



COMPLETED DECISION BRIEF

Q3 Gross Margin Variance

A filled-in example showing how to frame the work before AI starts answering.

01 What decision must be made?

Determine whether the 180 bps Q3 gross-margin miss reflects structural margin pressure that requires pricing, sourcing, or forecast action, or a temporary mix/timing issue.

02 Who owns it?

VP FP&A;, with input from Operations Finance and the business-unit GM.

03 By when?

Before the next monthly management review and before the Q4 forecast is locked.

04 What can they actually change?

Pricing guidance, supplier actions, product mix focus, freight assumptions, standard-cost treatment, and the Q4 margin forecast.

**COMPLETED DECISION BRIEF****05 What metrics and comparisons matter?**

Gross margin %, gross profit \$, price/rate effect, product mix, freight and logistics cost, purchase/input cost, volume, standard-cost changes, Q3 forecast versus actual, and prior-year comparable.

06 What evidence would change the recommendation?

A normalized bridge showing that the rate/input-cost effect remains material after removing mix, freight accrual timing, and the standard-cost update. If the normalized rate effect is small, do not recommend broad pricing or sourcing action.

07 What context will AI not know?

A lower-margin product family grew faster than forecast. A freight accrual true-up hit this quarter. Standard cost changed mid-quarter. Management cares about the run-rate effect, not simply explaining the accounting variance.

08 What data restrictions apply?

Use approved company systems. Do not paste confidential supplier terms, customer-level data, or nonpublic pricing into unapproved external AI tools. Sanitize or aggregate any data used outside approved environments.

NEXT STEP

Run the analysis. Then pressure-test the first explanation before it reaches management.