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BUSINESS DESIGN FRAMEWORK: EXPLORATORY CONCEPTS

Sébastien Caisse
Benoit Montreuil

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Sébastien Caisse

Ph.D. Researcher
Université Laval
Pavillon Palasis-Prince, laboratoire 2637
Québec, Québec, Canada G1K 7P4
418-656-2073
Sebastien.Caisse@centor.ulaval.ca

Benoit Montreuil

Bell-Cisco e-Business Design Chair Professor
Canada Research Chair in Enterprise Engineering
Université Laval
Pavillon Palasis-Prince, bureau 2636
Québec, Québec, Canada G1K 7P4
418-656-3124
Benoit.Montreuil@centor.ulaval.ca

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Abstract

We conceptualize the design of a business through a tetrahedral framework of four poles and twelve flows. The poles are Character, Creation, Offer and Stakeholder. The flows linking them are Alignment, Bundling, Contribution, Defence, Engagement, Feedback, Gain, Learning, Network, Orchestration, Role, and Threat. Our objective is to help researchers approach design at a higher conceptual level. We examine all poles and flows and present how simpler abstractions like faces and pole dyads can be used to probe design challenges, such as e-Business. We conclude with a presentation of future research opportunities.

How can we conceptualize the design of a business? This question can be answered in any number of ways, depending on what insight is sought. Our context is management in a post-modern constructivist era, where various cultural artifacts such as currencies and technologies vie for our attention. Our tentative answer takes the form of a framework which tries to capture the full richness of business with the most limited number of core elements (Argyres & McGahan, 2002). The framework is holistic in nature, a gestalt representation of numerous ideas implicitly or explicitly presented in business literature. Pigeonholing it in a given research stream may be tempting for specialists, but doing so risks emphasizing certain elements as more central to the construct, while all sixteen of them are equally important. The names given to these core elements are rooted in an unavoidable semantic minefield, and there is very real danger of importing polemics rather than harvesting new insight. One should try to understand our framework not as a Frankenstein of past constructs, but rather a new creature whose parts were identified with familiar names for simplicity's sake.

We formulate our answer through a framework because we are trying to create a business design toolkit. The interplay of the core elements provides us with such a set of tools. As shown in Figure 1, the framework uses four poles, linked by twelve unidirectional flows. The poles represent four basic ideas. A business requires the participation of individual human beings, and requires more than one individual to exist (note that the solo entrepreneur is no exception; he or she has no business without customers, suppliers, and etcetera). Its occurrence implies that these participants do something, which also implies that they have a motivation to do so.

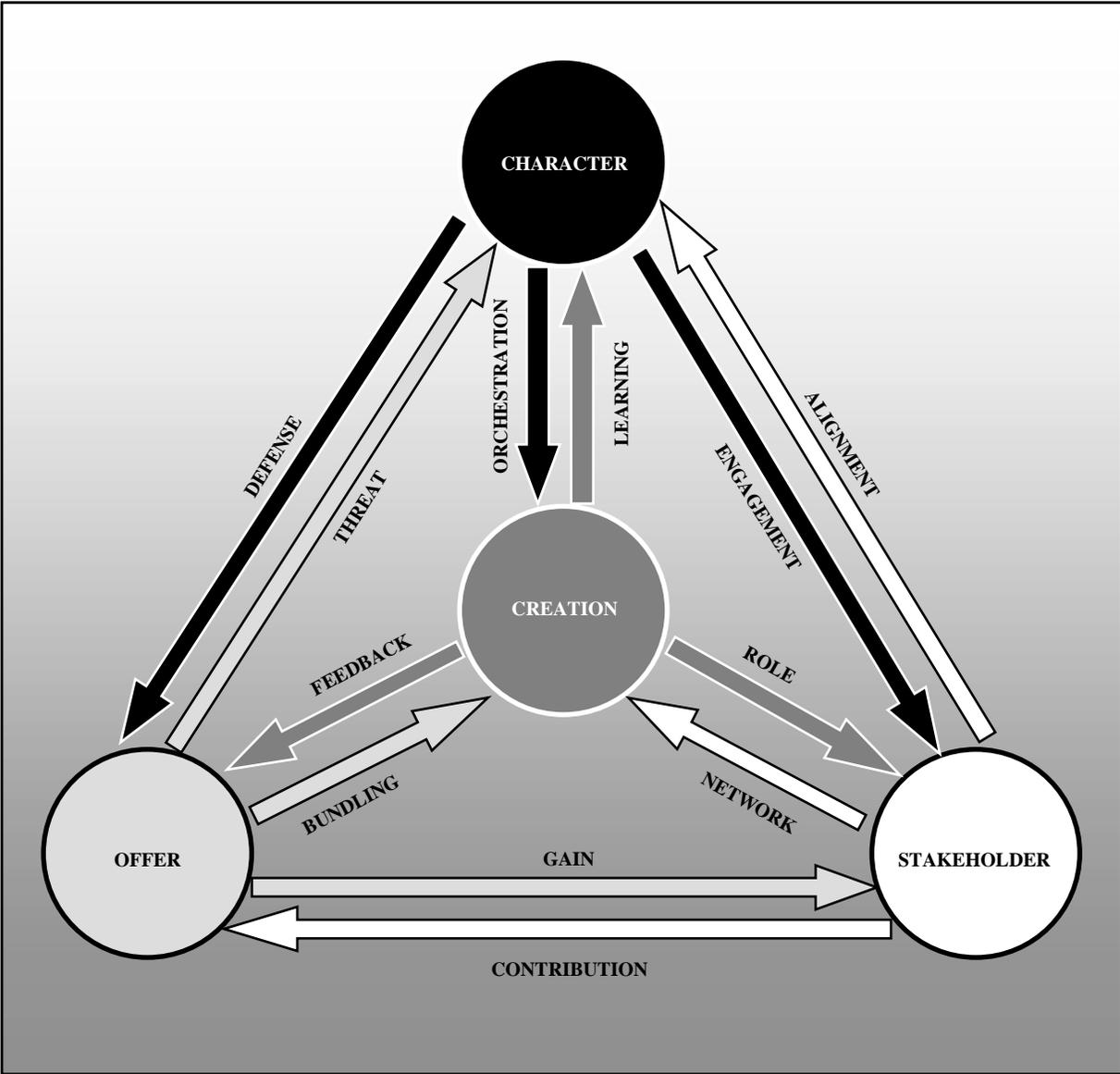


Figure 1. Tetrahedral Business Design Framework

Stakeholder is the singular; one person, one group, one legal entity relating to the business as a whole. Character is the plural; it is the collective actor and his praxis. Creation is the doing what, where, when, and how of stakeholders. Offer is the why, the glue aggregating the ones into the many. The flows linking them are Gain, Contribution, Role, Network, Bundling, Feedback,

Threat, Defense, Orchestration, Learning, Alignment, and Engagement. Each pair of poles, or dyad, is linked by a pair of parallel flows going in opposite directions. The overall can be represented as a tetrahedron. This representation provides us with our design toolkit. Pole dyads and triangular faces are examples of tools which can allow design at finer levels of analysis. They are used to climb down from our highly abstract tetrahedral framework, reducing the number of core elements one has to juggle with at any given moment (Ofori-Danka & Julian, 2001).

TETRAHEDRAL BUSINESS DESIGN FRAMEWORK

Our framework uses a metaphor of poles and flows in an attempt to emphasize the interplay of core elements. Each pole is related to other poles, and such relations are represented as flows. We first present poles and flows individually for presentation clarity but it should be clear that these elements are analytical abstractions that have no meaning if taken in isolation. This tetrahedral framework has no top, down, or center. It is without hierarchy, and each pole matters as much as any single flow.

Poles

Stakeholders are individuals, groups or organizations who participate in the business to achieve their goals and on whom the business is depending for its existence (Näsi & Näsi, 2002). We represent their participation as contribution, and what brings them closer to their goals as gain. Stakeholders are the loci of value. For example, take a book written in French. To a

francophone, the book may be valuable for its content. To someone who can't read French, it may have value as a collectible. To someone who hasn't seen a book before, it may be valuable as a curiosity or as an exotic form of combustible. The point is that in all three cases, someone created *potential* for value, but *actual* value was created by end users – what constituted value was different for everyone. One set of stakeholders can make educated guesses about what another set of stakeholders finds valuable, but they can never really know for certain (Firat & Venkatesh, 1995). While certain readings of value can be induced through cultural pointers, standards, ads, and etcetera, value ultimately lies in the eye of the stakeholder (Holt, 1997). Our framework thus refrains from using value as a pole or a flow.

Stakeholder theory can provide interesting insight on this pole, and vice versa. However, the fact that both share the same name can be problematic. First, we do not use the term *stakeholder* as a synonym for *role*, whereas stakeholder theory often presents stakeholders through roles such as clients, supplier, worker, and etcetera. In our framework, a stakeholder has one or more roles, undertaken in a network that describes relations in terms of creation activities. Stakeholders can be construed in categories such as primary vs. secondary, active vs. passive, economic vs. social, or core vs. strategic vs. environmental (Carroll & Näsi, 1997, as reported by Näsi and Näsi, 2002), based on what is relevant for the case at hand.

Creation is the process through which past, present and future contributions are transformed into new stakeholder value potential. It is the transformation of contributions through time. For example, take a writer supplying skill and ideas to a business in exchange of a salary. A computer is bought, using the money contributed by investors. The writer uses the

computer to write a story. Creation occurs: skills, ideas and tools are transformed into a story, which may or may not hold value for readers. Writers, investors, and readers are examples of roles undertaken by stakeholders in networks. Their interactions with one another's contributions are often described in terms of processes – short narratives about who does what, and how. Processes are artefacts of learning and orchestration. While some may strictly result from planning and others may strictly emerge from lessons learned the hard way, creation takes place in the meeting of the two.

This pole can be subdivided at will, depending on how granular one wants to get about creation (note that all elements of the framework can be explored this way, but doing so here would exceed the scope of this paper.) For example, one could distinguish between potential and realized transformation of contributions (Zahra & George, 2002). Creation should not be confused with creativity (Unsworth, 2001). Creation does not necessarily require novelty, but creativity, understood as the production of novel ideas that are useful and appropriate to the situation, is an important part of creation.

Offers are symbolic interfaces between stakeholders and the business (Levy, 1959). For every stakeholder, there exists an offer that links him, her, or it to the business. Products, services, jobs, stocks, and the context in which they are offered are all examples of this. Businesses formulate offers to attract stakeholders like employees, investors, end-users, and etcetera, and stakeholders contribute their own circumstances, such as employees contributing meaning to their jobs (Wrzesniewski & Dutton, 2001).

This dual nature of sign and meaning can be represented through a core and mantle metaphor. The core is that part of the offer which is bundled by the creation engine. It is educated guesswork, as informed by feedback, given coherent form like a product or a job offer. For example, cars are products. But are cars primarily transportation devices or status symbols for a given stakeholder? By themselves, cars are neither. They are piles of materials such as metal and plastic (though even that is debatable). It is stakeholder X who contributes the context which turns the product into an offer. Through publicity, the business can induce a context, but one must remember that publicity is itself an offer (Scott, 1994). The business may shout all it wants, there still has to be a stakeholder ready to listen.

The mantle is that part of an offer which is contributed by stakeholders (Firat & Venkatesh, 1995; Holt 1997). This refers to culture, circumstances, beliefs, and other soft concepts which are difficult to quantify. Perhaps the clearest examples of such contributions are to be found in brand names. A brand is, by itself, a small group of signs. Yet, stakeholders may grant much power to these signs. The business may work hard to induce perceptions, but ultimately, it is up to stakeholders to provide their meaning. For example, when someone travels to a country where most brands are alien, it should be clear that some of those brands are more trusted than others with locals – the traveller simply doesn't have any meaning to contribute to those brands yet, much like a child who encounters a new word for the first time.

Character is the manner in which stakeholders collectively conduct business. It is the praxis of the business as a whole, a particular type of collective human action situated in a given socio-historical context but driven by inevitable by-products of that context (Seo & Creed,

2002). It deals with competing forces from and amongst stakeholders and non-stakeholders (Fiol, O'Connor, and Aguinis, 2001). Character reflects the common good of all stakeholders, such as organizational survival and prosperity, and is the seat of elusive notions like culture, will, personality, identity, and soul (Collins & Porras 1997; Collins 2001).

It has been said in stakeholder theory that businesses have no goals of their own besides survival, since all other goals are stakeholders' inputs/demands in relation to their contributions/rewards (Näsi & Näsi, 2002). Survival can be said to be a character goal, because stakeholders who gain something from the business usually want this to continue. If it wasn't so, stakeholders wouldn't care about a business' survival. Hence, survival is a goal of character, because most stakeholders get ongoing gain from it – survival is something on which most stakeholders share alignment. Counter examples are all stakeholder goals that take away gain from other stakeholders in order to be accomplished, such as higher dividends for officials at the expense of higher wages for the regular work force. But the Character pole has another insight to offer when one looks at stakeholder alignment and engagement. Most stakeholders want more gain, which is why dealing with engagement and alignment is such a difficult balancing act in the first place. Again, getting more gain is something on which most stakeholders share alignment. Thus, we suggest that businesses have *two* goals imbedded in their character: to *survive*, and to *prosper*. Character can act on these two goals in a Yin-Yang metaphor that shows what is worth defending, such as preserving core values and purpose, and what can be done to react to threats, such as changing cultural and operating practices, as well as specific goals and strategies when needed (Collins & Porras, 1994).

Flows

Contributions are past, present and future stakeholder inputs in the business, like money, time, talent, skills, and etcetera. While tangible contributions (like real estate and computers) and intangible contributions (like knowledge and talent) are not distinguished at this level of abstraction, one can easily do so. This flow explains why the business seeks stakeholders – it depends on stakeholder contributions for its existence. For example, buildings and trademarks owned by the business are the sum of past contributions like financing and hard work. Warranties and prestige are based on future contributions, like the promise to honour engagements or not to dilute a brand. Contributions, as all framework elements, are fluctuating, temporal entities. The promise of future contributions, which may involve improvements on past contributions, is itself a contribution.

Gain is enabling or relieving stakeholder value creation (Normann, 2001). When creation fails to turn into gain, the stakeholder has no incentive to pursue the business relationship. This explains the motivation behind stakeholder participation in the business. Everyday examples include bookstore customers who buy reference books because they enable them to learn new facts or relieve them from personally gathering those facts; employees who work for salaries, money being itself an abstract commodity constructed to enable or relieve value creation; and members who want to promote their interests and affirm an identity through a community (Rowley & Moldoveanu, 2003).

Bundling is the aggregation of gain potential in coherent forms called offers, which can readily be turned into value by stakeholders. Businesses only bundle part of the potential value they create (Shapiro & Varian, 1999). For example, in the movie adaptation of the Lord of the Rings trilogy, the potential value that was created exceeded any individual offer that was made. A lot of footage that didn't make it in theatres ended up on DVD. But the movie premiere experience of ecstatic, costumed fans waiting in lines can't be delivered on DVD. No single offer summed up *all* movie buff gain potential. Bundling can be explicit or implicit, and planned or emergent. For example, a job offer may bundle certain tasks and explicit working conditions, implicit challenges and career outlook, and emergent characteristics like a city's quality of life or a studio's team spirit (Wrzesniewski & Dutton, 2001). Gain potential that is not intentionally bundled is usually much harder to validate through feedback, though. Not knowing what constitutes gain for stakeholders makes it much harder to evaluate what the business is creating right.

Feedback is stakeholder response to offers, validating or invalidating creation endeavours and bundling choices. A job offer says something about the skill and knowledge to be contributed. A product or service is generally accompanied by a price tag, telling buyers how much money is to be contributed to the business in exchange of gain. How stakeholders actually contribute to the business – how enthusiastically do employees work, how many products customers buy, etcetera – lets it know more about perceived gain and the adjustments that should be made in the creation pole. In addition to obvious information flows, profit is itself a form of feedback (Drucker 2001). It should be clear that feedback needs to be perceived if it is to be of any use. This implies that one or more stakeholders should have the role of gathering and

interpreting feedback in the business. The creation of meaning implies using interpretive lenses such as culture and experience. Feedback, like all framework elements, are constructed rather than given.

Roles are the masks worn by stakeholders in relation to the business. Note that a stakeholder can have more than one role. For example, Y Inc. is a *supplier* of X Inc., while Mr. Z is one of its *employees* and *customers*. This exercise in taxonomy clarifies what contributions are expected of each stakeholder and gives clues on what is gained in return. Many so-called e-Business models are in fact role descriptions made in the context of the New Economy (Hartman, Sifonis & Kador, 2000; May, 2000; Mohanbir & Kaplan, 1999; Rayport, Jaworski & Siegal, 2000; Sovie & Hanson, 2001; Tapscott, Tycoll & Lowy, 2000).

Networks describe how stakeholders are related in terms of creation activities (Martel & Oral, 1995; Poulin, Montreuil & Gauvin, 1994), and how their various roles interlock. At the framework level of abstraction, the door is left open to any configuration, including value chains (Porter, 1985, 2001), virtual value chains (Rayport & Sviokla, 1995), value webs (Tapscott et al., 2000), and any criteria used to distinguish between internal and external networks.

Alignment is the fit of individual stakeholder gain with collective stakeholder gain. This is closely related to our definition of stakeholders as individuals, groups or organizations participating in the business to achieve their goals and on whom the business is depending for its existence. If stakeholders do not gain from the business, they will quickly leave. There needs to be some form of reciprocity between stakeholders and the collective actor (Adler & Kwon,

2002). Misalignment sets the stage for change through the emergence of potential challengers, who are essentially stakeholders wanting more gain than what is provided by the existing order (Seo & Creed, 2002). Such change can be either constructive, benefiting the collective, or destructive, benefiting one stakeholder at the expense of the others. Examples of destructive misalignment abound, such as individuals illegally tampering financial statements in order to cash in on inflated stock options. Alignment, like all other core elements in the framework, can be made more granular if needed. For example, one can make a matrix of transactional and relational alignment and engagement features as relating to stakeholders and character in the context of international assignments (Yan, Zhu, & Hall, 2002).

Engagement is how the business binds stakeholders to itself, from informal trust to formal contracts. Engagement and its related flows and poles are particularly useful to design trust promotion tools and conflict resolution mechanisms that generate alignment, such as procedural and valuation organizational constitutions (Mills & Ungson, 2003). A more granular approach could use the corporate social responsibility construct (Carroll, 1979, 1991, 1993, 1997 as reported by Näsi & Näsi, 2002), yielding four types of engagement: economic, legal, ethical and discretionary. Keeping in mind that the Character pole represents collective stakeholder action, it follows that stakeholder alignment can also be described in these terms. For example, a stakeholder may simultaneously do good work, disregard his legal obligations regarding industrial secrets, and give away some of his time and energy to organise a special in-house event. While his economic and discretionary responsibilities are aligned with collective stakeholder gain, his legal and ethical responsibilities are not. In turn, character may engage stakeholders solely on the basis of economic and legal responsibility, disregarding ethical and

discretionary responsibilities. For example, the business may have the right to fire employees on two weeks notice, but doing so just before compulsory national vacations seems to disregard ethical and discretionary responsibilities.

Threat is the potential for future damage, such as dwindling contributions. Since offers are the interface between businesses and stakeholders, they are the instrument through which competition is felt. In other words, a business competes where it has offers. Hence, competition flows from offers to character, putting collective stakeholder gain at risk unless defences are built. We use the word *threat* rather than competition since offers also expose the business to other constraints and dangers, such as lawsuits. For example, a book may face other books in the marketplace, but may also face censorship or libel issues.

Defences are counter measures erected to protect past, current and future offers. Examples are intellectual property (Slywotzky & Morrison, 1998) and strategy as the creation of a unique position involving a differentiated set of activities (Porter, 1996). Defences are not always the result of planned efforts and can be emergent like unique competences or legislative protection. Note that defences and threats are not synonyms for good and bad. For example, monopoly is a defence against the threat of competition, but it is often regulated by governments to counter its negative impacts. Threats can strengthen character resiliency as the business learns to survive and surpass itself, while defences can foster overconfidence and stagnation.

Learning is creating better ways to create, since one of the main imperatives of the Creation pole is to adjust and improve. At the individual stakeholder level, this takes the form of

individual stakeholder gain, such as the rewards of experience. At the collective level, learning shapes character as various stakeholders learn to interact with each other in their creation endeavours. As with all parallel flows in the framework, learning and orchestration are complements: creation without orchestration would be chaotic, while character without learning would be stagnant (Mintzberg, Ahlstrand & Lampel, 1998).

Orchestration is setting the context of creation, such as favouring or inhibiting creativity. How stakeholders collectively orchestrate business implies some level of guidance over creation, including how learning is achieved. Orchestration can be implicit or explicit, and planned or emergent. Orienting the business toward a vision, stating a mission, or setting goals are all acts of orchestration set in time. Note that simplistic approaches like too much focus on profit may come at odds with legal imperatives, where the business could head in lucrative but illegal territory, such as narcotics or piracy. Profit is a legitimate orchestration tool, but must be complemented by other considerations. Individual and collective stakeholder motivations should not be confused. What individuals gain may have little connection with the context of creation in the business. For example, a movie studio may find no a priori incompatibility between the pursuit of profit at the orchestration level and the pursuit of artistic freedom at the gain level. The issue of compatibility is one of alignment.

BUSINESS DESIGN TOOLS

One of the key features of the framework is that it does more than list core elements. It represents them as a tetrahedron, which can intuitively be broken down into diverse parts, such

as faces, tips and edges. The ease with which one can devise these simpler abstractions makes it possible to reduce the number of core elements one has to juggle with at any given moment (Ofori-Danka & Julian, 2001). From sixteen elements, one can create tools that use only as few elements as required to explore the issue at hand. As shown in figure 2, toolkits of twelve pole-outflow or pole-inflow pairs, six pole dyads of two poles and two shared flows, or four triangular faces of three poles, with or without six shared flows, can easily be made. What makes up the right toolkit depends largely on what insight is sought.

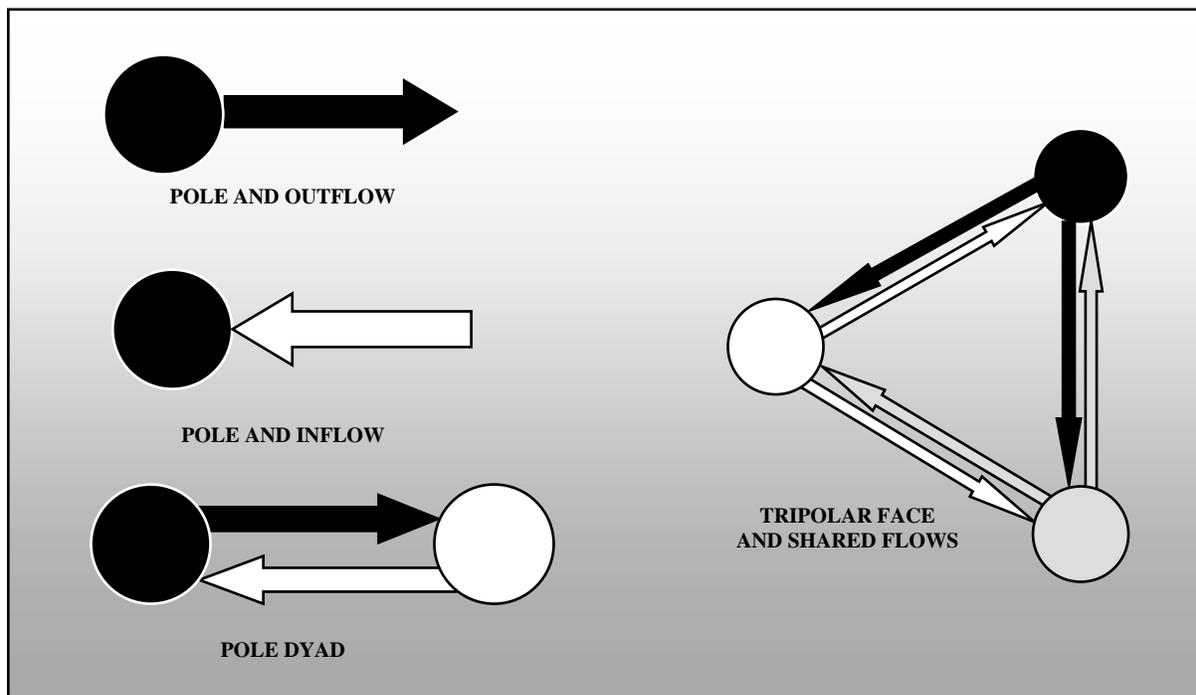


Figure 2. Business design tools

To bridge the gap between the conceptual framework and one's practical knowledge of an industry or business requires some effort. The use of the simpler tools first, like pole and flow

pairs, should facilitate such an undertaking. As one begins to populate poles and flows with personal knowledge and experience, gradually meshing the conceptual framework with less abstract ideas, fresh insight should begin to emerge. Other tools can then be used to probe what was previously assumed to be known and mastered, as one's business knowledge is explored anew and challenged through the design framework.

So that readers may appreciate the differences between the framework's various tools, here we present examples of what business knowledge one might explore and challenge through the use of the tetrahedron's four faces. Using the faces, one could focus on the trio of poles, and then reflect on its six constituent pole-flow pairs. In the *Creation-Offers-Stakeholders* face, creation uses bundling to generate offers; offers provide gain to attract stakeholders; and stakeholders assume roles to engage in creation. In parallel, creation articulates a network to structure stakeholders; stakeholders provide contributions to satisfy offers; and offers transmit feedback to validate creation. What offer stakeholder A creates for stakeholder B is the main question posed by this face. In the *Character-Offers-Stakeholders* face, character erects defenses to protect offers, offers provide gain to attract stakeholders, and stakeholders use alignment to build character. In parallel, character seeks engagement to bind stakeholders, stakeholders provide contributions to satisfy offers, and offers face threats which challenge character. Why stakeholders act as a collective actor is the main question posed by this face. In the *Character-Creation-Stakeholders* face, character conducts orchestration to guide creation, creation articulates a network to structure stakeholders, and stakeholders use alignment to build character. In parallel, character seeks engagement to bind stakeholders, stakeholders assume roles to engage in creation, and creation enables learning to improve character. How stakeholders act as a

collective actor is the main question posed by this face. In the *Character-Offers-Creation* face, character erects defenses to protect offers, offers transmit feedback to validate creation, and creation enables learning to improve character. In parallel, character conducts orchestration to guide creation, creation uses bundling to generate offers, and offers face threats which challenge character. How the collective actor ensures the continued creation of compelling offerings is the main question posed by this face.

Pole dyads as business design tools

Specific topics can also be explored using the framework. In what follows, we look at the main design challenges posed by e-Business by using a sample toolkit made up of six pole dyads. We do this to present the framework in action through a subject that has broad appeal. We also want to demonstrate that the framework takes into account the passage of time and technologies, without being dependant on any single socio-historical context. The use of dyads is purely illustrative, and identifying six e-Business design issues seems appropriate for the scope of this paper.

The six pole dyads only embrace two poles and two flows at a time. The dyads are: Offers-Stakeholders, Creation-Offers, Creation-Stakeholders, Offers-Character, Creation-Character, and Stakeholders-Character. In what follows, we tackle e-Business through the lenses provided by these six dyads: How is e-Business different from business as usual and what does this mean for the design of one's business? One of the defining features of E-business is the network effect. In short, the value of connecting to a network depends on the number of people already connected

to it (Shapiro & Varian, 1999). This is true of most languages and technologies. As an increasing number of businesses use electronics, the refinement of “e” grows. While a piece of hardware or software is first and foremost a stakeholder contribution in our framework, “e”, or the actual use of electronic technologies, leaves no pole or flow untouched.

The Offers-Stakeholders dyad. Offers provide gain to attract stakeholders, and stakeholders provide contributions to satisfy offers. The key feature of “e” in this dyad is that it makes highly diverse gain and contributions more accessible. For example, it is now possible for a Viking-age re-enactor from one continent to acquire Vinland-period encampment material from a blacksmith located on another continent. The knowledge required to develop this specialty rests on a connected expert community; advertising is made through a website; transactions are conducted through the Web; and etcetera. One could go on and on about the “e” aspects that made this basic business transaction possible, but the key feature is diversity. An ever broadening pool of offers can now provide highly customized gain to attract stakeholders from around the globe, and this growing cast of stakeholders can provide the unlikeliest of contributions to satisfy the most exotic offers (Kotkin & Friedman, 1995). The breadth and depth of potential gains and contributions are dramatically increased as the craftsmanship of humanity becomes accessible at the push of a button.

The Creation-Offers dyad. Creation uses bundling to generate offers and offers transmit feedback to validate creation. The key feature here is one of personalization. For example, Amazon.com (<http://www.amazon.com>) creates knowledge about books, systems to move books between stakeholders, software that makes all this manageable, and etcetera. It offers personal

pages that bundle a minute fraction of all knowledge created, where one can keep a wish list of books to buy. The offer is not merely books, but the personalized management of book browsing and buying. The offer evolves as stakeholders contribute preferences, use or do not use some features bundled in the personalized page, and proceed to buy certain books. This feedback tells Amazon.com which creation endeavors to pursue further. The speed and versatility with which bundling and feedback both occur are heightened through information technology and automated systems (Rayport & Sviokla, 1995). To sum up, creation of new gain potential is bundled more effectively in ever improving offers, and these increasingly personalized offers can transmit more meaningful feedback to validate or invalidate creation endeavors.

The Creation-Stakeholders dyad. Creation articulates a network to structure stakeholders, and stakeholders assume roles to engage in creation. One of the greatest impacts of the Internet has been to reduce costs for communicating, gathering information, or accomplishing transactions (Porter, 2001). An important part of e-Business is configuring or reconfiguring the business to take advantage of these reduced costs (Afuah, 2002; Hagel & Singer, 1999). For example, compare a local newspaper's ads section to online auctioneer eBay (<http://www.ebay.com>). Both are matchmaking devices between buyers and sellers, but eBay creates a much wider repository of offers, an entertaining price discovery mechanism, as well as a powerful trust fostering instrument through its user rating system. The resulting network is not only larger, it is also thicker: individuals can rate one another and thus create something that eludes the newspaper ads system. Stakeholders can now come from around the globe, and their roles include some recent additions, like e-retailers, infrastructure providers and trust intermediaries (Hartman et al., 2000; May 2000; Mohanbir & Kaplan, 1999; Rayport et al., 2000;

Sovie & Hanson, 2001; Tapscott et al., 2000). In essence, innovative creation articulates an expanded network to structure a growing cast of stakeholders, and these stakeholders may assume a wider variety of roles to create new gain potential.

The Offers-Character dyad. Offers open the door to threats which challenge character, and character erects defenses to protect offers. We have already noted that a broadening pool of offers is available thanks to e-Business. The corollary is that competition is intensifying in terms of speed, reach, quality, and quantity. Threats may come from anywhere around the globe. As all businesses come to embrace Internet technology, e-Business will no longer be an edge; it will simply be business as usual. In itself, e-Business is not a defense (Porter, 2001). What does strengthen defenses is that character grows in refinement as individuals and groups with varied backgrounds and skills become stakeholders. In other words, “e” makes it easier to locate and get the right people on board. In doing so, offers can be made more unique and distinctive. For example, take Peter Jackson’s movie adaptation of Lord of the Rings (<http://www.lordoftherings.net>). Highly specialized craftsmen were gathered to make this project possible, from sword smith to fuzzy logic specialist. The character of this business endeavor, its identity, its will, its resourcefulness, made it something unique, and this uniqueness benefited the offers, from movie premiere to DVD. While there is nothing new in assembling a quality team, the Internet and various “e” technologies played a significant role in making it possible on such a scale and with such precision (Kotkin & Friedman, 1995). To sum up, the expanding world of offers risk exposing character to a wider variety of threats, and character’s growing refinement encourages uniqueness as a defense for these offers.

The Creation-Character dyad. Creation enables learning to improve character, and character relies on orchestration to guide creation. The key idea here is communication. Learning and orchestration can both take place remotely from anywhere around the globe. The Internet facilitates learning by letting people access and share ideas online. Orchestration can benefit from the wealth of information available in digital form, from inside and outside the business (Cascio, 2000). For example, in BioWare's PC fantasy role-playing video game *Neverwinter Nights* (<http://nwn.bioware.com>), an editing tool allows gamers to create their own adventures. These creations can then be shared and accessed by the gaming community through the Web. The game's developers have taken creation to a new level by encouraging gamers to create reusable content. Character is thus made more potent by drawing upon the continued participation of a large number of stakeholders and both orchestration and learning are partly conducted and achieved through "e" tools like web communities. The communications capabilities of the Web quicken and expand learning and orchestration opportunities. In other words, new means of creation open up new learning opportunities that can extend and deepen character, and character is given new tools to orchestrate the evolution of creation.

The Stakeholders-Character dyad. Stakeholders use alignment to build character and character relies on engagement to bind stakeholders. We have already noted that stakeholders increasingly come from anywhere around the globe. Character thus grows more cosmopolitan as individuals and groups with varied cultural backgrounds come together to do business (Paul, 2000). The Internet is one of the driving forces of this expansion. Through tools such as online communities, stakeholders can better assess their mutual alignment with one another and the business as a whole. Engagement can be mediated through new avenues, like virtual workspaces

and intranets. For example, take United Business Media's Gama Network (<http://www.gamanetwork.com>) and its association partner, the International Game Developers Association (<http://www.igda.org>). United Business Media is a market information group and its Gama Network creates publications, events and web sites aimed at game developers. The IGDA is an independent non-profit professional association which contracts the Gama Network to run the day-to-day operations of the association. Developers gain from participating in the IGDA's online and offline communities and this gain is aligned with United Business Media's interest in deepening its understanding of the market. This arrangement allows the business to engage developers informally through the IGDA by providing them with virtual community infrastructures. In essence, stakeholders are given new alignment fostering tools that benefit character, and character has more opportunities to engage stakeholders in innovative and meaningful ways.

This look at e-Business design through the six pole dyads shows that no pole and no flow is left untouched by this subject. Yet no elements lose their relevancy either. It is the breadth and depth, and reach and speed of business that are increased (Porter, 2001). The nature of business stays the same, though potentially extended and accelerated. This supports the conceptual framework's claim of relevancy through time and technological upheavals. This also supports the conceptual framework's claim of usefulness regarding specific topics.

TEACHINGS

One of the main teachings of this paper is that business can be described as a conceptual, tetrahedral framework. It can be understood through sixteen essential elements that change only through their contextual inflexions, as allowed by technological and social conditions. However, anchoring this tetrahedral abstraction to a given industry or business endeavor clearly requires additional conceptualization, most notably in mastering the tools available. Further research needs to be done to ground each element at the industry and case-study levels.

Another important teaching is that core elements are abstractions that only make sense in relation to one another. We have tried to make this clear throughout the presentation of the toolset. The metaphors of *poles* and *flows* are meant to emphasize the dynamic nature of the core elements, as poles attract or guide something, and flows move something in a certain direction. This inevitably implies change through time, and the evolution of a business from start to finish or ongoing prosperity, as seen through the lens of this framework, is a promising avenue for future research.

A third contribution is the tool set that accompanies the framework. We have used dyads to explore e-Business, but one is free to devise his or her own tools, such as focusing on a single pole and one of its inbound or outbound flows, which is perhaps the best option for someone trying to understand the entire framework for the first time. The tool set should be customized to fit the problem at hand, and our use of dyads is illustrative, not prescriptive.

Finally, we should point out that this framework is not a reinvention of the wheel, nor an aggregate of past theories. Each element ties into the existing literature easily, but one should be careful not to import incompatible meaning from namesakes of the core elements (ex.: the Stakeholders pole is not stakeholder theory). While the basic intuition behind such concepts may be similar, the breadth and depth of each element should be understood in relation to the other poles and flows of the tetrahedron.

Hopefully, other researchers will enrich and enhance the elements described here, finding new ways to question and tackle various business issues. Alternatively, entirely new design frameworks may be crafted. The business literature has few design tools to offer so far, and insightful attempts at explaining businesses through a limited number of core elements will be welcomed.

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