

90845



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2

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Level 2 Business Studies 2021

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

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 parts of the task in this booklet.

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.

Do not write in any cross-hatched area (///). This area may be cut off when the booklet is marked.

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

TASK

This task has four parts, (a) to (d). Use the information from Resources A to C, and your business knowledge, to complete each part. You may integrate any relevant Māori concept into your answers.

RESOURCE A: Case study

Nuku Cycles is a bicycle manufacturer based in Taupo that assembles and sells a range of e-bikes to several bike retailers around the country. An iwi-owned company, the manufacturer provides employment opportunities for the local community and sources components for its bikes from a number of other New Zealand-based companies. This is quite different from other bike suppliers, who typically import their bicycles from overseas providers. *Nuku Cycles* promotes itself as being a Māori-owned business that makes its own bikes in New Zealand.

The *Nuku Cycles* e-bikes range in price from \$700 to \$12,000. Their commuter e-bikes (which run on electric batteries) are very popular and there is often a wait list to purchase them, due to the high demand. Bicycle stores have recently experienced problems importing stock from overseas brands.

Nuku Cycles wants to promote healthy lifestyles and support the local community. Management believe they have a social responsibility to their community to ensure there are plenty of opportunities for people of all ages and backgrounds to ride a bike. Having this focus means that *Nuku Cycles* does not make as much profit as other bike manufacturers of a similar size, as it tries to keep the prices of some of its models affordable for the wider community.

RESOURCE B: Company growth

Nuku Cycles has experienced significant growth in sales over the past two years, and its current assembly facility and workforce are nearing full capacity. Bike retailers are continually complaining about the time it takes for orders to be filled, and *Nuku Cycles* is concerned that this may affect its brand reputation and limit its potential sales.

To meet the increasing demand for its e-bikes, management are investigating the following growth strategies to increase both the capacity and productivity of its operations:

- loans from financial institutions
- a joint venture or strategic alliance with a bike component manufacturer in New Zealand
- a merger with an overseas bike manufacturer.

RESOURCE C: Global shortage of e-bikes (extract from a newspaper article)**COVID-19: Global shortage of bikes follows turbo-charged, coronavirus-fuelled demand**

New Zealand is facing a shortage of new bicycles and e-bikes as sales go “through the roof”

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

record high of 65,000 in 2019. That figure is widely predicted to rise to more than 100,000 in 2020.

Source (adapted): <https://www.stuff.co.nz/national/123019534/covid19-global-shortage-of-bikes-follows-turbocharged-coronavirusfuelled-demand>

