# CTO Board Reporting

This toolkit includes:

- The Common mistakes in Board Reporting
- Key topics that should be covered in the Board slides
- How to clearly evaluate risk and take appropriate actions
- Structuring a forward-looking plan

- Identifying Key Performance Indicators
- Measuring product performance
- Examples of different engineering metrics

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Introduction
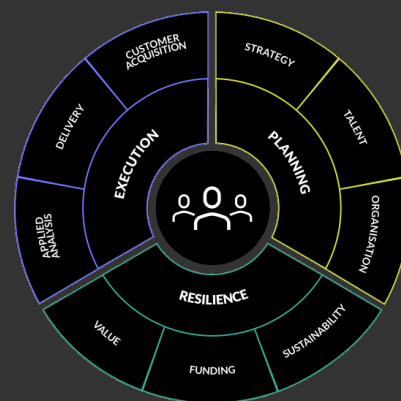
It is surprising how often, too little time is spent discussing technology development at board meetings, even for tech companies. As such they do not have sufficient visibility of the tech function, shielded from dealing with tech questions or strategy. Additionally, the Technology department not only becomes separated from the rest of the organisation but become unaccountable for their activity. Left unchecked, an increasing level of discomfort can worsen any misalignment between the priorities of the technology function and overall objectives of the organisation. Input to the Board Pack is the opportunity to ensure that not only is technology featuring on the board agenda but that the right conversation is had. This paper shows how a well-crafted CTO input to the Board Pack can report on activity, give a forward-looking view of R&D and innovation whilst still addressing the core board interests of performance, costs, and risk.

No alarms, no surprises

The Board Deck is not an opportunity to introduce surprises, it is disruptive to the agenda and likely result in unproductive discussion. Significant issues or challenges should already be in discussion within the executive team. If there is an exceptional discussion to be had, prepare a separate paper for the CEO highlighting the concern, the likely impact together with scenarios or options to tackle the concern.

Similarly, as a reporting tool the board deck contribution should not be overloaded with Jira exports, burndown charts or DevOps statistics. Yes - this data should be communicated but it requires considered selection, context, and interpretation.

How should it look?

The technology fluency will be different across the board, depending on their roles and experience, so a predictable consistency in presentation and format is a good method to maintain engagement.

My preference is to keep the Board slides down to 4 topics conveying the following:

Page 3

Commentary and summary of the current period

Page 5

Challenges

Page 4

Performance Metrics

Page 5

Forward planning

About the author

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Frog Operating Partner**

Following an Electronic Engineering degree, Andrew's career in software development began at a startup in the automotive industry. Andrew has worked in companies throughout their lifecycle from startup through investment, private equity and onto exit. It was during this time, he developed an understanding of the opportunities and challenges that scale-ups face as they grow and mature. In 2013 Andrew completed his MBA, after which he undertook a number of technology turnaround assignments. He began advising Frog in 2019 as Technology Specialist, before joining as an Operating Partner in 2021.

Board Pack

Of course, each business is different, requirements and obligations particularly on the CTO will vary and so a one-size-fits-all template would be counterproductive. However, with a little tuning the following framework will give you the structure to present the state of play of your technology organisation.

Choose one or two trends and include an accompanying narrative explaining the context and reasons together with a view on how you expect these trends to continue. If the trends are concerning, include mitigating actions taken together with a forward looking expectation of how you expect these to change.

Whatever metrics you decide to include, keep them consistent so that they can be tracked over time and expect the trends to stimulate and encourage discussion around the downstream effects and consequences of what you are tracking.

Commentary and Summary of the previous period

This is effectively an executive summary, the TL;DR of your report. Provide a high-level summary of your focus areas, together with any exceptional items. Don't include mundane day-to-ay operational commentary, but rather think along standout headlines, that will encourage challenge and conversation within the board and include any noteworthy news here.

| Platform Performance | Talent Management |

| Development Updates | Customer Support |

If the agenda includes a separate discussion item on an exceptional technology topic, note it here and point towards the separate paper that will have been distributed in advance of the board pack.

If a separate section of the board pack has addressed an area within your responsibility or management, acknowledge it here and avoid duplicating the content within your section.

Finally, ensure that you include a short summary on the status of activity or actions that were previously agreed at previous board meetings.
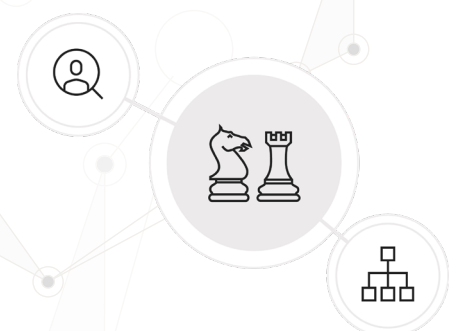
Performance Indicators

Tracked and presented over time, performance metrics leading indicators of the performance of the technology organisation and enable the board to make well informed and often early decisions on for example investment into engineering.
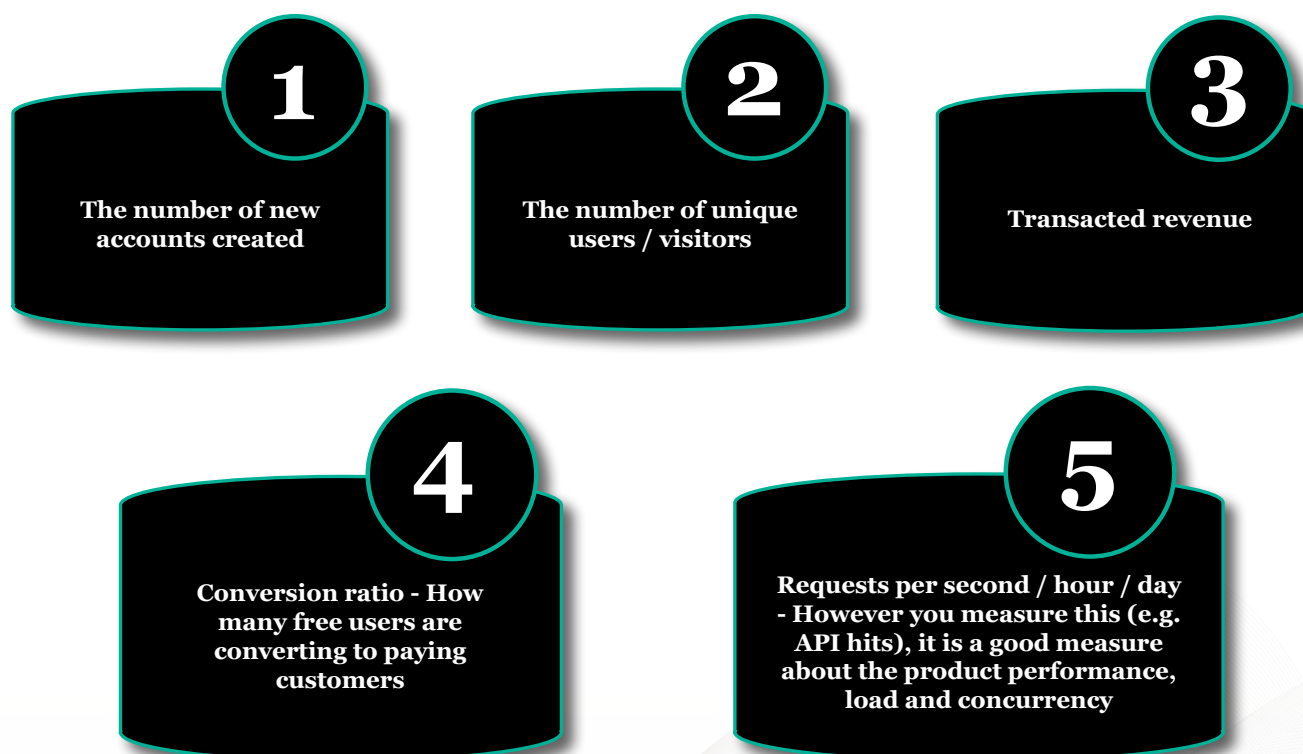
These metrics can fall broadly into 2 categories, the Product/Platform performance and the Engineering Performance.

Product Performance Metrics

Give a view from the inside of the volume of traffic, data or transactions are occurring and tracked over time enable the board to contrast these against other business performance metrics such as MRR growth, CAC and LTV.
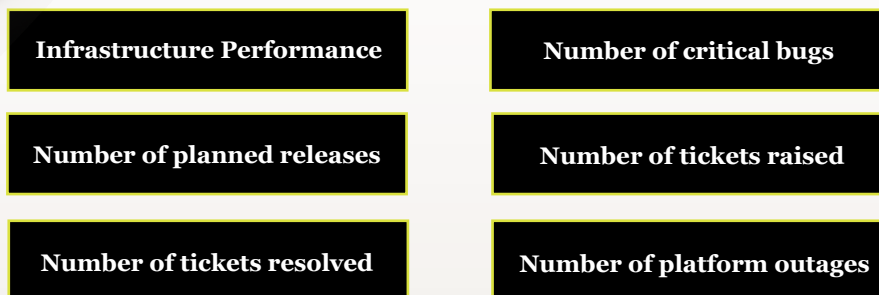
For a given reporting period, examples may include:

1 The number of new accounts created

2 The number of unique users / visitors

3 Transacted revenue

4 Conversion ratio - How many free users are converting to paying customers

5 Requests per second / hour / day - However you measure this (e.g. API hits), it is a good measure about the product performance, load and concurrency

Engineering metrics

Give a view on how the organisation is performing in supporting the product or platform. Again, tracked over time give clear visibility and aid prioritising areas such QA, technical debt, recruitment or even rearchitecting.

Examples may include ⟶

Infrastructure Performance	Number of critical bugs
Number of planned releases	Number of tickets raised
Number of tickets resolved	Number of platform outages

Challenges

You will at some point have had to face challenges that are limiting your abilities to succeed or move as fast as you would like. Separate good news from bad news, as both need their moment to be recognised and discussed. You should include here one or two statements that highlight where you have been unable or slow to deliver against expectation together with a commentary as to the reasons why. If fixes or mitigating steps have been taken, include them here.

Examples may include technical or platform issues, changing priorities, dependencies on other teams, newly discovered complexity, or resource availability. You may have highlighted in the previous section a concerning trend perhaps a jump in the number of critical bugs but consider any knock-on effects this has to your overall performance and comment on that here.

The board will be interested in understanding the impact or the risk associated with your challenges, and therefore the urgency in taking corrective action. I frame risk as the product of two input parameters. Remember, if both parameters are high then you have a critical issue and action is required urgently.

The likelihood or probability that an event may occur.

01

The impact that an event will have on the business.

02

Foward planing / Any Other Business

Your pack needs now to move from the past and point to the future - so use this section to highlight what is in plan for the next period.

Point to specific projects that continue to your acceleration your scaleup, whether that is for example, the development of new features or the implementation of platform reporting.

Again, detail on the operational day to day is not necessary here - you need to articulate what your organisation, division or team are doing and how that aligns to the business strategy and objectives. Engineering and development are a source of competitive value creation, so describe it as such.

Close out with any wayward topics that need discussion, flagging or decisions that you require to be made.

The rule that quality wins over quantity is true - remember that your section of the board pack is just one of several. Highlighting your performance, challenges and road ahead should be sufficient to give the board give good visibility on the tech organisation and inform them to sufficiently challenge you technically and strategically.

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See more at **www.frogcapital.com/scale-up-methodology**

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