**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.

# 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.

# 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?

# 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.