

**CONCEPTUAL,  
HARD TO QUANTIFY,  
LARGELY INVISIBLE BUT  
FOR THEIR EFFECTS**



**SPECIFIC,  
EASY TO QUANTIFY,  
IMMEDIATELY VISIBLE**

ELEMENT	DESCRIPTION
CONCEPTUAL FRAMEWORK	An organisation with capacity has a conceptual framework upon which all other capacity is built. It is the organisation's competent working understanding of its environment and its place within it. The conceptual framework serves as the overarching frame of reference from which decisions are made. In this sense it is similar to an individual's moral code or a theory's fundamental axioms. It is an enduring and robust element but also subjectable to critique and evolution.
ORGANISATIONAL ATTITUDE	This element serves as the organisation's sense of agency or locus of control – the belief that it has the capacity to affect its own circumstances, rather than blaming external factors for poor performance. Organisations that were more successful were found to have leadership and strategy that took responsibility for external challenges and managing their impacts. The organisational attitude reflects a confidence to prepare for and meet challenges.
VISION AND STRATEGY	Vision and strategy comprise the organisation's sense of purpose that allows it to plan and implement courses of action and adapt them in a manner that is well-considered and rational. Many organisations have a mission statement or similar definition of their purpose or vision. Capacitated organisations succeed because their vision and strategy is derived from and borne of their conceptual framework and organisational attitude.
ORGANISATIONAL STRUCTURE	Following in sequence, the organisational structure can be developed to best support the vision and strategy. As a more concrete and visible element (compared to the higher-order elements) examples of organisational change in any industry often centre on organisational restructuring. Without roles and functions being clearly defined with respect to the vision and strategy however, the organisation risks incapacitation.
ACQUISITION OF SKILLS	With the organisational structure articulated, the development or extension of knowledge, skills, competencies and other abilities can be pursued. This is fundamentally an aspect of training and can be addressed relatively easily through in-house or external courses. Although skills acquisition is presented in sequence here, it is recognised that a well-trained and abled organisation impacts the confidence to meet its challenges as outlined in the organisational attitude element. In this sense skills development may be prioritised earlier, however if an organisation has a poor understanding of itself (the conceptual framework), lacks meaningful strategy, and is not adequately structured, then the impact of training is lessened – trainees don't understand the purpose of the training or its outcomes aren't retained.
MATERIAL RESOURCES	These are a necessary and fundamental aspect of a business being in operation and typically include hardware, software, office space and financing. An organisation that lacks some basic level of resources will necessarily be incapacitated, no matter how well-defined the other five elements are. To continue the leaking tank analogy, even a perfectly constructed tank still ultimately needs filling.