

Assessment Schedule – 2023

Business Studies: Demonstrate understanding of how a large business responds to external factors (90844)

Assessment Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<p><i>Demonstrate understanding</i> involves:</p> <ul style="list-style-type: none"> • explaining the nature and effects of external factors • explaining how the business responds to those effects • stating examples • stating business knowledge relevant to business response • stating a Māori business concept(s) where relevant to business response. <p><i>Explaining</i> means providing the ‘what’ that addresses the question asked, then expands by giving the reason(s) <i>why</i> the ‘what’ occurs or 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 nature and effects of external factors • fully explaining how the business responds to those effects • including examples to support explanations • including business knowledge relevant to business response to support explanations • including a Māori business concept(s) where relevant to business response to support explanations. <p><i>Fully explaining</i> develops the explanation with further expansion of <i>how</i> 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.</p>	<p><i>Demonstrate comprehensive understanding</i> typically involves:</p> <ul style="list-style-type: none"> • fully explaining and justifying how the business responds to the effects of external factors • integrating examples to fully support explanations • integrating business knowledge relevant to business response to fully support explanations • integrating a Māori business concept(s) where relevant to business response 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>Technology influences</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 benefit <i>Tohunga o waho</i> to implement its online courses, as its students would have completed some learning before attending the wilderness experience course. This would allow the students to have a better experience, as they would have gained some prior knowledge and confidence about what to expect on the course, leading to greater enjoyment and learning through the practical experience (Explained).</p> <p>The implementation of educational online courses would impact on <i>Tohunga o waho's</i> profitability through increased expenses, due to the costs incurred in the research and development of the online course (Explained). Ongoing costs arising from long-term software support could also reduce the profitability of the business, unless these costs are offset by increases in experience revenue through enrolments (Fully explained).</p> <p>An increase in student enrolments for <i>Tohunga o waho's</i> educational experiences may occur if the online courses are seen by schools as a valuable educational tool (Explained). This would result in an increase in revenue from existing and potential future customers, which could help to increase <i>Tohunga o waho's</i> profitability (Fully explained).</p>
<p>(b)</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>	<p><i>Economic influences</i> (N.B. Answers can relate to either <i>Tohunga o waho</i> or a large business chosen by the candidate.)</p> <p>With increases in the cost of living making it more difficult for many households to make ends meet, those households will have to prioritise their spending (Stated). In this situation, <i>Tohunga o waho's</i> wilderness experiences may be considered a luxury, and some families may choose not to enrol their children in these courses, or may look to other, more affordable experiences. If schools are fundraising for these experiences, the amount of funds raised may be reduced, as households struggle with the cost of living. Overall, this could reduce the level of revenue earned, and therefore reduce profitability for <i>Tohunga o waho</i> (Explained).</p> <p>One solution to making the courses more affordable for households would be to provide the option of shortened or local programmes that still provide a wilderness experience (Explained). These educational experiences would be less costly for schools to enrol their students in, making it more attractive for households with sharply reduced discretionary expenditure (Fully explained).</p> <p>Another solution would be to provide scholarship programmes for those families and schools where the cost of living is having the greatest impact on living standards. The shortfall in costs could be funded by seeking grants from charitable organisations that support youth (Explained). This means that students would still be able to attend without families being financially disadvantaged, and <i>Tohunga o waho</i> would still receive revenue from the courses they provide (Fully explained).</p> <p>Providing the option of shortened or local programmes would be the better option to reduce the impact of an increase in the cost of living, as it would allow schools to offer an educational wilderness experience to their students, while making it more affordable for households. This would provide a potential additional revenue stream for <i>Tohunga o waho</i>, and would support local communities, creating goodwill, and the business could still provide the core educational experiences that generate its main income (Justified).</p> <p>By providing discounted programmes and hoping that the difference could be covered by charitable organisations, <i>Tohunga o waho</i> would be heavily reliant on those organisations to provide funding on an ongoing basis, and this funding may not be available. Without this funding, the discounted courses may not be a viable option for the business to continue to operate (Justified).</p>

<p>(c)</p> <p>(i)</p> <p>(ii)</p>	<p><i>Legal influences – Privacy Act</i> (N.B. Answers must relate to a large business chosen by the candidate.)</p> <p><i>Air New Zealand</i> should be aware of its obligations under the Privacy Act, as if it breaks the law by not protecting customers’ private information, this could result in bad publicity for the business, and in legal action or fines that would significantly increase costs and have a negative impact on profit (Explained).</p> <p><i>Air New Zealand</i> would initially have had to invest in the research and development of a system that securely stores the private information of customers and staff (Explained). This would reduce the return on investment initially, assuming that profits remain the same and the investment in the system increases (Fully explained).</p> <p>Assuming that all airlines would need to develop systems or processes to protect private information, there would be little or no change in market share (Explained). This is because there would be an expectation by law, and also by the public, that their information is kept private, otherwise they would lose customers, so there should be no significant change in market share if every airline is meeting its obligations (Fully explained).</p>
<p>(d)</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>	<p><i>Employer associations</i> (N.B. Answers can relate to either <i>Tohunga o waho</i> or a large business chosen by the candidate.)</p> <p>It is a benefit for <i>Tohunga o waho</i> to belong to Tourism Industry Aotearoa (TIA), as it can provide <i>Tohunga o waho</i> with useful networking opportunities with similar businesses in the industry (Explained). <i>Tohunga o waho</i> would be able to gain expertise and advice, as well as collaboration with other companies to identify best practices, improving its ability to make decisions on a day-to-day basis (Fully explained).</p> <p>It is a benefit to the community that businesses and employer associations have a code of ethics, as it gives the community some assurance that businesses are trying to meet community expectations regarding ethics. In the case of <i>Tohunga o waho</i>, the community (schools) can be reassured that this business will practise the values of the TIA when delivering its outdoor experiences (Explained). Adhering to the code of ethics implemented by the association will increase operational costs for <i>Tohunga o waho</i>, as the business will need to monitor and report its compliance with the code to TIA, which will incur both staff /management time and possibly other resources to complete. This will increase operational costs, which may reduce <i>Tohunga o waho</i>'s profitability (Fully explained).</p> <p>It is important for <i>Tohunga o waho</i> to belong to TIA, as membership indicates to existing and potential customers a level of business stability and trustworthiness. Given that TIA members are expected follow its values of kaitiakitanga, manaakitanga, and whanaungatanga, <i>Tohunga o waho</i>'s business practices need to reflect these values. Therefore, its membership is likely to enhance the reputation of the business for providing an educational wilderness experience that is safe and of high quality, leading to an increase in customer loyalty and a wider client base (Justified).</p> <p>The membership will also help <i>Tohunga o waho</i> to operate in the most effective and efficient way, by enabling the business to keep up with new and updated information and knowledge in terms of best practice for customer and employee relations. This, in turn, will help to ensure <i>Tohunga o waho</i>'s survival, as it has the knowledge to provide quality wilderness experiences, which should increase future growth opportunities (Justified).</p>

Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<p>Explains:</p> <ul style="list-style-type: none"> • why it would benefit a business to implement new technology, such as educational online courses for its customers • with TWO examples, why the implementation of new technology, such as educational online courses, will have an impact on business profitability • why a change in household spending habits would have an impact on business profitability • TWO solutions that a business could use to ensure that its outdoor experiences or other services are more affordable for households, while maintaining a quality service for its customers • why a business should be aware of its obligations under the Privacy Act • with reference to TWO strategic objectives, why the requirement to comply with the Privacy Act may, or may not, impact the business • why it benefits a business to belong to an employer association • why it is a benefit to the community that businesses and employer associations have a code of ethics. <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"> • with TWO examples, how the implementation of new technology, such as educational online courses, will have an impact on business profitability • TWO solutions that a business could use to ensure that its outdoor experiences or other services are more affordable for households, while maintaining a quality service for its customers • with reference to TWO strategic objectives, why the requirement to comply with the Privacy Act may, or may not, impact the business • why it benefits a business to belong to an employer association, and how its membership may assist business operations • why is it a benefit to the community that businesses and employer associations have a code of ethics, and how following this code might impact business profitability. <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, with TWO reasons, why one response would be better than the other. <p>AND</p> <ul style="list-style-type: none"> • All of fully explain for part (d) and justifies, with TWO reasons, whether it is important for a business to belong to an employer association, with reference to brand reputation and business growth. <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