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90839



NEW ZEALAND QUALIFICATIONS AUTHORITY
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SUPERVISOR'S USE ONLY

Level 1 Business Studies, 2015

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

9.30 a.m. Friday 27 November 2015

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.

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.

Excellence

TOTAL

19

ASSESSOR'S USE ONLY

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

QUESTION ONE: RECRUITMENT

Kate has a habit of hiring people she likes but who may not have the most appropriate skills or be the right fit for the organisation.

- (a) Discuss why following proper procedures for recruiting new staff is important to a business.

In your answer:

- define the term "recruitment"
- describe TWO recruitment procedures a business should follow, and fully explain how each procedure contributes to recruiting the right person for the job.

*job description
person specification*

The term recruitment refers to a business employing new people to work for the business. One recruitment procedure a business should follow is to make a job description. This is because ~~the business~~ having a job description will allow the business to find people who ~~have~~ ^{have} the appropriate skills for the job. This will result in the business functioning more effectively because the employees will be more skilled in that job, unlike hiring random people who do not have the appropriate skills, which may decrease productivity.

Another recruitment procedure a business should follow is to make a person specification. This is because you will then find ~~the~~ the right people who fit in with the business. An example of this ~~is~~ in The Real Event Company is that some employees do not get along with each other, so they should include in the person specification to have good teamwork. As a result, ~~this~~ this will help with avoiding conflict within the business and maintain a friendly and effective work environment.

(b) Discuss the impacts on the business of not employing the right person for the job.

In your answer:

- explain ONE impact on *The Real Event Company* of employing the wrong person, Chloe, for the job
- fully explain TWO ways to improve the recruitment process that Kate uses at *The Real Event Company*.

One impact on *The Real Event Company* of employing the wrong person is that it will decrease the productivity. This is because Chloe may not have the appropriate skills required for the position, therefore decreasing the productivity and profits of the business, as they don't know what they are doing. One way to improve the recruitment process at *The Real Event Company* is to make a job description and a person specification. This is so the business will be able to find the right people who meet the required skills and fit in with the other employees. Doing this will increase the productivity and effectiveness of the business as the employees will be skilled in that position. Another way to improve the recruitment process is to interview people who meet the skills for the job. This is because Kate can now further shortlist and allows her to also find people that she likes and think fit in with the rest of the team. As a result, the employees would know what they are doing, and help avoid conflict like the one Eve and Chloe is having.

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

00839

E8

QUESTION TWO: WORKPLACE CONFLICT

Kate does not get on with the administrators. She has recently employed Chloe, who is also having problems. Eve is feeling bullied by the two women.

- (a) Discuss the causes of this internal conflict at *The Real Event Company*.

In your answer:

- explain what has caused the initial conflict between Kate and Eve
- fully explain, with TWO reasons, why Chloe may not get on with Eve.

The conflict between Kate and Eve happened because Kate tends to hire people she likes, instead of people who have the appropriate skills for the job. One reason why Chloe may not get on with Eve is that Chloe ~~does~~ does not have the appropriate skills for the job. This is because Kate ~~hires people~~ doesn't always hire people who have the right skills, so Eve may be annoyed that Chloe got the job ~~and not Eve~~ even though she doesn't know what she is doing.)

Another reason why Chloe may not get on with Eve is that Chloe is the Team Leader of the administrators without knowing what she is doing. Even though Eve is the most skilled in all aspects of the job, she does not get to be a team leader and instead Chloe does. This causes Eve and Chloe to not get along with each other and causes conflict as she is not being treated fairly in the business.

- (b) Discuss solutions to resolve the conflict.

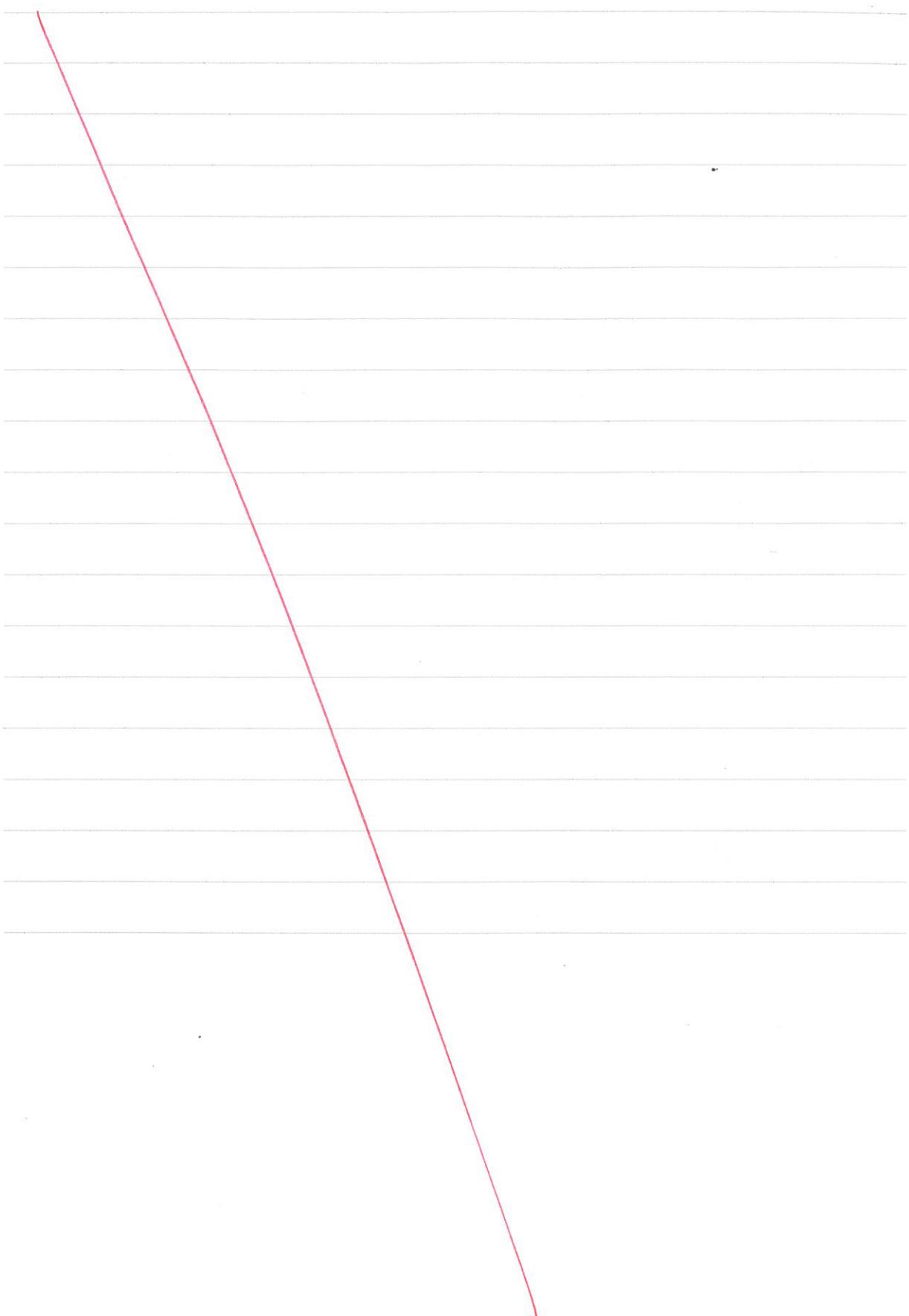
In your answer:

- explain TWO solutions for resolving the conflict
- select the better solution, and fully explain how it would resolve the conflict.

One solution for resolving the conflict is to discuss with everyone about what they are feeling. This is because it allows everyone to say what they are thinking and come up with a solution to resolve the conflict.

Another solution is for Eve to report the business. This is because Eve is not being treated fairly in the business.

The better solution is to discuss with everyone about the problem and try to resolve the conflict. This is because reporting the business is not beneficial to anyone, as Eve may lose her job and the business gets bad reputation. This may also result in the business having more conflicts due to the bad reputation.



A4

QUESTION THREE: COMPETITION

Simon is cautious of becoming a new competitor in the small events market, because it is so competitive.

- (a) Discuss the impacts of competition in the small events market.

In your answer:

- explain how the competition could negatively affect Simon's business
- fully explain TWO benefits to the **customers** of having more competition in the small events market.

Competition could negatively affect Simon's business because it will decrease their market share and ~~revenue~~ revenue.

This is because when other competitors come in, customers will ~~have~~ ^{have} more options to choose from, therefore less chance of them ~~using~~ using your business. One benefit ~~for customer~~ of ~~having~~ having more competition is that the price of them will decrease. This is because the businesses will be lowering their price due to competition to gain more sales and attract more customers. As a result, the price of the small events market will overall decrease due to more competition in similar markets. Another benefit for customers of having more competition is that there will be more options to choose from.

This is because there is more competition so there are more options to choose from to suit their needs. This also makes it more convenient for customers.

- (b) Discuss solutions for *The Real Event Company* which would deal with the issue of being a new competitor in the small events market.

In your answer:

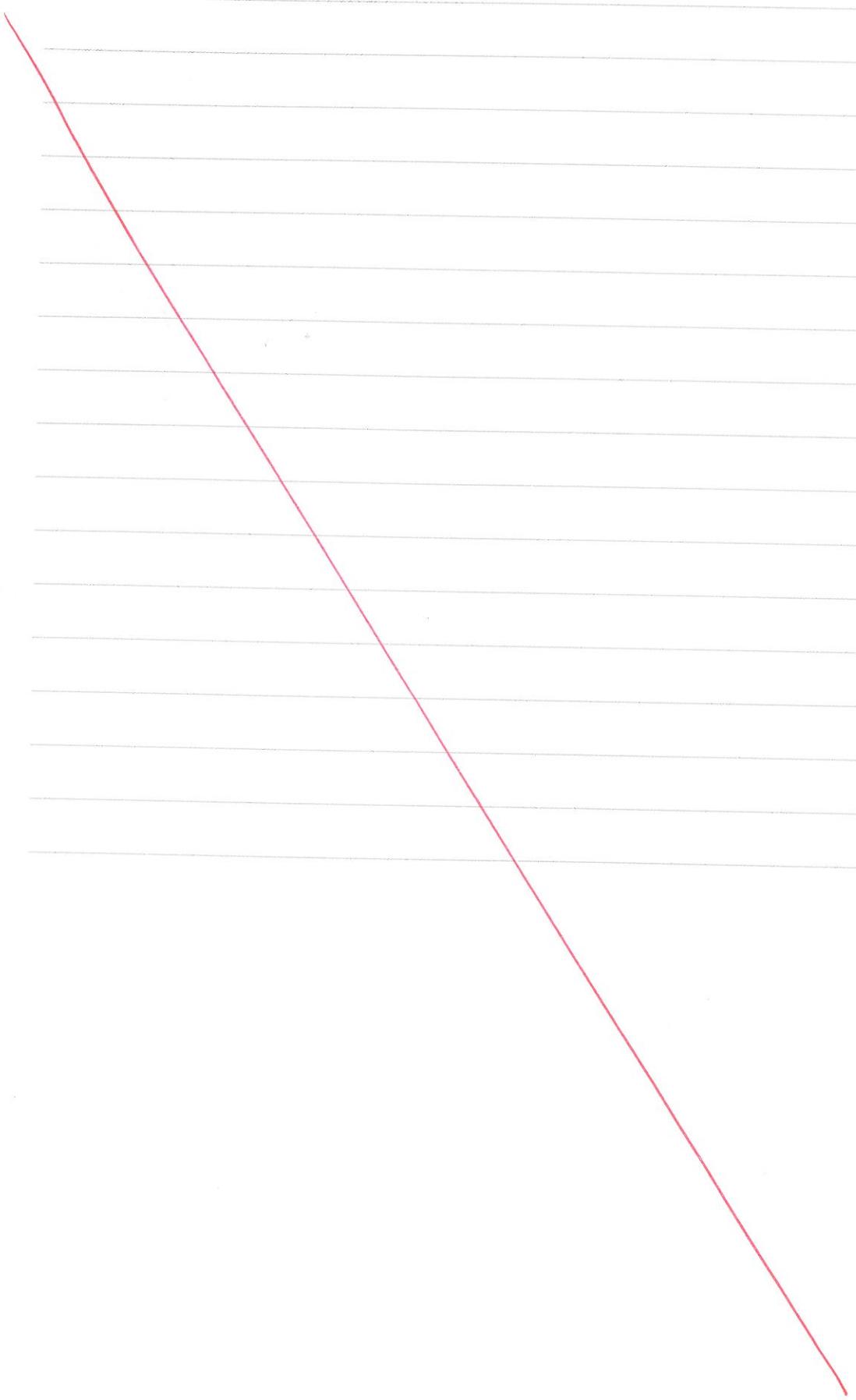
- explain TWO appropriate solutions
- select the better solution, and fully explain how it would deal with the issue.

One solution for *The Real Event Company* is to decrease the price of their service. This is because the lower the price, the more customers it will attract. This will result in the business earning more profit as there will be more sales due to the increase of customers.

Another solution for *The Real Event Company* is to make their service better quality and more unique than other competitors. This is ~~more~~ appropriate because it will attract more customers and make them choose you instead of other competitors due to the higher quality and uniqueness.

~~Both~~ The better solution would be to increase the quality ~~and uniqueness~~ and uniqueness of their service. Not only that it would attract more customers, they would keep coming back to use yours because they like the quality of the service. If you decrease the price of your service but have ~~is~~ bad quality, people would not come back to ~~use~~ use your business. Increasing the quality of your service would both attract customers and make them come back to use again, which overall will help you make more profit.

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



E7

Excellence exemplar for 90839, 2015		Total score: 19
Q	Grade score	Annotation
1	E8	The “person specification” is a fully explained answer that describes a specific recruitment procedure, explains why this procedure will recruit the correct person, and then develops the explanation to relate to the impact on <i>TREC</i> . This information is then applied to the recruitment procedures used by Kate, so has sufficient evidence for Excellence.
2	A4	Although the candidate discusses the impact of “reporting the business” this is not a fully explained answer, as neither what the solution is, nor why it will solve the conflict is explained. However, sufficient evidence is supplied for Achieved.
3	E7	The solution of “better quality” is a fully explained answer, as it gives a reason why it will attract customers by it, and then develops the answer to relate it to <i>TREC</i> being a new competitor, so needing to build/retain its customer base.