

Assessment Schedule – 2017

Business Studies: Demonstrate understanding of the internal operations of a large business (90843)

Assessment Criteria

Notes to Markers: guidance for awarding Achievement, Merit, or Excellence

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.

Justifying: Uses 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.

Part	Sample answers/Evidence
(a)	<p><u>Fully explain how the leadership style adopted by the Prestons when working with local iwi or their local supermarket managers, displays aspects of rangatiratanga.</u></p> <p>The Prestons have used a democratic leadership style (Stated), as they regularly consult with local iwi and include their local supermarket managers in developing the business plan (Explained). Note: “Paternalistic” could also be argued.</p> <p><i>Preston’s Provisions</i> regularly consults with local iwi on the production and supply of local produce in an environmentally sustainable manner (Stated.) This demonstrates aspects of rangatiratanga, which includes guardianship and relationship development (Explained). This will help <i>Preston’s Provisions</i> to achieve its vision of “local produce for local people” (Fully explained).</p> <p>The Prestons’ relationship with the local supermarket managers shows a strategic development and oversight aspect of rangatiratanga (Stated), because Rawhiti and Leanne, alongside each manager, formulate objectives for the future direction of the supermarket (Explained). This means that a cohesive strategy between all the supermarkets can be implemented, as Rawhiti and Leanne have been involved in all the decision-making and know what each supermarket needs to achieve in order to fulfil the vision statement. At the same time, local supermarket managers have input into the decision-making process and would feel included (Fully explained).</p>
(b)	<p><u>Fully explain TWO benefits to <i>Preston’s Provisions</i> of having a shamrock organisational structure.</u></p> <p>A benefit to <i>Preston’s Provisions</i> of using the shamrock structure is that the costs of having staff are greatly reduced (Stated), as only the core jobs, such as department managers, use permanent staff, while the others are employed only on a needs basis (Explained). This gives <i>Preston’s Provisions</i> the capacity to pay their core staff more to retain the best of them, to reduce the risk of losing them to the larger supermarket chains (Fully explained). By keeping its costs down, <i>Preston’s Provisions</i> is better able to maintain profit margins and compete with other supermarkets (Fully explained).</p> <p>Another benefit is that the local <i>Preston’s Provisions</i> supermarket could have a number of different staff on their books for flexible jobs like checkout operators and shelf-stackers (Stated), because they would not have to employ all of them at once if they are casual or part-time (Explained). This would mean that they would never be short-staffed and would not have to worry about staff turnover, as there would always be enough replacement staff to cover any area, and would be flexible and adaptable in their staffing (Fully explained).</p>

<p>(c)</p>	<p><u>Discuss how <i>Preston's Provisions</i> can effectively minimise costs in their Whanganui supermarket.</u></p> <p>Lean production refers to processes that <i>Preston's Provisions</i> could use to reduce waste in their business practice (Stated), such as not over-supplying the amount of fresh produce on display, which could lead to spoilage of fruit and vegetables if they are still unsold at their use-by date (Explained). Over-supply of fruit and vegetables will result in higher costs without the corresponding revenue (Fully explained).</p> <p>Economies of scale refers to the ability of <i>Preston's Provisions</i> to reduce the average cost of running the supermarket as they grow in size (Stated), by purchasing in bulk for the whole firm, taking advantage of bulk-purchase discounts and passing them on to the local supermarkets (Explained). This would result in lower costs for the chain (Fully explained).</p> <p><i>Justified</i> (must link the reasons back to minimising costs)</p> <p>Lean production is likely to be more effective than economies of scale, because it can be applied to all aspects of <i>Preston's Provisions'</i> business practice. Firstly, reducing the amount of time that staff are unproductive, or focusing on minimising defects in the fresh produce that is purchased, will allow for more consistent reductions in cost (new idea / information). Secondly, economies of scale tend to apply to big operations, and as <i>Preston's Provisions</i> supermarkets are located in small towns with the emphasis on "Local produce for local people", they are unlikely to grow big enough to take advantage of these (new idea / information).</p>
<p>(d)</p>	<p><u>Discuss the importance of policies and procedures for a large business (more than 20 employees and /or with a national or regional significance) you have studied, in hiring and terminating staff.</u></p> <p><i>Jucy Rentals</i> is a vehicle rental agency with depots all over New Zealand. They have staff in many different functions, such as sales, marketing, vehicle maintenance, finance, and customer service. Having policies and procedures in place when hiring or terminating staff is an important practice for them.</p> <p>A policy is a clear, simple statement of how <i>Jucy Rentals</i> intends to hire and terminate its staff. They provide a set of guiding principles to help with decision-making. Procedures describe how each policy will be put into action and outline who will do what, what steps they need to take, and which forms or documents to use. Note: Must have both parts for Explained.</p> <p>A policy for staffing that <i>Jucy Rentals</i> has is that all employees need to go through an interview process before they are hired (Stated), because the managers need to ensure that the prospective employee will fit <i>Jucy's</i> culture (Explained). This will result in a productive workforce where people understand each other and can work together (Fully explained).</p> <p>A procedure to carry out this policy would be to have the manager of the department that has the vacancy interview the employee, using a set of approved questions (Stated), because all the skills, experiences, and values of the interviewee will be covered (Explained). This will ensure that the person meets the requirements of the job and is a good fit for <i>Jucy's</i> culture (Fully explained).</p> <p><i>Jucy</i> needs strong policies and procedures for the hiring and termination of staff, because care for staff is a major focus of <i>Jucy's</i> founders, Tim and Dan Alpe. In order to keep its competitive advantage over other rental companies, <i>Jucy</i> relies on its staff to fulfil its vision statement of fun, adventure, and the spirit of travelling, and translate this into its work (new information/idea). Secondly, there is considerable cost involved in retraining and rehiring new staff that can be avoided when turnover is low (new idea / information). Therefore it is in <i>Jucy's</i> best interest to have policies and procedures that maximise the chance of hiring the best people and minimise the chance of losing them to its competitors.</p>

Grade-score descriptors

Achievement		Achievement with Merit			Achievement with Excellence		
<p>Explains:</p> <ul style="list-style-type: none"> • (Identifies) leadership style • leadership style • how the working relationships with local iwi or local supermarket managers display an aspect of rangatiratanga • using examples, ONE benefit to <i>Preston's Provisions</i> of using a shamrock organisational structure • using examples, TWO benefits to <i>Preston's Provisions</i> of using a shamrock organisational structure • how lean production might be applied in the Whanganui supermarket to minimise costs • how economies of scale might be applied in the Whanganui supermarket to minimise costs • the difference between a policy and a procedure • ONE policy which the chosen business may, or should, have in place when hiring and/or terminating staff • ONE procedure which the chosen business may, or should, have in place when hiring and/or terminating staff. <p>(Answers will typically state relevant examples, business knowledge, and/or Māori business concepts.)</p>		<p>Fully explains:</p> <ul style="list-style-type: none"> • how the leadership style and working relationships with local iwi or local supermarket managers display aspects of rangatiratanga • using examples, TWO benefits to <i>Preston's Provisions</i> of using a shamrock organisational structure • how lean production might be applied in the Whanganui supermarket to minimise costs • how economies of scale might be applied in the Whanganui supermarket to minimise costs • ONE policy and ONE procedure which the chosen business may, or should, have in place when hiring and/or terminating staff. <p>(Answers will typically include relevant examples, business knowledge, and/or Māori business concepts to support explanations.)</p>			<p>Fully explains:</p> <ul style="list-style-type: none"> • how lean production might be applied in the Whanganui supermarket to minimise costs • how economies of scale might be applied in the Whanganui supermarket to minimise costs. <p>AND</p> <p>Justifies, with TWO reasons, which method would be more effective in minimising costs.</p> <p>AND</p> <p>Fully explains ONE policy and ONE procedure which the chosen business may, or should, have in place when hiring and/or terminating staff.</p> <p>AND</p> <p>Justifies, with TWO reasons, why strong policies and procedures are needed for the hiring and termination of staff.</p> <p>(Answers will typically integrate relevant examples, business knowledge, and/or Māori business concepts to support explanations.)</p>		
N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence, partial explanations.	Most Achievement evidence.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Some Excellence evidence.	Most/all Excellence evidence.

N0 = No response; no relevant evidence.

Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 2	3 - 4	5 - 6	7 - 8