

Another area where the risk management discipline has developed in recent times is the approach that is referred to as enterprise or enterprise-wide risk management (ERM). Risks to the continuous supply will include unavailability of ingredients, disruption to manufacturing activities, contamination of the product, breakdown in supply transportation arrangements and disruption to distribution. This will involve analysis of the supply chain, evaluation of manufacturing activities and analysis of the delivery arrangements. This enterprise-wide approach has considerable advantages, because it analyses the potential for disruption to the overall stakeholder expectation. Health and safety, for example, is then viewed as a component in ensuring that staff are always available so that the overall process will not be disrupted, rather than (or perhaps as well as) a separate hazard management issue. A good example of the ERM approach is the pharmaceutical industry.