



THE SYSTEM CFO SERIES
HINDOL DATTA

FREE ASSESSMENT

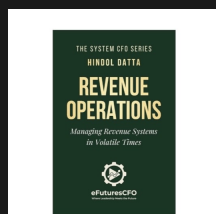
PILLAR 2: CASH & CAPITAL MANAGEMENT | TOOLKIT #10 OF 37

THE UNIT ECONOMICS HEALTH CHECK

*Proving Your Business Model Works
at the Transaction Level*

20-Question Diagnostic | 5-Page Assessment

Score Your Organization 1-5 Across Four Dimensions
Identify Gaps and Build Your Action Plan



EfuturesCFO.com

Where Leadership Meets the Future

(C) 2026 Hindol Datta. All Rights Reserved.

QUESTIONS 1-5

Section A: Revenue Unit Definition and Measurement

Do You Know What Your 'Unit' Is — and Can You Measure Its Economics Accurately?

Unit economics is the foundation of business model validation. If you cannot demonstrate that each customer, transaction, or contract generates positive economic value after fully loaded costs, growth simply accelerates losses. The System CFO defines the economic unit precisely, measures its contribution accurately, and uses unit economics as the primary lens for strategic decisions.

A. REVENUE UNIT DEFINITION AND MEASUREMENT

1	The organization has a clearly defined economic 'unit' — whether it is a customer, a subscription, a transaction, a seat, or a contract — and everyone in finance uses the same	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
2	Revenue per unit is tracked at a granular level — not just as a blended average, but segmented by customer tier, product line, geography, and acquisition channel to reveal mix	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
3	Fully loaded cost per unit is calculated — including not just direct costs (COGS) but allocated customer success, support, onboarding, and infrastructure costs that are required to	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
4	Contribution margin per unit is positive and improving — after accounting for all variable and semi-variable costs, each unit generates a positive contribution that covers its share of	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
5	Unit economics are measured over the full customer lifecycle — not just at the point of acquisition or first transaction, but including renewal, expansion, contraction, and churn over	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

SECTION A SCORE: Total: ____ / 25 Average: ____ / 5



QUESTIONS 6-10

Section B: Customer Acquisition Cost and Payback Period

How Much Does It Cost to Acquire a Customer — and How Long Until You Earn It Back?

Customer acquisition cost is the most commonly miscalculated metric in business. Most organizations undercount CAC by excluding sales engineering, free trials, onboarding, and channel costs. The System CFO calculates fully loaded CAC, measures payback period with precision, and ensures the organization is not systematically underpricing customer acquisition to inflate growth metrics.

B. CUSTOMER ACQUISITION COST AND PAYBACK PERIOD

6	Fully loaded Customer Acquisition Cost (CAC) is calculated — including marketing spend, sales compensation, sales engineering, free trial costs, onboarding, and channel/partner	1	2	3	4	5
		Non-Ex	Ad Hoc	Dev	Estab	Best
7	CAC is segmented by acquisition channel — the organization knows which channels (direct sales, inbound marketing, partnerships, referrals) produce the lowest CAC and highest	1	2	3	4	5
		Non-Ex	Ad Hoc	Dev	Estab	Best
8	CAC payback period is calculated and tracked — the organization knows exactly how many months of gross margin contribution are required to recover the fully loaded cost of	1	2	3	4	5
		Non-Ex	Ad Hoc	Dev	Estab	Best
9	The CAC payback period is acceptable relative to the business model — for SaaS, payback is under 18 months; for transaction-based businesses, payback occurs within the first or second	1	2	3	4	5
		Non-Ex	Ad Hoc	Dev	Estab	Best
10	CAC efficiency is improving over time — the ratio of new ARR (or revenue) to sales and marketing spend is tracked quarterly and shows a positive trend as the go-to-market motion matures.	1	2	3	4	5
		Non-Ex	Ad Hoc	Dev	Estab	Best

SECTION B SCORE: Total: ____ / 25 Average: ____ / 5



QUESTIONS 11-15

Section C: Lifetime Value and LTV/CAC Ratio

Is Each Customer Worth Enough to Justify the Investment in Acquiring Them?

LTV/CAC is the ultimate unit economics ratio — it tells you whether your business model creates or destroys value with each customer acquired. A ratio below 3:1 suggests the business is spending too much to acquire customers relative to the value they generate. The System CFO calculates LTV rigorously, using observed retention and margin data rather than optimistic projections.

C. LIFETIME VALUE AND LTV/CAC RATIO

<p>11 Customer Lifetime Value (LTV) is calculated using observed data — based on actual retention rates, actual expansion revenue, and actual gross margins rather than projected or</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p>12 LTV is segmented by customer cohort — the organization tracks how LTV varies by acquisition year, customer size, industry, geography, and product, revealing which segments create the</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p>13 The LTV/CAC ratio exceeds 3:1 for the overall business — and the organization knows which customer segments fall below this threshold and has strategies to improve or deprioritize them.</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p>14 Gross margin used in LTV calculations reflects true cost to serve — including infrastructure, support, and customer success costs that scale with the customer base, not just</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p>15 Churn and contraction are analyzed by cohort and cause — the organization understands why customers leave or reduce spending, and these insights feed back into product, pricing,</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>

SECTION C SCORE: Total: ____ / 25 Average: ____ / 5

QUESTIONS 16-20

Section D: Unit Economics in Strategic Decision-Making

Do Unit Economics Drive Your Investment, Pricing, and Growth Decisions?

Unit economics are not just a reporting exercise — they should be the primary input to every strategic decision about pricing, market expansion, product investment, and growth rate. The System CFO ensures that unit economics data flows directly into strategic planning, that investment decisions require unit economics justification, and that growth is never pursued at the expense of unit economics viability.

D. UNIT ECONOMICS IN STRATEGIC DECISION-MAKING

16	Pricing decisions are grounded in unit economics — price changes are evaluated for their impact on contribution margin, payback period, and LTV, not just top-line revenue growth.	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
17	New market or segment entry decisions require unit economics validation — the organization models expected CAC, contribution margin, and payback period for new markets before	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
18	Investment in growth is calibrated to unit economics — the organization increases customer acquisition spending only when unit economics support it and reduces spending when payback	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
19	Product development priorities are informed by unit economics — features and products that improve retention, increase expansion revenue, or reduce cost to serve are prioritized	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
20	The board and investors receive regular unit economics reporting — LTV/CAC, payback period, cohort analysis, and contribution margin trends are standard components of board	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

SECTION D SCORE: Total: ____ / 25 Average: ____ / 5

OVERALL ASSESSMENT SCORE

Section A: ____ / 25 Section B: ____ / 25 Section C: ____ / 25 Section D: ____ / 25 TOTAL: ____ / 100 AVG: ____ / 5

GAP TO GOAL

Gap-to-Goal Action Plan

Bridging the Gap — Unit Economics Health Check

Transfer your five lowest-scoring questions. For each gap, define the target state, specific actions, owner, timeline, and success metric. Focus on highest-impact gaps first.

GAP #	Q REF	CURRENT	TARGET	SPECIFIC ACTION TO CLOSE GAP	OWNER	DEADLINE	METRIC
1	Q__	___/5	___/5	_____	_____	_____	_____
2	Q__	___/5	___/5	_____	_____	_____	_____
3	Q__	___/5	___/5	_____	_____	_____	_____
4	Q__	___/5	___/5	_____	_____	_____	_____
5	Q__	___/5	___/5	_____	_____	_____	_____

ASSESSMENT SUMMARY

Completed by: _____ Date: _____

Overall average score: ___ / 5 Items scored 1-2 (critical): ____

Items scored 3 (developing): ____ Items scored 4-5 (strong): ____

Top strength: _____

Most critical gap: _____

One action this week: _____

READY TO GO DEEPER?

This free assessment identified your gaps. The Premium System CFO Toolkits provide the frameworks, templates, and action plans to close them. Visit EfuturesCFO.com





READY TO GO DEEPER?

This Assessment Identified the Gaps. The Premium Toolkit Closes Them.

PREMIUM: The Revenue Operations Diagnostic (12 Pages)

The full premium toolkit includes the complete revenue decomposition framework, unit economics calculation worksheets for SaaS, transaction, and services models, cohort analysis templates, LTV/CAC optimization playbooks, pricing sensitivity analysis, and the System CFO revenue quality scorecard.

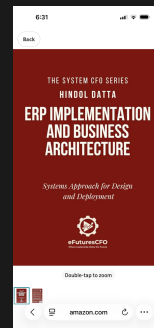
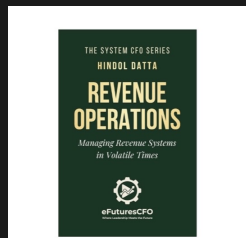
*Plus: Access the Super Exclusive 40-Page
System CFO Organizational Finance Assessment Kit*

ABOUT THE AUTHOR

Hindol Datta

25+ years as CFO and VP Finance | \$150M+ in M&A | CPA, CMA, CIA, PMP, CPIM

Author of The System CFO Series | MS Analytics, Georgia Tech



EfuturesCFO.com

LinkedIn: Hindol Datta | YouTube: @efuturescfo

Where Leadership Meets the Future