Response Paper

Name

Institute

**Response Article#1**

**Maurer. M. (2019). Biggest U.S. Companies’ Working-Capital Performance Hits Six-Year High. Bloomberg News. Retrieved from https://www.wsj.com/articles/biggest-u-s-companies-working-capital-performance-hits-six-year-high-11561464005**

This report demonstrates that Working Capital Efficiency of the Largest U.S companies underwent groundbreaking elevation because of the prioritizing trend that has been inspected in these companies to convert their capital instantly into cash. Cash received from capital is being exclusively used for uplifting growth through executing new initiatives and acquisitions. The Cash Conversion cycle—an indicator of the Working Capital Efficiency—marked a great improvement for pepsico, HP and Lennar Corp however energy, aerospace and oil companies struggled hard to maintain their WCE during the fiscal year 2011-2018. Most of the companies are now making great efforts to increase their cash conversion cycle and reduce the number of days consumed for it. In my view, reduction in cash conversion cycle duration will not only bring about constructive changes in the relevant industry but also will strengthen the spell of competition among businesses.

**Response Article#2**

**Cimilluca, D., Demos, T. & Baer, J. (2019). Charles Schwab in Talks to Buy USAA Wealth-Management, Brokerage Units. The Wall Street Journal. Retrieved from https://www.wsj.com/articles/charles-schwab-in-talks-to-buy-usaa-wealth-management-brokerage-units-11563207367**

This article talks about a San Francisco based discount broker—Charles Schwab—which is now aiming to move ahead into the wealth management business through buying wealth management operations and brokerage from Unite Services Automobile Association (USAA)—a group of 500 diversified financial services companies. Experts suggest that Schwab’s move of snapping the smaller firms and hunting for growth in specialized niches signifies its corporate vision and justifies the significance of wealth management in business and finance industry. This move not only favors big banks and companies but also opens up new opportunities for the miniature firms to work in collaboration with the prodigious industries. In my view, this move has both positive and negative impact on the ongoing insurance business as besides disclosing new opportunities, this move will attempt to obscure finance industry’s outlook as it favors selling off businesses after years of hard work and achievements.