

Assessment Schedule – 2020

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

Q1	Sample Evidence
(a)	<p>The fruit growers are external stakeholders, as they are a group outside the business that have an interest in the operations of <i>Molly Moo's</i>. They earn a revenue stream from <i>Molly Moo's</i> (Described).</p> <p>One way that <i>Molly Moo's</i> could maintain a positive relationship with the fruit growers is by making sure that payments for the fruit supplies are consistently made on time (Described). This would mean that <i>Molly Moo's</i> are seen by the fruit suppliers as a reliable customer, and therefore they would continue to do business with <i>Molly Moo's</i> (Explained).</p> <p>Another way in which <i>Molly Moo's</i> could maintain a positive relationship with the fruit growers is by making sure that she communicates her requirements for fruit supplies clearly (Described). This would mean that orders for fruit are filled correctly for <i>Molly Moo's</i>, thus avoiding or reducing disagreements about received product (Explained).</p> <p>Maintaining a positive relationship with the supplier would lead to benefits for both <i>Molly Moo's</i> and the supplier. There are many benefits for the supplier. They would be the preferred supplier, and therefore get the majority of the business's orders (Described). <i>Molly Moo's</i> would make sure it pays the supplier in full and on time, and would recommend the supplier to other businesses. The business would benefit as well. The supplier would treat them with preference, ensuring there are no delays with supply; that they get the freshest fruit and at a good price; and that any business concerns are addressed in a prompt and professional manner (Fully explained).</p>
(b)	<p>The shift to Nelson would demonstrate <i>Molly Moo's</i> practice of kaitiakitanga, as by adding the solar panels to the factory, <i>Molly Moo's</i> would be demonstrating that it values sustainability (Described). This is because instead of using electricity from the mains power supply, Molly intends to generate electricity on-site from a fully renewable resource – the sun (Explained).</p> <p>This means that <i>Molly Moo's</i> would be producing ice cream in a more sustainable way, and that the new corporate clients would be buying from a sustainable business (Described). This means that the corporate clients (e.g. hotels, restaurants and movie theatres) may also be seen as businesses that value sustainability (Explained), which could lead to more customers and greater profit (Fully explained).</p>

Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<p>Describes:</p> <ul style="list-style-type: none"> • why the fruit growers are an external stakeholder • ONE way in which <i>Molly Moo</i>'s could maintain a positive relationship with its fruit supplier • how maintaining a positive relationship would be of mutual benefit • how the shift to Nelson would demonstrate kaitiakitanga • the impact of the kaitiakitanga approach on corporate customers. <p>(Answers will typically state relevant business knowledge, and / or Māori business concepts.)</p>	<p>Explains:</p> <ul style="list-style-type: none"> • ONE way in which <i>Molly Moo</i>'s could maintain a positive relationship with its fruit supplier • how maintaining a positive relationship would be of mutual benefit • how the shift to Nelson would demonstrate kaitiakitanga • the impact of the kaitiakitanga approach on corporate customers. <p>(Answers will typically include relevant business knowledge, and / or Māori business concepts.)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> • how <i>Molly Moo</i>'s maintaining a positive relationship with its fruit supplier would be of mutual benefit • the impact of the kaitiakitanga approach on corporate customers. <p>(Answers will typically integrate relevant 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, partial explanations.	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.							

Q2	Sample Evidence
(a)(i)	The business cycle refers to the recurring and fluctuating levels of economic activity that an economy experiences over a long period of time. The four stages of the business cycle are: growth, recession, slump, and recovery (Described).
(ii)	When the economy is in an upturn of the business cycle, this stage is called a recovery (Described). During a recovery there is increased business and consumer confidence, and interest rates may be lowered to encourage spending (Explained). This means that customers are spending more and therefore businesses are earning more. With stronger cash flows and reduced borrowing costs, <i>Molly Moo's</i> is more likely to be able to service a bank loan. Therefore, taking advantage of this situation would enable <i>Molly Moo's</i> to expand at a reduced level of risk (Fully explained).
(b)	Consumer confidence is when consumers feel positive about their personal financial status and may increase spending (Described). One impact that rising consumer confidence will have on <i>Molly Moo's</i> is increased demand, and hence sales (Described). This would lead to an increase in revenue for <i>Molly Moo's</i> (Explained). Rising consumer confidence would mean that <i>Molly Moo's</i> will require more labour to meet the increasing demand, leading to increased employment at <i>Molly Moo's</i> (Fully explained).

Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<p>Describes:</p> <ul style="list-style-type: none"> the business cycle why it is a good time to borrow when the economy is in a recovery phase the term 'consumer confidence' ONE impact that rising consumer confidence would have on <i>Molly Moo's</i> how rising consumer confidence could have a flow-on effect on employment for <i>Molly Moo's</i>. <p>(Answers will typically state relevant business knowledge, and/or Māori business concepts.)</p>	<p>Explains:</p> <ul style="list-style-type: none"> why it is a good time to borrow when the economy is in a recovery phase ONE impact that rising consumer confidence would have on <i>Molly Moo's</i> how rising consumer confidence could have a flow-on effect on employment for <i>Molly Moo's</i>. <p>(Answers will typically include relevant business knowledge, and/or Māori business concepts.)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> why it is a good time to borrow when the economy is in a recovery phase how rising consumer confidence could have a flow-on effect on employment for <i>Molly Moo's</i>. <p>(Answers will typically integrate relevant 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, partial explanations.	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.							

Q3	Sample Evidence
(a)	<p>The main purpose of the Health and Safety at Work Act 2015 (HSWA) is to provide legislation to ensure the health and safety of workers and workplaces (Described).</p> <p>One benefit to employees at <i>Molly Moo's</i> of having their factory roster based on the four-two system is that they would have more family time (Described). This means they would not have to take as much time off work for family events, as they have been given more regular days off that could be used for planning such events (Explained).</p> <p>One benefit to <i>Molly Moo's</i> of using the four-two system is that staff would be less tired, meaning workers are less likely to suffer from injury and illness (Described). This would lead to lower injury/illness costs, reduced absenteeism, and less need to employ more staff (Explained). Healthier and happier staff means increased productivity and product quality, leading to higher sales and profits for <i>Molly Moo's</i> (Fully explained).</p>
(b)	<p>An example of displaying good business practice that complies with the Consumer Guarantees Act (CGA) is giving refunds, carrying out repairs, or replacing faulty goods in relation to items that have been sold (Described).</p> <p>One positive consequence for the customer if the business complies with the CGA is that the customer could be confident that the product they are buying is fit for purpose (Explained). This could lead to greater customer satisfaction and repeat purchases (Fully explained).</p> <p>If the named business does not comply with the CGA, the business could suffer negative publicity – for example, negative social media posts. This could result in the business getting a bad reputation with consumers (Explained), leading to reduced sales and greater difficulty in attracting good employees (Fully explained). If the business gains a bad reputation, the employees they might lose may ultimately end up working for the competition, which could impact on the market share of the business (Fully explained).</p> <p>A second consequence is the customer could take the business to court, possibly resulting in the business being fined and/or having other penalties imposed (Explained). This could have a further negative impact on the reputation, sales, and profit of the business (Fully explained).</p>

Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> Identifies the purpose of the Health and Safety at Work Act. Describes ONE benefit to the factory workers of having their roster based on the four-two system. Describes ONE benefit to <i>Molly Moo's</i> of using the four-two system for rostering staff. Describes ONE example of the named business displaying good business practice to comply with the CGA. Describes ONE positive consequence for the customer of the named business complying. Describes ONE consequence for the named business if it does not comply. <p>(Answers will typically state relevant business knowledge, and / or Māori business concepts.)</p>	<p>Explains:</p> <ul style="list-style-type: none"> ONE benefit to the factory workers of having their roster based on the four-two system ONE benefit to <i>Molly Moo's</i> of using the four-two system for rostering staff ONE positive consequence for the customer of the named business complying ONE consequence for the named business if it does not comply. <p>(Answers will typically include relevant business knowledge, and / or Māori business concepts.)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> ONE benefit to <i>Molly Moo's</i> of using the four-two system to roster staff ONE positive consequence for the customer of the named business complying ONE consequence for the named business if it does not comply. <p>(Answers will typically integrate relevant business knowledge, and / or Māori business concepts into explanations.)</p>

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Cut Scores

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