

MontcoStrong Grant Participant Survey Overview of Findings

Center for Opinion Research
Franklin & Marshall College
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Methodology

The **Montgomery County CARES ACT Business Survey** was designed to assess the effects of the MontcoStrong Grant Program. The survey was conducted using **a multi-mode survey of Montgomery County businesses that received CARES ACT funding** in order to evaluate the short- and long-term effects on local businesses and the local economy. Respondents were able to complete the survey either **online or via telephone**. Survey administration procedures included an invitation through USPS mail followed by reminder emails. Businesses who did not respond to these invitations were also contacted via telephone.

The initial USPS mailing was sent on April 23, 2021. A follow-up email to non-responders was sent electronically on April 30, and telephone calls to non-responders were started on May 4. A second reminder email was sent on May 10 and calls to non-responders and call-ins were accepted through May 17.

The information presented in this summary represents the responses of **877 completed surveys (633 online, 224 phone)** from 2,153 eligible businesses. Montgomery County Commerce Department provided a list of business and contacts to the Center in electronic format. The Center designed all survey communications and the survey instrument with input from the Montgomery County Commerce Department.

Key Findings

1. Nearly **all (98%) of the survey respondents were still operating at the time of the survey**. The businesses no longer operating reported total employment of 100 in December, 2019, and total revenues of \$4.2 million.
2. Nearly **every (98%) business who received MontcoStrong Grant funding expects to be operating at the end of 2021**, although the smallest companies are a bit less likely to say they are “very likely” to be in business at the end of the year.
3. One in five (20%) survey respondents reports less than \$5,000 cash-on-hand, while about two in five (43%) report more than \$25,000 cash-on-hand. The amount of **cash available to these organizations represents an average of 3.0 months of operating expenses**.
4. The number of people employed by the organizations who received MontcoStrong grant funding declined significantly during 2020 compared to 2019, but **total employment levels have stabilized since that time and could show a slight increase by the end of 2021**. The total number of jobs offered by these organizations is likely to be a bit lower than at the end of 2019. More than one-third of the organizations still operating reported no change in employees (294 out of 813 (36%)), although there are more organizations that have reduced rather than increased employment.

Key Findings, continued

5. The reported changes in organizational revenue show a similar pattern to the employment figures: **organizational revenues declined from 2019 to 2020, but are expected to rebound by the end of 2021 although those revenues are likely to be below the revenue reported at the end of 2019.** Median reported revenues were \$664,000 in 2019, \$450,000 in 2020, and are expected to rise to \$600,000 in 2021.
6. The **MontcoStrong Grant program receives strong support from grant recipients.** More than three in five (61%) MontcoStrong Grant recipients said that the grant dollars they received were extremely important in keeping their business operating (mean = 8.8 out of 10). Businesses with fewer than three employees rated the importance of the grant in maintaining operations higher than those with more employees. Nine in ten (93%) respondents are “likely” to apply for additional grant dollars if they become available.

Nearly all (98%) of the survey respondents were still operating at the time of the survey and nearly all (98%) business who received MontcoStrong Grant funding expect to be operating at the end of 2021, although the smallest companies are a bit less likely to say they are “very likely” to be in business at the end of the year.

Table 1. Cash-on-hand and Likelihood of Being in Business at Year End by Number of Employees Prior to the Pandemic.

Employees	\$20,000 or less in Available Cash (Q9)	Mean Months of Expenses On-hand (Q10)	Very Likely To be in Business (Q11)
3 or less	67%	3.1	75%
4 to 6	49%	3.1	87%
7 to 10	55%	2.3	81%
11 to 20	41%	2.5	84%
21 or more	26%	3.8	84%

*Cash on hand, *chi-square* (20) = 100.02, p. < .001.
 *Months of expenses on hand, *F*(4, 624) = 4.567, p. = .001.
 *Likelihood of being in business, *chi-square* (12) = 24.774, p. = .016.

The survey asked respondents to report employment totals for December 2019, December 2020, and at the time of the survey in May 2021, and also to predict employment totals on December 2021. Employment declined significantly during 2020 compared to 2019, but that total employment levels have stabilized since that time and could show a slight increase by the end of 2021. Total employment in these organizations declined from 21,357 total jobs in December 2019 to 15,640 total jobs in May, 2021.

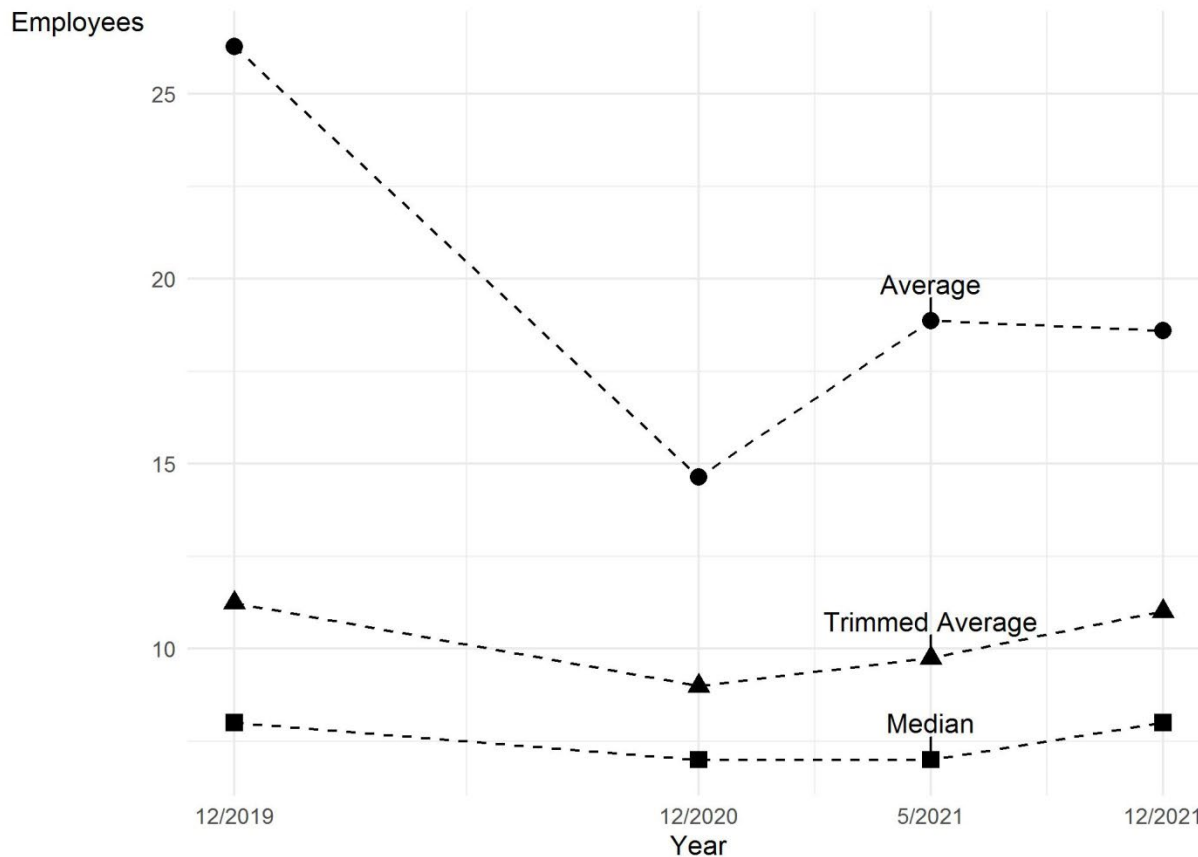


Figure 1. MontcoStrong Grant Participant Reported Full and Part-Time Employees at Selected Dates. This figure shows the average employment, the 95% trimmed average employment, and the median employment reported by MontcoStrong Grant participants. The 95% trimmed average is calculated after removing the highest and lowest 5% of scores.

The reported changes in organizational revenue show a similar pattern to employment: organizational revenues declined from 2019 to 2020, but are expected to rebound by the end of 2021 although those revenues are likely be a below the revenue reported at the end of 2019. Median reported revenues were \$664,000 in 2019, \$450,000 in 2020, and are expected to rise to \$600,000 in 2021. Organization-level revenue changes show that revenue change for many organizations hovered near zero, but there were more revenue losses than gains reported during this time period.

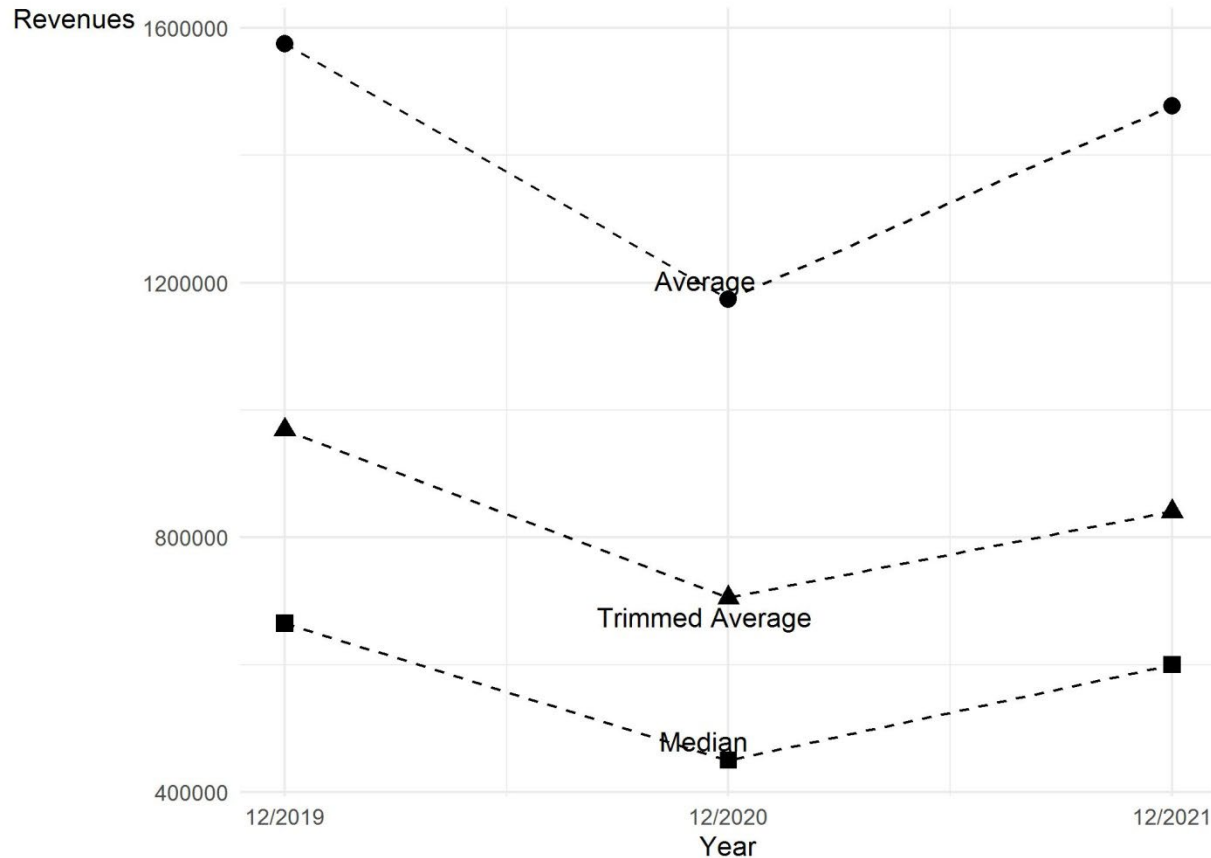


Figure 3. MontcoStrong Grant Participant Reported Revenues at Selected Dates. This figure shows the average revenue, the 95% trimmed average revenue, and the median revenue reported by MontcoStrong Grant participants. The 95% trimmed average is calculated after removing the highest and lowest 5% of scores.

The MontcoStrong Grant program receives strong support from grant recipients. More than three in five (61%) MontcoStrong Grant recipients said that the grant dollars they received were extremely important in keeping their business operating (mean = 8.8 out of 10). One in three (32%) said it was extremely easy to apply for the grant (mean = 8.1) and three in five (58%) were satisfied with the effort it took to apply for the grants (mean = 9.0).

Table 3. Evaluation of MontcoStrong Grant on Selected Items by Number of Employees

Employees	Importance (Q17)	Ease (Q18)	Effort (Q19)	Likely to Reapply (Q20)
3 or less	9.3	7.7	8.9	1.4
4 to 6	8.7	8.0	9.0	1.3
7 to 10	8.9	8.5	9.0	1.3
11 to 20	8.8	8.2	9.1	1.3
21 or more	8.4	8.3	9.2	1.3

*Importance $F(4, 798) = 4.71, p. < .001$.
 *Ease $F(4, 794) = 3.773, p. < .001$.

Questions?

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