**Can someone please provide some assistance with responding to the students Jacob’s post below. The question the student answered was: what role does financial planning play for a competitive firm?** **I need help with writing a response to the students post below. My response has to be significant and advanced the discussion and needs to be between 250 and 350 words. Thank you so much in advance for all your help. I really appreciate it!**

Jacobs post below:

If Business managers are responsible for ensuring the firm’s financial success, their actions and decisions will not just be focused on operational decisions, but on financial decisions as well.  As short term operational plans require sufficient cash flow, and long-term plans require sufficient financial basis to fund the precursor steps necessary to get there, Financial Planning needs to ensure those short-term and long-term financial necessities are taken care of.   Since competitive firms need to be able to react to the competitive environment (a counter campaign against a competitors marketing attack), seize advantageous opportunities (keeping up with a surge in customer demand), and react to emergencies in operational situations (replace broken equipment), the short term planning focuses on cash management to ensure funds are available for the operators ensure the success of the firm.  Long term planning should instead be focused on the big-picture financial strategies a firm takes to support the operational plans for growth and market strength. (Brealey, 2011) “The lifeblood of every business is its cash.  Businesses that fail to manage their cash flow also fail to survive.” (Calgione, 2011) Sam Calgione was the entrepreneur who started the first craft brewery in Delaware, and while he had a strong knowledge and passion for Brewing, he knew very little about financial planning.  In his case, while his brewpub was operating exceptionally in 1998, his recently opened microbrewery was not doing so well.  As could be expected, the startup aspect of the business was going through a rough patch as it was establishing itself, but the cash outflow was far exceeding the inflow from the 2 years of profitability of the brewpub operation.  Because of poor financial planning he failed to budget appropriately to pay the basic bills and despite 2 years of profitability and revenue growth, they were having trouble making payroll and keeping the lights on.   Long term financial planning can involve ensuring that market share, operational capacity, and human resources planning all grow at the same pace so that supply and demand aren’t outsizing each other, leading to opportunity lost or operational waste.