

## Assessment Schedule – 2017

### Business Studies: Demonstrate an understanding of external factors influencing a small business (90838)

#### Assessment Criteria

**Describing:** States **what** the answer is to the question asked. Defines (states the meaning of), identifies (gives an account of the qualities or characteristics), outlines (states what the answer is).

**Explaining:** States **what** the answer is to the question asked, then expands by giving the reason(s) **why** the “what” occurs, or links ideas to provide a coherent rationale.

**Fully explaining:** Develops 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.

**Note:** Each answer should be read as a whole before awarding a grade.

#### Evidence

Q 1	Sample answers/Evidence
(a)	<p>External stakeholders are persons or groups outside the business that have an interest in its operations (Defined). The purpose of restaurants throughout New Zealand is to provide customers with a dining experience (Stated). These restaurants are customers of <i>Buzzkeeper Honey</i>, as they buy products from it to produce exclusive meals for their customers. The restaurants are interested in the success of <i>Buzzkeeper Honey</i>, as it provides the restaurants with supplies that help them create an exclusive New Zealand dining experience for their customers (Explained). If <i>Buzzkeeper Honey</i> is not successful, the restaurants may have difficulty sourcing manuka honey products, and this may negatively affect their ability to provide an exclusive New Zealand dining experience to their customers (Explained), and may also negatively impact on their financial performance (Fully explained).</p>
(b)	<p>The local community would want <i>Buzzkeeper Honey</i> to increase production using good hive management practices to minimise potential nuisance or risks to the community, which may restrict <i>Buzzkeeper Honey</i>'s production (Described). This could create conflict because <i>Buzzkeeper Honey</i> wishes to focus on tripling production, which will require more beehives, but the local community may want to use the areas for alternative activities, such as recreation – e.g. cycle tracks or a children's playground (Explained).</p> <p><i>Buzzkeeper Honey</i> could respond by holding a community meeting to communicate its intentions, and the benefits of tripling production for the local community (Identified). This would give the local community an opportunity to provide feedback and ask questions (Explained). This may help to minimise conflict, as external stakeholders would be able to have a say, so that their needs and wants are better met (Fully explained). One way in which <i>Buzzkeeper Honey</i> could respond to the conflict would be to disperse its production by finding new locations around Waiheke Island, so that access by local communities to public areas is not affected (Identified). This would help to meet the recreational or other needs of the local community (Explained). If the community were to see that <i>Buzzkeeper Honey</i> is willing to take the community's needs into account, then the community may support <i>Buzzkeeper Honey</i>, knowing that tripling production would enhance the local economy and hence the local community (Fully explained).</p>

Achievement		Achievement with Merit			Achievement with Excellence		
<ul style="list-style-type: none"> <li>• Defines external stakeholders.</li> <li>• States the purpose of restaurants throughout New Zealand.</li> <li>• Describes how <i>Buzzkeeper Honey</i>'s objectives and those of the local community may conflict.</li> <li>• Identifies TWO responses by <i>Buzzkeeper Honey</i> to the conflict.</li> </ul> <p>(Answers will typically <b>state</b> relevant examples, business knowledge, and/or Māori business concepts.)</p>		<p>Explains:</p> <ul style="list-style-type: none"> <li>• the customer's interest in the success of <i>Buzzkeeper Honey</i></li> <li>• how <i>Buzzkeeper Honey</i>'s objectives and those of the local community may conflict</li> <li>• TWO responses by <i>Buzzkeeper Honey</i> to the conflict.</li> </ul> <p>(Answers will typically <b>include</b> relevant examples, business knowledge, and/or Māori business concepts.)</p>			<p>Fully explains:</p> <ul style="list-style-type: none"> <li>• the relationship between the restaurants throughout New Zealand and <i>Buzzkeeper Honey</i></li> <li>• TWO responses by <i>Buzzkeeper Honey</i> to the conflict.</li> </ul> <p>(Answers will typically <b>integrate</b> relevant examples, business knowledge, and/or Māori business concepts into explanations.)</p>		
N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence.	Most Achievement evidence.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Excellence evidence. One part may be weaker. (a) OR (b) fully explained. The other part is explained.	All points covered. (a) AND (b) fully explained. One part may be weaker.
N0 = No response; no relevant evidence.							

Q 2	Sample answers/Evidence
(a)	<p>A <b>short-term</b> impact is that production levels fall (Described) as beehives are damaged (Explained), and income levels drop as <i>Buzzkeeper Honey</i> is unable to meet customer orders (Fully explained), which could lead to staff being made redundant in the long term.</p> <p>A <b>long-term</b> impact is increased expenses, due to the cost of repairing the damage or rebuilding (Described). Also, customers may find an alternative supplier of honey (Explained), which could result in sales and profits continuing to fall (Fully explained), possibly preventing a long-term rebuild.</p>
(b)	<p><u>ONE strategy</u> (any of the following)</p> <p>The named business could plan for extreme weather, earthquakes, floods, or other natural disasters by:</p> <ul style="list-style-type: none"> <li>• having a communication plan or other contingency that sets out how the named business will respond to natural disasters/ having back-up plans such as offsite storage in case of adverse weather events, earthquakes, floods, or other natural disasters/ ensuring that not all the business activities are set in one location (spreading the risk)</li> <li>• having good insurance that is up to date and fully meets the needs of the business.</li> </ul> <p><b>Note:</b> Accept any other reasonable answer.</p> <p><u>ONE positive consequence</u> (Must be linked to an identified strategy)</p> <ul style="list-style-type: none"> <li>• The business would be prepared for a natural disaster, potentially reducing the impact (Identified). If certain actions were planned, staff would know what to do, so would not waste any time (Explained). They could contact the insurance company immediately, and if necessary, move to another location to maintain some income and keep their customers (Fully explained).</li> <li>• Being planned means the business is able to continue trading (Identified). This would mean they could inform their customers more promptly and potentially avoid losing a lot of sales (Explained). This means they could maintain their market share and profits in the future, with less down-time (Fully explained).</li> </ul> <p><b>Note:</b> Accept any other reasonable answer.</p> <p><u>ONE negative consequence of adopting <b>only</b> the identified strategy, and describing another strategy that may also be used</u></p> <p>Having only a communication plan and offsite storage will work only in the short term (Described), as the business would still have to look for and finance alternative premises (Explained). This means that the business may have to use some of their existing funds to repair / relocate, etc, which could be quite costly and impact on its profit and viability (Fully explained). Another strategy could be to have insurance as well as the plan (Described).</p>

Achievement		Achievement with Merit			Achievement with Excellence		
<ul style="list-style-type: none"> <li>Describes a short-term impact of the natural disaster on <i>Buzzkeeper Honey</i>.</li> <li>Describes a long-term impact of the natural disaster on <i>Buzzkeeper Honey</i>.</li> <li>Identifies ONE strategy.</li> <li>Identifies ONE positive consequence of the strategy.</li> <li>Identifies ONE negative consequence of adopting <b>only</b> that strategy.</li> <li>Describes another strategy.</li> </ul> <p>(Answers will typically <b>state</b> relevant examples, business knowledge, and/or Māori business concepts.)</p>		<p>Explains:</p> <ul style="list-style-type: none"> <li>a short-term impact of the natural disaster on <i>Buzzkeeper Honey</i></li> <li>a long-term impact of the natural disaster on <i>Buzzkeeper Honey</i></li> <li>ONE positive consequence of the strategy</li> <li>ONE negative consequence of adopting <b>only</b> that strategy.</li> </ul> <p>(Answers will typically <b>include</b> relevant examples, business knowledge, and/or Māori business concepts.)</p>			<p>Fully explains:</p> <ul style="list-style-type: none"> <li>the short-term and long-term impacts of the natural disaster on <i>Buzzkeeper Honey</i></li> <li>ONE positive consequence of the strategy and ONE negative consequence of adopting <b>only</b> that strategy, and stating another strategy that may also be used.</li> </ul> <p>(Answers will typically <b>integrate</b> relevant examples, business knowledge, and/or Māori business concepts into explanations.)</p>		
N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence.	Most Achievement evidence.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Excellence evidence. One part may be weaker. (a) OR (b) fully explained. The other part is explained.	All points covered. (a) AND (b) fully explained. One part may be weaker.
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Q 3	Sample answers/Evidence
(a)	<p>The purpose of the Health and Safety at Work Act is to promote the prevention of harm to all people at work, and others in, or in the vicinity of, places of work (Identified).</p> <p><i>Buzzkeeper Honey</i> is required by law to manage health and safety in its business operations. The Act requires Holly to maintain a safe working environment and implement sound practices to prevent any harm to all people at work.</p> <p>The <b>cost</b> of this Act for Holly is the additional financial/time cost of complying with the Act (Described). For example, making sure that when harvesting the honey, her beekeepers wear the proper safety equipment (Explained), which means that <i>Buzzkeeper Honey</i> has to pay for this equipment and train the workers to use the equipment properly (Fully explained).</p> <p>The <b>benefit</b> of this Act for Holly is that by making sure that her beekeepers are working in a safe environment, she can minimise/prevent workplace accidents (Described), and consequently be known for running a business that cares for its employees and takes responsibility for its workers (Explained), which will lead to an enhanced reputation (Fully explained).</p>
(b)	<p><i>Buzzkeeper Honey</i> is in breach of The Fair Trading Act (Identified).</p> <p>The Fair Trading Act makes it illegal for <i>Buzzkeeper Honey</i> to mislead consumers, give them false information, or use unfair trading practices (Described). Labelling the honey that is produced from the urban beehives as the same honey as produced on Waiheke Island is misleading to <i>Buzzkeeper Honey</i> customers (Described). The impact of this on <i>Buzzkeeper Honey</i> is that they could gain a bad reputation (Described) if found to be doing this, and suffer a loss of customers to competitors (Explained), leading to reduced income and profit (Fully explained). <i>Buzzkeeper Honey</i> may also be prosecuted by the Commerce Commission for misleading advertising (Described) and be fined (Explained) if found to be in breach of the Act. This will negatively impact on its profit (Fully explained).</p>

Achievement		Achievement with Merit			Achievement with Excellence		
<ul style="list-style-type: none"> <li>Identifies the purpose of the Health and Safety at Work Act.</li> <li>Describes ONE cost of the Health and Safety at Work Act for <i>Buzzkeeper Honey</i>.</li> <li>Describes ONE benefit of the Health and Safety at Work Act for <i>Buzzkeeper Honey</i>.</li> <li>Identifies the Fair Trading Act as the Act that <i>Buzzkeeper Honey</i> is in breach of.</li> <li>Describes TWO impacts on <i>Buzzkeeper Honey</i> if it continues breaching the Fair Trading Act.</li> </ul> <p>(Answers will typically <b>state</b> relevant examples, business knowledge, and/or Māori business concepts.)</p>		<p>Explains:</p> <ul style="list-style-type: none"> <li>ONE cost of the Health and Safety at Work Act for <i>Buzzkeeper Honey</i></li> <li>ONE benefit of the Health and Safety at Work Act for <i>Buzzkeeper Honey</i></li> <li>TWO impacts on <i>Buzzkeeper Honey</i> if it continues breaching the Fair Trading Act.</li> </ul> <p>(Answers will typically <b>include</b> relevant examples, business knowledge, and/or Māori business concepts.)</p>			<p>Fully explains:</p> <ul style="list-style-type: none"> <li>how the Health and Safety at Work Act impacts on <i>Buzzkeeper Honey</i></li> <li>TWO impacts on <i>Buzzkeeper Honey</i> if it continues breaching the Fair Trading Act.</li> </ul> <p>(Answers will typically <b>integrate</b> relevant examples, business knowledge, and/or Māori business concepts into explanations.)</p>		
N1	N2	A3	A4	M5	M6	E7	E8
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### Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 6	7-12	13-18	19-24