



An introduction to  
CAPABILITY

shirlaws  
Love Enterprise

## Introduction

### Purpose of this document

This document provides an introduction to the concept of the Shirlaws Capability Framework.

## What is the Capability framework about?

### Context – capability

This is a management process designed to help a business determine whether it has the management **capability** to implement strategy. This means, determining whether the business has the management capability to implement the three (3) focus points as identified using the ✓ – ✗ process.

### Content

This framework helps the executive team to:

- 1 Measure internal capability to implement strategy
- 2 Assess the quality, skills and experience of its infrastructure to create growth
- 3 Determine management professional and personal development priorities.

The capability measurement is based on 20 frameworks across a page, with five layers down (width/depth).

### Commercial and Cultural Outcomes

Whenever a Shirlaws framework is implemented within a client's business, it is necessary to identify, quantify and qualify the **commercial** and **cultural** outcomes of that implementation process.

In this context, commercial outcomes are those that can be quantified by numbers, the facts, figures – the hard side of business.

Cultural outcomes are based on the softer side of the business, i.e. feelings, emotions, behaviours.

Some examples of commercial and cultural outcomes from implementing Capability in a business may include:

- A succession plan
- A training and development plan for management
- Increased productivity
- Increased job satisfaction
- Controlled growth resulting due to increased skills within the management team
- A commercial hit
- Sense of belonging
- High performing teams
- Reducing risks – peace of mind

Example questions a client could be asked:

- What do you want for the business?
- What do you want personally?
- What are the issues?
- How do you up-skill and develop your management team?
- If your management team had the quality, skills and knowledge to take your business to the next three phases of growth, how would you feel?

## An introduction to Capability

The management team of a business is its greatest asset; an important part of its infrastructure. So how capable is the client and his/her team to grow the business?

While some aspects of business – like turnover or number of employees – are easy to measure, it can be difficult to put a score on management skills. Even if it were possible, how would the score be used to prioritise development of skills and create strategic priorities for the team to address?

“Capability” is the term that Shirlaws uses to describe the quality and skills of the management team of a business. This doesn’t mean the specific technical skills which are particular to a business, but rather the general skills required to run a business successfully.

In measuring the capability of a team or an individual two dimensions must be considered:

**Width** – This is the range of skills you have, for example marketing, sales, decision making, managing staff and so on... and

**Depth** – of skills, or how capable you are at that particular skill. For example, if you are a golfer, are you a good all-rounder, or an ace putter or a phenomenal driver? A good all-rounder is said to have “width”; a specialist in one particular skill is said to have “depth”.

Every business’ capability is a combination of the two.

This framework provides a tool for evaluating the capability of the management team and to identify those areas which would most benefit from improvement.

## What does the Capability Framework look like?

The following is a depiction of the core diagram for the Capability Framework.

Layer	Managing Staff	Strategy	Managing Your Money	Structure	Equity Value	New Products P1 P2	Marketing	Source Clients	Converting Clients	Loyalty of Client Base	Servicing Clients	Culture	Decision Making	Lifestyle Balance	KPIs	Infrastructure	Communication	Training	Business Cycle	Management Team
1																				
2																				
3																				
4																				
5																				

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