

COVID-19 UKRAINE BUSINESS IMPACT
SURVEY RESULTS

6 MONTHS OF LOCKDOWN

OCTOBER 1, 2020



ACC

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.

- 100 respondents out of 94 Chamber member companies took part in the survey, conducted from September 14 till 25, 2020. Almost half of the survey respondents are CEOs (49%). The majority of the respondents (86%) are representatives of C-suite
- Half of the respondents (50%) indicate that companies' revenue has decreased due to the pandemic and its consequences. However, for some respondents, the situation is more positive - for one-fifth of the respondents, the companies revenue has not changed, and for the other 20% of respondents - has increased
- Three-quarters of the respondents (77%) indicate that the number of employees in their companies has not changed. Out of those who have cut staff (11%), more than a half (64%) have cut less than 10% of employees
- More than half of the respondents (61%) indicate that they have not changed salaries, and almost one-quarter (23%) have increased. Out of those who have cut salaries (12%), half of the respondents (50%) have made less than 20% of a salary decrease
- More than half of the respondents (51%) note that their companies did not decrease investments over the last 6 months. At the same time, more than a third of respondents (35%) reduced investments

100 respondents from 94 Chamber member companies



ACC

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.

- More than three-quarters of the respondents indicate that remote work has become a part of working life for their employees. Herewith, 7% of respondents indicated that almost all, and 17% - that all employees in their companies work remotely. Almost a third of respondents (32%) of companies where employees work from home does not have a clear plan on returning to workplaces of their employees
- 24% of the respondents indicate that their employees work more hours per day during quarantine as compared to the pre-quarantine period. At the same time, more than half of the respondents (58%) indicate no changes in the working time
- The most significant challenges in the human capital area over the last 6 months are emotional burnout of employees (3.4*), difficulties in team communication (2.8), and uneven distribution of work within or between teams (2.6)
- More than half of the respondents (56%) indicate the absence of mental health support programs in companies
- Only 35% of the respondents indicate that their companies organize testing of employees on COVID-19: the vast majority (86%) of them make it by necessity

**Average value on a scale from 1 to 5*



ACC

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.

- More than half of the respondents indicate that their organizations (54%) continue to support the society in protecting against COVID-19. The most common ways of supporting are protection means (57%) and financial support (41%)
- Almost half of the respondents (47%) think their clients will feel safe to take part in companies' events offline not earlier than in 2021. Only 7% of the respondents indicate that clients continue to take an active part in the offline events
- Businesses most expect from the Government to: continue bold reform agenda (87%); continue cooperation with IMF to ensure macroeconomic stability (63%); create economic stimulus/incentives to maintain employment and spur investment (50%)



ACC

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.

Role		
	49%	CEO
	29%	C-level
	8%	General manager
	4%	Middle Management
	4%	HR
	6%	Other

Other:

- Co-owner
- Country Manager
- PR and Communications
- Team Assistant

**ACC**

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.

How companies' revenue has changed due to the pandemic and its consequences (compared to the same period last year)

	26%	Slightly decreased (up to 10%)
	20%	Has not changed
	13%	Moderately decreased (by 10 to 20%)
	11%	Significantly decreased (by more than 20%)
	11%	Slightly increased (up to 10%)
	8%	Moderately increased (by 10 to 20%)
	1%	Significantly increased (by more than 20%)
	8%	I don't know
	2%	Does not have revenue/nonprofit organization



How companies' number of employees has changed over the last 6 months

	77%	Remained the same
	11%	Companies cut staff
	8%	Increased
	4%	Other

Companies cut staff

	64%	Less than 10%
	27%	10-20%
	9%	20-30%

Comments:

- Decreased due to voluntary turnover
- Decreased because we have not replaced some employees who decided to leave and join other companies
- Several employees left to work in another company
- Slightly decreased



How the salaries of companies' employees has changed over the last 6 months

	61%	Remained the same
	23%	Increased
	12%	Companies cut salaries
	4%	Other

Companies cut salaries

	25%	Less than 10%
	25%	10-20 %
	25%	20-30 %
	8.3%	30-40 %
	8.3%	50%
	8.3%	More than 50%

Comments:

- Cut by 20% based on the global decision, then in two months returned back with an additional 5% increase for the difference
- Initially cut salaries but are now paying back the cuts
- Increased for majority of employees (regular increase in April). For management increase was postponed
- Planned regular increase in April was conducted without any changes
- Transferred employees to remote and part-time work with the relevant salary

Amount of respondents that decreased investments over the last 6 months

	51%	No
	35%	Yes
	14%	I don't know



ACC

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.

Amount of employees that still working remotely

	54%	Part of staff works from home
	17%	All our staff works from home
	12%	Staff works in shifts
	7%	Almost all staff works from home
	6%	All our staff returned to office
	4%	Other

Comments:

- 85% mainly works from home with some visits to the office
- Free office attendance for most staff. 1 day per week is required for everyone. Admin and business support must show up part-time. Office attendance varies 20-60%
- Most employees work from home. It is allowed to visit the office, but only for urgent business needs and only by taxi (reimbursement by the company). It is forbidden to visit the office for employees who use public transport
- Only people above 60 years old work from home
- Our staff in Ukraine returned to office, 1 day per week we've worked from home to be ready to work remotely
- Part of the staff works in shifts
- Part of the staff works remotely, part works in shifts, part works in the office in normal mode



When companies plan for their employees to return to workplaces*

	40%	Part of the staff will continue to work remotely
	32%	There is no clear understanding on returning to workplaces
	22%	When the Government officially ends the quarantine
	6%	Other

* From those companies which employees did not return to the office yet

Comments:

- 2022
- After vaccination, 50% of the time attendance will be required
- Depends on the real situation with the pandemic, not only on the official quarantine measures. Staff's health is the priority for the company
- In accordance with the corporate approach to employee safety
- In September started working in shifts to reduce the risk of infection, will follow the situation and will make a decision at the end of September
- Plan to have a flexible approach. Will allow people to visit the office a few times per week and remaining time to work remotely
- We plan to gradually have more people in the office, but the target will be no more than 50% at any one time



AMERICAN CHAMBER
OF COMMERCE
UKRAINE



How long do employees work per day during quarantine versus pre-quarantine period

	58%	The same
	24%	More
	12%	Less
	4%	I don't know
	2%	Other

Comments:

- Depends on the position and the projects they are working on
- Workload of managers and the leadership team has significantly increased, additional work has appeared



The most significant challenges in human capital area over the last 6 months*

	3.4	Emotional burnout of employees
	2.8	Difficulties in team communication
	2.6	Uneven distribution of work within or between teams
	2.4	Difficulties in communication between leaders and subordinates
	2.3	Decreasing of the employees' productivity
	2.2	Unpreparedness of leaders for the challenges that have taken place

*Average value on a scale from 1 to 5 (where 1 - the least significant challenge, 5 - the most significant challenge)



ACC

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.

Availability of employees' mental health support program in companies

	56%	No
	41%	Yes
	3%	I don't know



AMERICAN CHAMBER
OF COMMERCE
UKRAINE



Testing employees for COVID-19

	60%	No
	35%	Yes
	5%	I don't know

Frequency of testing

	86%	By necessity
	3%	Once a week
	3%	Once a month
	8%	Other

Comments:

- Employees have corporate medical insurance, which covers both tests (Antibodies/PCR). In case employees want or see some symptoms, they can pass
- We test if there is any concern that the employee has been in contact with the person with confirmed COVID-19
- Testing employee and all contact persons with COVID-19 symptoms



AMERICAN CHAMBER
OF COMMERCE
UKRAINE



Continuation of companies to support the society in protecting against COVID-19

	54%	Yes
	21%	No
	15%	Were unable to help
	10%	I don't know

Comments:

- Company's products
- Depending on the needs - food for low-income families, IT equipment for children's' education from such families
- Education of med personnel on PPE use
- IT equipment for hospitals on special terms

The kind of support

	57%	Protection means
	41%	Financial
	28%	Medical devices
	26%	Services
	15%	Medicine
	19%	Other

- Some portion of the company's corporate automobiles to Kyiv based medical services (for example, for save transfer of dialysis patients between their homes and hospitals)
- Washing machines and bed sets for patients for Kirovograd Hospital



AMERICAN CHAMBER
OF COMMERCE
UKRAINE



When companies think their clients will feel safe to take part in companies' events offline

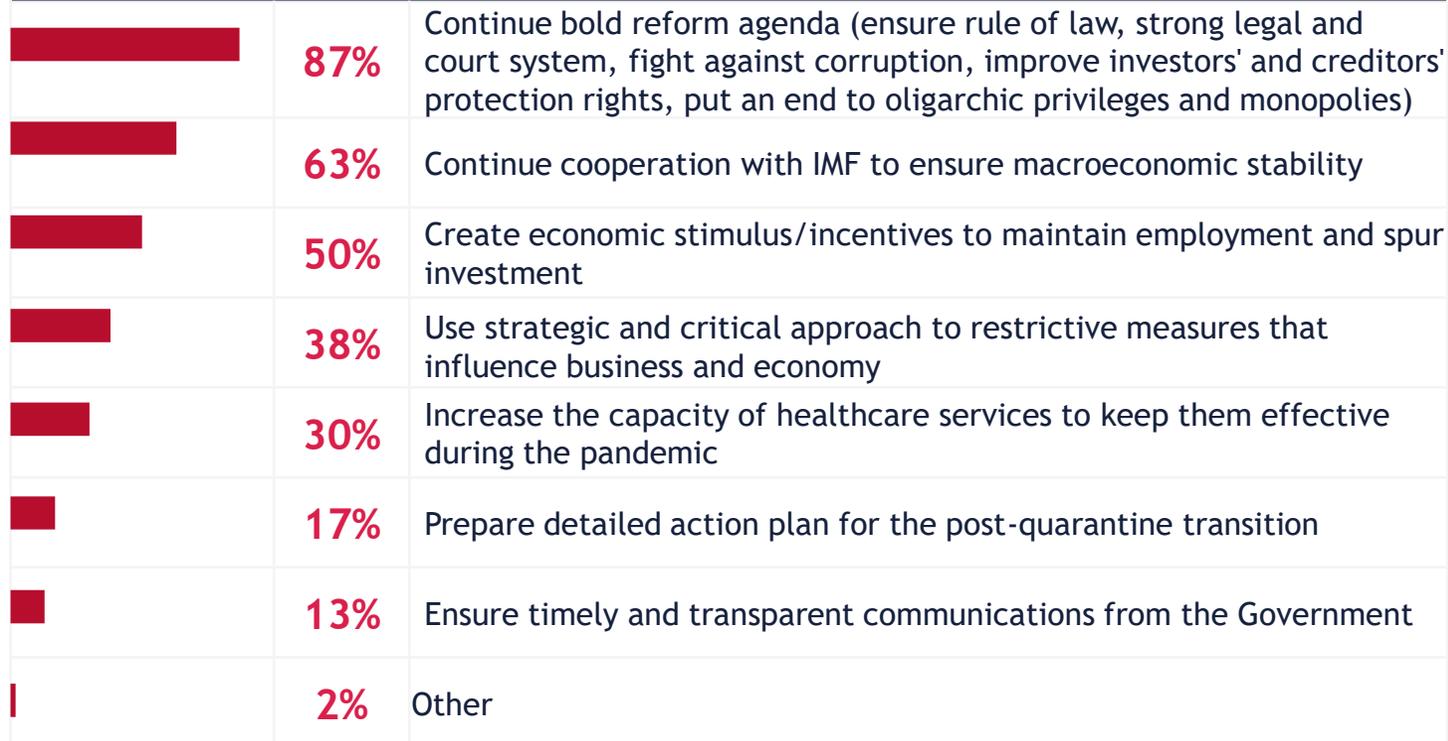
	47%	In 2021
	26%	As soon as quarantine ends
	17%	Not applicable for my company
	7%	Clients continue to take an active part
	3%	Other

Comments:

- After vaccination
- On some limited basis in 2020 subject to ensuring all proper safeguards
- When a vaccine becomes widely available



TOP-3 strategic actions companies expect most from Ukraine's Government



Comments:

- At least do not worsen the situation



ACC

AMERICAN CHAMBER
OF COMMERCE
UKRAINE

Deloitte.