Cost Structure & Profit Driver Analysis Cheat Sheet

**What is Cost Structure & Profit Driver Analysis?**This tool helps you break down all the costs in a business (fixed, variable, direct, indirect) and find which parts have the most impact on profits. It makes it easier to see where to cut costs, increase efficiency, or boost profit margins.  
  
**How to use this sheet:**1. Review the example categories for each cost type.  
2. Fill in your own business or case study numbers in the blank columns.  
3. Use the last column to note ideas for improving profitability or cost control.

|  |  |  |  |
| --- | --- | --- | --- |
| Cost Type/Driver | Examples | Your Case / Figures | Ideas to Improve |
| Fixed Costs | Rent, salaries, insurance, subscriptions. |  |  |
| Variable Costs | Raw materials, hourly wages, utilities (usage-based), shipping. |  |  |
| Direct Costs | Materials and labour directly tied to each product/service. |  |  |
| Indirect Costs | Admin salaries, marketing, R&D, support functions. |  |  |
| Key Profit Drivers | Price per unit, sales volume, customer mix, average order size, upselling. |  |  |

Tip: Highlight the costs or drivers that have the biggest impact. What would happen if you changed them by 10%? Where can you cut, renegotiate, or invest for higher profit?