The Business of Software

- University of Toronto CSC 454/2527S
- January-April 2001
- www.dgp.toronto.edu/people/RMB/bizsoft.html
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- Professor Ronald M. Baecker
- 978-6983 (phone), 978-5184 (fax)
- rmb@dgp.toronto.edu

Introduction

- Prof. Ronald M. Baecker
- Teaching Assistants and Other Staff
- Objectives of Course
- Methods Used in Course
- Course Themes
- Guest Entrepreneurs
- Business Plan
- Course Schedule, Readings, Evaluation
- Any Questions?

Ronald M. Baecker

- Bell Professor of Human-Computer Interaction, and Prof. of Computer Science, ECE, and Management, University of Toronto

- Founder and Chief Scientist, Knowledge Media Design Institute, University of Toronto

- Visiting Professor or Research Scientist at M.I.T. Media Lab, Apple Comp., Xerox PARC

- B.Sc., M.Sc., Ph.D., M.I.T.

Ronald M. Baecker (cont'd)

- Founder and CEO (1976-1983), HCR Corp., sold in 1990 to SCO

- Founder and CEO (1998-2001), Expresto Software Corp.

- Adviser+consultant to start-up software firms

- Has taught this course in Toronto, Ottawa, Calgary, Vancouver, Los Angeles, Buenos Aires (Argentina), Santiago (Chile)

David Rosen

- Management consultant, author, teacher
- 20 years experience in computer industry
- Clients include AOL, Apple Computer, Coopers and Lybrand
- Has been both a student and a TA in 454

Caryn Mladen

- Technology and intellectual property lawyer
- Management consultant, author, journalist, and teacher
- Clients include Network Associates, Path Technologies, SOCAN

Other Special Lecturers

- Philip Stern
  - Founder and CEO of Stern Thinking, a firm that helps entrepreneurs create winning business plans

- Lillian Blume
  - Teacher, lecturer, and consultant in interpersonal communications and in effective small group interactions

Objectives

- To understand the high-tech and especially the software and Internet business environment

- To learn principles for defining and crafting a healthy profitable growing software business (entrepreneurial or intrapraneurial)

- To convey a healthy appreciation of how difficult this is

- To hone one's skills in thinking about strategic software business issues

- To join a community of software entrepreneurs

Methods

- Lecture and discussion of 8 themes (see next slide) and 60 principles for success

- Elaborations and illustrations, especially from guest entrepreneurs, through first-hand and second-hand accounts (live and on video)

- Discussion and critiques of guest entrepreneur presentations

- Development of business plans in stages

- Exercises for students

Course Themes

- I. Innovation in the Software Industry
- II. Focus and Objectives — Defining and Planning the Business
- III. Opportunity and Timing — Market and Product Planning
- IV. Proprietary Technology and Capability for Winning Software

Course Themes (cont'd)

- V. Marketing and Distribution of Software Services and Products
- VI. Cash — Financial Management and Financing Acquisition
- VII. Leadership and Management
- VIII. Partnerships — Strategic Alliances, Mergers, and Acquisitions

Guest Entrepreneurs

- Characteristics
  - Experienced entrepreneurs
  - Successful entrepreneurs
  - Products and service companies
  - Information technology in a broad sense
  - Focus on the Internet
- 20-25 minute presentations
- 35-40 minutes of question-and-answer, based on your participation!!!
- Discussion and critique the following week

Business Plan

- Teams of 4 (3 or 5 with special permission)
- Assignment A: Idea generation
  - Due 14 Jan.
- Assignment B: Plan version 0 — team formation and description of basic idea
  - Due 22 Jan.
- Assignment C: Plan version 1 — Executive Summary (with ellipses), skeletal draft biz plan
  - Due 5 Feb.

Business Plan

- Assignment D: Interim oral presentation
  - 26 Feb.
- Assignment E: Plan version 2 — complete draft plan including draft appendices
  - Due 12 Mar.
- Assignment F: Final oral presentation
  - 9 Apr. (for those who didn't present on 26 Feb.)
- Assignment G: Plan version 3 — final written business plan
  - Due 12 Apr.
  - Group + improvement + individual grades

Course Schedule

- Hour 1: Typically, discussion of previous week's guest entrepreneur followed by lecture
- Hour 2: Typically, guest entrepreneur of the week
- Hour 3: Typically, the tutorial
  - Original presentations
  - Student presentations
  - Feedback and Q&A re the business plan

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Course Readings

- 3 course texts
- Course readings package

Course Evaluation

- Various stages of the business plan
  - Written plans
  - Oral presentations
- Class participation and discussion… you must read and write and speak in this course!!!
- Midterm test
- Final test
- We will take photographs (worth 0.5% of your grade) in order to get to know you!

Any Questions?

- Let's make it interactive!!!
- 6 students now please volunteer and introduce yourselves….