

Building a Capabilities Statement

Summary:

- A Capabilities Statement tells potential clients who you are, what you do, and how you are different from your competitors.
- Government contracting has developed into a competitive marketplace. Companies of all sizes successfully sell products and services to government agencies.
- A Capabilities Statement is a critical tool in government contracting, no matter what size company you represent.
- Used as a marketing and reference tool.

What is a Capability Statement?

A Capabilities Statement is a snapshot of your company that serves as a resume for your business that speaks 'their' language. It is a factual presentation.

- Capabilities statements are used to compare you with other vendors:
 - Many government agencies require that a Capabilities Statement be submitted with bids.
 - Similarly, prime contractors can require potential subcontractors to submit capabilities statements before doing business with them.
- Three standard types of capabilities statements are:
 - A one-page fold-over used to open doors and make introductions.
 - A brochure that could be a part of a Request For Proposal response.
 - A detailed presentation used for capabilities briefings.
- A Capabilities Statement's primary purpose is for marketing.
- The information in Capabilities Statements can be valuable when used in brochures, websites, and other promotional literature.
- When you add information about awards, certifications, and clients, the Capabilities Statement can:
 - Create a sense of trust.
 - Show maturity of your business.

Format. A Capabilities Statement should be:

- **Brief** (only 1 or 2 pages), to the point, and specifically related to the individual agency's needs.
- **Visually interesting** with a graphic identity similar to your company's brand and logo.
- **A searchable document** that can be easily changed and sent as a PDF file.

Include the following information in your Capabilities Statement:

1. **Core competencies.** Introduce the company's core competencies and relate those to the customers' specific needs.
2. **Past performance.** Describe similar work you have performed for past customers. Perhaps large or current jobs.
3. **Differentiators.** Discuss unique techniques or approaches that are part of your business.
4. **Corporate data.** List your business details:
 - **Facilities or Office Locations.** List all significant and strategically placed office locations.

- **Company data.** General and financial information about your firm.
- **Experience Summary.**
- **Contact information.**
- **Relevant codes.**
- **Facilities, tools or technologies.**

1. Core Competencies:

- Explain your Core Competencies and highlight your unique value proposition.
- A Core Competence is a bundle of skills and technologies that enable your firm:
 - To provide a particular benefit to your customers.
 - To create a barrier of entry for competitors.
 - To be leveraged to enter new markets.
- To build your Core Competencies, analyze your operations and determine what part of your business can deliver exceptional results within short time frames.
- Core Competencies can be acquired from partnering or licensing. If you gain core competencies by partnering/licensing, then integrate those capabilities to create an advantage.

2. Past Performance/Qualifications and Credentials:

- Establish how much market share you have in your given area of expertise.
 - Qualifications are the unique resources that your company can deploy on engagements (people, processes, or skills).
 - Credentials are examples of previous, unique, client experiences that you leverage for future projects.
 - Qualifications and credentials should capture the essence of value added, and the client need fulfilled by your company.
- Include customer kudos and positive quotes regarding engagement experience or present case studies to add dimension to your capabilities statement.

3. Differentiators:

- Explain how your company is unique, different, and distinct from its competitors in responding to the needs of the client.
- Explain the needs of the client, and why your firm is better positioned than others to respond to these needs.
- Talk to past clients to find what distinguished your products or services from competitors. Ask them these differentiator questions to get started:
 - What distinguishes your products or services from competition?
 - How does your team create an advantage over your competitors?
 - What other factors helped them pick your company over the competition?

4. Corporate Data:

- **Location:** Identify the geographical locations from which your company operates. Include contact information: physical address, contact person details, office telephone, office fax, email address, etc. Square footage, state-of-the art techniques approaches, unique equipment can also be listed.
- **Company and Financial data:** Include a range of information about your firm, including:
 - Revenue over last three periods.

- Number of employees over three periods.
- Typical geographic areas you serve.
- Available resources
- Insurance and bonding capacity
- **Experience Summary:** . Key individuals, education levels, special knowledge, skills and technical knowledge, years in business.
- **Contact Information:** . Include physical address, contact person details, office telephone, office fax, email address, etc. Use letterhead if possible then list a good email and contact person. Include your website for additional information. Make sure your website is constantly updated and customer-focused.
- **Relevant codes:** List DUNS, CAGE, NAICS, NIGP, EIN, Certifications (socio economic status), FSC and corporate status (LLC, C Corp etc.).
- **Facilities, tools, or technologies:** Include your partners, enterprise architecture, computers, or any other technology that will be leveraged to support your client.

Always keep your Capabilities Statement Current:

- Once you have a Capabilities Statement (whether online, hardcopy, or both), make enough copies that you can readily distribute it.
- Update your Capabilities Statement regularly to include current products, services, and other corporate information.

Formatting:

- Use business letterhead/stationary or build company information into the header.
- Title the Document 'Capabilities Statement.'
- Save the document as a PDF for ease of email.
- Print out for trade shows/expos etc.

Key Takeaways:

- A Capabilities Statement is an important element in marketing and promoting your business.
- A Capabilities Statement informs your existing and potential customers about your business' capabilities, including:
 - Who you are.
 - What you sell.
 - What core competencies you bring to the table.
- A Capabilities Statement includes specific information about:
 - Your products and services.
 - Your qualifications, credentials, and differentiators.
 - Your corporate data.