

# THE ROAD AHEAD: A Summary of the ACEC Research Institute's Business Impact Survey During COVID-19

The COVID-19 pandemic represented an unprecedented disruption in America's economy. Engineering's central role in the built environment meant that the industry was impacted not only by the private sector's shutdown, but also from stoppages in state public works projects. Between March and May of 2020, the ACEC Research Institute conducted a series of business impact surveys\* to gauge sentiment among industry leaders. Over the course of seven surveys, the Institute was able to glean insights into shifts in workplace culture, financial impacts, and reactions to Federal stimulus.

## WAVE 1: 3/17/20 & 3/18/20

### THE EARLY EFFECTS OF COVID-19 ARE JUST STARTING TO BE FELT

- Nearly all organizations (96%) had implemented changes to the way they were conducting client work. Top among these were social distancing at work sites (77%) and limiting access to offices, project/construction sites and group meetings (52%).

Nearly half of organizations (44%) reported project delays or cancellations due to COVID-19. Both small and large firms affected.



ZOOM COMMUNICATION'S STOCK VALUE RISES 39% IN MARCH 2020\*\*



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## WAVE 2: 3/24/20 & 3/25/20

### THE RISE OF TELEWORK AND TRAVEL RESTRICTIONS

- Nearly all organizations (93%) have implemented a telework policy for staff and a majority of firms (79%) have established domestic travel restrictions.

## WAVE 3: 3/31/20 & 4/1/20

### AMERICA SHUTS DOWN

- More than nine out of ten firms (93%) felt the condition of the U.S. economy was worse than it was 30 days prior. In addition more than half felt their firm's finances (54%) and cash flow (58%) were worse.

- Project delays/cancellations due to COVID-19 surged from 44% in Wave 1 to 70% in Wave 3.

WAVE 2  
TOP INDUSTRY CONCERNS

CASH FLOW  
TIMING OF GOVERNMENT ASSISTANCE  
PROJECT DELAYS  
DECREASED PRODUCTIVITY  
GENERAL ECONOMIC ANXIETY

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## WAVE 4: 4/7/20 & 4/8/20

### A RISE IN CONFIDENCE

- Majority of firms felt more confident that the Federal stimulus package would have a positive effect (74% up from 51% in Wave 3).



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## WAVE 5: 4/21/20 & 4/22/20

### SHUTDOWNS CONTINUE, BUT FIRMS PLAN FOR RE-OPENING

- Although the vast majority of firms (87%) still felt the condition of the U.S. economy was worse compared to March 1, firms were less negative regarding their own finances and cash flow.

- 45% of firms reported their cash flow was worse, down from 54% in Wave 3.

- Inadequate funding and depletion of PPP funds dampened enthusiasm for Federal response.



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## WAVE 6: 4/21/20 & 4/22/20

### ECONOMIC ASSISTANCE TO FIRMS GAINS TRACTION

- By Wave 6, 88% of firms had already applied for a PPP loan. 94% of those applications were approved. 86% of PPP loans were for less than \$2 million.

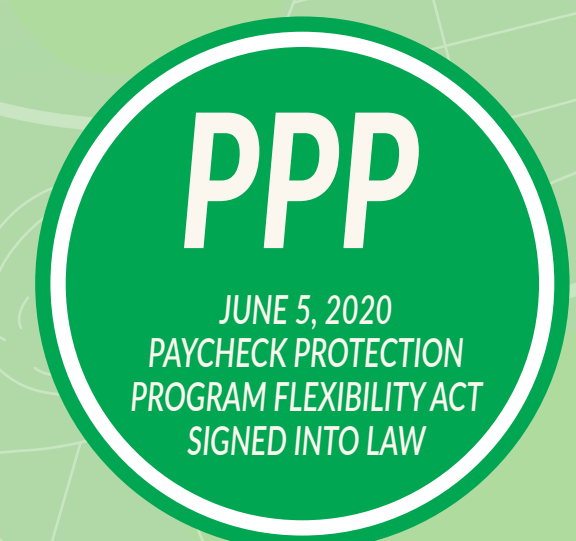
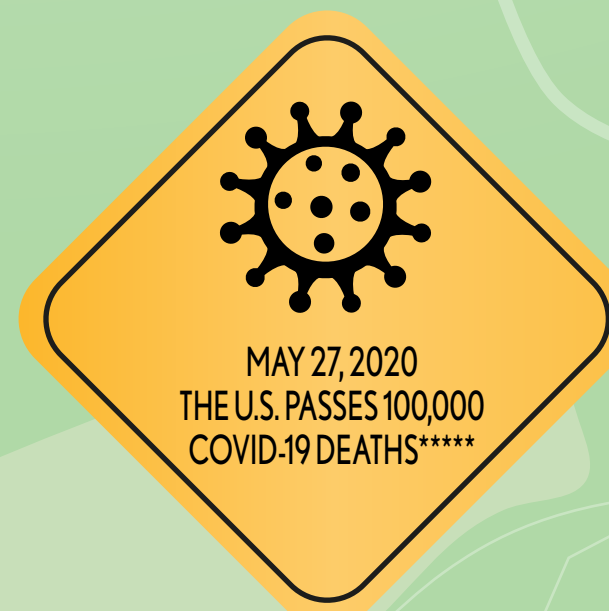
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## WAVE 7: 5/27/20 & 5/29/20

### SOBERING ECONOMIC REALITY SETS IN

- Following a second round of funding for the PPP, perceptions of the CARES Act hit their highest level with 75% of firms rating it positively.

- However, firms feel less optimistic about a "return to normal" within six months with most feeling it will take 12 to 18 months for recovery.



Sources: \*ACEC Research Institute Business Impact Survey. Waves 1-7: <https://www.acecresearchinstitute.org/research/>  
 \*\*<https://www.barrons.com/articles/zoom-video-communications-is-a-hot-stock-but-its-valuation-is-seen-as-high-51585758096>  
 \*\*\*<https://www.winc.com/brit-morse/paycheck-protection-program-r-aches-cap-small-business-loans-cares-act.html>  
 \*\*\*\*<https://www.wsj.com/articles/april-jobs-report-coronavirus-2020-11588888089>  
 \*\*\*\*\*<https://www.theguardian.com/world/2020/may/27/us-coronavirus-deaths-toll-1000000>