

## Assessment Schedule – 2025

### 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> typically involves:</p> <ul style="list-style-type: none"> <li>• explaining the nature and effects of external factors</li> <li>• explaining how the business responds to those effects</li> <li>• stating examples</li> <li>• stating business knowledge relevant to business response</li> <li>• stating a Māori business concept(s) where relevant to business response.</li> </ul> <p><i>Explaining</i> means providing the ‘what’ that addresses the question asked, then expands by giving the reason(s) why the ‘what’ occurs or linking ideas to provide a coherent rationale.</p>	<p><i>Demonstrate in-depth understanding</i> typically involves:</p> <ul style="list-style-type: none"> <li>• fully explaining the nature and effects of external factors</li> <li>• fully explaining how the business responds to those effects</li> <li>• including examples to support explanations</li> <li>• including business knowledge relevant to business response to support explanations</li> <li>• including a Māori business concept(s) where relevant to business response to support explanations.</li> </ul> <p><i>Fully explaining</i> develops the explanations with further expansion of how 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"> <li>• fully explaining and justifying how the business responds to the effects of external factors</li> <li>• integrating examples to fully support explanations</li> <li>• integrating business knowledge relevant to business response to fully support explanations</li> <li>• integrating a Māori business concept(s) where relevant to business response to fully support explanations.</li> </ul> <p><i>Fully explaining and justifying</i> develops the explanations with further expansion of how the situation /action could impact on potential business or stakeholder goals, or how effects, advantages, disadvantages, and /or consequences contribute to a particular outcome.</p> <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 task.</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 answer should be read as a whole before awarding a grade.

Part	Sample Evidence
(a)	<p><i>Using specific examples, explain ONE positive and ONE negative impact on a business when it invests in new technology.</i></p> <p><i>Kōwhai Grove's investment in drone technology has significantly improved its operational efficiency. The drones, equipped with advanced sensors, help to monitor crop health by detecting disease, water stress, and nutrient deficiencies early. This allows the orchard to take action to minimise crop losses (Explained), which will lead to reduced operational costs and therefore improved profitability (Fully explained).</i></p> <p><i>By using drones for monitoring, Kōwhai Grove has also reduced its reliance on seasonal workers, as those workers are not required to monitor the crop so frequently (Explained), leading to a reduction in operational expenses and therefore improved profit margins (Fully explained).</i></p> <p><i>Use of drone technology comes with high initial costs. Kōwhai Grove had to invest in equipment and software to ensure accurate crop monitoring and to protect neighbours' privacy by reviewing and deleting unintended images (Explained). While this enhances community trust, it is also an additional operational expense. Maintaining and updating the technology will be an ongoing cost, which could impact the orchard's financial position, particularly in the short term (Fully explained).</i></p> <p><b>Note:</b> <i>Answers can relate to either Kōwhai Grove or a large business operating in New Zealand chosen by the candidate.</i></p>
(b)(i)	<p><i>Identify a business action and explain why it complies with laws about the management of resources.</i></p> <p><i>Kōwhai Grove's use of drones helps monitor environmental conditions, reducing excessive water use (Identified). This complies with the Resource Management Act by ensuring sustainable resource management and minimising negative environmental impacts (Explained). The drones provide accurate data, helping Kōwhai Grove to make informed decisions that align with environmental regulations (Explained).</i></p> <p>(ii) <i>Explain ONE positive and ONE negative impact on a business when it complies with laws about the management of resources.</i></p> <p><i>Complying with laws about the management of resources ensures that a business operates within the legal framework, avoiding fines and possibly being shut down. It also shows that the business is trying to do the right thing (Explained). This can build a positive brand reputation and make customers more likely to trust and support Kōwhai Grove, therefore leading to greater sales and profitability (Fully explained).</i></p> <p><i>To meet these legal requirements, Kōwhai Grove may need to change or reduce its use of resources and its production methods to ensure it complies with the law. These changes could lead to increased production costs for Kōwhai Grove (Explained). These additional expenses may affect profitability in the short term as it changes its production methods, or may require greater long-term investment in machinery or technology to ensure that it complies with the Act (Fully explained).</i></p> <p>(iii) <i>Justify whether complying with laws about the management of resources improves the business relationship with TWO key stakeholder groups.</i></p> <p><i>Complying with laws about the management of resources shows the local community that Kōwhai Grove is protecting the land and water in their area. This helps to reduce complaints, and builds a sense of trust and respect between the business and local people. As a result, Kōwhai Grove is more likely to gain community support, which can help with future growth or resource consent applications (Justified).</i></p> <p><i>Customers who care about the environment will see that Kōwhai Grove is serious about sustainability, and about trying to do the right thing. This can make them feel good about buying their organic avocados and citrus fruits. The positive impact is that more customers may choose to buy from Kōwhai Grove, helping to increase sales and grow the brand (Justified).</i></p> <p><b>Note:</b> <i>Answers can relate to either Kōwhai Grove or a large business operating in New Zealand chosen by the candidate.</i></p>

<p>(c)(i)</p> <p>(ii)</p>	<p><i>Identify and explain a method of industrial action that may be taken by employees.</i></p> <p>The workers at <i>Kōwhai Grove</i> may decide to go on strike (Identified). A strike involves workers stopping work to show their dissatisfaction with the current situation, such as the pay deductions for wet weather gear or concerns about job security. This action puts pressure on management to address their demands and negotiate a fair solution (Explained).</p> <p><i>Explain ONE specific action that management could take in response to the stated industrial action.</i></p> <p>Management could initiate a formal meeting with union representatives to resolve the dispute. This involves actively listening to workers' concerns, such as covering the cost of wet weather gear and offering compromises or solutions that address key issues (Explained). By demonstrating willingness to collaborate and find common ground, management can rebuild trust and prevent further disruptions to business operations, reducing operational costs and improving future profitability (Fully explained).</p> <p><b>Note:</b> Answers can relate to either <i>Kōwhai Grove</i> or a large business operating in New Zealand chosen by the candidate.</p>
<p>(d)</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>	<p>Named large business: <i>Fonterra</i></p> <p><i>Explain one potential challenge or cost a business might face when demonstrating rangatiratanga or kaitiakitanga to meet society's expectations.</i></p> <p>One challenge for <i>Fonterra</i> is the high cost of implementing sustainable farming practices, such as reducing carbon emissions and improving water quality. <i>Fonterra</i> may also face resistance from some farmers who find it difficult to adapt to stricter environmental regulations (Explained). Additionally, investing in new technologies for sustainability, such as methane-reducing feed, involves significant research and development expenses (Explained).</p> <p><i>Using TWO specific examples, explain how a business demonstrates rangatiratanga or kaitiakitanga to meet society's expectations.</i></p> <p><i>Fonterra</i> demonstrates kaitiakitanga through the Sustainable Dairying Water Accord. This focuses on improving water quality by fencing off waterways and reducing nutrient runoff, protecting the environment for future generations (Explained). By protecting the environment, potential customers are more likely to favour <i>Fonterra</i> products, increasing its brand reputation and potential future sales (Fully explained).</p> <p><i>Fonterra</i> also demonstrates rangatiratanga, through its commitment to reduce carbon emissions, by transitioning to renewable energy sources in its processing plants. These initiatives help to ensure long-term resource sustainability and align with societal expectations for ethical and responsible business practices (Explained). By being a leader in environmental management, <i>Fonterra</i> strengthens its brand reputation and relationships with key stakeholders (Fully explained).</p> <p><i>Justify, with TWO reasons, whether the benefits of a business demonstrating rangatiratanga or kaitiakitanga to meet society's expectations outweigh the costs involved.</i></p> <p>The benefits of demonstrating rangatiratanga or kaitiakitanga outweigh the costs, because sustainable practices improve brand reputation and consumer trust, leading to long-term profitability. Additionally, compliance with environmental standards helps to avoid potential fines, legal issues, and regulatory restrictions, which could be more costly in the future, possibly preventing <i>Fonterra</i> from making their desired profit (Justified).</p> <p>Sustainable resource management ensures the long-term viability of <i>Fonterra's</i> supply chain, protecting both the business and farming communities. While the initial investment may be high, the long-term economic, social, and environmental benefits will create a more resilient and successful business. This means <i>Fonterra</i> can maintain a consistent and high-quality milk supply, reduce its environmental footprint, and build stronger relationships with farmers and consumers who value sustainability. <i>Fonterra</i> will be seen as a responsible business leader, helping it to meet regulatory requirements and ensure future profitability (Justified).</p> <p><b>Note:</b> Answers <b>must</b> relate to a large business operating in New Zealand chosen by the candidate, <b>not</b> <i>Kōwhai Grove</i>.</p>

**Evidence**

Achievement	Achievement with Merit	Achievement with Excellence
<p>Explains:</p> <ul style="list-style-type: none"> <li>• one positive impact on a business when it invests in new technology</li> <li>• one negative impact on a business when it invests in new technology</li> <li>• identifies a business action and explains why it complies with laws about the management of resources</li> <li>• one positive impact on the business when it complies with laws about the management of resources</li> <li>• one negative impact on the business when it complies with laws about the management of resources</li> <li>• a method of industrial action that may be undertaken by the employees</li> <li>• one specific action that management could take in response to the stated industrial action</li> <li>• one potential challenge or cost a business might face when demonstrating rangatiratanga and / or kaitiakitanga to meet society’s expectations</li> <li>• why a business demonstrates rangatiratanga and / or kaitiakitanga to meet society’s expectations, using TWO specific examples.</li> </ul> <p><b>Note:</b> Answers will typically <b>state</b> relevant examples, business knowledge, and / or Māori business concept(s).</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> <li>• one positive and one negative impact on a business when it invests in new technology</li> <li>• one positive and one negative impact on the business when it complies with laws about the management of resources</li> <li>• one specific action that management could take in response to the stated industrial action</li> <li>• how a business demonstrates rangatiratanga and / or kaitiakitanga to meet society’s expectations, using TWO specific examples.</li> </ul> <p><b>Note:</b> Answers will typically <b>include</b> relevant examples, business knowledge, and / or Māori business concept(s), to support explanations.</p>	<ul style="list-style-type: none"> <li>• All of ‘Fully explains’ for part (b) <b>and</b> justifies whether complying with laws about the management of resources improves the business’s relationship with TWO key stakeholder groups.</li> </ul> <p>AND</p> <ul style="list-style-type: none"> <li>• All of ‘Fully explains’ for part (d) <b>and</b> justifies, with TWO reasons, whether the benefits of a business demonstrating rangatiratanga and / or kaitiakitanga to meet society’s expectations outweigh the costs involved.</li> </ul> <p><b>Note:</b> 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.	Some Excellence evidence, one part may be weaker.	All Excellence evidence 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