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The Pricing & Margin Review

A worksheet for finding out what you're actually making per job or product, before deciding whether to raise prices, cut costs, or drop something entirely.

> *How to use this workbook: most owners price based on gut feel or what competitors charge, without ever calculating true cost. Work through this once per major product or service line. The number that comes out the other end is often a surprise.*

What's inside

- True Cost per Job or Unit Worksheet
- Margin Calculation Table
- Price-Change Scenario Testing
- Action Plan

1. True Cost per Job or Unit

Fill this out for one specific, representative product or service, not your whole business at once. Most owners are surprised by how much overhead and labor time actually belong in this number, not just materials.

Product or Service Being Analyzed:

Cost Component	Amount per Job / Unit
Materials / Product Cost	
Direct Labor (time × rate)	
Equipment / Vehicle Cost (allocated)	
Overhead Allocation (rent, insurance, admin)	
Payment Processing Fees	
Other Direct Costs	
Total True Cost	

A Note on Overhead Allocation

Take your total monthly overhead (rent, insurance, software, admin time) and divide it by how many jobs or units you typically complete in a month. That per-job overhead number belongs above, even though it doesn't feel as direct as materials or labor.

2. Margin Calculation Table

Now do the same rough math across your full product or service lineup, so you can see them side by side. Margin ($) = Price − True Cost. Margin (%) = Margin ($) ÷ Price.

Product / Service	Price	True Cost	Margin ($)	Margin (%)

What Jumps Out

Highest-margin product or service:

Lowest-margin product or service:

Anything priced below true cost (yes, this happens more than owners expect):

3. Price-Change Scenario Testing

This section is for seeing the financial picture clearly, not for telling you what to charge. A price increase's real impact depends on your specific volume, competition, and customer sensitivity, factors only you can judge.

Scenario	New Price	New Margin (%)	Volume Change That Would Offset a Loss
Current			
+5%			
+10%			
-5% (promo test)			

Questions Worth Answering Before Changing Price

1. When did you last raise prices, and has cost gone up meaningfully since then?
2. Are you priced noticeably below your closest comparable competitor, and if so, why?
3. Would a small increase applied only to new customers (grandfathering existing ones) be a lower-risk first step?
4. Is the real problem price, or is it that costs have crept up faster than anyone's tracked?

4. Action Plan

Decide what you're actually going to do, and by when. A margin review that doesn't lead to a decision is just an interesting spreadsheet.

Decision:

Effective Date:

How You'll Communicate It (if a price change, to whom and how):

What You'll Track Afterward

Watch both margin and volume for 60-90 days after any change. A margin gain that comes with a volume collapse isn't necessarily a win, and a small volume dip that comes with a healthy margin gain often is.

Check-in date:

Metric you'll compare against today's numbers:

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