

ENGINEERING & TECH FIRMS DO NOT HAVE A SALES PROBLEM.

**THEY HAVE A REVENUE LEAKAGE
PROBLEM WORTH \$3.5M A YEAR.**

How mid-sized engineering & technology businesses lose 5% to 18% of revenue through missed opportunity.

“Opportunity is often already visible, viable and in motion within a business. It simply does not convert.”

THE HIDDEN REVENUE PROBLEM.

Most engineering and technology firms believe growth is constrained by market conditions, competition, or a lack of demand.

In reality, the bigger issue sits inside the business. Revenue is being lost every day through missed, mismanaged, or unrecognised opportunity. Not because teams are underperforming, but because the system around them is not set up to consistently capture the value already in play.

For a typical \$20M to \$30M engineering firm, this gap is significant. Based on benchmark data across win rates, utilisation, and client retention, it equates to approximately \$3.5M in lost revenue each year.*

This is not pipeline that never existed. It is revenue that was visible, viable, and often already in motion. It simply did not convert.

This is not a sales problem in the traditional sense. It is a revenue leakage problem.

* Uncommon Sense modelled estimate using a \$25M revenue base and an indicative 14% revenue leakage rate, informed by external benchmarks from Deltek, SPI for local relevance. Most engineering and technology firms believe growth is constrained by market conditions, competition, or a lack of demand.

THE REVENUE LEAKAGE MODEL.

Revenue leakage does not usually happen in one dramatic moment.

It happens quietly, across the business, through everyday decisions, missed signals, inconsistent follow-up, weak qualification, unclear ownership, and customer conversations that never turn into commercial opportunity.

For mid-sized engineering and tech firms, this leakage typically appears in three places:

- New revenue that should have been won
- Existing revenue that should have been protected
- Expansion revenue that should have been captured

Individually, each gap can look manageable. Together, they create a significant commercial drag.

For a \$25M firm, even a conservative leakage rate of 14 percent represents around \$3.5M in lost revenue every year.

That is the uncomfortable truth.

The revenue is often already visible. It sits in current clients, open tenders, project variations, technical conversations, service issues, account reviews, referrals, and early-stage opportunities that never get properly progressed.

The problem is not that the opportunity does not exist. It's that no one is consistently set up to recognise it, own it, and move it forward.

WHERE THE \$3.5M GOES.

Revenue leakage usually shows up in five predictable ways.

1. OPPORTUNITIES ARE SEEN TOO LATE

Engineering and tech firms are full of people having valuable customer conversations.

Project managers, engineers, technical specialists, service teams, account leads, and senior operators often hear what is really happening inside a client's business long before the sales team does.

They hear about:

- New projects
- Budget pressure
- Delivery issues
- Vendor dissatisfaction
- Scope changes
- Compliance problems
- Internal growth plans
- Future infrastructure needs

But because these conversations are not seen as sales, the opportunity often stays informal.

It might be mentioned in passing. It might sit in someone's notebook. It might be assumed that someone else is handling it. By the time the business responds, the opportunity has cooled, changed shape, or gone elsewhere.

This is one of the most common ways revenue leaks. Not through lack of skill, need or opportunity. Through lack of commercial awareness and internal handover.

2. THE WRONG WORK GETS CHASED

Many firms lose revenue not because they do not have enough opportunities, but because they spend too much time on the wrong ones.

This shows up as:

- Poorly qualified tenders
- Low-margin work
- Prospects outside the ideal client profile
- Time-consuming proposals with low win probability
- Work that keeps people busy but does not improve profitability

A good opportunity should pass three tests:

1. Is it strategically worth winning?
2. Is it commercially worth delivering?
3. Do we have a real chance of winning it?

If the answer is no, the firm is not building pipeline. It is burning capacity.

In firms where “sales” feels uncomfortable, there is often a tendency to treat every enquiry as worth pursuing, and that creates a hidden cost.

Senior people spend hours scoping, estimating, quoting, reviewing, and proposing work that was never likely to become profitable revenue. The business looks busy, but the pipeline is weak.

This is not just a sales issue. It is a process issue.

3. EXISTING CLIENTS ARE UNDER-MANAGED

In many engineering and tech businesses, strong client relationships are taken for granted. The thinking goes something like this:

They know us. They trust us. They'll come back when they need us.

Sometimes they do, but often, the relationship slowly weakens.

A competitor gets closer. A new decision-maker arrives. A project underwhelms. A small service issue is not followed up. A client's needs change, but no one asks the right questions. The firm only notices when the next project goes somewhere else.

This kind of revenue loss is especially painful because it usually comes from clients the business should have kept. The opportunity was not cold. The relationship was not broken. The revenue was not out of reach. It was simply not actively managed.

4. EXPANSION OPPORTUNITIES ARE MISSED

Most firms have significant untapped revenue inside their existing client base.

This may include:

- Adjacent services
- Follow-on projects
- Maintenance or support work
- Advisory work
- Training
- Project extensions
- Additional sites
- Introductions to other divisions or regions

But these opportunities are often missed because no one wants to feel like they are selling. So instead of asking better questions, teams stay in delivery mode. They solve the immediate problem, complete the job, and move on. That may feel professional, but commercially, it leaves value on the table.

The best firms do not push unnecessary services. They do not turn engineers into aggressive salespeople. They teach customer-facing teams how to notice commercial signals and pass them to the right person at the right time.

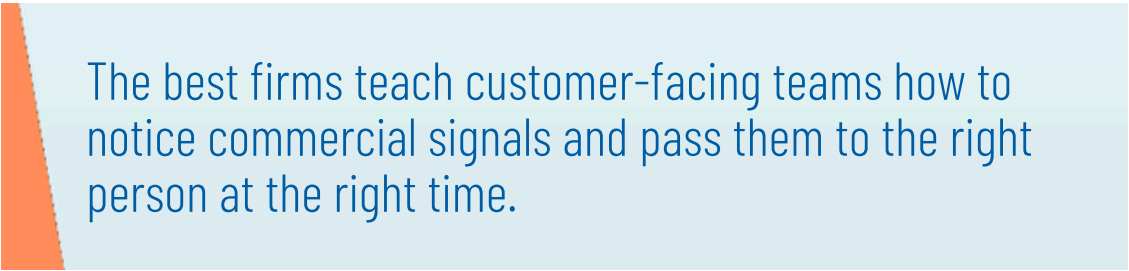
5. NO ONE OWNS THE GAP

Revenue leakage thrives when ownership is unclear.

Sales may assume delivery teams will flag client issues. Delivery teams may assume account managers are across the relationship. Senior leaders may assume opportunities are being followed up. Technical teams may avoid commercial conversations altogether.

The result is a business where everyone is close to the opportunity, but no one is clearly responsible for progressing it.

This is how good businesses lose good revenue. Not because people don't care, but because the system does not make ownership clear.



The best firms teach customer-facing teams how to notice commercial signals and pass them to the right person at the right time.

WHY THIS IS NOT A TRADITIONAL SALES PROBLEM

The answer is not “do more sales”. That is too simplistic.

In fact, telling technical teams to sell more often makes the problem worse. It creates resistance, discomfort, and poor behaviour.


The real opportunity is different. It is to help the whole business become more commercially aware without turning everyone into a salesperson.

That means helping people understand:

- What a good opportunity looks like
- What signals to listen for
- When to ask one more question
- Who to pass information to
- How to protect client trust
- How their role connects to revenue and profitability

This is not about scripts, pressure, or hard selling. It is about making opportunity visible.

For engineering and tech firms, this distinction matters. Most people in the business are already helping clients solve problems. The missed opportunity sits in helping them recognise when those problems point to something bigger.



A technical question may not just need an answer. It may reveal an upcoming project. The opportunity is already in the conversation.

THE COMMERCIAL IMPACT

A \$3.5m annual revenue gap sounds large, but for a mid-sized engineering or tech firm it can build quickly.

For example, in a \$25m business, revenue leakage might come from:

LEAKAGE AREA	EXAMPLE IMPACT
Missed new business opportunities	\$900k
Poor qualification and low-value pursuit	\$750k
Lost or reduced existing client revenue	\$850k
Missed expansion in current accounts	\$850k
Weak referral and relationship followup	\$500k
TOTAL ESTIMATED LEAKAGE	\$3.5M

The exact number will vary by firm. But the pattern is consistent.

The lost revenue is rarely caused by one catastrophic failure. It is the cumulative effect of small commercial misses across the business.

A delayed follow-up. A weak handover. A proposal that should not have been written. A client relationship left unmanaged. A delivery team that hears the signal but does not know what to do with it.

This is why revenue leakage is so dangerous. It is rarely obvious enough to trigger alarm, but significant enough to affect growth, margin, and business value.

WHAT LEADERS SHOULD LOOK FOR

The signs of revenue leakage are usually visible if leaders know where to look.

- Revenue growth has slowed, despite a busy team
- Pipeline looks healthy, but conversion is inconsistent
- Senior people are dragged into too many deals
- Good clients are not growing
- Margins are under pressure
- The business wins work it later regrets
- Account management is informal or inconsistent
- Technical people avoid commercial conversations
- Teams are busy, but profitability is not improving
- Opportunities depend too heavily on one or two rainmakers

None of these signs mean the business is broken. They mean the business has reached a stage where informal opportunity capture no longer works.

What got the firm to \$5M, \$10M or \$20M in revenue will not necessarily get it to the next stage.

At some point, growth needs to become less dependent on individual instinct and more driven by a clear commercial system.

It is about making hidden opportunity visible to immediately capture additional revenue.

What got your business to \$5M, \$10M or \$20M in revenue will not necessarily get it to the next stage.

CONCLUSION

Engineering and tech firms do not need to become sales-led organisations. They need to become commercially aware organisations.

That is a much better fit.

The best firms will still win because of their expertise, relationships, delivery, problem-solving, and technical credibility. But they will also build the systems, language, and confidence to capture the opportunities already sitting inside the business.

For many mid-sized firms, that gap is worth millions. Not someday, but every year.

The question is not whether the opportunity exists. The question is whether the business is set up to see it, own it, and convert it.



Most engineering and tech firms are closer to their next stage of growth than they realise. The challenge is knowing where opportunity is being missed.

The opportunity is often already there, inside current clients, live projects, technical conversations, tenders, referrals, and relationships. The challenge is knowing where it is being missed.

Uncommon Sense helps leadership teams identify where revenue is leaking, why opportunity is being missed, and what needs to change to capture more of the value already inside the business.

Contact us to discuss five practical changes you can make now

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CITATIONS & SOURCES

Uncommon Sense modelled estimate using a \$25M revenue base and an indicative 14% revenue leakage rate, informed by external benchmarks from Deltek, SPI Research, Hinge Research Institute, SaaS Capital and ChartMogul.

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