



Drive your Business!!

Become a more
efficient, business
oriented and
successful
leader





- Intro
- Where do you stand?
- Financials
- Planning
- Operations
- Be a multiplier

Who am I?

Now: CTO @[Metacore](#)

Past: senior management at [Delivery Hero](#), [N26](#)
and [Zalando](#)

Long time ago: Co-founder of a company [[Untile](#)]

Started as: Consultant and Teacher

Failed game developer converted to a business
tech leader



Jason Fried  

@jasonfried



A business doesn't need a mission, a vision, a guiding light, or a north star to stay in business. It doesn't need AI or this framework or that tech stack. It doesn't need an investor, a board, or the backing of X, Y, or Z.

It just needs to make more than it spends.

10:26 PM · Mar 12, 2024 · **67.7K** Views

*Your ability to focus and drive
business outcomes will determine
your success as a leader in Tech.*



“You do not rise to the level of your goals. You fall to the level of your systems.”

by [James Clear](#) author of [Atomic Habits](#)

So how can we get there?



Key Lessons



Understand the business and its goals

You need to be able to talk about and understand all business of your company

[#Business]



Measure your impact

Assess ROI, cost-benefit analysis, and revenue generation opportunities

[#Financial]



Cross Collaboration

Do not be stuck in silos and have everyone collaborating and defining common goals everyone wants to achieve

[#Planning]



Make it visible and improve

Use quantitative and qualitative data to show the impact will bring sense of accomplishment and all will care

[#Operational]

A top-down view of a desk with a white keyboard on the left, a gold pen in the bottom left, a pair of gold-rimmed glasses at the top, and a notebook with a gold cover and lined pages at the bottom right. The background is a plain white surface.

Understand where you stand

Data of your **business**

[#Business]



Ask questions to learn more

How does the business work? Where does the money come from? Where does the money go? How much money do you have in the bank? What needs to be true in the next year for the business to make a step function increase in value? What are the knowledge gaps between folks in engineering and folks operating the business?

["Your first 90 days as CTO or VP Engineering."](#) by Will Larson

Example Cash Flow Statement Outline

Let's assume we're modeling cash flows on a monthly basis.

The Net Cash Flow reflects the amount of cash remaining after all expenses are paid.

Cash Flow Statement (Monthly)

	Jan
Cash Inflows	
Product Sales Revenue	\$300,000
Subscription Fees	\$20,000
Advertising Revenue	\$5,000
Affiliate Revenue	\$2,500
Bulk/Wholesale Sales	\$10,000
Total Cash Inflow	\$337,500
Cash Outflows	
Cost of Goods Sold (COGS)	\$150,000
Logistics & Shipping Costs	\$25,000
Marketing & Advertising	\$30,000
Technology & Platform Costs	\$10,000
Operational Expenses	\$50,000
Payment Processing Fees	\$5,500
Total Cash Outflows	\$270,500
Net Cash Flow	\$67,000



The rule of 40

Rule of 40 = Growth Rate + Profit Margin \geq 40%

Rule of 40 = (revenue) + (EBITDA) \geq 40%



Measure

what matters the most

[#Financial]

**Cost of your infrastructure is
correlated to your business**




Business & Productivity



Teams own the
business





**Stakeholders
know what
you are
talking about**



Are you
delivering what
customers want
and are you
doing it
efficiently?

Aligned with the business

OKRs is a common framework
But whatever you have you
need to ensure that your Tech
strategy is aligned with the
expected business outcomes
and profitability goals

[#Planning]

**know where
to go**



Ensuring Alignment





Become Operational

Get your hands dirty execute
and communicate

[#Operational]



**Start Manual
Think Automation**

Question	State	Category	Points	Current Score
Can you visualize the global business results accurately?	Yes	Business	10	10
You collect customer feedback and this directly influence feature development?	Yes	Business	10	10
Are you measuring metrics that matter and benchmarking it to continuously improve?	Yes	Business	50	50
Are you measuring the impact of each feature in the customer lifecycle?	Yes	Business	10	10
Can you list the major business metrics you have full ownership of?	Yes	Financial	10	10
Do you have a P&L or budget sheet / visualisation?	Yes	Financial	10	10
Are you measuring your direct business impact?	Yes	Financial	20	20
Are you a profitable business?	Yes	Financial	100	100
Are the goals / objectives of your organization / team fully aligned with the company business goals?	Yes	Planning	10	10
Do you continuously review if the company goals are being met and share lessons learned?	Yes	Planning	10	10
Do you use a framework or tool that allows alignment and clear prioritization?	Yes	Planning	10	10
Do you manage to allocate resources and capacity to maximize impact and efficiency?	Yes	Planning	10	10
Do you have a regular Business Operational Review?	Yes	Operational	10	10
Do you realtime monitor all your business metrics?	Yes	Operational	10	10
Do you track and tackle your Business Tech Debt?	Yes	Operational	10	10
Do you have the ability to change and react when your business needs?	Yes	Operational	10	10
Total			300	300



<https://t.ly/IAA6b>

Be a Multiplier

Ensure it's not just you but a ripple effect in all Organization!

[#spreadtheword]

M	T	W	T	F	S
6	7	1	2	3	4
13	14	8	9	10	11
20	21	15	16	17	18
27	28	22	23	24	25





**Learn the
Business**

**Benchmark
your goals**

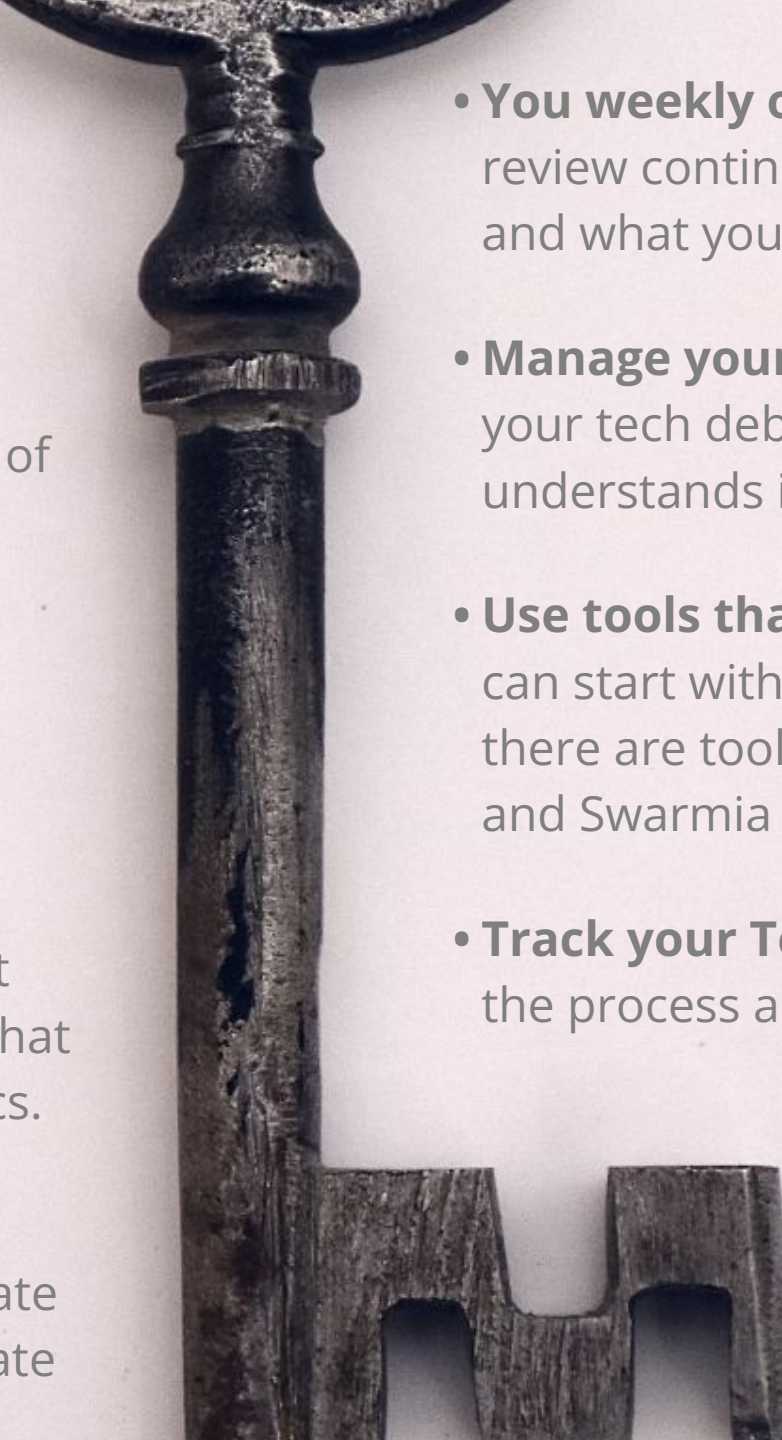
**Influence
the result**

Before I go...

- **What is your business score?**
Checklist to have a full understanding of your business and your impact
- **Build a system that enables you**
A system and not the people
- **Better understanding on how you influence and impact the business.**
Develop your internal framework that reflects all your business impact and that you can base your decisions on metrics.
- **You biWeekly or monthly financial update.** You can write and/or automate the best version of your financial update

- **You weekly or biWeekly Ops Review.**
review continuously your tech operations and what you have learned
- **Manage your business tech debt.** Manage your tech debt and ensure your business understands it.
- **Use tools that support your system.** You can start with a simple spreadsheet but there are tools that support this like LinearB and Swarmia
- **Track your Tech Business Score.** This is the process and system that enables you.

and don't forget...



**Get the
basics right!!**



Thank You!
sergio@laranjeira.pt



Resources

Links and Articles

<https://lethain.com/first-ninety-days-cto-vpe/>

<https://linearb.io/resources/engineering-benchmarks>

<https://www.cloudshare.com/blog/measuring-success-across-the-customer-lifecycle/>

<https://dovetail.com/customer-research/benefits-of-customer-feedback/>

<https://canny.io/blog/customer-feedback-in-product-development/>

<https://www.apptio.com/blog/business-metrics-smarter-way-communicate-business-value-cloud/>

<https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/how-do-you-measure-success-in-digital-five-metrics-to-r-ceos>

<https://www.forbes.com/councils/forbestechcouncil/2022/06/17/why-ctos-should-have-a-cash-flow-management-plan/>

<https://venturebeat.com/enterprise-analytics/how-ctos-can-win-over-the-board-room/>

<https://www.saasacademy.com/blog/rule-of-40>

<https://leaddev.com/team/how-business-alignment-works-high-performing-engineering-teams>

<https://www.linkedin.com/pulse/understanding-importance-regularly-reviewing-your-gavin-bottrell/>

<https://quantive.com/resources/articles/organizational-alignment>

<https://www.sharpcloud.com/blog/strategic-prioritization-the-key-to-achieving-organizational-success>

<https://nextreyservices.com/power-of-operational-review-and-improvement/>

<https://fellow.app/meeting-templates/weekly-technology-operations-review-template>

<https://digitaldefynd.com/IO/cto-kpis-every-chief-technology-officer-should-know/>

Books:

[Atomic Habits by James Clear](#)

[Team Topologies](#)

All images available here

[Unsplash collection](#)