

Core Capability Finder

You can't magically make innovation happen – you need to bring together key resources, knowledge and people. And you'll need 'complementary assets' – the 'who else?' and 'what else?' pieces of your solution jigsaw puzzle. But there's also much that you can bring to the party and so it is worth exploring what you and your team have to offer. **What are your core capabilities?** Core capabilities are the things that you are good at, **they can be systems and culture, processes knowledge, know-how, and connections, technologies or key activities.** The key thing is that they are things that are critical for your success.

STEP 1: LIST THE CAPABILITIES YOU HAVE IDENTIFIED IN THE TABLE BELOW.

If you have used our Core, Modular, Hackable and Component Codification tool, a good place to find potential core capabilities are in the 'core' column of that tool. Assess each and ask, is it a core capability as well as a core component, or, does component provide us with the possibility of applying this capability to other things (think Dyson's vacuum and blowing capability enabling them to move beyond vacuum cleaners to producing hand dryers, fans etc.). If you haven't, that's ok, just think through examples of some of the areas boldened above, and identify any of these that you think is key for your organisation.

List out all of your capabilities in the first column of the table below.

STEP 2: IDENTIFY WHICH OF THE VRIN ATTRIBUTES OF EACH CAPABILITY.

How do you understand whether a capability is really core or not? We do this by assessing whether they have one or more VRIN characteristics.

- Valuable - When capabilities are valued highly by your organisation and others.
- Rare – Not many, if any, other organisations have this capability at the level you do.
- Inimitable – Can the capability be easily developed or copied? If not, then it is inimitable, i.e. hard to imitate.
- Non-substitutable – Is there a different way of delivering the results of the capability? If there isn't, then the capability is non-substitutable.

As you go through each capability in your list, assess whether it has one or more of the VRIN attributes. If it has one or more, then it is likely to be a core capability.

Place a tick in the relevant VRIN cell for each one, then put a 'yes' or tick in the 'Core?' column if you have identified one or more VRIN attributes. If the capability does not have any of the VRIN attributes place a 'no,' or cross in the 'Core?' column.

	Capability	Valuable	Rare	Inimitable	Non-substitutable	Core?
1.						
2.						
3.						
4.						



For the next step of your innovations and organisations journey, are there other capabilities you need that you don't have? If there are others, then you will need to decide, a. whether to develop them yourself, or b. find an organisation that does have them. Think through who might have them. If another organisation has them, then you need to decide the best approach to gaining access to them through things such as partnerships, joint ventures, licensing or mergers and acquisitions.

STEP 3: GAINING NEW CORE CAPABILITIES.

Complete the table below by identifying core capabilities that you need for the next stage of the journey. Then identify who else might have them. Once you have done this, decide on whether you will need to build the capability internally, or whether you will try to access them externally through the organisations you have identified. Then outline how you will do this

Core Capabilities Needed	Who/where else to get them?	Build internally, or access externally?	How?

