



## 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.*