



Writing a Customer-Focused Capability Statement

DO-IT-YOURSELF USER GUIDE FOR
COMPLETING YOUR CAPABILITY
STATEMENT

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01 PURPOSE OF THIS USER GUIDELINE

The purpose of this user guideline is to:

- assist you with understanding what a capability statement is;
- provide you with a do-it-yourself guide

to make it easier for you to prepare your own capability statement using our Word template.

Please note that in our workbook and template we focus on quality content, not pretty pictures or your branding as such. We believe branding and pretty pictures will follow naturally once your message is right.

Once you have a well-formulated capability statement, it is always a good idea to have your design people design a branded version for you.



02 AN INTRODUCTION: CAPABILITY STATEMENTS

WHAT IS A CAPABILITY STATEMENT?

A capability statement is a business document that details your business capability, achievements, target clients and shows your track record in solving your customers' problems. It shows what you have on offer for current and prospective customers.

WHY DO YOU NEED A CAPABILITY STATEMENT?

A capability statement is important because it provides your target customers and audience with specific business information that will allow them to decide if they would like to do business with you rather than your competition.

WHO NEEDS A CAPABILITY STATEMENT?

All businesses, large and small, that want to stand out from their competitors as a business that understands their customers and can solve their customers' problems.

WHEN DO YOU NEED A CAPABILITY STATEMENT?

You need a capability statement to attract new customers but also to show your existing customers that you care about them.

03 CAPABILITY STATEMENT ELEMENTS

The basic elements that any capability statement should contain are:



VALUE PROPOSITION

What value do you offer your customers in terms of solving their problems? E.g. price, unique services, customisation, etc. How do you deliver best value for money?



YOUR PRODUCTS AND/OR SERVICES

Describe the products and/or services your business offer customers.



YOUR BUSINESS HISTORY

Provide information on the general nature of your business, history, values and the role your business play in your customer service sector.



TARGET CUSTOMERS

Define your target customer market by location, industry sector, specialty etc.



YOUR TRACK RECORD

Shows your customers your business track record and achievements in meeting the value proposition for customers.



YOUR CUSTOMER EXPERIENCE

Provide customer feedback and shows how customers experience your products and/or services.



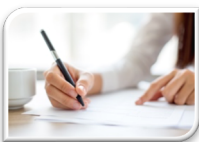
YOUR TEAM

Provide details of key team members, their experience and organisational structure.



SYSTEMS, PROCESSES AND ACCREDITATIONS

Provide details of relevant systems and processes in place. List any accreditations and certifications.



COMPANY CONTACT DETAILS

Provide company details, contact and website details.

Our Word Capability Statement Template includes more information on each section above.



04 WRITING FOR YOUR CUSTOMER

When preparing your capability statement, it is important to keep in mind for whom you are writing the capability statement, i.e. who is the potential customer. In the end you may deliver a product or a service but if you do not meet the need of your customer or solve your customer's problem, then you may simply be wasting your time.

A capability statement is not a document that you prepare and never touch again. It is important to update your capability statement depending on:

- Specific customer language and terminology
- Industry sector requirements
- Specific customer requirements.

Although your capability statement showcases your business, it is more about showing your current and potential customers that you understand their problems and requirements and can solve their problems, such as providing a speciality product or service, a lower cost, customisation, additional benefits, etc.

Remember:

Target your customer sector and customise your content accordingly.



05 WHAT'S IN IT FOR ME?

When preparing your capability statement, it is important remember that your customers will ask:

“I am the customer.

What’s in it for me?”

Your capability statement should answer this question.

The best way to answer this question is to find out from your customers what benefits or solutions they regard as a good value proposition.

Consider the following when developing your message in your capability statement:

- What is your customer’s problem?
- How will your product or service solve the customer’s problem?
- How does your value proposition offer good value to your customer?
- What are the benefits and features of your solution?
- How do you link benefits and features of your solution to add value to your customer?



06 SPEND TIME ON YOUR VALUE PROPOSITION

WHAT IS YOUR VALUE PROPOSITION?

Your value proposition shows how well your business performs in the specific customer market, your position on price and adding value, the level of service your business provides to customers, what makes your product and/or services different to those of your competitors.

It is Your **Unique** Selling Point of **Difference**.

Your value proposition is the reason why your customers feel comfortable to choose your product and/or service, your brand above that of your competition.

The best value proposition is one that your customer understands and more importantly what your customer values.

Therefore it is important to spend time in determining what your value proposition is.

Remember, it will always be work in progress as customer wants and requirements change.

An example: "Helping small business owners to submit BAS on time by providing administrative assistance for BAS submissions. Our BAS administrators are trained to make your life and BAS submission easier-avoiding any nasty surprises."

07 STEPPING UP YOUR CAPABILITY STATEMENT

If you already have a basic capability statement, you can consider adding the following elements to improve the quality of your capability statement.

It depends on what your customers require.



YOUR TEAM AND KEY PERSONNEL

Show your customers that you have the right resources to deliver your products and/or services.



SYSTEMS AND PROCESSES

Demonstrate that you have the right systems and processes in place to constantly and consistently deliver your value proposition.



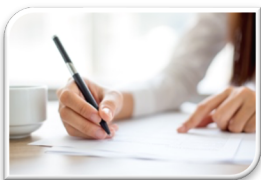
ACCREDITATION

Provide details of any customer required accreditation and certification. It shows that an external party has certified your systems and processes.



KEY PARTNERSHIPS & AFFILIATIONS

Demonstrate what key affiliations and partnerships you have in place and how it



GOVERNANCE & RISK MANAGEMENT

Show your customers what governance and risk management processes you have in place to firstly deal with customer complaints but also to show that your business deals with risk and have governance processes in place.

08 PLANNING AND PREPARATION

Below is a handy checklist to assist with your planning and preparation before you start preparing your capability statement:

Value Proposition that clearly defines how you solve your customer problems and what value you offer.	<input type="checkbox"/>
A list of your products and/or services	<input type="checkbox"/>
Your business information, e.g. nature of the business, history, values, etc.	<input type="checkbox"/>
Your target customers	<input type="checkbox"/>
Your track record – details of contracts, values, customers, etc.	<input type="checkbox"/>
Your customer experience	
Feedback, testimonials, short case studies	<input type="checkbox"/>
Your company information	
Contact details, websites, etc.	<input type="checkbox"/>
Additional sections to consider for inclusion:	
<ul style="list-style-type: none">• Details about your team and key persons• Your systems and processes• Accreditations – quality and standardisation• Key Partnerships/local and international relations• Governance and Risk Management Practices	



09 OUR CAPABILITY STATEMENT TEMPLATE

We have prepared a Word template to use as your starting point.

The purpose of the template is to provide you an outline of the sections to be included and our recommended order, however depending on your customers and market sector, you may want to move sections around in the document, remove certain sections or add additional information.

Each of the sections includes an explanation and some ideas to consider.

We recommend that you start off with our template but once you have your draft capability statement, then transfer it onto your own branded stationary and/or printing.

We cannot state it enough – remember that your capability statement is about your customer and your value proposition for your customer.

Therefore, in preparing your capability statement, always keep in mind what your customer asks when reading the document:

“What’s in it for me?”



10 WRITING TIPS

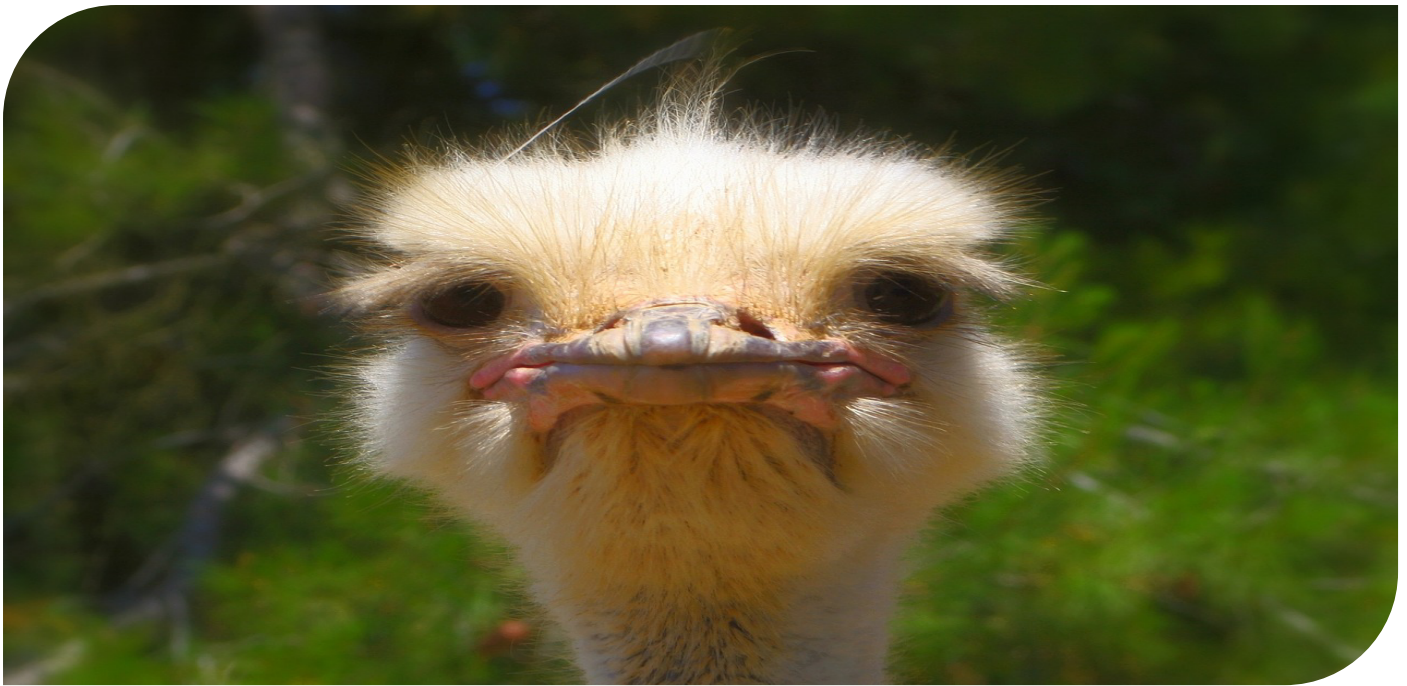
- Keep it simple;
- Avoid abbreviations, acronyms, difficult terminology;
- Check spelling;
- Keep it professional and fix any errors;
- Use active voice, rather than passive voice;
- Keep sentences short;
- Spend time on formatting and layout;
- Use a sequence that makes sense to your customers;
- Avoid long, boring paragraphs – break it up with different styles, headings and sub-headings.

And finally,

EDIT, EDIT, EDIT, REFINE, REFINE, REFINE

And

ADJUST FOR DIFFERENT CUSTOMERS



11 IT'S TOUGHER THAN I THOUGHT IT WOULD BE

It is hard work to write a punchy, kick-ass capability statement.

But the more you work on it, the easier and clearer your message becomes.

Also, it is a good idea to Google your competitors to see what they are doing and to generally Google “**capability statements**”.

So do not give it up too quickly.

If it becomes too hard or if you would like us to review your work, please contact us at:

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Phone: +61 (0) 439 518 910

Website: www.lchibanCommercialSolutions.com.au





12 USEFUL LINKS AND REFERENCES

ARTICLES AND INFORMATION ABOUT CAPABILITY STATEMENTS:

Your Capability Statement is more about your customer than it is about you or your business.

<https://ichibancommercialsolutions.com.au/capability-statement-customer-focus/>

Does your business need a capability statement?

<https://www.smallbusiness.wa.gov.au/blog/does-your-business-need-capability-statement>

Customer Value Proposition

https://en.wikipedia.org/wiki/Customer_value_proposition

8 Tips for Successful Brainstorming

<https://ichibancommercialsolutions.com.au/eight-tips-brainstorming/>

FORMATTING AND STYLING

How to write things people will read

<https://jrstinclair.com/articles/2020/how-to-write-things-people-want-to-read/>

NOTES

Use this page for any notes, questions or comments

DISCLAIMER

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