



# Building a Capabilities Statement



Stand out in a competitive marketplace with a strong and meaningful capabilities statement



# Learning Objectives

- At the end of this module, you will be able to:
  - Identify the reasons a strong capabilities statement helps you do business with federal agencies.
  - Identify the key components of a capabilities statement.
  - Create a capabilities statement that can effectively sell your company to potential clients.



# About FDIC Small Business Resource Effort

- The Federal Deposit Insurance Corporation (FDIC) recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resource Effort to assist the small vendors that provide products, services, and solutions to the FDIC.
- The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching, and guidance where applicable.
- This product was developed by the FDIC Office of Minority and Women Inclusion (OMWI). OMWI has responsibility for oversight of the Small Business Resource Effort.



# Executive Summary

- A capabilities statement tells potential clients who you are, what you do, and how you are different from your competitors.
- To be competitive in the government contracting marketplace, you must have a strong capabilities statement that differentiates your company from your competitors.
- A capabilities statement can help you open doors and target new opportunities or customers, no matter what size company you represent.



# What is a Capabilities Statement?

- A capabilities statement is a snapshot of your company - this is essentially your business' resume. It should convey a concise synopsis providing enough information for potential customers or investors to gain confidence in your company. Specifically state why potential customers or investors should select your business.
- Its primary purpose is to assist your company in obtaining financing, investors, or new business contracts.
- Its secondary purpose is marketing, as the information is valuable in and of itself as well as for inclusion in brochures, web sites, and other promotional literature.
- Many government agencies require a capabilities statement be submitted with bids. Similarly, prime contractors can require potential subcontractors to submit capabilities statements before doing business with them.



# Avoid the Goldilocks Syndrome

- Too Long:
  - Lengthy capabilities statements will only cause the reader to lose interest.
  - Make sure you understand who or what the request is for and tailor it accordingly.
- Too Vague:
  - Every sentence should have a purpose and contain pertinent information.
  - Including information that sounds impressive, but has no real substance will make your company look unqualified.
- Too Exaggerated:
  - Be careful not to oversell your capabilities. You will be disqualified for the current bid and may damage your reputation for future business.
  - All information should be true and accurate.
- Just Right:
  - No capabilities statement will be a one-size-fits-all.
  - Have a clear understanding of the project and tailor your capabilities statement accordingly.



# Capabilities Statement Format

- There are three standard types of capabilities statements:
  - **One Page:**
    - Is used to open doors and make introductions for you and your firm.
    - Each sentence is given careful consideration because space is a premium.
    - May be double sided.
  - **Brochure:**
    - Is usually included in responses to Request for Proposals (RFPs).
    - May be an electronic document or professionally printed and is generally no more than 12 pages.
  - **Presentation:**
    - Is a more detailed presentation providing a greater amount of information.
    - It may be a self-guided presentation or require a presenter.
    - While it may be more lengthy, it shouldn't be too exhaustive or unnecessarily wordy.
- The scope of the request will dictate which format should be used for what project.



# What to Include: Core Competencies

- A core competency is:
  - A unique factor or specific expertise provided by your company. It typically encompasses a company's combined experience and creates sustainable competitive advantages and offers the customer substantial benefits.
  - Can take various forms, including technical/subject matter expertise, a distinctive process, or close relationships with customers.
- How to develop core competencies:
  - It's hard for competitors to copy or imitate.
  - It provides an avenue for repeatable business.
  - It offers benefits to the company and provides value to the customer.
- To build your core competencies, analyze your operations and your experience to determine what your unique capabilities or offerings are.
- Core competencies should be continuously refined as your business grows, gains market share, and as products or services are modified.





# What to Include: Past Performance

- List your clients and the work you've completed for them. If you have numerous clients or significant past performance, select and prioritize based on relevancy to the project scope or potential customer's needs.
- Include customer testimonials and positive quotes regarding engagement experience or present case studies to add dimension to your capabilities statement.
- Past performance should describe the customer's situation or need, the resolution you provided, and the value your company added. Include key metrics, such as meeting deadlines on time or ahead of schedule.
- For targeted opportunities, consider including client reference information, include name, title, email address, and phone number. Do not include this information in broad marketing campaigns. Make sure you have client authorization prior to including reference information. Do not include confidential client names.



# What to Include: Differentiators

- Explain how your company is unique, different, and distinct from your competitors in responding to the needs of the client.
- Define and explain the needs of your clients and why your firm is/was better positioned than others to respond to these needs. State why the customer should pick your company over other competitors.
- To develop differentiators, ask yourself these questions:
  - What distinguishes your products or services from competitors?
  - How does your team create an advantage over your competitors?
  - How and why is your company best suited to meet the customer's needs?
  - What is it about your services that make you stand out from the rest?
- If these benefits cannot be clearly communicated, it is impossible for a decision-maker to select your company over one of your competitors. Many companies fail to differentiate themselves from competitors and lose contracts because of it.



# What to Include:

## Corporate Data *(Slide 1 of 2)*

- **Office Locations:** Identify the geographical locations from which your company operates. Include: physical address, contact name and details, office telephone, office fax, email address, etc.
- **Company Data.** Include the size of your firm, your revenue, your available resources, your insurance and bonding capacity, and the typical geographic area you serve.
- **Relevant Codes:** Include your DUNS, CAGE, NAICS, NIGP, or other relevant codes.
- **Web Address:** Include your web site for additional information. Make sure your web site is consistently updated and customer-focused.
- **Social Media:** Include Twitter, Facebook, LinkedIn, or other social media information. Ensure your social media content is periodically refreshed and remains current.



# What to Include:

## Corporate Data *(Slide 2 of 2)*

- **Accolades and Certifications.** Include awards, certifications, permits, and licenses you have earned or obtained.
- **Facilities, Tools, or Technologies:** Include your partners, enterprise architecture, computers, or any other technology that will be leveraged to support your client.
- **Financial Data and Firm Size:** 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.
  - **Mission and Vision Statement:** Include a statement about:
    - Your company's purposes, goals, and values.
    - Your commitment to key stakeholders, including customers, employees, shareholders, and communities, as applicable.



# 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.
- Tailor your capabilities statement to meet the specific needs of a potential customer or project.



# Key Takeaways from This Module

- 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.



# Sources and Citations

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