Considerations for Reviewing Small Organizations

Each applicant is reviewed in the context of its organization's key factors. In the case of small organizations, size is a significant key factor. While an organization's size does not affect the applicability of the Baldrige Criteria, this factor does need to be considered when assessing an applicant's responses in its Baldrige Award application. Therefore, examiners with large-organization frames of reference should be careful not to apply these perspectives as they determine appropriate performance requirements in a small organization's application.

Some considerations are given below to set the context for reviewing a small organization:

- Small organization applicants are defined as those with 500 or fewer employees. Please remember there is a significant difference in resource availability between a 450-employee organization and a 50-employee organization.

- Key community support must be viewed in the context of the applicant's size. A large organization might have impacts on an industry-wide, national, or international basis; a small organization may focus its support on its local community. (items 1.2 and 7.4)

- The issues of fiscal and senior leaders' accountability, ethical behavior, and legal and regulatory compliance are as pertinent to a small organization as they are to a large one, and the responses of the organization's management to these issues are equally important. A small organization, however, will necessarily address these issues in the context of its size, ownership (many are privately held or family-owned), and responsibilities. Good governance practices are still imperative for organizations of all sizes. (items 1.2 and 7.4)

- While large organizations frequently have networked systems for managing data and information, a small organization (depending on how small it is) may use a combination of personal-computer-based or work-station-based data management systems. Information security and quality are still critical for organizations of all sizes. (item 4.2)

- Due to the limited workforce and funding resources of small organizations, benchmarking and competitive comparison information in such an environment may be based largely on validated Web-based data, literature/trade association information, and comparisons with best practices in the local geographic area. (P.2, items 4.1 and 2.2, and category 7)

- In the context of a small organization, systems for workforce involvement and process management may rely more on informal verbal communication than on formal written communication and documentation. However, all applicants have the same requirement to demonstrate that their processes are repeatable, can produce the desired results, and are deployed fully and systematically throughout the organization. (categories 5 and 6 and items 7.1 and 7.3)

- The ability of a small organization to leverage or partner with key suppliers, particularly large suppliers, has to be viewed in the context of the organization's workforce availability and the volume of business that it does with the supplier(s). (P.1 and items 2.1, 6.2, and 7.1)

- The ability of a small organization to obtain customer and market knowledge through independent third-party surveys, commissioned studies, extensive interviews, or focus group techniques is limited by its resources. The important consideration for examiners is to assess whether the applicant, given its resources, is using appropriate mechanisms to gather and use information to improve its customer engagement and focus. Consideration of customer and market knowledge obtained via social media and web-based technologies may be as important for small organizations as it is for larger, more complex organizations. (items 3.1 and 7.2)

- The expectation that large organizations will segment their results data with regard to various customer and workforce segments may require modification in small organizations, depending on the differences among those groups and the level of resources needed to gather and analyze the data. (category 7)