DIRECTORBANK.

The Shortlist Series:
Succeeding in Private Equity.

What makes a standout Chief Technology Officer?

With 28 years of experience in recruiting executive and non-executive directors for PE-backed businesses, Directorbank supplemented team knowledge with opinion from its network of PE investors and high-achieving Board directors. We then paired this with Assessio's rigorous, science-backed approach to leadership assessment - including personality and work values questionnaires - to uncover the deeper personality traits, competencies and motivations behind standout candidates.

Assessio is a pioneer in evidence-based leadership assessment, combining decades of validated psychometrics with cutting-edge technology and deep business context.
https://www.assessio.ai/

DIRECTORBANK.

What makes a standout PE CTO?

Up until recently, the CTO in a mid-market PE-backed business was rarely a board-level hire. They reported into the COO, managed the IT infrastructure and kept the systems running. That world has largely gone. In almost every sector - business services, healthcare, financial services, industrials, consumer - technology is now either the core of the value creation plan or a critical enabler of it. And that means the technology leadership hire has become one of the most consequential appointments a business can make.

So, what separates the CTOs who become genuine value-creation partners from those who remain technical operators?

With 28 years of experience in recruiting Board level directors for PE-backed businesses across the UK and Germany, the team at Directorbank Executive Search supplemented their own knowledge with opinion from our network of PE investors and Board directors.

Here's a summary of the top 5 findings.

1/
The brief varies more than almost any other role.
A CTO in a SaaS business is a different hire to a CTO in a traditional services business undergoing digital transformation. One is building and scaling a product. The other is modernising an infrastructure, changing a culture, and delivering operational improvement, simultaneously. Investors and management teams need to be honest about what they need, and whether the title they're using reflects the real scope of the job. Conflating product leadership with technology operations leadership is a common mistake in PE technology hiring.

2/
They must translate technology into value.
The best PE CTOs are not just technically credible - they are commercially fluent. They understand how technology investment decisions affect EBITDA, how platform scalability affects exit success, and how a well-architected technology function changes the story a business can tell in a sale process. A CTO who speaks only in technical terms will lose a PE board within minutes. The ones who thrive speak the language of value creation and can connect every key technology decision to the investment thesis.

3/
They can operate in a resource-constrained environment.
Mid-market businesses rarely have the technology budgets or the engineering talent density of a tech scale-up or a listed business. The incoming CTO needs to make meaningful progress with what exists, prioritise ruthlessly and build credibility with a Board that may have limited technology literacy, but strong opinions about pace and return. Candidates who have only operated in well-funded technology environments frequently struggle with this. The ones who succeed have usually done more with less before.

4/
They manage the build versus buy decision under pressure.
In a PE context, time matters. The CTO who defaults to building everything from scratch, or conversely the one who layers in third-party solutions without coherent architecture, will create problems. The best PE CTOs have a clear and defensible philosophy. They know when to build, when to buy, and when to partner - and they can explain that philosophy in terms a non-technical Board can evaluate.

5/
They are credible through a technology due diligence process.
In almost every mid-market PE exit today, buyers will conduct some form of technology due diligence. A weak technology function - poor architecture, technical debt, security vulnerabilities, overdependence on key individuals - can materially affect valuation and deal certainty. The best PE CTOs build with this scrutiny in mind from the start of their tenure. They know what a technology due diligence process looks for and they don't wait until the sale process begins to address the gaps.

DIRECTORBANK.

Personality Traits, Competencies and Role Requirements

Part technologist, part translator, highly commercial – the standout PE CTO doesn't just keep the lights on, they turn the technology function into a lever for value creation. They arrive carrying the instincts of someone who has already built or transformed technology inside a resource-constrained, high-scrutiny environment, sitting at the centre of the investment thesis and translating technical decisions into a story the Board, and eventually a buyer, can believe.

But which competencies, skills, and personality traits set apart a standout CTO in a PE-backed environment?

To dive deeper, we paired 28 years of experience recruiting board-level directors for PE-backed businesses with Assessio's rigorous, science-backed approach to leadership assessment, including personality and work values questionnaires, to uncover the deeper traits and competencies behind high-achieving candidates.

Assessio is a pioneer in evidence-based leadership assessment, combining decades of validated psychometrics with cutting-edge technology and deep business context. https://www.assessio.ai/

DEFINING PERSONALITY TRAITS

▶ Commercially fluent
Translates technology decisions into EBITDA, exit optionality, and investment-thesis language that a non-technical Board can understand and act on.

▶ Pragmatic and resourceful
Makes meaningful progress with the budget and team that exist, rather than the ones they'd like, and prioritises ruthlessly under constraint.

▶ Decisive on build versus buy
Holds a clear, defensible view on when to build, buy, or partner, and can explain it in terms a Board can evaluate.

▶ Diligence-ready by instinct
Builds the technology function with exit scrutiny in mind from day one, not from the point the sale process starts.

▶ Plain-speaking translator
Explains technical reality in language a Board with limited technology literacy but strong opinions on pace can absorb and act on.

▶ Composed under scrutiny
Stays credible and clear-headed when technical debt, security gaps, or delivery slippage get raised in the boardroom.

CORE COMPETENCIES

Commercial and financial acumen - Connects technology investment decisions to EBITDA, valuation and the value creation plan, and can defend that connection under Board scrutiny.

Strategic thinking - Anticipates how today's architecture and technology choices affect tomorrow's scalability, exit readiness and cost base.

Prioritisation and resource management - Sequences a constrained budget and team against the highest-value work … and says no to the rest.

Technology governance - Builds the discipline, documentation and controls that a future buyer's due diligence will test, without slowing the business down.

DIRECTORBANK.

Achievement orientation - Sets a demanding technology roadmap and holds the function to it, even where budgets and headcount are tight.

Resilience - Stays measured when systems fail, timelines slip, or the Board's patience with a project runs thin.

Building relationships - Earns the trust of a non-technical Chair, CEO and investor group, and builds a technology team capable of delivering without them.

Influencing others - Makes the case for technology investment, architecture decisions, and sequencing in language that wins Board support.

Leading teams - Builds and retains a motivated team in a market where competing for talent against better-funded businesses is a reality.

KEY ROLE REQUIREMENTS

▶ Sector or business-model fit
Has led technology in a business of a similar model - product or SaaS, transformation or infrastructure-led - rather than a generic technology background.

▶ Resource-constrained delivery
Has delivered meaningful technology progress with a mid-market budget and team, not just in a well-funded large-scale environment.

▶ Board-level communication
Translates technical decisions and risk into language a Board with limited technology literacy can evaluate and back.

▶ Exit and diligence readiness
Has taken a technology function through, or prepared it for, a technology due diligence process, and understands what buyers will test.

▶ Build, buy and partner judgement
Has a track record of clear, commercially defensible decisions on build versus buy versus partner, made at pace.

▶ Team building in a competitive market
Attracts and retains key talent against better-funded competitors for people.

"The best PE CTOs don't just keep the lights on. They bring the judgement to know exactly where a constrained budget should go and the fluency to make the Board believe in the plan."

If you're thinking about your leadership team or your personal career ambitions, we'd welcome a confidential conversation.

Directorbank Executive Search
UK. +44 20 7255 7940
Germany. +49 69 719 1829 0
Directorbank.com

DIRECTORBANK.

AssessioAI

AssessioAI is an innovative leadership assessment platform that equips organisations with the clarity and confidence needed to make smarter decisions in hiring, succession planning and leadership development. Combining decades of validated psychometrics with business context, the platform offers more data, sharper insight, and AI-driven guidance. Above all, it helps to decrease risk through improved hiring efficiency, reduced bias, and the greater likelihood of candidate success in a role.

AssessioAI is part of the Assessio Group.

assessio@assessio.ai
+46 87 75 09 00
Assessio.ai