

# 5 EVALUATION HACKS A-LEVEL

Evaluation makes up a whopping 30% of your grade at A2 - we show you 5 top tips for scoring full evaluation marks in all questions

## INFORMATION

Often the simplest way of scoring evaluation marks is by questioning the validity of the data in the case study.

- If estimates were used how accurate are they?*
- What information is missing?*
- What further information is required?*
- Why is this important to know further information?*



## COST/AVAILABILITY OF FINANCE

How will the cost of the decision affect the bottom line?

- What is the cost? Is it worth doing? Cost effective?*
- (Give a different evaluation for every course of action)*
- Do the potential returns merit the risk?*
- Can the business finance this decision?*

**Link to the current financial position of the company**

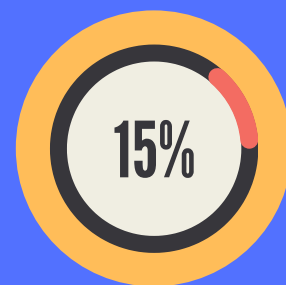


## RATIO ANALYSIS

Using ratios to analyse decisions can be highly beneficial but have limitations you can use for evaluation

*Based on historic information -will the results in the future follow current trends?*

*Ratios need to be compared against previous years results/ other companies in the same industry - is comparison possible?*



## QUALITATIVE FACTORS

A focus on quantitative factors alone may ignore qualitative factors crucial in decision making

- Has the potential social or environment impact of the decision been considered?*
- Is the decision consistent with the long term strategy of the company?*

**Link to long term objectives of the company**



## EXTERNAL ANALYSIS

Any decision made will be subject to the external forces of the business environment

- Is the market expanding? Are consumer trends changing?*
- Is the economic environment stable - is there high economic growth or is there risk of recession?*
- How do the government intervene in the market?*
- Will there be more or less government regulation (rules) taxes or subsidies?*

