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90845



## Level 2 Business Studies, 2015

# 90845 Apply business knowledge to a critical problem(s) in a given large business context

2.00 p.m. Tuesday 1 December 2015 Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Apply business knowledge to a critical problem(s) in a given large business context.	Apply in-depth business knowledge to a critical problem(s) in a given large business context.	Apply comprehensive business knowledge to a critical problem(s) in a given large 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 90845R 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 2–12 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

### QUESTION ONE: PŪTAKE AND INEFFECTIVE CHOICE OF A GROWTH STRATEGY

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Use the information from Resources A, B, and D, and your business knowledge, to answer this question.

The decision by Mikaere to introduce Executive Challenge as a growth strategy is considered to have created a conflict with the pūtake of *A4A*.

Discuss TWO issues which could arise with Mikaere's choice of Executive Challenge as a (a) growth strategy creating a conflict with the pūtake of A4A. In your answer: explain why creating Executive Challenge as a growth strategy may create a conflict with the putake of A4A fully explain TWO issues which may have arisen, or may arise, from the conflict.

Discuss TWO appropriate solutions to the conflict arising from the choice of Executive (b) Challenge as a growth strategy. In your answer: describe TWO appropriate solutions fully explain how each solution could resolve the conflict justify, with TWO reasons, why one solution would be more appropriate for A4A to implement than the other.

More space for this answer is available on the next page.

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#### QUESTION TWO: INTERNAL CONTROL FAILURE LEADING TO ERRORS

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Use the information from Resources A and C, and your business knowledge, to answer this question.

Although successful in financial terms, the creation of Executive Challenge has been affected by a lack of internal controls at *A4A*. Errors have been made.

Challenge was i	ntroduced.		ls after Executiv

	ers at <i>A4A</i> are avoided.
n y	our answer:
	describe TWO methods to improve internal controls at A4A
	fully explain how each method would ensure that future errors are avoided
	justify, with TWO reasons, why ONE method would be more effective for improving internal controls, to ensure that future errors at <i>A4A</i> are avoided.

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#### QUESTION THREE: LOSS OF KEY PERSONNEL

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Use the information from Resources A, B, and D, and your business knowledge, to answer this question.

Four senior managers have threatened to resign and leave *A4A* over the creation and operation of Executive Challenge. They are thinking of setting up a rival adventure business of their own.

(a)	Fully explain TWO factors which may have led to the potential resignation of the four longest-serving managers.

(b) Discuss TWO solutions which could reduce the possibility of the four longest-serving managers resigning. In your answer: describe TWO possible solutions fully explain how each solution may reduce the possibility of the four longest-serving managers resigning justify, with TWO reasons, why one solution would be better for Mikaere to implement than the other.

More space for this answer is available on the next page.

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