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

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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 (DO NOT WRITE). 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

(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: _____

How this action would achieve effective relationships: _____

Selected feature (2): _____

Description: _____

Action that Cullen could take: _____

How this action would achieve effective relationships: _____

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.

QUESTION TWO: Entrepreneur and business objectives

- (a) Identify TWO entrepreneurial characteristics, and explain why each characteristic would be important for Cullen during uncertain times.

Cullen has completed a number of short business courses that have improved his business management skills. During uncertain times, the number of movie-goers is typically more variable, 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.

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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The assessment continues on the following page.

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*.**

(b) Explain TWO decisions that the business has made, or could make, about its operations that may contribute to its success. In your answer:

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

QUESTION
NUMBER

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