

WHERE YOUR MARGIN IS HIDING

How to Break Down Your Numbers to Find Profit Leaks

The Problem

Most business owners know their total revenue.

Fewer know which products, services, departments, or customer types are actually driving profit.

You can't improve what you can't see.

Quick Reflection

How does your business currently track revenue?

- ☐ One revenue category
- ☐ Multiple revenue categories
- ☐ Not sure

How does your business currently track Cost of Goods Sold (COGS)?

- ☐ One COGS category
- ☐ Multiple COGS categories
- ☐ Not sure

Where Could You Create More Visibility?

List the major revenue streams in your business.

1. _____
2. _____
3. _____
4. _____
5. _____

What Could Be Broken Out Further?

Check any categories that apply to your business:

- | | |
|---|--|
| ☐ Products | ☐ Warranty Work |
| ☐ Services | ☐ Rework / Go Backs |
| ☐ Departments | ☐ Subcontractors |
| ☐ Locations | ☐ Materials |
| ☐ Customer Types | ☐ Other: _____ |
| ☐ Labor Types | |

Hidden Profit Leaks

What areas of your business would you like more visibility into?

Examples:

- | | |
|-----------------------|------------------------------|
| • Warranty work | • Product line profitability |
| • Rework | • Customer profitability |
| • Labor by department | • Material usage |

One Action Item

What is ONE category you will separate or track differently in the next 30 days?

Why?

Key Takeaway

Most business owners don't have a **profit** problem.
They have a **visibility** problem.
The more visibility you create, the better decisions you can make.

Sip, Strategize, Succeed!