



Worksheet 11: Making judgements answers

- 1 Evaluate the benefits to a business for having a business plan.

What are you making a judgement about?

The most important/influential benefit of having a business plan.

What does your judgement depend upon?

What is happening with the external environment.

Whether the business needs external finance.

The short- or long-term view.

The objectives of the owner.

- 2 Recommend whether Gill should reduce the price of her service. Justify your recommendation.

What are you making a judgement about?

A recommendation about whether or not Gill should reduce the price of her service

What does your judgement depend upon?

More market research.

The price elasticity of demand.

Gill's objectives.

The likely reaction of Gill's competitors.

- 3 Advise OP on how it can improve the quality of their production process.

What are you making a judgement about?

The best way OP can improve the quality of their production process.

What does your judgement depend upon?

The cash available in the business.

The reactions of the workforce.

The needs of the customers.

The cost of implementing the strategy.