ARDENT WORKSHOP

A FREE ARDENT WORKSHOP STARTER

Quarterly Headcount Planner

Sketch a quarter of hiring, and see roughly what it costs

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The loaded-cost multiplier, and why 1.3x is a guess

The common shortcut for costing a hiring plan is the simplest one: salary times about 1.3, call it the loaded cost. This planner does exactly that, on purpose — it is the fastest honest sketch of a quarter you can make. But that one number hides something, in a direction that changes decisions.

Employer taxes stop. The rest of the costs never started.

Several of the taxes an employer pays on wages are capped. Social Security stops once wages pass a wage base the SSA resets each year; federal unemployment stops at the FUTA wage base, $7,000 of wages as of 2026; state unemployment stops at a base your own state sets. Past those ceilings, another dollar of salary costs the employer much less.

Meanwhile the big per-person costs do not scale with salary at all. A health plan, the benefits, and the payroll and HR admin behind one more person on the roster cost roughly the same dollars for the operations coordinator as for the senior engineer. Put the two together and the true multiplier is **higher on a junior hire than on a senior one** — the opposite of the usual intuition. A flat multiplier understates your cheap hires and overstates your expensive ones.

Four questions to ask before you trust any loaded-cost number

1. **What is actually inside it?** Employer taxes only, or also benefits, equipment, software seats, and recruiting? A 1.3x with recruiting inside it and one without are different numbers.
2. **At what salary was it computed?** Wage-base ceilings and flat per-person costs mean a multiplier is only true at one salary. Ask which, then whether your hire is near it.
3. **Does it assume a full year?** A hire starting in the quarter's last month costs one month of salary, not three — but the laptop, the desk and the agency fee land in full.
4. **Whose rates are they?** Your state unemployment rate and wage base and your workers' compensation rate are set for your business, and the Social Security wage base is reset every year. Check them at ssa.gov and irs.gov and against your own rate notices.

> **HOW TO USE THE PLANNER**
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> Set the multiplier and the one-time cost at the top, then list each hire: role, start month, FTE, full-time base salary. The rest computes itself at the 1.3x rule of thumb — type over the five fictional example rows.

When the sketch becomes a budget

Use the planner for the sketch: the hires, the months they start, the quarter's cost, the cost through month 12. When the sketch has to become a budget somebody signs, the guessing has to stop.

A planning tool, not payroll, and not advice. The company, roles and salaries in the planner are fictional and the figures are illustrative. Nothing here is tax, HR, employment, or legal advice.