

91381



NEW ZEALAND QUALIFICATIONS AUTHORITY  
MANA TOHU MĀTAURANGA O AOTEAROA

3

SUPERVISOR'S USE ONLY

## Level 3 Business Studies, 2013

### 91381 Apply business knowledge to address a complex problem(s) in a given global business context

9.30 am Monday 25 November 2013

Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Apply business knowledge to address a complex problem(s) in a given global business context.	Apply in-depth business knowledge to address a complex problem(s) in a given global business context.	Apply comprehensive business knowledge to address a complex problem(s) in a given global business context.

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.**

Pull out Resource Booklet 91381R from the centre of 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 2–15 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.**

TOTAL

ASSESSOR'S USE ONLY

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

**QUESTION ONE: Poor investment decisions arising from external factors**

Use the information in Resources A, B, and C in Resource Booklet 91381R, and in the box below, in addition to your business knowledge, to answer this question.

In 2007, Australian firm *Ensure Investment Partners* purchased the *W T Wilson* chain of bookstores. In 2010, the chain experienced dramatically falling sales, and came close to liquidation when it was unable to pay its debts as they fell due.

- (a) Discuss the possible external factors that would have brought about the falling sales at *W T Wilson* in 2010.
- In your answer, fully explain:
- TWO possible factors which may have caused the falling sales
  - TWO effects on the stakeholders of *W T Wilson*.

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(b) Suggest TWO possible solutions that the senior managers at *W T Wilson* could have employed to address the liquidation problem caused by the falling sales.

(1) \_\_\_\_\_  
\_\_\_\_\_

(2) \_\_\_\_\_  
\_\_\_\_\_

(c) Evaluate how the TWO possible solutions you named in (b) would address the liquidation problem caused by the falling sales, and make a fully justified recommendation of the better solution.

In your answer:

- discuss how each solution addresses the liquidation problem by fully explaining ONE positive effect that each will have on the business
- fully explain ONE negative effect of each solution
- state the solution you would recommend
- justify your recommendation by explaining why it is better than the other possible solution.

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**Question One continues on page 4 >**



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**QUESTION TWO: Quality issues arising from cost-cutting**

Use the information in Resources A, D and E, and in the box below, in addition to your business knowledge, to answer this question.

In 2006, the purchase of the wood products and paper company *Edson Ross Read* was followed by a major restructuring programme. At a senior management meeting in 2010, the Director of Marketing at *Edson Ross Read* produced data illustrated in Resource E.

(a) Discuss the possible causes and effects of the decrease in customer satisfaction, as shown by the information in Resource E.

In your answer, fully explain:

- TWO possible causes of the decrease in customer satisfaction
- TWO effects on the performance of the business.

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(b) Suggest TWO possible solutions to address the decrease in customer satisfaction.

(1) \_\_\_\_\_  
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(2) \_\_\_\_\_  
\_\_\_\_\_

(c) Evaluate how the TWO possible solutions you named in (b) would address the decrease in customer satisfaction shown in Resource E, and make a fully justified recommendation of the better solution.

In your answer:

- discuss how each solution addresses the decrease in customer satisfaction by fully explaining ONE positive effect that each will have on the business
- fully explain ONE negative effect of each solution
- state the solution you would recommend
- justify your recommendation by explaining why it is better than the other possible solution.

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**Question Two continues on page 8 ►**



















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