# Assessment Schedule - 2015

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

## **Evidence Statement**

Notes to Markers: guidance for awarding Achievement, Merit, or Excellence

**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.

**Evaluating** examines in detail by comparing and contrasting or identifying relationships to explain the impacts, effects and consequences of interacting factors in the business, plus strategic responses or solutions, and to provide a justified recommendation or draw justified conclusions on the significance or likely success of the factors/responses/solutions. 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, such as long-term impact or sustainability of the business.

Part	Sample answers / Evidence						
(a)	Ineffective quality management would have a negative impact on brand loyalty because customers/potential customers may perceive the campervans provided by <i>Moa Campers</i> to be a lower quality product (Stated), and therefore will not remain loyal to the business and may turn to competitors in the New Zealand and Australian markets (Explained). This would reduce sales and decrease profitability (Fully explained).						
(b)	Case study example: Fish processing						
	The Modular Harvesting System sees fish contained and swimming in a large, flexible PVC liner. Holes in the liner allow small fish to escape at depth and, once on the deck, any unwanted fish can be returned to the sea alive and unharmed (Stated). This is a form of process innovation, because it's a new idea that creates value through production (Explained). This improves sustainability of the fish stocks and enables fish to be landed in a better condition, which leads to premium pricing in export markets and increasing revenue for the firm (Fully explained).						
(c)	Example: Kaizen						
	This is a quality management philosophy that focuses on continuous change (Stated). Workers at <i>Moa Campers</i> would offer suggestions on how to improve production (Explained).						
	A possible advantage of Kaizen is that there will be less waste (Stated), for example resulting from workers' suggestions on how to improve the production process in terms of either space, materials, or maintenance (Explained). This will increase productivity, and therefore lower costs (Fully explained).						
	A disadvantage of Kaizen is that workers may be resistant (Stated), because this system of working is new to them (Explained). This will lead to a slow take-up and falling productivity, as staff work more slowly because of falling morale (Fully explained).						
	Conclusion						
	Because the workers are experienced (New information), it is important that they are allowed input into the production process, as they know more about how to improve it. This will make the Kaizen strategy a success in the longer term.						

(d) Managers can combat resistance by participation and involvement. This is where workers are included in decision-making within the change process.

This will make workers more motivated (Stated), because they are fully involved in the decision-making process by contributing ideas on how to deal with the situation (Explained). This improved motivation is likely to lead to rising productivity (Fully explained).

A disadvantage is that it will take more time to make decisions (Stated), because workers will need to be consulted by contributing ideas on how to deal with the situation (Explained). This may reduce productivity and delay the change process (Fully explained).

Conclusion

Participation and involvement may not be an effective strategy in this situation. The firm intends to quickly expand into South East Asia; involving workers in the decision-making process may take time that the firm does not have if it is to enter that market before its competitors.

## **Grade-score descriptors**

## Achievement

## Explains:

- how ineffective Quality Management (QM) might impact on brand loyalty and profitability
- ONE example of successful innovation by a New Zealand firm
- the chosen QM strategy in the context of *Moa Campers*
- a positive effect of the QM strategy
- a negative effect of the QM strategy
- a benefit of the change management strategy
- a cost of the change management strategy.

(Answers will typically **state** relevant examples, business knowledge, and/or Māori business concepts.)

#### **Achievement with Merit**

### Fully explains:

- how ineffective QM might impact on profitability in the New Zealand and Australian markets
- ONE example of successful innovation by a New Zealand firm
- a positive effect of the QM strategy
- a negative effect of the QM strategy
- a benefit of the change management strategy
- a cost of the change management strategy.

(Answers will typically **include** Māori business concept(s), where relevant, to support explanations.)

#### **Achievement with Excellence**

#### Evaluates:

- a QM strategy
- a change management strategy.

(Answers will typically **integrate** Māori business concept(s), where relevant, to support explanations.)

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.	Some Excellence evidence.	All Excellence evidence.

**N0** = No response; no relevant evidence.

## **Cut Scores**

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