Segment 1

Using Toyota Company Limited, think about the types of financial data that would be included and excluded

in differential analysis. Propose which specific revenues and costs should be considered in an evaluation to

drop or keep a:

• Customer

• Product line

In addition, explain sunk and opportunity costs as they relate to your Toyota Company Limited. Should these

costs be considered in differential analysis? Why or why not?

Section 1 should be a minimum of 400 words in length and not more than 450 words. Following the APA

standard, use references and in-text citations for sources used. Use at least two sources

Segment 2

Please describe the circumstances of the following case study and recommend a course of action. Explain

your approach to the problem, perform relevant calculations and analysis, and formulate a recommendation.

Ensure your work and recommendation are thoroughly supported.

Case Study:

A vacuum manufacturer has prepared the following cost data for manufacturing one of its engine

components based on the annual production of 50,000 units.

Description Cost per Month

Direct Materials $75,000

Direct Labor $100,000

Total $175,000

In addition, variable factory overhead is applied at $7.50 per unit. Fixed factory overhead is applied at 150%

of direct labor cost per unit. The vacuums sell for $150 each. A third party has offered to make the engines

for $60 per unit. 75% of fixed factory overhead, which represents executive salaries, rent, depreciation, and

taxes, continue regardless of the decision. Should the company make or buy the engines?

Please ensure that the paper covers the following in detail;

• Perform all calculations correctly.

• Articulate the approach to solving the problem, including which financial information is relevant and not

relevant.

• Correctly conclude on whether the company should make or buy the engines.

Propose other factors that should be considered when making this decision and elaborate on whether or not

those factors do or do not support the decision.

Section two should be 3 pages in length, exclusive of the reference page. Paper should be double spaced in

Times New Roman (or its equivalent) font which is no greater than 12 points in size. The paper should cite at

least two sources in APA format. Use at least four sources

Segment 3

Qualitative factors are non-financial in nature but are important for management to consider when making

decisions. Reflecting on a company for which you have worked (or are otherwise familiar), describe three

qualitative factors that would be important for management decision-making. Then, assess each of them in

order of importance. Given your assessment, justify a situation where the qualitative factors would outweigh

the quantitative results. Be specific.

please make sure to connect write-up to your personal experiences (I am an engineer). Reflect on how this

assignment topic is applicable to and will benefit you.

The Portfolio Activity entry should be a minimum of 500 words and not more than 750 words. Use APA

citations and references. Use at least two sources.