

Impact of Firm Location and Organizational Structure on Receipt and Effectiveness of Social Assistance

Authors : Nalanda Matia, Julia Zhao, Amber Jaycocks, Divya Sinha

Abstract : Social assistance programs for businesses are intended to improve their survival and growth in the face of catastrophic events like the COVID-19 pandemic. However, that goal remains unfulfilled when the most wanting businesses fail to participate in such programs. Reasons for non-participation can include lack of information, inability to cope with applications and program compliance, as well as some programs' non-entitlement status. Some of these factors may be associated with the organizational and locational characteristics of these businesses. This research investigates these organizational and locational factors that determine receipt and effectiveness of social assistance among the firms that receive it. A sample of firms from the universe of 3 rounds of Small Business Administration backed Paycheck Protection Program recipient and similarly profiled non recipient businesses are used to analyze this question. Initial results show firm organizational factors like size and spatial factors like broadband coverage at firm location impact application for and subsequent receipt of assistance for digitally administered programs. Further, Line of business and wage structure of recipients' impact effectiveness of the assistance dollars.

Keywords : public economics, economics of social assistance, firm organizational structure, survival analysis

Conference Title : ICPE 2022 : International Conference on Public Economics

Conference Location : New York, United States

Conference Dates : October 06-07, 2022