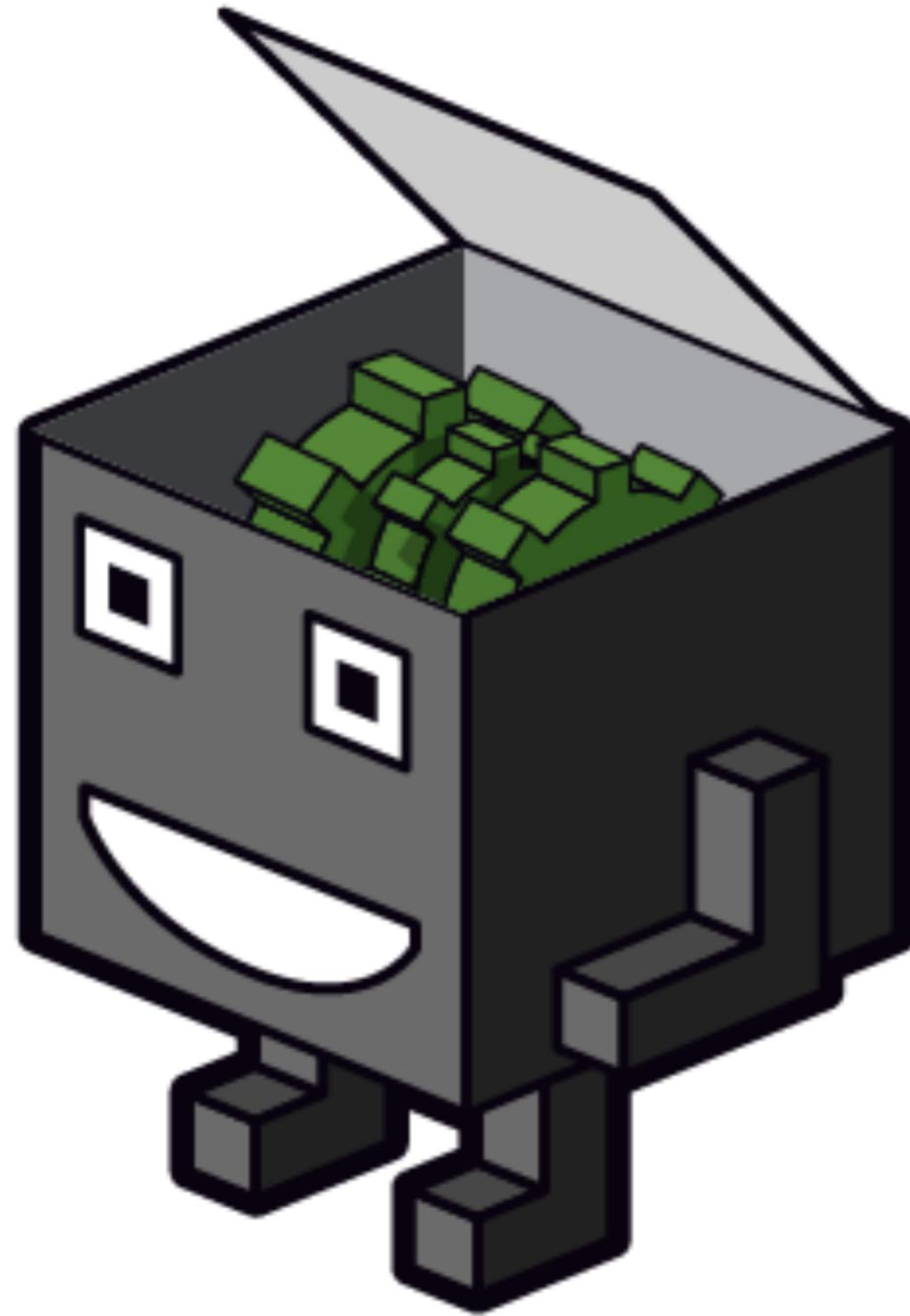


From Bits to Business:

how to sell your software
Codebits 2012

(optional.is)

Who am I, and why am I qualified?



(optional.is)

Potato Chip storage warehouse

Newspaper

Radio Station

PNMG - Start-up

TM Software - Enterprise

CLARA - Start-up

"The School Pulse" - Start-up

(optional.is) - Freelancing

Quick History: The School Pulse

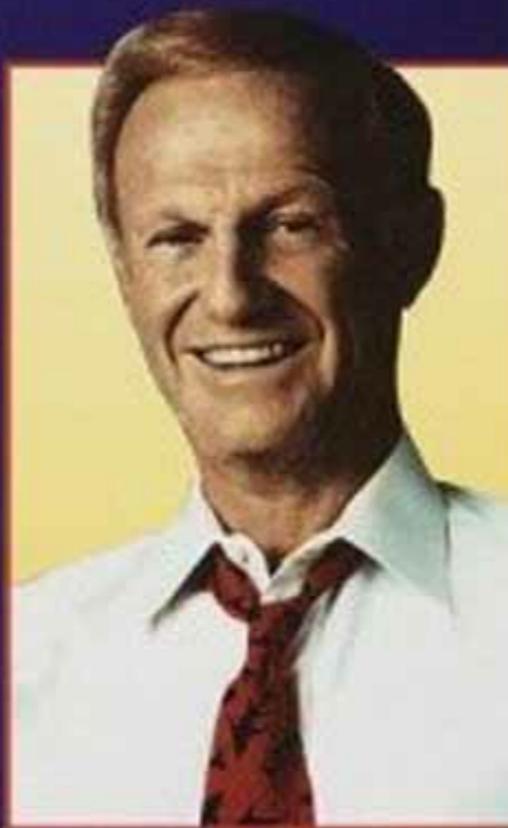
HARVEY MACKAY

DIG YOUR WELL

BEFORE

YOU'RE

THIRSTY



**THE ONLY NETWORKING
BOOK YOU'LL EVER NEED**

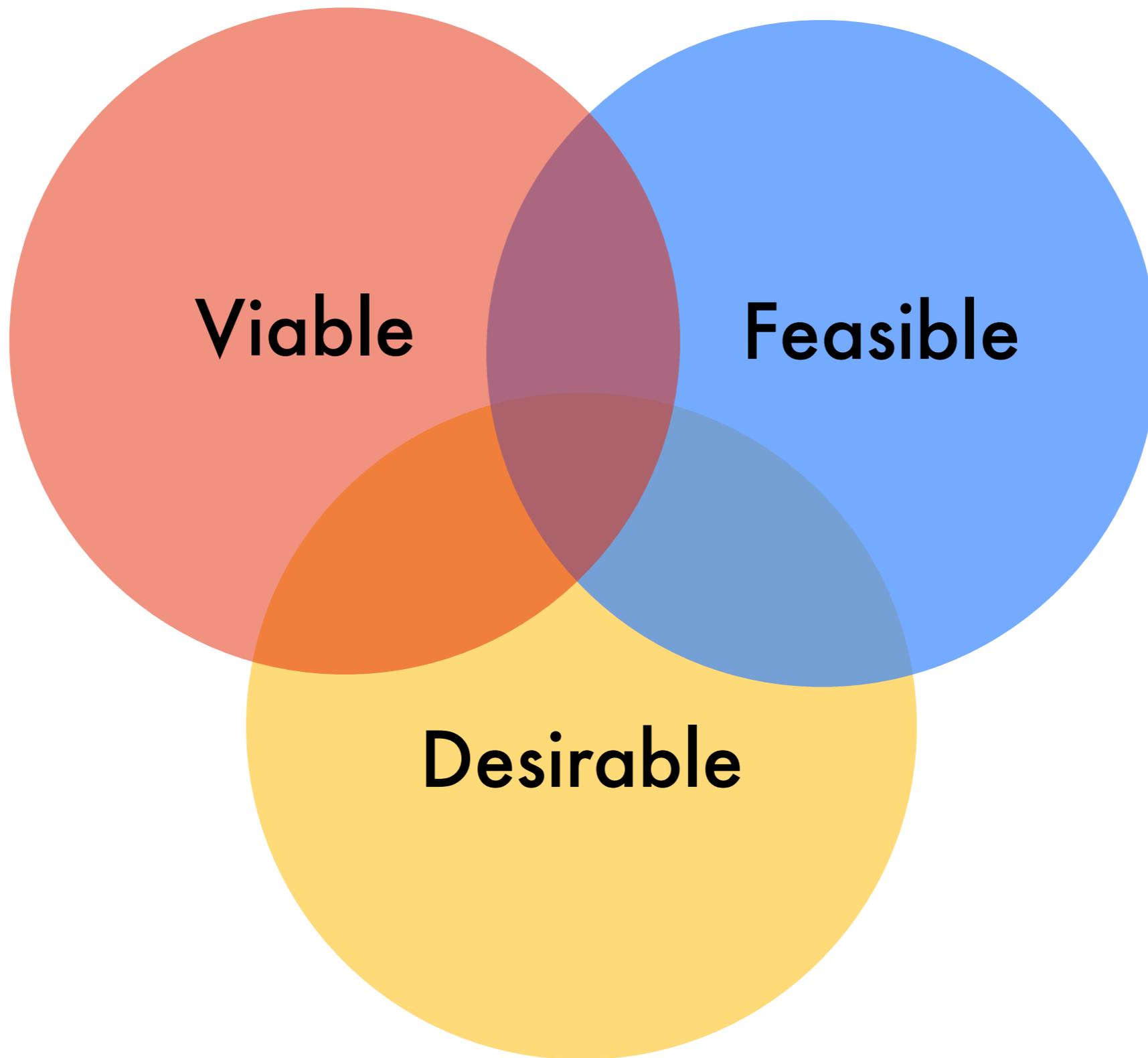
Have your support
network in place
BEFORE you need to
ask for help.

(optional.is)

Is my start-up idea a
good one?

<http://blog.intercom.io>

(optional.is)



(optional.is)

Jobs to be done:

What are you hiring this product to do?

World's Top
Management Thinker



Clay Christensen



Talks	TED Conferences	TED Conversations	About TED
Speakers	TEDx Events	TED Community	TED Blog
Themes	TED Prize ↗	TED-Ed ↗ NEW	TED Initiatives
Translations	TED Fellows	<input type="text" value="Search"/>	

TALKS | TEDx

Simon Sinek: How great leaders inspire action

FILMED SEP 2009 • POSTED MAY 2010 • TEDxPuget Sound



7,642,659 Views [?](#)

[Like](#) 154k

Simon Sinek has a simple but powerful model for inspirational leadership all starting with a golden circle and the question "Why?" His examples include Apple, Martin Luther King, and the Wright brothers ... *(Filmed at TEDxPugetSound.)*

In 2009, Simon Sinek released the book "Start With Why" – a synopsis of the theory he has begun using to teach others how to become effective leaders and inspire change. [Full bio »](#)

"If you hire people just because they can do a job, they'll work for your money. But if you hire people who believe what you believe, they'll work for you with blood and sweat and tears." (Simon Sinek)

[▶ Play \(from 08:07\)](#)

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Simon Sinek

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[What are some good TED talks for young entrepreneurs?](#)

6 Comments

Started by Matthew Leitheiser

TOYOTA

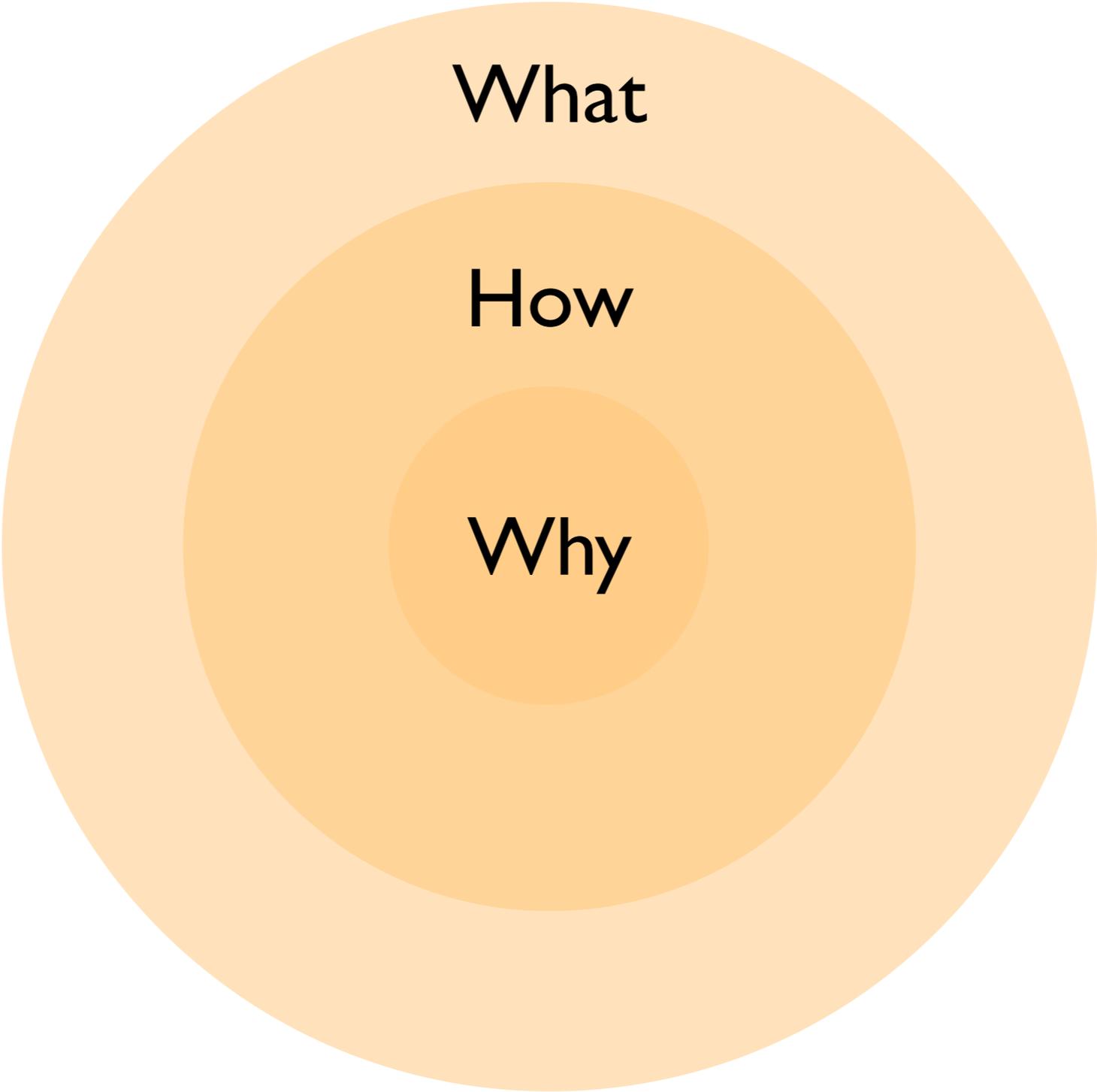
IN ACTION ▶

See what we've been up to at [ToyotaInAction.com](#)

WHAT TO WATCH NEXT



Derek Sivers: How to start a



(optional.is)

WHAT

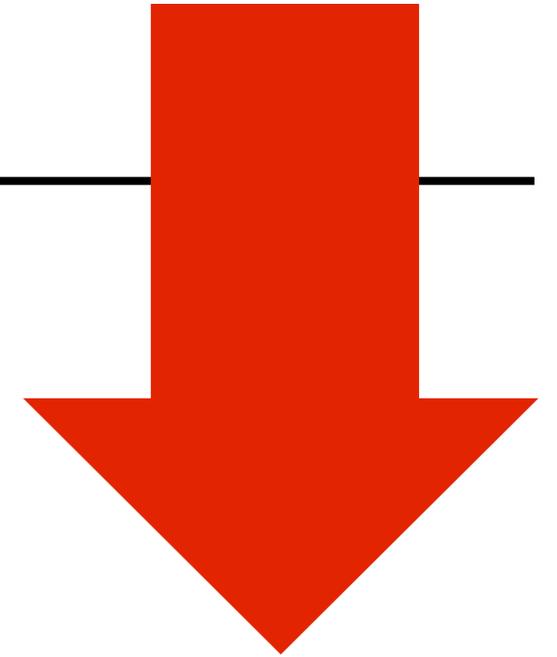
We make great computers

HOW

They are easy to use, simple design and user-friendly

WHY

Turn a profit for shareholders, want to buy one?



WHAT

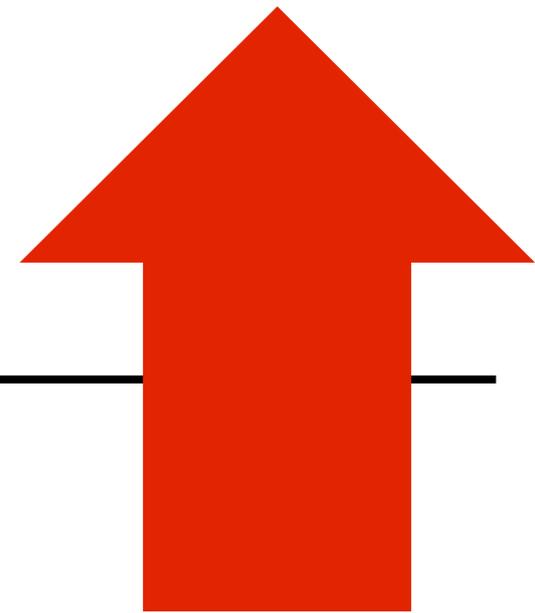
We just happen to make great computers. Want to buy one?

HOW

We challenge the status quo by creating beautiful, simple to use products

WHY

Everything we do, we believe in challenging the status quo. We believe in thinking differently



People don't buy
WHAT you do,
they buy **WHY**
you do it!

(optional.is)

School Pulse

WHY: We believe that every child has the right to the best possible environment to learn in.

HOW: Using open source technology, web browsers and rigorous statistical methods

WHAT: Sell Standardized surveys



PRO TIP

Be passionate about your product

(optional.is)

Making the Jump



Build a small team around you.

Get an accountant

Get a lawyer

(optional.is)

Business Model

Y

A One-Page
Method
for Reinventing
Your Career



U

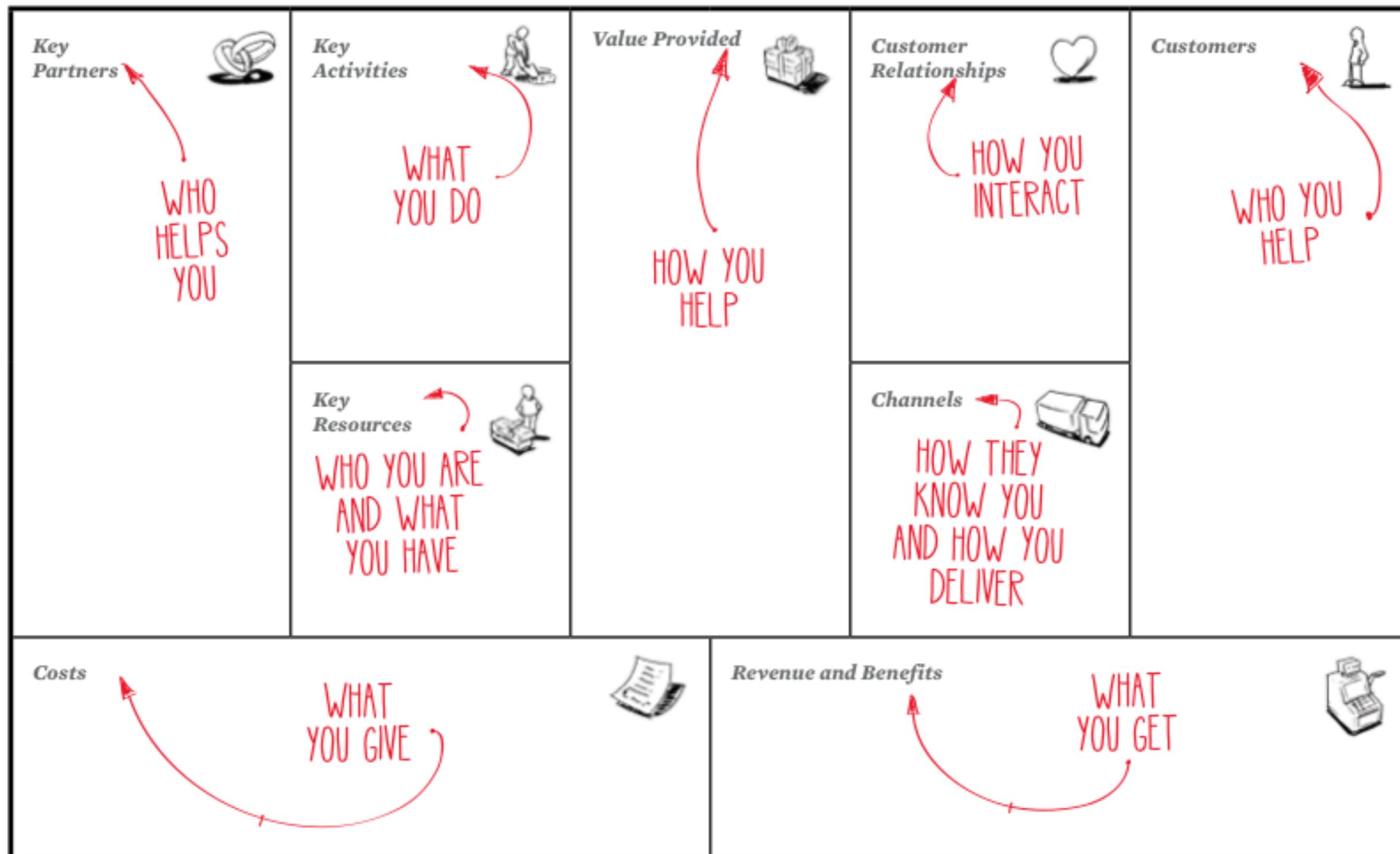
WRITTEN BY
Tim Clark, in collaboration
with Alexander Osterwalder
and Yves Pigneur

DESIGNED BY
Alan Smith and Trish Papadacos

CO-CREATED BY
328 work life wizards
from 43 countries

PERSONAL

The Business Model Canvas



To download a PDF of the personal Business Model Canvas, visit BusinessModelYou.com.



PRO TIP

Track your time!

(optional.is)

Billable/Non-billable



18%

Non-billable

82%

Billable

40h week * 0.82 = 32.3h Billable hours

Estimating work load
on future projects
based on older
projects

Time spent

Meetings vs. Coding

Administration	6.55%
Consulting	1.20%
Design	3.42%
Meetings	25.30%
Presentation Preparations	2.53%
Programming	49.62%
Research	6.71%
Writing	4.66%

**Get your real
productivity
levels**

How do you make money?

Sell you users or sell to your users?

(optional.is)

Dark Arts: Pricing

(optional.is)

cost 

(optional.is)

How to Calculate your hourly rate

8h a day, 5 days a week, 52 weeks a year = 2,080h a year

30,000 Euro/2,080h a year = 14.42 euro/h

€ 15/h Easy!

(optional.is)

€15/h Wrong!

!8h a day, try more like 6h billable
5 days a week

!52 weeks a year, try more like 45 vacation, holidays

6h a day, 5 days a week, 45 weeks a year = 1,350h a year

30,000 Euro/1,350h a year = 22.22 euro/h

€23/h No a problem!

(optional.is)

€23/h Not yet!

That covers just your salary. What about all the other expense?

- Internet
- Phone
- Accountant
- Rent
- New Laptop
- Office Supplies
- Conferences
- Servers/Software
- Taxes
- Etc

(optional.is)

Spreadsheets!

4 sheets

- Overview
- Monthly Expenses
- Salary
- Annual Expenses

Calculates how much you need to charge (minimum) per hour to keep the company going.

goo.gl/7Ryti

(optional.is)

Hourly Rates (codebits 02012)

File Edit View Insert Format Data Tools Help All changes saved in Drive



f_x

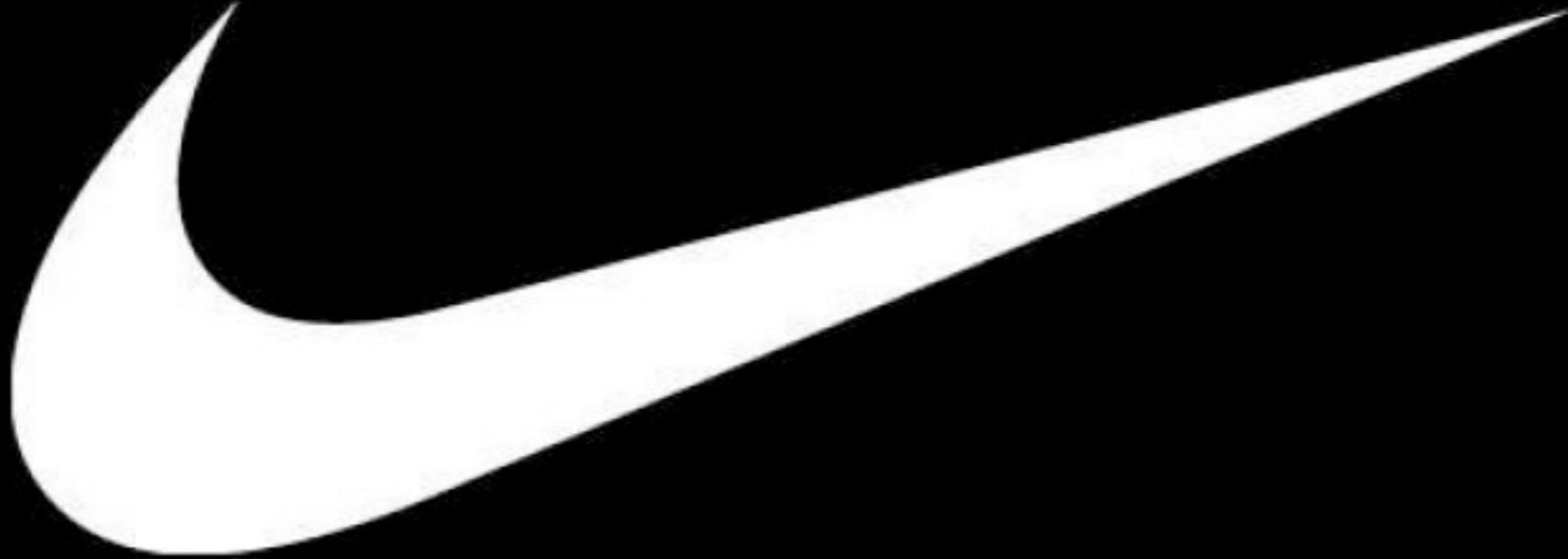
	A	B	C	D	E	F	G	H
1	Operations			COMPANY (Monthly)			Annual Turnover	44,020.00
2	Months	12		Monthly Expenses:	3,668		Hourly Rate	32.61
3	Weeks	45						
4	Hours a week	30		Hourly Rate:	32.61		TAX	25.50%
5								
6	Monthly Salary	2,500					TOTAL:	40.92
7	Annual Salary	30,000						
8	Weekly Pay	667						
9	(From Salary Tab)							
10								
11	Pay per hour	22						
12								
13								
14	Change Cells in Yellow							
15								
16	Grey Cells are from other pages							
17								
18	Computations!							
19								
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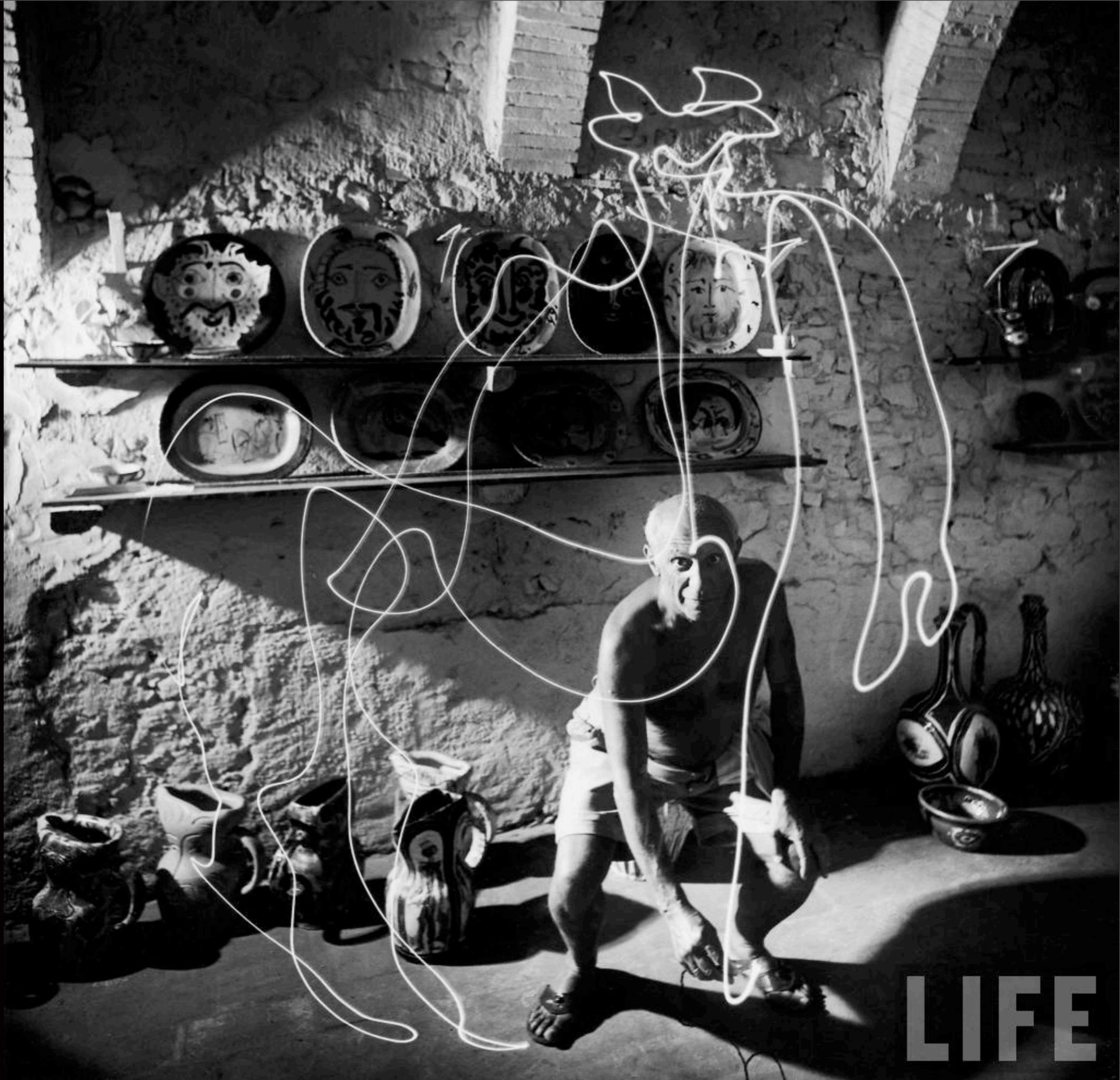
goo.gl/7Ryti

Value-based Pricing



© Claudio Mufarr



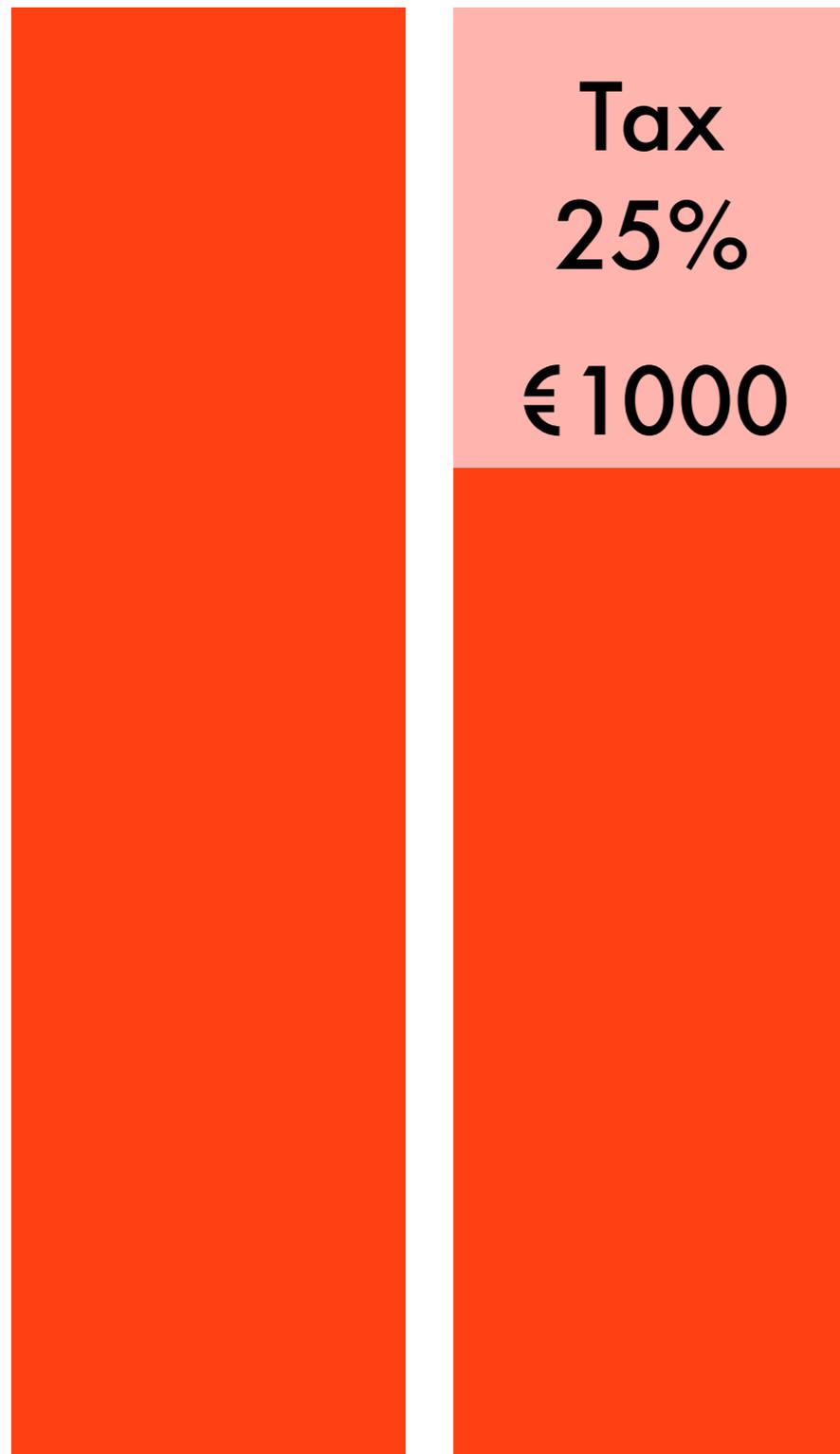


LIFE

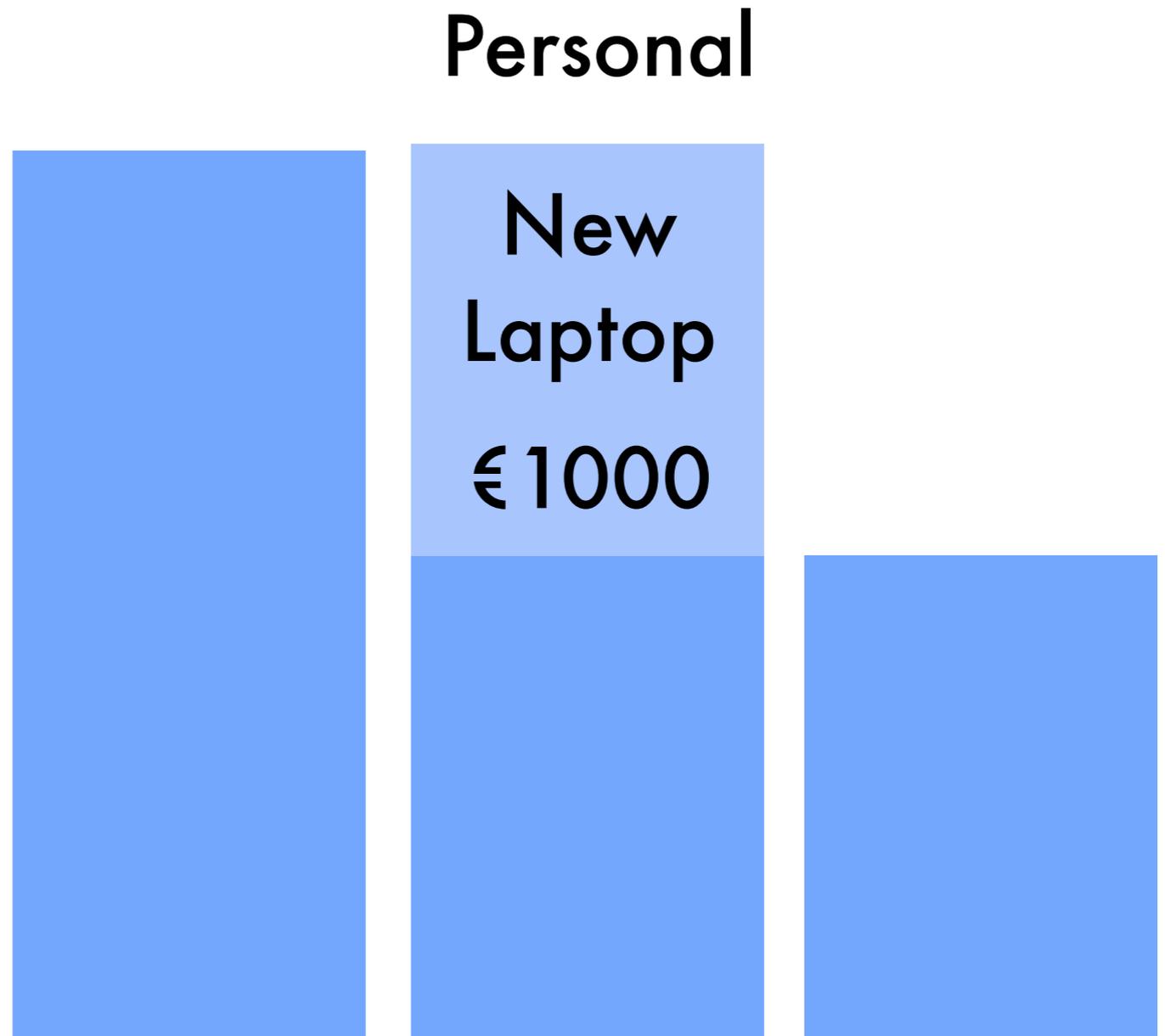
Expenses before salary costs, save money on laptops

(optional.is)

Company



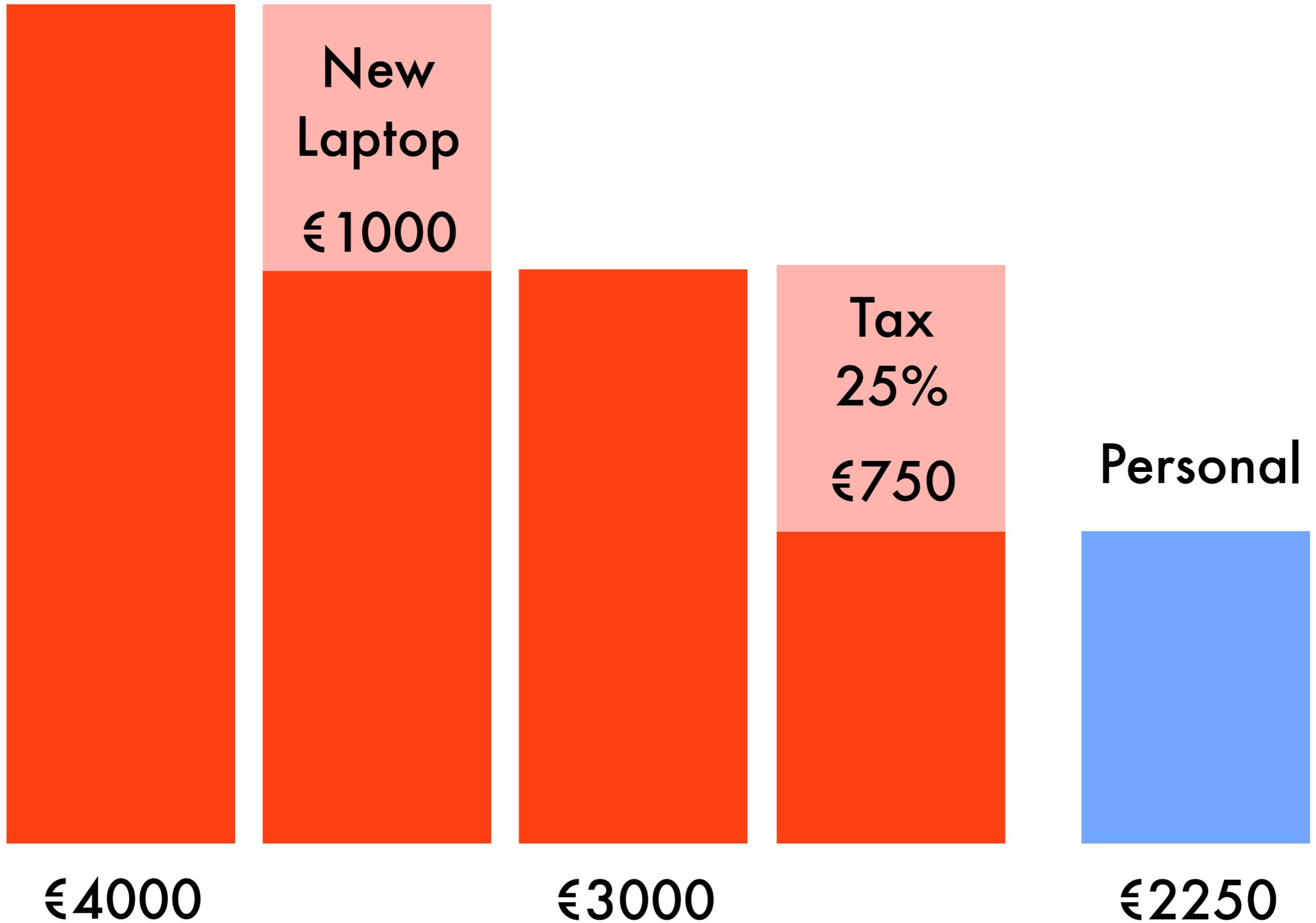
€4000



€3000

€2000

Company





PRO TIP

Always have your resume ready!

(optional.is)

Product income vs. freelancing pros and cons



36%
Product

64%
Client Work

(optional.is)

Company (optional.is)	% of Time	% of Revenue
	18.12%	-
Client A	41.54%	51.23%
Client B	13.27%	5.52%
Client C	5.57%	4.40%
Product	20.04%	36%
Client X	0.22%	<1%
Client Y	0.58%	<1%
Client Z	0.67%	<1%

Without Client A Things Flip



30%
Client Work

70%
Product

orbiting projects

how to sell the same stuff again and again

(optional.is)

Taking funds vs. slow growth

(optional.is)

Stock options, delusion

(optional.is)

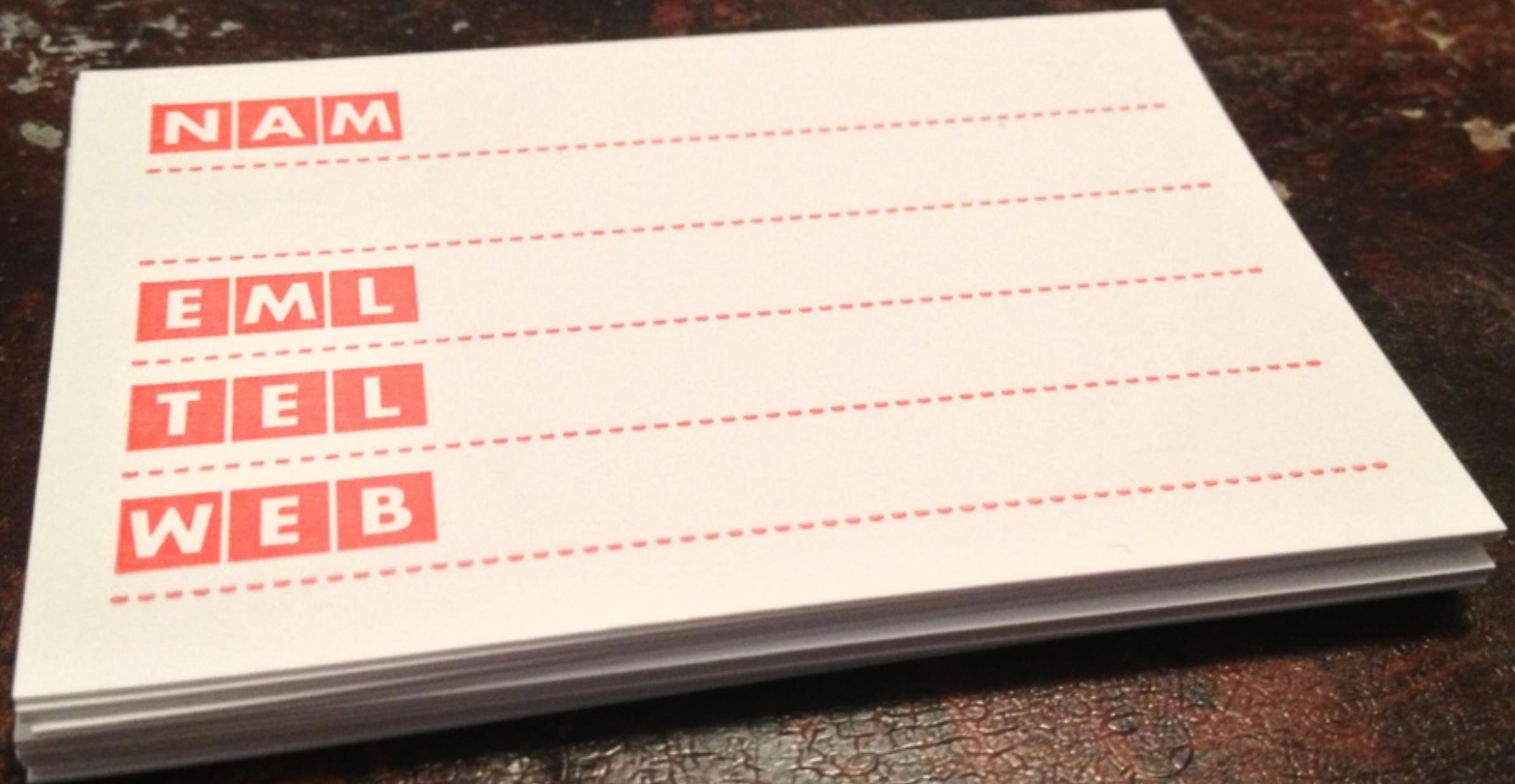


PRO TIP

Always have a business card

(optional.is)

github.com/optional-is/Blank-Business-Cards

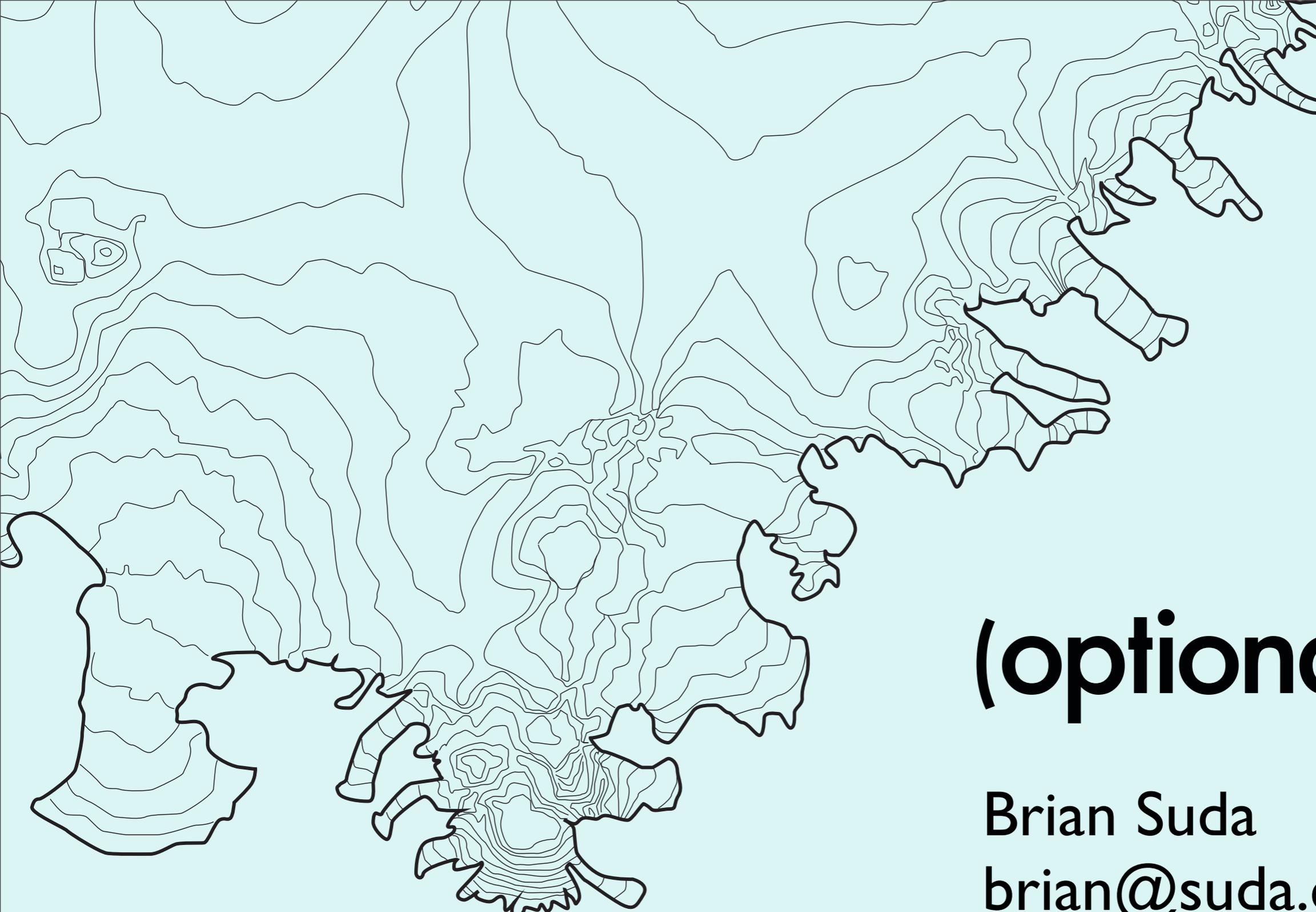


(optional.is)

Book Recommendations



<http://www.abookapart.com/products/design-is-a-job>



(optional.is)

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