

## Worksheet B: Scenario record sheet

Discuss the advantages and disadvantages of each decision, before you make your final justified choice. Show your choice by circling the decision you have chosen.

| Scenario | Decision A   | Decision B   | Decision C   |
|----------|--|--|--|
| 1        | Rent bigger premises that will allow Jane to manufacture her products on a much larger scale products. | Rent premises for manufacturing and on-site sales (a shop).                                | Rent a bigger place to manufacture, and rent some retail space in someone's else's shop. |
| 2        | Jane should employ 20 workers.   | Jane should employ 10 workers to start with.   | Jane should employ 5 workers to start with.  |
| 3        | Advertise in the local newspaper.  | Advertise on job websites.   | Go through a recruitment agency.   |
| 4        | Use retained profit from the last 12 months.   | Use hire purchase.   | Take out a bank loan.  |
| 5        | Purchase walnut oil and pass the additional cost onto customers by increasing price.                   | Absorb the increase in the cost of oil, so prices remain the same and cut costs elsewhere. | Find an alternative, but risk the quality of the products.                               |

## Worksheet B: *Continued*

| Scenario  | Decision A  | Decision B  | Decision C   |
|-----------|---|---|--|
| <b>6</b>  | Jane takes on the additional work herself.  | Jane offers overtime to the other employees.  | Jane recruits a temporary worker from a recruitment agency for the six week period.            |
| <b>7</b>  | Increase the spend on advertising and promotion to raise more awareness of products.              | Introduce a value range using cheaper oils, which means a lower selling price for this range. | Change to a cheaper supplier to bring her selling prices down.                                 |
| <b>8</b>  | Source other types of packaging for the products, without adding significant costs to production. | Keep with the existing packaging and hope that she doesn't receive any negative publicity.    | Reduce the amount of plastic packaging so the only plastic used is what is necessary.          |
| <b>9</b>  | Look for a substitute oil which isn't restricted.   | Continue with the import of the restricted oil and make fewer products.                       | Develop a new range which uses smaller quantities of the oil and combine it with a substitute. |
| <b>10</b> | Switch from paying workers an hourly wage rate to a piece rate system.                            | Re-organise production working methods for efficiency.  | Consult with workers on new ideas – listen to them.  |