Business Capability Maps



Business capability modeling is a technique for

the representation of an organization's business

anchor model independent of the organization's

Good capabilities do not overlap; they are

mutually exclusive. A good test is to check

whether you can assign Level 2 capabilities

structure, processes, people or domains.

STRATEGIC MANAGEMENT

Strategy Development

Develop Vision/Mission Define Strategy

Adapt Strategy

Track Strategy

Manage Strategy

Organization Development

Coordinate Process Strategy

Plan Long Term

Develop Organization Goals Strategize Business Unit

Mergers & Acquisitions

Manage M&A Strategy Manage M&A

Track Acquisitions Manage M&A Integration

Manage Core Business

Evaluate Existing Products Manage Bus. Performance & Ops

> Coordinate Projects Manage Projects

Innovation & Technology

Management **Scout Trends**

Manage External Innovation

Manage Internal Innovation Manage Innovation Process

Track Innovation

Externals Management

Evaluate & Select **Maintain Contracts**

Monitor Performance

Manage Payments

Terminate Contracts

Strategic Business Initiatives

Develop Strategic Initiatives **Evaluate Strategic Initiatives**

Select Strategy

Establish High-Level Measures

Business Concept

External Assesment Market Surveys

Internal Analysis

Restructure Organization

Concept Establishment

CUSTOMER RELATIONSHIPS

Customer Management

Identify Customer Manage Customer Manage Customer Hierarchy

Manage Community

Manage Customer Manage Org. Context

Outbound Contact

Classify Demand

Contact Interaction

Contact Management

Inbound Contact

Route Contact

Manage Interaction

Customer Scoring

Define Customer Risks Manage Customer Risks

Check Credit-Worthiness

Order Management

Validate Order Track Order

Bundle Order

Steer Order

Cancel Order

Complaint Management

Manage Contract Negotiate Contract

Manage Frame-Contract

Manage Product Usage

SLA Management

Manage SLA Violations

Track & Report SLA Breaches

PRODUCT & SERVICE DEVELOPMENT

Engineering

Manage Requirements Design Products Conceptualization Construction

Quality Management

Test Initial Quality Track Quality Manage Debbuging

Manage Product Document

Manage Product Portfolio Manage Innovation Manage Patent Manage R&D Process

Requirements Definition

Evaluate Existing Products

Review Demand Manage Materials

Require Distribution

Method Development

Define Method Validate Method

Refine Method Execute Method

Product & Service Delivery

Schedule Production Manage Production

Test Quality Performance

Manage Product Traceability

Production Preparation

Align Resources

Procure Materials & Services Select Suppliers & Developers

Master Production Schedule

Market Testing

Market Survey

Analyze Customer Intelligence

Evaluate Market Opportunities Establish Measures Manage Location Restrictions

PRODUCTION

Production Design

Manage Production Requirements **Define Production Process**

Define Production Site Plan Material Requirements

Manage Waste Disposal

Production Steering

Retrieve Product Information

Monitor Production Process

Localize Product Bill of Material Management

Deliver Product

Production Order Management Plan Supply Quantity

Plan Production Orders

Manage Order Validiy Plan Production Program

Manage Containers Handle Dangerous Goods Fetch Material

Manage Material Requirements

Pre-production Planning

Manage Incoming Materials

Maintenance Plan Maintenance

Handle Spare Parts

Recognize & Recover Failure Manage Maintenance Plan

Change Management

Manage Deviation Allowance **Analyze Deviations**

Access Deviations

Plan & Execute Deviations **Trace Deviations**

Infrastructure Management

Plan & Control Construction Operate Site Infrastructure Build Site Infrastructure

PROCUREMENT & LOGISTICS

Manage Purchase Requirements Manage Purchase Order Manage Purchase Catalogue

Purchasing

Manage Purchase Requisition

Manage Purchase Procedure Manage Category

Approve & Transmit Order

Sourcing

Define Sourcing Strategy **Define Sourcing Requirements** Manage Sourcing Tender Process

Logistics Management

Decide On Sourcing

Manage Returns Manage Logistic Order

Manage Transportation Manage Demand Forecast

Supplier Contact

Management Manage Supplier Collaboration Manage Supplier Registration

Classify Supplier Offer Manage Supplier Contact Routing

Supplier Contract

Negotiate Supplier Contract **Enact Supplier Contract** Manage Supplier Contract

Warehouse Management

Manage Supplier Frame Contract

Material Disposition Restocking Packaging Manage Claims

Shipping Manage Inventory Commissioning

Goods Receipt & Service Entry

ENTERPRISE SUPPORT

IT Management

IT Strategy Management **EA Management** IT Service Management

Technology Management IT Project Management

Application Management

Workforce Management Deploy Workforce

Workforce Planning Manage Work Order

Information Management

Define Reports and KPIs Gather Data Process Data

Knowledge & Research

Illustrate Data

Govern Data

Manage Knowledge Manage Research

Manage Tech Scanning

Enterprise Risk Management Manage Compliance

Manage Fraud Manage Insurance Manage Security

Enterprise Effectiveness & Project Management Manage Portfolio

Business Continuity

Manage Programs **Develop Projects**

Human Resources Management Manage Employee Manage Payroll

HR Policies & Processes

Recruiting

Manage Talents

Corporate Governance Policies Preventive Law Program Dev. **Ensure Compliance**

MARKETING & SALES

Quality Opportunity Manage Client Advise Client Create Specific Offer Negotiate Offer Manage Trials

Demand & Offer

Manage Community

Manage Customer

Manage Org. Context

Identify New Channels

Customer Success

Management

Manage Customer Onboarding

Increase Customer Lifetime Value

Define Plans for Customer Upsell

Manage Upsells

Terminate Contracts

Marketing & Sales

Development

Define M & S Requirements

Monitor Channels

Develop M&S Channels

Develop M&S Messages

Define Customer Value

Proposition

Define Marketing Budget

Identity Customer Foreign Exchange Management Manage Customer Profile Financial Risk Management Manage Customer Hierarchy

Settlements & Payments

Account Payables Travel & Expense Management

Revenue Cycle Management Tax Management

Handle Trading Tax Settlements Tax Returns Mgmt.

Tax Planning Strategies

Tax Determination

Manage Tax Questionnaire

Asset Management Investment Planning Decommissioning Asset Performance Mgmt

Manage Asset Lifecycle

Accounting

Manage General Ledger **Enterprise Consolidation** Cost Accounting **External Reporting** Performance Reporting **Inventory Valuation**

Investor Relations

BEST PRACTICES FINANCE &

Controlling **Business Planning**

Cost Accounting Forecasting

Payroll

Time Stamp Report Manage Payment

Process Taxes

CONTROLLING

Business capabilities encapsulate what a business is doing right now and what it must be doing to meet current and future challenges. Cash Management

Long-term stability

Don't overlap

without ambiguity.

Define "What"; not "How"

Properly defined business capabilities are fairly stable over time, persisting throughout any organizational changes. Only major business model updates should affect them.

Cross-organizational Don't focus too much on business units. Capabilities should remain the same and be independent of the current structure of the organization.

↓ 7 to 10 capabilities in top level The highest level capabilities should be a complete description of your business. Aim to make your categories reflect key aspects of what the business actually does.

$|\longleftrightarrow|$ Breadth rather than depth

The highest-level capabilities should be a complete description of your business. Aim to make these categories reflect key aspects of what the business actually does.

Accepted by all stakeholders

The goal of business capabilities is that they become a common basis for discussion and planning. Take every opportunity to anchor your organization's processes to the model.

Linking strategy & execution

Involve those who define the strategies when creating your map. Consider strategy as one input when defining your business capabilities on the highest level.

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