



Worksheet 5: Two-sided arguments answers

- 1 Evaluate factors which may influence the successful operation of Just-in-Time (JIT) inventory management.

One side of the argument	Other side of the argument
<i>That the principle(s) could influence the successful operation of JIT.</i>	<i>That the principle(s) could not influence the successful operation of JIT.</i>

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

One side of the argument	Other side of the argument
<i>That marginal costing could be useful.</i>	<i>That marginal costing could not be useful. OR That something could be more useful.</i>

- 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.

One side of the argument	Other side of the argument
<i>That option 1 or 2 is the most appropriate.</i>	<i>That option 1 or 2 is not the most appropriate.</i>

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

One side of the argument	Other side of the argument
<i>That the machine should be purchased.</i>	<i>That the machine should not be purchased.</i>

- 5 Discuss the directors' decision to issue the debentures to fund the planned expansion.

One side of the argument	Other side of the argument
<i>Arguments in favour of the issue of the debentures.</i>	<i>Arguments against the issue of the debentures.</i>