



Lesson 3

Why do my decisions matter?

This is the third of three lessons from the Bank of England that empower young people to become great decision makers, and understand how their decisions affect, and are affected by, the economy. In Lessons 1 and 2, students explored the factors that influence their decisions, and the process involved in great decision-making. In this lesson, they will consider the consequences of the decisions they make – for themselves, others, and the economy.

Intended age groups:

Ages 11-14 (KS3/S1-3) and ages 14-16 (KS4/S4-5)

Curriculum areas:

PSHE; Citizenship; PSE; Health and Wellbeing; Social Studies; Learning for Life and Work; Economic Awareness; Thinking, Problem-Solving and Decision-Making
(Please see Teacher Notes for full curriculum links for each UK nation.)

Learning objectives:**Students will learn:**

- about the business and economic environment
- how personal financial choices can affect ourselves, others and the economy
- about our responsibilities as consumers
- how to assess and manage risk in relation to financial decisions

Learning outcomes:

- I can explain the consequences of decision making
- I can describe how my choices might affect the economy

Equipment and resources

- Presentation 3
- Video 3
- Activity sheet 2: Decision-making case studies
- Activity sheet 4: My decision journey
- Activity sheet 5: Analysing information
- Optional – Activity sheet 6: Decision planning (1) (completed sheet from Lesson 2)
- Homework/optional – Activity sheet 7: Decision planning (2)
- Poster: The Economy and ME
- Glossary
- Large sheets of paper and pens

**Preparation:**

Check that the Presentation and Video are set up to run, and photocopy sufficient copies of the Activity sheets, Poster and Glossary. Consider how much time you have and decide whether you wish to use any of the extensions, or set any activities for homework. Read the Teacher notes for guidance on creating a safe learning environment.

Suggested timing:

The activities can fit neatly within a 45-minute lesson, but include extension ideas if you have more time. The resources have been designed for flexible use within your school timetable. For example, extended to fill five or six lessons; or used as a flipped learning resource, with some activities completed at home.

To start (10 minutes)

Hook students' interest by taking them through the 'Worst decision ever?' scenarios and learning objectives on **slides 2-5** of **Presentation 3**. Ask students to think about a decision a young person might make and what the consequences might be (good or bad), for example, the choice might have had personal, social, economic, moral or environmental implications (prompts on **slides 6-7**). Give them two minutes to draw an emoji (ages 11-14) or discuss in pairs (ages 14-16) to explore how the decision-maker might feel about their choice.

Main activities (25 minutes)

How do our decisions affect us and others? (10 minutes)

Share the information about the implications of poor financial choices (debt) on **slides 8-9**, then show **Video 3** (link on **slide 10**), which explores how our financial decisions can also influence others, through the economy.

Check students' understanding at this point through prompt questions, for example:

- How do consumers' choices affect the rest of the economy?
- Why might it be important to consider the consequences of our decisions?

Show **slide 11**, which explains that the Bank of England uses forecasts to predict the consequences of its potential actions.

Remind students that, in the first lesson, they explored how the Bank of England's decisions affected the rest of the economy. Students should now consider the possible consequences of their decisions as consumers, including how their choices can influence the Bank of England's decision to raise or lower Bank Rate.



Considering consequences (15 minutes)

Ask students, in groups, to choose a product that a young person might purchase (e.g. pair of trainers, smart phone). Then apply the idea: 'What if all consumers made the same purchase choice (e.g. bought the same trainers/phone from the same shop)?'.

Using the **Poster** and **Glossary** for support, ask students to create a spider diagram on a large sheet of paper showing all the people and businesses that could be affected by that decision, and the ways this could happen. Alternatively, students could annotate the Poster. They should consider the retailer; businesses/people involved in getting the raw materials; manufacturers; distributors etc. (prompts on **slide 12**). They should also consider competing businesses that have lost that sale. What decisions might those businesses be forced to make about their prices or employees?

Discuss steps 4–8 of the decision-making journey on **Activity sheet 4**, involving considering the different options available and possible consequences. Gather ideas around how doing this can help us minimise risk and consider the effect of the decisions on others.

To finish (10 minutes)

End point assessment. Both of the following tasks are suggested as learning assessment tasks:

Ask students to revisit the mind map of the economy they created at the start of Lesson 1, further developing it, in a different coloured pen, with the knowledge they've gained over the three lessons (using the 'alien' analogy if used in the first lesson). Prompts can be found on **slide 13**. This will provide an opportunity for students to demonstrate the progress they have made during the unit of work.

Ask students to share or write down three things they've learned about great decision-making. They should think again about the big decisions they will have to make in the next few years – subject choices, further study, leaving home, career etc. How might their understanding of how to make informed decisions help them?

Explain the homework activity (overleaf).



Homework: Decision planning

At home, students will be given the opportunity to further reflect on the learning from the lesson, and apply it to their own lives and personal decisions in a safe and private environment. Students do not need to disclose what they have written. Give students **Activity sheet 7** to take home. Ask them to continue to think about a decision they will need to make (e.g. school subject choices) and fill out the sheet, based on the research they did in the previous **Activity sheet 6** homework activity. As evidence of their work, students could write three ways that they have improved their ability to make an informed decision.

Optional extension activities (20–40 minutes)

- Making decisions as consumers – Split the class into four groups. Display the following discussion points on large sheets around the room (prompts on slide 14):
 1. Buying from a small business versus buying from a big corporation
 2. Buying local/British products versus those produced overseas
 3. Buying face-to-face versus online
 4. Buying Fairtrade products versus non-Fairtrade (Reminder: Fairtrade is an organisation that ensures a fair deal and decent working conditions for workers in developing countries, who help to grow or produce the products we buy.)
- Give each group a different coloured pen. Ask the groups to rotate around to each of the discussion sheets (suggest 3 minutes for each), and write down 2–3 ideas about the implications, particularly considering how the decisions would affect others (e.g. online purchases mean that money is taken away from shops; buying overseas might have environmental implications, as goods are travelling further). Then ask students to summarise and discuss their thoughts with the class.
- If students have carried out the **Activity sheet 6** research in the Lesson 2 extension, continue exploring their character's decision by filling in **Activity sheet 7**, considering the different options available, the potential consequences, and the pros and cons of each.