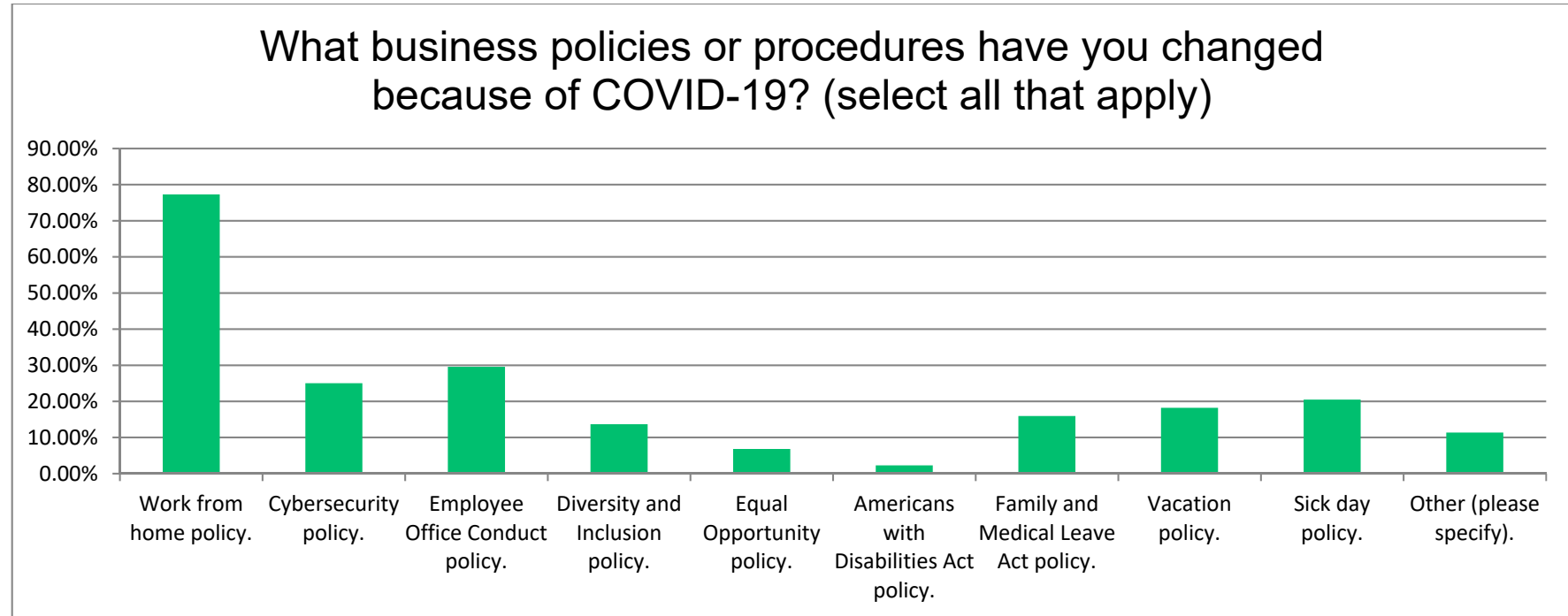
Over 40% of respondents have added or expanded a line of business because of the pandemic, but over 20% have eliminated or reduced a line of business, and 21% may explore restructuring. 45% of respondents' businesses have not changed.

**Comment:** Those businesses who are exploring restructuring should consult with a legal and/or financial expert about what options they may have. Although restructuring can have a negative stigma, it can be extremely beneficial in the right situation. Moreover, in stressful times, reinventing one's business can be viewed as forward thinking and creative.

FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.

**Question 11: What business policies or procedures have you changed because of COVID-19?**



An overwhelming majority of respondents (77%) have changed their work from home policies. Other noteworthy policies that respondents have updated include: employee office conduct (29%), cybersecurity (25%); sick time (20%); vacation (18%); Family and Medical Leave Act (“FMLA”) (15%); diversity and inclusion (13%).

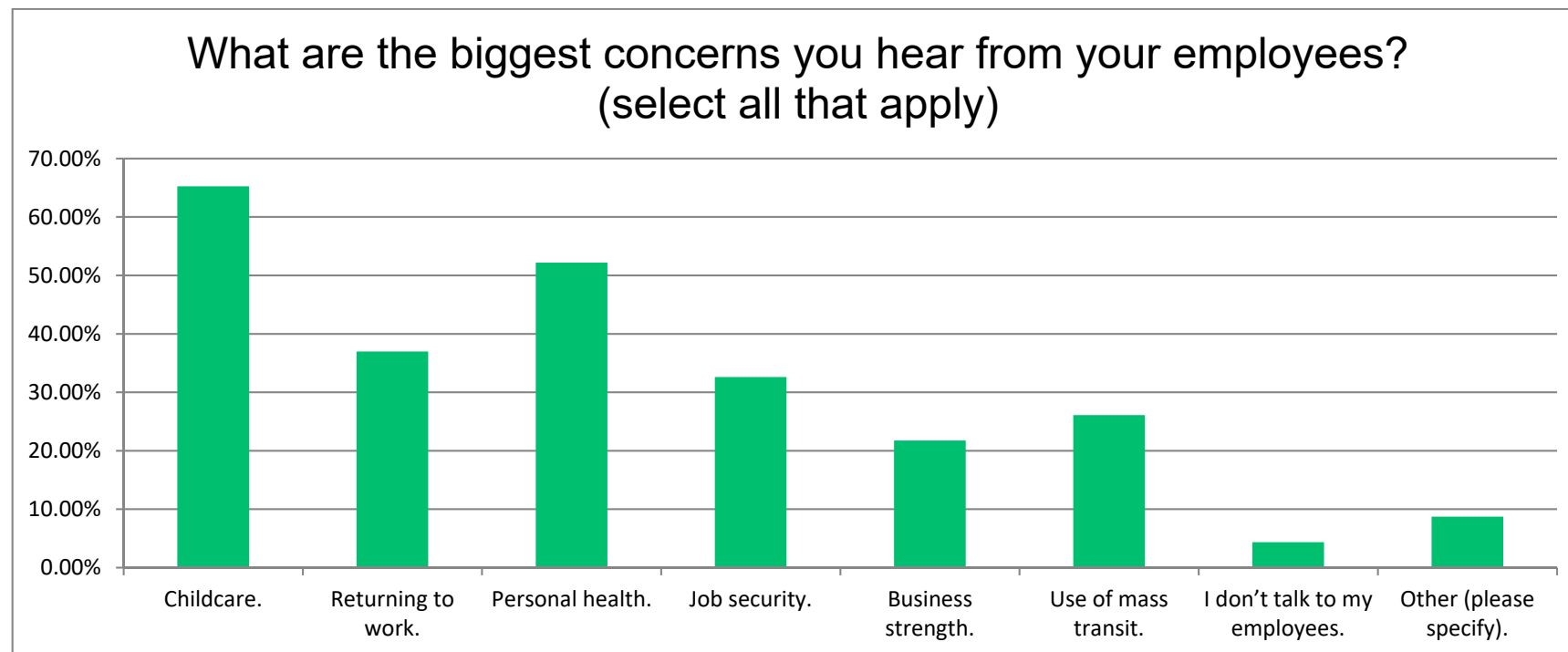
**Comment:** It is always advisable for employers to review their policies to ensure that they are up to date and comport with applicable law. In the context of the COVID-19 pandemic, it is unwise to believe that current policies will suffice. In addition, new policies will be necessary to deal with the fast-changing dynamics of the pandemic.

For example, a new or updated work from home policy that clearly explains when employees can work from home and when they should be in the office will help avoid future confusion by employees. Likewise, if more employees will be working from home, a good cybersecurity policy, as well as policies or training about proper technology usage and safety on-line, is essential to protect confidential and client information. Conversely, if employees will be in your office, then a revised employee office conduct policy is essential to help prevent

F V L D

spreading COVID-19 and limit a business' potential liability for any employees who contract COVID-19. Employers may also need to update their sick time and FMLA policies to comply with the Families First Coronavirus Response Act (FFCRA). For more information regarding sick leaves required under FFCRA, please see our *Legal Update*, [Breaking News: Families First Coronavirus Response Act](#).

### Question 12: What are your employees' biggest concerns?



By far the two biggest concerns for employees are childcare and personal health, neither of which is surprising given the current issues brought on by the pandemic. The next biggest concerns for employees are job security and returning to work. For both of these concerns, employers might consider better communicating with their employees by keeping them updated on the health of the business as well as the plan to return to the office. Employees were also concerned with the business strength of their employer and using mass transit. Other notable concerns include employees' mental health and efficiency.

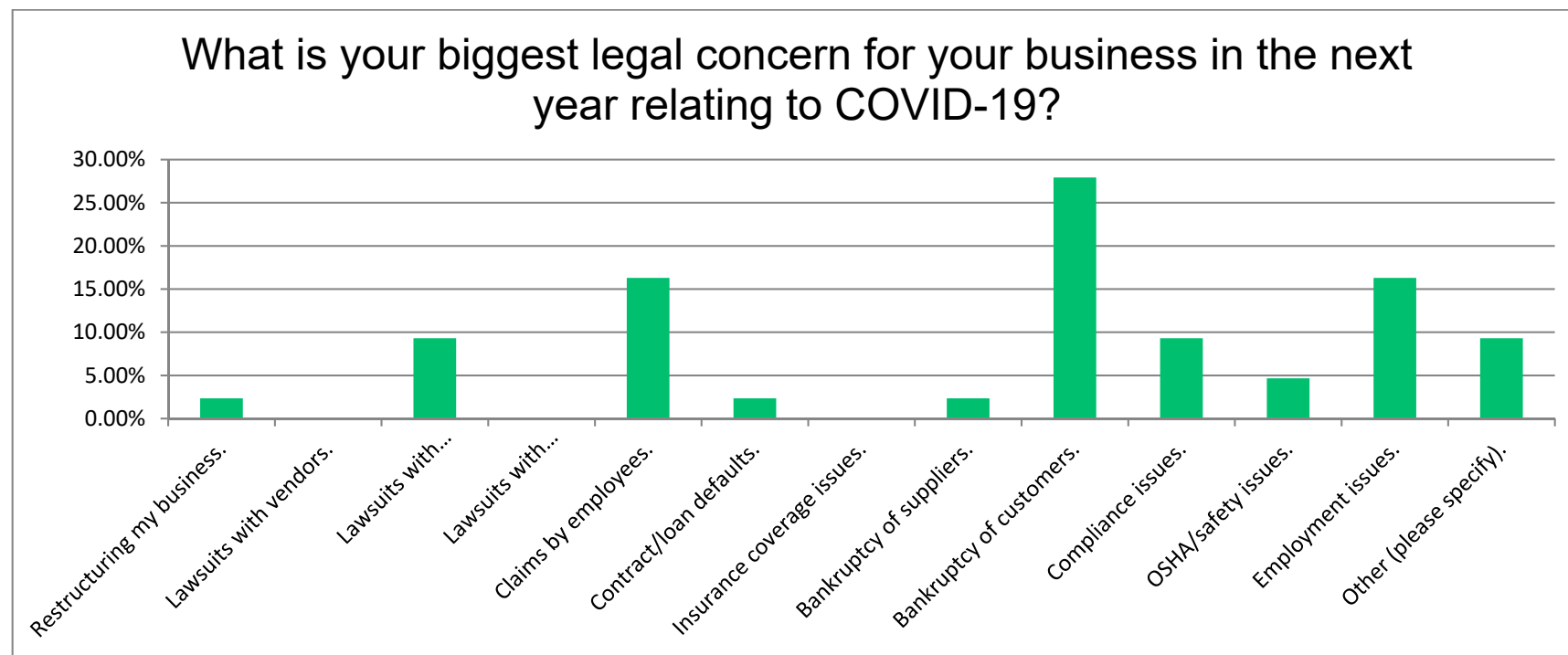
FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.



Two respondents did, perhaps jokingly, admit they do not communicate with their employees. An open dialogue with employees is important. It may reduce employee anxiety and potential employment litigation risks. It is advisable for all employers to listen to their employees' concerns and ideas about ways to address them before they turn into business or legal problems.

**Question 13: What is your biggest legal concern for your business in the next year relating to COVID-19?**



Respondents' largest COVID-19 related concern, by far, is the bankruptcy of customers (about 28%). Respondents' next largest concerns, roughly 16% each, were employment issues and claims filed by employees. This was followed by compliance issues and lawsuits with customers/clients, each concerning 9% of respondents.

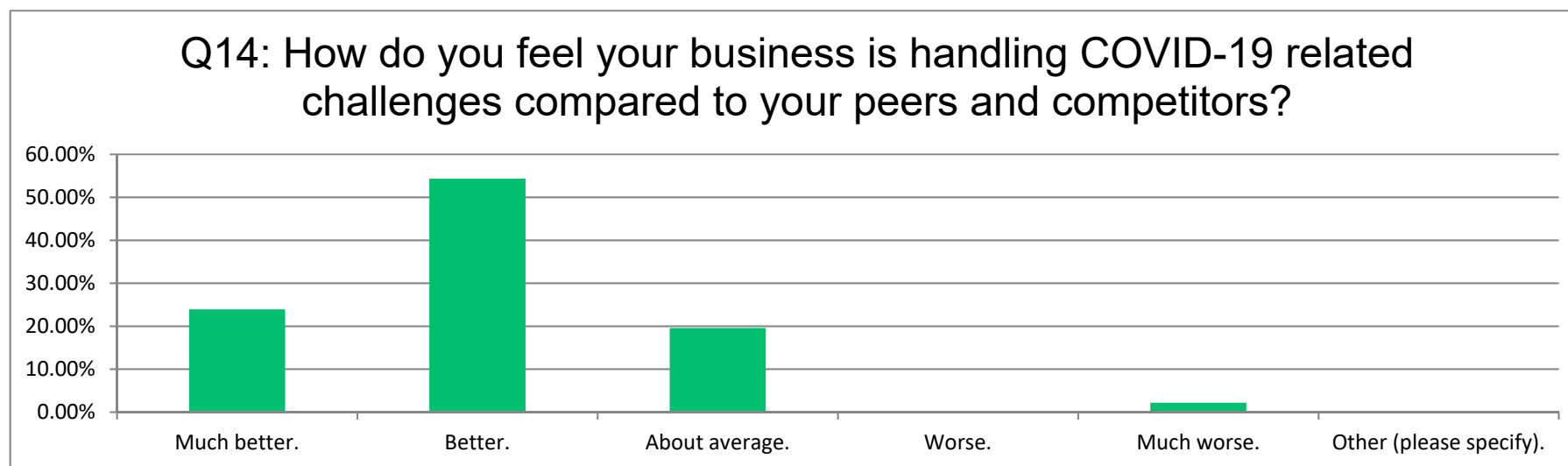
FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.

**Comment:** If a customer/client does file for bankruptcy, you should contact legal counsel as soon as you receive notice of it. Businesses that are concerned about employment issues and claims by employees may want to review our *Legal Updates* discussing recent employment law developments:

- [Some Important COVID-19 Employment Law Updates](#)
- [A Reminder about Key Employment Law Changes: Minimum Wages, Work Schedule, & Harassment](#)
- [Significant Changes in the Law](#)

**Question 14: How do you feel your business is handling COVID-19 related challenges compared to your peers and competitors?**



Just under 80% of the respondents felt that they are handling the challenges of the pandemic either better, or much better, than their peers and competitors. Nearly 20% felt as though they are handling the challenges on par with their peers and competitors, while only one respondent felt his/her business was doing a much worse job.

FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.

**Question 15: Aside from an end to the pandemic (or effective vaccine or treatment), what would make the biggest positive impact on your business?**

We received many thoughtful responses. Generally, people responded that a safe return to “normal” or back to work would be the best thing for their businesses; however, one respondent wishfully stated that “winning the lottery” would really boost his/her business. Wouldn’t that be nice!

**Conclusion**

Thank you again to all who participated in this survey. If you have any questions regarding the survey, please contact Jon Vegosen ([jvegosen@fvldlaw.com](mailto:jvegosen@fvldlaw.com)), Vance L. Liebman ([vliebman@fvldlaw.com](mailto:vliebman@fvldlaw.com)), Peter T. Berk ([pberk@fvldlaw.com](mailto:pberk@fvldlaw.com)), Cecilia M. Suh ([csuh@fvldlaw.com](mailto:csuh@fvldlaw.com)), or Paul M. King ([pking@fvldlaw.com](mailto:pking@fvldlaw.com)). If we can otherwise be of assistance, please call or write your regular FVLD contact.

---

*FVLD publishes updates on legal issues and summaries of legal topics for its clients and friends. They are merely informational and do not constitute legal advice. We welcome comments or questions. If we can be of assistance, please call or write Jon Vegosen at 312.701.6860 or [jvegosen@fvldlaw.com](mailto:jvegosen@fvldlaw.com), Vance Liebman at 312.701.6850 or [vliebman@fvldlaw.com](mailto:vliebman@fvldlaw.com), Peter Berk at 312.701.6870 or [pberk@fvldlaw.com](mailto:pberk@fvldlaw.com), Cecilia Suh at 312.701.6841 or [csuh@fvldlaw.com](mailto:csuh@fvldlaw.com), Paul King at 312.701.6842 or [pking@fvldlaw.com](mailto:pking@fvldlaw.com), or your regular FVLD contact.*

FVLD

© 2020, Funkhouser Vegosen Liebman & Dunn Ltd.  
All rights reserved.