# T-128.4200 Management of a Software Company

December 16, 2009 at 9:00-12:00, hall T2

S.B.L.

This course is worth 6 credits. Successful completion of this course is contingent upon **(i) passing the exam and (ii) completing both group assignments**. Final course grade depends on the total point score from the exam (maximum 20 points), two group assignments (maximum 10 points each), and returned lecture diaries (maximum 10 points). Maximum course point score is 50.

This exam is based on Spring 2009 lectures and complementary reading materials, as listed in course literature. This exam consists of five questions. **Answer only four (4) questions. Do not exceed one page per answer.** You may answer in either English or Finnish. Each question is graded using scale of 0-5 points.

1. In your own words, explain **three out of five** laws listed in the table below. How is understanding these five law relevant to managers of successful established firms?

| | **Christensen's (1997) five laws of disruptive technologies** |
|---|---|
| 1. | Companies depend on customers and investors for resources. |
| 2. | Small markets are inadequate to solve the growth needs of large firms. |
| 3. | Markets that do not exist cannot be analyzed. |
| 4. | An organization's capabilities define its disabilities. |
| 5. | Technology supply may not equal market demand. |

2. What are the key success factors for a new high-technology firm that wants to grow fast and is based in Finland? How could software firms leverage the current environmentalism trend? Which other valuable high technology trends do you consider important and why?

3. Why is knowing and understanding your customers important? Discuss **three** different tools that software firms can use to market their offering to existing and potential customers.

4. Explain the typical characteristics of early phase, growth phase, and mature markets? What strategic alternatives do you see for a start-up firm looking for aggressive growth and knowing that your industry/market is in the early phase?

5. What should a firm's business model explain? How does the business model affect the foreseen firm value by venture capitalists? What else affects firm valuation beside its business model?