

THE
COUNCIL

Run Simulation

Describe your challenge. The Council will analyze it, cut through the noise, and give you a clean path forward.

THE SWARMS

The Visionary



The Scaler



The Scientist



The Architect



THE SITUATION

Brief the Council on what you're facing.

We are a B2B SaaS startup running low on cash. A Fortune 500 company just offered us a \$1M contract, but only if we build a custom feature that is completely unrelated

[Run Simulation](#)

The Visionary

VISION, INTUITION, CULTURE, FOUNDER MODE

In navigating this dilemma, the essence of founder wisdom lies in balancing immediate survival with long-term vision.

As Nikita Bier suggests, large companies often struggle with adopting new, unrelated ventures without clear market signals. Accepting the contract might risk diverting your focus and diluting your core product vision, akin to turning your startup into a dev agency. Brian Chesky emphasizes the importance of maintaining a cohesive understanding of your mission, cautioning against losing sight of your design roots for short-term gains.

However, the practical need for runway can't be ignored. Ben Horowitz might argue for ensuring the company's survival by building what's necessary, but only if it aligns with a broader strategic pivot or learning opportunity.

A potential solution is to negotiate terms that allow you to leverage the contract to benefit your long-term vision. Could the custom feature serve as a building block for future product enhancements? Is there room to retain IP rights or integrate the feature into a broader offering?

Ultimately, it requires a nuanced decision: prioritize cash flow but ensure it doesn't derail your strategic path. Staying true to your vision while addressing immediate financial needs is a delicate balance, but clarity in direction will keep your team aligned.

"As Brian Chesky said: 'What everyone really wants is clarity and... to row in the same direction.'" In this case, ensure that direction remains towards your envisioned future.

 High confidence

Referenced insights

Nikita

Bier · Driving alignment within teams, work-life balance, and the cha

Brian Chesky · Brian Chesky's new playbook · 00:16:08



Ben

Horowitz · \$46B of hard truths: Why founders fail and why you need

Nikita

The Scaler

STRATEGY, EMPOWERED TEAMS, PRODUCT DISCOVERY

The decision hinges on balancing immediate survival with long-term strategy. As Shreyas Doshi emphasized, it's crucial to minimize opportunity costs by allowing freedom and permission to explore, but this must align with your broader strategy. Here's a framework to navigate this:

- 1. Assess Strategic Alignment:** Evaluate if the custom feature aligns with your product vision. Even if unrelated, could it lead to a scalable solution or open a new market segment? If yes, consider it a strategic pivot, not a deviation.
- 2. Opportunity Cost:** As Shreyas Doshi noted, "teams need...freedom to explore and attack these things that minimize opportunity costs." Assess what you might miss by dedicating resources to this feature versus your planned roadmap.
- 3. Validate Market Demand:** Conduct quick discovery to validate if other potential customers might value this feature. If multiple customers express interest, it could justify the investment.
- 4. Conditional Agreement:** Negotiate terms that allow partial payment upfront or resource support from the client to mitigate financial strain, ensuring you're not just a dev agency.

5. Stakeholder Involvement: Engage cross-functional leaders in this decision, as Noam Lovinsky suggested: "no one can be a bystander on product strategy."

Ultimately, the goal is to balance cash flow needs with strategic integrity. If the feature offers a path to broader value, it may be worth pursuing. Otherwise, it's essential to protect your core product vision.

 High confidence

Referenced insights

Shreyas Doshi · The art of product management | Shreyas Doshi (Stripe, Tw

Marty Cagan · Product management theater | Marty Cagan (Silicon Valley

Noam Lovinsky · The happiness and pain of product management | Noam

Shreyas Doshi · The art of product management | Shreyas Doshi (Stripe, Tw

The Scientist

LOOPS, ACQUISITION, PRICING, RETENTION

This is a crossroads many startups face. Prioritizing long-term growth over short-term gains can be crucial for sustainability.

1. Growth Systems: Focus on your core product's growth loops that align with your long-term vision. As Elena Verna emphasized, "You need to invest in such bigger bets, and innovate, and create new growth loops... as opposed to trying to optimize it to

the moon and beyond." The key is maintaining alignment with your product-market fit rather than deviating for a single client.

2. **Metrics:** Track customer satisfaction and retention rates. "Growth can amplify great product market fit," Verna noted, indicating the importance of ensuring your existing users find your product indispensable.

3. **Loops:** Develop scalable growth loops tied to your product's strengths. A consistent focus on user engagement and virality can lead to sustainable scaling, as opposed to a one-off custom feature that detracts from your core mission.

Declining the contract is risky but may preserve your product integrity. Consider hybrid solutions, like negotiating a phased approach to the custom feature that aligns more closely with your roadmap or seeking additional funding to buy time.

Ultimately, prioritize decisions that reinforce your strategic vision and growth potential. "Growth is going to be absolutely helpless to do anything" if the core product or market strategy is compromised, Verna advised.

 High confidence

Referenced insights

Elena

Verna · 10 growth tactics that never work | Elena Verna (Amplitude,

Patrick

Campbell · 10 lessons on bootstrapping a \$200m business | Patrick

Sean

Ellis · The original growth hacker reveals his secrets | Sean Ellis (au

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Verna · 10 growth tactics that never work | Elena Verna (Amplitude,

The Architect

SYSTEMS, TECHNICAL DEBT, FEASIBILITY

This is a classic dilemma of balancing immediate financial needs with long-term strategic vision. "As [Geoff Charles] said: '[Focus on where you're uniquely positioned to win].'" The key is to assess the trade-offs and alignment with your core product.

Technical Considerations:

1. **Complexity and Resource Allocation:** Building a custom feature could significantly divert resources from your existing roadmap, affecting your core product development and technical debt management.
2. **Scalability:** Ensure that the custom feature doesn't introduce unsustainable complexity or deviate from your scalable architecture.
3. **Integration and Maintenance:** Consider the long-term maintenance obligation for this feature and its integration with your current systems.

Feasibility Concerns:

1. **Financial Health:** A \$1M contract can provide short-term financial relief but evaluate if it compromises your product's identity.
2. **Team Morale and Culture:** Diverting focus can impact team dynamics and culture, potentially

demotivating if it contradicts the company's vision.

3. **Strategic Alignment:** Assess if the feature could eventually align with your roadmap or provide strategic leverage.

Reality Check:

If the custom feature can be architected in a modular way, allowing potential reuse or future alignment with your product, it might be worth considering. However, if it risks turning your company into a dev agency, it could undermine your vision and long-term goals.

Ultimately, weigh the immediate financial gain against potential strategic misalignment. "As [Geoff Charles] emphasized: '[Think from first principles]' and avoid anti-patterns."

 Extrapolated

Referenced insights

Geoff
Charles · Velocity over everything: How Ramp became the fastest-growing startup

Geoff
Charles · Velocity over everything: How Ramp became the fastest-growing startup

Geoff
Charles · Velocity over everything: How Ramp became the fastest-growing startup

Geoff
Charles · Velocity over everything: How Ramp became the fastest-growing startup

The Verdict

YOUR STRATEGIC OPTIONS, DISTILLED

THE CORE TENSION

The fundamental disagreement lies in balancing the pursuit of immediate financial stability against preserving long-term strategic vision and integrity. This is genuinely hard because the \$1M contract offers crucial cash flow that can extend the runway, yet it threatens to divert focus from the core mission, potentially transforming the company into a service provider rather than a product innovator. This trade-off challenges the essence of what the company stands for and its future direction.

PATH A: THE BOLD MOVE

- First, accept the contract with clear terms that grant you IP rights and the ability to integrate the custom feature into your core product. This aligns the immediate task with your long-term product vision.
- Then, allocate a dedicated team to handle this project, ensuring minimal disruption to the core product development and maintaining momentum in your main strategic initiatives.
- Prepare for potential team morale issues as you pivot resources, ensuring transparent communication about why this decision aligns with broader company goals and how it could lead to future opportunities.

PATH B: THE MEASURED MOVE

- First, decline the contract, prioritizing the preservation of your product's integrity and focus on your existing roadmap and long-term vision.
- Then, seek alternative funding sources, such as venture capital or strategic partnerships, to bridge the financial gap without compromising on your core mission.
- Prepare for the financial strain of this decision, which may necessitate belt-tightening measures, and communicate the strategic choice clearly to the team to maintain morale and alignment.

THE TIE-BREAKER

I recommend **Path B: The Measured Move**. This path preserves your company's core identity and long-

term strategic vision, preventing the dilution of focus and potential drift into becoming a service agency. By concentrating on alternative funding sources, you retain the integrity of your product's evolution and ensure that your team remains committed to the original vision. However, this choice sacrifices immediate financial relief and requires confidence in your ability to secure additional resources.

The one question to validate this choice: "What is our company truly about, and can we sustain our vision without compromising it for short-term gains?" This reflection will help ensure that the decision aligns with the foundational purpose and future aspirations of the company.