

SUPPORTING STATEMENT

U.S. Department of Commerce

National Institute of Standards and Technology

Small- and Medium-Sized Business Complex Event COVID-19 Survey (Wave 3)

OMB Control No. 0693-XXXX

SUPPORTING STATEMENT PART A

Abstract

In May 2020, researchers at NIST launched a longitudinal effort to assess Complex Event Resilience of Small- and Medium-sized Enterprises (SMEs) during the COVID-19 pandemic. This effort was approved by the NIST Office of the Associate Director for Laboratory Programs, providing time for this work to be conducted.

As COVID-19 conditions persist, populations around the US and the world have and will continue to experience heat waves, floods, hurricanes, fire, and drought during the period of virus transmission and into the period of recovery (e.g., Phillips et al., 2020). There were 22 \$1 extreme weather events in 2020. SMEs in areas vulnerable to natural hazards and disasters are particularly noteworthy in the context of COVID-19.

The goal of this longitudinal effort is to provide Federal partners (e.g., FEMA, NOAA, and SBA) with insights into how SMEs think about disaster readiness during the pandemic, both the transmission and recovery periods. The first and second waves of data collection took place during summer 2020 and fall 2020/winter 2021, respectively and were approved under the NIST Generic Clearance #0693-0078.

A third wave of data collection is proposed in order to address the research goals as SMEs begin to recover from the pandemic. This effort addresses the gap in research on the experiences of SMEs dealing with complex events generally and those that arise during a pandemic, specifically. This longitudinal study accounts for SME vulnerabilities, which may further amplify the impacts of a singular or complex event.

Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The data obtained through this data collection is required as an element of a Fiscal Year 2021 NIST Engineering Laboratory Priority milestone. In particular the requirement is a NIST report for NIST report for Federal partners on findings COVID-19 small business surveys.

Under such acts as the National Construction Safety Team Act and the NIST Organic Act, among others, as well as the President's Climate Action Plan (2013), NIST conducts research and develops guidance and other related tools to ensure and enhance the safety and well-being of people. Understanding the decisions made by small- and medium-sized enterprise operators during COVID-19, especially when natural disasters occurred concurrently with the pandemic period is important to recovery and future planning efforts.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The intended direct audience for this research is NIST researchers addressing community resilience planning and recovery and the associated decisions made by SME operators. Furthermore, findings will be communicated in a manner that is applicable to Federal agencies that provide resilience-based assistance and guidance to SMEs. Specifically, NIST will work with counterparts at NOAA, FEMA, SBA, and EDA to ensure that the data collected concerning decision science is not replicated across agencies. The responses from these surveys will reveal if and how SMEs are/were thinking about disaster readiness in the context of the pandemic. The first two waves of this work have been completed as of March 2021; these waves were approved under the NIST Generic Clearance #0693-0078.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The proposed collection is a remote data collection using electronic data collection of survey data. The reason for collecting data electronically is two-fold: (1) social distancing required by the COVID-19 pandemic conditions and (2) the first two waves of data collection for this longitudinal effort were conducted electronically, which allows the researchers to address a national sample and maintain contact with the panel data respondents.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There have been a number of surveys of small businesses throughout the COVID-19 pandemic; some are longitudinal in nature. However, the unique aspect of this research is the tracking of complex events facing SMEs and their associated responses and decision-making processes.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

The main respondents to this survey are small business operators (i.e., owners and managers). The use of online systems allow small business operators to respond to the collection at their convenience and with greater ease than an in-person interaction. In acknowledgement of the demands on their time, respondents will be compensated for their optional participation in this wave of data collection. For additional information, please see the response to question 9, below.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If this data collection does not take place, perishable data will be lost. This is especially critical as a panel dataset that has been developed over the last twelve months which gives critical information into planning for complex events and vulnerabilities of SMEs. For example, this is a unique dataset which allows circumstances (e.g., mitigation and adaptation choice of the SME operator) over time to be tied to the recovery (or not) of the SME.

This collection will enhance Federal understanding and other relevant stakeholder understanding of how small business operators function during a pandemic and when there is a confluence of natural disasters and other social stressors. The collection will focus upon the relative trade-offs as respondents strive to recover while planning for future hazards.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: requiring respondents to report information to the agency more often than quarterly; requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; requiring respondents to submit more than an original and two copies of any document; requiring respondents to retain records, other than health, medical, government contract; grant-in-aid, or tax records, for more than three years; in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study; requiring the use

of a statistical data classification that has not been reviewed and approved by OMB; that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There are no circumstances which would result in conducting the information collection to be carried out in the above manner.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

A 60-day Federal Register Notice (FRN) soliciting public comments was published on Tuesday, January 19, 2021 (Vol. 86, Number 11, pages 5140-5141).

A 30-day Federal Register Notice (FRN) soliciting public comment was published on Tuesday, June 8, 2021, (Vol. 86, Number 108, page 30409).

No public comments were received for either the 30-Day Federal Register Notice or the 60-Day Federal Register Notice.

NIST consulted with other Federal agencies regarding the goal of this longitudinal effort to provide Federal partners (e.g., FEMA, NOAA, and SBA) with insights into how SMEs think about disaster readiness during the pandemic.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

Given that respondents to this data collection are small business operators, remuneration will be offered to respondents. Remuneration is justified due to (1) complex study design and (2) burden on the respondent. (1) The complex study design of this collection requires ongoing participation of various respondents, each of whom is important to the achievement of study goals. Should attrition occur at a higher rate than expected the study goals will not be met. (2) There is a burden on the respondent to take time out of their workday managing/operating an SME. There will be equity in the use of remuneration; all respondents will be treated equally with regard to incentives. Participants will receive a \$30 Amazon gift card for participating in the longer 45 minute survey; \$5 Amazon gift card for participation in the shorter 15 minute survey.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

Although Personal Identifiable Information is collected, it will not be stored in a Privacy Act System of Records in which data is retrieved by a personal identifier. Therefore, SORN and Privacy Act Statement are not required.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There will be no questions of a sensitive nature in this information collection.

12. Provide estimates of the hour burden of the collection of information.

Estimated Time Per Response:

Instrument: Short Survey: 15 minutes; 1800 respondents = 450 hours

Instrument: Long Survey: 45 minutes; 300 respondents = 225 hours

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet).

There is no cost to the respondents or record keeps for this information collection.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

This information collection will involve 5 NIST employees that will devote a portion of their time, aside from normal duties, to plan, coordinate, administer, or monitor the overall types of individual information collections to be conducted. NIST estimates that it would involve an annual estimated total of 560 hours and an estimated cost of \$125,000 per year.

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.

This is a new information collection.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Present-June 2021: Plan sample and finalize Data Collection Instruments; Obtain PRA and IRB approvals

July 2021: Collect data

August-September 2021: Develop NIST Data Collection Instrument Publication and NIST Special Publication brief for Federal partners that reports upon the descriptive statistics of this Wave 3 data collection in the context of Waves 1-2.

Early FY22: Develop journal article that reviews the methods for data collection and employs regression techniques to assess indicators of successful adaptation or less productive coping of SMEs over the longitudinal period.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The expiration date will be displayed on the information collection.

18. Explain each exception to the topics of the certification statement identified in “Certification or Paperwork Reduction Act Submissions.”

There are no exceptions to this information collection.