

90837



Draw a cross through the box (☒) if you have NOT written in this booklet



Mana Tohu Mātauranga o Aotearoa New Zealand Qualifications Authority

Level 1 Business Studies 2023

90837 Demonstrate an understanding of internal features of a small business

Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate an understanding of internal features of a small business.	Demonstrate a detailed understanding of internal features of a small business.	Demonstrate a comprehensive understanding of internal features of 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 2–16 in the correct order and that none of these pages is blank.

Do not write in any cross-hatched area () This area will be cut off when the booklet is marked.

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

Background information

Cullen owns *Flix and Pix*, a boutique movie theatre located in Pāpāmoa.

Cullen has two full-time employees, Lillian and Henry. He also employs local secondary school students part-time to cover the weekends and the busy holiday periods throughout the year, to meet increased demand from movie-goers.

QUESTION ONE:	Employer/employee	relationships
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(a)	Describe what is meant by 'effective employer/employee relationships'.					

Cullen is aware that it is important to maintain effective employer/employee relationships. As Cullen does not work with the part-time staff at all times, he has to ensure that he implements strategies in his business operations to maintain effective employer/employee relationships.

Cullen recently read in a business magazine that features of effective employer/employee relationships may include:

- trust
- honesty
- good communication
- teamwork
- training
- mutual respect.

- (b) Select TWO features of an effective employer/employee relationship, and for each feature:
 - describe the feature
 - explain an action that Cullen could take to demonstrate the feature with his part-time employees
 - explain how this action would achieve effective employer/employee relationships between Cullen and his part-time employees.

Selected feature (1):	
Description:	
Action that Cullen could take:	
Action that Gallon Goald take.	
How this action would achieve effective relationships:	

Selected feature (2):
Description:
Action that Cullen could take:
How this action would achieve effective relationships:

attitude toward	e impact on <i>Flix and Pix</i> . In your answer, you should refer to part-time emds the business.	plc

COVID-19 has created change and uncertainty for many businesses. To stay in business, Cullen has had to change the way he operates, and become more entrepreneurial. For example, he has been questioning why every movie theatre still offers the same assortment of snacks and drinks that they did years ago, and why pricing is not flexible for movies.

QU	EST	ION	TWO:	Entrepreneur	and	business	ob _.	ject	ives
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a)	Identify TWO entrepreneurial characteristics, and explain why each characteristic would be important for Cullen during uncertain times.					
ma	llen has completed a number of short business courses that have improved his business magement skills. During uncertain times, the number of movie-goers is typically more riable, which impacts on business revenue.					
b)	Explain how Cullen's improved management skills could contribute to the movie theatre remaining in business during uncertain times.					

Flix and Pix continues to have a good reputation for customer satisfaction, with online reviews consistently sitting at a 4.8 star rating out of 5. Cullen is aware from online feedback that customers are satisfied with the choice of movies on offer, but are often disappointed with outdated furnishings and a lack of variety and deals on movie snacks and sodas.

Some customer feedback has suggested that *Flix and Pix* should offer other experiences and activities alongside the movies, especially with predicted increases in the local population. Pāpāmoa is not dominated by retirees anymore – there are a number of young families moving into the area.

Cullen wants to continue to satisfy his customers and achieve business success. He has decided to set some new business objectives, based on customer feedback.

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Cullen has learned over the years that business success should have more than one purpose. He knows that to remain in business he has to make a profit, but he has also learned to value other factors, such as being socially responsible. *Flix and Pix* is part of the local Pāpāmoa community, and Cullen is passionate about giving back to that community.

Cullen recently initiated a 'Pay it forward' marketing campaign during the school holidays, to help those in the Pāpāmoa community who are struggling with increasing living costs and are unable to afford a movie outing.

When purchasing their tickets, movie-goers are given the option to 'pay it forward' by paying for a movie ticket for someone in need; if they do, they are rewarded with some free popcorn from *Flix and Pix*. To ensure the success of the campaign, Cullen needs to communicate it effectively.



QUESTION THREE: Communication and business success

(a) Discuss how *Flix and Pix* could effectively communicate their campaign to ensure business success is achieved.

In your answer:

- identify TWO methods of communication Flix and Pix could use to communicate their campaign
- for ONE of these methods, explain why the method would be effective in communicating the campaign by *Flix and Pix*, and how this would contribute to the success of the business.

There are many decisions made by businesses that can affect business success. In the box below, enter the details of a small business (maximum 20 workers and/or with local or community significance) that you have studied. **Do not use** *Flix and Pix*.

Naı	me of the small business:						
Go	Good(s) sold or service(s) provided:						
(b)	 Explain TWO decisions that the business has made, or could make, about its operations that may contribute to its success. In your answer: identify TWO ways in which the business can measure success for each way identified, explain a decision that the business has made, or could make, that may contribute to the success measure explain how the decisions above contribute to the success of the business. 						

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

QUESTION NUMBER	Tritto tilo quostion number(o) il applicable.	
NUMBER		

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