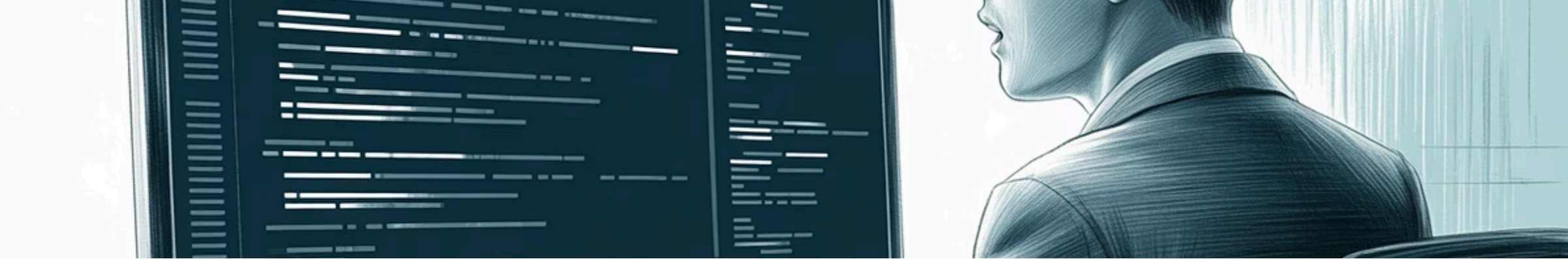




Module 2: Budget & Timeline

You'll learn how to plan your MVP budget and timeline realistically:

- how much it should cost
- how long it should take



Why Estimates Are Often Wrong

Evolving Vision

You don't know exactly what you want until you see it.

Changing Requirements


Requirements change (and that's fine – but it costs time).

Developer Optimism

Developers naturally underestimate complexity.

Hidden Complexity

"Simple" features often hide complex edge cases.

 Always add 30–50% buffer to any quote.



How This Works for Fixed-Price Projects

Even with a fixed-price contract, the buffer still matters – just in a different way:

01

Risk Buffer

Agencies already include a buffer inside their price to cover uncertainty.

02

Your Own Buffer

for post-contract extras – redesigns, new features, or integration changes.

03

Scope Reality

Fixed-price ≠ fixed scope forever. Each "small change" later becomes a paid change request.

04

Budget Planning

Most founders budget only for the first quote, not for later changes.

In short: even with a fixed-price deal, plan **30–50% extra** on your side. It's your insurance for scope changes, post-launch fixes, and new ideas.

Typical Rates

Eastern Europe Averages



Junior Developer

\$20–30/hr

1–2 years experience. Needs supervision – mistakes cost you.



Mid Developer

\$30–40/hr

3–5 years experience. Best cost–quality balance – ideal for MVPs.



Senior Developer

\$40–60/hr

6+ years experience. Use selectively for architecture or code review.



Agency Pricing

Small Agency

10–25 people

\$30–50/hr

- Devs + PM + QA
- Flexible, startup-friendly
- More personal attention

Medium Agency

30–200 people

\$50–70/hr

- Polished process, more structure
- Established workflows
- Not always faster or better





Example: Realistic Founder Case

SaaS MVP — login, dashboard, payments

- 1 Development
450 dev hours × \$40/hr = **\$18,000**
- 2 QA & PM
+30% = **\$5,400**
- 3 Design
+10% = **\$1,800**
- 4 Total Investment
~\$25,000–27,000
Timeline: ~10–12 weeks to launch



Fixed-Price vs Hourly

Model	Pros	Cons	Best for
Fixed price	Predictable cost	Less flexibility	Clear scope
Hourly / T&M	Flexible	Harder to predict total	Iterative projects
Hybrid	Balanced	Needs trust	MVP + post-launch updates

How to Sanity-Check an Estimate

- Ask for a **feature-by-feature breakdown**.
- Confirm **who handles QA and PM**.
- Add your own **30% buffer**.
- Define **acceptance criteria** for each feature.
- Clarify **what's excluded** (hosting, maintenance, design updates).

Week	Focus	Deliverables
1–2	Design & planning	Wireframes, spec
3–8	Development	Features ready for testing
9–10	QA + Launch	Bug fixes, release build



Typical MVP Timeline

Example 10-week MVP timeline



How to Reduce Cost Safely

- Build fewer **features**, not lower quality.
- Skip **animations or fancy UI**, not QA.
- Use **ready-made UI kits** or **AI tools** for docs & design.
- Keep your **scope frozen** once coding starts.



Manage Scope Changes

Feature creep kills more budgets than bad estimates.

Change Control Mini-Checklist

- Write every change down.
- Ask for cost/time estimate.
- Approve only if it fits the main goal.

Additional Costs: Mobile App

What	Hours	Cost @ \$40/hr
Planning & architecture	10-20	\$400-800
Authentication & onboarding	30-40	\$1,200-1,600
Core screens/features	100-150	\$4,000-6,000
API development	60-80	\$2,400-3,200
Push notifications	20-30	\$800-1,200
Testing (devices)	60-80	\$2,400-3,200
Total Development	320-455 hours	\$12,800-18,200

Additional Costs

- Scope changes: +25% = \$3,400-4,750
- Design: \$3,000-8,000
- Project management: 10% = \$1,400-1,900
- Testing devices: \$500-1,500
- Buffer: +20% = \$2,800-3,800

Realistic Total

\$24,700-39,000

Timeline: 3-5 months

How to Evaluate a Developer Quote

Red Flags (Walk Away)

No Breakdown

One sum with no itemization. No way to verify or negotiate.

Suspiciously Low

Everyone quotes \$40-50K, this person quotes \$15K. Don't understand project or will bail.

Unrealistic Timeline

Complex app in 4 weeks. Lying or incompetent.

No Testing/QA

Testing is 20-30% of good development.

Vague Scope

"Full MVP with all features" leads to constant scope arguments.

No Change Process

Every change becomes negotiation.

Bad Payment Terms

100% upfront or 100% on delivery. All risk on you.
2 weekly payments are recommended.



Green Flags

1

Itemized Breakdown

Authentication: 30 hours, \$1,200

Dashboard: 50 hours, \$2,000

Payments: 25 hours, \$1,000

2

Testing Included Explicitly

"Testing: 80 hours, \$3,200"

3

Clear Scope Document

"Will build X, Y, Z. Will NOT build A, B, C."

4

Change Request Process

"Changes billed at \$X/hour with approval"

5

Biweekly payments

6

Realistic Timeline with Buffer

"3 months, plus 2 weeks buffer"

7

Questions Before Quoting

Asks about users, features, priorities

What I'd Do



Budget +50% Quote



Make a Spec First

Saves 30-50% in changes.



Ship Simple

Cut 40%, launch in 4-8 weeks. Added later.



Use AI for First Drafts

Generate everything with AI first (copy, images, designs). Pay humans to refine the critical 30%. Saves 30-40% on marketing.




Pay Biweekly

Stay in control, stop if bad, adjust scope



Allocate A LOT to Marketing

Of \$50K budget: \$35K dev, \$30K+ marketing. Mediocre product with users beats perfect product with none.

 **Biggest mistake:** spending 100% on build, 0% on marketing

Roughly estimated cost summary

Functionality	Mobile hours	Backend hours	
App init (navigation)	8	8	
DB architecture		8	
Splash screen	6		
Login screen	6		
Apple SSO	8	12	
Terms & Conditions	2		
Onboarding (1-3 slides)	16		
Onboarding (4-8 slides)	20		
Take a Photo & Upload documents	10	8	
Processing		12	
Report	4		is it OK to send sensitive data to ChatGPT? (6 hours - chatGPT)
Blocked: Compare with previous results	20	16	
Hey Sam screen	6		
Analyzing results	12		
Results	8	2	
Focus details	10		get from ChatGPT
Main page	20	20	
Background health monitoring		24	BE depends on business-logic
Push notifications setup	12	4	
Push notifications	8	4	from chatGPT
Blocked: Push notifications logic		40	
Blocked: Heart Rate and Alerts Logic	10	25	
Health score details	8	12	
Recommendations	6	12	
Meal planner	20	16	Email notifications
User menu profile	14	8	
User menu settings	6	2	
ChatGPT finetuning		25	
Chat (basic 1-1, custom, no media)	24	40	
LangChain		30	
Streak	12	8	
Publish to stores	24	4	
Error tracking (Sentry)	4	4	
Environments setup	2	6	
Communication (10%)	30,6	35	
Risks (20%)	84,15	96,25	
	420,75	481,25	

Complete Cost Breakdown (Example 2)

Team structure

- 1 x Front-end/Mobile Developer
- 1 x Back-end Developer
- 1 x Project Manager (part-time)
- 1 x QA (part-time)

Hourly rates

Developer	40
Project Manager	28
Quality Assurance engineer	20

Budget

Development services	902	\$36 080
Project Management	271	\$7 577
Quality Assurance	271	\$5 412
Grand total		\$49 069

Common Founder Mistakes

Unrealistic Expectations

Believing "done" = "bug-free."

Price Over Quality

Hiring based on cheapest hourly rate.

Skipping QA

Cutting testing to save money.

Hidden Overhead

Forgetting PM and communication overhead.

Endless Feedback

Letting feedback cycles double your timeline.