

## Assessment Schedule – 2024

### Business Studies: Demonstrate understanding of how internal factors interact within a business that operates in a global context (91379)

#### Assessment Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<p><i>Demonstrate understanding</i> involves:</p> <ul style="list-style-type: none"> <li>explaining the interaction of internal factors</li> <li>stating relevant business knowledge and examples</li> <li>stating a Māori business concept(s) where relevant to the interaction of internal factors.</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>Demonstrate in-depth understanding</i> involves:</p> <ul style="list-style-type: none"> <li>fully explaining the interaction of internal factors with an awareness of impact</li> <li>including relevant business knowledge and evidence to support explanations</li> <li>including a Māori business concept(s) where relevant to the interaction of internal factors, to support explanations.</li> </ul> <p><i>Fully explaining</i> develops the explanation with further expansion of how the situation / action could affect 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"> <li>evaluating the interaction of internal factors</li> <li>integrating relevant business knowledge and examples to fully support explanations</li> <li>integrating a Māori business concept(s) where relevant to the interaction of internal factors, 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:** 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.

#### Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0–2	3–4	5–6	7–8

Part	Sample Evidence
(a)	<p><i>Pūtake</i></p> <p>(i) The pūtake of <i>icebreaker</i> impacts positively on its brand (Stated). <i>icebreaker</i> clearly communicates its purpose to all stakeholders, showing that they are focused on creating natural alternatives to synthetic-based apparel. This demonstrates that <i>icebreaker's</i> reason for being goes beyond the drive to make profits for shareholders, and this will appeal to a large number of prospective customers, enhancing the brand reputation of the business (Explained).</p> <p>(ii) The pūtake of <i>icebreaker</i> will result in an increased market share (Stated). By showing that the company has a purpose that focuses on finding natural alternatives to synthetic-based apparel, a significant number of customers will be attracted to <i>icebreaker</i>, and will purchase clothing from them rather than a competing apparel firm that does not have a pūtake focused on using natural fibres (Explained). This will result in increased sales for <i>icebreaker</i>, which will increase their market share in the apparel industry (Fully explained).</p>
(b)	<p><i>Product or service innovation</i></p> <p>(i) One benefit of service innovation to <i>Oarsome Aotearoa</i> is that it will help to grow its market share in the adventure tourism market (Stated). With improved and new services being offered to overseas tourists, <i>Oarsome Aotearoa</i> will be able to gain a competitive advantage in the adventure tourism market (Explained). By offering services that are new or unique, such as the narrative of local history, <i>Oarsome Aotearoa</i> will be differentiating themselves from their competitors, and this will encourage overseas tourists to purchase the experiences offered by <i>Oarsome Aotearoa</i> rather than those of its competitors. As a result, their market share will increase, and this will help them to achieve their goal of being one of the three largest adventure tourism operators in New Zealand (Fully explained).</p> <p>(ii) One cost to <i>Oarsome Aotearoa</i> of service innovation is the time and monetary expense involved in developing these innovations (Stated). Finding and researching new locations that are safe and viable to use for white water rafting will take a considerable amount of time, and workers and/or consultants will need to be paid for this research to be completed (Explained). The cost of this research, while adding no immediate revenue, may reduce the profitability of <i>Oarsome Aotearoa</i> in the short term (Fully explained).</p> <p>(iii) It is likely that service innovation will result in <i>Oarsome Aotearoa</i> increasing their profitability. The cost of developing new product offerings to overseas tourists will affect the costs of <i>Oarsome Aotearoa</i> in the short term only, and will be outweighed by the increase in revenue gained by new and returning overseas tourists choosing the new experiences being offered by <i>Oarsome Aotearoa</i>. The result will be an increase in long-term profitability.</p> <p>In addition, <i>Oarsome Aotearoa</i> will develop a reputation within the industry as an innovative business. Workers will want to work for them and this will help <i>Oarsome Aotearoa</i> to establish a strong workforce.</p>

(c)	<i>Total quality management</i>
(i)	One positive for <i>Oarsome Aotearoa</i> of implementing a total quality management system is that they will establish a positive reputation for themselves in the adventure tourism industry (Stated). With all parties (suppliers and employees) involved in the provision of the services offered at <i>Oarsome Aotearoa</i> taking responsibility for the quality of the adventure experiences offered to their customers, and with a focus on continuously improving the quality of those experiences, based on customer feedback, a consistently high-quality service will be achieved (Explained). This consistently high-quality service will ensure that <i>Oarsome Aotearoa</i> establishes a positive reputation in the adventure tourism industry, which will increase their level of sales as customers choose <i>Oarsome Aotearoa</i> over other competing adventure tourism operators (Fully explained).
(ii)	One negative for <i>Oarsome Aotearoa</i> of implementing a total quality management system is that they will need to train all of their employees (Stated). Using a total quality management system means that all the employees at <i>Oarsome Aotearoa</i> are responsible for the quality of the service provided. For this to be achieved, all of the employees will need to be trained to ensure they understand the specific role they play in ensuring the adventure experience offered to customers contributes to the goals of <i>Oarsome Aotearoa</i> (Explained). The training of staff will be regular and ongoing as feedback from customers dictates changes to processes, and this will increase the costs of <i>Oarsome Aotearoa</i> . This increase in training costs could reduce the profit of <i>Oarsome Aotearoa</i> (Fully explained).
(iii)	<p>The implementation of a total quality management system is likely to result in the consistent delivery of high-quality adventure tourism experiences by <i>Oarsome Aotearoa</i>. This will lead to the establishment of a positive reputation in the adventure tourism industry, and the likely increase in customers gained by this reputation will probably outweigh the costs involved in the regular training of staff to ensure they fully understand the role they play in ensuring a quality service is delivered and the goals of <i>Oarsome Aotearoa</i> are met.</p> <p>In addition, employees at <i>Oarsome Aotearoa</i> are likely to obtain greater work satisfaction, as they are actively involved in the delivery of a quality service, and their input into how to continually improve this quality will be encouraged. Under a TQM system, the values of the organisation become clearly defined, and workers who are recruited are likely to have values similar to those of <i>Oarsome Aotearoa</i>. As a result, productivity of workers is likely to increase, further improving the service provided to <i>Oarsome Aotearoa</i>'s customers.</p>
(d)	<i>Change management</i>
(i)	One benefit to <i>Oarsome Aotearoa</i> of using an inclusive change management process is that the transition to TQM is likely to be more successful (Stated). The employees of <i>Oarsome Aotearoa</i> understand the delivery of the adventure tourism experiences the most, and so are the people best placed to offer suggestions as to how highest-quality service can be achieved (Explained).
(ii)	Using an inclusive change management process is likely to reduce the costs of <i>Oarsome Aotearoa</i> (Stated). With employees being fully involved in the change to TQM, the need to employ external consultants and staff is reduced (Explained). Using the employees already working at <i>Oarsome Aotearoa</i> to suggest the changes required means that the only additional costs to the business would be those incurred in paying employees for any extra time spent on the changes. These will likely be less than the cost of hiring external consultants, and will result in greater profit for <i>Oarsome Aotearoa</i> (Fully explained).

**Evidence**

Achievement	Achievement with Merit	Achievement with Excellence
<p>Explains:</p> <ul style="list-style-type: none"> <li>• how the pūtake of the business may affect its brand</li> <li>• one possible consequence the pūtake of the business may have for their market share</li> <li>• one positive impact that product or service innovation may have on the business</li> <li>• one negative impact that product or service innovation may have on the business</li> <li>• one positive effect the implementation of total quality management will have on the business</li> <li>• one negative effect the implementation of total quality management will have on the business</li> <li>• one benefit that using an inclusive change management process can have on the business</li> <li>• one possible consequence using an inclusive change management process can have on the costs of the business.</li> </ul> <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>• one possible consequence the pūtake of the business may have for their market share</li> <li>• one positive impact that product or service innovation may have on the business</li> <li>• one negative impact that product or service innovation may have on the business</li> <li>• one positive effect the implementation of total quality management will have on the business</li> <li>• one negative effect the implementation of total quality management will have on the business</li> <li>• one possible consequence using an inclusive change management process can have on the costs of the business.</li> </ul> <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 likelihood of product or service innovation resulting in increased profitability</li> <li>• the likelihood of the implementation of a total quality management system resulting in the consistent delivery of a high-quality product or service.</li> </ul> <p>(Answers will typically <b>integrate</b> 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.