



THE TIMES 100

Edition 14

CIMA: Improving strategic decision making Lesson plan

Content area

- Decision making process
- Levels of decision making
- Analysing accounts
- Performance indicators

Method

This resource can be used for general classwork, homework or learning skills for investigation.

It is a good simple exercise in bringing the various terminologies together in understanding what it means, and how it can be used in context. This allows the pupils to bring out more in discussion and understand that the topics covered in Business Studies are not insular. The outcome will be by differentiation.

First Activity:

Using the case study and any other resources, define the following words:

Business transactions; financial accounts; sales invoices; accounting statements; business performance; decision making; accountants; multinational; financial; non financial; organisation; CIMA qualification; management; leadership; primary sector; secondary sector; tertiary sector; strategy; timing; channels of distribution; competitive advantage; aims; objectives; strategy; systematic approach; opportunity cost; implementation; in house; pricing; service; market ; research; competition; external environment; boom; recession; upturn; downturn; automation; investment; decision trees; critical path analysis; ROCE; risk; balance sheet; profit and loss account; ratios; performance indicators; entrepreneur; shareholders; stakeholders; strategic decisions; long term; short term; operational tactics; stock; hierarchy; chain of command; span of control; economies of scale;; trends; income statement; capital employed; assets; liabilities; pre-tax; current assets; current liabilities; efficiency; profitability; quarterly reports; recruitment; SWOT analysis; quantitative; qualitative.

Second Activity

Once you have completed the definitions link the following words together to form a paragraph. The words do not necessarily have to be in any order but must be in context of CIMA.



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Questions

1. What does CIMA stand for?
2. What do CIMA qualified accountants do?
3. How does the systematic approach work?
4. What are the differences between aims, objectives and strategy?
5. Is the systematic approach a good way of making decisions. If so why?
6. What is opportunity cost?
7. Why are some businesses more risk averse than others?
8. There are 3 types of decision making used in a business. What are they and explain them?
9. Using the income expenditure table for 2007 and 2008, interpret the data.
10. Using the balance sheet for 2007 and 2008. Interpret the data.
11. Which ratios could you use to analyse the performance of the business?
12. Calculate the ratios listed.

Activities

- Using the Times100 case study and the CIMA website, produce a classroom display that gives an overview of what CIMA is.
- Research the CIMA recruitment process and training schemes that are available. Once the recruitment process has been researched, make a personal plan of what you would need to do in order to be considered for a post with CIMA. The plan should include time, qualifications etc.

Other resources

- MP3 download of the full case study
- Summary of the case study . 500 words
- Brief of the case study. for lower ability pupils
- Interactive online quizzes
- Revision theory :
<http://www.thetimes100.co.uk/theory/theory--accounting-principles--112.php>
<http://www.thetimes100.co.uk/theory/theory--company-accounts-interpretation--297.php>
<http://www.thetimes100.co.uk/theory/theory--costing-profitability--299.php>
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<http://www.thetimes100.co.uk/theory/theory--profit-loss-accounts-balance-sheets--224.php>
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