

Research report

The State of Costing, H1 2026

What 141 organizations told us about how they really cost.

47

Median score out of 100 (mean 49.2)

44.5

Cost allocation, weakest dimension

59%

score 50 or below

Organizations can usually see their profit at the top line. What they cannot do is defend how it is built. The single weakest dimension across the whole sample is cost allocation: the mechanics of turning shared cost into a number you would put in front of the board. The findings below come from 141 self-assessments completed through our Profit Check between 26 April and 2 July 2026.

The six findings

- 1 The median organization scores 47 out of 100; the mean is 49.2. Only about 10% score above 75.
- 2 Cost allocation is the weakest dimension at 44.5, followed by strategic decision support at 45.9. Visibility is highest at 52.5.
- 3 59% of organizations score 50 or below.
- 4 The mid-market (51 to 250 people) scores highest at 54.9, ahead of small (46.2) and large (44.1, on nine responses).
- 5 By industry, healthcare (56.5) and manufacturing (53.2) lead; retail (44.0) and IT services (42.0) lag, both weakest in cost allocation at 34.6.
- 6 Manufacturing prices well (57.7) but under-uses costing for decisions (strategic 49.8): a model built and not yet trusted.

Average score by dimension

Dimension	Average / 100
Profitability visibility	52.5
Pricing	50.5
Tools and governance	49.5
Strategic decision support	45.9
Cost allocation (weakest)	44.5

n = 119 to 129 per dimension.

Average score by industry (groups of 13 or more)

Industry	n	Average / 100	Weakest dimension
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Healthcare	20	56.5	Pricing (53.3)
Professional services	14	54.8	Allocation (46.2)
Manufacturing	31	53.2	Strategic (49.8)
Retail	15	44.0	Allocation (34.6)
IT services	13	42.0	Allocation (34.6)
Other	26	42.0	Strategic (26.7)

By size: the mid-market leads

Organizations of 51 to 250 people score highest at 54.9, ahead of small organizations (46.2) and the large organizations in this sample (44.1). With only nine large respondents, read that last figure as a signal about legacy systems and scale, not a firm verdict. The comfortable story that large enterprises have costing solved does not appear in the data.

Method: what this is, and what it is not

A structured 14-question self-assessment (the Profit Check) covering five dimensions: profitability visibility, pricing, cost allocation, strategic decision support, and tools and governance. It ran from 26 April to 2 July 2026 and covers 141 organizations (75 in English, 55 in Portuguese, 11 in Spanish). The sample is self-selected, which most likely skews toward organizations that already suspect a problem, so it is best read as what 141 organizations told us, not as the state of the whole market. Internal test submissions were removed before any figure was calculated. A small number of early responses used an older dimension format and sit inside the overall score but outside the per-dimension averages. We plan to repeat this every six months.

Find your own score. The free Profit Check runs the same assessment and shows your single biggest gap in minutes: costandprofitability.com/health-check/