42% of respondent firms are from Financial industries: (Insurance and Banking) Business or Professional Services (12%), Retail and Wholesale Trade (7%), and Food, Beverage & Franchised Restaurants (6%) are three industries with the largest representation among nonfinancial firms.

Liquidity (cash flow) risk is ranked as one of the top risks not only during the crisis but also before the COVID-19 shock:

As firms had recognized the importance of liquidity prior to the shock, most of them were not liquidity constrained when the crisis hit, with only about 5% reporting they were illiquid while 64% responded that they had stored liquidity (cash).

Firms that needed more liquidity during the COVID-19 shock, mostly borrowed from banks through existing lines of credit or new loans (12%) or from the government-sponsored borrowing facilities (10%).

Although 68% of firms experienced a revenue decline,

76% of respondents reported that they were highly resilient to the COVID-19 shock. With:

- 77% NOT FURLOUGHING associates at all;
- 65% NOT CLOSING any locations;
- 83% OF FIRMS EXPERIENCING NO CHANGE IN THEIR ABILITY TO SECURE INSURANCE neither in terms of capacity nor cost;
- Almost all of the FIRMS DEEMED ESSENTIAL having the ability to MEET CUSTOMER DEMAND.

Risk appetite of most firms (71%) did not change during the COVID-19 shock, but

- 12% OF FIRMS INCREASED;
- 17% OF FIRMS DECREASED THEIR RISK APPETITE.

Better governance and ERM helped in bad times:

- About 40% OF FIRMS responded that their BOARDS HAVE BEEN MORE ENGAGED.
- Risk and audit COMMITTEES HAVE MET MORE REGULARLY.
- In about 30% OF FIRMS, THE ERM FUNCTION HAS BEEN MORE INVOLVED in assessing risks related to the COVID-19 pandemic.

Although 42% of respondent firms are from Financial industries: (Insurance and Banking) Business or Professional Services (12%), Retail and Wholesale Trade (7%), and Food, Beverage & Franchised Restaurants (6%) are three industries with the largest representation among nonfinancial firms.

BALANCED SAMPLE:

- 35% LESS THAN $100 MILLION
- 45% $100 MILLION - $10 BILLION
- 20% MORE THAN $10 BILLION

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