

## The Advantages of Being Small

Why being a smaller  
company may have  
its upsides



Judith M. Guido

The storm water market is an approximately \$10 billion, highly fragmented industry that is composed primarily of smaller players who must compete with a cadre of larger firms. Some of these larger firms include civil engineering, landscape architecture, construction and environmental land planning firms. With the explosive industry growth fueled by both opportunities and challenges—including regulations, depleting water tables and aging infrastructure—there has never been a better time to be in our industry.

And while much has been said and written about the ever-changing competitive landscape and market dynamics, smaller contractors who may feel overwhelmed should note that their mere size may actually hold advantages that can be leveraged.

One significant opportunity that smaller companies have over their larger counterparts is that they can more readily and strategically analyze, guide and grow their employees. Research has shown that of the utmost importance to employees is whether their individual roles have a direct impact on building the success of their company. In a smaller storm water company, owners and management have a direct line of communication with employees, and everyone can play an active role in their professional development. That holds a lot of weight with employees today, especially in these times of increased expectations and the transparency demanded by customers.

Smaller companies have the ability to put their top producers on more accounts. Buyers today loathe risk and want to make certain that they have enlisted the A-team of storm water management experts. As a result of having more senior storm water experts dedicated to accounts, smaller

companies can create strong strategic partnerships that allow for stable growth. Another competitive advantage for the smaller storm water companies is that what they lack in size, they make up for in differentiation. From my independent research in our industry, I have found that smaller firms are four times more willing to be innovative, creative and try new things than large organizations, and they also are five times faster than the big shots at the adoption of new practices and products.

The larger you are, generally, the slower and more inflexible you are. A small company can be very nimble, fast and flexible. With the speed of change and market conditions today, flexibility ranks high on a buyer's purchasing criteria. As a smaller company

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has fewer resources, especially financial, it is very focused on its key activities, core capabilities and geographic footprint, which allows for deeper market immersion and a razor-sharp understanding of the customer's needs

and strategic initiatives. Customer alignment and satisfaction are very strong in smaller firms.

This is not to discount the excellent work that has been done by storm water companies that were once small, and as a result of their pursuit of excellence, have grown into the market leaders of today. It is important to learn as much as you can from these leaders, and then leverage and embrace your smallness! **[SWS]**

**Judith M. Guido is chairwoman and founder of Guido & Associates, an industry consulting firm. Guido can be reached at [jmguido@sbcglobal.net](mailto:jmguido@sbcglobal.net) or 818.800.0135.**

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