Startup technical due diligence: what investors ask and how a nontechnical founder prepares

By Andy Slack | November 18, 2026 | AI Development

What investors ask in startup technical due diligence, which answers a nontechnical founder can give without reading code, and which need a CTO.

You have a prototype, an MVP or a live product, and you are about to raise. You expect the investor to ask about the architecture, how it will scale, security, who owns the code and who built it. Nobody inside the company can answer those questions with confidence, and you can't answer them yourself. This page is for that founder.

It takes the investor's side of the table: who answers the technical questions, which ones you can answer yourself today, which need a CTO, and what you can show. How we assess a system before we take it over is already on technical due diligence for software (/articles/technical-due-diligence-for-software), and we don't explain it again here. We sell one thing, a fractional CTO with an AI engineering team, and the end of this page says plainly where we stop.

Who answers the technical questions

On our service, a named fractional CTO, backed by JuicyLlama founder oversight, is accountable for the technical strategy, architecture, technical decisions and delivery oversight, so the technical answers come from the person accountable for them (Andy Slack, confirmed 18 November 2026).

You still own customer discovery, demand validation, commercial decisions and final product priorities, and the raise itself. The CTO does not negotiate the deal or speak for the company on terms (Andy Slack, confirmed 18 November 2026). That split is the point. The technical answers you give rest on the person accountable for the architecture, and the commercial answers stay yours.

What you can answer without reading code

Some of what an investor asks has nothing to do with reading code. Without reading code, a founder can answer whose company account holds the repository and the hosting, whether decisions and their reasons are written down, how often changes reach users, who decides what gets built next, and whether every change is reviewed before release. Questions about the architecture, how it will scale, security and the quality of the code need the person accountable for the architecture: the CTO (Andy Slack, confirmed 18 November 2026).

Work through the first list before the first investor call. If you can't answer one of them, you have found a gap before the investor did. Three of those questions are the checks we ask a founder to make before depending on a system, and the technical due diligence page (/articles/technical-due-diligence-for-software) sets them out.

The second list is where a founder without a technical leader gets stuck. You can pass on what a developer told you, but you can't stand behind it. That is the gap a named CTO fills.

The red flags on our record

We have no survey of what investors turn down, and we won't guess at one. We can tell you what we find. The red flags on our record are access to the repository and hosting held by one person, agency or freelancer rather than the company, and a product only one person understands, with its decisions in their head rather than written down (Andy Slack, confirmed 18 November 2026).

We are often called in emergencies, when the only developer has left or an agency is holding the client hostage over their codebase (Andy Slack, confirmed 18 November 2026). If that is where you are, sort it out before the raise. When your technical cofounder or only developer has just left (/articles/technical-cofounder-left) covers the first weeks, and who owns my app code (/articles/who-owns-my-app-code) covers getting the keys back.

We have no record of how often we find missing tests or unclear IP, so we don't rank them here.

Who owns the code

Code written by an agency, a freelancer or a cofounder who has since left raises a question that access alone does not answer. We check access, not legal title: the repository, hosting and other accounts held in the company's name. Whether the company owns the copyright in that code depends on their agreements, which is a question for a solicitor, so take those agreements to one before the raise (Andy Slack, confirmed 18 November 2026).

For our own work, copyright belongs to the client; copyright in external tooling stays with its owners (Andy Slack, confirmed 18 November 2026). That is our position for the work we do, not a ruling on anyone else's contract.

Code written with AI

If you are worried that an investor will mind that the code was written with AI tools: we can't speak for any investor. Our position is that whether the code was written with AI doesn't change what we look for, and we would be more concerned if a development team were not using AI tooling to improve its performance (Andy Slack, confirmed 18 November 2026).

What counts is the same evidence as for any code: written issues, tests, review, and decisions kept in the repository. How a spec is written and how agents build from it are in spec-driven development with AI coding agents (/articles/spec-driven-development-ai-coding-agents).

How we get you ready

We don't run a separate investor-readiness exercise. A founder about to raise starts the same onboarding as anyone else on the fractional CTO service, in the same order: access to the repository and hosting in the company's name first, then the named fractional CTO's assessment, then a prioritised roadmap with an agreed first milestone (Andy Slack, confirmed 18 November 2026).

A raise doesn't change the order or shorten the assessment. What changes is what you do with it: you go into the investor conversation already knowing the answers and where the gaps are (Andy Slack, confirmed 18 November 2026).

Onboarding targets two to four weeks from when we receive the access and inputs we need, and we never promise an MVP date. It is covered by the published fractional CTO price of USD $9,999 setup and USD $2,999 a month, plus taxes, AI usage, hosting and tools, not priced on its own (Andy Slack, confirmed 18 November 2026). The price and its terms are on our homepage (/).

What you can show an investor

Be precise with an investor about what exists. At the end of onboarding the company holds a documented, prioritised roadmap and an agreed first milestone, with its accounts and access in its own name. From then on, each change's decisions and reasons are written on its issue, with specs and tests in the company's repository. You can show those to an investor (Andy Slack, confirmed 18 November 2026).

The assessment is part of onboarding, not a report written for the deal, and we don't send a weekly risk register (Andy Slack, confirmed 18 November 2026).

Where we stop

We don't sell a standalone due diligence report for a raise or a deal, and we don't promise how investors will respond or whether a round closes. If the fractional CTO service isn't a fit, we say so and decline, or offer a tailored scope of the same service (Andy Slack, confirmed 18 November 2026).

No vendor lock-in: your code, your accounts and your documentation stay in your name, as the ownership terms on the homepage (/) say. If you are about to raise and nobody inside the company can answer the technical questions, Book a founder fit call (/#lead). The other pieces are on the articles index (/articles).