

**Assessment Schedule – 2023**

**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
<p><i>Applying business knowledge</i> involves:</p> <ul style="list-style-type: none"> <li>• explaining the cause(s) and effect(s) of the complex problem(s)</li> <li>• using business knowledge to explain a range of possible solutions</li> <li>• stating relevant evidence</li> <li>• stating a Māori business concept(s) where relevant to the complex problem(s).</li> </ul> <p><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.</p>	<p><i>Applying in-depth business knowledge</i> involves:</p> <ul style="list-style-type: none"> <li>• fully explaining the cause(s) and effect(s) of the complex problem(s)</li> <li>• applying relevant business knowledge to fully explain how relevant solutions would address the problems, with an awareness of impact</li> <li>• including relevant evidence to support explanations</li> <li>• including a Māori business concept(s) where relevant to the complex problem(s), to support explanations.</li> </ul> <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>Applying comprehensive business knowledge</i> involves:</p> <ul style="list-style-type: none"> <li>• evaluating potential solutions to the complex problem(s)</li> <li>• justifying a recommended solution(s)</li> <li>• integrating relevant business knowledge to fully support explanations</li> <li>• integrating detailed and relevant evidence to support explanations</li> <li>• integrating a Māori business concept(s) where relevant to the complex problem(s), to fully support explanations.</li> </ul> <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:** Each answer should be read as a whole before awarding a grade.

Part	Sample Evidence
<p>(a)</p> <p>(i)</p> <p>(ii)</p>	<p><i>Quality management</i></p> <p>One possible cause of the complaints received by <i>Village Chocolates</i> for the inconsistency in quality (e.g. between batches) is that the cacao beans received from their suppliers are not of a consistent quality (Stated). This is because there are a number of processes involved with the harvesting and treating of the beans, such as fermenting and drying, that are undertaken by the suppliers before they are received by <i>Village Chocolates</i>. As these are being carried out by the suppliers of the beans in Ghana, <i>Village Chocolates</i> has no real assurance that this work is being performed to a consistently high standard. Therefore, <i>Village Chocolates</i> may be using cacao beans of inconsistent quality in its production process (Explained).</p> <p>The effect of the introduction of a quality management system on <i>Village Chocolates'</i> employees would be an increase in workload (Stated). A quality management system, such as quality assurance, would require checking at each and every step of the chocolate production process, including the raw materials received from suppliers, such as the cacao beans from Ghana. This would ensure the batches of chocolate are consistent in quality, which would improve the reputation of <i>Village Chocolates</i> and reduce the number of complaints it receives (Explained). However, the introduction of a quality management system would require workers to be trained to ensure they carry out these checks, which would need to be completed on top of their current workload. As a result, the workers may need to work longer hours, or more workers may need to be employed to fulfil these extra tasks (Fully explained).</p>
<p>(b)</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>	<p><i>Choice of new supplier</i></p> <p>The supplier in Vanuatu is geographically closer to <i>Village Chocolates</i> than the supplier in Peru, by approximately 8,000 km (Stated). Therefore it would be easier for <i>Village Chocolates'</i> managers to visit the supplier and individual farmers in Vanuatu than those in Peru. Visiting the farmers would enable <i>Village Chocolates</i> to develop a positive relationship with these growers (Explained). Having the ability to visit its suppliers on a regular basis and to create a positive relationship with them would benefit both the growers and <i>Village Chocolates</i>, as it would be able to achieve its social sustainability goal and help to enrich the lives of these growers. <i>Village Chocolates</i> would also be able to monitor the quality of the beans being supplied more effectively, thus improving the quality of the end product and the reputation of the business (Fully explained).</p> <p>The supplier in Peru is able to supply the cacao beans at a lower cost than the supplier in Vanuatu (Stated). The cost of supply by the growers in Peru is \$0.45 cheaper per kilogram of beans than the supplier in Vanuatu. With an expected use of 4,500 kilograms of beans by <i>Village Chocolates</i>, this would be a cost saving of \$2,025 each year (Explained). As <i>Village Chocolates</i> has an economic sustainability goal to increase its profits by 10% each year, keeping costs down would be important to its managers. Sourcing the cacao beans at the lower cost of \$3.30 per kilogram would help to ensure that the profit margin earned is high (Fully explained).</p> <p><i>Village Chocolates</i> should use the supplier from Vanuatu. While a cost saving of \$2,025 per year would be a benefit to <i>Village Chocolates</i>, the positive relationships that could be established with the growers in Vanuatu by regularly visiting them could provide a much bigger cost saving in the long run. When a relationship of mutual benefit is created between growers and manufacturers, the quality of cacao bean required by <i>Village Chocolates</i> would be much better understood and a higher, more consistent, quality of bean would be achieved. This would mean that <i>Village Chocolates</i> would see a decrease in complaints and an increase in both reputation and sales that would outweigh the \$2,025 cost saving possible by using the supplier from Peru.</p> <p>Also, the growers in Vanuatu achieved a gold award in the chocolate industry awards in 2020. This demonstrates that they are able to produce cacao beans of very high quality, so <i>Village Chocolates</i> would know that these growers are able to meet their needs. The gold award the Vanuatu growers received is higher than the silver award achieved by the growers in Peru in 2022.</p> <p><b>Note:</b> A recommendation for the Peru supplier is acceptable if correctly justified.</p>

<p>(c)</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>	<p><i>Choice of new site</i></p> <p>The Martinborough site is cheaper to lease than the Greytown site (Stated). The yearly lease cost is \$95,000 per year, which is \$15,000 lower than the lease cost of the Greytown site (Explained). This would benefit <i>Village Chocolates</i>, as it would have \$15,000 extra cash available each year to cover other operating costs, such as staff wages or marketing. As production increases to keep up with increased demand from overseas, more workers may need to be employed, and the \$15,000 saving on lease costs could be put towards this additional labour cost, helping <i>Village Chocolates</i> to maintain profit margins (Fully explained).</p> <p>The building on the Greytown site is larger than the one on the Martinborough site (Stated). At 600m<sup>2</sup>, it offers 150m<sup>2</sup> more floor space (Explained). This would benefit <i>Village Chocolates</i>, as it would have additional capacity to increase production further if demand from overseas continues to increase, enabling the business to increase its sales (Fully explained).</p> <p><i>Village Chocolates</i> should choose to lease the site at Greytown. While leasing the site at Martinborough could save it \$15,000 per year on operating costs, the site at Greytown provides scope to further expand production. The ability to do this would be more important to <i>Village Chocolates</i> than the \$15,000 cost saving, as it has a business goal of increasing profits annually by 10%. To increase profits at this rate, <i>Village Chocolates</i> would need to continue to increase production and maximise sales opportunities. The site at Greytown offers <i>Village Chocolates</i> the better opportunity to do this.</p> <p>Also, the site at Greytown has an onsite retail shop. In recent times, <i>Village Chocolates</i> has increased its sales channels from the local market to selling online and at retail stores. Having an onsite retail store at the production facility would give the business a further sales channel and source of revenue to help it achieve its profit goal. This opportunity would not be available at the Martinborough site.</p> <p><b>Note:</b> A recommendation for the Martinborough site is acceptable if correctly justified.</p>
<p>(d)</p> <p>(i)</p> <p>(ii)</p>	<p><i>Trade agreements</i></p> <p>One possible cause of the challenges faced by <i>Village Chocolates</i> in increasing export orders from Qatar is the lack of a free trade agreement with that country (Stated). While New Zealand has a very broad and mutually beneficial trade agreement with Australia (ANZCERTA), which allows free trade of goods such as chocolate between the two nations, no such agreement exists with Qatar. Lack of a free trade agreement with Qatar means that barriers will still exist, preventing free access to this market (Explained).</p> <p>The likely impact on the profits of <i>Village Chocolates</i> would probably be negative (Stated). With existing challenges to fully access and operate in the Qatar market, sales would be slower than predicted, and this could negatively impact profits (Explained). Along with sales not meeting expected levels, additional costs will likely be incurred in attempting to grow this market. <i>Village Chocolates</i> may have to send representatives to Qatar in order to meet and grow relationships with prospective buyers, which would increase <i>Village Chocolates</i>' operating costs, potentially reducing profits. This may prevent it from achieving its goal of increasing profits by 10% each year (Fully explained).</p>

**Evidence**

Achievement	Achievement with Merit	Achievement with Excellence
<p>Explains:</p> <ul style="list-style-type: none"> <li>• one possible cause of the complaints received by <i>Village Chocolates</i> relating to inconsistency in quality</li> <li>• the effect the introduction of a quality management system would likely have on employees at <i>Village Chocolates</i></li> <li>• one benefit to <i>Village Chocolates</i> of using the supplier in Vanuatu</li> <li>• one benefit to <i>Village Chocolates</i> of using the supplier in Peru</li> <li>• one positive effect that choosing the Martinborough site would have on the business</li> <li>• one positive effect that choosing the Greytown site would have on the business</li> <li>• one possible cause of the challenges faced by <i>Village Chocolates</i> in increasing export orders from Qatar</li> <li>• the effect the challenges of expansion into Qatar could have on the profitability of the business.</li> </ul> <p><i>AND</i></p> <p>States relevant information from the resource.</p> <p>(Answers will typically <b>state</b> relevant examples, business knowledge, and/or Māori business concepts.)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> <li>• the effect the introduction of a quality management system would likely have on employees at <i>Village Chocolates</i></li> <li>• one benefit to <i>Village Chocolates</i> of using the supplier in Vanuatu</li> <li>• one benefit to <i>Village Chocolates</i> of using the supplier in Peru</li> <li>• one positive effect that choosing the Martinborough site would have on the business</li> <li>• one positive effect that choosing the Greytown site would have on the business</li> <li>• the effect the challenges of expansion into Qatar could have on the profitability of the business.</li> </ul> <p><i>AND</i></p> <p>The answer includes relevant information from the resource to support explanations.</p> <p>(Answers will typically <b>include</b> relevant examples, business knowledge, and/or Māori business concept(s) to support explanations.)</p>	<p>Evaluates:</p> <ul style="list-style-type: none"> <li>• the best supplier for <i>Village Chocolates</i> to use</li> <li>• the best location solution.</li> </ul> <p><i>AND</i></p> <p>The answer integrates relevant information from the resource to fully support explanations.</p> <p>(Answers will typically <b>integrate</b> relevant examples, business knowledge, and/or Māori business concept(s) to support explanations.)</p>

<b>N1</b>	<b>N2</b>	<b>A3</b>	<b>A4</b>	<b>M5</b>	<b>M6</b>	<b>E7</b>	<b>E8</b>
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

<b>Not Achieved</b>	<b>Achievement</b>	<b>Achievement with Merit</b>	<b>Achievement with Excellence</b>
0 – 2	3 – 4	5 – 6	7 – 8