



New Zealand Qualifications Authority
Mana Tohu Matauranga O Aotearoa

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Assessment Report

Level 2 Business Studies 2016

Standards [90843](#) [90844](#) [90845](#)

Part A: Commentary

The literacy aspect of Business Studies cannot be underestimated, and the ability of candidates to write appropriate answers is still a cause for concern. Candidates are advised to read the explanation of achievement grades in the Teaching and Learning Guide carefully, as these are applied by markers.

“Fully explained” requires developing the explanation with further expansion of how the situation / action could impact on potential business or stakeholder goals, or a particular outcome. This will generally relate to effects, advantages, disadvantages, and / or consequences.

The key difference between Level 1 and Level 2 in Business Studies is the addition of justification questions to distinguish Excellence answers. Justification requires the candidate to use relevant evidence to justify the significance of the decision or the likelihood of success. This should include reference to alternative courses of action, or new information to further support the decision that has not already been established in earlier parts of the question. Candidates could show they understand how parts of a business (or its environment) are interconnected, and how changes in one area will have impacts in other areas.

Specific knowledge in content which may be assessed as per the “Business knowledge, concepts and content” list for each achievement standard is needed to avoid generic answers. Some topics were not well known to the majority of candidates. Content that has not previously been examined was generally not answered well. In particular, the laws which form a significant part of AS 90844, and the use of revenue and cost reports in AS 90843 are not widely understood.

Deep familiarisation with a specific business case study is required across all aspects of the content. Candidates who can show they know a large New Zealand business well, and the environment in which it operates, were able to write answers that integrated their business knowledge with a familiar context, and thus achieve higher grades. Superficial knowledge limited the ability to reach Achievement grades.

Where resources were provided, candidates who referred to examples from the resources performed better than those who did not. This is true across all three papers. Using a context specific to the question is essential for the higher grades. For example, rapid growth was the key feature of AS 90843, and should have been discussed in the answers to organisational structure.

Finally, as always, addressing the question is essential. Candidates often used the bullet point requirements as the scaffold for their answers, but failed to actually answer the question put to them. The bullet points exist to provide information that the marker will look for in the candidate's answer, but is not the actual question itself. Candidates should be asking themselves; "Have I actually answered the question that was put to me?"

Part B: Report on Standards

90843: Demonstrate understanding of the internal operations of a large business

Candidates who were awarded **Achievement** commonly:

- stated and gave a reason for their answers
- explained business concepts by using connectives such as "because" and "as"
- used characteristics of organisational structures, where relevant in their explanations, such as span of control, levels of hierarchy, chain of command.

Candidates who were assessed as **Not Achieved** commonly:

- stated an answer without giving a reason (what, but no "why" or "how")
- confused leadership styles with organisational structures (autocratic leadership style instead of tall organisational structure)
- did not have an understanding of revenue and cost reports
- did not give an appropriate example of corporate social responsibility for their chosen business.

Candidates who were awarded **Achievement with Merit** commonly:

- explained impacts on business or stakeholders
- did not use "more detailed / accurate / specific" information to describe monthly versus quarterly reports; the reports provided the same information, the difference was the time
- used the name of the business and included details from the stimulus in the answer (context)
- consistently used correct business terminology, such as "revenue" rather than "money"
- gave justified reasons, but not in the context of the question (rapid growth).

Candidates who were awarded **Achievement with Excellence** commonly:

- gave specific justifications in the context of the question, that were not memorised or prepared responses
- added new information to justify reasons.

Standard-specific comments

Candidates who performed well could link their responses to the context of the business. Those candidates who read and understood the stimulus material and studied their chosen large business across a range of topics could apply their answers in context and often achieved at Merit level or above.

Candidates who did not achieve the standard were not familiar with the topics in the Teaching and Learning Guidelines. They gave incorrect responses, commonly gave general responses, and did not use business knowledge to reinforce their ideas. They commonly did not complete all parts of the question, and made statements rather than giving explanations.

90844: Demonstrate understanding of how a large business responds to external factors

Candidates who were awarded **Achievement** commonly:

- explained business concepts by using connectors such as “because” and “as”.
- explained a response to the external factor
- used the scaffolding in the question to structure their answers
- used some business terminology.

Candidates who were assessed as **Not Achieved** commonly:

- did not attempt all questions, or provided brief and incomplete answers
- stated the response, but did not explain why or how
- stated the advantages and / or disadvantages, but did not explain how these related to the case study in the stimulus
- wrote general responses that did not directly answer the question
- misinterpreted the questions
- showed a poor understanding of basic business concepts.

Candidates who were awarded **Achievement with Merit** commonly:

- fully explained business concepts
- included relevant business knowledge to support their answers
- fully explained the advantages and disadvantages of a response
- did not justify effectively, merely repeating previous ideas in answers.

Candidates who were awarded **Achievement with Excellence** commonly:

- fully explained the advantages and / or disadvantages of relevant responses to external factors
- added new information and understanding to justify responses
- consistently integrated business knowledge
- used a range of business terminology.

Standard-specific comments

Some candidates gave responses which were not relevant to the material provided or the question. This therefore hindered the candidates as they were not able to justify the better response.

Often there was a pattern of only giving answers to part (a) of the question, which may limit the candidate to an N1, regardless of the quality of that answer.

Candidates needed to read and understand the question, and give the response by the case study business to the TPP, rather than explaining the advantages and disadvantages of the TPP itself.

Candidates are encouraged to take note of key words in order to answer the question appropriately, e.g. “response” versus “effect”.

Many candidates did not attempt or complete the question on legal influences, and need a stronger understanding of laws. In particular, the Employment Relations Act (ERA) was confused with the Health & Safety in the Workplace Act. Some candidates seemed to believe that ERA governed a “living wage”, while the Resource Management Act (RMA) was commonly thought to involve a requirement for businesses to be “sustainable”, “lean”, or “fuel efficient”.

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

Candidates who were awarded **Achievement** commonly:

- stated appropriate business knowledge, and explained solutions to the three problems under consideration
- used the stimulus material appropriately and did not just copy large sections.

Candidates who were assessed as **Not Achieved** commonly:

- did not use appropriate business knowledge and frequently copied material from the case study as a substitute for their own answers
- applied solutions, which were generic in nature, i.e. could have applied to any business, such as “cut prices” or “improve technology”, where evidence in the case study material suggested that this was an inappropriate response
- repeated the same solution to the different problems such as “fixing the website” to resolve the issues of technology breakdown, unethical business practices, and the emergence of the

new competitor.

Candidates who were awarded **Achievement with Merit** commonly:

- fully explained solutions to problems facing the business, and included appropriate business knowledge and content
- provided different solutions which were entirely appropriate to the case study, and explained impacts and effects on a number of stakeholders
- used the resource booklet well to show that their solutions had practical value.

Candidates who were awarded **Achievement with Excellence** commonly:

- fully explained appropriate and well-considered solutions, and integrated business knowledge throughout their responses
- justified, with a number of reasons, why one solution or course of action was more appropriate than another for the business to pursue
- effectively and skilfully used the resource booklet to fully justify their recommendations to the organisation.

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