

SCENARIO BOOK

Fractional CTO

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If you're not ready to commit to a full-time Chief Technology Officer, our Fractional CTO service gives you the critical smarts your business needs as it scales. Making an investment in high-quality advice during your growth stage brings dividends long into the future.

HYPR

Your scenario?

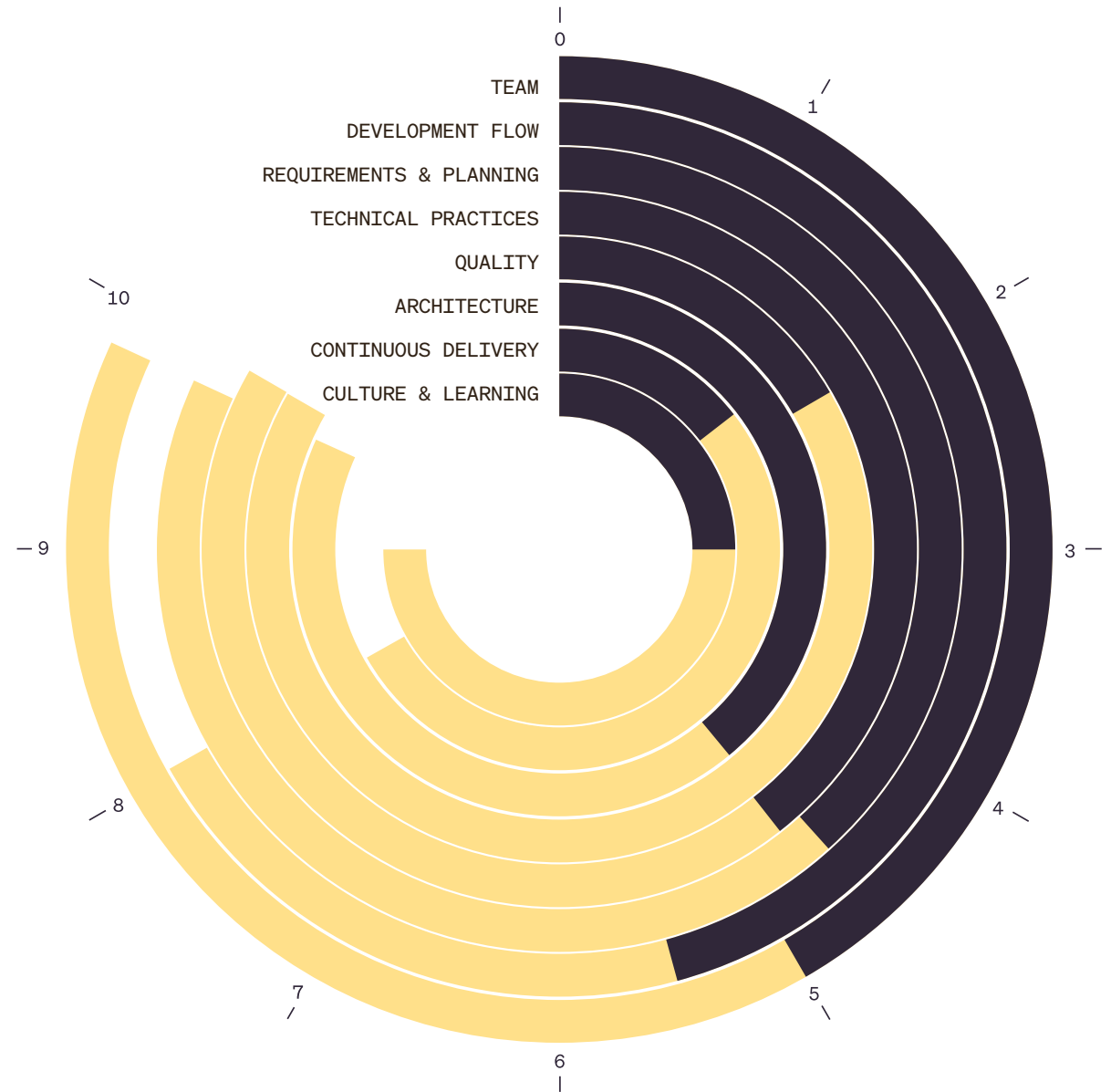
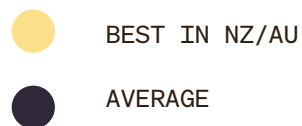
- You're a founder or senior leader in a growing business that relies on or sells technology
- You've managed until now with internal skills and your own knowledge to prove the business and make technology work for your customers
- You've now grown to the point where you have extra cross-business responsibilities. You're worried this might impact on your tech focus and ability to sustain growth
- You realise it's time to get some dedicated tech smarts in the room to ensure that you can scale fast and in the right way
- Hiring a CTO is the logical long-term solution to your problems but right now you're not certain you can fully justify a full-time hire
- Instead, you want to explore engaging an exceptional virtual or 'fractional' CTO for only the time you need

“The business is growing fast and I want to make sure that our technology allows us to scale without storing up problems down the road. I need expert help for that but a full-time CTO of the calibre we need is a stretch too far”

Why paying attention to tech pays off

Experienced Chief Technology Officers are hard to find and expensive to hire. That's because the value they bring to your software business can be the difference between success and failure, between securing the next level of investment or not.

If you don't have the right expertise in the room, here's what can happen – expressed in a single diagram. It represents the highest and average scores of more than 170 SaaS businesses across the eight key areas of delivery.



SOFTWARE DELIVERY PERFORMANCE OF NZ SAAS BUSINESSES

The average scores in every area except 'Development Flow' score below 5. The averages for 'Quality' and 'Continuous Delivery' are below 2. 'Architecture' barely hits 4.

These low scores prove that the average SaaS business cannot scale effectively and deliver the value that customers need *at anywhere near the pace they expect*. Guiding your business to the point where scale is the biggest challenge is a significant achievement in itself. However, the approach to technology that got you here is not the approach that will help you scale.

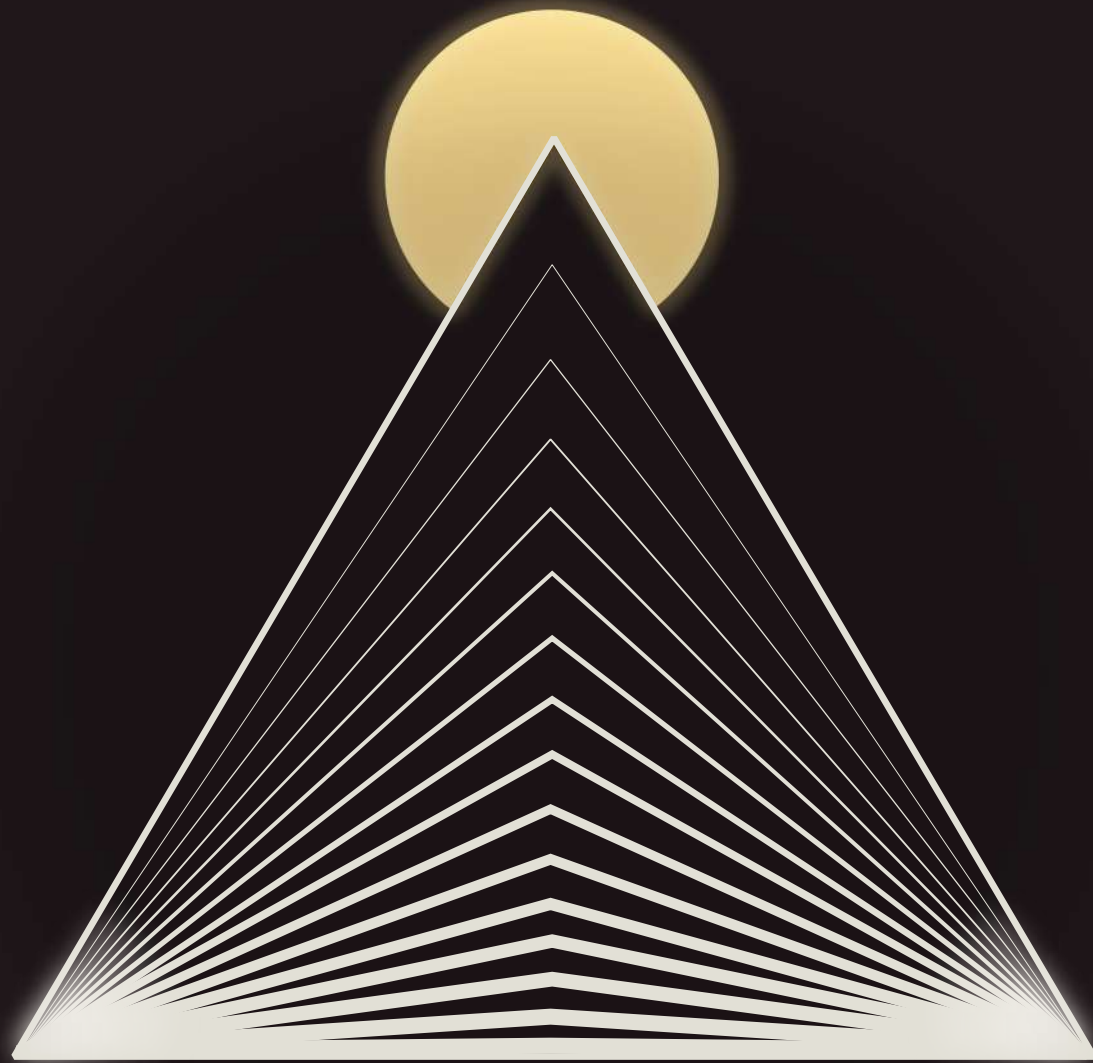
SOURCE: HYPR Improvement Model based on audits completed by HYPR for Callaghan Innovation's Build for Speed programme.

Why does it happen?

It usually happens because of technology decisions made in the past... which may have been right at the time. But as the business grows – and as the tech landscape itself changes – the system has not been able to adapt.

To overcome the challenges, the business uses tactical workarounds and band-aid approaches to force value out of the door. These simply add to the complexities of the system. Most SaaS businesses have built up an unhealthy level of technical debt within two years of operation. Most organisations spend 30-40% of delivery capacity on rework due to quality problems.

The value of world-class expertise to build a future-proof roadmap becomes very real.



The Fractional CTO

A Fractional CTO is a part-time CTO that focuses on the big picture and helps you make the strategic decisions that work for now and tomorrow.

They will help you:

- Understand your current technology state, roadmap, assets, capabilities, business objectives and priorities
- Validate what's good, identify the risks, define areas for improvement or realignment
- Build a cohesive technical vision and a strategy to deliver it
- Focus on prioritised business outcomes today and future-proof the business for tomorrow
- Support, guide and advise across all aspects of technology and delivery practices
- Keep options open until the last responsible moment to support business agility
- Sell the vision for the business, enhance your employment brand and help you retain the right people and partners

In short, they'll help you build a system that accelerates the flow of value to customers and can adapt to change.

(See page 9 for a more detailed look at what's covered)

World-class expertise. For a fraction of the cost

Our Fractional CTO model provides you with one of our exceptional Principal Technology consultants for a fixed monthly fee.

You'll get someone who works at the strategic level and understands that any delivery system is about tech and people. They'll have deep experience in delivering code, Continuous Delivery, Infrastructure as Code (IaC) and much more.

Your engagement can be tailored for every business, flex in tune with your needs and run for any length of time.

The cost will be substantially lower than hiring a full-time CTO. You won't need to worry about other costs (leave, sickness, benefits etc).

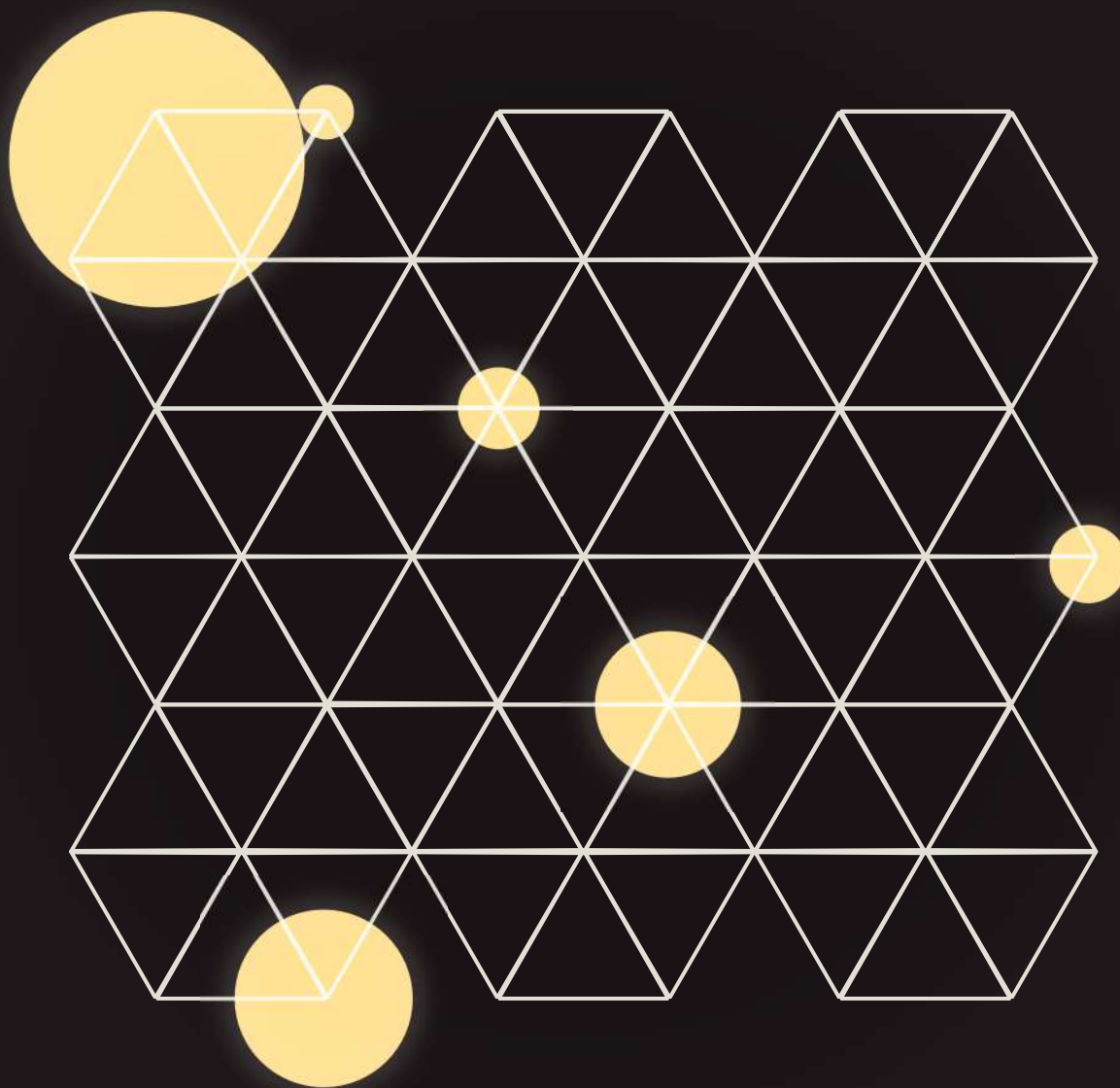
■ Here's how it works

- Every engagement is unique. We collaborate to understand and agree a Fractional CTO Engagement Plan that works for you
- We appoint a Fractional CTO you're happy to work with as 'Principal'
- We identify specialist experts in the HYPR team to support the Principal as required eg. SaaS architecture, Test Automation, technical practices etc.

The Principal and support team work to establish a baseline understanding of your situation, identify priorities and develop a direction and roadmap for progress

The Principal is in regular contact to monitor progress, provide decision guidance and direction as necessary and ensure the investment is returning value within the overall plan

- Regular reviews of the Engagement Plan allow you to flex or taper down your Fractional CTO's involvement over time



What's covered?

Technology leadership

- Align technology strategy with business goals and resources

Technology audit

- Assess and evaluate the existing *technology stack, practices and direction*
- Identify what's good, the areas of concern and highlight high-level risks
- Identify high-value improvements in your context based on customer growth

Technology roadmap

- Frame the direction of travel for technology and explore the fastest path to value
- Establish goals/waypoints/KPIs/OKRs along the journey
- Advise on finding the right mix for feature delivery, reducing technical debt, reducing defects and addressing risk

Cloud strategy

- Advise on appropriate cloud architectures
- Advise on modern cloud infrastructure management techniques such as Infrastructure as Code
- Advise on the application of modern DevOps practices to accelerate flow
- Ensure the ability to scale solutions to meet demand

Technology integration

- Advise on integration of new software into the business
- Develop integration implementation plans in line with technology strategy

Software delivery practices

- Guide initiatives to improve technical and quality practices
- Guide initiatives to improve team practices (ways of working)
- Guide improvement of Continuous Integration (CI) and Continuous Delivery (CD)

Vendor analysis

- Neutral evaluation of requirements and vendor proposals for new software and tools
- Provide governance for purchase (including negotiation advice)
- Provide guidance on how to minimise dependency on vendors and third-party software

Security and resilience

- Advise on processes and systems to maintain acceptable service levels
- Advise on architectures and technologies to ensure security and response to threats

Metrics and data

- Advise on appropriate tools/dashboards to measure productivity and performance
- Advise on instrumentation and telemetry for software systems eg. products and in-house systems



Why HYPR?

Our purpose is the 'Pursuit of Relevance'. We're here to help you accelerate the flow of value delivered to your customers so you can thrive in rapidly changing times.

■ What makes us different?

Focus on flow – Progressive enterprises are focusing on finding and removing delays from their system through the practice of Value Stream Management (VSM). We're a leading VSM consultancy helping enterprises in NZ and Australia.

Systems thinking – We take a systems-thinking approach to avoid local optimisations that contribute little to the whole.

Focus on your people – Technology and people are one system and two sides of the same coin. We focus as much on the social constructs and human networks as we do on the tech.

Transition not transformation – Your enterprise operates in a VUCA (Volatile, Uncertain, Complex, Ambiguous) world. It needs to keep flying while making changes. We know from experience that transition is the only way you can do both.

Our people – We're a diverse team with shared purpose and values. We have extensive skills across our consulting lines, from the very best software engineers to strategic experts able to engage at board level. They have lived at the coalface of change.

We're ready to help

HYPR

We're confident we have the Fractional CTO you're looking for. Someone who can guide your future and help you build a system that delivers for customers long into the future.

If this sounds like the solution you've been looking for, let's talk about your specific requirements. Call us now...

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Thanks to all the clients and 'Friends of HYPR' who provided feedback and the pioneers of ideas and models that help us see things in new and different ways.

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