

90839



908390



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

SUPERVISOR'S USE ONLY

Level 1 Business Studies, 2011

90839 Apply business knowledge to an operational problem(s) in a given small business context

9.30 am Tuesday 29 November 2011

Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Apply business knowledge to an operational problem(s) in a given small business context.	Apply detailed business knowledge to an operational problem(s) in a given small business context.	Apply comprehensive business knowledge to an operational problem(s) in a given small business context.

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

You should attempt ALL the questions in this booklet.

Pull out Resource Booklet 90839R from the centre of this booklet.

Use evidence from the given context to support your answers, and refer to relevant business knowledge and/or Māori business concepts in your answers.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–8 in the correct order and that none of these pages is blank.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

TOTAL

ASSESSOR'S USE ONLY

You are advised to spend 60 minutes answering the questions in this booklet.

Read ALL of the resources in Resource Booklet 90839R before you begin answering the questions in this booklet.

QUESTION ONE: MARKETPLACE CHANGES – NEW COMPETITOR

Truman & Sons Ltd is trying to decide how to deal with a new competitor, *Best Uniforms Ltd*.

Use the information in Resource A and your business knowledge to complete parts (a) to (d) to fully explain the problems caused by the new competitor.

- (a) Describe what a “market” is in a business context.

- (b) Fully explain how *Truman & Sons Ltd* could be negatively affected by new competition.

- (c) Identify one potential benefit to the customers of *Truman & Sons Ltd* of having a new competitor.

- In your answer:

QUESTION TWO: COMMUNICATION AND RESTRUCTURINGASSESSOR'S
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Barry decides to go ahead with a restructure of the company without consulting anyone. Employee reaction has been mixed.

Use the information in Resource A, and your business knowledge, to complete parts (a) to (d) to fully explain the communication issues caused by the restructuring.

- (a) Describe the difference between one-way and two-way communication.

- (b) Fully explain, using examples, the importance of effective communication in the restructuring of the business.

- (c) Describe one reaction employees might have to the restructuring.

- In your answer:

QUESTION THREE: PRODUCTION ISSUESASSESSOR'S
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Barry has to decide what action to take over the run-down machinery and equipment.

Use the information in Resources A and B, and your business knowledge, to complete parts (a) to (d) to fully explain the production issues.

- (a) Describe the type of production method *Truman & Sons Ltd* would be using.

- (b) Fully explain the implications for *Truman & Sons Ltd* of not being able to use their machinery and equipment for an extended period of time.

- (c) Describe a benefit for *Best Uniforms Ltd* if *Truman & Sons Ltd* were not able to use their machinery or equipment for an extended period of time.

- In your answer:

- describe TWO appropriate **solutions**
- choose the **better short-term** solution and explain the advantages of this solution
- fully explain why this solution might not be the better solution in the **long term**
- explain the next steps Barry would need to consider.

Extra space if required.
Write the question number(s) if applicable.

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