

EMPOWER MISSISSIPPI



UNLEASH MISSISSIPPI EMPLOYER SURVEY

THE COVID-19 PANDEMIC AND ITS IMPACT ON MISSISSIPPI EMPLOYERS

As Mississippi and the rest of the world grapples with how best to respond to the public health threat posed by the coronavirus pandemic, the economic toll of mitigation measures continues to mount. The initial shutdown orders imposed during the spring forced many businesses to drastically limit their services or close completely for weeks on end. These government shutdown orders have impacted businesses across the state, forcing many to close permanently, including over 100 restaurants in the Jackson metro area alone.¹

When crafting policy solutions to respond to these situations, policymakers must balance health and economic risks, using actionable data that reflects the challenges faced by actual Mississippians. In an effort to better inform this process, Empower Mississippi conducted a survey of Mississippi businesses to determine how their operation has been impacted by the coronavirus pandemic and the governmental response, and how these harms might be addressed by policy action going forward. The results of this survey are below, along with policy recommendations to help Mississippi businesses and workers get back to work.

SURVEY METHODOLOGY AND FINDINGS

The survey was conducted over four weeks during the summer, from July 28th - August 23rd. The questionnaire consisted of 12 questions and was built on Google Forms. The survey link was provided directly to respondents, and in some cases conducted via individual conversations with a member of the Empower Mississippi team. 131 respondents participated in the survey, and the results are highlighted below. This is not a scientific survey, and the results are not weighted or independently verified. However, the results described below can provide a glimpse into how Mississippi employers and employees have been impacted.

Operational Capacity: These questions asked to what degree the operating hours of the business was limited by the pandemic and the government response, and to what degree those operating hours have returned to normal.

¹ Report shows hundreds of Mississippi businesses permanently close due to pandemic.

<https://www.wapt.com/article/report-shows-hundreds-of-miss-businesses-permanently-closed-since-pandemic/33447112>

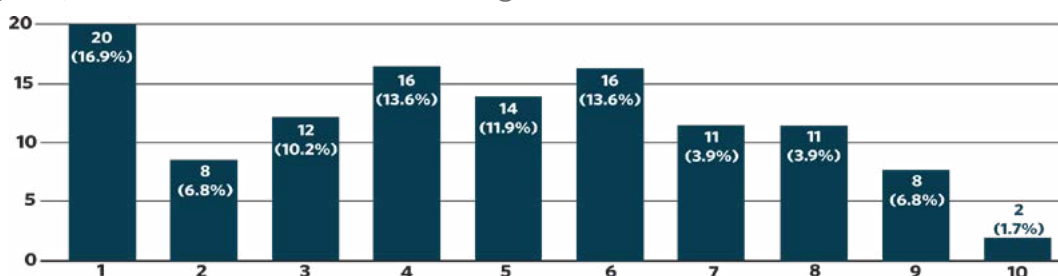
- ⇒ 51% of survey respondents said that the operation of their business was restricted by the government response to COVID-19. Of those who indicated that their business had been negatively impacted, 63% said their business is still operating at below 50% capacity.
- ⇒ 38% of respondents claim that the operation of their business was not impacted by the coronavirus pandemic.
- ⇒ 10% of respondents indicate that their business operations actually expanded during the pandemic.
- ⇒ Nearly half of respondents (45%) indicate that their business operations have largely returned to pre-pandemic capacity.

Business Activity and Revenue: These questions measured to what degree actual business activity and revenue were impacted by the pandemic.

- ⇒ A quarter of respondents say that their business is operating below 25% of pre-pandemic levels, with nearly a third (30%) indicating their business is operating between 25% - 75% of pre-pandemic capacity.
- ⇒ The impact on business activity and revenue is even more pronounced, with 81% of business owners, and 72% overall, indicating that business activity and revenue has slowed down to some degree since the start of the pandemic. Of these respondents, a majority (59%) say activity and revenue has slowed significantly.
- ⇒ 18% say that their business activity or revenue has not been impacted, with 10% saying their business activity and revenue increased during the pandemic.

Rating Mississippi's Response: Respondents were asked to judge whether Mississippi's response to the coronavirus was an overreaction or under-reaction, and to rate the state's response to the coronavirus pandemic on a scale from 1-10.

- ⇒ Respondents were asked to rank Mississippi's response to the coronavirus pandemic, compared to other states, on a scale from 1-10, with 1 being the worst and 10 being the best.
- ⇒ Responses varied across the board, but skewed negative. The average rating was 4.9, with a median rating of 5, and the most often chosen rating was 1.



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- ⇒ Respondents were also evenly split about whether the state's response was an overreaction or under-reaction, with 36% choosing each option.
- ⇒ 27% of respondents said the state's response was about right.

Policy: These questions probed respondents on which government rules or regulations have made it more difficult for their businesses to operate during the pandemic, as well as whether there are rules or regulations that have been relaxed during the pandemic that make their work easier.

- ⇒ 71% of respondents pointed to specific rules and regulations that have made it harder for them to do business. Some specific examples are excerpted below:
 - Social distancing requirements that limit the number of people allowed inside businesses.
 - Mask mandates that prevent customers from visiting businesses and make work more difficult for employees.
 - Limits on the size of gatherings hurting businesses that depend on events.
 - School closures that impact businesses that depend on customers in schools.
 - Mandates related to personal protective equipment (PPE) that increase the cost of doing business.
 - Lack of child care available for employees due to closed schools and day care centers.
 - Insurance regulations that make it more difficult for businesses to work remotely.
- ⇒ Respondents cited some positive policies that made it easier for them to conduct business during the pandemic, excerpted below:
 - Extended tax filing deadlines.
 - Remote notarized signatures for loan closings made it easier for real estate transactions to continue.
 - Allowing licensed employees to complete continuing education requirements online made it easier to comply with these requirements.
 - Telecommuting for regulated industries.
 - Insurance reimbursements for telemedicine visits meant less time away from work.

- Relaxing court and probation reporting requirements made it easier for justice-involved employees to comply without interrupting work.
 - Increased weight limits for trucks along with relaxation of transportation regulations on hours of service.
- ⇒ More than half of respondents (54%) could point to no positive rule changes during the pandemic that have helped their business.

Respondent Characteristics: These questions measured the respondents' role in the marketplace, as well as whether family members or team members have been infected with the coronavirus.

- ⇒ Over 60% of respondents indicated that no one in their family or company has been diagnosed with COVID-19.
- ⇒ 34% of respondents indicated they own their own businesses.
- ⇒ 47% were employed either full time or part time.
- ⇒ 12% were currently unemployed.

CONCLUSIONS AND RECOMMENDATIONS

These survey findings provide some empirical support to many issues that have been raised with the government's response to the coronavirus pandemic. While the state has a clear responsibility to protect public health and safety, many of the state's mandates have had clearly negative impacts on the state's businesses that employ hundreds of thousands of Mississippians.

The results suggest that while many of the negative impacts were initially due to government shutdown orders for "non-essential" businesses, most businesses have not seen revenue recover to pre-pandemic levels, even if they are operating at near pre-pandemic capacity. Business owners attribute this primarily to social distancing requirements that make it more difficult for many business models to operate.

Considered as a whole, these results can inform policy decisions for state leaders going forward in the following ways:

RECOMMENDATIONS FOR POLICYMAKERS

While shutdown orders have a clear negative impact on business owners, other government mandates and requirements related to masks and social distancing also impose negative costs on Mississippians, even rendering many business models untenable. The benefits of any governmental mandate impacting businesses should be carefully weighed against the economic costs it will impose on families.

Remove barriers to remote work.

The coronavirus pandemic has accelerated the move to working remotely in many fields. While many jobs

cannot be performed remotely, Mississippi should ensure that our laws do not discourage this trend. As a state with a relatively low cost of living, Mississippi can become a hub for remote work and also slow brain drain.

- ⇒ Remove professional licensing regulations that require individuals to work in physical proximity to customers. If licensed work can be safely performed at home, lift regulatory requirements that prevent that from happening.
- ⇒ Preempt local regulations that prohibit working from home, as long as the activity does not impact neighbors.
- ⇒ Require professional licensing boards to revise rules that prohibit working from home, where applicable.

Occupational Licensing

Mississippi requires individuals to obtain an occupational license before they can work in dozens of fields, from landscaping to cutting hair. Licenses can act as a barrier to entry, making it more difficult for individuals to work in the field of their choice.

- ⇒ Require boards to create a “fast-track” work licensing option, especially in high-demand fields like nursing.
- ⇒ Allow for universal recognition of similar licenses issued by other states.
- ⇒ Implement a pilot red tape reduction program focused on removing regulations that stifle job growth.
- ⇒ Allow licensed employees with continuing education requirements to earn those using remote learning whenever possible.
- ⇒ Allow digital signing options for state-required notarized signatures.

FOR MORE INFORMATION

For more details on these proposed policy solutions and more, please visit “Unleash Mississippi: Unleashing Education and Work in a Post-Coronavirus World,” a report from Empower Mississippi.²

ABOUT EMPOWER MISSISSIPPI

Empower Mississippi is an independent, nonprofit advocacy organization dedicated to removing barriers to opportunity so Mississippians can flourish. We’ve found that many Mississippians are burdened by laws that make it difficult to get a good education and find meaningful work. To that end, we’ve developed a unique process that helps people advocate for policy change so Mississippians have access to better opportunities. We want to partner with you! Please reach out and contact us at [EmpowerMS.org](https://empowerms.org) for more information.

2 <https://empowerms.org/wp-content/uploads/2020/05/Unleash-Mississippi.pdf>