The Profit Leak Assessment Checklist

Discover Where Money, Time, and Opportunity Are Slipping Away in Your Business

For each statement, check:

Yes = This is working well
No = This needs attention
Unsure = I need to investigate further

Expenses & Vendor Costs

▫ Yes ▫ No ▫ Unsure — We review recurring expenses at least annually.
▫ Yes ▫ No ▫ Unsure — We regularly check subscriptions to ensure they're still needed or that have had price increases.
▫ Yes ▫ No ▫ Unsure — We know exactly which technology tools our team actively uses.
▫ Yes ▫ No ▫ Unsure — We regularly compare vendor pricing and service agreements.
▫ Yes ▫ No ▫ Unsure — We do not have duplicate software or overlapping services.

Financials

▫ Yes ▫ No ▫ Unsure — Our pricing has been reviewed within the last 12 months.
▫ Yes ▫ No ▫ Unsure — We know the profit margin on each major product or service.
▫ Yes ▫ No ▫ Unsure — Cost increases have been reflected in our pricing.
▫ Yes ▫ No ▫ Unsure — We've analyzed the cost of slow collections and have a SMART goal that achieves meaningful cash flow gains.
▫ Yes ▫ No ▫ Unsure — We do not keep low-margin products or services simply because "we've always offered them."

Team Efficiency

▫ Yes ▫ No ▫ Unsure — Team members spend most of their time on high-value activities.
▫ Yes ▫ No ▫ Unsure — We have documented processes for recurring tasks.
▫ Yes ▫ No ▫ Unsure — Repetitive administrative work is automated whenever possible.
▫ Yes ▫ No ▫ Unsure — Work is completed correctly the first time with minimal rework.
▫ Yes ▫ No ▫ Unsure — Decisions are made efficiently without unnecessary approvals.

Meetings & Communication

▫ Yes ▫ No ▫ Unsure — Meetings have clear agendas and outcomes.
▫ Yes ▫ No ▫ Unsure — Team members know who is responsible for key tasks.

▫ Yes ▫ No ▫ Unsure — Communication breakdowns rarely create delays or mistakes.
▫ Yes ▫ No ▫ Unsure — Work moves smoothly between departments or team members.
▫ Yes ▫ No ▫ Unsure — We regularly evaluate how our team spends its time.

Sales Process

▫ Yes ▫ No ▫ Unsure — New leads receive a prompt response.
▫ Yes ▫ No ▫ Unsure — We have a consistent process for following up with prospects.
▫ Yes ▫ No ▫ Unsure — Sales opportunities are tracked through a defined system.
▫ Yes ▫ No ▫ Unsure — We know our lead-to-customer conversion rate.
▫ Yes ▫ No ▫ Unsure — Potential customers rarely fall through the cracks.

Customer Retention

▫ Yes ▫ No ▫ Unsure — We stay in contact with customers after the sale.
▫ Yes ▫ No ▫ Unsure — We have a process for requesting referrals and testimonials.
▫ Yes ▫ No ▫ Unsure — We regularly reach out to past customers.
▫ Yes ▫ No ▫ Unsure — Customer complaints are addressed quickly.
▫ Yes ▫ No ▫ Unsure — We track customer retention or repeat business rates.

Execution & Follow-Through

▫ Yes ▫ No ▫ Unsure — Strategic priorities have clearly assigned owners.
▫ Yes ▫ No ▫ Unsure — Important projects have deadlines and measurable outcomes.
▫ Yes ▫ No ▫ Unsure — Team members understand what success looks like.
▫ Yes ▫ No ▫ Unsure — Progress is reviewed consistently.
▫ Yes ▫ No ▫ Unsure — Action items rarely remain unfinished.

Leadership & Planning

▫ Yes ▫ No ▫ Unsure — We regularly review key business metrics.
▫ Yes ▫ No ▫ Unsure — We have a clear plan for improving profitability.
▫ Yes ▫ No ▫ Unsure — We identify and solve root causes rather than symptoms.
▫ Yes ▫ No ▫ Unsure — Leadership spends time working on the business, not just in it.
▫ Yes ▫ No ▫ Unsure — We consistently evaluate opportunities to improve efficiency.

Your Profit Leak Score

Count the number of responses in each category:

Yes: _____

No: _____

Unsure: _____

0-5 No/Unsure Responses
Your business appears to have strong systems and controls in place. Continue reviewing operations regularly to prevent new profit leaks from developing.

6-15 No/Unsure Responses
Several profit leaks may be impacting profitability. Focus on the areas with the highest concentration of "No" and "Unsure" responses.

16-25 No/Unsure Responses
Hidden inefficiencies are likely reducing profitability. A structured improvement plan could generate meaningful financial gains.

26+ No/Unsure Responses
Your business may be losing significant profit through operational, financial, and customer-related leaks. Prioritizing improvements in these areas could create substantial results.

Next Steps

Every profit leak represents an opportunity.

Choose your top three areas for improvement and answer the following:

1. What specific issue needs to be fixed?

2. Who owns the solution?

3. What is the deadline?

4. How will success be measured?

Remember: Awareness is the first step. Action is what improves profitability.

If you'd like an outside perspective on where hidden profit leaks may be affecting your business, an Inspire Results business coach can help you identify opportunities, create accountability, and develop a plan for improvement.