

Stephen Fishman

Matt McLarty

UNBUNDLING THE ENTERPRISE

A Quick Start
Guide



Quick Start Guide

Applying the Concepts of *Unbundling the Enterprise*

Introduction

Unbundling the Enterprise provides a strategic framework and practical methods for established companies to thrive in the digital era by emulating the approaches of digital natives. The core thesis is that:

modularity and optionality, enabled by APIs, are the keys to unlocking continuous innovation and resilience in the face of uncertainty.

The book introduces three core methods, collectively dubbed “OOOps,” and four strategies for applying the methods. It also includes real-world case studies of companies that have successfully applied these methods and strategies, including Coca-Cola, Google, Cox Automotive, Amazon Web Services, and more.

If you are a business or technology professional involved in your company’s digital transformation, this book can help you. The approach prescribed will especially help you align your organization’s transformation efforts with meaningful business objectives. The strategies and methods articulated within the book and outlined in this quick start guide will bridge the gap between the digital intentions of the C-suite and the day-to-day work happening on the ground.

The Three OOOps

Optionality	Creating future possibilities by unbundling business capabilities into API-enabled building blocks.
Opportunities	Using value dynamics mapping to identify how to deliver and capture value within digital ecosystems.
Optimization	Leveraging digital feedback loops to rapidly experiment, learn, and adapt in real time.

The Four Strategies of OOOps

Exchange Optimization	Streamlining and enhancing key value exchanges and processes.
Distributed Innovation	Engaging a broad ecosystem of innovators through digital collaboration.
Capability Capitalization	Repurposing internal assets to create new products and businesses.
Value Aggregation	Integrating complementary value streams to create outsized returns.

Step 1

Embrace the Digital Mindset

The first step in applying the book's concepts is to recognize that digital technologies have fundamentally changed the nature of business. This means challenging traditional assumptions and mental models about your industry, business model, and ways of working.

Some Key Shifts Include

From		To
linear value chains	⇒	networked value ecosystems
stable environments	⇒	continuous change and uncertainty
economies of scale	⇒	economies of scope and learning
avoiding failure	⇒	embracing experimentation

To thrive in this new context, organizations need to cultivate a culture of continuous learning, experimentation, and adaptation. This requires empowering teams, tolerating failure, and rewarding collaboration and reuse.

Step 2

Assess Your Current State

Before charting a path forward, it's important to understand your starting point. This means mapping your current business model and value networks using the value dynamics technique introduced in Chapter 4.

Start by identifying the different stakeholders involved in creating and delivering value to your end customers, including partners, suppliers, and intermediaries. Then plot out the key value exchanges and currencies (money, products, services, data, etc.) flowing between these parties.

Next, assess your organization's current level of modularity and API maturity:

- How componentized and interoperable are your current systems and processes?
- To what extent have you productized your core capabilities and assets as APIs?
- How easy is it for internal and external consumers to discover, access and use your APIs?
- What governance and management practices do you have in place around APIs?

Finally, evaluate your current innovation posture and readiness:

- How agile and responsive are you to changes in the market and new opportunities?
- How distributed is innovation within your company and ecosystem today?
- What feedback loops and learning mechanisms do you have in place?
- How systematically are you capitalizing on internal capabilities and assets?

Envision Your Future State

Having established your baseline, you can start architecting your future. Again, value dynamics is a useful framework. Try brainstorming alternative value network configurations and exchanges that could radically improve your competitiveness and customer value.

As you play out future scenarios, identify opportunities to apply the four unbundling strategies:

- **Exchange Optimization:** How could you use APIs to reduce friction and unlock new efficiencies in key value exchanges and processes, both internally and with ecosystem partners?
- **Distributed Innovation:** How could you open up core capabilities and data to customers, partners and employees to collaboratively develop new solutions and extend into adjacencies?
- **Capability Capitalization:** What underutilized assets and capabilities do you have that could be repurposed and monetized as standalone products or platforms?
- **Value Aggregation:** What complementary products, services and data streams could you integrate to create a highly differentiated and compelling value proposition?

The goal is to envision a future-state architecture and operating model that is modular, agile, and ecosystem-centric—with APIs as the connective tissue.

Step 4

Apply the OOOpS Methods

Having painted a picture of your desired future state, you can start charting an iterative path to get there using the three core OOOpS methods:

Optionality	<p>Decompose monolithic legacy systems and processes into granular, reusable API-enabled building blocks.</p> <p>Design APIs as products, optimizing for the needs of likely consumers (both internal and external).</p> <p>Establish API governance and management practices to ensure consistency, reusability, and compliance.</p> <p>Default to openness as much as possible, while being strategic about which interfaces and control points matter most.</p>
Opportunities	<p>Use Value Dynamics to continuously identify and validate opportunities for value creation and capture.</p> <p>Establish API programs and portals to enable third-party developers and partners to build on your platforms.</p> <p>Launch internal innovation challenges and hackathons to stimulate cross-functional collaboration and ideation.</p> <p>Place lots of small bets using MVPs and prototypes; double down on the winners using data.</p>
Optimization	<p>Instrument your APIs with rich logging, monitoring and analytics to provide real-time visibility into performance, utilization, and outcomes.</p> <p>Stand up small, cross-functional teams aligned to key value streams or journeys to continuously experiment and optimize.</p> <p>Automate key governance and compliance processes using API-enabled workflows and policies.</p> <p>Establish robust feedback loops with end users and partners to capture learnings and new requirements.</p>

Step 5

Execute and Iterate

With your future vision and execution road map defined, it's time to start making it real. The key is to start small, move fast, and iterate continuously:

- Implement end-to-end slices of functionality that deliver tangible user and business value.
- Communicate regularly with stakeholders at all levels to evangelize, align, and build trust.
- Track leading indicators (e.g. API adoption, partner engagement) as well as lagging ones (e.g., revenue growth).
- Be prepared to adjust course based on data and feedback; the path to successful innovation is rarely a straight line.
- Incubate and harden new products and platforms within a dedicated innovation function before scaling.

Over time, aim to productize and platformize your core capabilities—both to drive internal agility and to create new monetization streams.

Step 6

Build Resilience

As you modularize and open up your business and technical architecture, you introduce new complexities and risks. It's important to proactively monitor and mitigate these:

- Implement robust security controls and testing to prevent unauthorized access and breaches.
- Ensure APIs are performant, scalable, and stable to meet SLAs and avoid cascading failures.
- Evolve governance and compliance processes to address new usage patterns and risk profiles.
- Model API economics to balance adoption, monetization, and cost to serve at scale.

In parallel, work to evolve your organization and ways of working to support a more open and agile operating model:

- Break down silos and align teams to products, platforms, and value streams.
- Invest in new skills and roles such as API product management, ecosystems development, and data science.
- Instill new practices such as agile, DevOps, and design thinking across IT and business functions.
- Update incentive structures and metrics to reward API reuse, collaboration, and business outcomes.

Embrace the Unknown

If the past decade has taught us anything, it's that the future is fundamentally uncertain and unpredictable. Rather than seeking to simply weather the storm of change, organizations must intentionally architect themselves to be antifragile—growing stronger through stress and disorder.

This means building in optionality and diversification in your business and operating model through modularity. It means scanning the horizon for weak signals of disruption using foresight tools and ecosystem sensing networks. And it means committing to continuous transformation as a way of life, not a one-off project or end state.

Conclusion

By embracing the mindset and methods of *Unbundling the Enterprise*, established companies can position themselves to thrive in an increasingly uncertain and rapidly evolving business landscape. There is no silver bullet or singular recipe for success in this journey. The key is to get started with clear intent, learn by doing, and continuously adapt using data and ecosystem feedback.

We hope this guide provides a helpful jumping off point for your own transformation journey. Remember—fortune favors the bold. So be courageous, stay curious, and happy sailing into the great wide open of digital opportunity and innovation!

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.