



# America's Economic Engine: The State of Small and Medium-Size Business During COVID-19

## HR SUPPORT

## Key Findings

Most small- and medium-sized businesses (SMBs) say the COVID-19 pandemic will change the way their business approaches HR in the future, especially when it comes to improving employee morale and health/ safety. With the pandemic revealing some aspects of their current HR capabilities as lacking, SMB leaders recognize the need for additional HR support as they move forward.

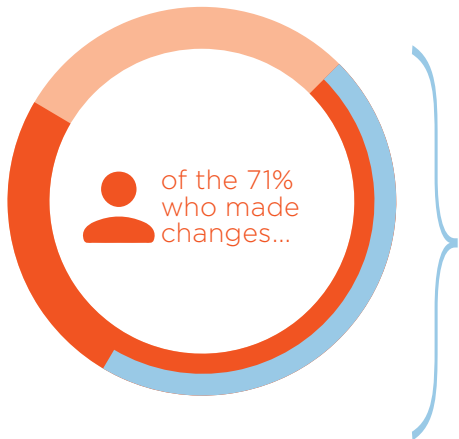
**7 in 10 (71%) of SMBs have made HR changes**, or plan to make them, as a result of the pandemic. Of these, the most common changes center around improving staff morale, health, and safety:



**48%**  
are making a concentrated effort to **enhance staff morale**



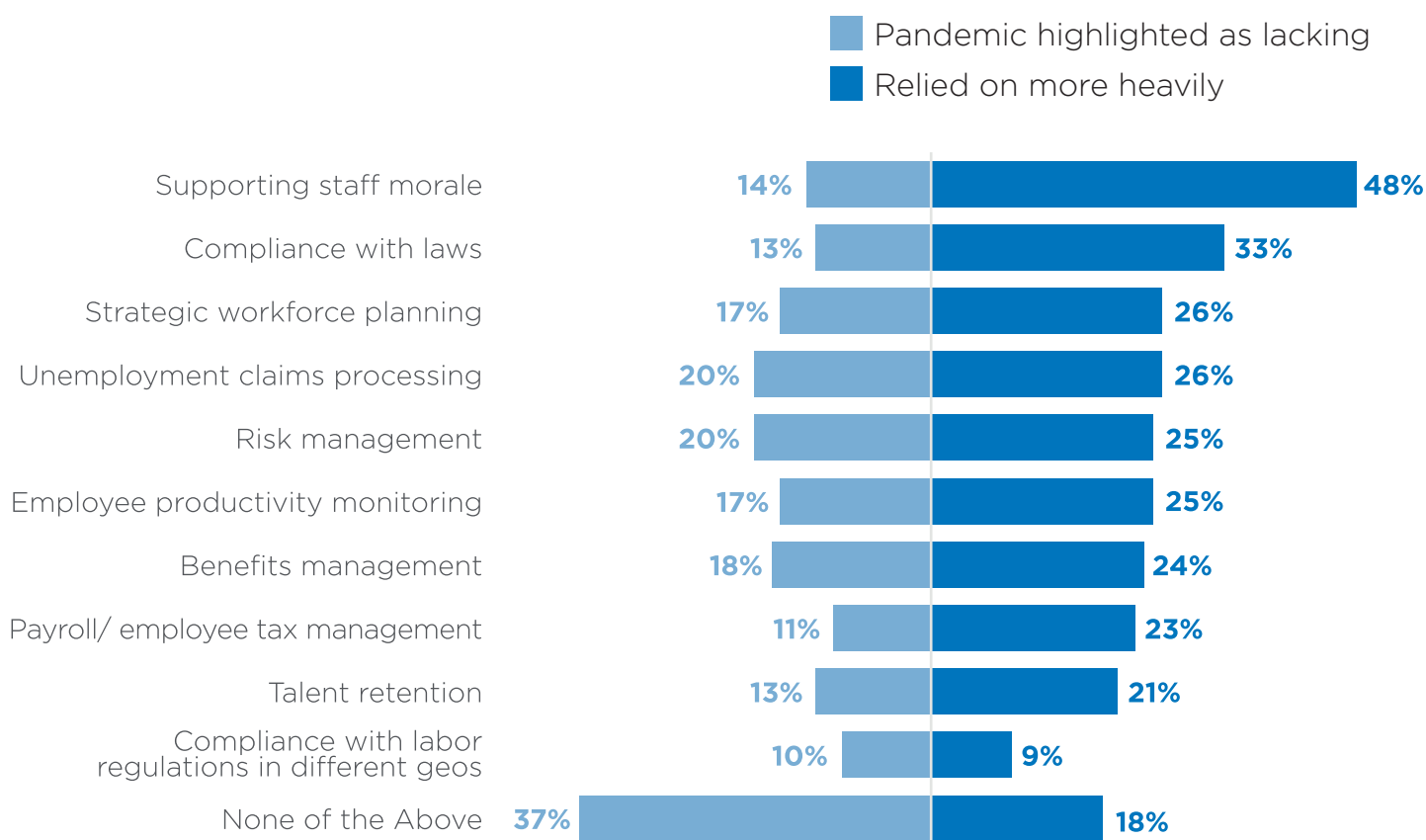
**42%**  
are ramping up employee **health and safety programs**



**65%**  
of these SMB leaders planned or implemented changes to optimize HR capabilities, including:

- Reorganization of the company structure (38%)
- Changing to outsourced HR functionality/ PEO (26%)
- Providing additional training/ education for HR talent (24%)
- Hiring/ contracting additional HR talent (22%)

What aspects of HR has your business **relied upon more heavily** in the face of the pandemic/ did the **pandemic highlight as lacking**?



### Additional HR Support is Needed

**51%** of SMB leaders feel that their HR capabilities are being overloaded because of the pandemic, and **63%** say the pandemic has highlighted aspects of their business's HR as lacking.

The most common aspect of HR that SMBs have relied on **more heavily** in the face of the pandemic is efforts to support staff morale (48% relied on supporting staff morale more heavily). In contrast, the aspects that SMB leaders most often cited as **lacking** have to do with the unique challenges of this crisis. 1 in 5 SMB leaders said the pandemic highlighted a lack of HR capability when it comes to dealing with **unemployment claims processing**, and 1 in 5 also said the same about **risk management**.

## Methodology

TriNet is partnering with The Harris Poll to conduct an ongoing series of surveys with business leaders in companies of 5 to 249 employees. Business leaders are qualified as either owners/partners or C-level executives. Quotas are set by company size and industry for each wave.

We surveyed 189 SMBs in latest wave of the research (April 23-26, 2020); actual distribution by company size and industry is as follows:

- 67 business leaders with 5-19 employees
- 89 business leaders with 20-99 employees
- 33 business leaders with 100-249 employees
- 54 business leaders in Main Street industries (such as automotive, construction, hospitality, manufacturing, real estate, retail, skilled trade, etc.)
- 135 business leaders in Technology, Financial Services, Professional Services, Life Science, Non-Profit, or other industries

This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

## About TriNet

TriNet (NYSE: TNET) provides small and medium size businesses (SMBs) with full-service HR solutions tailored by industry. To free SMBs from HR complexities, TriNet offers access to human capital expertise, benefits, risk mitigation and compliance, payroll and real-time technology. From Main Street to Wall Street, TriNet empowers SMBs to focus on what matters most—growing their business.

Go to **TriNet.com** to get started or speak with a TriNet representative at **888.874.6388**.

## About The Harris Poll

The Harris Poll is one of the longest-running surveys in the U.S., tracking public opinion, motivations and social sentiment since 1963. It is now part of Harris Insights & Analytics, a global consulting and market research firm that strives to reveal the authentic values of modern society to inspire leaders to create a better tomorrow. We work with clients in three primary areas; building twenty-first-century corporate reputation, crafting brand strategy and performance tracking, and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible.