MARGIN MAX

THE OPERATIONAL DIAGNOSTIC

The Operational Diagnostic Guide.

What the Margin Max Operational Maturity Diagnostic measures, how it is scored, and how to read your results. A printable companion to the live assessment.

30 QUESTIONS · 6 CATEGORIES · 1 SCORE (0–100)

WHY IT MATTERS

Why operational visibility matters.

Revenue is loud and unreliable. Margin tells the truth about the operation — but only if you can see it. The Operational Diagnostic gives a founder an honest, structured read of how the business actually runs, before any prescription.

It scores the business **0–100 across six working systems**. The point isn't the number itself — it's seeing, in one place, which operating layers are built and held, which are partial, and which are absent. That tells you where margin is leaking and which layer to install first to stop it.

The diagnostic is the starting point of every Margin Max engagement: the findings shape the install, not the other way around.

WHAT IT MEASURES

The six categories.

Each category is scored by five questions and surfaces one operating layer of the business.

CATEGORY 01

Leadership & Accountability

Whether the business depends on the owner's memory, or runs on clear ownership, a leadership rhythm, and a team answerable to the numbers.

Owner-dependency is the #1 cap on scale. If results require you in every meeting, growth adds stress instead of freedom.

CATEGORY 02

Sales & CRM

Whether leads, follow-up, pipeline stages, and conversion are captured and managed in a system — or living in heads and inboxes.

Most contractors lose more revenue to leaky follow-up than to anything they're spending on marketing.

CATEGORY 03

Operations & Delivery

Whether jobs move through a defined, accountable path from sale to closeout, with margin protected at every handoff.

Margin doesn't disappear all at once. It leaks through every handoff that isn't defined.

WHAT IT MEASURES

CATEGORY 04

Financial Visibility

Whether the owner can see profit at the job level and across the business in time to act — cash, margin, and cost made visible.

If you can't see profit at the job level, you can't manage it. Visibility makes growth a decision instead of a guess.

CATEGORY 05

KPI & Reporting

Whether the business runs on a live scoreboard reviewed on a rhythm — or on lagging numbers that arrive too late to change anything.

Lagging numbers reach you too late. A scoreboard on a rhythm turns a reactive shop into a proactive one.

CATEGORY 06

Systems & Documentation

Whether the operation is captured in documented systems the team can run and transfer — or whether it lives only in people's heads.

A business that lives in heads can't scale, can't transfer, and can't be valued. Documentation is leverage.

METHODOLOGY

How scoring works.

5 × 4

PER CATEGORY

Five questions, each scored 0–4 (raw 0–20), normalized to a 0–100 category score.

÷ 6

COMPOSITE

The overall score is the equal-weight average of the six category scores — one number, 0–100.

5

MATURITY STAGES

The composite maps to an operational maturity stage from 1 to 5.

Maturity stages

0–25	**Stage 1 — Survival / Owner-Dependent.** Runs on the owner's effort and memory; growth adds stress, not freedom.
26–45	**Stage 2 — Reactive / Fragile.** Some structure but inconsistent; fights fires and depends on a few key people.
46–65	**Stage 3 — Developing / Building Structure.** Core processes and numbers taking shape; gaps remain in accountability and visibility.
66–85	**Stage 4 — Established / Scalable.** Clear roles, repeatable processes, reliable numbers; grows without the owner in every detail.
86–100	**Stage 5 — Optimized / Self-Managing.** Leadership team runs the business on documented systems and live data.

Category bands.

Each category score also falls into one of three bands, so you can see at a glance where to focus.

NEEDS ATTENTION	**Below 46.** The operating layer is largely absent or owner-dependent. This is where margin is most exposed — and usually where the first install belongs.
DEVELOPING	**46–65.** Structure is taking shape but isn't consistent or fully held. Real but fragile; a defined system and rhythm lock in the gains.
STRONG	**Above 65.** The layer is built and held. Protect it, and let it carry weight while weaker layers are brought up.

What low vs. high scores mean

Low scores are not a verdict on the business — they are a map. They show exactly which operating layer is leaking margin and capping scale, and therefore which system to install first. A low score with growing revenue is the most common (and most fixable) pattern.

High scores indicate a layer that is built, held, and transferable. They free leadership to focus attention on the weaker categories and to grow without the owner in every detail.

INTERPRETATION

Typical founder blind spots.

The diagnostic consistently surfaces the same blind spots in founder-led companies:

- Believing strong revenue means a strong operation — revenue hides operational problems.
- Confusing being busy with being accountable — activity isn't a scoreboard.
- Assuming the team "knows" the process because the owner does — undocumented systems don't transfer.
- Watching the bank balance instead of a 13-week cash forecast — reacting late to cash.
- Treating receivables as automatic — aged AR quietly traps the cash growth needs.
- Reading margin only at month-end — by then the leak has already happened in the field.

Recommended next steps

Start with the lowest-scoring category — that is where the first system delivers the most margin. Install one operating layer, put it on a weekly rhythm, and let the composite score climb as each layer is built and held. The fastest way to turn a score into a plan is a 30-minute Executive Review.

MARGIN MAX

TURN THE SCORE INTO A PLAN

Book a 30-minute Executive Review.

Jeremy walks your score, confirms the binding constraint, and maps the highest-leverage next move for your business. No pricing pressure. No sales pitch.

Book your 30-Minute Executive Review →

cal.com/marginmax/30-min-executive-review

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