

## COMPETENCES FOR COMPETITIVE ADVANTAGE

We define a competence as a set of related skills or capabilities that an organisation uses to create value.

Core competences are those sets of skills or capabilities that represent 'cost of entry' i.e. they are needed just to be able to 'play the game'.

Distinctive competences are the things that an organisation does better than their competitors or does uniquely that distinguish or differentiate them from the 'pack'. This is the source of current and future competitive advantage.

Complete the matrix. Start with existing core competences.

Then consider any core competences that you may need to acquire. Generally this should be a null box given that a core competence is as necessary condition for entry.

Now apply your mind to distinctive competences. You should not have more than 4-6 entries in both the 'exist' and 'acquire' boxes. Why? Because you cannot develop excellence in too many areas.

	EXISTS	ACQUIRE
<b>D I S T I N C T I V E</b>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>
<b>C O R E</b>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>