The Stack Tax Worksheet

Measure what your technology stack costs in a year, in cash and in staff hours, then test one change against it. A companion to The RIA's Chartbook No. 06, *The Stack Tax*.

About your firm

DETAIL	ENTRY
Firm	
Reporting year	
Annual revenue	
Pass 1 estimate completed on	
Pass 2 measurement period (two weeks)	
Completed by	

How to use this worksheet

This worksheet measures what a firm's technology stack costs in a year, in cash and in staff hours, and then tests one change against it. Steps 1 to 4 establish the current cost of the stack. Step 5 and "Test one change" find the **stack tax** inside it: the added cost of coordinating work across fragmented systems, which a better architecture could remove.

> Current annual cost = subscriptions + coordination labor + vendor oversight labor + technology training labor

Pass 1: an estimate, in one sitting. Fill in each step from memory and invoices. Most firms can finish in about an hour.

Pass 2: a measurement, over two weeks. Ask each person to log time spent copying, checking, or reconciling data between systems. Add the two weeks together, divide by two, and replace the Step 2 weekly estimates. Two weeks gives a measured starting point; adjust for seasonal work such as tax season or year-end.

Loaded hourly rate. For each role, add salary, payroll taxes, and benefits, and divide by about 2,000 paid hours a year. Use the rate for the person who actually does the work.

Count each hour once. Time spent on a vendor review belongs in Step 3, not Step 2. Time spent training a hire belongs in Step 4.

Totals are calculated by hand. The fields accept text and numbers but do not add anything up, so the worksheet works the same on screen and on paper.

Step 1: tools and subscriptions (cash)

Include features inside other tools, AI assistants, and anything a team member pays for personally and uses for client work. The last group is the one most often missed.

TOOL	CATEGORY	ANNUAL COST	USERS	HOLDS CLIENT DATA?	OVERLAPS WITH
Example: planning software	*Planning*	*$6,000*	*3*	*Yes*	*CRM notes, spreadsheet model*

Total subscriptions

Step 2: coordination labor, by role

Count only time spent moving, copying, checking, or reconciling data between systems. Annual cost = weekly hours × working weeks × loaded rate.

ROLE	COMBINED HOURS A WEEK, EVERYONE IN THE ROLE	WORKING WEEKS	LOADED RATE	ANNUAL COST
Example: operations	*8*	*50*	*$45*	*$18,000*
Advisers		50		
Operations		50		
Other staff		50		
Total coordination				

Step 3: vendor oversight labor

Annual cost = vendors × average review hours × CCO loaded rate.

NUMBER OF DISTINCT VENDORS HOLDING CLIENT DATA	AVERAGE ANNUAL REVIEW HOURS PER VENDOR	CCO LOADED RATE	ANNUAL COST
Example: 8	*6*	*$100*	*$4,800*

Step 4: technology training labor

Annual cost = hires × [(new-hire hours × new-hire rate) + (trainer hours × trainer rate)].

HIRES THIS YEAR	NEW-HIRE HOURS	NEW-HIRE RATE	TRAINER HOURS	TRAINER RATE	ANNUAL COST
Example: 1	*40*	*$45*	*10*	*$45*	*$2,250*

The result: current cost of the stack

Share of revenue = annual cost ÷ annual revenue. Cash has no hours, so that cell reads N/A.

	HOURS A YEAR	ANNUAL COST	SHARE OF REVENUE
Cash (Step 1)	N/A		
Staff capacity (Steps 2 to 4)			
Current annual cost			

Step 5: find where the hours come from

The total establishes your current cost baseline. This step identifies which coordination work might be reduced. Pick five facts about one real household and trace each copy of them; when a fact lives in several places, use one row per copy. For how a copy updates, write sync, manual, or never.

FACT	SYSTEM HOLDING THIS COPY	AUTHORITATIVE SOURCE	UPDATES BY	WHO RESOLVES DISAGREEMENTS	CURRENT OR HISTORICAL
Example: account balances	*CRM*	*Custodian feed*	*Manual*	*Operations*	*Current*
Example: account balances	*Planning software*	*Custodian feed*	*Sync*	*Operations*	*Current*

More than one copy is not a problem when the copies synchronize reliably. The rows marked **manual** are where the hours in Step 2 come from, and the rows with no one assigned to resolve disagreements are where blind spots start. Historical documents, such as last year's statement or return, are expected to differ from current data; mark them historical rather than as disagreements.

Test one change

Choose one expensive workflow, such as answering a client's planning question, preparing for a review meeting, or onboarding a household, and evaluate one change against it. This is where the stack tax becomes a number.

Example, for illustration only: a firm answers about 40 client planning questions a year. Each takes about 3 active staff hours today, gathering figures from several systems; with one household record, the firm estimates 1 hour, spent reviewing and approving. That is 120 hours today, 40 with the change, and 80 hours a year recovered as capacity.

WORKFLOW BEING TESTED
Change being evaluated

	TODAY	WITH THE CHANGE
Occurrences per year		
Active staff hours per occurrence		
Annual staff hours (occurrences × hours)		
Recurring subscriptions ended		
Recurring costs added		
Elapsed time, question to approved answer		
Errors and follow-ups missed		

RESULT
Net annual subscription change (cash)
Annual staff hours recovered (capacity)
One-time transition cost: conversion, training, running both

Keep the cash line and the capacity line separate: recovered hours are real value, but they reduce payroll only if the firm chooses to. Active staff time is the work itself; elapsed time also includes waiting on clients, custodians, and reviewers, and it is what the client feels.

A lower number is not automatically a better one. Consolidation has costs of its own: data conversion, retraining, a period of running two systems, and more dependence on a single vendor's reliability and exit terms. The worksheet makes the trade-off visible; the firm decides it.

Next step

The full analysis, including the illustrative firm and the sources behind it, is in The RIA's Chartbook No. 06, *The Stack Tax*, at blog.helmsted.ai/chartbook. To see which lines Helmsted takes off this worksheet, book a walkthrough of the platform and bring your security questions: helmsted.ai/demo.

Educational information only. Not legal, compliance, tax, or investment advice. Examples are illustrative.