

How to use: Go through each section and check every box that applies. Tally your score at the end. Any unchecked box is a documented operational gap.

#### Margin Visibility and SKU Economics

- Do you calculate fully loaded contribution margin per SKU at least once per month?
- Does your margin calculation include ad spend attribution, returns processing cost, and all fulfillment fees per unit?
- Can you identify your three lowest-margin SKUs within 48 hours without pulling a full data export?
- Have you reviewed your blended gross margin by channel in the last 90 days?
- Do you have a documented minimum contribution margin threshold below which a SKU triggers a pricing or listing review?

#### Cost Structure and Break-Even Discipline

- Do you know your current monthly break-even revenue to the nearest \$5,000?
- Before your last hire or fixed-cost commitment, did you model the revenue break-even for that specific cost?
- Have you reviewed all recurring vendor contracts, SaaS subscriptions, and service agreements in the last 12 months?
- Is your current revenue base at least 20% above your monthly fixed-cost break-even on an annualized basis?
- Do you review your cash position and accounts payable timing at least once per week?

#### Hiring and Operational Execution

- Before your last full-time hire, did you run a paid contractor evaluation for the same function?
- Does every active role in your business have three to five defined output metrics that are reviewed monthly?
- Do you have a written hiring trigger protocol that includes a revenue break-even calculation before any hire is posted?
- Have you audited your current team's output against their cost in the last six months?
- When a hire does not work out, do you conduct a structured post-mortem to improve the next hiring decision?

#### Revenue Quality and Customer Economics

- Do you track repeat purchase rate and average LTV by customer acquisition source?
- Is your ad spend evaluated against contribution margin per sale, not ROAS or revenue alone?
- Have you identified the acquisition source that produces your highest 12-month LTV?
- Do you review your return rate per SKU and per channel monthly?
- Can you calculate your customer acquisition cost for each active paid channel within one business day?

#### Growth Decision and Capital Discipline

- Before your last new channel, product line, or growth initiative, did you model the minimum viable margin at the target scale?
- Do your growth targets include a margin floor, not just a revenue milestone?
- If you carry debt or outside investment, have you modeled whether the unit economics at the target scale justify the cost of capital?
- Do you have a defined exit condition for any active growth initiative that is not performing to its margin model?
- Have you evaluated at least one cost reduction in the last 90 days alongside any growth initiative you are currently running?

#### SCORING GUIDE

Score	Level	What it means
0-11	<b>CRITICAL</b>	your operation has structural failures that are actively destroying margin
12-19	<b>MODERATE</b>	gaps exist in 2 to 3 areas that need immediate attention
20-25	<b>STRONG</b>	your systems are solid, focus on optimization

Book a free data audit at [modonix.com/services](https://modonix.com/services) — we identify your top 3 margin leaks in one session. Written by Ahmed Abuswa, Modonix.com