THE 80/20 INSTITUTE

Larkspur Precision

Strategy Book

November 29, 2026

The periods shown in this report. PGOS, from the company file.

The 80/20 Institute

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Where we are

Sample company. These aren't your numbers.

Larkspur Precision. About $12M of sales in the latest full year, as of September 30, 2026, and about 60 people.

Right to Grow is 1.63.

Quad 1 is 76.9% of sales.

Quad 4 is 9.0% of sales ($1.1M).

Overhead is 19.4% of sales ($2.3M).

Sized plan $491K. Counted once from sourced lines. The line total matches.

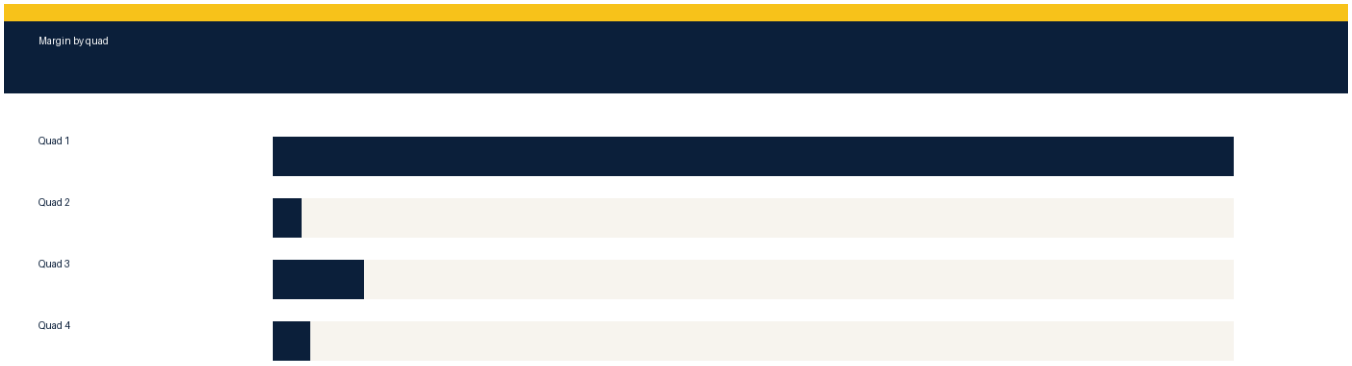
Baseline EBITDA $1.3M.

Sized plan $491K.

Recorded actual $192.2K.

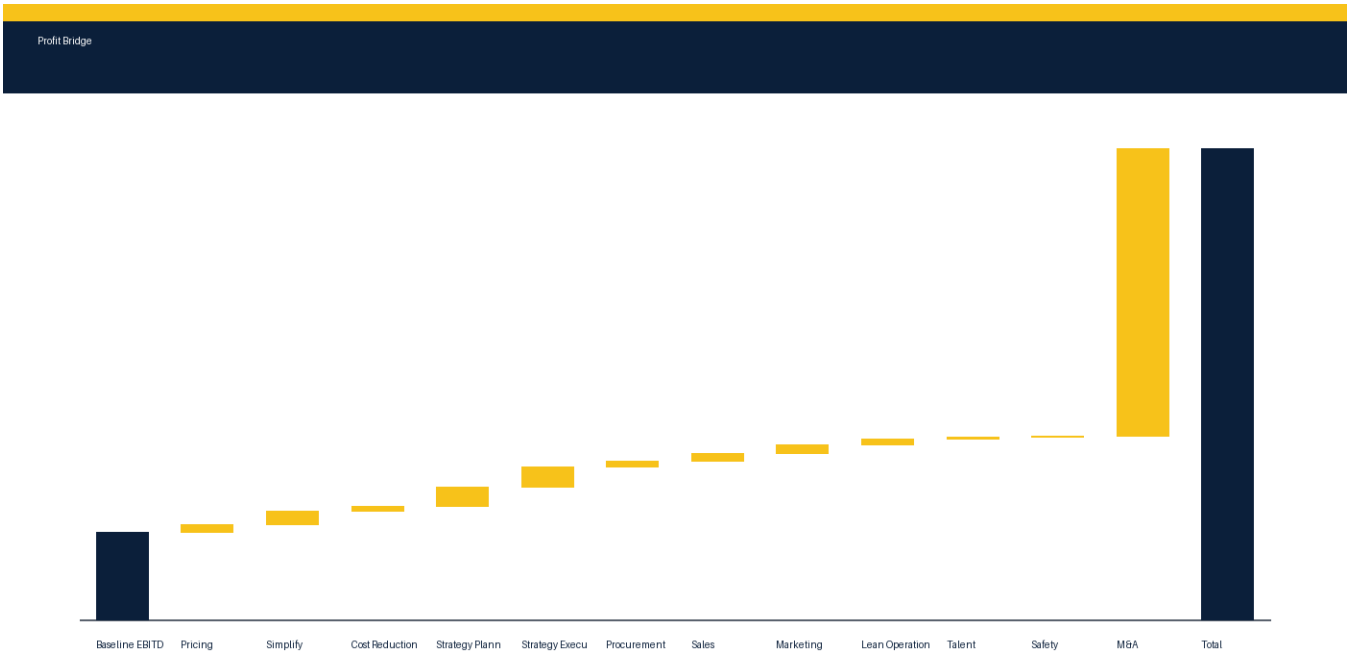
This year to the plan · earnings by driver · a bar is one step · as of Sep 30, 2026

Profit Bridge, from the company file



Each bar is the margin on that quad. Material margin by quad. The period on this page. The P&L read, from the company file

Each bar is the margin on that quad. Material margin by quad. The period on this page. The P&L read, from the company file



Baseline, then each sized driver. Empty drivers are left off. Baseline profit, then each sized driver. This year to the plan · earnings by driver · a bar is one step · as of Sep 30, 2026. Profit Bridge, from the company file

Baseline, then each sized driver. Empty drivers are left off. Baseline profit, then each sized driver. This year to the plan · earnings by driver · a bar is one step · as of Sep 30, 2026. Profit Bridge, from the company file

Where sales and margin sit

Quad	Meaning	Sales	Share	Margin	Margin %	Customers	Products
Quad 1	A customers buying A products	$9.2M	76.9%	$5M	54.6%	7	5
Quad 2	A customers buying B products	$760.2K	6.3%	$146.7K	19.3%	7	19
Quad 3	B customers buying A products	$927.2K	7.7%	$475.2K	51.2%	10	5
Quad 4	B customers buying B products	$1.1M	9.0%	$194.4K	18.0%	35	20

Profit Bridge

Source	Plan	Actual	Status
Pricing	$122.7K	Not recorded	at_risk

Source	Plan	Actual	Status
Simplify	$195.4K	Not recorded	at_risk
Cost Reduction	$69.9K	Not recorded	at_risk
Strategy Planning	$286K	$234K	On track
Strategy Execution	$295.3K	$198K	On track
Procurement	$91.2K	$91.2K	On track
Sales	$117.8K	Not recorded	at_risk
Marketing	$117.2K	Not recorded	at_risk
Lean Operations	$96K	$73.7K	On track
Talent	$25.6K	$16.1K	On track
Safety	$13K	$11.2K	On track
M&A	$4.3M	$4.2M	On track

The plan

Sales: Raise pocket price on the three deepest discount deals.

Sales: Cover every core account at least once a month.

Sales: Stop quoting the long tail below the floor.

Sales: Win two new core-line accounts without a special discount.

Sales: Cut the average quote turnaround to two days.

Operations: Bring on-time delivery back above the goal.

Operations: Clear the unprofitable tail from the active book.

Operations: Shorten the longest service or make cycle.

Operations: Hold a weekly look at scrap, rework, or callbacks.

Finance: Hold gross margin on the $12M book.

Finance: Collect the oldest receivables every Monday.

Finance: Keep overhead from growing faster than sales.

Finance: Close the month by the eighth working day.

People: Name a backup for every lead seat.

People: Fill the open technician or operator seats.

People: Finish the quarterly reviews that are still blank.

People: Cut voluntary turnover in the largest department.

Product: Retire two catalog items that lose money.

Product: Launch one offer the core accounts already asked for.

Product: Put a floor on the custom or one-off work.

Product: Publish the price book the sellers actually use.

Operations: Bid the two vendors who hold most of the spend.

Sales: Write the win rate by quad before the next forecast.

Sales: Log every open deal with a date and a way out.

Operations: Name the constraint that sets the promise date.

Operations: Close the oldest near miss with a changed step.

Finance: Put cash and the covenant on the first page of the pack.

Finance: Split overhead into the few accounts that actually move.

People: End the talent review with a hire, a move, or a backup.

People: Decide what happens to the seat that has stopped growing.

Product: Write the stop rule before the next offer is funded.

Product: Take dead items off the quote form this quarter.

Ceo: Keep the weekly list to the vital few.

Ceo: Read the red rows before the check-in, not after.

The Critical Few

Item	Owner	Status	Target
Reprice custom jobs quoted below true co st	Sales	On track	Reprice custom jobs quoted below true co st
Set order minimums and setup charges o n small runs	Operations	Off track	Set order minimums and setup charges o n small runs
Give freed machine hours to repeat work for top customers	Sales	On track	Give freed machine hours to repeat work for top customers
Hold the price floor o n core accounts	Tom Reyna	On track	
Visit every core acco unt this quarter	Tom Reyna	On track	
On-time delivery bac k to the goal	Devon Walsh	On track	
Exit the unprofitable tail	Devon Walsh	Off track	
Gross margin holds at the year plan	Irene Kowalski	On track	

Item	Owner	Status	Target
Receivables inside t erms	Irene Kowalski	On track	
A backup named for each lead seat	Marcus Hale	On track	
Open seats in the lar gest crew	Marcus Hale	Off track	
One new offer for co re accounts	Anita Rao	On track	
Second quote on the top two vendors	Devon Walsh	On track	
Forecast only deals with a date and a wa y out	Tom Reyna	On track	
Name the wallet the l argest account buys elsewhere	Tom Reyna	Not started	
Name the step that s ets the promise date	Devon Walsh	Off track	
Hold a weekly look a t scrap or callbacks	Devon Walsh	On track	
Close the month by t he eighth working da y	Irene Kowalski	On track	
Cash and the coven ant on the first page	Irene Kowalski	On track	
Finish the quarterly r eviews that are still b lank	Marcus Hale	Not started	
Decide the seat that has stopped growing	Marcus Hale	Off track	
Write the stop rule b efore the next offer i s funded	Anita Rao	Not started	

Item	Owner	Status	Target
Take dead items off t he quote form	Anita Rao	On track	
One-page pack sign ed for the last month	Carla Bennett	On track	
Red scorecard rows have an owner	Carla Bennett	On track	
Second source nam ed for the single-sou rce part	Devon Walsh	Not started	
Walk away from the quote below the floor	Tom Reyna	Off track	

Initiatives with dollars

Source	Plan	Actual
Pricing	$122.7K	Not recorded
Simplify	$195.4K	Not recorded
Cost Reduction	$69.9K	Not recorded
Strategy Planning	$286K	$234K
Strategy Execution	$295.3K	$198K
Procurement	$91.2K	$91.2K
Sales	$117.8K	Not recorded
Marketing	$117.2K	Not recorded
Lean Operations	$96K	$73.7K
Talent	$25.6K	$16.1K
Safety	$13K	$11.2K
M&A	$4.3M	$4.2M

Reprice custom jobs quoted below true cost

Reprice custom jobs quoted below true cost

Owner: Sales.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Reprice custom jobs quoted below true cost

Set order minimums and setup charges on small runs

Set order minimums and setup charges on small runs

Owner: Operations.

Status: Off track.

Plan: Not yet sized.

Actual: Not recorded.

- Set order minimums and setup charges on small runs

Give freed machine hours to repeat work for top customers

Give freed machine hours to repeat work for top customers

Owner: Sales.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Give freed machine hours to repeat work for top customers

Hold the price floor on core accounts

Owner: Tom Reyna.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Visit every core account this quarter

Owner: Tom Reyna.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

On-time delivery back to the goal

Owner: Devon Walsh.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Exit the unprofitable tail

Owner: Devon Walsh.

Status: Off track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Gross margin holds at the year plan

Owner: Irene Kowalski.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Receivables inside terms

Owner: Irene Kowalski.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

A backup named for each lead seat

Owner: Marcus Hale.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Open seats in the largest crew

Owner: Marcus Hale.

Status: Off track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

One new offer for core accounts

Owner: Anita Rao.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Second quote on the top two vendors

Owner: Devon Walsh.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Forecast only deals with a date and a way out

Owner: Tom Reyna.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Name the wallet the largest account buys elsewhere

Owner: Tom Reyna.

Status: Not started.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Name the step that sets the promise date

Owner: Devon Walsh.

Status: Off track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Hold a weekly look at scrap or callbacks

Owner: Devon Walsh.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Close the month by the eighth working day

Owner: Irene Kowalski.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Cash and the covenant on the first page

Owner: Irene Kowalski.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Finish the quarterly reviews that are still blank

Owner: Marcus Hale.

Status: Not started.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Decide the seat that has stopped growing

Owner: Marcus Hale.

Status: Off track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Write the stop rule before the next offer is funded

Owner: Anita Rao.

Status: Not started.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Take dead items off the quote form

Owner: Anita Rao.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

One-page pack signed for the last month

Owner: Carla Bennett.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Red scorecard rows have an owner

Owner: Carla Bennett.

Status: On track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Second source named for the single-source part

Owner: Devon Walsh.

Status: Not started.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Walk away from the quote below the floor

Owner: Tom Reyna.

Status: Off track.

Plan: Not yet sized.

Actual: Not recorded.

- Owner named and the first check written
- Mid-quarter review with the numbers

Scorecard

Measures

Measure	Owner	Goal	Current	Owner read
Revenue	Irene Kowalski	$3,000,000	$3,112,702	
Gross margin	Irene Kowalski	48.8%	48.8%	
Overhead	Irene Kowalski	under $582,000	$603,864	
Overhead share of sales	Irene Kowalski	under 19.4%	19.4%	
Right to Grow	Irene Kowalski	2	1.63	
Quad 4 share of sales	Irene Kowalski	under 10.0%	9.0%	
On-time delivery	Devon Walsh	97.5%	98.5%	
Callbacks or rework	Devon Walsh	under 7.0%	6.0%	
Quote cycle days	Tom Reyna	under 4.8 days	4.1 days	
Core accounts covered	Tom Reyna	92.5%	70.3%	
Discount beyond the floor	Tom Reyna	under 8.5%	9.0%	
Receivables past terms	Irene Kowalski	under 13.5%	14.3%	
Inventory or parts turns	Devon Walsh	4.9	5.29	
Overtime share	Marcus Hale	under 10.5%	9.0%	
Open seats	Marcus Hale	under 4.5	3.87	
Reviews finished	Marcus Hale	93.5%	94.5%	
Voluntary turnover	Marcus Hale	under 14.5%	20.6%	

Measure	Owner	Goal	Current	Owner read
Safety near misses logged	Devon Walsh	6.5	6.17	
Recordable incidents	Devon Walsh	under 0.5	0.53	
First-pass yield or first-time fix	Devon Walsh	94.5%	95.5%	
Vendor bids opened	Devon Walsh	2.5	2.7	
Single-source items	Anita Rao	under 9.5	8.17	
Dead catalog items	Anita Rao	under 6.5	5.59	
New offer pipeline	Anita Rao	1.5	1.02	
Price book compliance	Tom Reyna	88.5%	84.5%	
Unprofitable customers	Devon Walsh	under 7.5	7.95	
Unprofitable items	Anita Rao	under 4.5	3.87	
Month close day	Irene Kowalski	6.6 days to 9.6 days	8.1 days	
Cash collected this week	Irene Kowalski	$318,462	$406,125	
Win rate on core quotes	Tom Reyna	38.5%	41.6%	
Training hours	Marcus Hale	118 hours	81 hours	
Backlog weeks	Devon Walsh	2.5 to 6.5	6.74	
Scrap or warranty	Devon Walsh	under $24,840	$26,330	
Freight given away	Irene Kowalski	under $16,560	$14,242	

Measure	Owner	Goal	Current	Owner read
Decisions written	Carla Bennett	2.5	2.7	
Schedule adherence	Devon Walsh	91.5%	92.5%	
First-pass weld	Devon Walsh	95.5%	96.5%	
Backlog dollars	Irene Kowalski	$662,400 to $1,159,200	$1,382,760	
Engineering days on a quote	Anita Rao	under 12.6 days	13.4 days	
Gross profit	Irene Kowalski	$1,464,900	$1,519,933	
Contribution after overhead	Irene Kowalski	$882,900	$916,068	