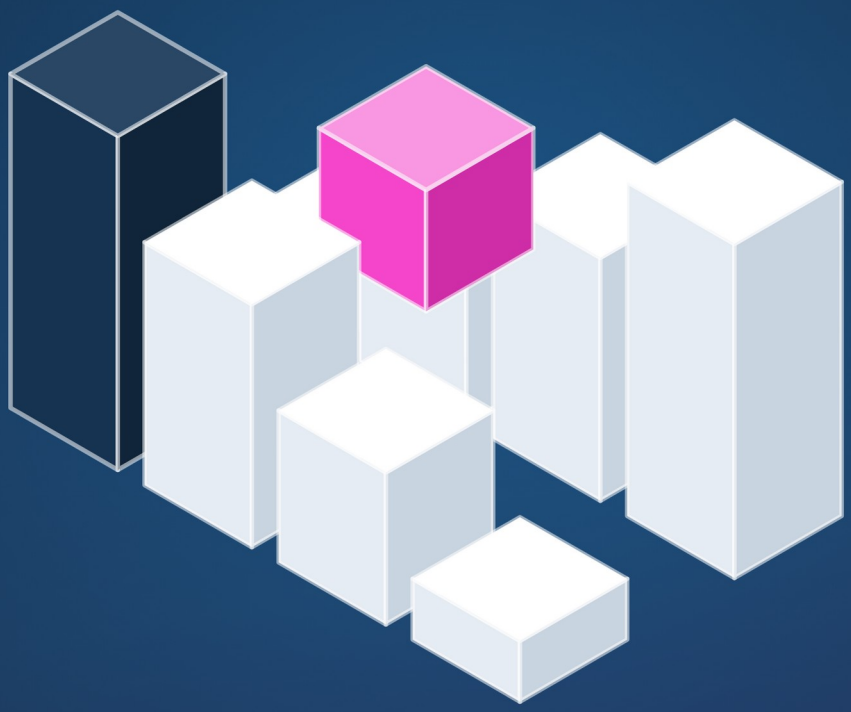
OPERATIONS INSIDER

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THE MANAGER'S MICROECONOMICS CHECKLIST

Twenty checks for decisions grounded in real economics.



DECIDE WITH THE ECONOMICS, NOT THE AVERAGES

Business Economics Checklist

Economic reasoning for operating decisions. Twenty statements in four blocks, one block for each part of the Microeconomics series on operationsinsider.com.

How to use this checklist

1. Score each statement honestly from 0 to 4 for your team or unit.
2. Use evidence, not intention: what would a colleague be able to observe?
3. Add up each block (maximum 20) and transfer the totals to the result sheet.
4. Choose three priorities and give each an owner and a date.

Score	Meaning
0	Not in place
1	Ideas exist, no practice
2	Applied sometimes
3	Applied consistently
4	Applied, measured and improved

Block 1: Scarcity, Price and Cost

Related parts: Part 1, Part 2, Part 3

#	Statement	Score 0 to 4
1.1	We frame operating choices as tradeoffs between scarce resources.	
1.2	Price changes are treated as demand hypotheses and tested.	
1.3	We know which costs change with a specific decision and which do not.	
1.4	Opportunity cost is part of our decision templates.	
1.5	We distinguish short-term and long-term cost behavior.	
	Block total (maximum 20)	

Block 2: Volume, Constraints and Stock

Related parts: Part 4, Part 5, Part 6

#	Statement	Score 0 to 4
2.1	We know the volume our business model requires to cover its fixed costs.	
2.2	We know which resource is our current bottleneck.	
2.3	Order decisions consider contribution per unit of the scarce resource.	
2.4	Inventory targets are linked to service levels and their cost.	
2.5	We review whether stock protects customers or hides process problems.	
	Block total (maximum 20)	

Block 3: Assets, Returns and Sourcing

Related parts: Part 7, Part 8, Part 9

#	Statement	Score 0 to 4
3.1	Managers understand that depreciation allocates cost and is not a cash payment.	
3.2	Return ratios are explained through margin, asset use and working capital.	
3.3	Make or buy decisions include capability, risk and coordination cost.	
3.4	We compare sourcing options on total cost, not unit price alone.	
3.5	Asset decisions are reviewed against the cash they actually require.	
	Block total (maximum 20)	

Block 4: Capacity, Incentives and Systems

Related parts: Part 10, Part 11, Part 12

#	Statement	Score 0 to 4
4.1	Efficiency investments come with a plan for the released capacity.	
4.2	We check how targets and incentives change everyday decisions.	
4.3	Local improvements are tested against the result of the whole system.	
4.4	We review decisions afterwards to learn how the economics behaved.	
4.5	Teams can explain how their work affects contribution and cash.	
	Block total (maximum 20)	

Result sheet

Block	Score	Level
1. Scarcity, Price and Cost	/ 20	
2. Volume, Constraints and Stock	/ 20	
3. Assets, Returns and Sourcing	/ 20	
4. Capacity, Incentives and Systems	/ 20	
Total	/ 80	

Block score	Level	What it means
0 to 7	Foundation needed	Start with the basics of this block. Pick one statement and make it true within 30 days.
8 to 13	Developing	The ideas are known but not applied consistently. Focus on evidence and ownership.
14 to 17	Established	Practice is solid. Use the weakest statement as your next improvement.
18 to 20	Leading	Keep it current, share the practice and test it under pressure.

Your three priorities

#	Priority	Owner	Due date
1			
2			
3			

Go further

Microeconomics Starter Kit: the toolkit with key ideas, diagnosis, reflection questions and an action plan for every block, a 30-day plan and the Excel self-assessment with profile chart.

Microeconomics Excellence Bundle: everything in the Starter Kit plus all 12 parts of the series as one collection and a ready-to-use workshop deck.

Read the full series free at operationsinsider.com/series/microeconomics/

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