

90843



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

2

SUPERVISOR'S USE ONLY

Level 2 Business Studies, 2011

90843 Demonstrate understanding of the internal operations of a large business

2.00 pm Wednesday 30 November 2011
Credits: Four

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

You should attempt ALL the questions in this booklet.

Refer to relevant business knowledge and/or Māori business concepts in your answers.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–11 in the correct order and that none of these pages is blank.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

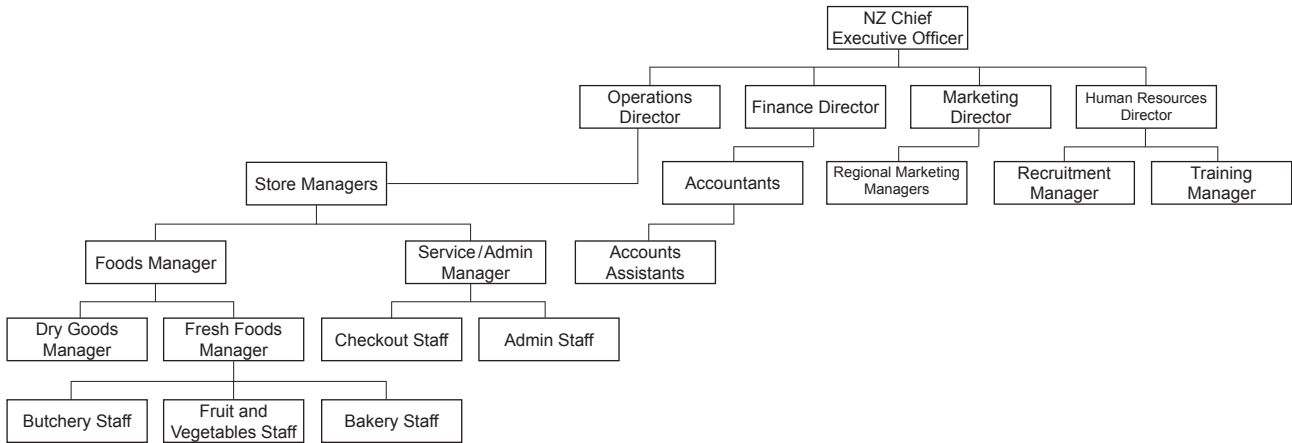
ASSESSOR'S USE ONLY		Achievement Criteria	
Achievement		Achievement with Merit	Achievement with Excellence
Demonstrate understanding of the internal operations of a large business.	<input type="checkbox"/>	Demonstrate in-depth understanding of the internal operations of a large business.	<input type="checkbox"/>
Overall level of performance (all criteria within a column are met)			<input type="checkbox"/>

You are advised to spend 60 minutes answering the questions in this booklet.

QUESTION ONE: ORGANISATIONAL STRUCTURE

Use the information in the boxes and your business knowledge to complete the following tasks.

Kai Enterprises Ltd is one of the largest chains of supermarkets in New Zealand. It operates in all the main cities across the North and South Islands. A section of the current organisational structure for Kai Enterprises Ltd is shown below.



(a) Kai Enterprises Ltd has a tall organisational structure. Explain the characteristics of this type of organisational structure.

(b) Fully explain how a tall organisational structure can **create problems** for a business. In your answer, you should refer to:

- chain of command
- span of control.

QUESTION TWO: THE PRODUCTION PROCESSASSESSOR'S
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Kai Enterprises Ltd is currently operating above normal capacity. The CEO, Fred Kearns, has announced an investment of \$100 million to expand capacity in its supermarkets. The growth of the operations offers an opportunity to improve productivity. *Kai Enterprises Ltd* currently imports 45% of its foodstuffs from overseas, and this is expected to increase to 65% in the near future.

(a) Explain the term **productivity**.

(b) Fully explain why international free trade and globalisation have increased the importance of improved productivity for businesses.

In your answer, you should refer to:

- competitiveness
- efficiency.

QUESTION FOUR: CORPORATE SOCIAL RESPONSIBILITYASSESSOR'S
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Kai Enterprises Ltd donates foodstuffs to community agencies throughout the year. In addition, it rosters its staff for community days so that they can volunteer to help deliver food parcels to families in need.

- (a) Explain another way in which *Kai Enterprises Ltd* could demonstrate corporate social responsibility in the community.

- (b) Fully explain the similarities between a business exercising corporate social responsibility and a philanthropist.

In your answer, you should refer to:

- citizenship
- community development.

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