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UNBUNDLING THE ENTERPRISE

Glossary of Terms

Unbundling the Enterprise

Glossary of Key Terms

APIs (Application Programming Interfaces): Protocols and tools for uilding software applications that enable communication and data exchange between different systems or applications.

Capability Capitalization: The strategy of repurposing internal assets and capabilities to create new products, services, or businesses.

Concave Payoff: A payoff structure where the potential downside is larger than the potential upside.

Convex Payoff: A payoff structure where the potential upside is larger than the potential downside.

Digital Ecosystem: A network of interconnected digital platforms, services, and stakeholders that interact and create value through digital means.

Digital Natives/Pirates: Companies born in the digital era that have leveraged digital technologies and mindsets from the start.

Digital Settlers: Pre-digital companies that have had to adapt to the digital world.

Distributed Innovation: The strategy of engaging a broad range of stakeholders, including employees, partners, and customers, in the innovation process through digital collaboration and co-creation.

Exchange Optimization: The strategy of using digital technologies to streamline and enhance key value exchanges and processes within a business model.

Feedback Loops: Mechanisms for continuously gathering data, insights, and learning to inform real-time decision making and adaptation.

Happy Accidents: Unintended but beneficial outcomes resulting from creating the right conditions for serendipity.

Modularity: The degree to which a system's components can be separated and recombined to create new configurations and capabilities.

Non-Fungible: Unique, non-interchangeable assets or units.

Non-Rivalry: The ability for a good or asset to be consumed by one party without diminishing its availability to others.

OOOps (Optionality, Opportunities, Optimization): The three key methods for systematically harnessing serendipity and innovation in the digital era, as defined by the authors.

Optionality: The ability to keep your options open by delaying critical decisions until you have more information.

Platform: A foundation of digital building blocks, tools, and standards that others can build on top of to create new products, services, and business models.

Positive Externalities: The positive spillover effects or benefits to a third party resulting from a transaction or activity.

Unbundling: The process of breaking apart the components and capabilities of a product, service or business to enable more flexibility and optionality in how they are recombined and leveraged.

Value Aggregation: The strategy of integrating multiple, complementary value streams to create a combined value proposition that exceeds the sum of its parts.

Value Currencies: The various forms of value that can be created or exchanged between parties in a digital ecosystem, such as money, products, services, data, brand affinity, etc.

Value Dynamics: A mapping technique for visualizing how different parties in a digital ecosystem create and exchange value through different currencies and flows.

Value Networks: The constellation of stakeholders involved in creating and delivering value to an end customer within a particular domain.

About the Authors

Stephen Fishman (Fish) is the global practice lead for MuleSoft's success architect practice. He is a practicing technologist who brings creativity, rigor, and a human-centric lens to problem-solving. Known as an expert in aligning technology and business strategy, Stephen places a premium on pushing business and technology leaders to embrace iteration and the critical need to collaborate across disciplines. Throughout his career, Stephen has consulted with organizations desiring to transform their technology-based offerings to better meet the needs of organizations and the people they serve. In addition to consulting with large organizations, Stephen is an in-demand speaker and adviser. Stephen has worked in retail, healthcare, financial services, consumer goods, travel, government, and the nonprofit sector with a wide variety of global organizations to mature their technology and design capabilities. He lives in Atlanta with his family and when he's not working can be found biking on the many trails in Georgia.

Matt McLarty is the chief technology officer for Boomi. He works with organizations around the world to help them digitally transform using a composable approach. He is an active member of the global API community; has led global technical teams at Salesforce, IBM, and CA Technologies; and started his career in financial technology. Matt is an internationally known expert on APIs, microservices, and integration. He is coauthor of the O'Reilly books *Microservice Architecture* and *Securing Microservice APIs* and cohost of the API Experience podcast. He lives with his wife and two sons in Vancouver, BC.