The Stitched-Together Stack: What It Costs to Run an Agency Across Seven Disconnected Tools

The toggle tax, the “work about work”, and the quieter commercial damage done when the work lives in one system and the money in another.

A Lumo white paper · Chase Software

Key Takeaways

- **The toggle tax is measurable.** In an HBR field study, workers switched between apps and windows roughly 1,200 times a day and spent almost four hours a week reorienting themselves, about 9% of their working time. Frequent toggling was also linked to higher stress. [2]
- **Most of the day is coordination, not craft.** Asana's Anatomy of Work research finds knowledge workers spend around 60% of their time on "work about work": chasing updates, duplicating effort and moving information between tools. [1]
- **Fragmentation makes people miss things.** Among workers using 16 or more apps, 25% report missing messages and actions because of switching, against 8% of those using fewer than six. [1]
- **The deeper cost is commercial.** With the work in project tools and the money in finance systems, nobody reconciles the two in-flight. 57% of agencies lose $1,000–$5,000 every month to unbilled, out-of-scope work [3], against average net margins of roughly 13% [4].
- **One system changes the economics.** When brief, estimate, purchase order, time and invoice share a spine, scope changes become billable events, drift is caught in-flight, and margin becomes a live number instead of a year-end surprise.

A Stack Nobody Designed

Ask an agency COO to name their costs and they will list salaries, freelancers, rent and software. Ask how the software line breaks down and the list gets longer: a project-management tool, a finance system, a time tracker, a chat platform, a file store, and, holding the whole thing together, a family of spreadsheets that everyone maintains and nobody quite trusts.

Each purchase was sensible at the time. The PM tool ended traffic chaos. Chat killed internal email. The finance system keeps the auditors happy. But no one ever sat down and designed the resulting stack. It accreted, one reasonable decision at a time, and now the typical agency runs its entire commercial life across systems that were never introduced to one another.

> *Every tool in the stack was a sensible decision. The stack itself was never decided at all.*

Asana's Anatomy of Work research puts numbers to the sprawl: US employees switch between around 13 apps roughly 30 times a day. [1] (Asana sells work-management software, so treat its survey figures as directional. The pattern it describes will be familiar in any agency all the same.)

This paper is about what the patchwork costs. Part of the bill is paid in time, and it is larger than most leaders would guess. The bigger part is paid in money, because when the work lives in one set of tools and the money lives in another, nobody reconciles them while it still matters.

The Toggle Tax

In 2022, researchers writing in Harvard Business Review tracked 137 users across three Fortune 500 companies and counted how often they switched between applications and windows. The answer was about 1,200 times a day. Each individual switch looks free. In aggregate, the reorientation cost came to just under four hours a week per person, close to 9% of annual working time, and the study linked frequent toggling to higher stress as well. [2]

~1,200

times a day workers toggled between apps and windows in an HBR field study, costing **nearly four hours a week** in reorientation time, roughly 9% of working hours. [2]

Nine per cent is a sobering number on its own, and it sits inside a bigger one. Asana's index finds that knowledge workers spend about 60% of their time on "work about work": chasing status updates, duplicating effort someone has already made, sitting in meetings about the work, and moving information between tools. [1] The craft that clients actually pay for gets squeezed into what remains.

Fragmentation costs accuracy as well as hours. In the same research, 25% of workers using 16 or more apps reported missing messages and actions because of app-switching, compared with 8% of those using fewer than six. [1] In an agency, a missed action is rarely trivial. It is the amend that never reached the studio, the supplier cost that never reached the estimate, the client approval sitting in a channel nobody checked.

Anyone who has run an account knows the daily version of this. Before a client call, the account manager opens the PM tool for task status, the time tracker for burn, a spreadsheet for the estimate, the finance system for what has been invoiced, and a chat thread for the thing the client mentioned on Tuesday. Five sources, five versions of the truth, twenty minutes of stitching. Multiply by every job, every person, every week of the year.

The Deeper Cost: Nobody Reconciles the Work and the Money

The toggle tax is what the stack does to your people's day. The quieter effect is on the P&L, and it follows from a structural feature of the patchwork: **the work and the money live in different systems.**

The brief sits in the PM tool. The estimate sits in a spreadsheet. Purchase orders and supplier invoices sit in the finance system. Time sits in the tracker. Change requests arrive by chat and email. To know whether a job is making money right now, someone has to join five sources by hand. So it happens monthly at best, in arrears, after the invoice has gone out.

Watch how the month-end actually runs in most agencies. Finance exports the timesheets, matches them against estimates line by line, chases the hours that were never logged, and produces a WIP report for a meeting held a fortnight after the period closed. Every finding in that meeting describes something that can no longer be changed. The job overran three weeks ago. The client has the invoice. The team has moved on. Reconciliation done this way is a post-mortem, and post-mortems do not save the patient.

The consequences show up in the industry's numbers. More than three-quarters of creative agencies report routinely working beyond their agreed scope without billing for it. [5] In Ignition's 2025 survey of 273 US agencies, 57% lose between $1,000 and $5,000 every month to unbilled or out-of-scope work, and a further 30% lose more than $5,000. [3] The connection to the stack is direct: a scope change that arrives in a chat thread, in a system with no route to the estimate or the invoice, has nowhere to become a commercial event. Absorbing it is the path of least resistance.

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> of agencies lose **$1,000–$5,000 every month** to unbilled, out-of-scope work; a further 30% lose more than that. [3]

Set that against the margins agencies actually earn. Average after-tax net margin for digital agencies was roughly 13% in 2025. [4] As an illustration, using our own arithmetic: an agency losing the mid-range $3,000 a month to unbilled work is leaking $36,000 a year. For a $2 million agency at a 13% margin, that is around 14% of the year's entire profit, gone through the seams between systems, with no single bad decision anywhere in the chain.

There is a final cost that is harder to number. When data lives in silos, the agency has no single view of itself. Utilisation reporting, forecasting and pricing decisions all inherit the gaps and the lag.

Leaders end up steering the business on reconstructed data, weeks old, assembled differently every time someone asks.

What One System Changes

The answer to tool sprawl is not zero tools. Agencies will keep their design suites and their chat, and they should. The question is narrower: where should the *commercial* life of a job live? There is a strong case that the answer is one place, because the moment brief, estimate, purchase order, time and invoice share a spine, several things change at once.

- **Scope changes become commercial events at the point of capture**, because the person receiving the request works in the same system that prices and bills it. The unbilled-work leak [3] finally has a closing mechanism.
- **Estimate and actual meet continuously**, not at month-end. Drift is visible at 30% burn, when it is a conversation, rather than at invoice, when it is a write-off.
- **Time capture stops being a separate chore in a separate app**, which is precisely the condition under which people stop doing it accurately.
- **Leaders get one view of job health**, so "is this job making money?" has a live answer rather than a monthly archaeology exercise.
- **The day gets calmer.** Fewer systems means fewer seams, fewer toggles, and fewer of the missed hand-offs that fragmentation breeds. [1][2]

A common half-measure is worth naming: integrations. Stitching the existing tools together with connectors and syncs feels safer than replacing anything, and sometimes it helps. But an integration moves data between systems; it does not give the job a single commercial thread. The sync breaks, fields refuse to map, and someone still owns the job of checking that the numbers agree. Agencies that go down this road tend to end up maintaining the seams instead of removing them.

None of this requires heroics from the team. It requires the architecture to stop working against them.

Where Lumo Fits

Lumo, the agency-management platform from Chase Software, is built on exactly this premise. Chase has spent more than 25 years building software for agencies and serves over 300 of them, including WPP Media and Miroma. Lumo is that experience redesigned around a single idea: the work and the money should move through one system, together.

In Lumo, every job runs as one commercial thread, from brief to estimate to purchase order to invoice, continuously reconciled against actual time and cost. Reverts turn client change requests into tracked, billable line items instead of silently absorbed favours. The Job Overview shows burn, commitments and margin for every job in one view. And because time capture is calendar-native, sitting where people already plan their day, timesheets become a by-product of working rather than a month-end chase.

Count the Seams

A simple exercise for your next leadership meeting: pick one live job and count the systems you must open to answer three questions. What did we promise? What has it cost so far? What will we invoice? If the answer is more than one system, every seam between them is a place where hours vanish, changes go unbilled and margin quietly leaks.

> *Every tool in your stack was bought to make work easier. Together, they may be costing you the thing they were meant to protect.*
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> **Book a Lumo demo and see what one system, where the work and the money live together, does for your margin.**

References

1. Asana — Anatomy of Work Index (vendor survey). https://asana.com/resources/anatomy-of-work-index
2. Harvard Business Review