

# Opportunity Cost Calculator

Compare major financial decisions by analyzing explicit costs, opportunity costs, and total economic costs

**Opportunity Cost = Value of Next Best Alternative**

Total Economic Cost = Explicit Costs + Opportunity Costs

What decision are you analyzing?

e.g., Buying vs. leasing a car, College vs. trade school

**Option A:** Name this option \_\_\_\_\_

## EXPLICIT COSTS

Cost description

0

Cost description

0

Cost description

0

**Explicit Subtotal:** \$0

## OPPORTUNITY COSTS

What you give up

0

Time value (hours x wage)

0

**Opportunity Subtotal:** \$0

Explicit Costs: \$0

Opportunity Costs: \$0

**Total Economic Cost:** \$0

#### INTANGIBLE BENEFITS

List non-monetary benefits (happiness, convenience, relationships, growth potential, etc.)

**Option B:** Name this option \_\_\_\_\_

#### EXPLICIT COSTS

Cost description

0

Cost description

0

Cost description

0

**Explicit Subtotal:** \$0

#### OPPORTUNITY COSTS

What you give up

0

Time value (hours x wage)

0

**Opportunity Subtotal:** \$0

Explicit Costs: \$0

Opportunity Costs: \$0

**Total Economic Cost:** \$0

#### INTANGIBLE BENEFITS

List non-monetary benefits (happiness, convenience, relationships, growth potential, etc.)

## Comparison Results

Option A Total Cost

\$0

Option B Total Cost

\$0

Lower Economic Cost

**Enter values to compare**

## Your Decision

- Option A    Option B

**Reasoning (consider both costs and intangible benefits):**

Explain your choice. Did calculating opportunity costs change which option you prefer? What intangible factors matter most to you?