

DEPARTMENT OF COMPUTER SCIENCE

University of Toronto

CSC454/2527S: The Business of Software

January-April 2003

Course Overview

Version of 25 March 2003

January-April 2003, Mondays, 6:10-9:00 p.m., BA1180

Lecture and Discussion, usually from 6:10-7:00 p.m.

Meeting with Guest Entrepreneur, usually from 7:10-8:00 p.m.

Tutorial, usually 8:10-9:00 p.m., BA 1180, BA 3004, BA 3008, BA 3012

Description

A broad overview of the software industry and a detailed look at the principles for starting and operating successful and growing businesses within the industry.

Objectives

The objectives of this course include development of:

- An understanding of the high-technology business environment in general and of the computer and software industries in particular.
- An understanding of the basic principles involved in crafting a small healthy growing business within the software industry, emphasizing eight key areas: *innovation, focus and objectives, opportunity and timing, proprietary technology and capability, marketing and distribution, finance and financing, leadership and management, and partnerships.*
- The ability to write, present, and critique business plans and to formulate and enhance computer-based financial forecasting models.

Synopsis

Topics will include the computer and software industries; sources of innovative opportunity; software business definition; software market planning and product planning; the management of R&D and software development; software product marketing; software sales and sales management; software product manufacturing and support; the financing and financial management of high technology ventures; legal protections for software as intellectual property; and leadership, management, and

human resources for high technology industries. Particular emphasis will be placed on how the Internet has changed the software industry.

The class will be enriched by the participation of guest entrepreneurs – skilled practitioners active in the industry.

Intended students

Computer Science 4th year and graduate students; others by special permission.

Course photographs

During the first two weeks of class, student pictures will be taken in BA 7214 on Monday January 13 or 20 from 12:30pm – 2:30pm. Alternately, you may submit an electronic photo by Jan 20th (max 50KB in jpeg format) to christina@kmdi.toronto.edu with the subject line “CSC 454 photo”.

Communication with the class

Announcements, course notes, assignments, etc. will be posted on the course listserv and the Web site <http://www.dgp.toronto.edu/people/RMB/bizsoft.html>. Subscribe to the listserv by sending a message to listserv@listserv.utoronto.ca.

In the body of the text type the command line:

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subscribe csc454-L <firstname> <lastname>
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Don't put any subject in and if you have an automatic signature, it must be removed.

Course schedule

See Course Schedule on the Web site. It may be updated from time to time.

Course texts and reading list: assignments and due dates

See Course Texts and Reading List on the site. It may also be updated.

Guest entrepreneurs (Subject to change without notice)

See Guest Entrepreneurs on the Web site. It will be updated from time to time.

Instructional methods, criteria for evaluation

- **Reading** from Reading List; books on sale at the U of T Bookstore (and at Chapters, Amazon, etc.) and will shortly be on reserve in Engineering and SigSam Libraries; course package of reprinted articles and book excerpts on sale at Canadian Scholar's Press Inc. See the Text and Readings document.

- **Lectures + question and answer**, typically 30-45 minutes each week.

- **Presentations** by guest entrepreneurs most weeks; **Class discussion** with guests, formulation and **analysis of key issues** the following week (7% individual grade based on questions and other class participation; 1% for having your picture taken).

- **Development of a business plan**, including a financial forecasting model, for a new software venture, presented in stages throughout the semester – (total of 65%)

1% (individual grade) for ideas

3% (team grade) for submission 0

4% (individual grade) for brief assessment on one other team's ideas

15% (team grade) for submission 1

15% (team grade) for submission 2

27% for final submission, consisting of:

15% (team grade) for the plan

5% (team grade) for improvement

7% for individual participation on the plan over the entire

semester

Note: The business plan is to be done in teams of 5.

Note: 5 points out of 100 is subtracted each day the assignment is late (weekend=2 days)

- **Oral presentation** of EITHER a key issue for your business plan, OR of the business plan itself (7%, individual grade).

- **Term test** (20% for test to be held on March 31 from 6:10-7:40pm, individual grades).

Business plan assignments and due dates

13 January (8 a.m.) – **Assignment A: Ideas (1%)**: Each individual submits to the class listserv a single submission containing one or two new venture ideas, each described in a single short paragraph. Each submission must also include:

- name, address, phone number, and email address to facilitate team formation
- a list of useful skills or background, e.g., work in a particular industry, commerce courses taken, expertise in a field other than computer science or commerce

20 January – Assignment B: Plan v.0 (3%): Each team submits to the class listserv a one- or two-page description of the idea chosen for the business plan, and submits to Kelly Rankin an information sheet about the team members.

27 January – Assignment C: Brief Assessment on one other Teams ideas (4%): Each person submits to their TA a short assessment of one other team's idea as described in their listserv submission. Your submission should be in bullet point form, as questions or comments you would have if you were considering investing in the idea/business. Your TA will assign you to the idea to comment on.

10 February. – Assignment D: Plan v.1 (15%): Each team hands in a completed questionnaire that details the key elements of their business (questionnaire will be provided), as well as a skeletal draft business plan. This is to be handed in on paper.. The submission must also indicate who on each team is responsible for what part of the work, and who will make oral presentations in March and in April.

3 March – Assignment E: Business issue oral presentation (7%): Individuals will make brief oral presentations (2.5 minutes each) discussing one key issue and/or challenge in the evolving business plan. Each team will designate 2 members who will make the final presentation in April; all others will make these oral presentations on March 3rd.

10 March – Assignment F: Plan v.2 (15%): Each team hands in a complete draft business plan. This is to be handed in on paper. The more detailed and complete your draft is, the more the TA can comment on to help you deliver a solid final plan in April (Assignment H).

7 April – Assignment G: Business plan oral presentation, for those who have not done issue presentations on March 3rd (7%): The two individuals from each team who have not made interim presentations will collaborate on a final oral presentation (5 minutes total per team) presenting the most salient aspects of your business plan. Some of the April 7th presentations will be heard by a panel of industry experts.

11 April – Assignment H: Plan final (27%): Each team hands in its final complete business plan in **two copies, along with the marked-up copy of Plan v.2.**

Faculty (office hours on request; please send email)

Philip D. Stern, Instructor – pstern@kmdi.toronto.edu

Kelly Rankin, Administrative Assistant (BA 7214) – kellyr@kmdi.toronto.edu

Adriana Ieraci, Teaching Assistant – bos@adriana.ca

Pedram Rahbari, Teaching Assistant – E-mail: pedram@heeva.com

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Please write Kelly in regard to all administrative matters that arise in this course.