



## Worksheet 1: How to answer the question answers

- 1 Evaluate the principles which could influence the successful operation of Just-In-Time (JIT) inventory management.

What are you making a judgement about?

What should the first sentence of your conclusion be?

*Which principle is most likely to influence the successful operation of JIT or whether the principles are more likely to have a positive or a negative effect on the successful operation of JIT.*

- 2 Discuss how marginal costing could be useful for a business decision to make or buy a product.

What are you making a judgement about?

What should the first sentence of your conclusion be?

*Whether marginal costing is useful (or not) for a business decision on making or buying a product.*

- 3 Advise the directors which option (Option 1 – Accept orders of customer A, B and C, Option 2 – Accept orders of customer A and B only) they should choose.

What are you making a judgement about?

What should the first sentence of your conclusion be?

*Whether Option 1 or Option 2 is more beneficial for the business or which option is more beneficial looking at the business's profitability/revenue.*

- 4 Advise the directors whether Z Limited should purchase the machine to manufacture the new product.

What are you making a judgement about?

What should the first sentence of your conclusion be?

*Whether the purchase of the machine is useful (or not) for manufacturing the new product.*

- 5 Explain why the finance director rejected Sarah's proposal to recruit Jenna.

What are you making a judgement about?

What should the first sentence of your conclusion be?

*Whether appointing Jenna is beneficial (or not) for the business.*



- 6 Suggest two ways in which X Soc could increase its income.

What are you making a judgement about?

What should the first sentence of your conclusion be?

*Which of the two ways could be used to increase X Soc's income?*

- 7 Discuss the Directors' decision to issue the debenture to fund the planned expansion.

What are you making a judgement about?

What should the first sentence of your conclusion be?

*Whether the directors' decision to issue debentures is beneficial (or not) for the business to fund the planned expansion.*