

STRATEGIC MANAGEMENT	CUSTOMER RELATIONSHIPS	PRODUCT & SERVICE DEVELOPMENT	PRODUCTION	PROCUREMENT & LOGISTICS	ENTERPRISE SUPPORT	MARKETING & SALES	FINANCE & CONTROLLING
Strategy Development Develop Vision/Mission Define Strategy Track Strategy Adapt Strategy Manage Strategy	Customer Management Identify Customer Manage Customer Manage Customer Hierarchy Manage Community Manage Org. Context	Engineering Manage Requirements Design Products Conceptualization Construction	Production Design & Planning Manage Production Requirements Define Production Process Define Production Site Plan Material Requirements Manage Waste Disposal	Purchasing Manage Purchase Requirements Manage Purchase Order Manage Purchase Catalogue Tendering Manage Purchase Requisition Approve & Transmit Order Manage Purchase Procedure Manage Category	IT Management IT Strategy Management EA Management IT Service Management Application Management Technology Management IT Project Management	Sales Qualify Opportunity Manage Client Advise Client Create Specific Offer Negotiate Offer Create ERP Manage Trials	Controlling Business Planning Cost Accounting Forecasting
Organization Development Coordinate Process Strategy Plan Long Term Develop Organization Goals Strategize Business Unit	Contact Management Outbound Contact Inbound Contact Classify Demand Route Contact Contact Interaction Manage Interaction	Quality Management Test Initial Quality Track Quality Manage Debugging Manage Product Document	Production Steering Retrieve Product Information Monitor Production Process Localize Product Bill of Material Management Deliver Product	Sourcing Define Sourcing Strategy Define Sourcing Requirements Manage Sourcing Tender Process Decide On Sourcing	Workforce Management Deploy Workforce Workforce Planning Manage Work Order	Demand & Offer Management Identify Customer Manage Customer Profile Manage Customer Hierarchy Manage Community Manage Customer Manage Org. Context Identify New Channels	Payroll Time Stamp Report Manage Payment Process Taxes
Mergers & Acquisitions Manage M&A Strategy Manage M&A Track Acquisitions Manage M&A Integration	Customer Scoring Define Customer Risks Manage Customer Risks Check Credit-Worthiness	R&D Manage Product Portfolio Manage Innovation Manage Patent Manage R&D Process	Production Order Management Plan Supply Quantity Plan Production Orders Manage Order Validity Plan Production Program Pre-production Planning	Logistics Management Manage Returns Manage Logistic Order Manage Transportation Manage Demand Forecast	Information Management Define Reports and KPIs Gather Data Process Data Illustrate Data Govern Data	Customer Success Management Manage Customer Onboarding Increase Customer Lifetime Value Avoid Customer Churn Define Plans for Customer Upsell Manage Upsells Terminate Contracts	Treasury Foreign Exchange Management Financial Risk Management Cash Management
Manage Core Business Evaluate Existing Products Manage Bus. Performance & Ops Coordinate Projects Manage Projects	Order Management Validate Order Track Order Bundle Order Steer Order Cancel Order	Requirements Definition Evaluate Existing Products Review Demand Manage Materials Require Distribution	Machine Management Build Machine Operate Machine Calibrate Machine Manage Machine Information Optimize Machine	Supplier Contact Management Manage Supplier Collaboration Manage Supplier Registration Classify Supplier Offer Manage Supplier Contact Routing	Knowledge & Research Management Manage Knowledge Manage Research Manage Tech Scanning	Tax Management Handle Trading Tax Settlements Tax Returns Mgmt. Tax Planning Strategies Tax Determination Manage Tax Questionnaire	
Innovation & Technology Management Scout Trends Manage External Innovation Manage Internal Innovation Manage Innovation Process Track Innovation	Contract Management Manage Contract Negotiate Contract Manage Frame-Contract Manage Product Usage	Method Development Define Method Validate Method Refine Method Execute Method	Materials Management Manage Containers Handle Dangerous Goods Fetch Material Manage Material Requirements Manage Incoming Materials	Supplier Contract Management Negotiate Supplier Contract Enact Supplier Contract Manage Supplier Contract Manage Supplier Frame Contract	Enterprise Risk Management Manage Compliance Manage Fraud Manage Insurance Manage Security Business Continuity	Marketing & Sales Development Define M & S Requirements Monitor Channels Develop M&S Channels Develop M&S Messages Define Customer Value Proposition Define Marketing Budget	Settlements & Payments Account Payables Travel & Expense Management Billing Revenue Cycle Management
Externals Management Evaluate & Select Maintain Contracts Monitor Performance Manage Payments Terminate Contracts	SLA Management Track & Report SLA Breaches Manage SLA Violations	Product & Service Delivery Schedule Production Manage Production Test Quality Performance Manage Product Traceability	Maintenance Manage Maintenance Plan Handle Spare Parts Recognize & Recover Failure	Warehouse Management Material Disposition Restocking Packaging Manage Claims Shipping Manage Inventory Commissioning Goods Receipt & Service Entry	Enterprise Effectiveness & Project Management Manage Portfolio Manage Programs Develop Projects	Asset Management Investment Planning Decommissioning Asset Performance Mgmt Manage Asset Lifecycle	
Strategic Business Initiatives Develop Strategic Initiatives Evaluate Strategic Initiatives Select Strategy Establish High-Level Measures	Production Preparation Align Resources Procure Materials & Services Select Suppliers & Developers Master Production Schedule	Change Management Manage Deviation Allowance Analyze Deviations Access Deviations Plan & Execute Deviations Trace Deviations	Change Management Manage Deviation Allowance Analyze Deviations Access Deviations Plan & Execute Deviations Trace Deviations	Human Resources Management Manage Employee Manage Payroll HR Policies & Processes Recruiting Manage Talents	Legal Corporate Governance Policies Preventive Law Program Dev. Ensure Compliance	Accounting Manage General Ledger Enterprise Consolidation Cost Accounting External Reporting Performance Reporting Inventory Valuation Investor Relations	
Business Concept External Assessment Market Surveys Internal Analysis Concept Establishment Restructure Organization	Market Testing Market Survey Analyze Customer Intelligence Evaluate Market Opportunities Establish Measures	Infrastructure Management Plan & Control Construction Operate Site Infrastructure Build Site Infrastructure Manage Location Restrictions	Infrastructure Management Plan & Control Construction Operate Site Infrastructure Build Site Infrastructure Manage Location Restrictions				

BEST PRACTICES

Business capability modeling is a technique for the representation of an organization's business anchor model, independent of the organization's structure, processes, people, or domains.

Don't overlap
 Good capabilities do not overlap; they are mutually exclusive. A good test is to check whether you can assign Level 2 capabilities without ambiguity.

Define "What"; not "How"
 Business capabilities encapsulate what a business is doing right now and what it must be doing to meet current and future challenges.

Long-term stability
 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 at the 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.

Breadth rather than depth
 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 represent the IT landscape of your enterprise.

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 and 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.