

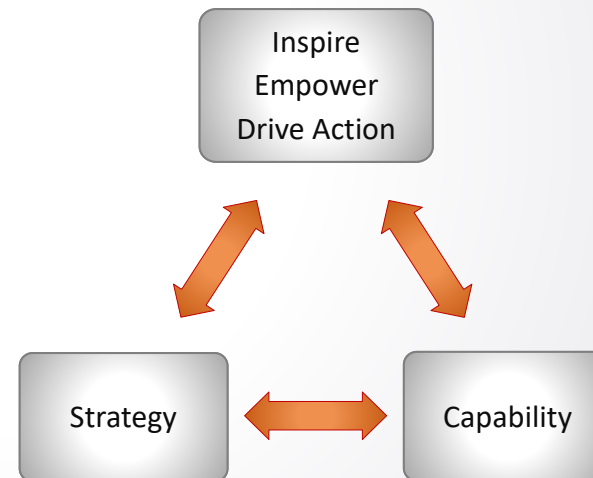
## CAPABILITY

Making Strategy Succeed  
Inspire – Empower – Drive action

### Capability ...

creates synergy between structure, leadership, people, resources, strategy and objectives, to inspire, empower and drive action.

It melds the soft and hard issues that determine success in human endeavours.



# WHAT IS CAPABILITY?

## Capability relates to 'Fitness for Purpose'

Measure of the ability of an entity (department, organisation, system) to achieve its objectives\*

\* [www.businessdictionary.com](http://www.businessdictionary.com)

Quality of the work environment, and the attitudes and skills of people and teams

What an organisation must be, must have and must be able to do to survive and thrive.

### Capability – Defined, measurable and manageable

Capability is a practical concept. It can be measured and managed to produce tangible and beneficial outcomes for any organisation.

Managing capability leads to a better work environment, the right structure, resources, infrastructure and processes supported by the right culture. It enables people to perform at their best. Capability promotes, supports and enables high performance.

### Capability – The essential ingredient in strategy, projects, performance, change, innovation, agility and risk management

Capability is the enabler of strategy and its execution. Capability works hand in hand with strategy; its role is to empower and drive action. It is applicable to all industries and to all activities, from performance to innovation, agility and risk management.

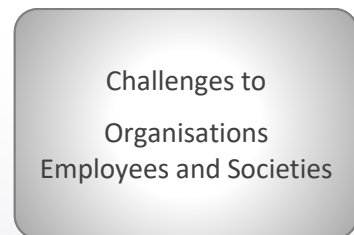
### Inspired by the way organisations succeed in competitive markets

Our model for capability establishes a parallel between organisations in a market with people and teams inside organisations. It integrates the different dimensions embodied in competitive markets with a view to achieving enhanced flexibility, dynamism, innovation and performance in organisations. The model:

- Embodies the best of contemporary management practice.
- Correlates strongly with performance
- Helps organisations succeed in competitive environments.
- Has been successfully tested over three years in an Australian mining company and with other organisations.

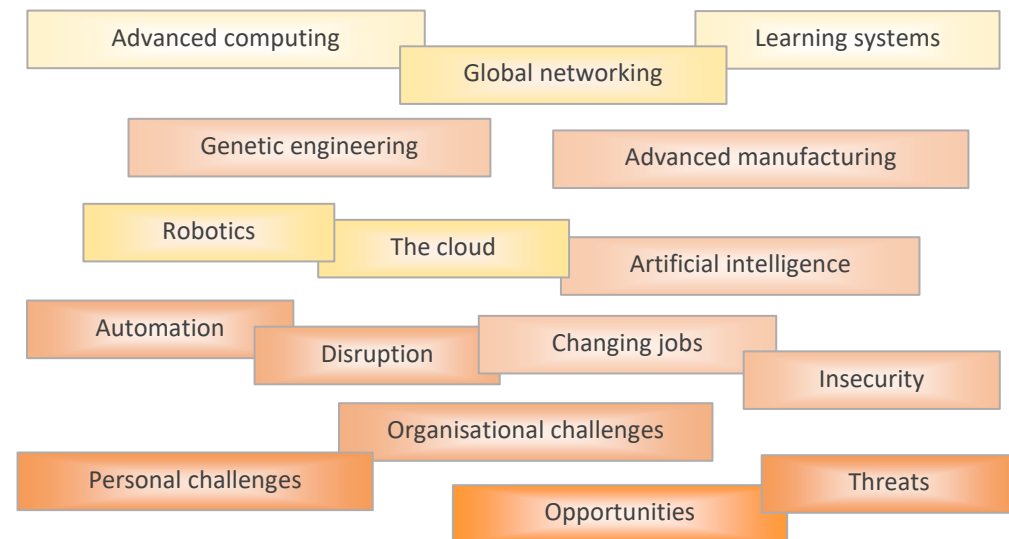
[Click here for more information.](#)

# EMERGING CHALLENGES AND RISKS



Beyond steam, electricity, transistors to ...

## THE FOURTH INDUSTRIAL REVOLUTION



### Responses

Better at performance  
Better at change  
Better at innovation  
Better at agility  
Ready to cope with disruption and threats to business model.

**In all cases, capability is at the centre of a successful response.**

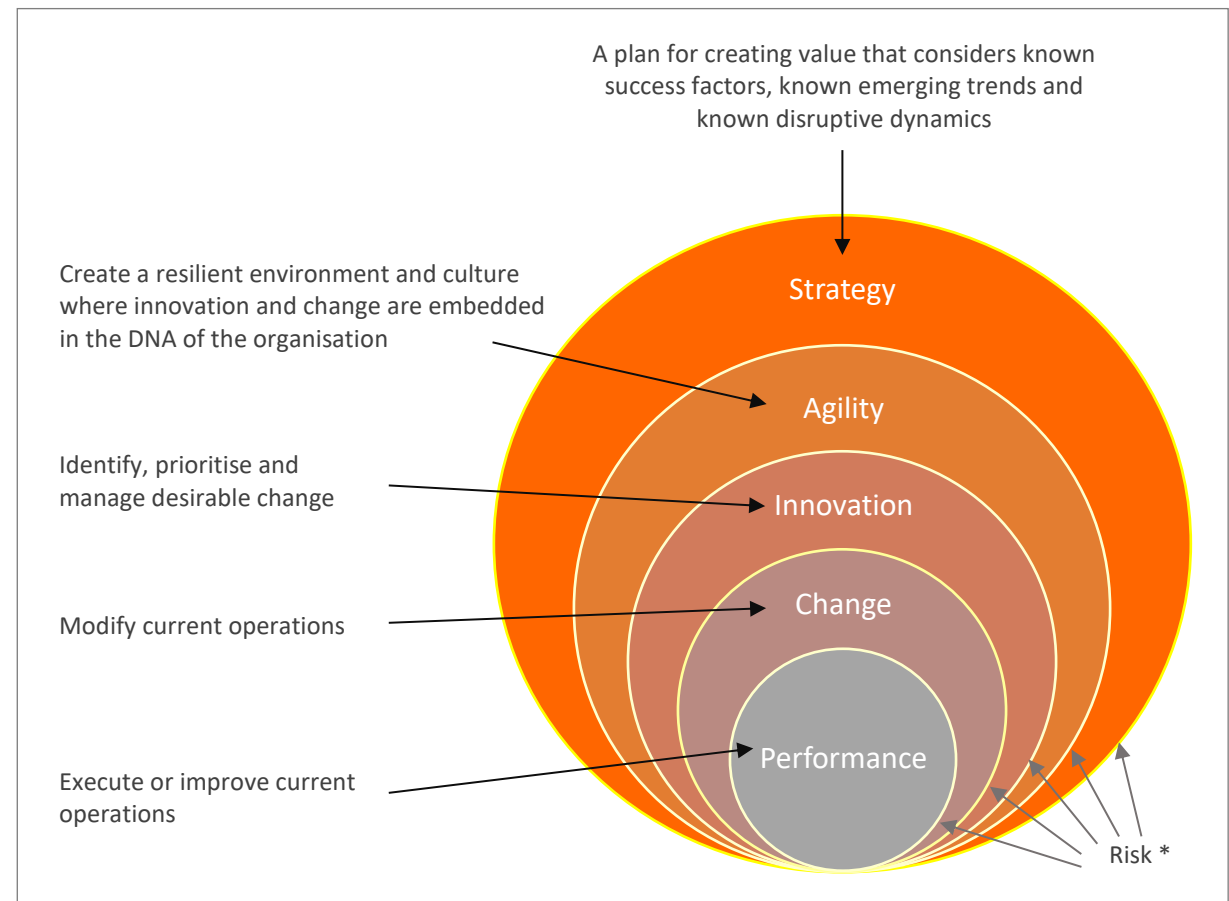
# A UNIFYING MODEL

Capability plays a fundamental role in all operational aspects of a modern organisation

Capability provides a model for the organisation and a method for its operations

## CAPABILITY AS A UNIFYING MODEL AND METHODOLOGY

The same principles of capability apply to all the activities shown in the diagram.



\* Each activity operates within its own envelope of risk which needs to be managed

# IMPORTANT APPLICATIONS

## Generic and Versatile

The same methodology applies to a large range of applications that affect most businesses

The model's origin and design ensure that it applies to all industries in a flexible and customisable way

### Strategy execution

Define and implement a capability-centred strategy

### Culture and capability

Strengthen culture and capability  
Create the Big Bang of success

### Performance

Identify and manage the predictors of success

### Projects

Improve capability and improve projects success rate

### Change

Improve the culture and capability for successful change

### KPIs

Identify the capability drivers for each KPI and leverage them

### Innovation

Improve the capability to identify, prioritise and manage innovation

### Agility

Embed capability for smarter, faster and leaner operations

### Balanced scorecard

Engage the critical capability for each objective in each perspective

### Outsourcing

Align capability with your suppliers and create win-win outcomes

### Risk Management

Improve risk management AND strengthen performance

### Meet Regulatory Requirements

Meet APRA's requirements AND improve performance

### Safety

Improve safety AND strengthen performance

### Mergers and Acquisitions

Measure, align and improve capability in the merged entity

### Embed RAS in the DNA

Embed Risk Appetite Statement in the DNA of the organisation

Clicking on a panel takes you to the website for more information.

# NEXT STEPS

## CONTACT US

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## Ask us about

### Capability-centred objective execution mapping

Starting from your strategy or a set of objectives, we produce an action plan for the development and leverage of capability for successful execution. [Read more.](#)

### Capability health check

A snapshot of your organisation's maturity with respect to capability management, taken in relation to your goals and objectives. [Read more.](#)

### Capability at the frontline

A measurement of the capability as experienced at the frontline by employees. Usually identifies gaps that can then be fixed. [Read more.](#)

## And

### Check our website

[www.capabilityinstitute.com](http://www.capabilityinstitute.com)

### Sign up to our Newsletter

We publish regular newsletters to keep you up-to-date with new developments, tips and ideas. [Click here to sign up.](#)

### Join us on LinkedIn

We have created a new group on LinkedIn to facilitate the conversation and exchange of ideas with people interested in capability. [Click here to join group.](#)