

June 2020

COVID-19 IMPACT SURVEY REPORT

Measuring the impact of the
COVID-19 pandemic on women
technology entrepreneurs globally



Presented by Women in Cloud
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Foreword:

Moving Forward in a Post-Pandemic Ecosystem

We are all aware of the crisis and ongoing response caused by the COVID-19 virus outbreak. What isn't as commonly discussed is the impact of the pandemic on women-led technology businesses.

Many small-to-medium sized businesses face financial loss, operational disruption and emotional impacts. However, women technology entrepreneurs face even greater challenges when it comes to finding solutions to overcome these difficulties, especially those stemming from the COVID-19 pandemic.

We must find innovative and inclusive solutions to support women entrepreneurs, particularly those in the technology sector, and improve their access to procurement opportunities and support them in our supply chains.

I encourage you and your company to consider how you can support women entrepreneurs in your community and your country. I call upon all business leaders to step up and serve as an advisor, sponsor or mentor to women entrepreneurs, and become an opportunity creator. Use your influence to drive greater representation of women entrepreneurs and leaders in your industry.

I hope that as an advocate for women entrepreneurs, you will take the findings of this report as a call to action, and demonstrate your understanding, compassion and support for the challenges we all face at this time.



Gretchen O'Hara
Vice President, AI &
Sustainability, Microsoft

Foreword:

Working Together for Women Entrepreneurs

Women in Cloud, a community-led economic development organization, has a massive mission: to take action with global leaders, corporations and policymakers to help women entrepreneurs create \$1 billion in economic access and opportunity by 2030.

The outcomes of the COVID-19 impact survey, and challenges women entrepreneurs are facing as a result of the pandemic, increase the need and importance of Women in Cloud's mission and the collective action we are taking with other individuals, organizations and governments.

At Women in Cloud, we are progressively taking action for women-led technology companies through our innovative programs, community engagement, and accelerators.

Beyond programming, we are also working with government officials and policy makers globally to advocate for better economic access for women entrepreneurs; and partnering with large organizations to diversify their procurement vehicles to include more opportunities for women.

We invite anyone reading this report to lend their support to unlock economic access through procurement and investment vehicles by signing our [economic access pledge](#).

You are also invited to join the pilot for our #InclusionAccelerator for Enterprise Companies to unlock procurement vehicles and advance women leaders around economic inclusion. Through this initiative you will be able to develop an inclusion impact plan to implement a gender inclusive economic

impact plan for increased representation, education and connection.

By participating in the pilot program you will also receive coaching and access to procurement readiness, and have your leaders attend Women in Cloud events to connect with women entrepreneurs.

I hope that you will join us on this incredibly important mission to support the businesses and entrepreneurs that were heavily impacted by the COVID-19 outbreak in their economic recovery efforts, and provide female founders with a platform for growth and success.



Chaitra Vedullapalli
Co-Founder & President,
Women in Cloud

Special Statement:

Our way of life transformed virtually overnight as the pandemic spread across the nation. We had no choice but to increase our reliance on technology to limit the disruption of everyday activities like education and medical appointments.

Tech will continue to play an increasingly important role as the public health crisis continues in the United States. With all the knowledge, talent, and resources we have in Washington state, we're in a great position to lead the way.

The data collected by Women in Cloud clearly demonstrates there's much work to be done to ensure equitable opportunities are available to women-owned tech firms.

Last session, the Legislature created a new state Equity Office with a mission to help reduce inequities facing marginalized communities. An office like this is needed now more than ever. Unfortunately, funding was eliminated as a result of the pandemic's impact on the state budget, but I will work next session to restore funding for this vital office.

I look forward to working with Women in Cloud on educating my fellow lawmakers about the unique challenges facing women entrepreneurs and collaborating on solutions that provide more equitable opportunities for all.



Sen. Patty Kuderer
48th Dist. – Bellevue
Member of the
Washington Senate

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Introduction

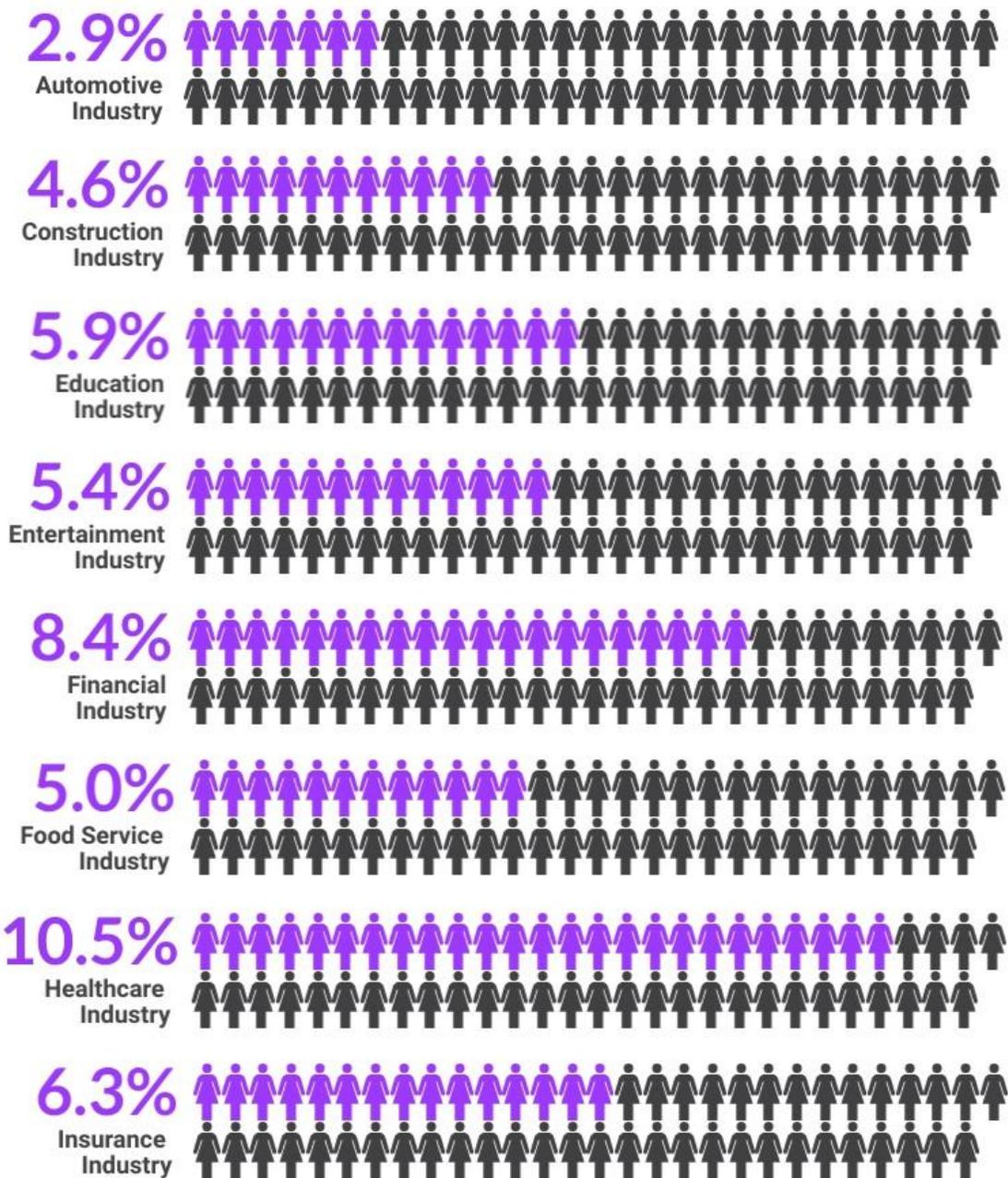
Very shortly after the onset of the pandemic, Women in Cloud issued a COVID-19 Impact Survey to determine the effects of the outbreak on small-to-medium-size businesses led by women technology professionals in the United States and beyond.

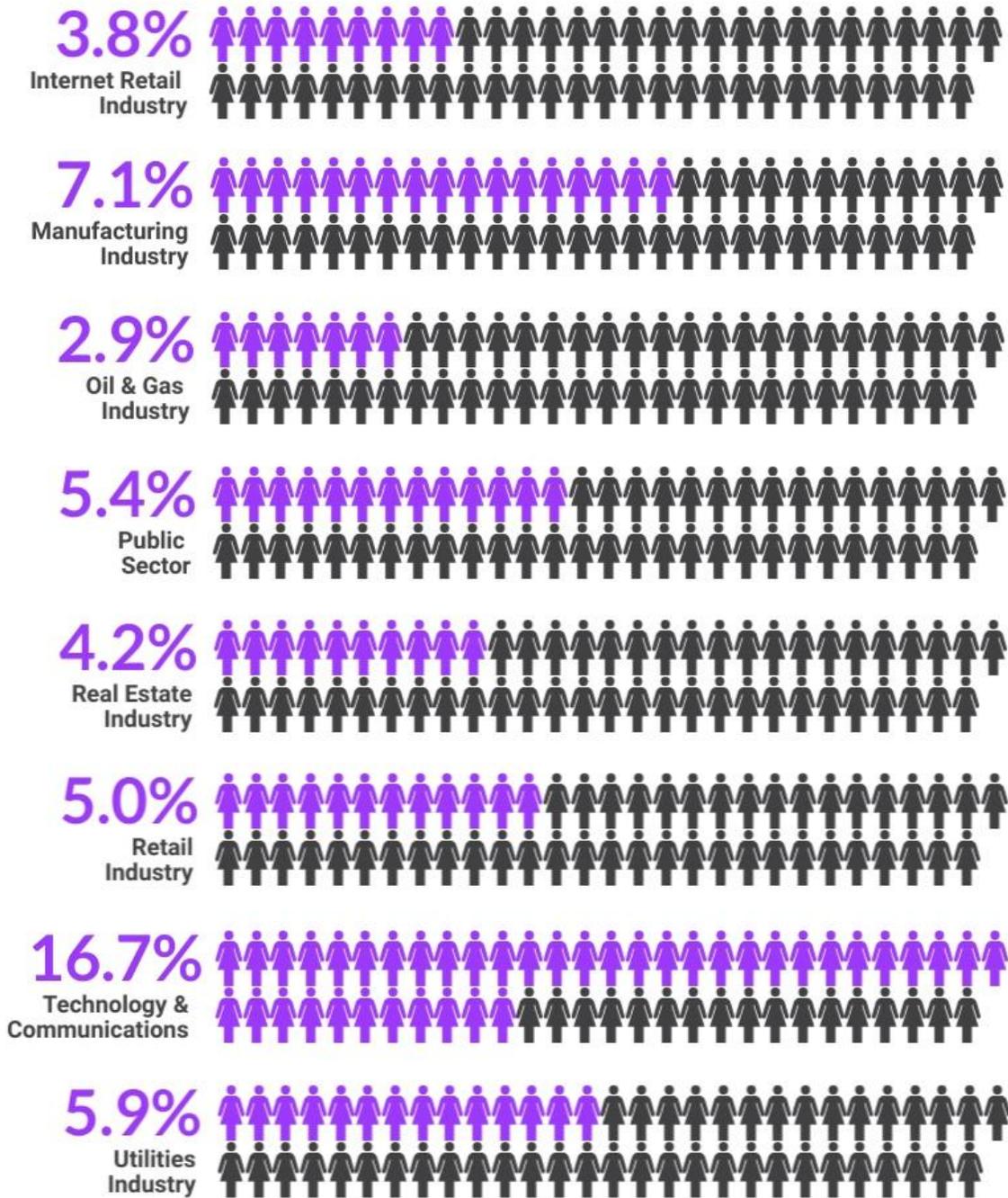
The survey collected information from businesses across a breadth of industries, on the financial, operational and emotional impacts of the COVID-19 outbreak for small and medium-sized enterprises (SMEs) and their employees. It also collected insights on the resources, tools and policies necessary to support business' recovery from the impacts of COVID-19, and prevent or minimize the damage to SMEs in future global crisis situations.

This report will provide a general overview of survey responses, an analysis of each of the impact areas noted above, and provide a summary of the challenges, barriers and loss faced by each business sector surveyed as a result of the COVID-19 pandemic.

Participant Overview

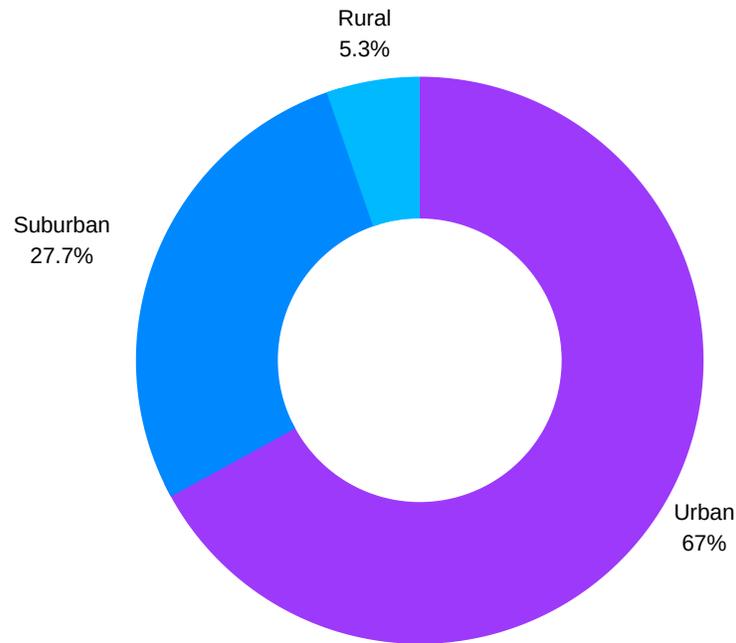
The COVID-19 impact survey, distributed by Women in Cloud in April 2020, was responded to by 57 executives working in or across 16 industries, represented below.



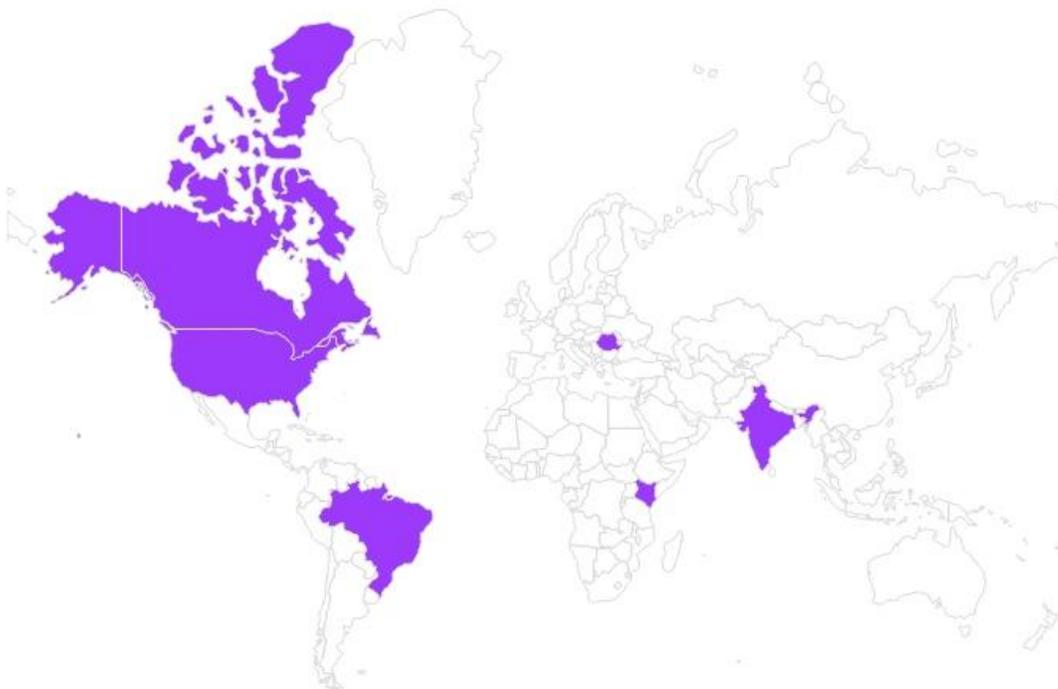


The majority of responses were from small to medium sized companies, with 12 percent representing public sector businesses and 17 percent responding from not-for-profit organizations.

Sixty-three percent of survey respondents indicated their businesses were in an urban location. Another 26 percent were in suburban locations while only five percent were rural.



Just under 80 percent of respondents work in the United States, however the survey also received responses from businesses in Canada, Brazil, India, Kenya and Romania, demonstrating the impacts COVID-19 had on businesses globally.



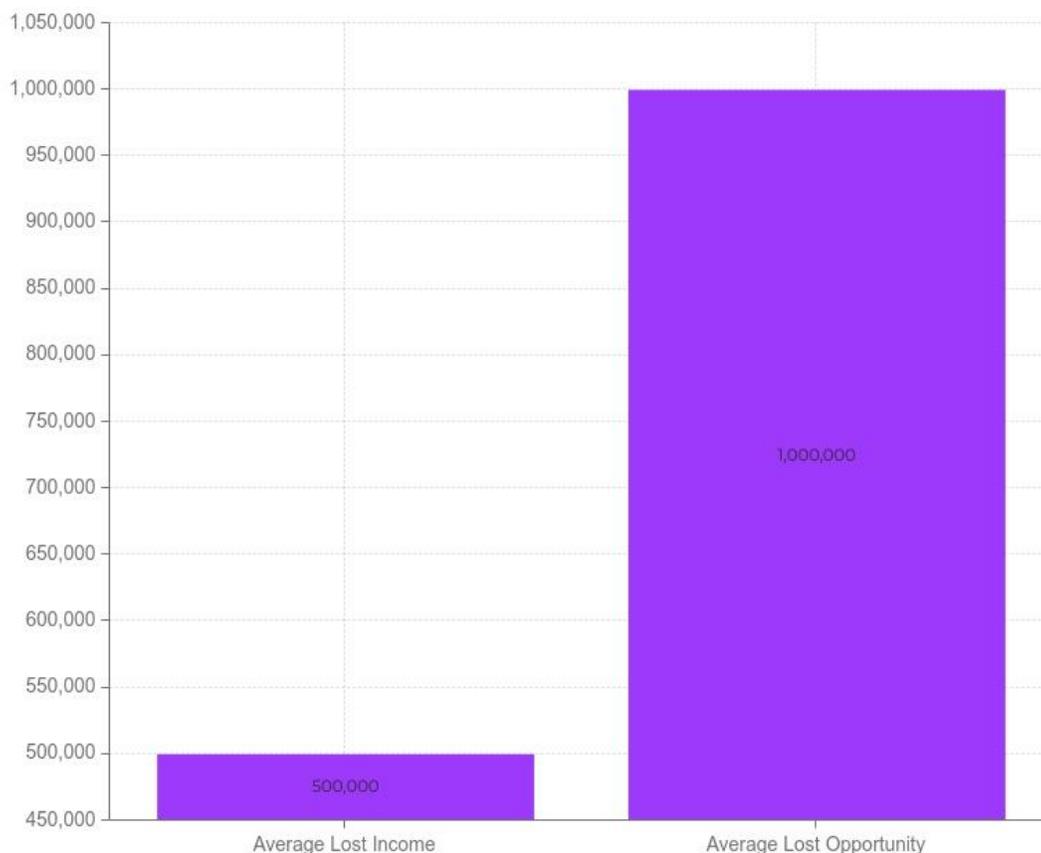
Financial Impact

All industries surveyed have been affected financially by the COVID-19 outbreak, which will result in years of recovery and work to recuperate lost revenue.

"I'm guessing my business will lose about \$500-700K of revenue."

-Survey Participant

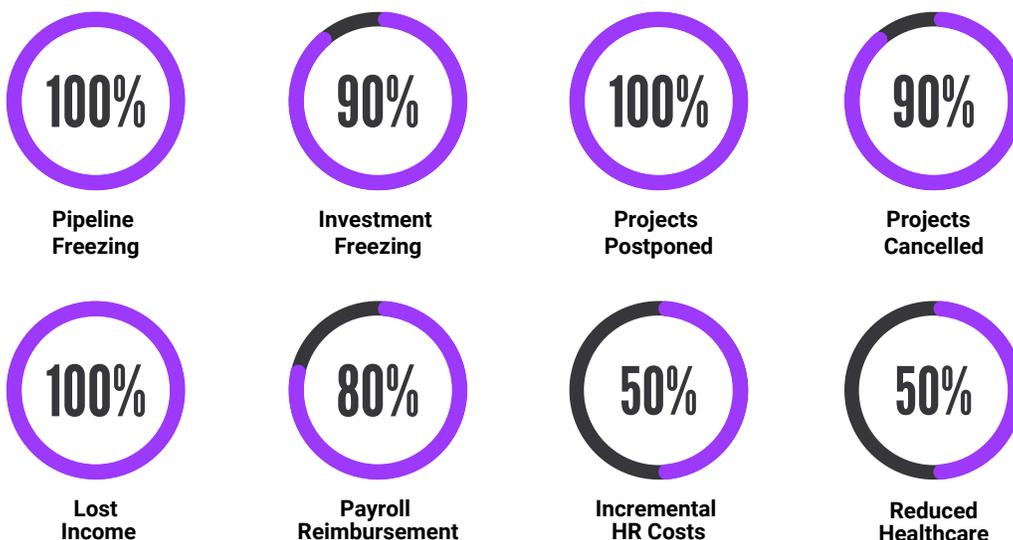
Survey responses indicated that the average lost income for all industries in the next 24 months is \$500 thousand to \$1 million, with an additional \$1 million to \$5 million expected in opportunity loss for each company in the next three years. Many respondents are expecting above average financial and opportunity loss, and almost all respondents expect their financial loss to be greater than \$10 thousand.



Unsurprisingly, the healthcare industry reported the worst financial standings, with most companies expecting their loss over 2 years to cost between \$500 thousand and \$5 million. Technology and communications, retail, internet retail, construction, education and food service reported the next highest average loss, with most anticipating a deficit between \$250 thousand and \$500 thousand. The services deemed essential during the COVID-19 lockdowns, including the automotive, insurance, entertainment, financial, manufacturing, oil and gas, and utilities sectors, are projecting the lowest financial impact with losses between \$100 thousand and \$500 thousand.

On the other hand, the companies expected to experience the greatest opportunity loss over the next three years are those in the construction, food service, manufacturing, oil and gas, technology and communications, utilities and healthcare industries, as well as private sector businesses. Internet retail, insurance and education expect to see the lowest opportunity loss in the coming years.

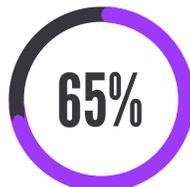
Across all industries, the business areas that represented the greatest financial impact included frozen or stalled pipelines and investments, postponed or cancelled projects, and lost income. Many companies were also affected by payroll reimbursement, incremental HR costs, and reduced healthcare.



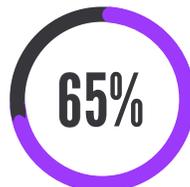
"We had a number of final stage pipeline deals that have completely stalled. Almost all of our bigger sales are the result of a 1-2 year relationship build. We'll have a big gap for a while."

- Survey Participant

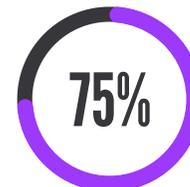
Companies across all verticals expect to lose an average of \$25 thousand in additional costs incurred during the ongoing COVID-19 lockdowns and restrictions. Primarily, respondents associated these costs with utility and tax payments, and the implementation of work-from-home procedures, technology services and additional paid sick leave to support their employees throughout the pandemic.



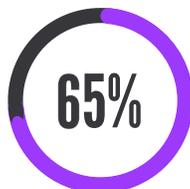
Taxes



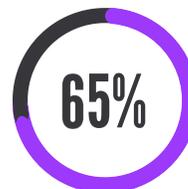
Utility Payments



Technology Services



Implementation of
Work-From-Home
Procedures



Offering of
Additional Paid
Sick Leave

Operational Impact

For almost all companies and industries, things were not “business as usual” during the COVID-19 outbreak, with many expecting disruptions to their operations for years to come as we adjust to a post-pandemic economy. The financial loss and operating restrictions faced by businesses during the outbreak has caused many operational challenges, impacting business development, travel, and event attendance and participation.

When asked about business development activities, most survey respondents indicated that the areas impacted most severely by the lockdowns are event attendance, networking, meetings, and company-wide social gatherings. Every survey respondent indicated some area of their business development strategy was challenged by the limitations and restrictions imposed as a result of COVID-19.

As noted during the financial impact analysis, many survey respondents reported financial loss associated with pre-paid event or travel costs. When surveyed about their event attendance or participation plans, almost 39 percent of respondents indicated they won't be attending any events in the next three months, while more than 31 percent indicated that they would only attend digital events for the foreseeable future.

**39%**

won't be attending any events
in the next three months

**31%**

will only attend digital events
in the next three months

Similarly, among all survey respondents, 63 percent indicated that they will not be conducting any business-related travel in the next three months. Only two survey respondents reported that they do intend to travel, or have employees travelling, in the coming months, with the remaining respondents unsure what their travel plans would be as they continue to navigate these uncertain times.

**63%**

will not be conducting any
business-related travel in the
next three months

At the time of the survey, more than 60 percent of respondents had mandatory work-from-home procedures in place for their organization and employees. An additional third indicated that they didn't have an office or haven't seen a change in their office's operating procedures, while just under 30 percent of respondents reported that they aren't accepting office visitors, are accepting only key personnel and/or updated their hygiene protocols as a result of the pandemic restrictions and guidelines.

**60%**

mandatory work-from-home procedures in place

**30%**

no office or no change in operating procedures

**27%**

aren't accepting office visitors/accepting only key personnel/updated hygiene protocols

For employees who became ill or had to care for dependents, more than 30 percent of respondents indicated their business didn't have a set policy in place regarding time away from work. Another 30 percent indicated employees have access to existing paid sick days, while just over ten percent said their company is offering employees additional paid sick days as a result of COVID-19. Thirteen percent indicated that employees at their companies had access to existing paid time off, while an almost equal number responded that their organization offered additional paid time off.



Participants across all industries responded to these metrics almost equally, however, respondents from the financial, insurance, tourism and transportation, education and healthcare industries responded at a slightly higher rate to having no policies in place for time away from work before the pandemic. Almost all of those who reported having no policies represented small to medium size businesses.

"I've lost clients, which is causing me to downsize my team."

-Survey Participant

Due to the financial and opportunity loss caused by COVID-19 more than 36 percent of survey respondents were unsure if they would have to downsize their businesses in 2020-2021, while 19 percent indicated that they would need to make cuts to combat the effects of the pandemic. Of those who responded yes to downsizing their companies, the majority reported they would need to let go of one to five people. Respondents who did report downsizing represented almost all of the surveyed industry verticals.



36%

unsure if downsizing is
required



19%

will need to downsize

Emotional Impact

As with the other areas discussed throughout this report, almost all companies saw increased anxiety levels and negative emotional impact as a result of COVID-19.

Almost half of the survey respondents, across all industries, indicated themselves and their employees have experienced somewhat higher stress levels during the pandemic, while an additional third indicated much higher levels of stress have plagued them and their staff. Very few respondents indicated no change in stress levels within their organization, while an even smaller percentage responded experiencing somewhat or much lower levels of stress.



48%

somewhat higher stress levels



30%

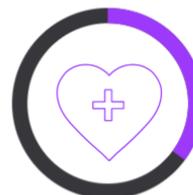
much higher stress levels

Similarly, almost half of the respondents, across all industries, indicated that the emotional impact of the COVID-19 outbreak has been negative or somewhat negative for themselves and their staff. An additional 35 percent reported that the emotional impact on themselves and their team has been neutral, while only 14 percent indicated the pandemic has generated a positive impact on them and their team. Likely not surprisingly, the majority of those who responded that the pandemic has had a negative emotional impact on staff also reported higher stress levels within their organization.



49%

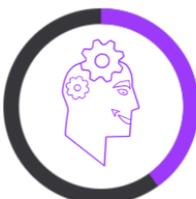
negative or somewhat negative emotional impact



35%

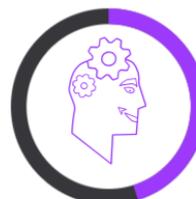
neutral emotional impact

On a more positive note, 40 percent of respondents indicated that they absolutely believe their organization has the tools to support the mental wellbeing of their team. An additional 45 percent are somewhat confident that their organization has the necessary tools for mental wellness, while less than 13 percent feel that their organization isn't at all prepared to support the mental impact of COVID-19 on staff.



40%

absolutely believe their organization can support employee mental wellbeing



45%

somewhat believe their organization can support employee mental wellbeing

"With that loss - it is possible the company may never recover, and our modern and cutting edge technology will never get to market."

-Survey Participant

Relatably, more than half of all respondents feel absolutely confident in their company's ability to recover from the impacts of COVID-19, while an additional 35 percent are somewhat confident of their organization's recovery. Less than four percent of respondents were not at all confident in their company's recovery abilities, all of which suffered significant financial and opportunity loss as a result of the pandemic.



56%

absolutely confident in their company's ability to recover



35%

somewhat confident in their company's ability to recover

Finally, almost 80 percent of respondents are confident in their country's technology sector's ability to recover from the impacts of COVID-19; the remaining 20 percent remain somewhat positive in a full recovery for the tech industry.



78%

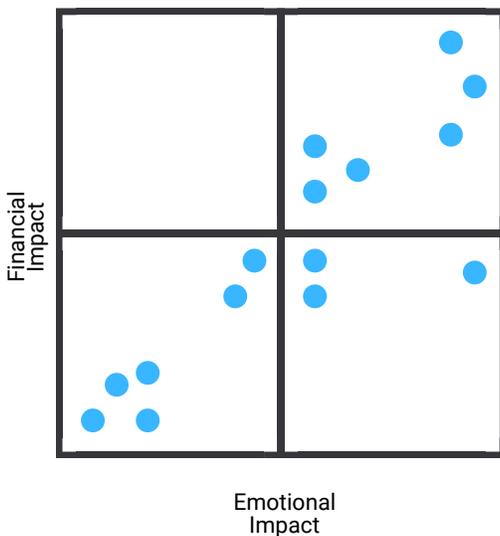
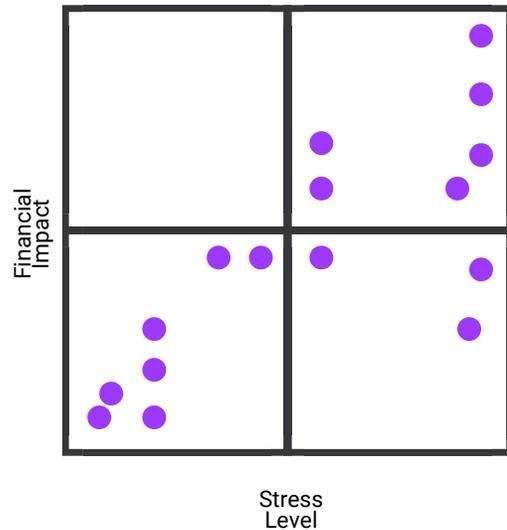
confident in their country's technology sector's ability to recover

Impact Intersections

As the survey data was analyzed, it became easy to see relationships between impact areas and responses. While it's clear that financial impacts directly disrupt operations, there were clear parallels between responses on financial and emotional impact, and operational and emotional impact, as outlined next.

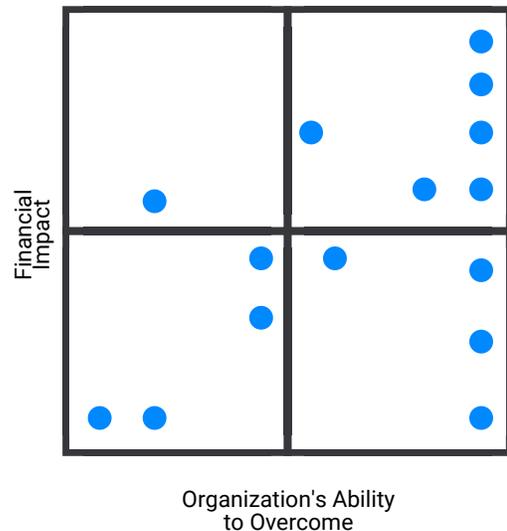
Emotional Impact VS. Financial Impact

Interestingly, all of those who reported low stress levels also offered some of the lowest instances of financial or opportunity loss. Alternatively, those who suffered greater financial impact tended to report higher stress levels, increasing in correspondence with the amount lost.



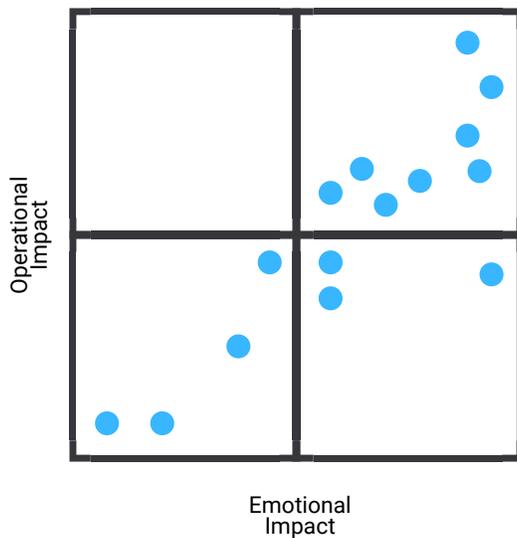
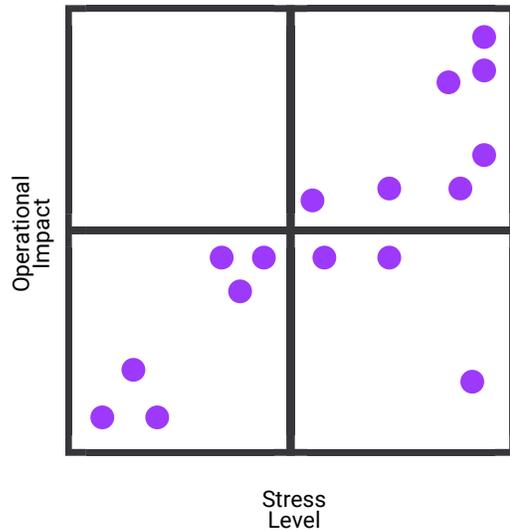
Similarly, those who reported negative or somewhat negative emotional responses to the pandemic also indicated higher financial impact, and vice versa with those who saw a positive or neutral emotional impact and predict lower economic loss.

However, across all levels of financial loss the majority of respondents maintained confidence in their organization's ability to overcome the economic impacts of COVID-19. Some respondents who saw above average economic loss are only somewhat confident in recovery capacity.



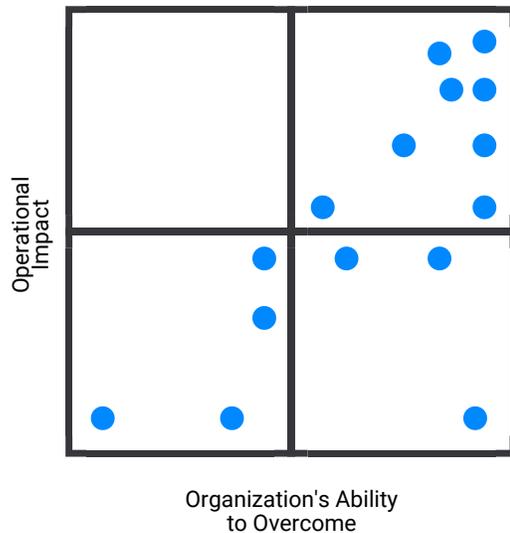
Emotional Impact VS. Operational Impact

Similar to the effects of financial loss on emotional impact, those who experienced fewer operational disruptions also reported lower stress levels among themselves and their employees.



Relatably, those who reported a high number of operational disruptions also indicated negative or somewhat negative emotional responses to the pandemic, while those who saw fewer operational disturbances tended to report a positive or neutral emotional impact.

As with financial impact, the majority of organizations suffering from a high number of operational disruptions still maintain confidence in their organization's ability to overcome the impacts of the pandemic.



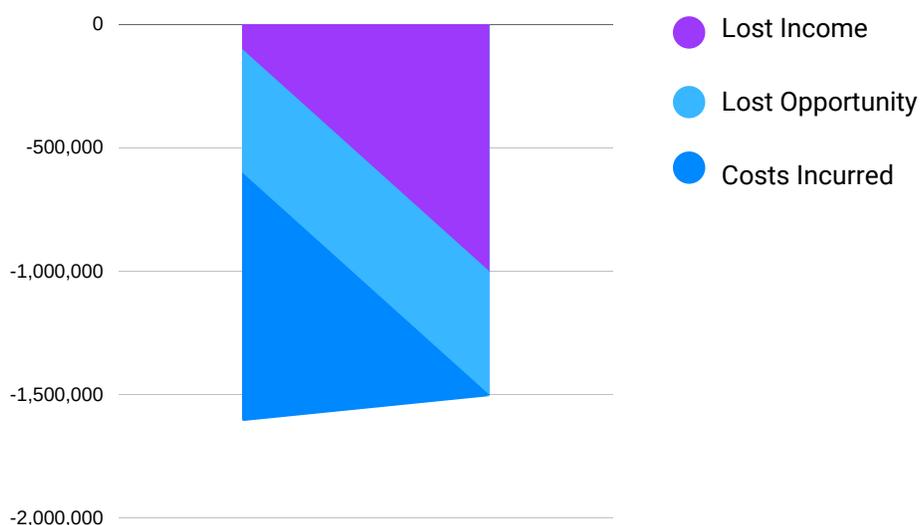
Impact by Industry

Automotive

The automotive industry represented one of the lowest industry response rates to the COVID-19 impact survey, however, those who responded indicated significant financial impact caused by the pandemic, resulting in many companies losing up to \$500 thousand, some even reaching losses of \$1 million plus, over the next two years. The industry is also expecting a decline in opportunity equating to an additional \$500 thousand to \$1 million in lost revenue over the next three years. The financial impact is the result of pipelines and investments freezing, projects being postponed or cancelled, and incremental HR costs and payroll reimbursement, among other lost income.

Many companies working in the automotive industry have also seen significant financial impact from the costs acquired during the lockdown. Many have missed out on pre-paid costs for operations, licensing, marketing, travel and unused supplies, while incurring new costs for rentals and storage. This additional financial loss costs many companies up to \$100 thousand.

Automotive companies also stated that they are losing out on various business development opportunities such as event attendance or presentations, one-on-one meetings, live demonstrations, and other industry gatherings.

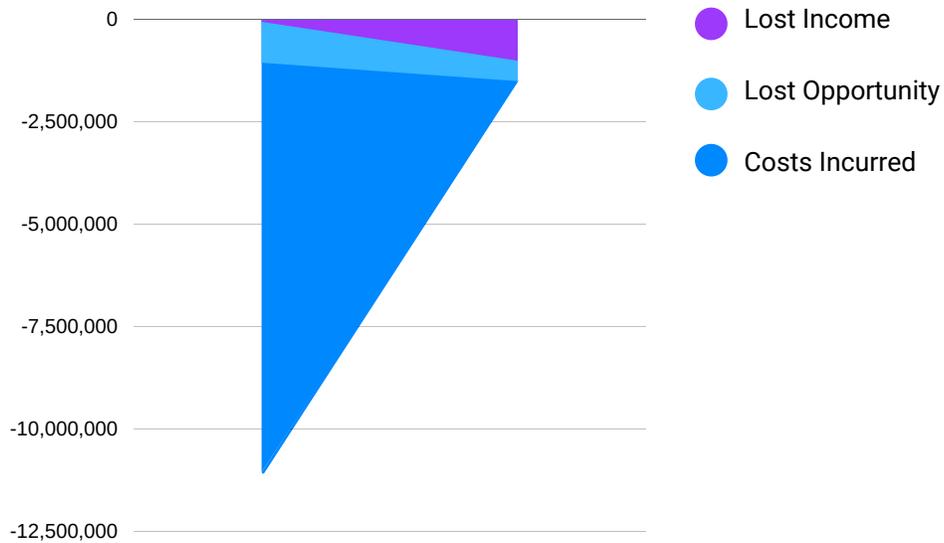


Construction

Survey respondents who work in the construction industry indicated they will likely see a revenue loss of \$500 thousand to \$1 million over the next 24 months, and project the opportunity loss over the next three years to be ten times higher. Business functions impacted by the pandemic resulting in financial loss include pipeline and investment freezing, projects postponed, incremental HR costs, payroll reimbursement and other lost income.

Many construction companies have seen up to \$50 thousand worth of additional costs incurred during COVID-19, comprising utility costs, operating costs and rental payments, all while seeing projects and resources put on hold.

Businesses in the construction industry also missed out on important business development opportunities including event attendance, participation or sponsorship, one-on-one meetings and live demonstrations.

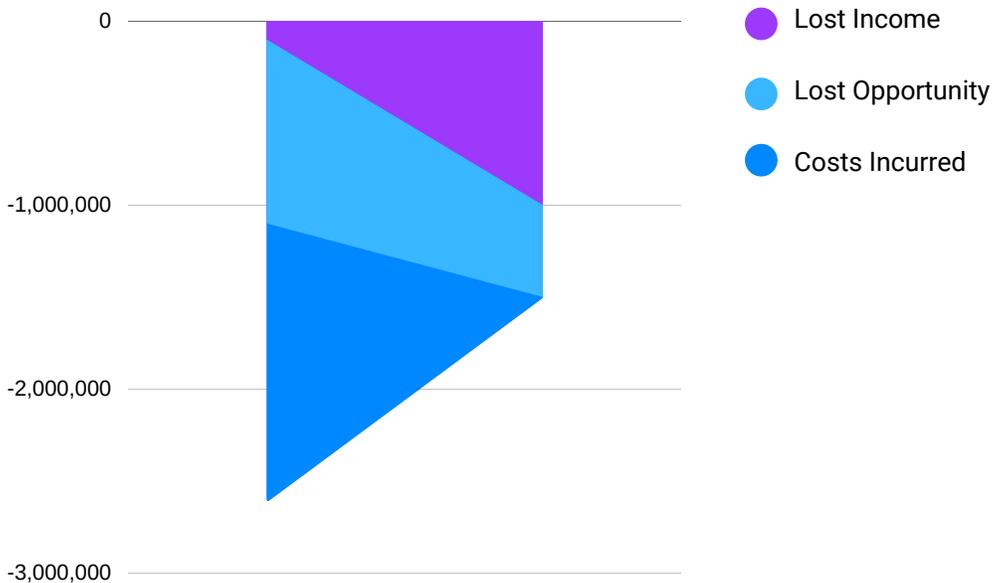


Education

The education sector was heavily impacted by the pandemic and saw industry-wide revenue loss resulting from pipeline freezing, projects postponed or cancelled, investment freezing, incremental HR costs, payroll reimbursement, reduced healthcare and other lost income. The total opportunity loss will cost some education businesses up to \$1.5 million over the next five years.

As a result of COVID-19, education businesses and professionals have incurred costs associated with implementation of work-from-home procedures and technology services, as well as consulting and special training. They have also lost out on pre-paid or committed costs for marketing, rentals, travel, licensing, operating and any unused supplies.

During the COVID-19 outbreak, education businesses have missed out on events, one-on-one and one-to-many meetings, live demonstrations and company socials, which are all vital to business development success.

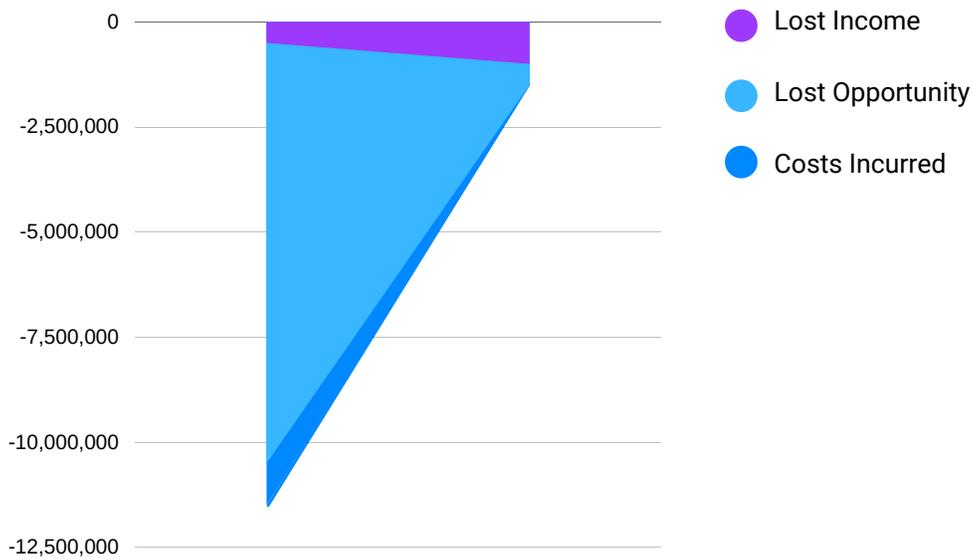


Entertainment

The entertainment industry also saw implications of the COVID-19 outbreak, resulting in some of the highest industry loss of all respondents. The majority of survey responses from entertainment industry professionals indicated financial damage of \$100 thousand to \$500 thousand, with some looking at opportunity losses of \$1 million or more. This fall is a result of pipeline and investment freezing, projects postponed and cancelled, payroll reimbursement, reduced healthcare and other lost income. There is an additional loss expected of anywhere between \$500 thousand and \$10 million per company in the years ahead.

Entertainment industry respondents also estimated losing up to \$50 thousand in pre-paid or committed costs attributable to operations, marketing, travel, licensing and unused supplies.

In addition to financial loss industry professionals also reported business development activities and opportunities disrupted by the pandemic, including events and sponsorships, meetings, company socials, and live demonstrations or performances.

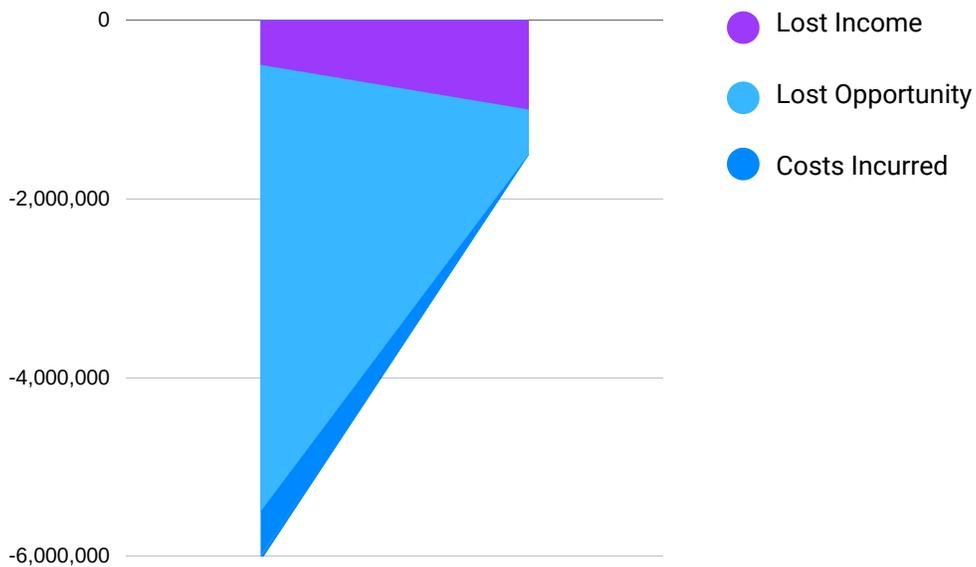


Financial

The financial industry was heavily impacted by COVID-19. Many respondents indicated monetary loss of up to \$500 thousand over the next two years due to pipelines, projects and investments stalling or ending as a result of the pandemic. This is expected to increase 10 times over the next three years, with many financial companies seeing up to \$5 million in opportunity loss.

In addition to the expected monetary loss, financial companies continue to incur costs of up to during the pandemic to maintain utility payments, taxes, technology services, and cleaning and sanitization supplies. Similarly, some financial industry respondents reported further loss as a result of offering additional paid sick leave, or paying for consulting and special training, as a result of the COVID-19 outbreak.

Professionals in the financial industry indicated they have missed out on business development opportunities including events, meetings and live demonstrations as a result of the COVID-19 restrictions.

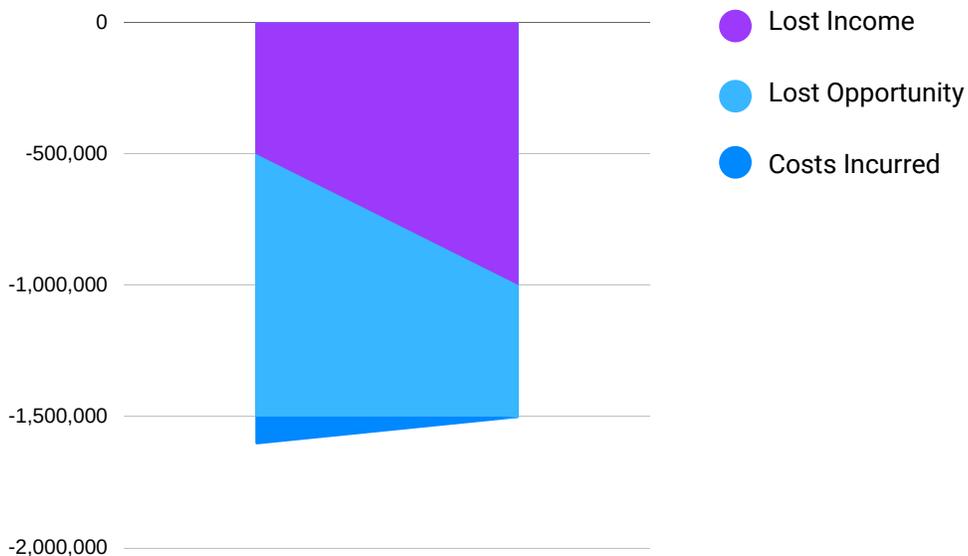


Food Service

The food service industry saw significant financial disruptions as a result of COVID-19, with many food service operations forced to close or limit their operations. Food service respondents reported financial loss caused by investment and pipeline freezing, projects postponed and cancelled, payroll reimbursements and other lost income, totalling \$500 thousand to \$1 million by most respondents. As the industry recovers, those working in food service expect to see an additional \$1 million to \$5 million in opportunities lost.

Many respondents in the food service sector have also been impacted by pre-paid costs associated with operating, travel, licensing, marketing, rentals and other supplies that went unused as a result of COVID-19. During this time of restricted operations, food service professionals have also been responsible for up to \$100 thousand in utility payments, rental and storage fees, technology services, cleaning and sanitation supplies, and costs associated with additional paid sick leave and consulting or special training for staff.

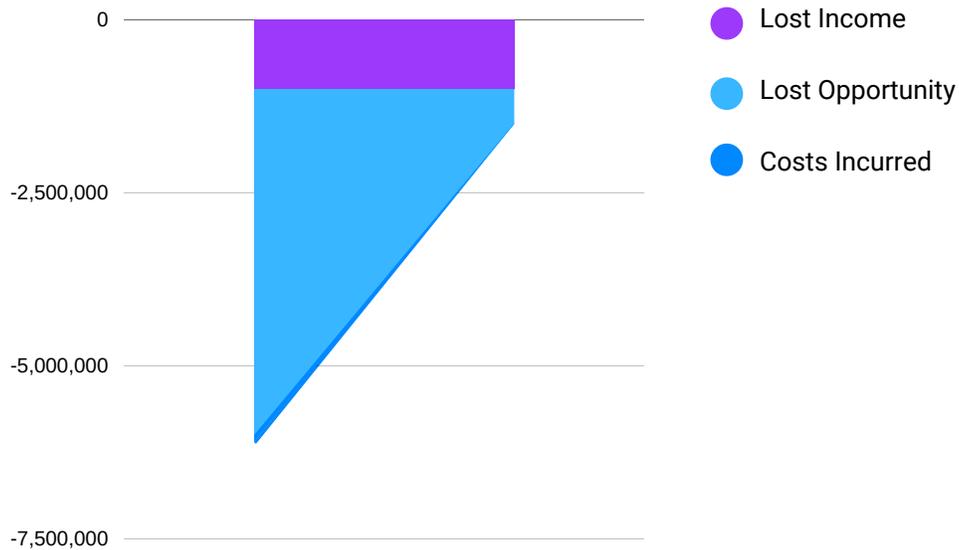
Those responding to the survey from the food service industry noted missed opportunities valuable to their organization’s business development efforts including cancelled or postponed events, meetings, demos, and company socials.



Healthcare

Those indicating they work in healthcare represented one of the highest response rates by industry. They also represented some of the greatest financial loss by industry, with many companies reporting losses of \$500 thousand to \$1 million or more over two years. While some expect to lose less as the world recovers from the pandemic, most expect to see an additional opportunity loss of \$1 million to \$5 million over the next three years. The majority of monetary loss was created by pipelines and investments freezing, projects postponed or cancelled, incremental HR costs, and the costs associated with reduced healthcare, among others.

Healthcare companies are also losing out on pre-paid costs for operations, travel, licensing, marketing, rentals and other unused supplies. During the pandemic, many companies have incurred up to \$500 thousand in additional costs to cover extended paid sick leave, utility payments, rentals and storage, technology services, cleaning and sanitation supplies, and consulting or special training.



When it comes to business development, companies in the healthcare industry are also missing out on events, meetings with one or many persons, and live demonstrations.

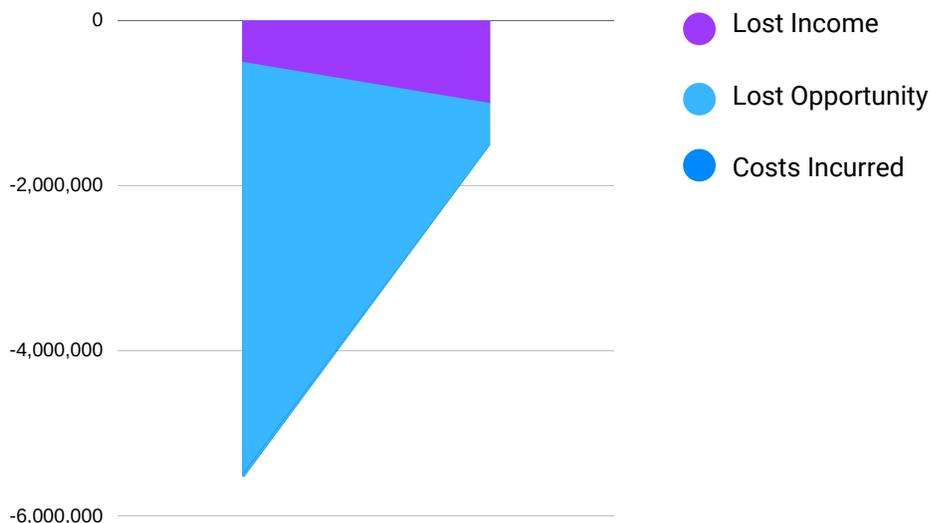
When measuring emotional impact, those in healthcare commonly reported higher stress levels, however often a more positive emotional impact, among themselves and their employees as a result of the COVID-19 outbreak.

Insurance

While the insurance industry slowed during COVID-19, all respondents from the sector reported having projects put on hold or cancelled, while many reported financial loss resulting from incremental HR costs, payroll reimbursement and reduced healthcare, alongside additional lost income. Insurance industry respondents reported losses amounting to up to and beyond \$500 thousand, and project lost opportunities to create an additional deficit costing most companies anywhere between \$250 thousand and \$5 million.

Throughout the pandemic, businesses in the insurance industry continued to incur costs associated with taxes and utility payments, technology services, consulting and special training, implementation of work-from-home procedures and additional unpaid sick leave, totalling \$10 thousand to \$50 thousand for most companies. On top of incurred costs, insurance businesses also missed out on pre-paid costs for operations, marketing, rentals, travel and licensing.

Insurance companies are missing out on events, meetings, live demonstrations and industry socials also, creating a barrier to their business development goals.

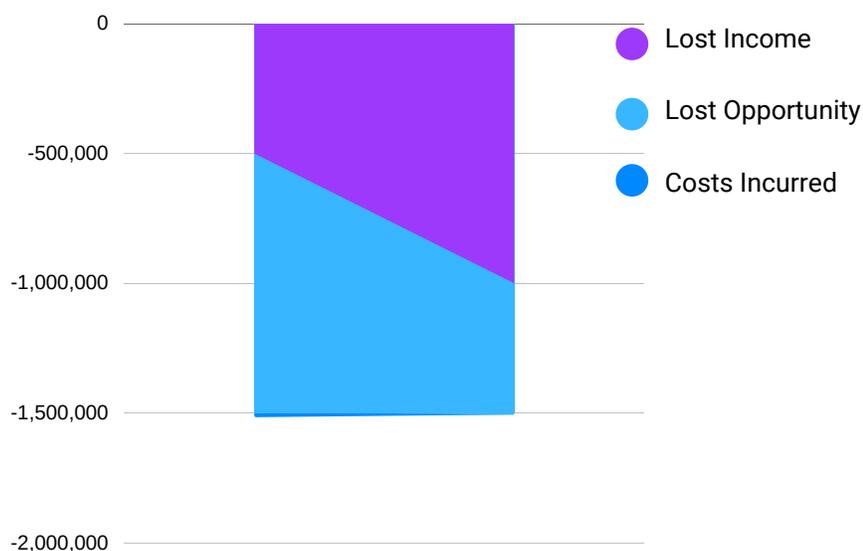


Internet Retail & Ecommerce

While the world turned largely to online shopping during the COVID-19 outbreak, survey respondents working in internet retail and ecommerce still reported considerable financial loss. Generated by frozen pipelines and investments, postponed and cancelled projects, reduced healthcare and lost income, many internet retail businesses expect to see \$500 thousand to \$1 million in lost revenue over the next two years, with others seeing losses in the millions. This deficit is expected to continue over the coming three years, equating to hundreds of thousands of dollars in lost opportunities for many ecommerce businesses.

Implementation of work-from-home procedures, offering additional paid sick leave, technology services, rentals and storage, and taxes have caused most internet retail companies to incur costs of \$10 thousand and up. Ecommerce businesses are also responsible for the pre-paid costs for operations, travel, licensing, marketing and unused stock.

Although their businesses are largely based online, many internet retailers reported missing out on crucial in-person business development opportunities as a result of COVID-19, such as events, one-to-one and one-to-many meetings and pitches, and live presentations or demonstrations.

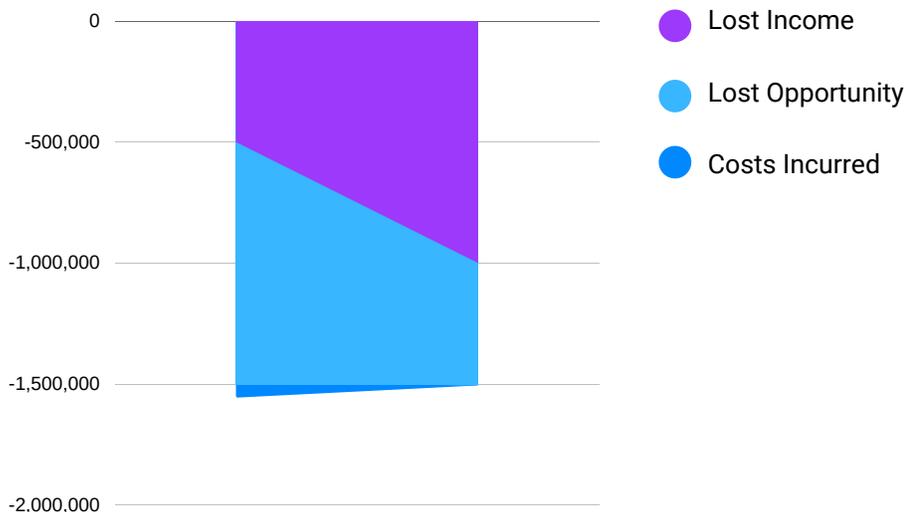


Manufacturing

Survey respondents working in the manufacturing industry noted an average financial loss of \$100 thousand to \$500 thousand, as a result of investment and pipeline freezing, projects cancelled or postponed, lost income and payroll reimbursement caused by the COVID-19 outbreak. In addition to financial loss expected over the next two years, those in manufacturing reported an expected \$1 million to \$5 million in opportunity loss for the next three years.

Businesses in the manufacturing sector have seen further financial impact resulting from pre-paid costs for operations, licensing, rentals, marketing and travel. Additional costs incurred during the pandemic associated with increased paid sick leave, consulting and special training, and the implementation of work-from-home procedures have cost manufacturing businesses an average of \$50 thousand.

Like many industries, the manufacturing sector relies on a breadth of business development activities to sustain their growth and profitability, including events, meetings, live demonstrations and company gatherings - all of which were cancelled or postponed as a result of COVID-19.

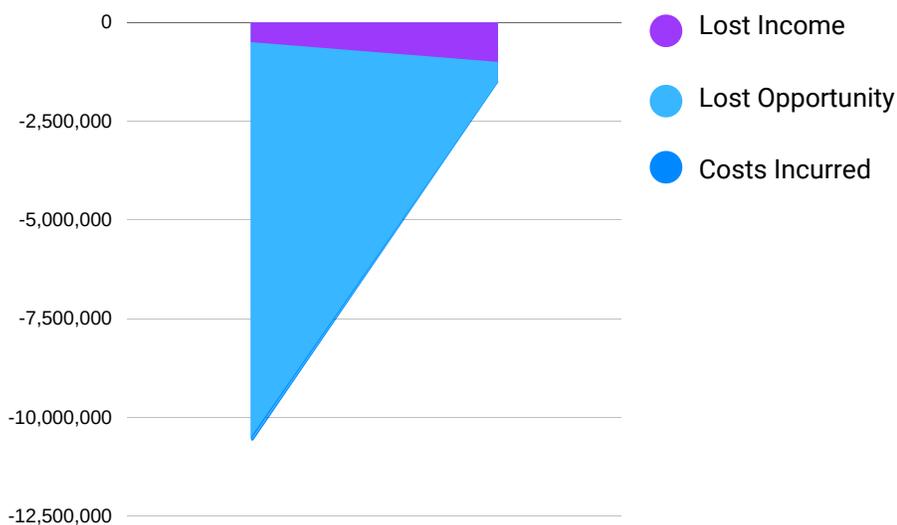


Oil & Gas

Alongside the automotive industry, the oil and gas sector represents one of the smallest impact survey response groups, however those who responded still saw significant industry disruption as a result of COVID-19. Like almost all industries the survey identified, oil and gas companies will see financial loss caused primarily by pipeline and investment freezing, projects postponed or cancelled, payroll reimbursement and lost income over the next two years, totalling \$100 thousand to \$500 thousand for most companies, and up to \$1 million or more for many. The industry also expects additional opportunity loss over the next three years will equate to \$5 million for many oil and gas companies, and \$10 million or more for larger businesses.

Oil and gas companies also spent an average of \$10 thousand to \$50 thousand to offer additional paid sick leave, pay utilities and taxes, purchase cleaning and sanitation supplies, and pay rental and storage fees throughout the pandemic. Like many other respondents, oil and gas companies were not reimbursed for advance payments made before the COVID-19 outbreak for operating costs, marketing, licensing, travel or other unused supplies.

Much like the other sectors, the oil and gas industry relies on interaction within the ecosystem for business development. Missing out on events, meetings, demonstrations, presentations and other gatherings because of the pandemic has gravely affected many company's business development plans and progress.

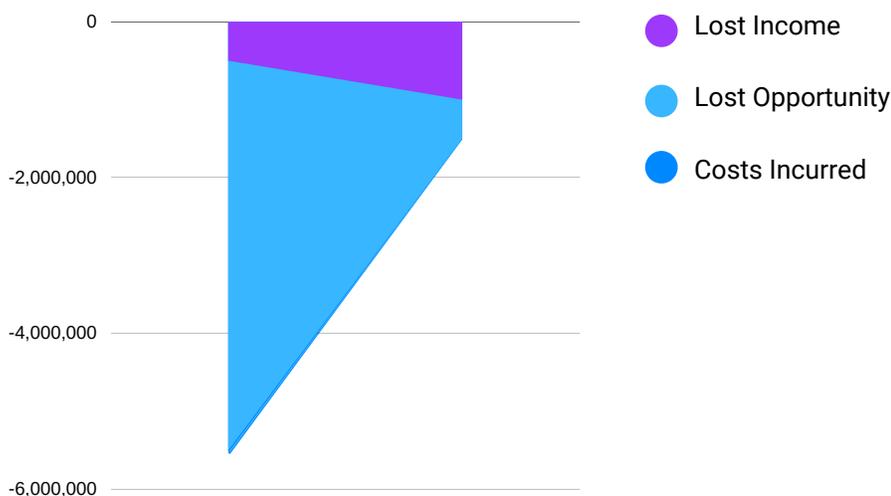


Public Sector

Companies in the public sector will also see considerable financial loss in the two years ahead due to frozen pipelines and investments, cancelled or postponed projects, lost income and payroll costs as a result of the COVID-19 pandemic. The revenue lost is expected to be between \$100 thousand and \$500 thousand for the majority of public sector organizations, however some will see much greater monetary loss in the years to come. It is also anticipated that the opportunities most public sector companies will miss out on in the next three years will cost most from \$1 million to \$5 million.

While most maintained operations during the COVID-19 outbreak, public sector organizations incurred an average of \$25 thousand in costs associated with additional paid sick leave and the implementation of work-from-home procedures for staff, utility and tax payments, cleaning and sanitation supplies, and technology service fees. Many survey respondents from the public sector also noted financial loss from pre-made payments for operations, travel, licensing, marketing and rental fees.

Business development in the public sector largely revolves around community engagement and networking, the cancellation of industry or company-wide socials and public events, coupled with the inability to host face-to-face meetings, has greatly impacted the industry.

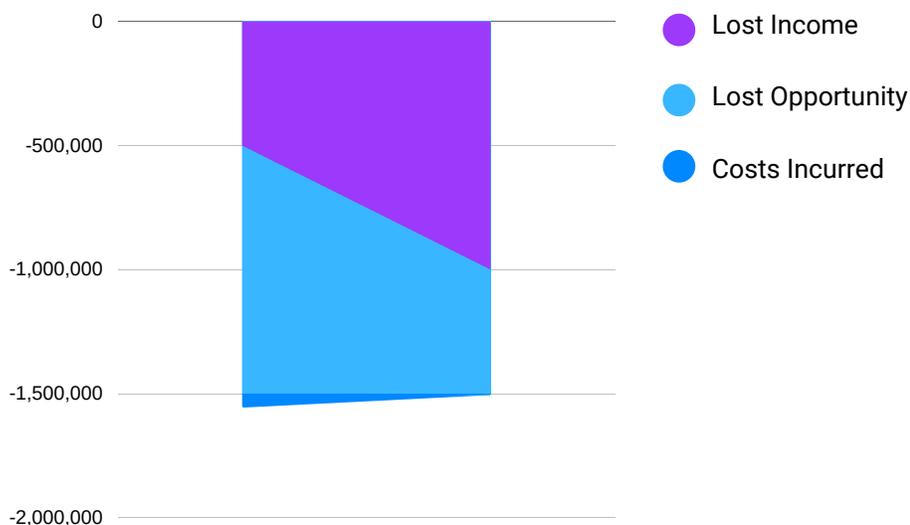


Real Estate

Survey respondents from the real estate industry attributed their financial loss to frozen pipelines and investments, projects postponed or cancelled, payroll reimbursement, reduced healthcare and other lost income, costing the majority of companies \$500 thousand or more in two years. Many companies expect to see an additional opportunity loss of up to or above \$1 million over the next three years.

Real estate professionals who responded to the survey also noted that their organizations lost out on costs paid prior to the COVID-19 outbreak for operations, travel, marketing, licensing and rental fees. Many companies also continued to incur \$10 thousand to \$50 thousand in costs throughout the lockdown for additional paid sick leave and consulting and special training for staff, implementing work-from-home procedures and technology services, utility and tax payments, and cleaning and sanitization supplies.

As with the public sector, business development and sales in the real estate sector rely heavily on in person meetings, events and presentations - such as open houses. The postponement of these activities has caused significant impact on business development across the industry.

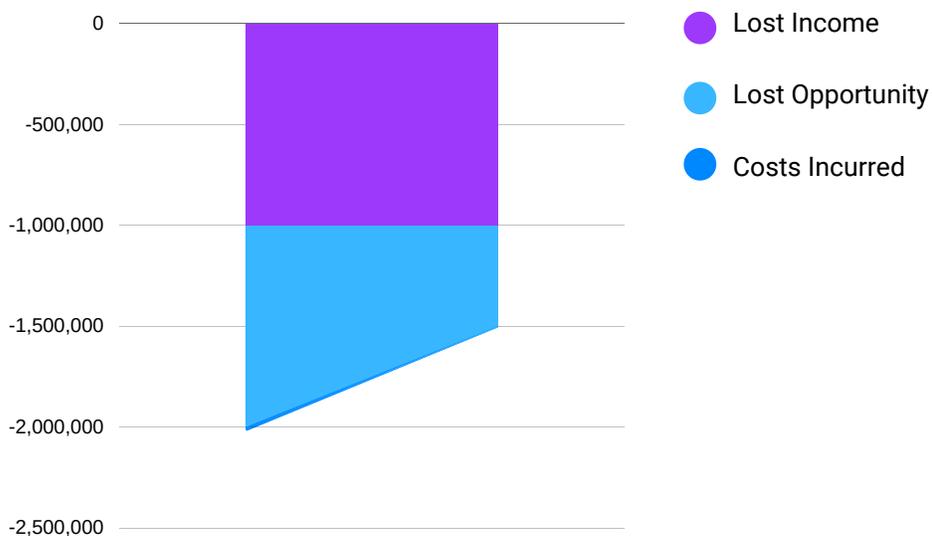


Retail

The retail industry has faced almost every possible financial challenge during the pandemic, including frozen pipelines and investments, cancelled or postponed projects, lost income, reduced healthcare, payroll reimbursement and incremental HR costs. All of these barriers cost companies in the retail sector anywhere from \$100 thousand to \$1 million in lost revenue. The industry also faces an additional \$500 thousand to \$1 million in lost opportunities following the COVID-19 outbreak.

Many retail businesses also lost out on pre-paid costs made for operations, travel, licensing, marketing, and unused or unsold supplies and stock. Most companies also incurred between \$10 thousand and \$50 thousand in costs during the pandemic including utility payments, taxes, and cleaning and sanitation supplies. Incurred costs for some retail companies also included costs associated with the implementation of work-from-home procedures, technology services and additional paid sick leave to support staff and operations during the COVID-19 lockdown.

The retail industry has also seen significant business development disruptions as a result of the pandemic. Industry professionals are no longer able to attend the meetings, events and presentations they previously relied on for organizational growth.

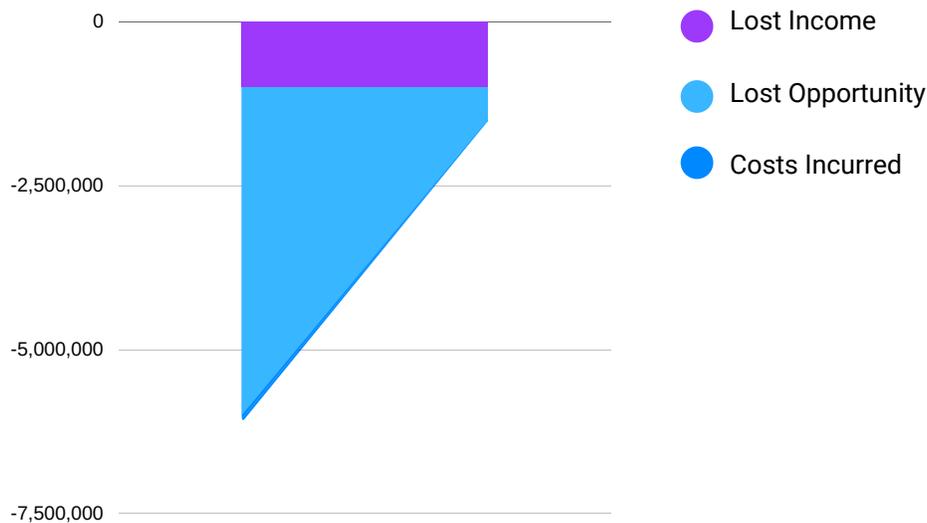


Technology & Communications

As the COVID-19 impact survey was issued by Women in Cloud, naturally, the largest group of respondents by industry work in technology and communications. With the largest industry response rate, the technology and communications sector also shows the greatest breadth of financial loss, costing companies an average of \$500 thousand to \$1 million over the next two years, with some companies expecting to lose millions. For most technology and communications companies, this financial deficit is coupled with a projected \$1 million to \$5 million opportunity loss. All companies in the sector who responded could attribute their organization's financial loss to one or more of the following: frozen pipelines and investments, projects postponed, projects cancelled and lost income. Many other companies also indicated financial fallout associated with incremental HR costs, payroll reimbursement and reduced healthcare.

Those who responded indicated technology and communications companies are facing further financial loss as a result of costs incurred during the pandemic for the implementation of work-from-home procedures and additional paid sick leave for staff, utility, rental and storage fees, technology services, cleaning and sanitation supplies, consulting and special training. These incurred fees are costing technology and communications companies \$10 thousand to \$50 thousand. Like other industries, technology and communications companies are on the hook for pre-paid costs made prior to the pandemic, affording for operating costs, travel, licensing, marketing, rental fees, and the cost of unused supplies.

Businesses based in technology and communications rely on in-person interactions to sell their products and services. Missed opportunities to hold meetings, participate in presentations or attend events has caused many missed business development opportunities. However, only two businesses indicated plans to travel in the next three months - both businesses with this answer worked in the communications and technology industry.

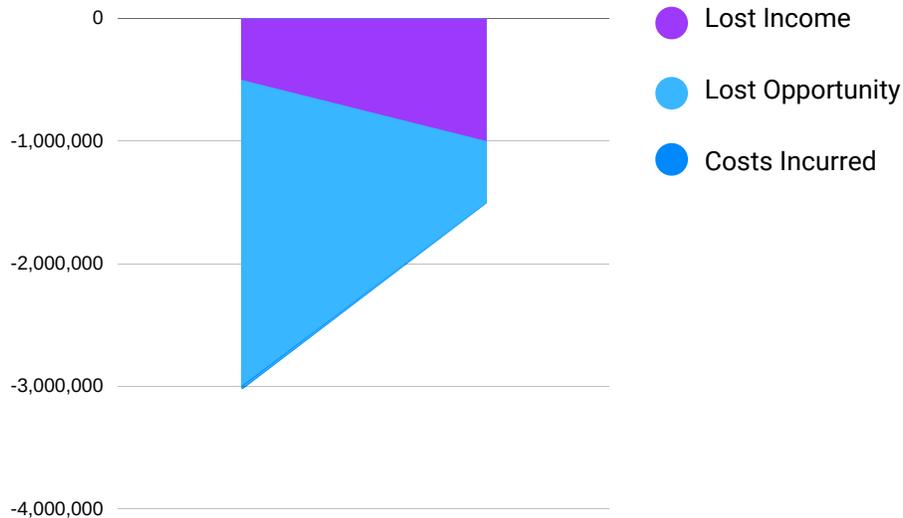


Utilities

The utilities sector is expecting a similar post-pandemic financial fate as the other industries surveyed, with most companies facing financial loss between \$100 thousand and \$500 thousand, with some losing \$1 million or more, over the next 24 months. Utility companies who respond to the survey inferred that this loss comes primarily from investment and pipeline freezing, projects postponed or cancelled, incremental HR costs, payroll reimbursement. Many utilities companies adjusted their rates or billing periods to accommodate a restricted economy as the result of the pandemic, resulting in additional lost income. Most companies in the industry will likely also lose an average of \$2.5 million worth of opportunities in the years ahead.

Throughout the COVID-19 outbreak, utilities companies continued to incur costs associated with the implementation of work-from-home procedures, additional paid sick leave, technology services, and cleaning and sanitation supplies to maintain operations. However, these costs, on top of taxes and utility payments of their own, cost most companies in the industry less than other survey respondents, with most reporting they incurred less than \$10 thousand in additional costs during the outbreak. That being said, most companies did still lose out on pre-paid bills for operations, travel, marketing, rentals, and other unused supplies or resources.

Survey respondents working for utility companies reported that one-on-one and one-to-many business development meetings were the most-missed business development activities. Many also mentioned that company socials and live demonstration opportunities were also cancelled as a result of COVID-19.



Outcomes, Resources & Recommendations

Many of the companies and organizations who responded to the COVID-19 impact survey are anticipating grave financial and opportunity loss, disruptions to their operations, and negative emotional impacts for individual respondents and their teams. That being said, the majority of respondents are confident in their business' and the technology sector's ability to recover from the challenges and losses presented by the pandemic.

However, while the outlook isn't completely grim, many organizations will not be able to recover from the severe impacts alone.

Survey respondents suggested that large businesses or public sector organizations could support SMEs' recovery by offering cost-reduced childcare, business acceleration opportunities and remote work support.

Many also requested additional response and support from their governments, in the form of increased budget allocation or budget redirected to healthcare and SMEs, and reduced tax payments or extended pay periods for small and medium businesses.

Also discussed was the need for community-based support, where larger organizations or municipal bodies could invest in or sponsor local entrepreneurs as they participate in immersive accelerator programs, or financially back these programs, activations and opportunities for entrepreneurs in their communities.

"It would be fantastic to be aligned with an organization who is ready to have futuristic conversations about building back up the businesses who have been hit the hardest."

- Survey Participant

In order to support these businesses in a post-pandemic world, larger organizations also need to evaluate and unlock procurement processes to alleviate gender bias, and improve funding access and budget allocation for women technology entrepreneurs. For instance, Coupa, who recently acquired ConnXus, are improving procurement to be able to amplify diverse spend in new ways, breaking down organizational silos between supplier diversity programs and broader supplier management efforts, making inclusivity a natural part of the procurement process. Similarly, Cloud vendors need to invest in better co-market and co-sell scenarios, and improve ease of participation in online marketplaces, applying the same methodology as Coupa to diversify Cloud marketplaces. The offer of financial support or bridge loans from larger companies would also provide heavily impacted SMEs offset lost income or incurred costs, as they seek financial stability and recovery.

In conclusion, many smaller companies, like those surveyed for this report, are struggling to financially overcome the recent pandemic.

In order to help these failing businesses succeed, and kickstart our economy, large companies and corporations must lend themselves to the recovery of SMEs from the impacts of COVID-19.

At Women in Cloud, we are progressively taking action for women-led technology companies through our programming, including our accelerators, community events, campaigns and activations. We invite enterprise companies, women technology entrepreneurs and legislatures to join us in the following initiatives to improve diversity, equity and inclusion (DEI) for women technology entrepreneurs.

Turnkey DEI Solutions for Enterprise Companies:

- **#InclusionAccelerator pilot program:** Join our #InclusionAccelerator pilot program to develop an inclusion impact plan to drive gender inclusive economic impact for increased representation, education and connection. You will also be given access to procurement readiness and have the opportunity for your leaders to attend Women in Cloud events to connect with women technology entrepreneurs.
- **#CloudExecConnect:** Participate in our #CloudExecConnect virtual cloud business builder event. The two-day event gives women tech entrepreneurs and leaders across the global tech market to unlock enterprise cloud opportunities by stimulating cross-company collaboration and bi-directional conversation.
- **#EmpowHERaccess:** Consider lending support to increase economic access and procurement opportunities for women technology entrepreneurs, including signing the #empowHERaccess pledge.

Turnkey DEI Solutions for Women Tech Entrepreneurs:

- **#CloudExecConnect:** Participate in the virtual two-day event to learn from and engage with leaders across the global tech market.

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- **Women in Cloud: Microsoft Cloud Accelerator:** Apply for our immersive 6 month program to assist women led tech companies to co-build, co-market and co-sell with Microsoft and their distribution channels. The Cloud Accelerator is designed to help women technology entrepreneurs win enterprise opportunities, get access to Azure credits, an advisor community, and a global stage to showcase their businesses.
 - **#CloudInnovateHER Global Pitch Challenge:** Apply to pitch your company at our global pitch challenge, with a top prize of \$20,000 in cash and cloud credits to contribute to your business growth.

Turnkey DEI Solutions for Legislatures:

- **Proclamation:** Pass a proclamation supporting the Women in Cloud Community and committing your efforts to support women technology entrepreneurs. Most recently, a Women in Cloud Proclamation was passed in the city of Olympia with both the Washington State Senate and the House of Representatives supporting and recognizing the initiatives undertaken by the community.
- **Women in Cloud: Microsoft Cloud Accelerator:** Underwrite women to participate in the Microsoft Cloud Accelerator, an immersive 6 month program to assist women led tech companies to co-build, co-market and co-sell with Microsoft and their distribution channels.
- **LISA:** Remove Language bias from contracts and other procurement vehicles to make the opportunities accessible to a diverse candidate pool using Women in Cloud's revolutionary language bias technology, LISA.

Additional details on all of our programming can be found on our website:
www.womenincloud.com.

Work with us!

We are looking for like-minded partners to support programs that directly impact women technology entrepreneurs and their companies. If you or your organization is seeking an opportunity to give back we would love to talk to you about this report, and how we could work together to support women-led technology companies in their financial, operational and emotional recovery from the impacts of the COVID-19 pandemic.

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www.womenincloud.com