

Assessment Schedule – 2023

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

Assessment Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<p><i>Demonstrate understanding</i> involves:</p> <ul style="list-style-type: none"> • explaining the internal operations • stating examples • stating business knowledge relevant to the internal operations • stating a Māori business concept(s) where relevant to the internal operations. <p><i>Explaining</i> means providing the ‘what’ that addresses to the question asked, then expands by giving the reason(s) <i>why</i> the ‘what’ occurs, or by linking ideas to provide a coherent rationale.</p>	<p><i>Demonstrate in-depth understanding</i> involves:</p> <ul style="list-style-type: none"> • fully explaining the internal operations • including examples to support explanations • including business knowledge relevant to the internal operations to support explanations • including a Māori business concept(s) where relevant to the internal operations to support explanations. <p><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.</p>	<p><i>Demonstrate comprehensive understanding</i> involves:</p> <ul style="list-style-type: none"> • fully explaining and justifying the internal operations • integrating examples to fully support explanations • integrating business knowledge relevant to the internal operations to fully support explanations • integrating a Māori business concept(s) where relevant to the internal operations to fully support explanations. <p><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.</p>

Note: A *large business* refers to any business operating in New Zealand with more than 20 employees and/or with a regional or national significance. The candidate should use only one context for each part, but may change context between parts. Each question should be read as a whole before awarding a grade.

Part	Sample Evidence
<p>(a)</p> <p>(i)</p> <p>(ii)</p>	<p><i>Variance analysis</i> (N.B. Answers can relate to either <i>Tohunga o waho</i> or a large business chosen by the candidate)</p> <p>It would be an advantage for <i>Tohunga o waho</i> to use variance analysis as a financial tool because expenditure for these journeys needs to be monitored more closely. It would also allow the business to determine whether each wilderness experience that is planned in future would be profitable and therefore worthwhile to continue to be offered as a service to its customers (Explained).</p> <p>To correct an unfavourable variance in costs, <i>Tohunga o waho's</i> management could investigate alternative suppliers to provide the catering, or buy the same ingredients more cheaply and cook themselves. The actual figures would be the lower, and therefore the variance would be reduced (Fully explained). <i>Tohunga o waho</i> could also correct the variance by carefully reviewing their previous experiences and forecasting expenditure based on these figures. While it is important for managers to be optimistic about their planned expenditure, they also need to be realistic in their predictions (Fully explained).</p>
<p>(b)</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>	<p><i>Leadership styles</i> (N.B. Answers can relate to either <i>Tohunga o waho</i> or a large business chosen by the candidate)</p> <p>It may be appropriate for the staff to model a more laissez-faire leadership style in promoting the personal growth of its customers, because this would encourage customers to take ownership of their experience, which would allow them to develop their organisational and leadership skills with little or no guidance. This would enable them to become more resilient, confident in their decision-making, and motivated to get the most out of their educational experience (Explained).</p> <p>Using a laissez-faire leadership style to develop future leaders could be inappropriate where those people need more guidance and/or further training to be successful in completing their tasks (Explained). Leaders may make decisions that are incorrect, or are slower to make decisions, as they lack confidence/ experience, possibly leading to a waste of time and resources (Fully explained).</p> <p>The effectiveness of leadership styles is highly dependent on the situations that the leader is presented with. It would be more effective for <i>Tohunga o waho's</i> management to exercise guardianship of its customers and staff by utilising an autocratic leadership style in terms of risk management of emergency situations, where decisions are time-critical. In comparison, a democratic style would be less effective, as decisions would take longer to make and safety may be compromised (Justified).</p> <p>In terms of encouraging problem-solving where the staff are encouraging the students to take more responsibility, a democratic leadership style may be more effective than an autocratic style, as it would facilitate communication between the students and encourage them to share the decision-making and take more ownership of their experience. Under an autocratic leadership, such sharing in decision-making does not promote personal growth, decision-making, or communication (Justified).</p>
<p>(c)</p> <p>(i)</p> <p>(ii)</p>	<p><i>Policies and procedures</i> (N.B. Answers must relate to a large business chosen by the candidate)</p> <p>A policy that <i>Air New Zealand</i> has to protect the health and safety of its ground crew is that all staff must wear a high visibility vest when completing tasks on the tarmac, to ensure they are visible and less likely to be hurt, particularly when there are planes and machinery being used, and where it is difficult to be seen (Explained).</p> <p><i>Air New Zealand</i> has a policy for children aged between five and seven years who are traveling without an adult, so that children are not left unsupervised. Travel is permitted as an unaccompanied minor if a parent/guardian meets the child on arrival. To ensure this occurs, the child is handed over to <i>Air New Zealand</i> staff at check-in and is provided with a wrist band that is scanned and monitors the movements of the child throughout the flight, after which the child is handed over to the parent/guardian at the arrivals terminal (Explained). If this policy is not followed, unaccompanied minors may get lost, miss flights, or get hurt, leading to possible negative publicity in the media for not looking after the safety of its customers. This could lead to loss of customers and revenue, as families would use other airlines that have a better reputation/record for managing unaccompanied minors (Fully explained).</p>

(d)	<i>Social responsibility and economic sustainability</i> (N.B. Answers can relate to either <i>Tohunga o waho</i> or a large business chosen by the candidate)
(i)	It would be in the best interests of <i>Tohunga o waho</i> to not increase the number of students without increasing staff members, as it may not be able to deliver the best educational wilderness experiences that it has been advertising. This is because the staff would not be able to provide the attention that each student deserves, as there would be too many students to look after. This would impact on its brand reputation, reducing potential sales and profits (Explained).
(ii)	A cost that could arise from not allowing the number of students to increase without increasing staff members is that some potential schools / customers might have to look at competitors' programmes / experiences that may offer a higher student capacity, to ensure that all their students have the opportunity to complete a wilderness experience (Explained). This could lead to fewer schools utilising <i>Tohunga o waho's</i> services, reducing potential course revenue and therefore capacity to continue to operate in the future (Fully explained).
(iii)	<p>It is important that <i>Tohunga o waho</i> is both socially responsible and economically sustainable, as businesses operate in a wider community that relies on a range of stakeholders to continue to operate. If <i>Tohunga o waho</i> is seen to be increasing student numbers at the expense of staff well-being, staff morale will be impacted. Staff may choose to leave or provide below par experiences for its customers, which is inconsistent with the pūtake of the business of providing the "best educational wilderness experience", greatly impacting costs (staff recruitment and training), revenue (from bad reviews), and the future viability of the business (Justified).</p> <p>Though it would benefit <i>Tohunga o waho</i> in terms of increasing revenues and satisfying customer demand to increase its student numbers, it may not be able to continue providing the "best educational wilderness experience", which is <i>Tohunga o waho's</i> pūtake, as compromises may need to be made to sustain the increase student numbers without increasing staff numbers. If this becomes known among the local community and / or schools, and particularly if it results in a lower-quality product, it could damage the brand reputation of the business, which may reduce sales and profit if schools choose competitors that offer a more personalised service. Therefore, <i>Tohunga o waho</i> would need to either increase its staff numbers, as and when necessary, to match increases in student numbers, or focus on providing a higher-value, more personal service to a limited number of students (Justified).</p>

Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<p>Explains:</p> <ul style="list-style-type: none"> • why using variance analysis could be an advantage • why it is appropriate to adopt a laissez-faire leadership style to promote personal growth of future leaders • why a laissez-faire leadership style may be inappropriate for developing future leaders • ONE policy that a business has in place to maintain the health and safety of employees • ONE health and safety procedure that a business has in place to protect customers • why it is in the best interests of the business to act in a socially responsible way • why being socially responsible could be a disadvantage. <p>(Answers will typically state relevant examples, business knowledge, and/or Māori business concept(s).)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> • why using variance analysis could be an advantage, and how a business can correct an unfavourable variance in costs to remain profitable • why a laissez-faire leadership style may be inappropriate for developing future leaders, and how this can lead to poor decision-making • ONE health and safety procedure that a business has in place to protect customers, and how the business would be impacted if this procedure is not followed • why being socially responsible could be a disadvantage, and how this disadvantage might impact the future of the business. <p>(Answers will typically include relevant examples, business knowledge, and/or Māori business concept(s), to support explanations.)</p>	<ul style="list-style-type: none"> • All of fully explain for part (b), and justifies whether one type of leadership style would be more effective than another, using TWO elements of the definition of rangatiratanga. <p><i>AND</i></p> <ul style="list-style-type: none"> • All of fully explain for part (d), and justifies, with TWO reasons, whether it is important for the business to be both socially responsible and economically sustainable, using the concept of pūtake in their answer. <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.	Some Excellence evidence.	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