

Using capabilities to deliver organisational agility



Definition of a business capability

 WHAT a business needs to do to create value for a customer

 A particular ability to achieve an outcome of value

Named using noun-noun structure

Strata



Primary

Support

Capability taxonomy

4

Level 1 Foundation Capabilities

Level 2
Capability Groups

Level 3
Business Capabilities



Business capability model

A

Strategic (direction setting)

Business planning

Policy mgmt

Goal mgmt

Target setting

Partner mgmt

Partner definition

Partner engagement

Partner mgmt

Financial mgmt

Financial planning

Forecasting & budgeting

Investment & debt mgmt

Primary (customer facing)

Support

Asset stewardship

Asset identification

Asset inspection

Asset enforcement

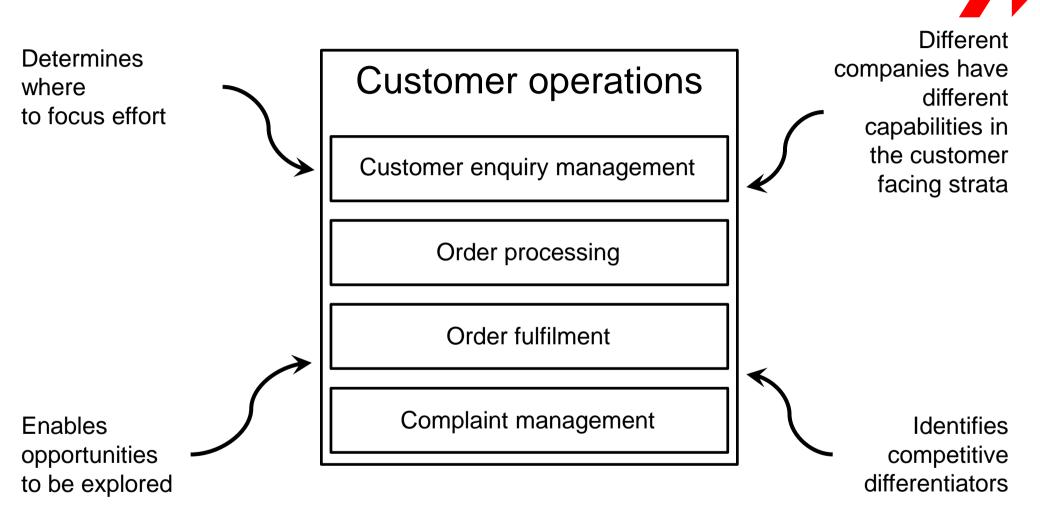
Risk mgmt

Regulatory risk

Market risk

Operational risk

Customer-facing capabilities



Can't be used in isolation: not the whole story

Assessing capabilities



proposition impact value ∞ strategic Greater

Strategic support capability

Advantage capability

Business necessity capability

Essential capability

Greater financial impact

Delivering organisational agility

- Organisations that define their business capabilities can move more quickly & effectively
- Capabilities are used to enable value stream stages
- ... and can be used to assess the impact of strategic change on an organisation's capability
- ... and identify gaps in capability

All organisations are the same

.... except when they are different

Capabilities & business transformation



Define what the business does



Map to other views of the business



Provide pin-point investment focus



Offer insight into range of business scenarios

Summary

