What is Open Source Software and When Can Business Use It?

Workshop Facilitator:

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Purpose

- To educate and inform business practice.

- Open Source Software is often not well understood by business community

- There are business opportunities and business problems associated with its use

- At the end of this workshop you will understand the issues involved in using open source software in your business

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Workshop overview

Agenda

- Identifying Open Source Software
- Using Open Source Software
- Case Study Discussion

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About your speaker

- Micheal Axelsen is Director in the Growth Services Consulting team for BDO Kendalls – Queensland's fourth-largest accounting firm

- Micheal consults in Corporate IS Evaluation, IS Project Assessment, Business Reporting Solutions and IS Strategy Development

- Micheal is also Chair of the CPA Australia Information Technology & Management CoE

- Micheal holds a Bachelor of Commerce (Hons), a Masters of Information Systems, and is a CPA

- Blog: Topical Issues in Information Systems Management www.michealaxelsen.com

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Group exercise

- Confirm workshop expectations

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Identifying Open Source Software
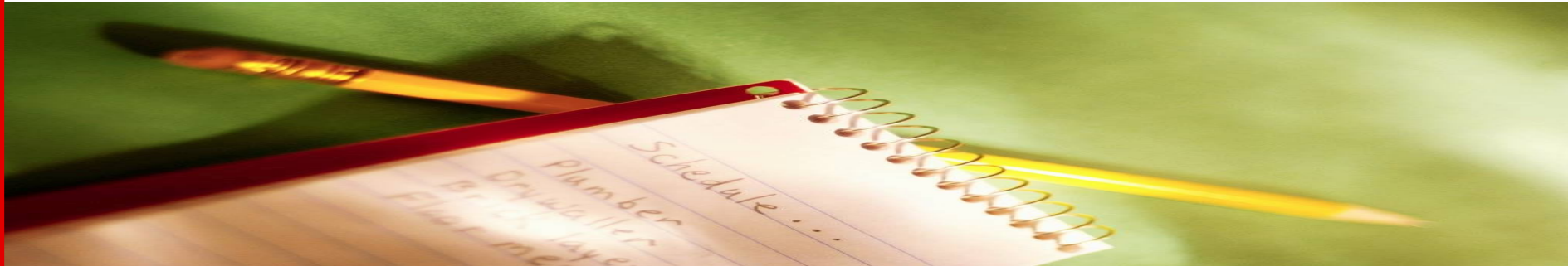
Historical context

- Prior to Open Source Software (1998), there was "Free" Software (1985), Freeware (1982), Shareware (1982), and of course Proprietary software (when did computers start?)
- "Freeware" was "free" to use, but not "free" to be developed or modified.
- "Shareware" was paid for on an honours system, and you still couldn't modify the software

Historical context

- "Free Software" was "free", but sounded a little socialist and anti-business (at least, to the Americans)
- It was all a bit confusing, so the term "Open Source" was coined in 1998

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Open source vs closed source

- The traditional software approach is 'closed' source software.

- Closed source software can only be maintained by the software developer, and the right to use the software is provided under a software license.

- Lotus 1-2-3 or Microsoft Word are examples of closed source software

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Definition – What is Open Source Software?

- What is "Open Source" software?
  - The programming source code is freely available
  - No fees are charged for the intellectual property of the software (may need to pay for the media)
  - Often many people undertake software development, but there are one or two "gatekeepers" for new code
  - No cost licensing does not mean zero cost, though!
- Microsoft doesn't do much Open Source
- IBM & Sun do support open source software

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Official definition

1. **Free Redistribution:** the software can be freely given away or sold.

2. **Source Code:** the source code must either be included or freely obtainable.

3. **Derived Works:** redistribution of modifications must be allowed.

4. **Integrity of The Author's Source Code:** licenses may require that modifications are redistributed only as patches.

5. **No Discrimination Against Persons or Groups:** no-one can be locked out.

6. **No Discrimination Against Fields of Endeavor:** commercial users cannot be excluded.

Official definition (continued)

7. **Distribution of License:** The rights attached to the program must apply to all to whom the program is redistributed without the need for execution of an additional license by those parties.

8. **License Must Not Be Specific to a Product:** the program cannot be licensed only as part of a larger distribution.

9. **License Must Not Restrict Other Software:** the license cannot insist that any other software it is distributed with must also be open source.

10. **License Must Be Technology-Neutral:** no click-wrap licenses or other medium-specific ways of accepting the license must be required.

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Open source examples

- Several mainstream examples of Open Source Software, with closed equivalents, include:
    - Linux (Microsoft Windows)
    - Open Office (Microsoft Office)
    - Apache (Microsoft Internet Information Services)
    - DotNetNuke (Microsoft Sharepoint)
    - Joomla (RedDot Content Management Server)
    - Php (Microsoft .Net)
    - Firefox (Internet Explorer)
- But there are more - Sourceforge has over 130,000 current projects and 1.4m users.

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How open source projects work
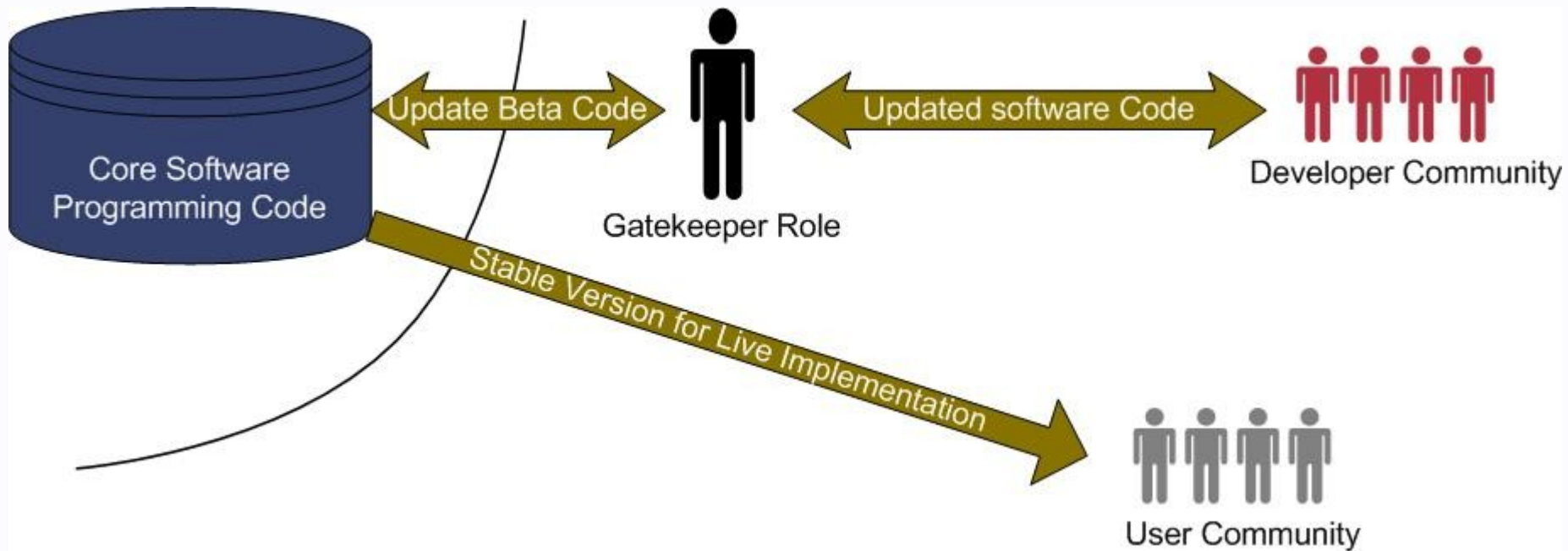
Small Group Exercise: Identifying open source software

- Undertake comprehension exercise to identify ten different types of software in small groups of five to seven.
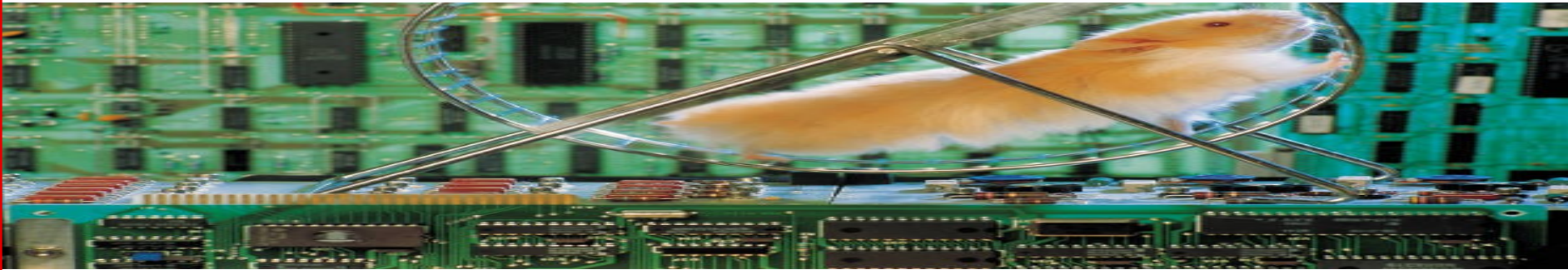
  Discuss and reflect back to major group.

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Small Group Exercise:
Identifying open source software

- Whole-Group Discussion – identify open source software currently in use.

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Using Open Source Software

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Why open source software?

- Some people just plain hate Microsoft
- Some big-firms release software as open source (Sun, IBM)
- When many people collaborate, the quality of the final product can be excellent (cf "closed source" approaches)
- A great opportunity for technical types to develop skills and best practice
- Although they don't charge for their intellectual property, dollars can be made by consulting in the software itself

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Why open source software?

- Part-time volunteer programmers
- Task-focused and bite-sized chunks of work
- Gatekeeper, version control
- High quality for active projects
- No license fees – although consulting fees may be incurred
- No license management or growth incurred
- Adherence to standards

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Some problems

- Low-activity projects – founders lose interest
- 'Forking'
- Potential immaturity of project team
- No support contracts available
- Not subject to market forces
- Enterprise risk

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Exercise: SWOT

- In small groups, undertake a SWOT analysis of open source software

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Using open source software in the business

- Open source software can be used in the business by end users or 'behind the scenes'

Productivity Software	Open Office
Email/PIM:	Mozilla Thunderbird , Novell Evolution
Browser	Mozilla Firefox
Accounting Software	Quasar Accounting, Compiere, SQL-Ledger
Web Server	Apache

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Some issues

- Loss of 'control'
- Low-activity projects
- Potential mix of technologies
- Many open source tools when one closed tool would work
- Potentially, higher IT staffing costs
- Need to stay focused – are you an IT company? What does distraction cost?
- Leverage to have support issues addressed?

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Some issues

- Core central applications might be Windows-based (may resolve through terminal server)
- Some fundamental things that just 'work' in a Microsoft world require some monumental fixing in a purely open-source world.

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Group discussion: Identify risks and benefits

- Exercise: Identify general risks and benefits to business within small groups

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Organisational checklist for open source software

- The workbook contains the Open Source Checksheet developed for the Information Technology & Management Centre of Excellence.

- This checksheet should be used when considering open source applications for use in your business.

- Things to consider include:

  - Project activity

  - Resource requirements

  - Functionality

  - Business alignment issues

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Case study discussions

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Case study #1

- Professional Services Firm Case Study
- Exercise for discussion: What options might work for them? Identify risks and benefits.

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Case study #2

- Fast Growing Firm Case Study
- Exercise for discussion: What options might work for them? Identify risks and benefits.

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Conclusion

Summary discussion and conclusion

- Exercise: Discuss - is there a strategic response to open source applications applicable to your business?

- Exercise: Review Workshop expectations

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More information

- More resources and potential for discussion
  - www.sourceforge.net
  - www.sourceit.gov.au/sourceit/oss
  - en.wikipedia.org/wiki/Open_source_software
  - www.infoworld.com/reports/32SRoss.html
- Refer to my blog www.michealaxelsen.com for further references to open source software.
- I am available by email on maxelsen@bdokendalls.com.au

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Conclusion

- Thank you for your attention
- My contact details:

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