

Assessment Schedule – 2022**Business Studies: Apply business knowledge to address a complex problem(s) in a given global business context (91381)****Assessment Criteria**

Achievement	Achievement with Merit	Achievement with Excellence
<i>Explaining</i> 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.	<i>Fully explaining</i> develops the explanation with further expansion of how the situation / action could impact potential business or stakeholder goals, or a particular outcome. This will generally relate to effects, advantages, disadvantages, and / or consequences.	<i>Justifying</i> 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.

Note: The candidate should use only one context for each part, but may change contexts between parts. Each answer should be read as a whole before awarding a grade.

Part	Sample Evidence
(a)	<p><i>New design models</i></p> <p>(i) Pacific Islanders use their homes very differently to those in New Zealand and Australia (Stated). Homes are often built as separate structures for different living purposes – for example, they may have one construction for sleeping, another for cooking, and yet another for bathing, which is a very different style of housing to that constructed in New Zealand and Australia. This is why the models <i>Constructocity</i> have been using are proving unpopular. As a result, <i>Constructocity</i> needs to design new models for the Pacific islands (Explained).</p> <p>(ii) The likely impact of the design of new models is that the profits of <i>Constructocity</i> will fall (Stated). This will be due to the increased cost of design (Explained). As <i>Constructocity</i> has a key social sustainability goal of wanting to offer affordable housing to Pacific people, it is unlikely it will increase its prices to fully cover these increased costs, which will result in its profit margin per house falling (Fully explained).</p>
(b)	<p><i>Quality management strategies</i></p> <p>(i) One positive effect of <i>Constructocity</i> implementing a Total Quality Management system is that the high costs related to correcting the poor quality of finished homes should be removed (Stated). This is because the errors in construction are picked up by staff who are trained to pay attention to quality during the production process (Explained). As a result, there is reduced waste of resources, meaning that <i>Constructocity</i> is more environmentally sustainable (Fully explained).</p> <p>(ii) One positive effect of <i>Constructocity</i> implementing a Quality Control system is that customers will receive homes of the expected quality (Stated). This is because any defects will be identified and rectified by trained checkers before the final sign-off and hand-over of each home (Explained). This should ensure that the guaranteed quality is consistently delivered to customers. This should result in the reduction of negative online reviews and improve the reputation and sales of <i>Constructocity</i> (Fully explained).</p> <p>(iii) <i>Constructocity</i> should implement a Total Quality Management (TQM) system to improve the quality of its homes, because the savings made from identifying issues in construction early in the production process and the wastage avoided would improve customer satisfaction, profitability, and environmental sustainability. Waste is increased with the use of a Quality Control system, as defects are not identified until the end of the construction process, and while customer satisfaction will be increased, economic and environmental sustainability goals are unlikely to be met. Also, as TQM promotes a culture of</p>

	<p>continuous improvement, which Quality Control does not, the staff at <i>Constructocity</i> will be focused on striving to continue to improve the quality of the homes provided, based on feedback from customers. This continuous improvement will help to ensure positive online reviews and improved brand reputation for <i>Constructocity</i>.</p>
(c)	<p><i>Supply chain issue</i></p> <p>(i) Having construction material supply issues will mean that <i>Constructocity</i> is unlikely to be able to complete homes in the timeframe originally planned (Stated). This is because it is having difficulty sourcing essential materials such as timber, insulation, and nails, meaning it will be unable to complete homes in a timely manner as originally agreed to and receive final payments from its clients (Explained). This loss of income will result in falling profits. It may also mean that <i>Constructocity</i> is unable to accept the quantity of builds that it usually would be able to, or would like to, as it would not be confident of completing new builds within a satisfactory timeframe. This will further worsen its financial position through a loss of potential income (Fully explained).</p> <p>(ii) Having construction material supply issues will likely result in less work being available for <i>Constructocity's</i> employees (Stated). As even the most basic construction materials such as nails are in short supply, construction firms such as <i>Constructocity</i> will be unable to accept the quantity of home build job orders that they have in the past, meaning they will require fewer workers, and some are likely to have their hours reduced or be made redundant (Explained). <i>Constructocity's</i> workers may then face a loss of income and have to look elsewhere for work – probably in a different industry, as the material shortages are impacting the entire construction industry. This may require them to upskill and retrain (Fully explained).</p>
(d)	<p><i>Choice of new crane</i></p> <p>(i) Crane A would be cheaper to purchase than Crane B (Stated). It would require a \$120,000 lower cash outlay than Crane B (Explained). This would benefit <i>Constructocity</i>, as it means it would have an additional \$120,000 left in its cash reserves which could be used to purchase other capital equipment which may be required to assist with the introduction of the precast concrete slabs being used in the house builds (Fully explained).</p> <p>(ii) Crane B has a higher maximum load capacity than Crane A (Stated). Crane B has the capacity to hold loads which are 7 tonnes heavier than Crane A, which gives it the ability to carry out more varied work (Explained). This would benefit <i>Constructocity</i>, as it means it would be able to lift and move heavier precast concrete slabs, giving it the ability to produce a number of differently designed homes. This would increase its appeal to consumers and therefore increase sales (Fully explained).</p> <p>(iii) <i>Constructocity</i> should purchase Crane B. While Crane A is considerably cheaper to purchase than Crane B, \$120,000 is unlikely to be a significant amount to <i>Constructocity</i>, as it is one of the biggest builders of homes in New Zealand, and other factors are likely to be of higher importance, such as the ability of Crane B to give it greater flexibility in terms of style and design of homes it will be able to construct. This is because Crane B has a significantly greater maximum load capacity of 15 tonnes and a higher maximum hook height, which could help to increase its sales and overall profit. This increase in sales would outweigh the initial \$120,000 additional cost of Crane B.</p> <p>Also, while Crane B has a higher payback period of 4.5 years, compared to 3 years for Crane A, this is well within the 15-year useful life expectancy of the crane, giving over 10 years of productive use for Crane B from which full income can be earned. This is likely to provide a higher level of earnings than could be generated from Crane A, due to its lower capacity.</p>

Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<p>Explains:</p> <ul style="list-style-type: none"> • one possible cause of new models having to be developed by <i>Constructocity</i> for the Pacific islands • the impact on the business of developing new models for the Pacific islands • one positive effect that using Total Quality Management would have on the business • one positive effect that using Quality Control would have on the business • one possible negative impact the supply chain issue is having on <i>Constructocity</i> • one possible negative impact the supply chain issue is having on <i>Constructocity's</i> employees • one positive effect purchasing Crane A would have on <i>Constructocity</i> • one positive effect purchasing Crane B would have on <i>Constructocity</i>. <p>AND</p> <p>States relevant information from the resource.</p> <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"> • the impact on the business of developing new models for the Pacific islands • one positive effect that using Total Quality Management would have on the business • one positive effect that using Quality Control would have on the business • one possible negative impact the supply chain issue is having on <i>Constructocity</i> • one possible negative impact the supply chain issue is having on <i>Constructocity's</i> employees • one positive effect purchasing Crane A would have on <i>Constructocity</i> • one positive effect purchasing Crane B would have on <i>Constructocity</i>. <p>AND</p> <p>The answer includes relevant information from the resource to support explanations.</p> <p>(Answers will typically include relevant examples, business knowledge, and/or Māori business concept(s) to support explanations.)</p>	<p>Evaluates:</p> <ul style="list-style-type: none"> • the best quality management solution • the best crane for <i>Constructocity</i> to invest in. <p>AND</p> <p>The answer integrates relevant information from the resource to fully support explanations.</p> <p>(Answers will typically integrate relevant examples, business knowledge, and/or Māori business concept(s) 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.	Excellence evidence. One part may be weaker.	All points covered.

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