Best practices to define business capability maps

SAP LeanIX

Mapping applications to named business capabilities allows you to quickly identify gaps, duplications, and opportunities for modernization.

Below you will find a **sample** three-level business capability map along with a set of eight principles for mapping your organization's business capabilities.

1 Don't overlap

Your list of capabilities should be mutually exclusive with no overlaps. A good test is to check whether you can assign level 2 capabilities without ambiguity.

2 Define "what"; not "how"

Business capabilities describe what a company does or aims to do. They differ from business processes, which describe how a company does things.

3 Plan for the long term

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

4 Keep capabilities consistent

Capabilities are capabilities. If different business units have similar capabilities - supply chain management, distribution management, etc. - use the same name in each case.

5 Start with seven to ten top level capabilities

Limiting the number of level 1 capabilities helps you organize and visualize the entire business capability landscape.
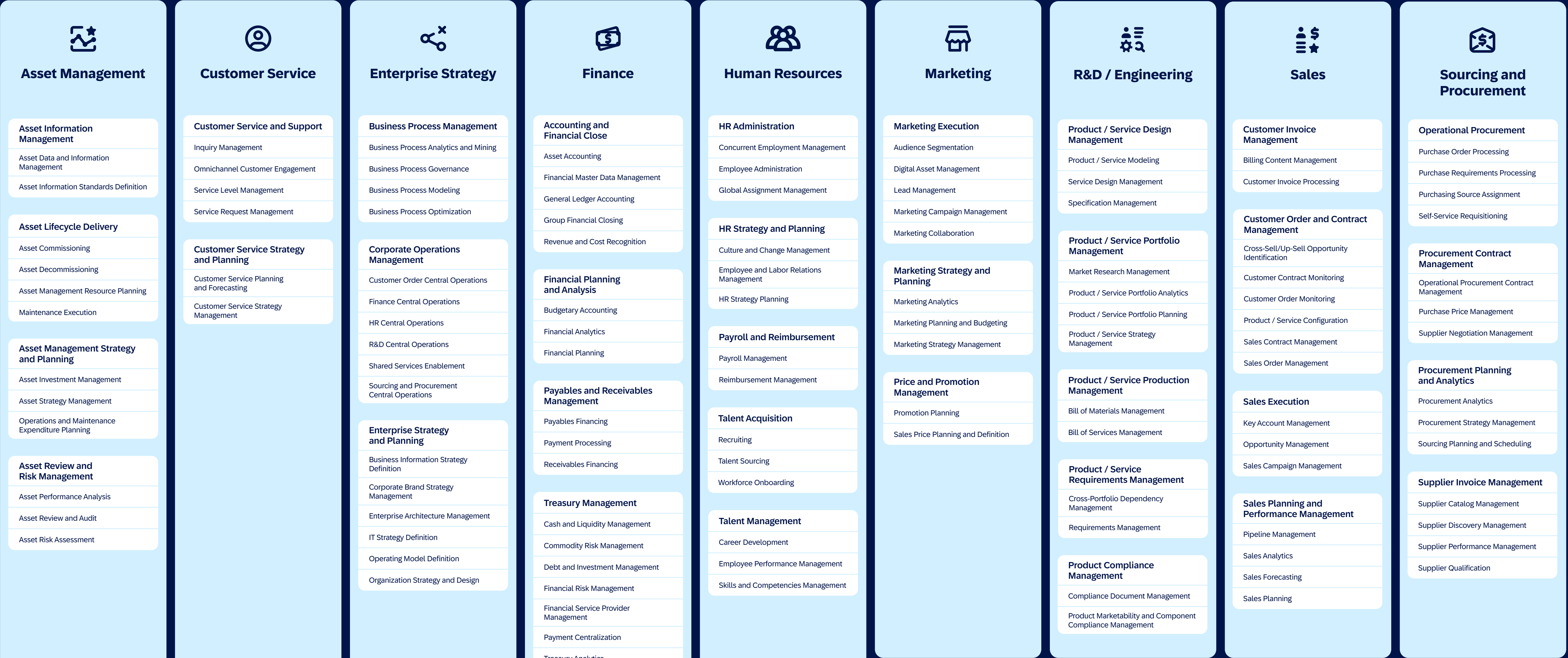
6 Don't go too deep

Illustrate the breadth of your organization's business capabilities by going no more than three levels down. This will be enough to map your IT landscape to the business capabilities it supports.

7 Collaborate

Business capabilities serve as a common language between the business and IT. Collaborating to create your business capability map helps ensure that everybody uses the same language.

8 Think strategically

Work with your business strategy partners to understand how current capabilities support them and what capabilities may be needed in the future. This is critical for planning and driving innovation.

Asset Management

Asset Information Management
- Asset Data and Information Management
- Asset Information Standards Definition

Asset Lifecycle Delivery
- Asset Commissioning
- Asset Decommissioning
- Asset Management Resource Planning
- Maintenance Execution

Asset Management Strategy and Planning
- Asset Investment Management
- Asset Strategy Management
- Operations and Maintenance Expenditure Planning

Asset Review and Risk Management
- Asset Performance Analysis
- Asset Review and Audit
- Asset Risk Assessment

Customer Service

Customer Service and Support
- Inquiry Management
- Omnichannel Customer Engagement
- Service Level Management
- Service Request Management

Customer Service Strategy and Planning
- Customer Service Planning and Forecasting
- Customer Service Strategy Management

Enterprise Strategy

Business Process Management
- Business Process Analytics and Mining
- Business Process Governance
- Business Process Modeling
- Business Process Optimization

Corporate Operations Management
- Customer Order Central Operations
- Finance Central Operations
- HR Central Operations
- R&D Central Operations
- Shared Services Enablement
- Sourcing and Procurement Central Operations

Enterprise Strategy and Planning
- Business Information Strategy Definition
- Corporate Brand Strategy Management
- Enterprise Architecture Management
- IT Strategy Definition
- Operating Model Definition
- Organization Strategy and Design

Finance

Accounting and Financial Close
- Asset Accounting
- Financial Master Data Management
- General Ledger Accounting
- Group Financial Closing
- Revenue and Cost Recognition

Financial Planning and Analysis
- Budgetary Accounting
- Financial Analytics
- Financial Planning

Payables and Receivables Management
- Payables Financing
- Payment Processing
- Receivables Financing

Treasury Management
- Cash and Liquidity Management
- Commodity Risk Management
- Debt and Investment Management
- Financial Risk Management
- Financial Service Provider Management
- Payment Centralization
- Treasury Analytics
- Treasury Governance and Compliance Management

Human Resources

HR Administration
- Concurrent Employment Management
- Employee Administration
- Global Assignment Management

HR Strategy and Planning
- Culture and Change Management
- Employee and Labor Relations Management
- HR Strategy Planning

Payroll and Reimbursement
- Payroll Management
- Reimbursement Management

Talent Acquisition
- Recruiting
- Talent Sourcing
- Workforce Onboarding

Talent Management
- Career Development
- Employee Performance Management
- Skills and Competencies Management

Marketing

Marketing Execution
- Audience Segmentation
- Digital Asset Management
- Lead Management
- Marketing Campaign Management
- Marketing Collaboration

Marketing Strategy and Planning
- Marketing Analytics
- Marketing Planning and Budgeting
- Marketing Strategy Management

Price and Promotion Management
- Promotion Planning
- Sales Price Planning and Definition

R&D / Engineering

Product / Service Design Management
- Product / Service Modeling
- Service Design Management
- Specification Management

Product / Service Portfolio Management
- Market Research Management
- Product / Service Portfolio Analytics
- Product / Service Portfolio Planning
- Product / Service Strategy Management

Product / Service Production Management
- Bill of Materials Management
- Bill of Services Management

Product / Service Requirements Management
- Cross-Portfolio Dependency Management
- Requirements Management

Product Compliance Management
- Compliance Document Management
- Product Marketability and Component Compliance Management

Sales

Customer Invoice Management
- Billing Content Management
- Customer Invoice Processing

Customer Order and Contract Management
- Cross-Sell/Up-Sell Opportunity Identification
- Customer Contract Monitoring
- Customer Order Monitoring
- Product / Service Configuration
- Sales Contract Management
- Sales Order Management

Sales Execution
- Key Account Management
- Opportunity Management
- Sales Campaign Management

Sales Planning and Performance Management
- Pipeline Management
- Sales Analytics
- Sales Forecasting
- Sales Planning

Sourcing and Procurement

Operational Procurement
- Purchase Order Processing
- Purchase Requirements Processing
- Purchasing Source Assignment
- Self-Service Requisitioning

Procurement Contract Management
- Operational Procurement Contract Management
- Purchase Price Management
- Supplier Negotiation Management

Procurement Planning and Analytics
- Procurement Analytics
- Procurement Strategy Management
- Sourcing Planning and Scheduling

Supplier Invoice Management
- Supplier Catalog Management
- Supplier Discovery Management
- Supplier Performance Management
- Supplier Qualification

This is a **sample** business capability map.

To create a map tailored to your organization, check out our comprehensive list of potential business capabilities.
Feel free to explore the list and download a full version.

[Take me to the full list]