

EXTENDED ENTERPRISE

WHY IS IT IMPORTANT TO UNDERSTAND CONTEXT?

Risks change depending on the internal and external context in which they are situated.



Change can happen really quickly, therefore the better the model we have of our context, the easier it is to adapt.



We can also pre-empt changes in our context and therefore proactively manage our risks, giving us an advantage over competitors or situations in general.



THE EXTENDED ENTERPRISE

INCLUDES BOTH THE INTERNAL AND EXTERNAL CONTEXT



The internal context is anything going on inside a team or direct sphere of influence. It can often be managed.

The external context is anything occurring outside our organisation. Often these risks cannot be directly managed.

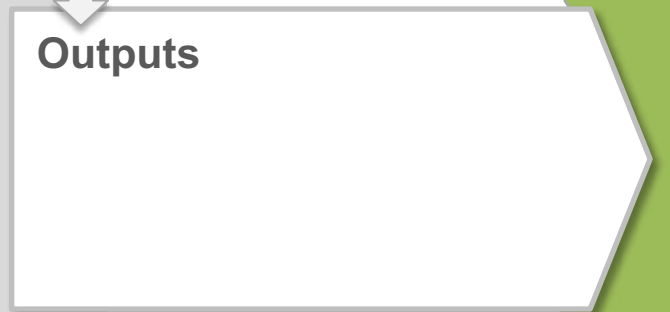


THE EXTENDED ENTERPRISE:

1 CORE ACTIVITIES Pitch the assessment at the desired level by asking what the organisation / project or team does. Encourage all participants to describe in their own words.

External influences

3 OUTPUTS Provided the inputs and core activities are in place and working, what is produced (both positive and negative outputs). For example: products, waste, enhanced skills, tax...



2 INPUTS What is required in order for the core activities to be able to be undertaken. For example: raw materials, skills, capital, electricity, demand for product...

External influences

4 EXTERNAL INFLUENCES Anything outside of the main value chain that may impact on the inputs, core activities or outputs. For example: Government policy, foreign exchange rate fluctuations, extreme weather events...

OBJECTIVES

A teams' objectives often become clear during the construction of the outputs. Ideally these objectives should be Specific, Measurable, Achievable, Realistic, and Timebound.

SYSTEMS THINKING

The Extended Enterprise is a very simple tool to support teams in thinking in an interconnected manner outside of their own core activities. It therefore promotes empathy between teams and network thinking.

External influences

**CORE
ACTIVITIES**

Inputs (e.g. raw materials, skills).

Outputs (e.g. products and waste).

External influences