



SOLUTIONS

Why Investors Need Integrated Commercial and Technology Due Diligence

One of the most commonly overlooked risks in today's deals is failing to connect commercial ambition with the technology required to deliver it.

Investors may see a target with strong demand signals, loyal customers and a growth plan that appears solid in the deal book. But if the underlying systems can't back up that plan, if the technology can't scale to meet demand or if data and security gaps undermine execution, that upside quickly erodes. Too often, commercial due diligence (CDD) and technology due diligence (TDD) are treated as separate workstreams, leaving investors with blind spots that surface only after close.

At L.E.K. Consulting, we integrate CDD and TDD from the start, giving investors a single, evidence-backed view of both opportunity and risk — and the confidence to move forward.

Five reasons to integrate CDD and TDD

1. Tie growth ambition to technology reality

Every deal starts with a growth story. CDD validates a market's attractiveness, customer demand and expansion opportunities, but that upside is only real if the technology can support it.

Integrated due diligence ensures growth plans are anchored in technical feasibility. Can the platform scale horizontally to add users and vertically to handle greater throughput? Is the data architecture ready for analytics and artificial intelligence (AI)? Does the engineering team have the capacity to deliver on the roadmap?

By testing these questions, investors avoid paying for growth that looks convincing in the confidential information memorandum but cannot be achieved in practice.

2. Spot risks early – and identify overlooked strengths

CDD alone may reveal customer frustrations with reliability, but without a technical review, the root causes – brittle code, legacy systems or technical debt – remain hidden until after close.

Integration also surfaces upside. Modern data infrastructure, mature DevOps practices or proprietary algorithms can create durable pricing power and open new revenue streams. Cybersecurity is another critical factor: Weaknesses in protocols or compliance can trigger costly breaches that undo the commercial thesis.

With both lenses applied, investors see risks in time to mitigate them and strengths they can build into the investment case.

3. Ground the valuation model in technical reality

Deal models are only as strong as the assumptions beneath them. Revenue forecasts tied to fragile systems or immature data capabilities collapse under scrutiny.

Integrated due diligence stress-tests projections against scalability limits, ties capex to modernization needs and links working capital to actual delivery timelines. Just as important, it separates AI upside that is enabled by data maturity from claims that are aspirational only.

The result is a valuation model that reflects the company's true capacity to perform – one that investors can defend in competitive processes.

4. Enter Day 1 with clarity on execution

Deals often lose momentum when strategy and delivery are not aligned. Integrated CDD and TDD sharpen priorities before close: Technology upgrades can be sequenced with commercial initiatives, AI analytics can reinforce customer strategies, and security improvements can remove barriers to growth.

This approach converts due diligence findings into a practical roadmap for the first 100 days and beyond, giving investors and management teams the confidence to move decisively.

5. Gain an edge in competitive deal environments

Running a stand-alone TDD has become a baseline expectation. The real advantage lies in showing how technology findings strengthen or constrain the commercial story.

Integration shortens timelines, reduces duplication and streamlines management sessions. It also provides stronger negotiating leverage. Investors can adjust price, structure escrows or frame earnouts with evidence rather than estimates.

In crowded auctions, that clarity can be the difference between winning a deal at the right valuation or walking away.

Our integrated approach to CDD and TDD

What sets our due diligence apart is not just depth but integration. Our model brings commercial and technology teams together from the start so findings reinforce each other instead of sitting in silos. CDD looks at where the growth is and what customers value most, while TDD tests whether the systems, data and teams can deliver at scale. Together, they give investors a complete view of both opportunity and constraint.

Depending on the deal, our work may take different forms — a rightsized technology diagnostic of the stack and team, a codebase deep dive that pinpoints quality and security, or value creation planning that maps IT investments to growth and AI enablement. In every case, technical findings are tied directly back to the commercial thesis so due diligence translates into action. This connection is grounded in a structured framework that looks at seven dimensions of technology maturity, each reframed as an investor question:

1. Can the architecture scale with growth?
2. Is the data fit for analytics and AI?
3. Will the codebase enable rapid iteration or slow it down?
4. Where is technical debt creating drag?
5. Is security resilient under scrutiny?
6. Does the team have the capacity and skills to deliver?
7. Is the roadmap aligned with the investment thesis?

These dimensions provide the framework, but their value is clearest in transactions where both lenses matter. A healthcare information technology provider preparing for a sale, for example, relied on our integrated CDD and TDD to prove that its platform could both perform today and scale tomorrow — a narrative that ultimately strengthened investor confidence.

Why integration wins

For investors, separating CDD and TDD leaves blind spots that weaken conviction. Integration provides a single, coherent view of upside and risk — linking growth ambition to the technology required to deliver it.

The outputs are designed to be concise and investor-ready, from scorecards and maturity models to focused assessments of product management and engineering. By tying every technical finding back to the commercial thesis, integration ensures that due diligence translates into a roadmap investors can act on.

In today's environment, where speed, certainty and differentiation matter, that clarity can decide who wins the deal. To see how integrated due diligence can strengthen your investment decisions, [contact us](#).

About the Authors



Chuck Reynolds

Chuck Reynolds is a Managing Director and Partner in L.E.K. Consulting's Boston office and a member of the Digital practice. Chuck has extensive experience in digital strategy across various areas, including digital commerce, customer engagement, agile, direct-to-consumer sales, data and the application of AI/machine learning. He has particular expertise in digital strategies that enhance growth and profitability through customer engagement.



Darren Perry

Darren Perry is a Managing Director and Partner in L.E.K. Consulting's Boston office and currently serves on the firm's Global Board of Directors. Darren has over 20 years of technology and strategy consulting experience, is a founding member of L.E.K.'s Technology practice and leads the firm's service line for digital strategy. He advises clients across a range of issues, including growth strategy, M&A, digital investment prioritization, digital customer engagement and commerce, digital products and business models, and digital ways of working.

About L.E.K. Consulting

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