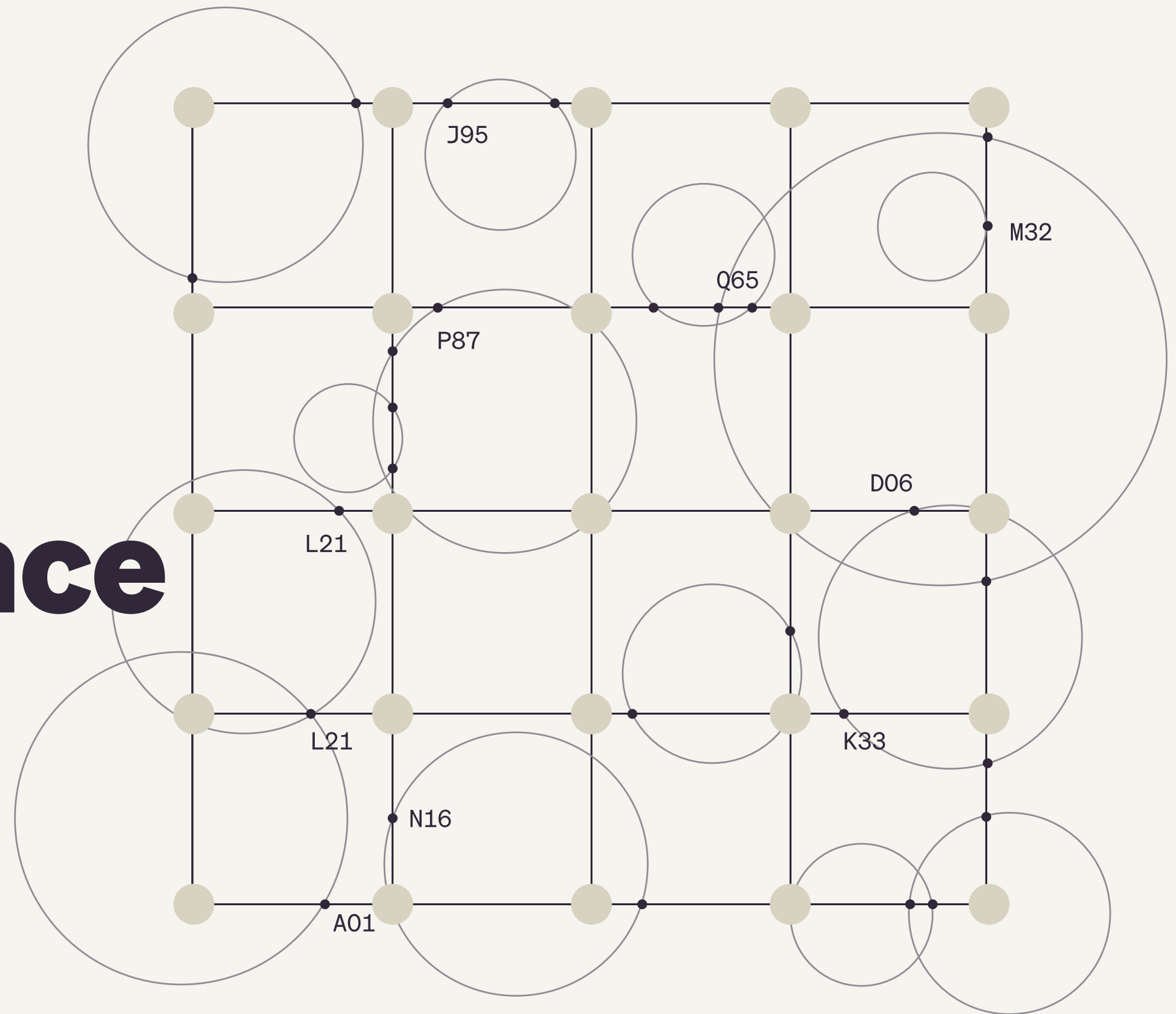


Niche
Services

Technical Due Diligence

If you're looking to invest in a software product business, you need confidence in its technology. Our Technical Due Diligence survey shines a light on capability, quality, scalability and more to help you make better decisions



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Technical Due Diligence service

Who's it for?

Investors interested in a software product business who want technical confidence in their target investment

Software product businesses who want technical confidence prior to going to the investor market

What's the purpose?

Evaluate Intellectual Property (IP) issues, technology stack, practices and scalability of a software product business

Understand how the product has been built with particular attention to code quality and technical debt

Validate what's good, highlight the risks

Provide greater confidence for decision-making

How does it work?

We offer three levels of service depending on your requirements

We assess the business across a range of high-level measures, sub-measures and criteria

We also look at IP-related issues

Assessments are carried out in two stages – **Preparation + Workshop** – followed by a **Response**

See next page for service level details.

Why should you trust our assessment?

Through our work with Callaghan Innovation's Build for Speed programme, we've created an Improvement Model based on:

- 8 high-level measures
- 35 sub-measures
- 278 criteria

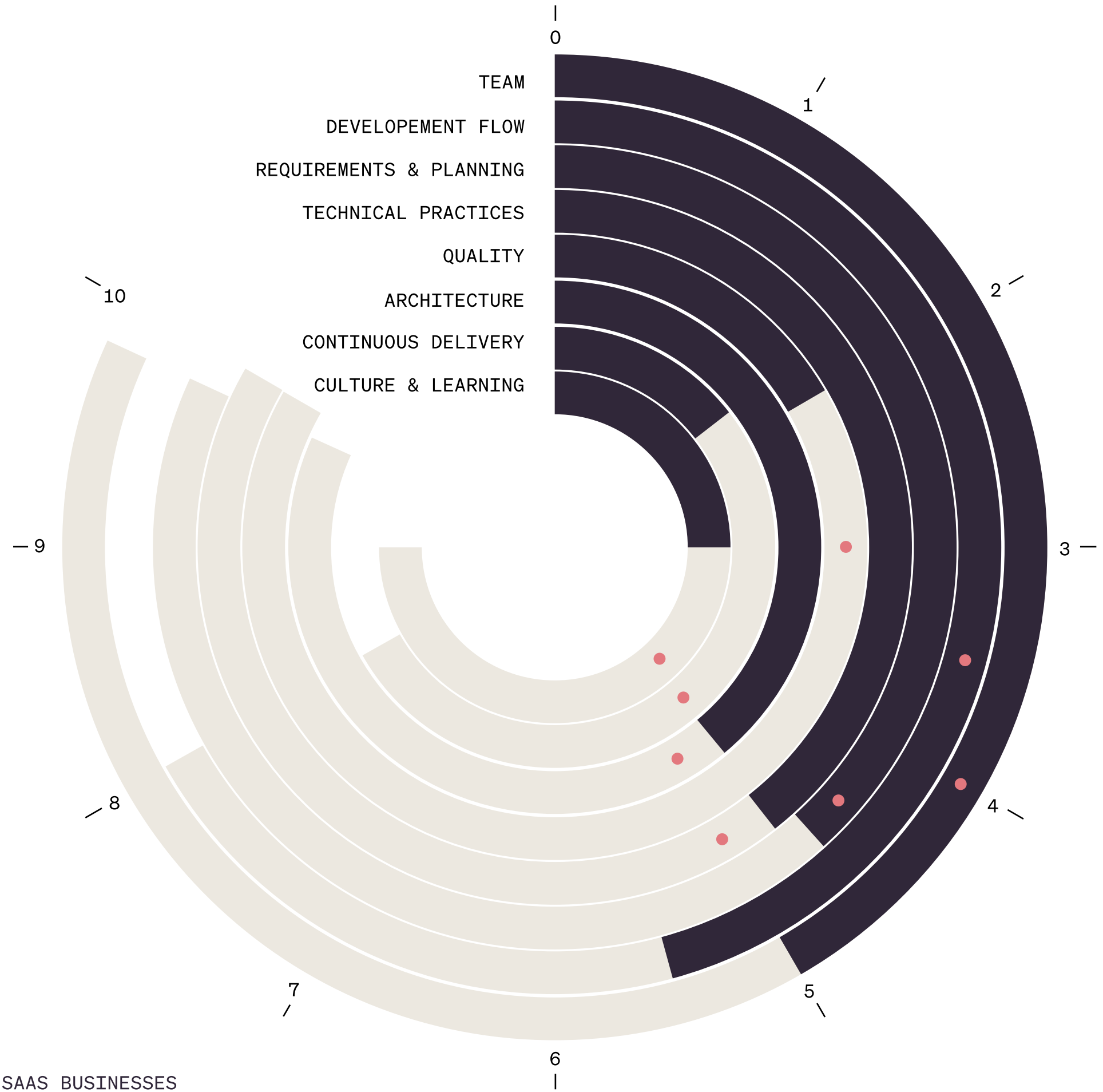
The Improvement Model provides the baselines and benchmarks upon which we've assessed (to date) over 150 NZ SaaS product businesses. It's the biggest dataset of its type in NZ and allows us to assess the tech capability of a SaaS business compared to:

Others in the sector

The New Zealand average

The best-practice benchmark (*see sidebar)

- BEST IN NZ
- SAAS BUSINESS
- AVERAGE



SOFTWARE DELIVERY PERFORMANCE OF NZ SAAS BUSINESSES

Which service level fits your requirement?

Deep Dive

Standard

Rapid

For when the highest degree of confidence is required

For a comprehensive understanding and a high degree of confidence

For a good idea of where things are at with a verbal response for fast feedback

Requirement

Assessment time

Preparation
Workshop
Response

4 hrs
4 days
Written report

2 hrs
3 days
Written report

1 hr
2 days
Verbal response

Coverage

IP issues
High-level measures

✓
1-8

✓
1-7

Basic
1-4

Call us for pricing

What are the Intellectual Property issues we look at?

Ownership of IP – including source code for the software – is critical to evaluating an investment. We help identify any IP issues related to the source code. In particular, we look at IP controls within the business including existence of industry-standard information security policies for access and storage (dependent on business domain). All levels of our Technical Due Diligence service include coverage for IP issues. For the Rapid service level, the coverage is more basic.

What are the high-level measures and what are we looking for?

Here's a basic overview of what we assess in each of the Improvement Model's eight high-level measures:

MEASURE 1 TEAM

High-performing teams are self-organising and base decision-making on promoting the flow of work

- Communication patterns including collaboration, idea and knowledge-sharing, processes, workspace, clarity of roles, onboarding of new team members and how they are supported depending on experience, identifying key person risk from a technology perspective

MEASURE 2 PRODUCT DEVELOPMENT VALUE FLOW

Key to 'early and often' delivery of value is understanding the underlying principles that enable flow

- Batch size, limits on work in progress, how delays in process are reduced, product development focus and product direction, validation by customers, feedback flows, continuous incremental evolution

MEASURE 3

PRIORITISATION AND PLANNING

Products need to be progressively elaborated to avoid unnecessary rework

- Planning cadences across batch sizes and how they guide product direction, ability to pivot and respond to demand, common language for artifacts used in collaborative planning, estimation and prioritisation processes and stakeholder involvement in them

MEASURE 5

QUALITY PRACTICES

Organisations cannot scale or go fast over longer time periods without good quality

- Layered Test Automation, specialised testing approaches, non-functional tests (dependent on scale), technology stack, Automated Testing, UX testing, use of quality metrics

MEASURE 4

TECHNICAL PRACTICES

Technical practices support the conscious management of code-level technical debt

- Awareness of code smells, practices to actively improve code quality with each change, developer workflows and use of modern tools, ability to safely and rapidly evolve the system and maintain quality

MEASURE 6

ARCHITECTURE

It's critical that the appropriate architectural style is applied to match the constraints of the system and anticipated performance and scale

- Architecture and how it is evolved to support growth in demand, level of architectural technical debt and how it's understood and managed, technology, tooling and architectural patterns including use of APIs, security, how systems are organised and use of ubiquitous language to explain them, coupling, cohesion and dependency management, relevancy and implementation of algorithms, resilience to failures or outages of subsystems or third-party systems

MEASURE 7 DEVOPS AND CONTINUOUS DELIVERY

Automation, including deployment, infrastructure processes, testing, releasing and system observability, is essential to moving quickly and scaling fast

- Planning cadences across batch sizes and how they guide product direction, ability to pivot and respond to demand, common language for artifacts used in collaborative planning, estimation and prioritisation processes and stakeholder involvement in them

MEASURE 8 CULTURE AND LEARNING

A competitive advantage for software product companies is being able to learn and adapt faster than competitors around product and process

- Involvement of team in ideating solution design, how improvements are identified and actioned, how complex problems are solved, transparency of information, ability of leaders to develop people



Our **Improve Practices** playbook provides a more detailed description of each measure

[DISCOVER MORE](#)

How can you be sure we're up-to-date on best practice?

We're the lead Partner on the Build for Speed programme and pride ourselves in delivering the very best improvement advice and delivery assistance available. We also work with larger organisations on super-complex technology challenges to make transformational change using the latest thinking and techniques in software architecture and delivery. We drink our own pinot every day and look for a better one tomorrow.

Our [Improve Practices playbook](#) explores many of the practices we'd expect the best SaaS product businesses to be using.

We're ready to help

We have a hugely experienced team, an exceptional understanding of the New Zealand SaaS product sector and a unique, tested Improvement Model that underpins our assessments.

We know that your confidence in the technology capability of a business is only as good as the confidence you have in the due diligence advice you receive. We'd love to be your Technical Due Diligence provider.

And, if what you see doesn't meet your requirements precisely, we can shape an engagement to exactly what you need. To set up a conversation with one of our technical team...

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