



# Business in times of pandemic

American Chamber of Commerce in Poland

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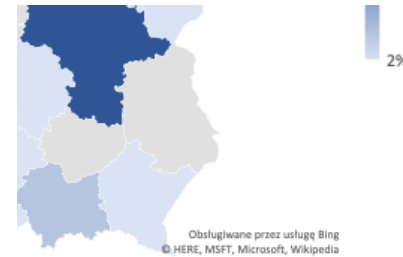
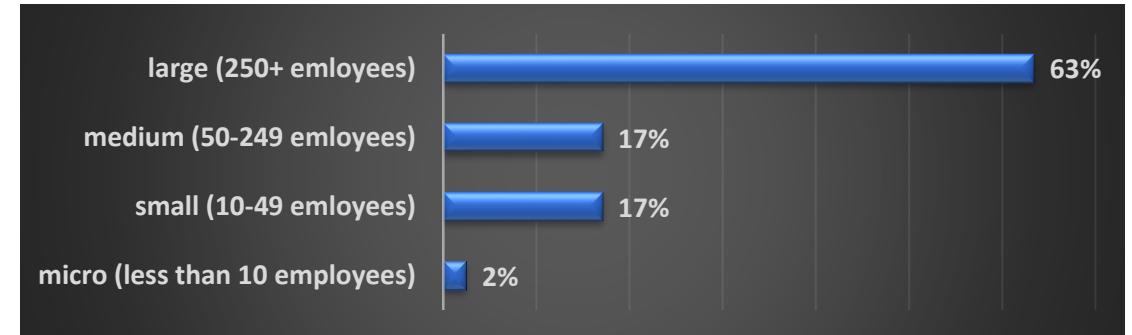
# Surveyed group



- ❑ Conducted in March 30-April 3
- ❑ n=41
- ❑ AmCham Members

## Group description:

Most of this group are large firms (63%),  
located in Mazowieckie Voivodship (59%)

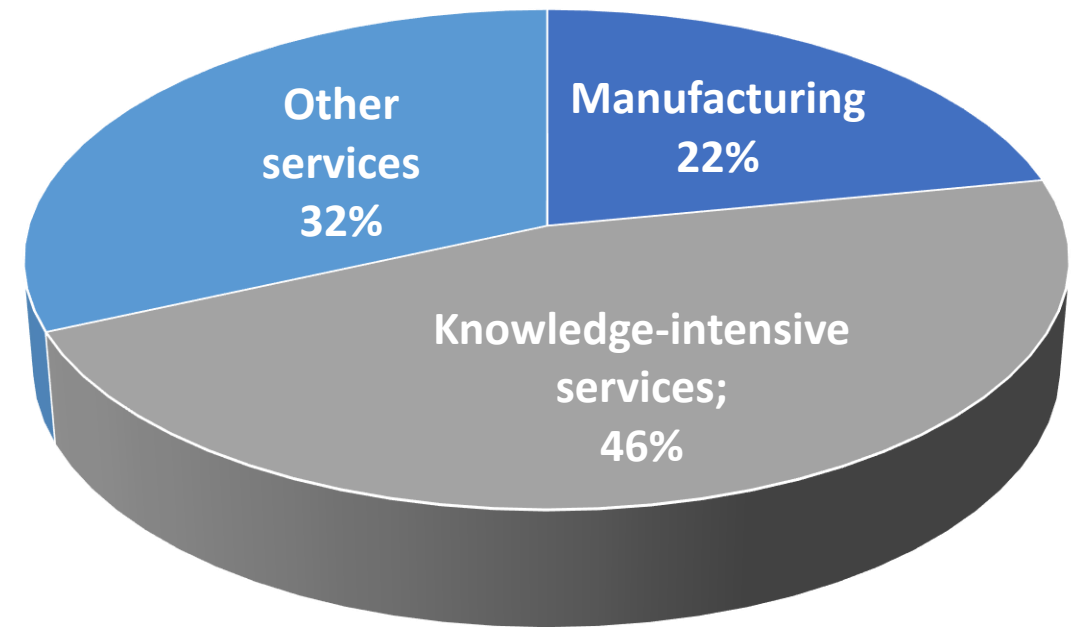


# Surveyed group (cont.)



## Sectors

- ❑ **Manufacturing:** Machinery equipment, Automotive, Beverages, Tobacco, Pharmaceuticals, Chemicals
- ❑ **Knowledge-intensive services:** IT, Healthcare, Financial services, Consulting, Legal services, R&D, Education, PR&Media, Engineering
- ❑ **Other services:** Transport, Wholesale trade, Real estate, Gastronomy, Hotel industry, Tourist service



# Day-to-day business operations

To what extent does COVID-19 outbreak affect day-to-day business operations of your company?

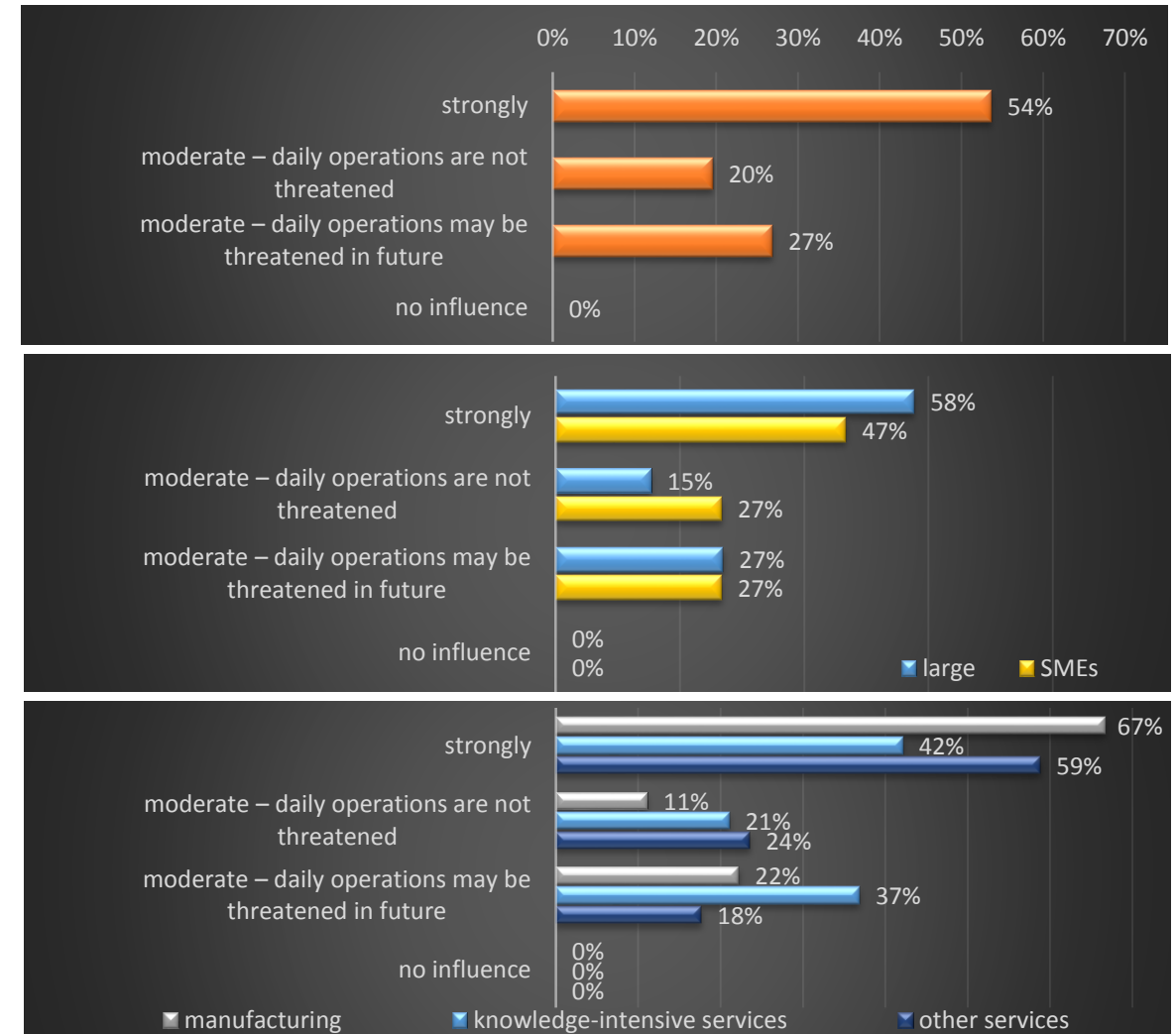


Most companies anticipate that the crisis will strongly affect their daily business operations.

- **The industrial manufacturing sector and large firms are particularly worried.**

27% of respondents expect the outbreak to affect their future operations.

- Knowledge-intensive service sectors express some worries about the future (37%).



# Changing plans

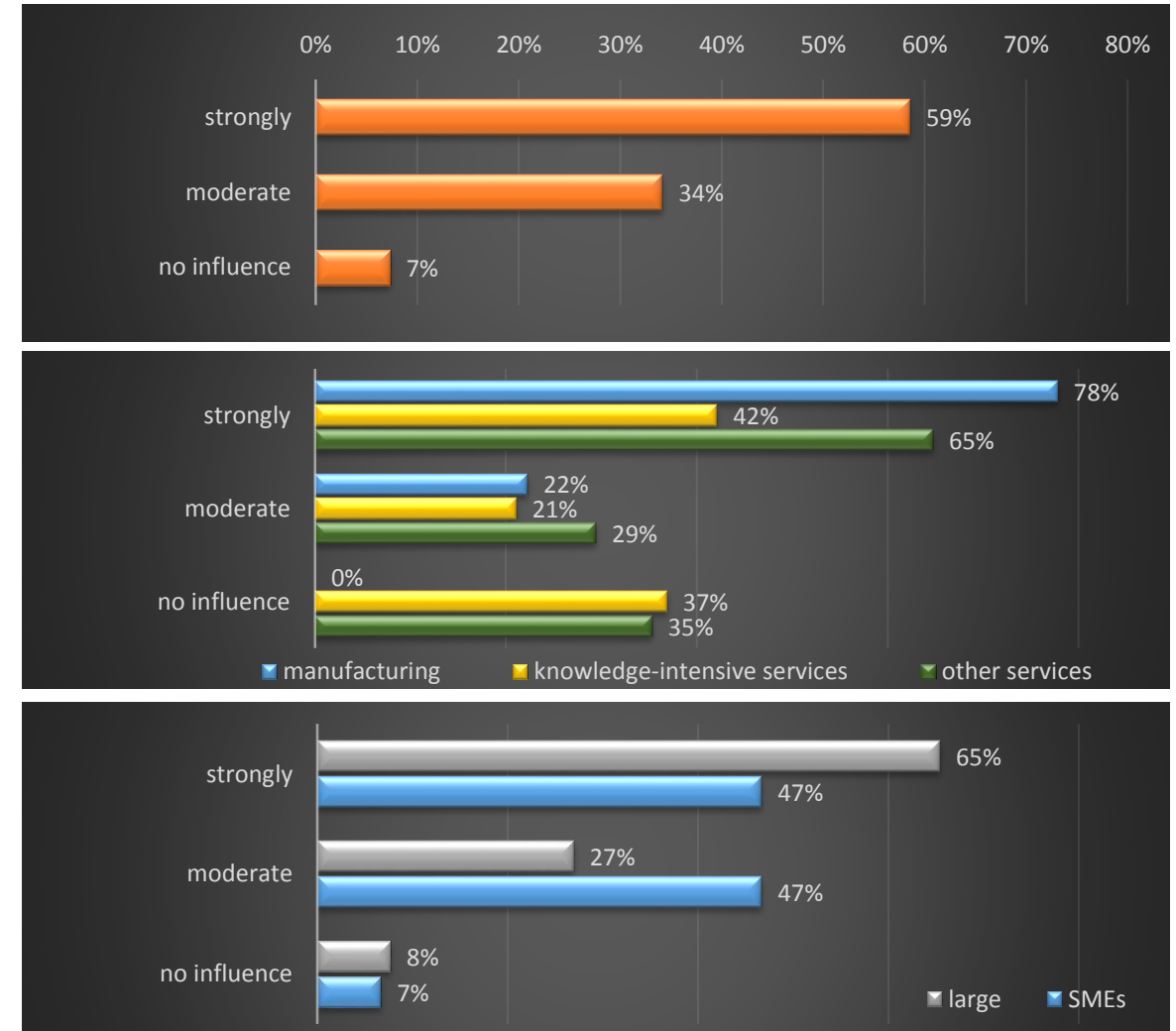
Will the COVID-19 outbreak change existing company's plans?



The COVID-19 outbreak forces companies to strongly change their plans (59% respondents) or moderately (34%).

- **Manufacturing firms and large firms will significantly change their business plans.**

Some service sectors are more resistant to the lockdown. It will have no influence on plans for 35% of firms operating in other services and 37% of firms in knowledge-intensive services.



Source: AmCham Survey „Business in times of pandemic”, n=41

# Employment

How will the number of employees in your company change, comparing to the pre-outbreak time? (in %)

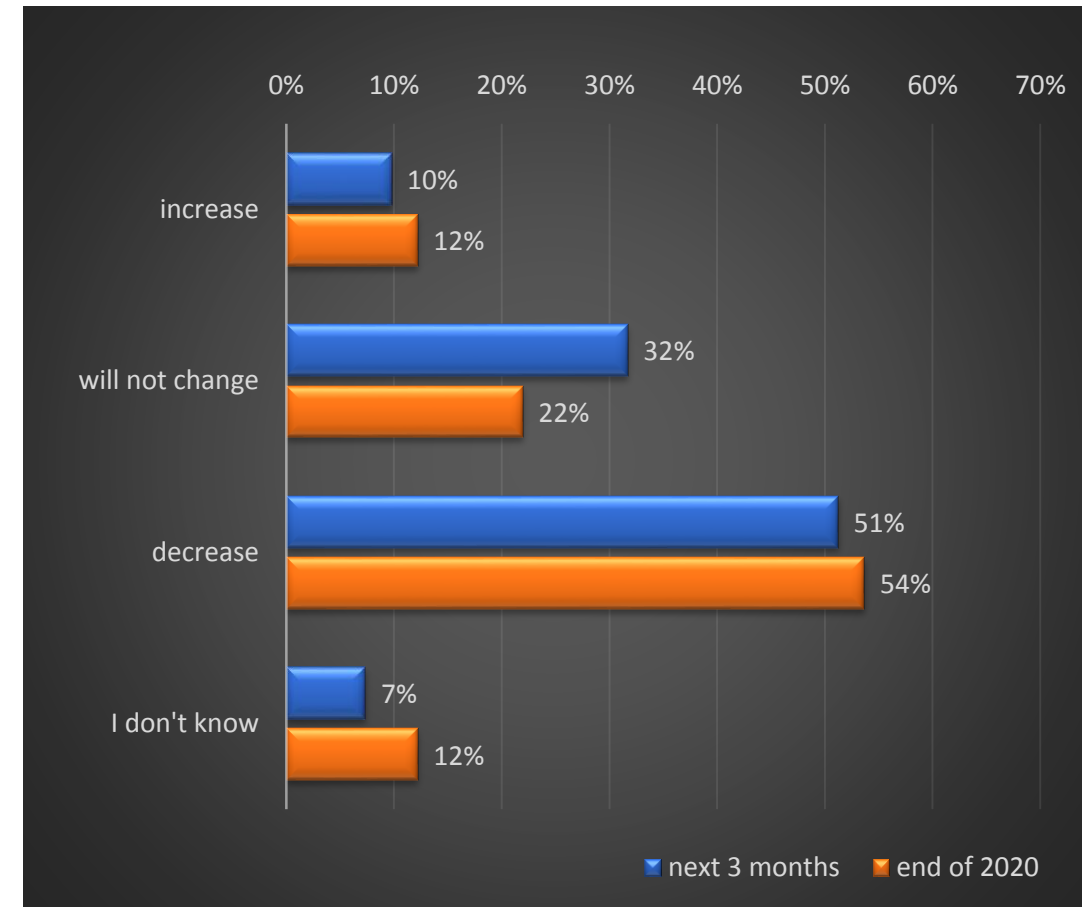


More than half of respondents expect redundancies within the next three months, and 54% will decrease employment by the end of this year.

- More detailed data shows that 4% of firms in this surveyed group plan to let go of more than 80% of employees.

There are, however, some companies which are planning to recruit.

- **The increase in employment is indicated in the IT sector (from 10 to 30%) this year.**



Source: AmCham Survey „Business in times of pandemic”, n=41

# Turnover

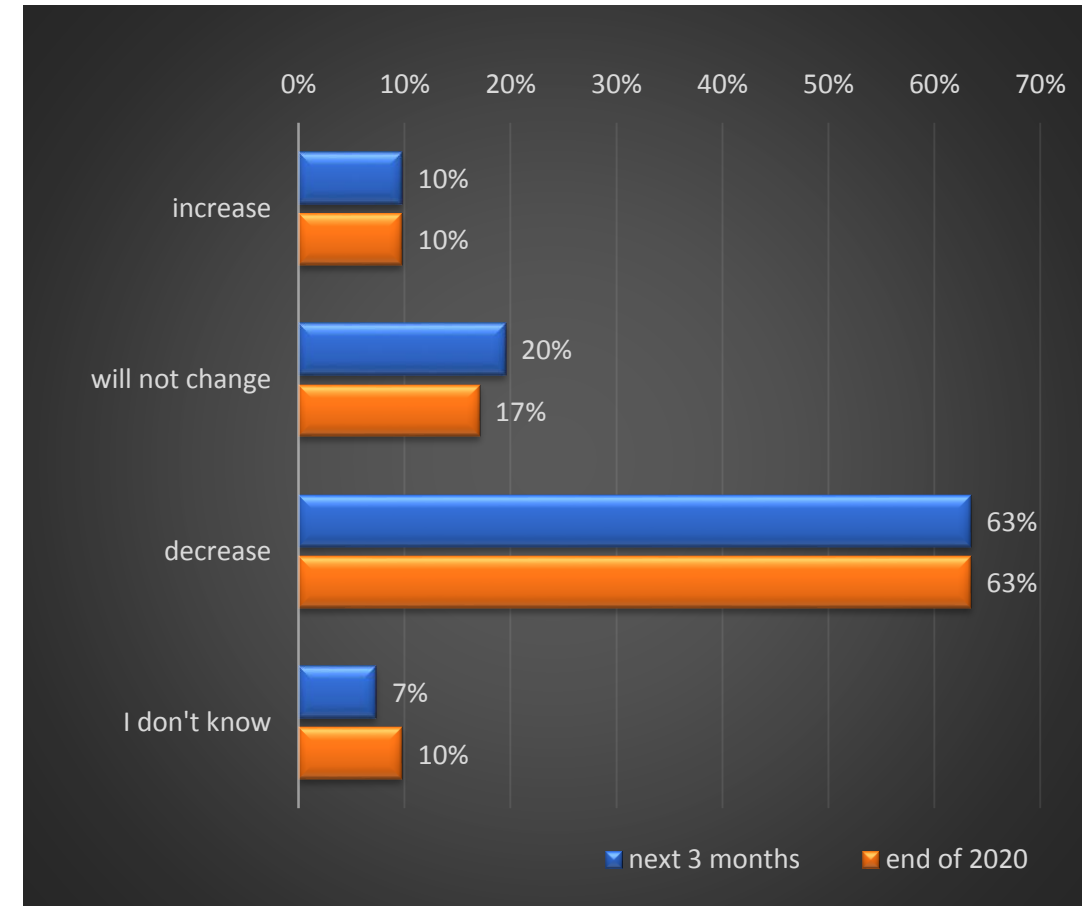
How will the turnover of your company change, comparing to the pre-outbreak time? (in %)



Due to the market situation caused by the pandemic, as many as two-thirds of respondents expect a drop in turnover.

- More detailed data shows that 47% of firms expect drop in turnover up to 30% in the three upcoming months.

**One out of five firms expect no significant change in their sales;** however this group is smaller (3 p.p.) in terms of a longer perspective.



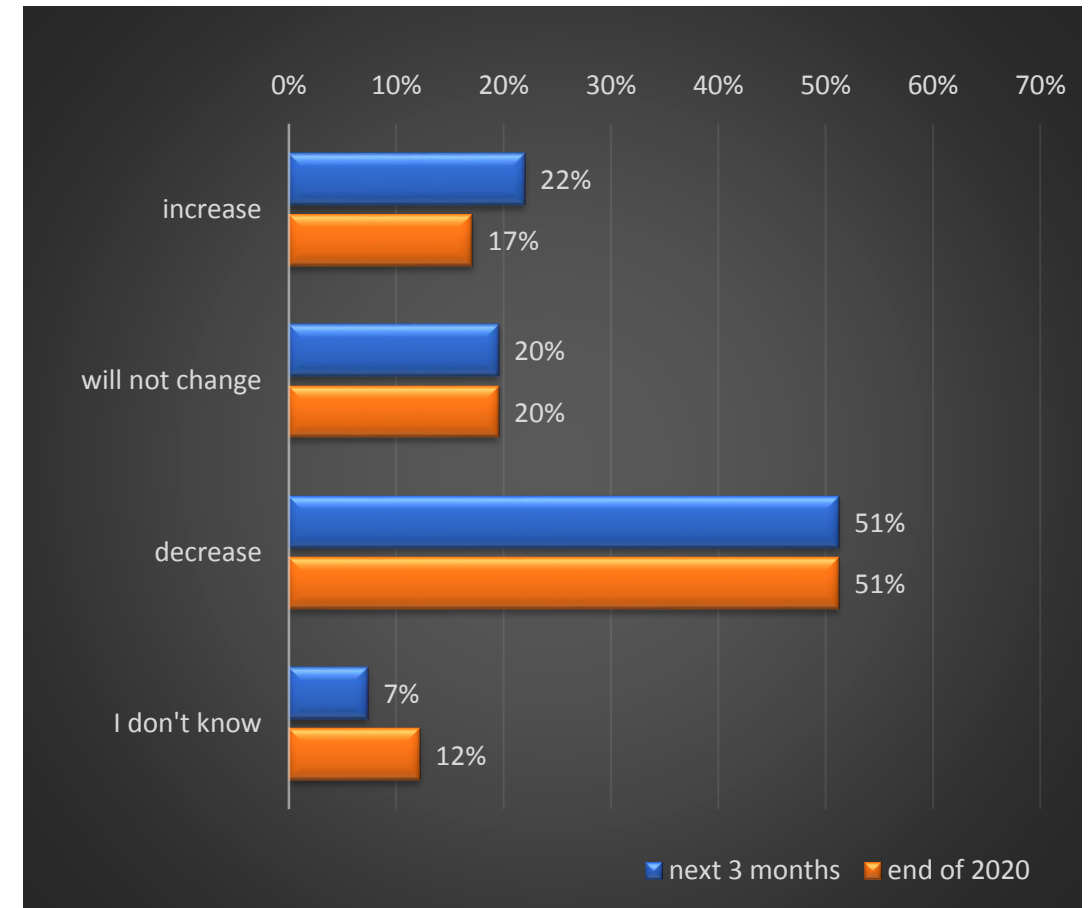
Source: AmCham Survey „Business in times of pandemic”, n=41

# Cost of doing business

How will the cost of doing business change, comparing to the pre-outbreak time? (in %)



**The cost of doing business will decrease for half of the respondents.** This is because of redundancies and a drop in operating revenue, which is expected by most respondents due to the economic crisis in the domestic and global economies.



Source: AmCham Survey „Business in times of pandemic”, n=41

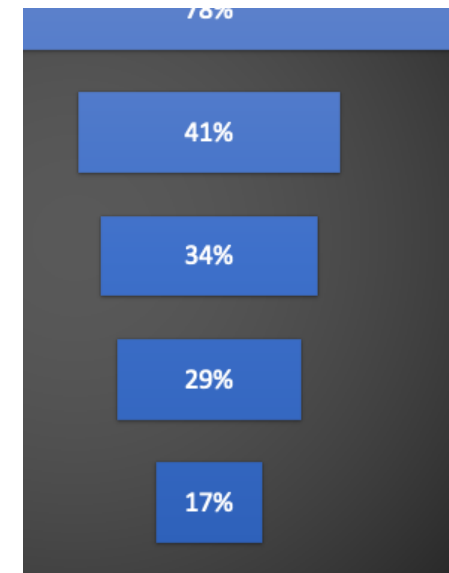


# Support from the government

Which aspects of your business activity need special support from the government? (2 most important)



- **Personnel costs are indicated as the most troublesome for business during the COVID-19 lockdown. Thus, companies are happy to accept any employment cost solutions.**
- The fiscal burden is an important aspect of business, which is expected to be supported by the State.

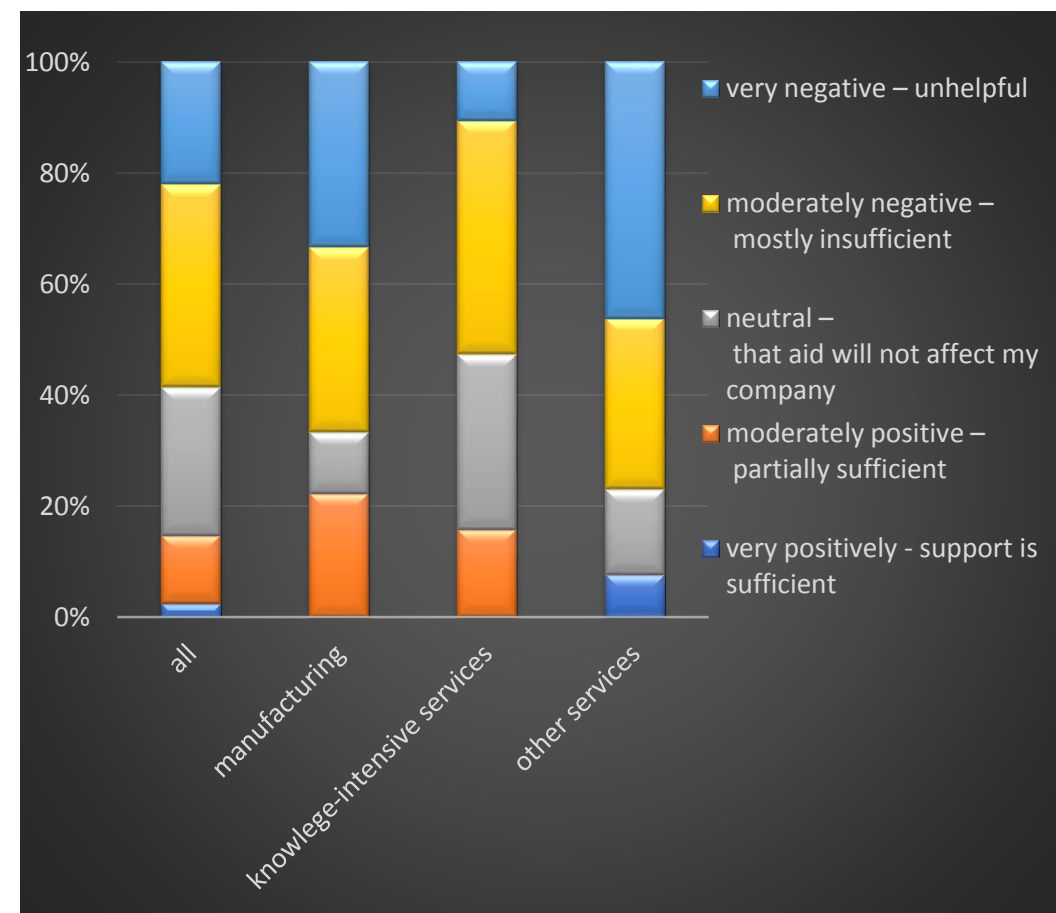


# Anti-Crisis Shield in Poland

How would you assess the Anti-Crisis Shield prepared by the Polish government??



- Among the statements made, there are very few positive evaluations of the anti-crisis shield solutions.
- Note the highest share of moderately positive ratings for manufacturing industries (21%).
- **Companies in the other service sectors are the most critical in their opinion about the Anti-Crisis Shield and assess the government aid as unhelpful (46%) and mostly insufficient (31%).**



Source: AmCham Survey „Business in times of pandemic”, n=41

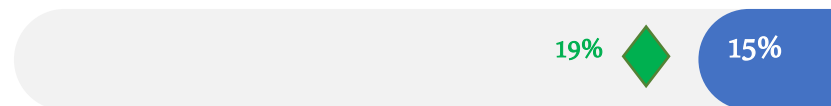
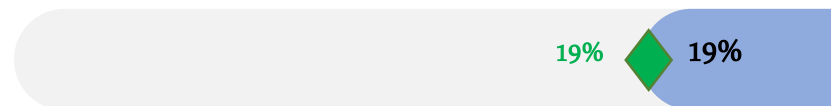
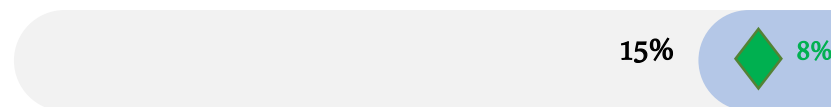
# Anti-Crisis Shield in Poland

How useful are the below mentioned pillars of the Anti-Crisis Shield for your company?



SMEs

Positive



**LARGE  
companies**

compensation of lost salaries

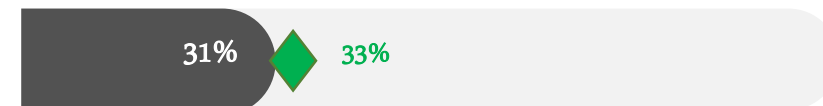
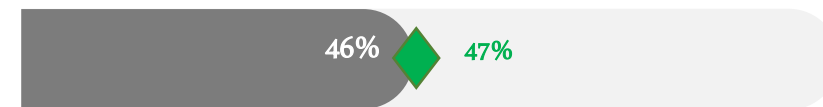
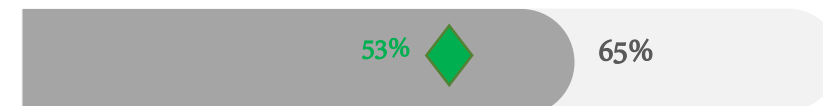
flexible working time

remission of ZUS contribution

extension of CIT deadline

extension  
of financial statements  
deadline

Not affect my company



# Anti-Crisis Shield in Poland (cont.)

How useful are the below mentioned pillars of the Anti-Crisis Shield for your company?



- ✓ About half of respondents indicated the extension of financial statement deadlines and the extension of the CIT deadline being positive for business.
- ✓ SMEs rate this help for business as less useful.
- ✓ **The majority of answers provided concerned the lack of impact of State aid on the functioning of companies.**
  - Most irrelevant among the pillars of the Anti-Crisis Shield is remission of ZUS contribution, because in the first edition of the State aid program this help had been directly solely to the self-employed and enterprises hiring max 10 employees.

# Concluding remarks



## General insights

- ❑ Most companies indicate that the crisis **strongly affects their daily business operations.**
- ❑ The lockdown forces almost all companies to modify their plans.
  - More than half of respondents **expect redundancies in coming months and later this year.**
  - Two-thirds of respondents **expect a turnover decrease.**
  - Half of the respondents expects significant cost cutting and decrease of expenditures.
- ❑ Companies are happy **to accept any employment cost solutions**, as personnel costs, is the most problematic now.
- ❑ The first **Anti-Crisis Shield solutions miss the mark** for large firms, and those in labor intensive services (other service sectors).

## Sectoral details

- The industrial manufacturing sector and large firms are particularly worried about their current as well as future business status.
- Manufacturing firms will **change their business plans the most.**
- The lockdown will have **no influence on plans** for over one third of firms operating in services.
- **The increase in employment is indicated in the IT sector (from 10 to 30%) this year.**



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