

Structured Writing for Professionals

English 170
Stanford University, Fall 2025
Mihail Eric

The Modern Software Developer

CS146S
Stanford University, Fall 2025
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Introduction and How LLMs are Made

State of the World: 2025



World ▾ Business ▾ Markets ▾ Sustainability ▾ Legal ▾ Commentary ▾ Technology ▾ Investigations

AI startups revolutionize coding industry, leading to sky-high valuations

By Anna Tong and Krystal Hu

June 3, 2025 6:46 PM PDT · Updated June 3, 2025



Meta's Zuckerberg pledges hundreds of billions for AI data centers in superintelligence push

14 February 2025

EDUCATION

Dancing with digital partners: The creative revolution of generative AI

FINANCIAL TIMES

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Opinion **Artificial intelligence**

At work, a quiet AI revolution is under way

Bad News

“~95% of our code is written using Windsurf’s agent Cascade and the passive coding feature, Windsurf Tab.”

- Windsurf team

Anthropic's CEO says that in 3 to 6 months, AI will be writing 90% of the code software developers were in charge of

Google chief scientist predicts AI could perform at the level of a junior coder in a year

MAJOR	UNEMPLOYMENT RATE	UNDEREMPLOYMENT RATE	MEDIAN WAGE EARLY CAREER	MEDIAN WAGE MID-CAREER	SHARE WITH GRADUATE DEGREE
ACCOUNTING	1.9%	17.9%	\$60,000	\$88,000	32.9%
ADVERTISING AND PUBLIC RELATIONS	3.5%	34.1%	\$56,000	\$89,000	20.7%
AEROSPACE ENGINEERING	1.4%	18.8%	\$76,000	\$125,000	51.5%
AGRICULTURE	1.2%	42.4%	\$50,000	\$75,000	19.9%
ANIMAL AND PLANT SCIENCES	1.0%	53.2%	\$43,000	\$70,000	35.6%
ANTHROPOLOGY	9.4%	55.9%	\$42,000	\$70,000	46.7%
ARCHITECTURE	4.3%	30.8%	\$52,000	\$80,000	40.8%
ART HISTORY	3.0%	46.9%	\$45,000	\$71,000	47.9%
BIOCHEMISTRY	3.3%	44.4%	\$52,000	\$89,000	70.8%
BIOLOGY	3.0%	45.6%	\$47,000	\$80,000	63.4%
BUSINESS ANALYTICS	2.4%	27.2%	\$70,000	\$100,000	25.6%
BUSINESS MANAGEMENT	4.0%	51.3%	\$55,000	\$80,000	25.3%
CHEMICAL ENGINEERING	2.0%	16.5%	\$80,000	\$120,000	47.8%
CHEMISTRY	6.1%	40.6%	\$55,000	\$90,000	65.5%
CIVIL ENGINEERING	1.0%	20.2%	\$71,000	\$100,000	39.9%
COMMERCIAL ART & GRAPHIC DESIGN	7.2%	34.7%	\$48,000	\$75,000	11.3%
COMMUNICATIONS	4.5%	52.3%	\$52,000	\$85,000	23.5%
COMPUTER ENGINEERING	7.5%	17.0%	\$80,000	\$122,000	40.0%
COMPUTER SCIENCE	6.1%	16.5%	\$80,000	\$115,000	32.8%

Good News

- Software developers have the potential to be more productive than they have ever been in history
- With AI coding an engineer can pick up tech stacks and tools at an unprecedented pace
- You won't be replaced by AI. You'll be replaced by a competent engineer who knows how to use AI.

The Modern Software Developer

This is **not** the “vibe coding” class

10 weeks in 2 slides

The Takeaway

- Human-agent engineering
 - Focus on the skills that are not yet replaced by AI systems
 - Business understanding
 - Become the tech lead
- LLMs are only as good as you are
 - Good context leads to good code
 - If you can't understand your codebase, neither will an LLM

The Takeaway

- Read and review **a lot** of code
 - Learn to discern good from bad, wrong software
 - Have good taste
- Experiment aggressively
 - There are no established software patterns yet
 - Everyone is still figuring it out
 - This class will introduce many workflows and tools - figure out what works for you

Course Logistics

- A bit about me
 - Stanford undergrad/grad
 - Head of AI at a stealth startup in the sales space
 - Built first LLMs at Amazon Alexa
 - Founded and sold an ML education startup
 - Founded a YC-backed AI coding company
- 1 awesome CA
 - Febie Lin



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Course Logistics

- <https://themodernsoftware.dev>
- Lectures
 - Mon/Fri 8:30-9:20 am
- Deliverables
 - 9 assignments (1x/week) focusing on lecture material practice
 - <https://github.com/mihail911/modern-software-dev-assignments>
 - 1 final open-ended project in which you will exercise AI coding principles we cover
- Grading
 - 80/15/5 breakdown for project/assignments/participation
- Something pretty awesome
 - Guest lectures from founders leading top AI developer startups today
 - \$100s of millions raised, billions in valuation
 - Don't miss these talks!

How LLMs Work in 5 Slides (For Engineers)

Basics

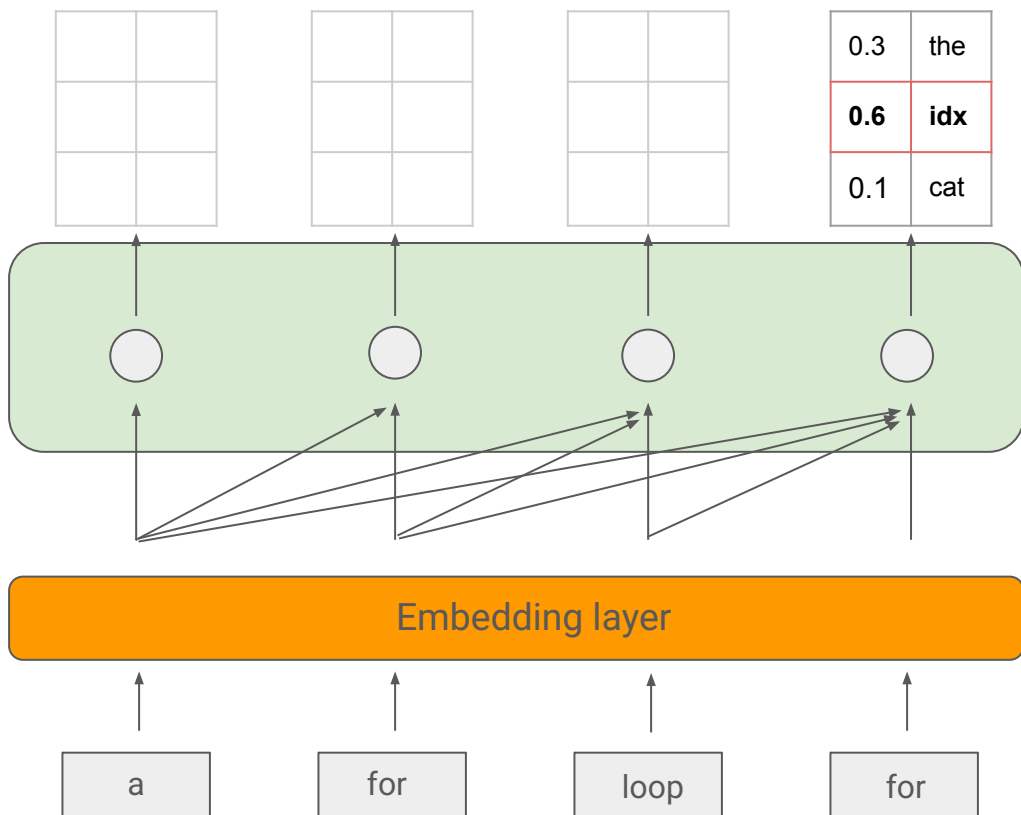
- LLMs (large language models) are autoregressive models for next-token prediction

$$P(x_1, x_2, \dots, x_T) = \prod_{t=1}^T P(x_t | x_1, x_2, \dots, x_{t-1})$$



$$P(\text{write, a, for, loop, for, idx, in, range} \dots) = P(\text{range} | \text{write, a, for, loop, for, idx, in}) \cdot P(\text{in} | \text{write, a, for, loop, for, idx}) \cdot \dots \cdot P(\text{a} | \text{write}) \cdot P(\text{write})$$

Basics



Get probability distribution over most likely next token

Transformers layers (12-96+) using self-attention mechanism (Vaswani et. al. 2017)

Convert tokens into fixed-dimensional numerical vectors (~1-3K dimensions)

Tokenize inputs using fixed vocabulary

Training Process

- Stage 1
 - Self-supervised pretraining
 - Teach the model notion of language on a variety of often public data sources
 - 100s of billions to trillion+ tokens (language and code)
 - Common Crawl, Wikipedia, StackExchange, Public Github repos
 - *Write a for loop* → **that could be used in a piece of code**
- Stage 2
 - Supervised finetuning
 - Teach model to follow instructions
 - High-quality, curated prompt-response pairs ("*what is the capital of Croatia*" -> "*Zagreb is the capital*")
 - Tens of thousands to 100s of thousands of pairs
 - *Write a for loop* → **ok here's a for loop...**
- Stage 3
 - Preferencing tuning
 - Align model outputs with human preferences (helpfulness, correctness, readability)
 - Collect pairs of outputs for same prompt and train reward model to predict preferred output
 - Tens of thousands to 100s of thousands of human-labeled comparisons
 - *Write a for loop* → **for idx in range(10):**

Training Process

- Reasoning models
 - Extend training with chain-of-thought reasoning traces
 - Tool-use integration
 - Get human preferences on reasoning steps
 - Reinforcement learning to learn how to evaluate reasoning traces, backtrack, etc
- Size
 - GPT-3/Claude 3.5 Sonnet - 175B parameters
 - LLaMA 3.1 - 405B parameters
 - GPT-4 - 1.8T (reported)

In practice

- Strengths
 - Expert-level code completion
 - Code understanding
 - Code fixing
- Limitations
 - Hallucinations
 - Generating non-existent/out-of-date APIs (mitigated with robust context engineering)
 - Context window limits
 - ~100-200K tokens but not all are created equal
 - Latency
 - Seconds to minutes per request depending on task (plan and delegate accordingly)
 - Cost
 - \$1-3 per million input tokens, \$10+ per million output tokens for best models

Questions?