

Partnering for Innovation

COVID-19 PARTNER SURVEY RESULTS: WORKFORCE

COVID-19 has brought abrupt change to many agribusinesses in emerging markets. Disruptions to supply chains and plummeting sales have prompted entrepreneurs to quickly shift gears and implement cost-cutting strategies, such as employee furloughs and layoffs, in an effort to maintain operations. Partnering for Innovation surveyed 44 of its private sector partners in 19 countries to gain a deeper understanding of the pandemic's impact on their workforces.

IMPACT ON WORKFORCE

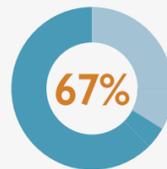
Of the 44 businesses surveyed:



have laid off/furloughed employees.



1,026
of their employees
(9% of total workforce)
have been laid off/furloughed.

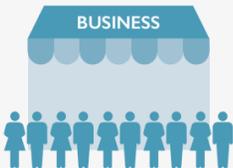


plan to re-hire at some point, however **almost no partners plan to hire back at the same staffing levels even if operations recover.**

SHARED CHARACTERISTICS

16 of the 44 businesses surveyed experienced layoffs and furloughs. They shared the following characteristics:

Large number of employees



Although businesses with a large number of employees represented only **23%** of all businesses surveyed, **half of them laid off/furloughed employees.**

Low cash flow and cash reserves

Only **2** reported having cash flow and cash reserves sufficient to continue operations beyond six months.



Less flexibility to adapt employees' roles



of businesses with layoffs/furloughs had **at least a quarter of their employees shift to remote work**, compared to 61% of businesses without staff cuts.



53%
of employees at businesses with staff reductions **remained working in their original hired role**, compared to 68% of employees at businesses without.

EXTERNAL FINANCIAL SUPPORT

Of the businesses that experienced layoffs and furloughs:



88%
indicated a need for external financing to sustain operations and recover.



reported looking for, or are considering looking for, **an average of \$605,556 in loans and other forms of credit.**

TOP WORKFORCE CONCERNS AMONG BUSINESSES

Businesses that experienced layoffs and furloughs were concerned about:



83%
Health and safety



75%
Job security and financial situation



56%
Ability of staff to travel to work/complete core duties



44%
Ability of staff to work remotely

ABOUT FEED THE FUTURE PARTNERING FOR INNOVATION

Feed the Future Partnering for Innovation is a program funded by USAID's Bureau for Resilience and Food Security and implemented by Fintrac Inc. that builds partnerships with agribusinesses to help them sell new products and services to smallholder farmers, who represent a potential market of more than 500 million customers worldwide.