

PROFITEDGE WORKSHEET · LOSS PREVENTION

Revenue Leak Worksheet

Shrink is the loss everyone counts. Money the business earned and never collected leaves no variance and no write-off, so it has to be added up on purpose. Use this to put a dollar figure and an owner on each leak.

ACTUAL LOSS

Money or goods lost after you have them: theft, fraud, error and damage. It shows up as a variance.

OPPORTUNITY LOSS

Money earned that never arrives: warranty, co-op, rebates, labor, discounts. Nothing records it.

ROUGH IS FINE

An honest estimate this month beats a precise number never. Note where each figure came from.

1 Warranty

A claim is a receivable. The work is done, the technician is paid and the part is used.

ITEM	YES	NO
Repair orders coded as warranty when they are written up	☐	☐
Cause and correction captured on the repair order at the time of the repair	☐	☐
Claims filed at least weekly, so nothing ages toward its deadline	☐	☐
Denials and short-pays worked as a queue, corrected and resubmitted	☐	☐
Every claim tracked until the money arrives	☐	☐

Estimate for a year: claims never filed, denied as late, or short-paid and dropped _____

2 Co-op, rebates and programs

Earned by selling the product and meeting the terms. Co-op is use-or-lose.

ITEM	YES	NO
One list of every program: what qualifies, what it pays, when it is due	☐	☐
Every deadline and the remaining co-op balance on a calendar	☐	☐
Proof kept as it happens: the ad, the invoice, the qualifying sale	☐	☐
One named person responsible for the money arriving	☐	☐

Estimate for a year: program money expired, missed or never claimed _____

3 Labor

Bought as payroll, sold as billed time. The leak is the gap between the two.

TECHNICIAN HOURS PAID THIS MONTH

HOURS BILLED THIS MONTH

GAP × EFFECTIVE LABOR RATE × 12

☐ Jobs never fully written up

☐ Comebacks redone at no charge

☐ Internal work never charged

☐ Warranty time billed below the customer rate

4 Vendor pricing, terms and floorplan

☐ Pricing the business was entitled to and never got

☐ Payment discounts not taken

☐ Units on floorplan long enough to cost curtailment and interest

☐ Units sold but not reconciled to the floorplan

Estimate for a year

5 Rank the leaks by dollars

One list: what each is worth in a year, and who owns the fix.

LEAK	ESTIMATE A YEAR	RANK	OWNER	FIRST FIX
Shrink, from the physical inventory				
Warranty				
Co-op, rebates and programs				
Labor				
Vendor pricing and terms				
Floorplan				
Other				

Add up every line except shrink and compare the total with the shrink line. Whichever is larger is where attention goes first. Each leak needs one named owner, even if others feed the process.

Opportunity loss is often the fastest money to recover. The customer has been served and the work is done. It only has to be collected.

WANT A SECOND SET OF EYES?
Start a conversation at profitedgesystems.com about finding and ranking the leaks in your business.