

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.

Unit Economics

- 1 ☐ Do you track margin-per-unit monthly against current input costs?
- 2 ☐ Can you state per-unit profit on your top five SKUs right now?
- 3 ☐ Have you confirmed no SKU sells below cost to chase volume alone?
- 4 ☐ Do price increases trigger from cost thresholds, not calendar dates?
- 5 ☐ Can you separate revenue growth from margin growth on one report?

Discounting Controls

- 6 ☐ Is there a hard margin floor reps cannot discount below on any deal?
- 7 ☐ Do you know how many profit dollars a 20% discount removes?
- 8 ☐ Does your team weigh sales lift from discounts against margin lost?
- 9 ☐ Are discount approvals logged and reviewed for cumulative impact?
- 10 ☐ Could one routine discount erase over half the profit on that order?

Cost Visibility

- 11 ☐ Do you reconcile selling and marketing spend against order profit?
- 12 ☐ Are fulfillment, compliance, and delivery costs in your landed cost?
- 13 ☐ Has your costing software been checked against real job costs lately?
- 14 ☐ Do you know true distribution margin after storage, fuel, and labor?
- 15 ☐ Can you trace margin leakage to one cost category, not a guess?

Overhead Discipline

- 16 ☐ Have you checked if headcount growth is outpacing margin growth?
- 17 ☐ Are supervision and management margins protected from bid cuts?
- 18 ☐ Would trimming owner or executive perks move net margin visibly?
- 19 ☐ Is headcount utilization tracked alongside margin dollars, not instead?
- 20 ☐ Can every overhead line be justified against the margin it funds?

Reporting Accuracy

- 21 ☐ Does your dashboard default to margin trend, not revenue trend?
- 22 ☐ Have you checked if costs are compounding faster than revenue?
- 23 ☐ Does your net margin percentage match actual cash profit banked?
- 24 ☐ After each campaign, do you review margin, not just traffic or sales?
- 25 ☐ Does your team agree on one metric that defines a profitable outcome?

SCORING GUIDE

Score	Level	What it means
0 to 11	CRITICAL	Structural failures are actively destroying margin
12 to 19	MODERATE	Gaps in two or three areas that need immediate attention
20 to 25	STRONG	Systems are solid, focus on optimization

Book a free data audit at modonix.com/service. We identify your top 3 margin leaks in one session. Written by Ahmed Abuswa, Modonix.com