Gartner Research

Scalable Business Operations for Tech CEOs Primer for 2024

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> Tech CEOs must lead a resilient organization for sustained growth. Maximizing productivity requires effective processes, data-driven decisions with the right KPIs, accurate forecasting, and nurturing a culture that attracts, retains and gets the best from top talent.

Scope

To achieve scalable business operations, it is crucial to focus on practices and strategies that help effectively attract and retain talent, manage operations, predict finances and measure KPIs.

Topics in this initiative include:

- **Budgets, Forecasts and KPIs:** Set budgets, forecast, benchmark and manage burn rates to ensure profit and revenue growth.

- **Organization Design and Alignment**: Design and adapt the operating model and leadership and organizational structure for peak performance.

- **Talent and Culture:** Recruit, attract, develop and retain talent while shaping a winning culture for scale.

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Analysis

Figure 1. Scalable Business Operations for Tech CEOs Overview

Scalable Business Operations for Tech CEOs
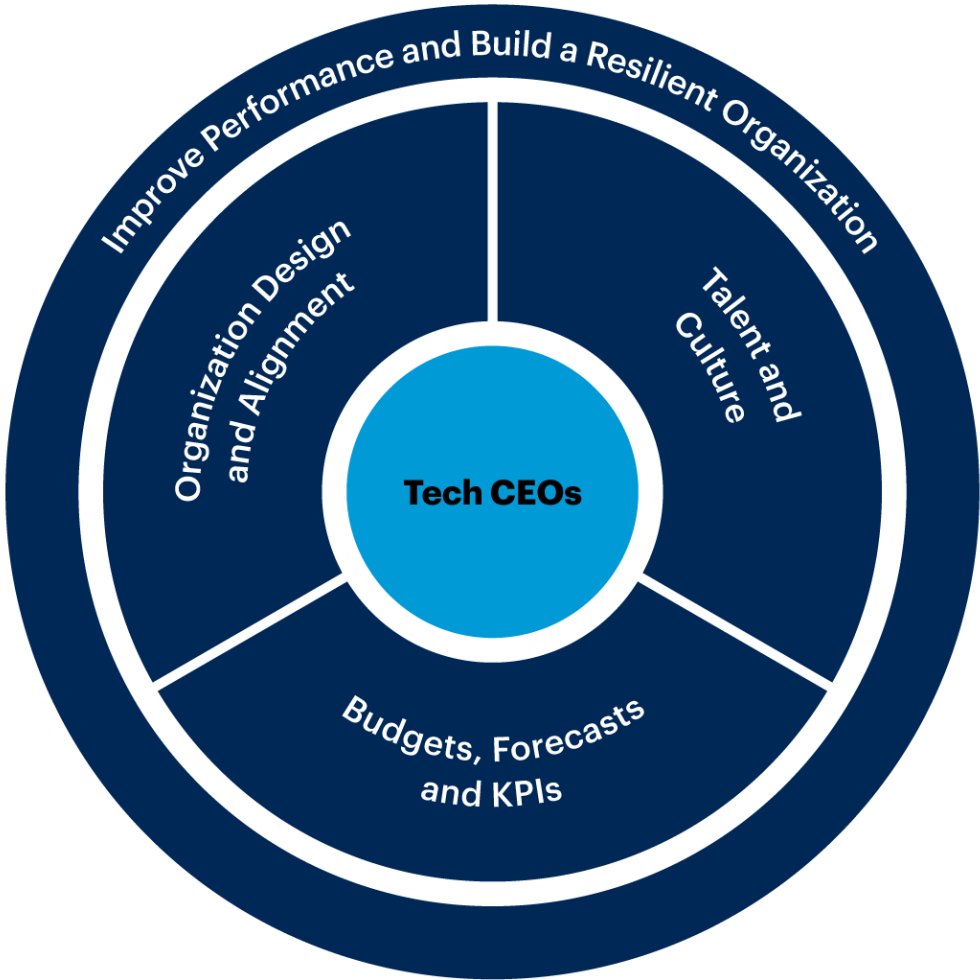
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Scaling business operations to sustain growth and profitability is a daunting challenge for any company — especially in today's uncertain environment. Going into 2024, with tight capital, slow buying decisions and a swiftly changing technology landscape, it has never been more crucial to apply the fundamentals of high-performance business.

This initiative addresses the key themes of organizational growth: structure, delegation, financial planning, communication, talent acquisition, leadership development and performance measurement.

Gartner's tools and research help tech CEOs answer the following questions:

- How do we design an organization that will become a magnet for top talent and will scale as fast as our ambition?

- What financial strategies are necessary for accurately forecasting and achieving growth, and budgeting operations or R&D?

- How can we communicate more effectively, not just to prevent breakdowns, but to inspire our people?

- How do I build the right leadership team and become a more effective delegator?

- Which key performance indicators (KPIs) are critical to guide our scaling organization?

- How can we ensure that our strategy is matched by operational effectiveness to drive sustainable growth without overwhelming our people and infrastructure?

Topics

Gartner's scalable business operations for tech CEOs covers the insights needed for building and operating resilient organizations that are ready to scale.

Our research in this area addresses the following topics:

Budgets, Forecasts and KPIs

A data-driven approach defines most top-performing tech CEOs. Keeping a close watch on KPIs is essential for building a resilient operating model. Regularly benchmarking financial and operational metrics against peers helps identify underperformance, guiding actions to boost growth and profit margins. Maintaining control of cash is a critical challenge, so implementing robust cost/cash-flow management processes from the outset is essential. This ensures company resources adapt to maintain a competitive edge and hit financial goals.

Questions Your Peers Are Asking

- How do we accurately forecast revenue and profit growth?

- How do we allocate expenditure and manage cash flow effectively?

- Which KPIs should we track to monitor and improve the performance of our business?

Recommended Content

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- 4 KPI Categories Tech CEOs Should Monitor and Include in a Business Performance Scorecard

- Tech CEOs: Use Real-Time KPI Performance Dashboards for Your Business

- Tech CEOs: Get Sales Growth Targets Right — Follow the 'Rule of Thirds'

- Lead Through Uncertainty: Offset Inflation and Economic Shock With 4 Tech CEO Actions

Planned Research

- Guidance on how to budget as a maturing company

- Hierarchy of metrics for customer success

- Hierarchy of metrics for sales

- Guidance on month-to-month sales forecasts and pipeline management

- Which benchmarks software and services companies should track

Organization Design and Alignment

As a tech company grows, it may become challenging to maintain effective communication between different teams and functions without proper organizational design and alignment. This leads to misunderstandings, miscommunications, misalignment and a lack of collaboration — in short, silos emerge, and the company slows down. A lack of focus or clear direction can prevent a tech company from optimally allocating resources or lead to inefficient processes that slow operations and reduce productivity.

Questions Your Peers Are Asking

- What key capabilities, resources and processes do we need to execute our company strategy?

- How do we design the optimal company structure for our current and future growth stage?

- How do we create alignment and delegate responsibility across our company?

Recommended Content

⚷ Some recommended content may not be available as part of your current Gartner subscription.

- Tech CEOs: Structure Product Organizations to Build Marketable Products

- Use 3 Key Pillars to Establish a Customer Success Function as a Tech CEO

- 3 Workforce Management Steps for Tech CEOs Expanding Geographically

- Ignition Guide to Designing and Implementing an Organizational Structure as a Tech CEO

- Tech CEO Insight: Why Early-Stage Organizations Must Prepare to Adopt RevOps

Planned Research

- Guidance on what to focus on to scale operations

- Framework to understand what kind of company you are currently running

- Guidance on how to break down silos and align marketing, sales and customer success

- Guidance on how to get a diversity of perspectives and opinions from your leadership team

- Guidance on governance and decision rights — don't be a single point of failure for your company

- Analysis of the ideal organization structure for each stage of a company

Talent and Culture

Aside from revenue growth, attracting and retaining talent is the most important need of tech CEOs. Hiring, developing and retaining talent takes time, and mistakes are costly. Top-performing companies hire faster and retain better. A strong corporate culture should not be underestimated — "poor cultural fit" is an often-cited reason for employee departures. Corporate culture must scale with the company as it grows — this includes paying attention to employee value proposition, providing opportunities for upskilling and development, and implementing effective processes for onboarding, performance reviews and succession planning.

Questions Your Peers Are Asking

- How do we build a culture for scale, performance and well-being?

- How do we find, hire and onboard talent more quickly and effectively?

- How do we develop, motivate and retain top talent?

Recommended Content

⚷ Some recommended content may not be available as part of your current Gartner subscription.

- Tech CEOs' Top Levers to Combat the IT Services Talent Crunch

- 3 Actions Tech CEOs Must Take to Attract and Hire Talent

- A Tech CEO Guide to Company Core Values

- Competing With Large Tech Providers to Retain Talent as a Tech CEO

Planned Research

- Guidance on how to onboard talent for productivity

- Ignition Guide to Workforce Planning

- Analysis of why tech CEOs need an EVP to attract and retain talent

- Guidance on how to evolve the culture to support scale

- Hiring guides for key roles in product, marketing and sales

Suggested First Steps

- Gartner's Hierarchy of Marketing Metrics for Tech CEOs

- Startup Lift: Don't Hire a VP of Sales Until You Are Ready to Scale

- 3 Ways Tech CEOs Can Obtain Insight From Board Members

Essential Reading

- High Tech CEO Score

- High Tech CEO Benchmarks

- Think Like a High-Growth Company — How Top Tech CEOs Grow Faster

- 5 Cash-Flow Steps a Tech CEO Must Take to Lead Through Uncertainty (and Avoid Staff Layoffs)

- Crucial Cost and Cash Strategies for Tech CEOs

Tools and Toolkits

- 4Q23 Tech CEO Talent Monitor: Windowof Opportunities

- Sales Development Representative Hiring Guide for Tech CEOs

- Toolkit: Marketing Job Description Examples and Templates for Tech CEOs

- Product Manager Hiring Guide for Tech CEOs

- Ignition Guide to Conducting Customer Profitability Analysis as a Tech CEO

- Ignition Guide to Sales Compensation Planning as a Tech CEO

- Ignition Guide to Managing Culture as a Tech CEO

- Ignition Guide to Creating an Employee Engagement Plan as a Tech CEO

- Ignition Guide to Structuring the Corporate Development Function as a Tech CEO

- Ignition Guide to Conducting Performance Reviews as a Tech CEO

- Tech CEO Tool: Job Description for a Sales Engineer

- Ignition Guide to Monitor Employee Engagement for Improved Talent Retention as a Tech CEO

- Ignition Guide to Hiring High-Quality Salespeople as a Tech CEO

- Tool: Tech CEO 'Rule of Thirds' Sales Hiring, Pipeline and Expense Calculator to Attain Growth Goals

- Sales Development Representative Hiring Guide for Tech CEOs

- Product Manager Hiring Guide for Tech CEOs

Document Revision History

Scalable Business Operations for Tech CEOs Primer for 2023 - 2 February 2023

Business Performance Management for Tech CEOs Primer for 2022 - 4 February 2022

Business Performance Management for Tech CEOs Primer for 2021 - 1 February 2021

Business Performance Management for Tech CEOs Primer for 2020 - 10 January 2020

Business Performance Management for Tech CEOs Primer for 2019 - 2 January 2019

Business Performance Management for Tech CEOs Primer for 2019 - 2 January 2019

Business Performance Management for Tech CEOs Primer for 2018 - 23 May 2018

Related Priorities

Initiative Name	Description
Product and Services Strategy for Tech CEOs	This initiative helps tech CEOs create evidence-based product and services strategies that support critical, growth-oriented GTM decisions.
Corporate Development and Growth Strategy for Tech	This initiative provides best practices and strategies to improve lead and demand generation, run effective programs to increase direct and indirect sales, and grow customer relationships.
Corp. Development & Growth Strategy for Tech CEOs	This initiative covers corporate development and expansion actions technology providers must pursue in planning and executing strategies for growth. beyond their current products and customer segments.

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Actionable, objective insight

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eBook

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Research

How Generative AI Technology Impacts Offering Strategies for Tech CEOs

Get insights on developing generative AI-based offerings.

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eBook

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