

# Supplemental Survey Report

## Businesses Expect a Strong Second Half of 2021 and More Remote Working after the Pandemic

Supplemental questions in the June 2021 *Empire State Manufacturing Survey* and *Business Leaders Survey* focused on how sales compared to normal pre-pandemic levels, current and desired employment counts, and the extent of recent and expected remote working arrangements. This survey was in the field from June 2 through June 9.

As the table shows, sales compared to normal pre-pandemic levels differed considerably between the manufacturing and service firms in the first half of the year. On average, service firms report that sales were about 7 percent lower than normal, while manufacturers, on average, report that sales were 1 percent above normal. Firms in both sectors expect sales to be above normal levels in the second half of the year: by 2 percent in the service sector and by 4 percent in the manufacturing sector.

Focusing on employment, businesses in the region report that current employment generally remains well below pre-pandemic levels. On average, employment was down 8 percent among service firms and 9 percent among manufacturers. However, when asked about desired employment levels, firms indicate that they currently employ fewer workers than would be ideal, suggesting many firms are having difficulty finding

workers to meet their needs. On average, service firms would employ 7 percent more workers and manufacturers would employ about 9 percent more than current levels, which would bring employment back in line with pre-pandemic levels.

Responses indicate that remote working has become much more widespread through the pandemic, and firms expect such arrangements to remain more common after the pandemic, especially in the service sector. Before the pandemic, an average of about 10 percent of workers in the service sector worked remotely for four days per week. These figures suggest about 8 percent of service work was done remotely before the pandemic. Service firms report that currently, about 40 percent of employees work remotely for a little more than four days per week, on average, or roughly a third of all service work. Once conditions return to normal after the pandemic, service firms expect about a quarter of their workforce to work remotely for, on average, about three and a half days per week, which implies about 16 percent of service work will be done remotely after the pandemic. Remote working has been much less widespread among manufacturers, which did not experience nearly as much of an increase in remote work as service firms did. Manufacturers report that before the pandemic, only about 5 percent of

workers worked remotely for, on average, four and a half days per week, compared to nearly 10 percent of workers who are remote for roughly three and a half days per week currently and 6 percent of workers who are remote for nearly four days per week after the pandemic. These figures imply that the share of remote work in the manufacturing sector rose from 4 percent before the pandemic to 7 percent now, and will settle at about 5 percent after the pandemic. Thus, once conditions return to normal, manufacturers expect remote working arrangements to be only slightly more common than before the pandemic.

When asked about bringing back employees who firms ultimately expect to be working on site, more than 40 percent of service firms and more than 70 percent of manufacturers reported that such workers had already returned in full. Another 20 percent of service firms expect to have their workers back on site between June and August, with a further 21 percent expected to return in full in September; about 12 percent said workers are not expected to return in full until 2022. Roughly 8 percent of manufacturers said they expect their onsite workers to return over the summer, and another 8 percent expect them to return in September; about 10 percent said workers are not expected to return until 2022. ■

## Supplemental Survey Report, *continued*

### QUESTION 1

Please estimate by roughly what percent your firm's sales are above or below what you consider to be normal levels—both for the first half of the year and what you expect for the second half:

	Business Leaders Survey		Empire State Manufacturing Survey	
	1st Half of Year	2nd Half of Year	1st Half of Year	2nd Half of Year
Average percent above or below normal	-7	2	1	4

### QUESTION 2

How many workers did your business employ prior to the pandemic, how many do you currently employ, and how many would you ideally like to employ if you could hire all the workers you would like to have?

	Business Leaders Survey	Empire State Manufacturing Survey
	Average Percent Above or Below	
Currently employed relative to pre-pandemic	-8	-9
Ideally employed relative to currently employed	7	9
Ideally employed relative to pre-pandemic	-1	0

### QUESTION 3

To what extent did employees at your firm work remotely before the pandemic, to what extent do your employees currently work remotely, and to what extent do you expect your employees to work remotely once the pandemic has passed and conditions return to normal?

	Business Leaders Survey		Empire State Manufacturing Survey	
	Average Across Respondents			
	Share of Employees Working Remotely	Average Number of Days Those Employees Worked Remotely	Share of Employees Working Remotely	Average Number of Days Those Employees Worked Remotely
Before the pandemic	10	4.0	5	4.5
Currently	38	4.2	9	3.7
After the pandemic	23	3.5	6	3.9

## Supplemental Survey Report, *continued*

### QUESTION 4

If your business adopted or expanded remote work arrangements during the pandemic, when are you planning for those that will ultimately be back onsite to return in full?

	Business Leaders Survey	Empire State Manufacturing Survey
	Percentage of Respondents Reporting	
Already returned	41	71
June	4	2
July	11	4
August	5	2
September	21	8
October	5	0
November	1	2
December	1	1
Early 2022	6	2
Later	6	8