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NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

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KIA NOHO TAKATŪ KI TŌ ĀMUA AO!

SUPERVISOR'S USE ONLY

Level 3 Business Studies, 2017

91379 Demonstrate understanding of how internal factors interact within a business that operates in a global context

9.30 a.m. Friday 10 November 2017
Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of how internal factors interact within a business that operates in a global context.	Demonstrate in-depth understanding of how internal factors interact within a business that operates in a global context.	Demonstrate comprehensive understanding of how internal factors interact within a business that operates in a global context.

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

There is ONE task in this booklet. You should attempt ALL FOUR parts of the task.

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

ASSESSOR'S USE ONLY

Read the background information below and in the other boxes about *Kemu*. This is the business that you may use to answer parts (a), (b), and (c) of the task.



Kemu was formed in 2010 and specialises in the development of games to play on platforms such as PlayStation and Xbox. *Kemu* has a small niche market, however it can charge a premium price due to the consistent quality and innovation shown in its gaming software.

The head office is located in Lower Hutt and there is a design team in Silicon Valley, California. The designers have proved to be most effective when working together as a team.

Kemu's CEO convinced the shareholders that to remain competitive, the company needed to start developing games for virtual reality (VR) technology. The CEO's decision to convert to VR games was influenced by attending a technology conference in San Francisco, where VR games featured. This conference was attended by many of the market leaders in the gaming industry.

Image source: <http://www.wareable.com/project-morpheus/sony-project-morpheus-release-date-price-games>

You may choose to answer parts (a), (b), and (c) using *Kemu*, or a New Zealand-registered business(es) operating in a global context that you have studied in depth.

In part (d) you must use a New Zealand-registered business operating in a global context that you have studied in depth.

Name of New Zealand-registered business(es)	
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(a) Fully explain ONE benefit the business may gain by introducing product innovation, such as the new VR games.

- staff motivation
- productivity.

b) Evaluate the likely success of an inclusive change management approach to convince employees to use innovative new technology.

- fully explain ONE positive and ONE negative effect of the inclusive change management approach for the business
- provide a justified conclusion, including any new information, as to the suitability of the inclusive change management approach for this business.

(c) Fully explain, with ONE reason, how negative online feedback may affect a business like *Kemu*, which is known for its consistent high quality and innovation.

- the effect on the use of a premium pricing strategy
- the impact on long-term revenue and profitability.

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The examination continues on the following page.**

- Quality Control
- Total Quality Management
- Quality Circles.

- | | |
|---|--|
| Name of New Zealand-registered business | |
| Quality management strategy | |

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