

90843



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

2

SUPERVISOR'S USE ONLY

Level 2 Business Studies, 2014

90843 Demonstrate understanding of the internal operations of a large business

2.00 pm Tuesday 25 November 2014

Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of the internal operations of a large business.	Demonstrate in-depth understanding of the internal operations of a large business.	Demonstrate comprehensive understanding of the internal operations of a large business.

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 2–15 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

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Background information

All questions refer to *Clever Pay*, a software company helping businesses with their payroll solutions. The software provides businesses with an easy and cost-effective wages system to pay employees. *Clever Pay* has grown rapidly, and the company now employs 40 full-time staff.

Chief Executive Rob Williams started the company in 2007. *Clever Pay* was the first company to bring this new software to the New Zealand market. They are the market leaders. Recently, new competitors have entered the market.

QUESTION ONE: ORGANISATIONAL STRUCTURE

Because of the rapid growth, *Clever Pay* has had to create a taller organisational structure.

(a) Explain one feature of a tall organisational structure.

(b) The business has grown quickly. Fully explain some of the problems that may occur if the business continues to use a tall organisational structure.

In your answer, you may refer to:

- chain of command
- decision-making.

Question One continues on page 4 ➤

QUESTION TWO: MANAGERS AND LEADERS

The fall in market share has resulted in a decrease in revenue for *Clever Pay*.

In response to this situation, Rob Williams has decided to create a new research and development (R&D) department. The aim of the R&D department is to improve *Clever Pay*'s services to its customers. Rob sees creation of new ideas as very important for the long-term economic sustainability of *Clever Pay*, and to retain its position as market leader.

Clever Pay has hired a new manager, Jack Grey, to run the R&D department. Jack will be responsible for eight employees.

- (a) Explain the importance of good leadership in an organisation.

- (b) Fully explain how the roles of Rob as leader, and Jack as manager, can be different.

In your answer, refer to:

- vision
- organising people and tasks.

You may use an example to support your explanation.

Question Two continues on page 8 ►

QUESTION THREE: ORGANISATIONAL CULTURE

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Having set up the R&D department (as described on page 6), Rob wants to create a more inclusive culture at *Clever Pay*. An inclusive culture allows all employees to contribute to, and share in, decision-making.

Rob encourages his employees to be enterprising, and he believes that by promoting an inclusive culture, *Clever Pay* will improve its customer service and productivity significantly.

- (a) Explain the term “organisational culture”.

- (b) Fully explain how an inclusive organisational culture at *Clever Pay* would improve its customer service **and** productivity.

Question Three continues on page 12 ►

(c) Fully explain and justify how a large business (more than 20 employees or with a national or regional significance) you have studied, could benefit from a change in its organisational culture, to achieve one of its business goals.

In your answer:

- explain a business goal for your named business
- fully explain TWO ways in which your named business could change its organisational culture to achieve its business goal
- justify, with TWO reasons, which change in organisational culture is more appropriate for achieving the business goal.

Business name	
Good(s) sold or service(s) provided	
Business goal	

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