



IQ Compounding[®]

Why Better Coordination Can Improve Financial Decisions

IQ Compounding[®] is Strata's approach to coordinating financial planning and investment management with the work of a client's other professionals.

STRATA WEALTH ADVISORS

Building Secure Foundations for Joyful Living

Affluent families often have access to capable professionals.

They may work with a CPA, an estate attorney, an insurance professional, a business attorney, and an investment advisor. Each provides valuable guidance within a specific area.

The difficulty is that important financial decisions rarely remain within one area.

An investment sale can create tax consequences. An estate planning strategy can affect liquidity and investment management. A business transaction can change income needs, insurance coverage, and the family balance sheet. A deferred compensation election can influence taxes, cash flow, and retirement planning for years.

When these decisions are considered separately, opportunities can be missed and recommendations may conflict.

What Is IQ Compounding®

IQ Compounding® is Strata Wealth Advisors' term for the value that can be created when financial decisions and professional expertise are coordinated.

Strata coordinates financial planning and investment management with the work of our clients' CPAs, attorneys, and insurance professionals. By bringing decisions and expertise together, we can uncover opportunities and help prevent important details from being missed.

The concept is not based on one professional replacing the others. It is based on each professional contributing specialized knowledge within a coordinated framework.

Why Financial Advice Becomes Fragmented

The traditional professional model is organized by discipline.

Attorneys focus on legal structures. CPAs focus on tax reporting and planning. Insurance professionals evaluate coverage. Investment advisors manage portfolios. Each role has legitimate boundaries and responsibilities.

The client, however, experiences one financial life.

Fragmentation often occurs because professionals receive different information, planning occurs at different times, recommendations are based on incomplete assumptions, no one maintains an integrated list of decisions, or implementation responsibilities are unclear.

The issue is not necessarily the quality of the individual advice. It is the absence of a process connecting it.

A Simple Example

Consider a business owner preparing for a sale.

The transaction attorney may focus on the purchase agreement. The CPA may analyze tax structure. The estate attorney may consider pre-sale planning. The investment advisor may prepare to manage the proceeds. The insurance professional may evaluate coverage after the transaction.

Every professional may perform excellent work. Yet questions can remain between their assignments. How much after-tax liquidity does the owner need? Should estate planning be completed before value is established? How will retained equity affect the family's risk? What cash should remain available for taxes? How should proceeds support future income? Who will update the plan if transaction terms change?

Coordination creates a place for these questions to be addressed collectively.

Begin With the Complete Financial Picture

Effective coordination begins with an organized understanding of the client's goals, cash flow, investments, retirement accounts, tax considerations, estate documents, ownership, insurance, business interests, employer benefits, charitable objectives, and existing professional relationships.

The purpose is to understand how the pieces relate to one another.

Identify the Decisions That Cross Disciplines

Not every financial matter requires a meeting among multiple professionals. Coordination should focus on decisions where one area materially affects another.

Common examples include a business sale, stock option exercise, large charitable gift, Roth conversion, trust funding, concentrated stock diversification, deferred compensation election, retirement income decision, insurance change, significant real estate transaction, or family wealth transfer.

For each decision, the advisory team should identify what expertise is needed, which assumptions matter, and who is responsible for implementation.

Model the Tradeoffs

Many financial decisions do not have one objectively correct answer.

A strategy may reduce taxes but limit liquidity. Diversification may reduce risk but accelerate gains. A gift may support estate planning while reducing personal flexibility. Deferring income may help in one tax year but create concentration in a future year.

Financial modeling can make these tradeoffs more visible. The objective is not to create certainty. It is to help the client understand the potential consequences before acting.

Carry Recommendations Through Implementation

A recommendation creates value only when it is implemented correctly.

Legal documents may need to be signed. Accounts may need to be retitled. Beneficiary forms may need to be changed. Trades may need to be coordinated with tax payments. Insurance ownership may need to be reviewed.

A coordinated process assigns responsibility, tracks progress, and confirms completion.

Revisit the Plan as Circumstances Change

Financial plans are built on assumptions. Income, markets, tax laws, family needs, and business conditions change.

A meaningful review asks what has changed, which assumptions are no longer valid, whether prior recommendations were completed, and whether investments, ownership, beneficiary designations, and liquidity remain aligned with the plan.

The Role of Strata Wealth Advisors

Strata serves as a central point of financial coordination.

We do not replace a client's attorneys, CPAs, or insurance professionals. We help organize the financial issues, model alternatives, identify where specialized advice is needed, and keep the work of the advisory team connected.

That is the purpose of IQ Compounding®.

Start a Conversation

If your financial life involves several professionals and interconnected decisions, we would welcome the opportunity to discuss where greater coordination may add value.

[Schedule a Private Consultation](#)

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