

## Assessment Schedule – 2020

### Business Studies: Demonstrate an understanding of internal features of a small business (90837)

#### Assessment Criteria

**Describing** states **what** the answer is to the question asked. Defines (states the meaning of), identifies (gives an account of the qualities or characteristics), outlines (states what the answer is).

**Explaining** 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.

**Fully explaining** develops the explanation 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.

**Note:** Each answer should be read as a whole before awarding a grade.

Q1	Sample Evidence
(a)	<p>A partnership is a business structure with two or more owners (partners). (Defined)</p> <p>One advantage for Joe operating <i>JoeFish</i> as a partnership with Bruce would be that different skills are being brought to the business by Bruce, the new partner (Described). This is because Bruce has skills in diving trips and Joe has skills in fishing trips (Explained). This means that the business <i>JoeFish</i> could appeal to a wider target market and have the potential to earn more profit (Fully explained).</p> <p>A second advantage for Joe operating <i>JoeFish</i> as a partnership with Bruce would be that he has increased access to funding/assets (Described). This is because Bruce will bring his assets to the business (Explained). This means that the business <i>JoeFish</i> could expand faster, earning greater sales (Fully explained).</p> <p>A third advantage for Joe operating <i>JoeFish</i> as a partnership is that the workload could be shared (Described). This is because now there are two business owners, and therefore Bruce and Joe could take turns at leading the trips (Explained). This means that Joe could take a break with his family rather than working seven days a week (Fully explained).</p>
(b)	<p><i>Differences</i></p> <p>A registered company has limited liability, whereas a partnership has unlimited liability (Described). This means that in a registered company, the personal assets of the shareholders are protected, but in a partnership, the personal assets of the owners (partners) are at risk if the business fails (Explained).</p> <p>A registered company can sell shares to potential shareholders, whereas partnerships cannot (Described). This means that a registered company can raise funds by selling shares to potential shareholders (Explained).</p> <p><i>Impact</i></p> <p>As the shareholders of a registered company, Joe and Bruce would not be personally liable for the debts of <i>JoeFish</i> (Described). This means that Joe's and Bruce's personal assets would be protected if <i>JoeFish</i> encountered difficulties in paying its debts (Explained). This change in ownership structure would carry less personal risk for Joe and Bruce (Fully explained).</p> <p>As a registered company, <i>JoeFish</i> could raise additional capital through the sale of shares – to friends, family, or to the public (Described). This means that Joe and Bruce could find it easier to obtain finance (Explained). This increased access to funding may make it easier for Joe and Bruce to expand <i>JoeFish</i> to meet the increase in consumer demand (Fully explained).</p>

## Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> <li>The term 'partnership' is defined.</li> <li>TWO advantages to Joe and Bruce of forming a partnership are described.</li> <li>ONE difference is described.</li> <li>ONE impact of <i>JoeFish</i> becoming a registered company is described.</li> </ul> <p>(Answers will typically <b>state</b> relevant business knowledge and/or Māori business concepts.)</p>	<ul style="list-style-type: none"> <li>TWO advantages to Joe and Bruce of forming a partnership are explained.</li> <li>ONE difference is explained.</li> <li>ONE impact of <i>JoeFish</i> becoming a registered company is explained, with reference to the difference to operating as a partnership.</li> </ul> <p>(Answers will typically <b>include</b> relevant business knowledge and/or Māori business concepts.)</p>	<ul style="list-style-type: none"> <li>TWO advantages to Joe and Bruce of forming a partnership are fully explained.</li> <li>ONE impact of <i>JoeFish</i> becoming a registered company is fully explained, with reference to the difference to operating as a partnership.</li> </ul> <p>(Answers will typically <b>integrate</b> relevant business knowledge and/or Māori business concepts into 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. (a) OR (b) fully explained. The other part is explained.	All points covered. (a) AND (b) fully explained. One part may be weaker.
N0 = No response; no relevant evidence.							

Q2	Sample Evidence
(a)	<p>Method of communication: Email, using current customer database (Identified)</p> <p><i>Effectiveness</i></p> <p><i>JB Fishing and Diving</i> could communicate with its customers via email. The email would inform the existing <i>JoeFish</i> client base of the business name change to <i>JB Fishing and Diving</i> and the addition of the diving service (Described). This would help inform customers about the new diving service being offered and encourage them to come and try it out. This would increase <i>JB Fishing and Diving's</i> sales, which may not have occurred without the email being sent (Explained). Existing customers may also pass the information on to family and friends, thus reaching potential new customers. Therefore, emailing customers about the name change and the new service would be an effective method of communication for <i>JB Fishing and Diving</i> (Fully explained).</p> <p>However, there are some disadvantages with using email. For example, the email addresses of some existing (<i>JoeFish</i>) customers may have changed (Described). This would mean that some customers of <i>JB Fishing and Diving</i> might not be reached by this method of communication, and therefore may not be made aware that the name of the business has changed and that there is a new service on offer (Explained). <i>JB Fishing and Diving</i> would not know which customers have received the email, so would not know who to follow up with a telephone call. This form of communication may result in fewer customers trying the new diving service, reducing <i>JB Fishing and Diving's</i> potential new income from that service (Fully explained).</p> <p>Method of communication: Advertisement in Coromandel newspaper</p> <p><i>Effectiveness</i></p> <p><i>JB Fishing and Diving</i> could advertise in the local newspaper to inform existing and potential customers about the new business name and the new diving service offered. Some specials could be offered, such as introductory deals for the new diving trips. As this newspaper is delivered to all households within <i>JB Fishing and Diving's</i> local area, many potential customers would be able to view the advert (Described). This would increase <i>JB Fishing and Diving's</i> potential customer base and the likelihood of sales of their specials. Customers could be given all the information they require in the advert, and contact details if they require further information or want to book a fishing or diving trip, etc (Explained). This would be a relatively easy way for <i>JB Fishing and Diving</i> to communicate with current and potential customers in its local area. If it is able to attract new customers and provide them with excellent service, this should enable the business to keep building its client base over time (Fully explained).</p> <p>However, many people do not read their local newspaper, and those who do may not bother to read the adverts, thus limiting the number of potential customers (Described). Therefore, this may not be an efficient method for <i>JB Fishing and Diving</i> to communicate the name change and new diving service, and they may not gain many new customers as a consequence (Explained). Therefore, some combination of email and advertising may yield the best results (Fully explained).</p>
(b)	<p>Chosen business: <i>Hamilton Café</i></p> <p>One barrier to communication at <i>Hamilton Café</i> may be poorly delivered instructions from the owner to the employees (Described). This is because the manager uses verbal instructions, and speaks too fast and not clearly enough. Employees need clear instructions at the café, otherwise they may complete tasks or an order incorrectly (Explained).</p> <p>To overcome this barrier to communication, the owner at <i>Hamilton Café</i> should ensure that when giving instructions to employees, the message is given clearly and, where appropriate, in writing. Employees should be encouraged to provide feedback, to ensure the message is being understood (Described). This means that employees would get clear instructions on how to carry out their jobs, and would be able to question the owner if they do not understand the message</p>

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> <li>Identifies TWO methods of communication.</li> <li>Describes how ONE method provides effective communication.</li> <li>Describes ONE barrier to communication.</li> <li>Describes how the barrier could be overcome.</li> </ul> <p>(Answers will typically <b>state</b> relevant business knowledge, and/or Māori business concepts.)</p>	<p>Explains:</p> <ul style="list-style-type: none"> <li>how ONE method provides effective communication</li> <li>ONE barrier to communication</li> <li>how the barrier could be overcome</li> <li>the impact on the business if the barrier is overcome.</li> </ul> <p>(Answers will typically <b>include</b> relevant business knowledge, and/or Māori business concepts.)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> <li>how ONE method provides effective communication</li> <li>how the barrier could be overcome</li> <li>the impact on the business if the barrier is overcome.</li> </ul> <p>(Answers will typically <b>integrate</b> relevant business knowledge, and/or Māori business concepts, into 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. Any TWO parts fully explained. Another part is explained.	All points covered. All parts fully explained. One part may be weaker.
N0 = No response; no relevant evidence.							

Q3	Sample answers/Evidence
(a)(i)	<p>Business objectives are the goals, aims, or purpose of a business, usually referred to in the planning process (Defined).</p> <p><i>Possible business objectives of Joe and Bruce:</i></p> <p>Expansion/growth, increased market share, increased income/sales, profit, to provide employment (Identified).</p> <p>A possible business objective is increased income/sales (Described).</p> <p>Another possible business objective is to provide employment (Described).</p>
(ii)	<p>If Joe's and Bruce's business objective for <i>JB Fishing and Diving</i> is increased income/sales (Described), they will regularly monitor the amount of revenue generated by the business and set clear budgets (Explained). This would benefit the business, as it means that the business is operating efficiently, meaning the returns/profits to Joe and Bruce would be higher, and the business is more likely to be successful (Fully explained).</p>
(b)	<p>Examples of evidence: Annual report/bank account info/income statement/feedback on social media/awarded a regional sustainability award in their first year (Identified).</p> <p>Measuring production and sales would indicate to Joe and Bruce the likely returns for <i>JB Fishing and Diving</i> (Identified). The revenue gained from improving output would increase the likelihood of the business operating profitably (Explained). This additional profit could be used to expand the business and to employ additional staff from the local area (Fully explained).</p> <p>Retention of staff would be an indication to Joe and Bruce that the business is operating soundly and that the staff are satisfied (Described). It is more productive for the business to retain staff, rather than needing to constantly employ and train new staff (Explained). Retention of staff would add to the success of <i>JB Fishing and Diving</i>, and help it to grow and prosper. It could also lead to greater efficiency, which may increase profits (Fully explained).</p>

## Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> <li>Defines 'business objectives'.</li> <li>Describes a possible business objective for <i>JB Fishing and Diving</i>.</li> <li>Describes why this business objective is important.</li> <li>ONE impact on the business of achieving this objective is described.</li> <li>Describes TWO methods of monitoring the success of <i>JB Fishing and Diving</i>.</li> </ul> <p>(Answers will typically <b>state</b> relevant business knowledge, and/or Māori business concepts.)</p>	<p>Explains:</p> <ul style="list-style-type: none"> <li>why the business objective is important</li> <li>ONE impact on the business of achieving this objective</li> <li>TWO methods of monitoring the success of <i>JB Fishing and Diving</i>.</li> </ul> <p>(Answers will typically <b>include</b> relevant business knowledge, and/or Māori business concepts.)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> <li>ONE impact on the business of achieving this objective</li> <li>TWO methods of monitoring the success of <i>JB Fishing and Diving</i>.</li> </ul> <p>(Answers will typically <b>integrate</b> relevant business knowledge, and/or Māori business concepts into explanations.)</p>

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## Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 7	8 – 13	14 – 18	19 – 24