

Guide: Resource Based View



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Internal Analysis

Introduction

Stage 3 is where you start to define the need in relation to your organisation. As part of defining the needs statement the platform allows you to set a series of strategic questions at a project level which will help you and your team to refine and develop a deeper understanding of the needs. Many of these questions touch on the internal capabilities of the organisation. This section sets out an approach to internal analysis based on the Resource Based View.

Understanding your resources and capabilities

Building confidence in the needs you have identified is a key part of EBNLab, at Stage 3 the focus shifts subtly from asking whether this needs represents an opportunity, to asking you to consider that opportunity in the context of your organisation and its capabilities. The Strategic Alignment Score is a measure of that allows you to assess that fit, and feasibility questions consider the alignment with the organisation's capabilities.

The Resource Based View of an organisation suggests that sustaining a competitive advantage arises from the alignment of resources into capabilities that create value through meeting needs. Resources are separated into:

- Tangible Resources, like premises, equipment, machinery or finance
- Intangible, like technology, reputation or culture
- Human, the skills knowledge and capacity of your team

These resources align into capabilities, things that the organisation can do, and these capabilities are what the organisation does to create value. These are organisational routines that ensure consistency, however, there are tensions:

- Tensions with changes in the external environment, where you can drift
- Tensions internal drives to innovate, which can disrupt routines

The ability to create value relies on the dynamic alignment of internal capabilities with an analysis of external factors. In order to sustain that value creation, you need to be able to isolate and protect your key resources and capabilities.

As a process, it is a useful way to reflect on your capabilities, and these are vital things to consider when addressing the Strategic Alignment questions. The consideration of these questions is best done with others, this will help you generate a deeper understanding of the need as you refine and develop it. In addition, we can facilitate an internal analysis session with you through EBNWorks.