# **Core Competency Identification Tool**

***Adapted from upBOARD*** (upBOARD, 2020)***.***

***Interactive Excel spreadsheet available*** [***here***](https://upboard.io/core-competence-analysis-online-tools-templates-software/)***.***

***Get helpful background information on core competencies*** [***here***](https://strategos.com/core-competencies-drive-growth/)***.***

Core Competence Analysis is the process of identifying a company’s fundamental strengths and attributes that are unique and serve to differentiate it from its competitors, as well as how to capitalize on these core capabilities to build sustained competitive advantage. To be a true core competency, it must be relevant to the needs of customers such that they are strongly compelled to purchase your product or service, it must be difficult for competitors to imitate, and it must be applicable to a wide variety of potential markets accessible to the company.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Competencies** | **Description** | **Importance** | **Defensibility** | **Competency Strength** |
| **What are our key strengths (technologies, assets, business models, capabilities, etc.)?** | **What does this competency allow us to do?** | **How strategic is it for the future? (1 = Low;**  **10 = High)** | **Can competitors copy it? (1=Easy; 10=Hard)** | **Score of 15 or higher indicates strategic capability & likely differentiator** |
|  |  |  |  | **0** |
|  |  |  |  | **0** |
|  |  |  |  | **0** |
|  |  |  |  | **0** |
|  |  |  |  | **0** |

**Sample core competency analysis for Amazon**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
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| Innovative infrastructure and logistics | Provide fast delivery | 10 | 7 | **17** |
| Effective customer relationship management | Deliver excellent customer service | 8 | 4 | **12** |
| Effective supplier relationship management | Provide a wide range of products at cheaper price | 9 | 6 | **15** |