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90838



# Level 1 Business Studies, 2017

# 90838 Demonstrate an understanding of external factors influencing a small business

2.00 p.m. Friday 24 November 2017 Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate an understanding of external factors influencing a small business.		Demonstrate a comprehensive understanding of external factors influencing a small business.

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.

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 2–12 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

#### QUESTION ONE: STAKEHOLDERS

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Holly started *Buzzkeeper Honey* in 2014. Her business produces manuka honey made from bees foraging on manuka flowers on Waiheke Island. Currently, the hives are kept at a single location on the island. The honey is sought after by restaurants throughout New Zealand, primarily because the honey is produced on Waiheke Island, an unpolluted region of Auckland. Restaurants highlight the use of this ingredient and the exclusiveness of the honey being from Waiheke Island.

*Buzzkeeper Honey* has many different external stakeholders who are interested in the success of the business, such as customers, suppliers, and the local community.

(a) Discuss the relationship between restaurants throughout New Zealand and *Buzzkeeper Honey*.

In your answer:

•	define the term "external stakeholders"
•	state the purpose of Buzzkeeper Honey's customers (the restaurants) throughout New

e ne	eds and wants of different stakeholders are not always compatible with each	
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(b)

More space for this answer is available on the next page.

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# **QUESTION TWO: ENVIRONMENTAL INFLUENCES**

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During the hot summer months of 2016, Waiheke Island had a large bush fire, resulting in a significant loss of manuka bush, which homed the beehives for *Buzzkeeper Honey*.

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Natural disasters and extreme weather affect businesses of all sizes in different ways. However, research has confirmed that natural disasters may affect small businesses the most. Small businesses need to be prepared, so that they are able to survive after a natural disaster.

(b) Discuss how a named small business you have studied (maximum of 20 workers and/or with local or community significance) may have been prepared for, or could respond to, potential environmental influences such as extreme weather, earthquakes, floods, or other natural disasters.

Name of the small business	
Good(s) sold or service(s) provided	

## In your answer:

- identify ONE strategy your named business may have taken, or could take, to cope with extreme weather, earthquakes, floods, or other natural disasters
- fully explain ONE possible positive consequence for your named business of adopting this strategy

•	fully explain ONE possible negative consequence for your named business of adopting <b>only</b> this strategy, and describe another strategy that could also be used.

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# **QUESTION THREE: LEGAL INFLUENCES**

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Holly employs 14 staff at *Buzzkeeper Honey*. A law that impacts on *Buzzkeeper Honey*'s business operations is the Health and Safety at Work Act (previously the Health and Safety in Employment Act).

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n y	our answer:
•	identify the purpose of the Health and Safety at Work Act
•	fully explain ONE cost and ONE benefit of the Act for Buzzkeeper Honey.

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In order to maintain production levels of honey after the bush fire on Waiheke Island, Holly was forced to relocate some of her beehives into the urban areas of Auckland. Holly labelled the honey produced from these beehives with the same label as the honey produced from the beehives on Waiheke Island.

(b)	(i)	Identify the Act that <i>Buzzkeeper Honey</i> is in breach of by labelling all the honey as being produced on Waiheke Island.
	(ii)	Fully explain TWO possible impacts on <i>Buzzkeeper Honey</i> if it continues to breach this Act.

More space for this answer is available on the next page.

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