



FIELD NOTES / 07 / ENTERPRISE BUYING

That enterprise deal could be a terrible business decision.

Before promising custom work, estimate what the deal will consume in engineering, onboarding and support. A large contract can still leave very little worth having.

WHAT YOU WILL DO

Count the work behind the contract. Agree a priced scope, delivery conditions and customer commitments before promising custom development.



SOURCE



INSIGHT



APPLICATION

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The contract value is only half the decision

If you lead a SaaS business, a large prospect can make an expensive request sound irresistible. Sales sees the contract. Engineering sees the integration. Onboarding sees the migration. Support sees the unusual workflow it will inherit. Unless those costs meet in one decision, everyone can approve their own small part of a bad deal.

Before promising bespoke work, write down what the customer would buy and everything you would need to deliver it. Include the people doing the work, the systems they must maintain and the commitments made after launch. “We will work it out when they sign” leaves the most important part of the commercial decision until too late.

A fictional £100,000 deal

Here is an invented first-year estimate. Assume a customer will contract for £100,000, the service is delivered and that amount is collectable. Engineering estimates 40 days at an internal planning cost of £750 a day: £30,000. Onboarding needs 20 days at £500: £10,000. Support needs ten hours a month at £50 for twelve months: £6,000.

Add £8,000 of hosting and £10,000 of sales commission. The estimated cost is £64,000, leaving £36,000 towards shared overhead and profit. That is a deal-planning calculation, not an accounting statement. Every amount and rate is fictional. Check your own cost definitions so labour or other expenses are not counted twice. Tax, financing and further costs may also matter.

Now change the risky assumption

Suppose the bespoke integration takes 80 engineering days instead of 40. Engineering cost becomes £60,000. Total estimated cost becomes £94,000 and the amount left falls to £6,000. A £100,000 contract has not become a smaller headline. It has become a much less attractive use of the company's time.

Ask the engineers what makes that range plausible: an unfamiliar system, missing documentation or testing dependent on the customer. Ask onboarding and support for their uncertainties too. Do not add a vague contingency percentage and pretend the problem is understood. Describe the work that could expand, what would reveal it and who would pay for the change.

Separate reusable work from a permanent exception

A general export builder that several existing customers need might deserve product investment. A custom file format for one buyer's old system might become a permanent maintenance obligation. Both can be commercially sensible. They need different explanations. "Enterprise-ready" is not enough to justify either, and calling a feature reusable does not make its first build free.

Ask product to name other customers with the same underlying need and explain how they would use the shared version. Keep that possible benefit separate from the signed deal's revenue. Future sales are uncertain. Do not erase today's cost with imagined renewals or allocate the same supposed future benefit to every expensive prospect.

Negotiate the work as well as the price

In the fictional deal, the team could propose the standard export first, charge separately for implementation or stage the integration after a paid discovery exercise. It could set customer responsibilities and acceptance criteria, then price additional scope through an agreed change process. Those are concrete alternatives to quietly absorbing an unlimited promise.

Also ask what slips if engineering takes this work. If it delays a reliability fix or an improvement for existing customers, record that consequence alongside the financial estimate. Avoid inventing a cash value just to make the spreadsheet look complete. Capacity, delivery risk and existing commitments can justify declining a deal even when its estimated contribution is positive.

Make one person own the whole decision

Put sales, engineering, onboarding, support and finance around the same estimate. Confirm scope, payment timing, cancellation terms and what must be true for delivery to start. Name the person authorised to accept the commercial risk. If you proceed, record the assumptions and compare actual effort with them so the next bespoke quote improves.

These are GTM Architect's proposed steps; the example is fictional and the reference is historical further reading. Your next action: take one large deal awaiting a promise and ask each delivery owner to estimate their part. Add it up, stress the uncertain work and identify what gets delayed. Then decide what to charge and what to promise. A famous logo does not pay an unpriced support bill.



Price the work behind the deal

Estimate one bespoke deal over a defined period. The fictional first-year figures below are example answers, not rates or targets to copy.

Type into the fields, or print. Save a copy to retain your answers.

01 Revenue and terms

Record period, fee and payment conditions. Example: £100k in year one.

02 Engineering

Estimate days × internal cost, plus uncertainty. Example: 40 × £750 = £30k.

03 Onboarding

Estimate delivery effort and cost. Example: 20 days × £500 = £10k.

04 Support and other costs

Include hosting and commission. Example: £6k + £8k + £10k = £24k.

05 Reuse and capacity

Who else needs the feature? Which existing work will this delay?

06 Price and commitment

Agree scope, price and risk owner. Example: stage or reprice the integration.

Promise delivery only after the whole estimate, uncertain work and capacity trade-off have an owner. Price bespoke work deliberately; do not assume a large contract is a good deal.



Read further. Know the limits.

SOURCE 01 / FIRST-PERSON PRACTITIONER INTERVIEW

What startups get wrong about enterprise | Lindsey Scrase (COO, Checkr)

Lindsey Scrase, interviewed by Brett Berson / First Round Review / 2026-07-30

Historical operator interview retained as further reading on enterprise requirements and roadmap choices. No named-company process or outcome is asserted in this edition. The deal, cost estimates and proposed steps are original GTM Architect illustrations; no fresh source-support check was performed.

<https://review.firstround.com/what-startups-get-wrong-about-enterprise-lindsey-scrase-coo-checkr/>

OUR GUIDANCE. YOUR COMPANY'S NUMBERS.

The article and worksheet are original GTM Architect guidance. References above are background reading, not proof that our proposed approach will produce a particular result. Source dates and limitations are preserved.

Rewritten 6 October 2026. Worked examples are fictional and use illustrative assumptions, not industry benchmarks. Named companies and publishers have not endorsed these guides.

Use the worksheet with one real task, deal or customer. Replace the example assumptions with your own information before acting.