

# **National Certificate of Educational Achievement**

## **2014 Assessment Report**

### **Business Studies Level 3**

- 91379 Demonstrate understanding of how internal factors interact within a business that operates in a global context**
- 91380 Demonstrate understanding of strategic response to external factors by a business that operates in a global context**
- 91381 Apply business knowledge to address a complex problem(s) in a given global business context**

## COMMENTARY

Candidates are generally better prepared for the examination. The number of candidates who explained and fully explained ideas has risen while the number of candidates who regurgitated rote-learned definitions has dropped.

Candidates should note that Achievement with Excellence requires demonstration of the skill of evaluation.

Some candidates did not understand the scope of the global businesses in question. For example, in relation to the multinational manufacturer in AS91381, answers that discussed opening a single retail outlet generally disadvantaged the candidate.

It was disappointing that many candidates had difficulty explaining the meaning of topics such as Investment Appraisal and Intellectual Property. These are stated in the [Business Studies Teaching and Learning Guidelines](#). There is also a general misconception of strategic responses.

Candidates maximise their opportunities for success in the standard by attempting all parts of all questions, and providing explanations. However, some candidates filled up the entire space provided for each question and even used additional paper, but there was no depth to many of their explanations which limited the grades they could gain.

The updated content lists in the [Business Studies Teaching and Learning Guidelines](#) which support the externally-assessed achievement standards will apply in the 2015 Examinations. The four key concepts of enterprise, globalisation, citizenship, and sustainability; and the [Maori concepts](#) of tikanga, pūtake, tūranga, kaitiakitanga and rangatiratanga, should be integrated throughout a Business Studies programme as they are relevant to all achievement standards.

## STANDARD REPORTS

### **91379 Demonstrate understanding of how internal factors interact within a business that operates in a global context**

#### **ACHIEVEMENT**

**Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They commonly:**

- explained ideas rather than just stating them
- linked ideas together with “because” and “therefore”
- showed evidence of preparation and understanding of business knowledge rather than “guessed” or used general definitions
- for example, Product Innovation being a new product that has market success rather than just a new product
- tended to use weak business language, may have used “money” and “happy” rather than including “revenue” and “motivation”.

## **NOT ACHIEVED**

**Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They commonly:**

- lacked understanding of simple business concepts
- demonstrated a minimal understanding of how businesses function.

## **ACHIEVEMENT WITH MERIT**

**In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit commonly:**

- fully explained business ideas by showing the impact on the business or stakeholder
- included business knowledge into these full explanations. For example, A trademark protects the business' branding from being copied. This would give investors confidence that the business has intangible assets protected. This will allow easier access to funds to allow growth
- repeated or summarised their ideas rather than providing a justified conclusion.

## **ACHIEVEMENT WITH EXCELLENCE**

**In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence commonly:**

- provided a valid evaluated conclusion. This is where candidates introduced new information or looked at the business and saw why ideas were relevant to this specific business. For example, Genstar is in the IT industry and provides online payroll software. Its specific location in relation to the market is not extremely relevant. However, being close to suitable developers may be highly important.

## **91380 Demonstrate understanding of strategic response to external factors by a business that operates in a global context**

### **ACHIEVEMENT**

**Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They commonly:**

- were either able to explain a strategic response or a positive/negative impact of the response
- used relevant business examples and adequate business language
- referred to size, scope and timeframe in their answers when explaining.

### **NOT ACHIEVED**

**Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They commonly:**

- failed to provide a strategic response
- stated or defined rather than explained
- failed to read the questions properly and answered from the wrong perspective
- used poor business language e.g. money (instead of profits, sales, costs), people (instead of employees, customers, shareholders etc.)

## **ACHIEVEMENT WITH MERIT**

**In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit commonly:**

- fully explained an impact on the business or stakeholders and/or a positive and/or a negative impact of the strategic response
- used relevant businesses and a good range of business language throughout.

## **ACHIEVEMENT WITH EXCELLENCE**

**In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence commonly:**

- provided a justified conclusion that added more to the answer (did not just repeat the positive and negatives again)
- drew on prior business knowledge when answering questions e.g. economies of scale, kaitiakitanga and protection of natural resources.

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

### **ACHIEVEMENT**

**Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They commonly:**

- explained ideas rather than stated them
- linked ideas together with “because” and “therefore”
- tended to use weak business language, may have used “money” and “happy” rather than including “revenue” and “motivation”.

### **NOT ACHIEVED**

**Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They commonly:**

- offered weak strategies that were impossible under the conditions of normal business
- lacked understanding of simple business concepts
- demonstrated a minimal understanding of how businesses function.

### **ACHIEVEMENT WITH MERIT**

**In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit commonly:**

- fully explained two causes and/or effects and/or solutions including relevant information from the resource to support explanations
- fully explain how solutions would impact on the business/stakeholder/goal of the business mentioned
- repeated or summarised their ideas rather than providing a justified conclusion.

## **ACHIEVEMENT WITH EXCELLENCE**

**In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence commonly:**

- introduced new information or looked at the business and saw why ideas were relevant to this specific business. For example, Kitchen Unique is a large multinational business and provides domestic electronic goods. A solution to the brand loyalty issue in NZ would be the one with the lowest costs because NZ is such a small market in relation to that offered by NAFTA that it would be of little concern to the business.

## **OTHER COMMENTS**

Many candidates provided weak solutions that we might expect from a level 1 Business Studies candidate. For example, level 3 candidates should provide an answer which is more than “lower prices”, to the impact of recession in the NAFTA trade zone. Rationalisation or a full market audit would be more appropriate.