

# TOWARDS AN E-BUSINESS DESIGN FRAMEWORK

*Sébastien Caisse*  
*Ph.D. Researcher*  
*Laval University, Québec, Canada*  
*Sebastien.Caisse@centor.ulaval.ca*

*Benoit Montreuil*  
*Bell-Cisco e-Business Design Chair Professor*  
*Laval University, Québec, Canada*  
*Benoit.Montreuil@centor.ulaval.ca*

## **Abstract**

Perhaps one of the more interesting aspects of the digital age is how the changes it brings prompt us to probe the nature of that which is being transformed. This paper seeks to integrate the essential elements of e-Business into a coherent conceptual framework. These elements are to be found in the professional and academic literatures of various business-related disciplines. The main objective is to help entrepreneurs and researchers achieve higher levels of abstraction and enlightenment.

The framework is built around four poles linked by twelve flows. The poles are Creation, Stakeholders, Offers, and Character. The flows linking them are Gain, Contributions, Roles, Network, Bundling, Feedback, Threats, Defenses, Orchestration, Learning, Alignment, and Engagement. How business is conducted in the digital age is reflected in the intensity of both flows and poles. E-Business is not a pole or a flow, but rather the new space-time, or breadth-speed of business, shifting the whole framework into higher gear and leaving no element untouched. This paper is structured as follows: after a short introduction, we develop our framework in three iterations. We then examine the place of e-Business in the framework. We conclude by examining how the framework can help future research and business endeavours.

## **Keywords**

Business framework, business design, e-Business, business models

## **INTRODUCTION**

What is an e-Business? This question can be answered in any number of ways, depending on what insight is sought. Our answer takes the form of a *framework* which tries to capture the full richness of e-Business with the most limited number of core elements<sup>1</sup>. Our objective is to

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<sup>1</sup> Michael Porter describes frameworks as follows in an interview by Argyres and McGahan, 2002: "A framework tries to capture the full richness of a phenomenon with the most limited number of dimensions."

provide researchers and entrepreneurs with a new design tool to understand and work out the arrangements of these core elements in practice (Hamel 2000; Drew 2001).

This paper is structured as follows: we first develop our framework by presenting it in three successive iterations. The framework is composed of poles and flows, and each iteration builds on the previous one by presenting a new pole and accompanying flows. The poles are Stakeholders, Creation, Offers, and Character. The flows are Gain, Contributions, Roles, Network, Bundling, Feedback, Threats, Defenses, Orchestration, Learning, Alignment, and Engagement. We first look at the poles of Creation and Stakeholders, then introduce Offers, and finally add Character.

Once the framework is fully developed, we turn to the role of “e”. The electronic aspect of business is neither a pole nor a flow, but rather a new space-time, or breadth-speed of business. The “e” has the potential to energize all poles and flows, and its effects are examined for all sixteen elements. Finally, we draw some conclusions about the completed framework. Its abstract and generic nature makes it portable to various industries, but further conceptualization is required by managers, analysts and designers for each business. Opportunities for future research are also examined.

## DEVELOPMENT

### Framework Iteration 1

The Value Chain is probably one of the most famous frameworks in business literature (Porter 1985), and as such serves as our starting point. A value chain represents a business as a linked set of value-creating activities, from raw material sources to ultimate end-use by customers. It was recently presented as shown in Figure 1 by Govindarajan & Gupta (2001).

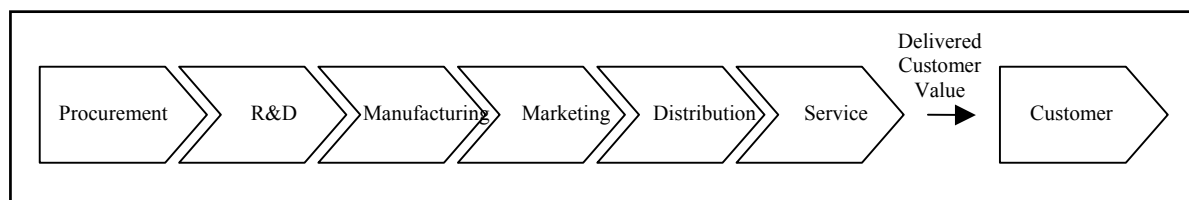


Figure 1. The Value Chain (Govindarajan & Gupta 2001)

The Value Chain is essentially a linear accumulation of value, and therein lay its two main problems. The first has to do with the notion of value, while the second has to do with the chain metaphor. Value is a relative concept. Non-customers can make educated guesses about what customers find valuable, but they can never really know for certain. What tumbles down the chain is a lot of educated guesswork and assumptions about customer perceived value (Firat & Venkatesh 1995).

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, the book may have value as a collectible, a souvenir, or something similar. 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 the *potential* for value, but that the *actual* value was created by the end user. As a result, what constituted value was different to everyone. Value does not move along a chain – it lies in the eye of the beholder.

This leads us to the second problem: the chain metaphor, which presents the business as an aggregate of linear, unidirectional contributions. The unidirectional chain fails to explain why actors engage in certain activities. For example, is money the sole bond that binds these constituents together? It also fails to adequately represent other possible business configurations, such as business webs (Tapscott, Ticoll & Lowy 2000).

To resolve these issues, we separate actors from action (Montreuil, Vallerand & Poulin 1996) and bind these two concepts by flows of gain and contributions. At this point, one should understand that the framework isn't as much about process-processor relationships in networks as it is about *why* actors undertake a given action. Figure 2 presents the first iteration of our framework, featuring the Creation and Stakeholders poles.

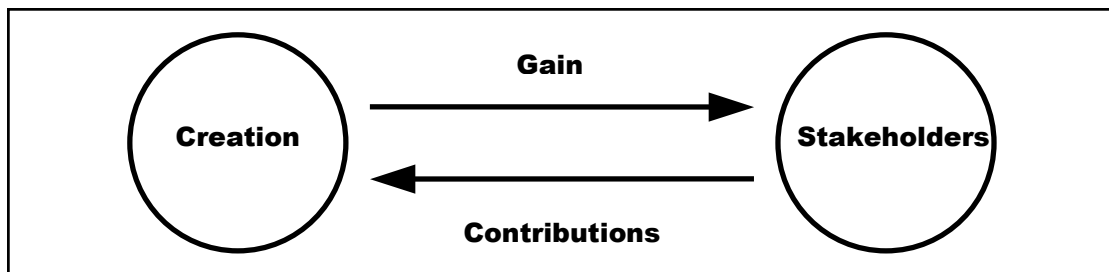


Figure 2. Framework Iteration 1: Creation and Stakeholders

**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 contributions, and what brings them closer to their goals as gains.

**Contributions** are past, present and future stakeholder inputs in the business, like money, time, talent, skills, and etcetera. This flow explains why the business seeks stakeholders – it depends on stakeholder contributions for its existence. For example, buildings and trademarks that are now wholly 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. Note that this temporal aspect is present in every element of the framework.

**Creation** is the process through which past, present and future contributions are transformed into new stakeholder value potential. While tangible contributions (like real estate and computers) and intangible contributions (like well defined processes and talent) are not distinguished at this level of abstraction, one can easily do so. This pole can be subdivided at will, depending on how granular one wants to get about creation. All elements of the framework can be explored this way, but doing so here would exceed the scope of our paper.

Why not use *value creation* instead of *creation*? As stated above, the reason lies in the relative nature of value. To place value in the creation pole would imply that the business

knows exactly what each and every single stakeholder perceives as value, and that such value is constant regardless of stakeholder perceptions. As previously discussed, value lies in the stakeholder pole, not the creation pole (Holt 1997).

**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. For example, a bookstore customer may buy reference books because they enable him to learn new facts or relieve him from personally gathering those facts. An employee may work to earn a salary, and an investor may invest to reap a profit, but one should see that money is itself an abstract commodity constructed to enable or relieve value creation.

One of the key advantages of our framework is that it does more than list core elements. It shows how these elements are related to one another. In this first iteration, stakeholders contribute to creation and gain something in return, and creation provides gain to stakeholders who contribute something in return. Such loops are to be found in each pair of poles, or dyad, in the next two iterations and help to understand the interplay of the core elements.

This first iteration raises two crucial questions. First, how does the business attract better contributions and provide more gain? Second, how are stakeholders related to one another if we do away with the chain metaphor?

### Framework Iteration 2

The previous iteration provides little help if one wants to know how gains and contributions are formulated. What gains and contributions are expected? How can they be improved upon?

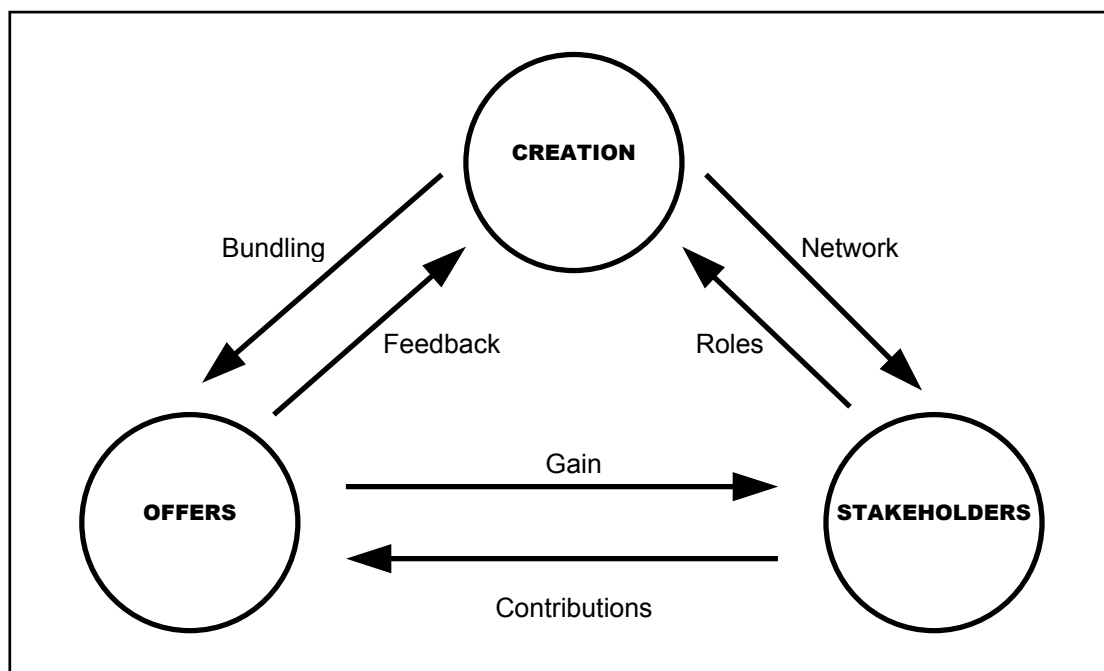


Figure 3. Framework Iteration 2: Creation, Stakeholders, and Offers

The business needs an interface that can send and receive clear signals. This interface is the Offers pole. In Figure 3, contributions flow to offers from stakeholders, while gain flows from offers to stakeholders. In contrast to Figure 2, what now links creation and stakeholders are the Roles and Network flows. Finally, creation and offers are bound by the flows of Feedback and Bundling.

**Offers** are interfaces between stakeholders and the creation engine. They represent the polished, coherent result of creation, and serve as the basis upon which third parties choose to become stakeholders. By polished and coherent, we mean that offers are not the sum of business creation, but rather a distillate of it. Businesses only bundle part of the potential gain they create in certain forms called offers (Shapiro & Varian 1999).

For example, take the movie trilogy Lord of the Rings by Peter Jackson. The potential customer gain that was created exceeds 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 can't be delivered on DVD. No single offer summed up *all* movie buff gain potential.

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. The business must formulate offers that will attract all the stakeholders it needs, like employees, investors, end-users, and etcetera.

**Bundling** is the aggregation of gain potential in coherent forms that can readily be turned into value by stakeholders. As such, the objective of an offer is to make one a stakeholder, and different bundles are made to appeal to different stakeholders. Note that bundling can be planned as well as emergent. For example, a job offer may bundle salary, challenges, career outlook, etcetera, but may also bundle emergent qualities like a city's quality of life or proximity to relatives.

Offers make explicit the stakeholder contribution that is expected by the business. A job offer says something about the skill and knowledge to be contributed. A product or service is often accompanied by a price tag – how much money is to be contributed to the business in exchange of gain. This makes offers the vehicle of feedback. **Feedback** is stakeholder response to offers, validating or invalidating creation activities. This is how businesses can get to know more about what stakeholders perceive as gain and consequently adjust themselves. In addition to obvious information flows, profit is itself a form of feedback (Drucker 2001).

Since gain and contribution flow between stakeholders and offers in this second iteration of the framework, what is now presented as flowing between the Stakeholders and Creation poles are roles and networks. **Roles** are the masks worn by stakeholders in relation to the business. For example, Y Inc. is a *supplier* of X Inc., while Mr. Z is one of its *customers*. This exercise in taxonomy brings clarity and insight as to what contributions are expected of each stakeholder. Many so-called e-Business models are in fact role descriptions made in the context of the New Economy (Mohanbir and Kaplan 1999; Hartman, Sifonis and Kador 2000; May 2000; Rayport, Jaworski and Siegal 2000; Tapscott, Tycoll & Lowy 2000, and; Sovie and Hanson 2001).

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

As previously noted, an important part of this framework is in the interplay of its core elements. In this iteration, stakeholders contribute to the business through offers and gain something in return. Offers inform creation through feedback and get created through bundling. Creation arranges stakeholders in a network, who participate in the business by taking on certain roles.

Another way to look at this is through two parallel, triple-pole loops. Creation uses bundling to generate offers; offers provide gain potential 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. There are eight such loops in the next iteration of the framework.

This second iteration of the framework faces two major problems. First, how does the business deal with competing interests from stakeholders and non-stakeholders? Second, how does the business deal with competing interests amongst stakeholders? To answer these questions, we turn to the third and final iteration of our framework.

### Framework Iteration 3

To deal with competing forces from stakeholders and non-stakeholders, we must look at the business as a collective. **Character** is the manner in which stakeholders collectively conduct business. It reflects the common good of all stakeholders and is the seat of elusive notions like culture, will, personality, identity, and soul (Collins & Porras 1997; Collins 2001).

Figure 4 presents the final iteration of our framework. The Character pole is added, as well as six accompanying flows. To and from offers, we find the Defences and Threats flows. To and from creation, we find the Orchestration and Learning flows. Finally, to and from stakeholders, we find the Engagement and Alignment flows.

The Character and Stakeholders poles are linked by Alignment and Engagement flows. **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. If they do gain, the question becomes one of compatibility. Those who benefit from the business at the expense of other stakeholders are a threat to the collective, either in terms of psychological or economical damage. Examples of misalignment abound, like contracts which confer too much power to a single stakeholder or individuals tampering with financial statements in order to cash in on stock options at the expense of other stakeholders.

**Engagement** is how the business binds stakeholders to itself, from informal trust to formal contracts. Character can manifest here in a number of ways, generating stakeholder pride,

loyalty and enthusiasm, or cynicism, resentment and spite. Engagement and its related flows and poles are particularly useful to design trust promotion tools and conflict resolution mechanisms. The key issue here should be to generate alignment.

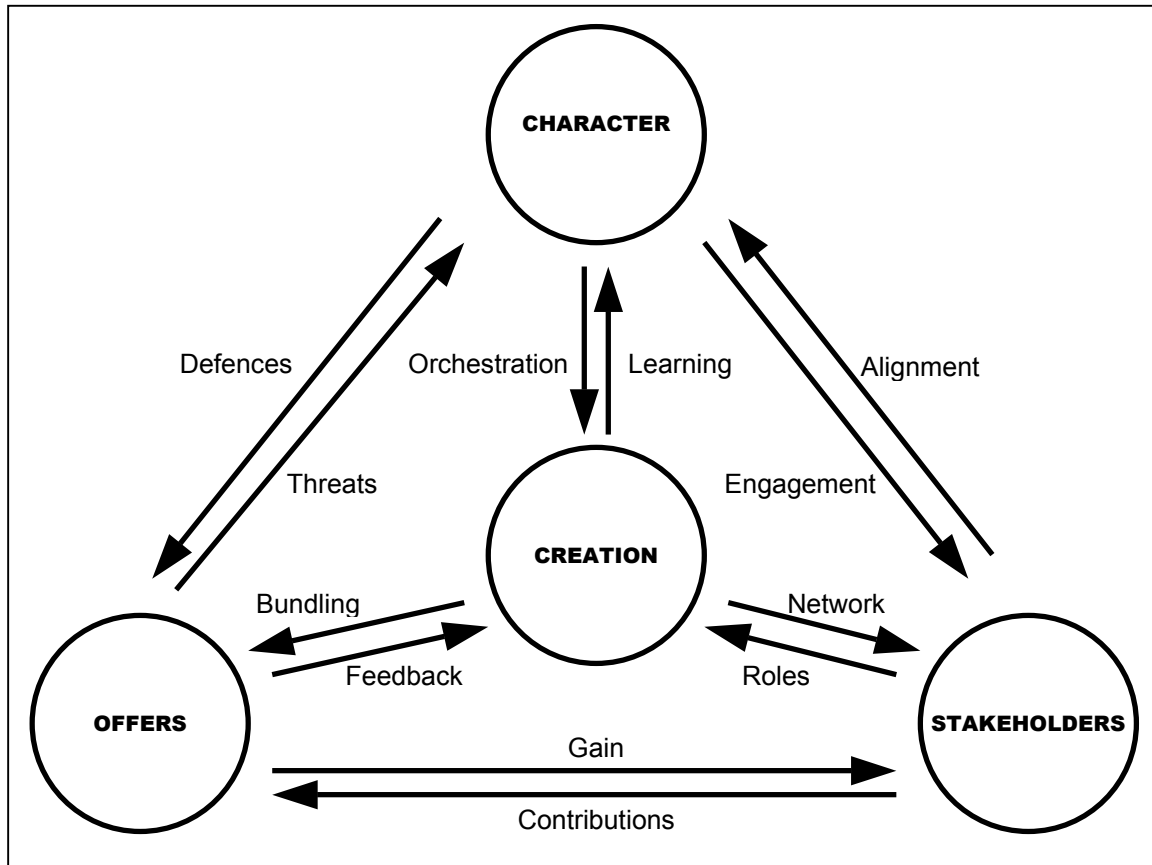


Figure 4. Framework Iteration 3: Creation, Stakeholders, Offers, and Character

The Character and Offers poles are linked by the Threats and Defences flows (Porter 1980). **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 actually strengthen character

resiliency as the business learns to survive and surpass itself, while defences can foster overconfidence and stagnation.

The Character and Creation poles are linked by the flows of Learning and Orchestration. Since the Creation pole is concerned with potential stakeholder gain, one of its main imperatives is finding better ways to create. **Learning** is creating better ways to create. Over time, learning transforms how stakeholders collectively conduct business and thus shapes character.

In turn, character can inhibit or favour creativity. **Orchestration** is setting the context of creation. 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. A classic example is the business orchestrated as a profit making machine, where the sole context of creation is the pursuit of profit. Note that this simplistic approach comes at odds with legal imperatives, where the sole pursuit of profit would sometimes take the business 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 here. What individuals gain may have little connection with the context of creation in the business. For example, there is 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.

Learning and orchestration are complements, and achieving their balance is a major strategic endeavour. Creation without orchestration would be chaotic, while character without learning would be stagnant (Mintzberg, Ahlstrand & Lampel 1998). An example of learning guided by orchestration is the education system, which sets the context for learning. An example of orchestration improved upon by learning is applied experience, which provides better ways to orchestrate.

This final iteration of the framework forms a tetrahedron. It has four faces, and each of these triangular faces presents two parallel loops that follow different flows. Iteration 2 presented the face showing the Creation, Stakeholders, and Offers poles in figure 3, as well as its two core element loops. It should be clear that these poles and flows are analytical abstractions that have no meaning if taken in isolation. The fact that some poles were presented first and others later in this paper is a choice strictly related to presentation clarity. This framework has no top, down, or center. It is without hierarchy, and each pole matters as much as any single flow. To further emphasize the ties that bind these elements together, we briefly present the three other faces and their respective loops of core elements.

In the Character-Offers-Stakeholders face, character erects defences 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 risk threats which challenge character.

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.

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 risk threats which challenge character.

So far, we have presented our framework by visiting each core element individually, and by taking a brief look at its four faces. We could also examine the framework using its six pole dyads: Offers-Stakeholders, Creation-Offers, Creation-Stakeholders, Offers-Character, Creation-Character, and Stakeholders-Character. In the next section, we use these pole dyads to examine e-Business in our framework.

## **E-BUSINESS**

E-Business is particularly interesting because of network effects. In short, the value of connecting to a network depends on the number of people already connected to it (Shapiro & Varian, 1999). This goes way beyond connecting to the Internet. It is also true of languages and of 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.

We examine the effects of “e” through the six pole dyads of the framework and through accompanying examples. We start with 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 much 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<sup>2</sup>. 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 is becoming accessible at the push of a button.

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<sup>2</sup> This example was inspired by the Wareham Forge: <<http://www.warehamforge.ca>>

In 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<sup>3</sup> creates knowledge about books, systems to move books between stakeholders, software that makes such knowledge and systems 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.

In 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 (Hagel & Singer, 1999). For example, compare a local newspaper's ads section to online auctioneer eBay<sup>4</sup>. 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 (Mohanbir and Kaplan 1999; Hartman, Sifonis and Kador 2000; May 2000; Rayport, Jaworski and Siegal 2000; Tapscott, Tycoll & Lowy 2000, and; Sovie and Hanson 2001). 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.

In the Offers-Character dyad, offers risk 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.

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<sup>3</sup> Amazon.com: <<http://www.amazon.com>>

<sup>4</sup> eBay: <<http://www.ebay.com>>

For example, take Peter Jackson's movie adaptation of Lord of the Rings<sup>5</sup>. Highly specialized craftsmen were gathered to realize this project, 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 (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.

In the Creation-Character dyad, creation enables learning to improve character, and character conducts 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, take BioWare's Neverwinter Nights<sup>6</sup>, a fantasy role-playing video game for PCs. What sets this game apart is that one of its main components is an editing tool that 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 made more potent by drawing upon the continued participation of a large number of stakeholders; and 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.

In the Stakeholders-Character dyad, stakeholders use alignment to build character and character seeks 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<sup>7</sup> and its association partner, the International Game Developers Association<sup>8</sup>. 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

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<sup>5</sup> Official Lord of the Rings Movie Site: <<http://www.lordoftherings.net>>

<sup>6</sup> Neverwinter Nights: <<http://nwn.bioware.com>>

<sup>7</sup> Gama Network: <<http://www.gamanetwork.com>>

<sup>8</sup> International Game Developers Association: <<http://www.igda.org>>

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 tools to benefit from character alignment, and character has more opportunities to engage stakeholders in innovative and meaningful ways.

Using the six dyads of our framework, we have shown that no pole, no flow is left untouched by e-Business. Yet no element loses its relevancy. 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.

## CONCLUSION

An e-Business can be conceptualized through a minimal number of interrelated core elements. These elements are no different than from past business endeavors. The Creation, Stakeholders, Offers, and Character poles are as meaningful as ever, and so are the flows of Contributions, Gain, Bundling, Feedback, Network, Roles, Threats, Defenses, Learning, Orchestration, Alignment and Engagement. New technologies and social contexts, like the Internet and the global village, become the new space-time, or breadth-speed of business. Each pole and flow is thus energized with new design opportunities.

The changes brought by the digital age prompt us to probe the nature of what is being transformed. One of the main teachings of our framework is that business can be understood through essentials that change only through their contextual inflexions, as allowed by technological and social conditions. 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 our paper by examining the framework in terms of faces, loops and dyads. 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.

What researchers and practitioners can gain from this framework is a treasure trove of new ways to question and tackle business issues. However, without words like e-Commerce, profit, revenues, value, consumers, products or services, it seems far removed from actual business practice. We believe our framework can be used to look at any business endeavor, but anchoring it to a given setting requires additional conceptualization. Further research needs to be done to ground each element at the industry and case-study levels. We hope this framework will be used as the common root and lexicon of much upcoming research in diverse industries and case studies.

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