



National Certificate of Educational Achievement
TAUMATA MĀTAURANGA Ā-MOTU KUA TAEA

Exemplar for Internal Achievement Standard Business Studies Level 3

This exemplar supports assessment against:

Achievement Standard 91384

Carry out, with consultation, an innovative and sustainable business activity

An annotated exemplar is an extract of student evidence, with a commentary, to explain key aspects of the standard. It assists teachers to make assessment judgements at the grade boundaries.

New Zealand Qualifications Authority

To support internal assessment

	Grade Boundary: Low Excellence
1.	<p>For Excellence, the student needs to comprehensively carry out, with consultation, an innovative and sustainable business activity.</p> <p>This typically involves thorough planning and consultation for a business activity, and thorough evaluation of the business activity through:</p> <ul style="list-style-type: none"> • integrating business knowledge relevant to the business activity to fully support explanations • integrating a Maori business concept(s) where relevant to the business activity to fully support explanations. <p>This student has been part of a group that has comprehensively planned for and carried out a business activity. Innovation (1) and sustainability (2) goals and business knowledge are integrated (3) throughout the business plan. The group engaged with and was responsive to consultation with relevant specialist advisers.</p> <p>The group achieved Excellence for its business plan.</p> <p>The student has thoroughly evaluated the activity against the quadruple bottom line, emphasising the innovative and sustainable nature of the business. Flaws in planning or execution that contributed to goals not being achieved have been identified (4).</p> <p>For a more secure Excellence, the group could have undertaken more thorough research to ensure their costings were accurate (5), and created a SMART cultural goal (6).</p> <p>The student's evaluation should recognise that '<i>raising consumer awareness about New Zealand's cultural heritage</i>' (7) is a goal that cannot be accurately measured.</p>

Company Name	Vinobright
Product	Wine bottle lamps
Business plan contents	Executive summary (vision statement, SMART goals, business plan highlights), innovation and sustainability, directors, stakeholders, communication, marketing, finances, internal controls, operations, quality management, health and safety
Consultation	Ms WP technology teacher on production matters; Mr WT, school kaumatua on Maori designs, Mr MS sign writer on applying designs to bottles

Space does not permit Business Plan extracts beyond the standard's focus areas of innovation and sustainability to be shown in this Exemplar.

BUSINESS PLAN EXTRACTS

Company innovation

Vinobright's product is a regular empty wine bottle that has been turned into a unique outdoor lamp. Our product is innovative as we have taken a recyclable good and have transformed it into something completely different. By adding fairy lights into the bottle by drilling a hole in the bottom, we are able to use the bottle as a light reflector, creating a lamp. We are also able to use glass frosting to create Maori patterns on the glass, giving each bottle a unique cultural aspect. By using fairy lights that are battery powered instead of a wall plug, customers are able to transport their lamp to any position they require.

After looking online and finding competitors that sell similar products to Vinobright, we have come to the conclusion that our production method is unique. Being innovating and creative is very important to Vinobright as our main competitors have more advantages than us in the market.

Sustainability

- Economic

We are making certain that economic sustainability is being practised by constantly checking that short term costs are regularly taken care of and that the income is always higher than the expenses. Monitoring these economic factors will prevent monetary problems for the business. Vinobright aims to create a product that is successful enough in the market to provide a steady cash flow and offset costs. The main economic goals of the business are as follows:

 1. To break even as soon as possible
 2. To sell 230 units by the end of September
 3. To make a profit of at least \$900 by the end of September
 4. To avoid debt throughout the year in order to have a greater chance of being sustainable into the future
 5. To sell our business idea by November
- Environmental

Vinobright is using repurposed wine bottles to create its product. As these are made of glass they are completely recyclable, therefore making the main component of our product environmentally sustainable. The rest of our components may not be fully recyclable but they are sustainable in nature. This is illustrated by Vinobright's choice to use an LED light source inside the lamp over conventional (filament or gas) lighting. LEDs are sustainable due to their excellent life span and lumens to size ratio (very bright yet very small). The business's main environmental goals are:

 1. Minimise waste produced by Vinobright throughout production, packaging and sale of the product
 2. Prevent landfill and unnecessary dumping of otherwise recyclable material (e.g. the wine bottle) by other parties by repurposing it (lamp)
 3. Promote awareness of how the product repurposes waste bottles
- Social

Vinobright is going to donate 25% of its profit to a charity called Solar Aid which provides access to solar lights in some of the most remote regions of the world and is building a movement to eradicate kerosene lamps. We have decided to donate profits to Solar Aid as they supply lights to people in Africa and we thought that this would be good as the main focus for our business is to provide lighting to customers. Every \$6.24 we donate will provide two solar lights for the people in Africa.
- Cultural

Vinobright's main cultural goal is to make customers aware of New Zealand's cultural heritage. To achieve this we will be incorporating Maori designs onto the sides of each wine bottle lamp and thus promote awareness of the Maori

culture. By giving customers a reminder of the Maori culture's significance and place in New Zealand society, Vinobright hopes to preserve the recognition of Maori culture for future generations.

LINKS BETWEEN INNOVATION AND SUSTAINABILITY AND ASPECTS OF PLANNING

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1. Competitor analysis – two similar products were seen at the XXX Market and YYY Night Market. One was almost identical to Vinobright product therefore the directors decided to apply the frosted adhesive containing the Maori design cut-out.
2. Suppliers – identified a local restaurant who would supply empty wine bottles, contributing to the goal of avoiding debt. Rob's father, a sign writer, agreed to donate the sheets of frosted acetate needed to apply the Maori designs to the bottles, again contributing to the goal of avoiding debt.
3. Promotion – the restaurant supplier of the empty bottles would use the Vinobright lamps on their restaurant tables, along with a business card promoting the business and raising awareness about the environmentally friendly nature of the lamp.
4. Quality control – operations section reveals that the final drafts of the Maori designs on the acetate sheets were approved by the kaumatua prior to the production run, to ensure cultural sensitivity.

EXTRACTS FROM STUDENT 1's REVIEW

Innovation

Our original plan was simply to consult our kaumatua, Matua Wiremu, about appropriate Maori designs to use, As Mr WT told us the story behind each of the designs we got the idea of creating decorative cards with these back stories. We tied these cards around the neck of the bottles. Doing this added to our point of difference and therefore our innovation.

Sustainability

- Economic outcomes

The economic outcomes that we met were: breaking even early on (goal 1) and avoiding debt (4). These goals were achieved by the two rostered directors selling 10 lamps during the first of our many market days. Vinobright completely avoided debt. This goal was set in place so that the business could remain sustainable throughout the year. Breaking even at an early stage meant that Vinobright could cover costs and keep its suppliers happy.

We have not yet met our goals of selling 230 units and making \$900 profit. We have sold 170 units to date and made \$650 profit. The goals were out of our reach because of a lack of cash to supply more products, due to the risk of getting into debt. We discovered that our costings for LED lights were too low. We had budgeted for them on a per metre basis but found we needed to buy set lengths with power packs. The light source was the only component of our lamps that we had to actually pay for and the error in costing really threw our projections out. We are, however, very pleased with our sales and profit to date.

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Throughout the life of the company we have had good feedback from the restaurant about the Vinobright lamps on their tables and we know of five definite sales that have come from restaurant customers. We will leave the lamps with the restaurant (at no charge). Our intention is to approach three other restaurants in the area to see if they would also buy some of our lamps, on the basis that we are local students who are reducing glass waste going into landfills. After NCEA exams we will produce a good quantity of lamps and try to sell them at pre-Christmas night markets. In this way our business will be sustainable beyond L3 Business Studies.

- Environmental outcomes

All three of our environmental goals were achieved. We have taken 230 used wine bottles from our restaurant supplier; while some of these haven't yet been used we feel confident that the remainder will be converted to lamps in the near future. When we sold at markets and night markets we wrapped our lamps in newspaper. Our 'back story' decorative cards were handwritten on recycled brown card, and tied with string that I got from home.

- Social outcomes

We were partly able to achieve our social goal. 15% of the profit we have made to date has been donated to Solar Aid charity for clean/eco-friendly energy. We regret not highlighting that we were going to donate to Solar Aid on our business and story cards as this could have further improved our brand image and possibly sales.

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- Cultural and ethical outcomes

Vinobright was successful in raising consumer awareness about New Zealand's cultural heritage. By using the Maori design we set our product apart, created a visually pleasing lamp, while at the same time being respectful of the Maori culture.

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	Grade Boundary: High Merit
2.	<p>For Merit, the student needs to carry out, in depth and with consultation, an innovative and sustainable business activity.</p> <p>This typically involves sound planning and consultation for a business activity, and sound evaluation of the business activity through:</p> <ul style="list-style-type: none"> • including business knowledge relevant to the business activity to support explanations • including a Maori business concept(s) where relevant to the business activity to support explanations. <p>The student is part of a business group that has planned and carried out a business activity. The company's innovation and sustainability goals (1) have been explained in detail and business knowledge included throughout the plan. There has been consultation with a relevant specialist adviser.</p> <p>The student has evaluated the outcomes against the quadruple bottom line, demonstrating a good understanding of the areas of weakness (2) that prevented goals from being achieved.</p> <p>To reach Excellence, the group could have more comprehensively planned the activity. For example, a greater degree of research would have enabled more accurate planning for the cost of production (3). Innovation and sustainability goals would be linked to all relevant areas of the business plan.</p> <p>The group's decision on their selling price at would be consistent with market research participants' acceptance of a \$15-\$20 price, as the \$10 price contributed to the inability to meet the economic goal (4).</p>

Student 2: High Merit

NZQA Intended for teacher use only

Company Name	Collsic
Product	Music album (physical CD and online) performed by students associated with the school.
Business plan contents	Executive summary, introduction and goals, innovation and sustainability, vision, values and objectives, marketing, SWOT analysis, human resources, financials, quality control, operations
Consultation	Mr MC who is well known in the music industry and will advise on recording and marketing.

Space does not permit Business Plan extracts beyond the standard's focus areas of innovation and sustainability to be shown in this Exemplar.

BUSINESS PLAN EXTRACTS

Company innovation

Collsic will be creating a 100% New Zealand made album with the talented young artists from ABC College. These artists are the future of music in New Zealand and will be creating unique, original music. Collsic believes that as a business we can help these young artists become recognised and create a premium quality album that our school will be proud of. A percentage of the profits made from the album will go towards a local charity so that Collsic can give back to the community that will be supporting us. We believe this donation will be one of our points of difference.

It might be expected that a music album produced by a school group would be of average sound quality. On the advice of our mentor, we will be outsourcing production to professionals. Studio 203 will be used for recording and physical albums will be produced at Stebbing Recording Centre. Due to the technology-driven generation we live in today, many of our albums have been forecast to sell online. For these we will be using a website called Bandcamp which is renowned for its quality. We have made these decisions to ensure our product is superior to that produced by other schools, and of at least the same quality as our commercial competitors.

Another point of difference is that unlike our competitors who generally sell only through iTunes and/or music retailers, we will use a combination of these plus at school, at three local markets, our Facebook page, the YES trade fair and via the school website.

Sustainability

The quadruple bottom line is very important to Collsic as it will help to ensure that we build a sustainable business that will enable us to record other albums in the future. We have ensured that our business is "built to last" and will be able to function efficiently over a long period of time, while still returning a profit. Efficient production means that Collsic can get its albums to the market quickly.

- Economic
 - The business will be economically sustainable as we will be making a profit which will allow us to continue operating over a long period of time. **By selling the albums for \$10.00 each, we will make an \$8.50 profit on each album sold.**
 - Collsic's online sales will be very profitable as there is no cost to upload the music, nor a production cost to have them distributed. By buying blank CDs in bulk we will use economies of scale to reduce the average cost of physical albums. Our specific economic goals are:
 - To sell 500 albums by the end of the year (a five month period).
 - To make \$700 profit by the end of the year (\$100 per director)
- Environmental
 - Collsic aims to ensure production causes the minimum waste possible. We are using lean production by using as few resources as possible, including space, materials, stock, time and labour. By having a simple production process and being the main distributor we will reduce waste by having a low amount of packaging and a short supply chain. The CD case will be made from recyclable cardboard. Collsic will also be selling a proportion of albums online; as these albums will not have a physical presence they will not contribute to waste.
- Social
 - Collsic will be donating a 10% of our final profit to the NZ Music Foundation to contribute to the future of music in NZ and encourage young artists to pursue their passion in music. Donating to this foundation demonstrates Collsic's desire to achieve social sustainability.

- Cultural
Collsic is a very culturally diverse business with its directors coming from a wide range of ethnic backgrounds. Among our business values are acceptance, pride and understanding. The music we produce will express the culture not only of our college, but the culture of our business. We intend for our business to run smoothly as having common values and goals will allow us to work together productively.

By acting in a sustainable manner we are more likely to secure future investments, retain members of the business (thereby minimising hiring and training costs) and have sustained sales and profit.

EXTRACTS FROM STUDENT 2'S REVIEW

- Economic Goal
We met some of our economic outcomes. We were able to produce the music at its highest quality with professional recording. We created a professional looking website to sell our CDs online from.
Collsic was not able to sell all 500 CDs to break even and make a profit, leading the business to have a net loss. We were hoping to sell 400 CDs online and 100 physical CDs, however Collsic was able to produce and sell only 12 CDs. **The fixed and variable cost of producing the CDs was \$680 which was higher than the \$320 we expected.** However, the costs of the CD cases CDs themselves was more affordable at a total of \$20, which worked out at \$1.67 per CD. It was recording costs that were really expensive. For every CD that we sold at \$10, there was a loss of \$46.67, so Collsic was not able to break even. 3
Collsic made a loss so we realised that our planning was inaccurate because we underestimated the expenses thinking they wouldn't be as high. We did not have enough capital to cover all the costs needed to produce the CDs. This is because we didn't plan carefully enough. We could have done some extra fundraising and we should have followed our action plans. 2
- Environmental goal
Collsic met one of its environmental goals. We used recyclable packaging (cardboard cases). We were not able to use the eco-friendly cases but decided to use recyclable plastic for the cases instead. This will help reduce pollution to the environment. Collsic used lean production to minimise transportation and packaging, having the singers travel with the production managers reduced extra transport costs and doing the packing ourselves. We didn't use any plastic bags to reduce further damage to the environment.
An environmental goal we didn't meet was selling the albums online. **We failed to have a proper contract with the singers. It was only done verbally therefore the singers distributed their music online themselves.** So by selling physical albums only we didn't meet this environmental goal. 2
We failed to plan and follow the action plans and this resulted in the business not being able to meet our own expectations.
- Social goal
Collsic was able to meet one of its social outcomes which was to support our two singers. Tim and Peter were fully funded to produce their first ever album. We have received good feedback from the public on the quality of their music played live at school and community events.
We were not able to meet the goal of donating any profit to NZ Music Foundation. This reflects back on the business as we are not socially sustainable because we are not able to help out the community.
- Cultural and ethical
We demonstrated cultural and ethical values by having pride in our business. We were able to work together as a team to achieve our goals. We were encouraging and supportive of each other and had excellent customer service skills.
Although we did not demonstrate generosity by donating to the music charity, we were generous in that we didn't ask the two singers for any contribution towards recording their album.

	Grade Boundary: Low Merit
3.	<p>For Merit, the student needs to carry out, in depth and with consultation, an innovative and sustainable business activity.</p> <p>This typically involves sound planning and consultation for a business activity, and sound evaluation of the business activity through:</p> <ul style="list-style-type: none"> • including business knowledge relevant to the business activity to support explanations • including a Maori business concept(s) where relevant to the business activity to support explanations. <p>The student was part of a business group that produced a sound business plan. Their product was innovative in that it was unique to the location (1). The students consulted with a specialist adviser who was able to vouch for the organic nature of the product. In response to a decrease in demand the group diversified its product (2).</p> <p>For a more secure Merit, the group’s planning could have explored process as well as product innovation. By considering a broader range of products and packaging options, the group may have been more likely to achieve their economic (3) and environmental (4) goals.</p> <p>The student’s evaluation could more clearly specify actual performance against goals. For example, it is not apparent what profit has been made to date or how many bags of manure have been sold (5).</p>

Student 3: Low Merit
<small>NZQA Intended for teacher use only</small>

Company Name	Chookdoos
Product	Organic liquid fertilizer
Business plan contents	Executive summary (mission plan, vision statement, business goals, business plan highlights), company innovation, company sustainability, directors, internal communication, external stakeholders, marketing, competitor analysis, marketing mix, SWOT analysis, timeline of marketing activities, monthly sales forecast, financial analysis, internal controls, production, quality management, health and safety, production timeline
Consultation	Mr SF as mentor who checked lab results of product to ensure it was organic and of a high standard

Space does not permit Business Plan extracts beyond the standard's focus areas of innovation and sustainability to be shown in this Exemplar.

BUSINESS PLAN EXTRACTS

Company innovation

What makes our product unique is the fact that there is no other organic chicken fertilizer available in our suburban area. People wanting it would need to go out to the country. Because our product is organic it is better for the environment than other chemically made liquid fertilizers. Through research we found that chicken manure is the best natural fertilizer in the market today.

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Sustainability

- Economic
 - Because our product is inexpensive to produce this enables us to provide a high quality effective product at fair prices. The supplier of our fertilizer is a farmer who would normally sell bagged chicken manure at the farm gate but, as he is an uncle of one of our members, is willing to donate the manure to us. We found from our market research that a price of \$15 is best for our product as this is cheaper than other fertilizers and fits into an already niche market.
 - Our goal is to make a profit of \$950 during the 2015 year.
- Environmental
 - Our product is environmentally friendly in a number of ways. This includes packaging being recyclable, and as our product is 100% organic, there are no negative effects on the environment during production or use of the fertilizer.
 - Our environmental goal is to sell 140 units of our organic fertilizer in its recyclable packaging in order to reduce impact on the environment.
- Social
 - Our product encourages people to pick organically made products. Also, it encourages people to grow their own veggie patch to reduce the cost of groceries and promote healthy living.
 - Our social goal is to give 10% of our products to the ABC Foundation who support garden in schools programme in order to promote healthy diets in New Zealand kids.
- Cultural/Ethical
 - We intend to maintain a healthy work culture where we treat each other with respect.
 - We will assess the success of this cultural sustainability goal through surveys at the end of term three.

EXTRACTS FROM STUDENT 3's REVIEW

Innovation

During the life of our business we did not see any other suppliers of organic chicken fertilizer in our local or neighbouring area so we still believe that our product was unique and therefore innovative.

Sustainability

- Economic goal and outcome

Our economic goal was to make a profit of \$950 during the year. We did not achieve this goal. When we sell the remainder of our stock we will have made a profit of \$750. As selling of bags slowed down, we chose not to do another production run of 1L concentrate, and instead introduced a new product, bagged chicken manure. We sold 10kg bags of chicken manure for \$10 while our bottles sold at \$15. So if we'd done another production run of bottles we might have met our profit goal.

We also did not expect all of the costs we encountered. For example, the production costs of the bagged manure was unexpected and lowered the profit outcome.

A positive though is that we expected to be charged full price to sell at the XXX Market, however they were more than happy to support our school so only charged us \$5 rather than \$20.

- Environmental goal and outcome

Our goal was to sell 140 bottles of organic fertilizer in recyclable bottles. We did not meet this goal because we only produced and sold 70 bottles (one production run). The reason we didn't do two production runs for bottles was that we decided to introduce bagged manure. We used supermarket bags, giving them a new use. However these supermarket bags were not recyclable because if they were they would have decomposed, making the shelf life of the product very brief. This would be bad for our stock and bad for the customer if they did not use the manure straightaway. The 70 bottles we sold were able to be recycled in a home recycle bin when empty and rinsed.

- Social goal and outcome

We intended to give 10% of profits to the ABC Foundation who support the garden in schools programme. We did not reach this goal because, despite several attempts, the ABC Foundation did not get back to us. We also tried reaching out to other groups who did respond but were not interested. We didn't expect to be turned down. We found out that it was a lot more difficult to support these organisations than we thought. We also expected the organisations to reply to our contact attempts. In the end though, to meet a social goal of giving back to the community, we donated two unsold bags of fertilizer each to two local schools that run a garden in schools programme.

- Cultural and ethical goal and outcome

Our goal was to have a healthy work culture. We met this goal through good leadership from our CEO and good communication between team members. The CEO put out a survey to assess the work culture and all the team members agreed the work culture was really good. Directors were asked two questions: were you happy with how team members worked with each other, and how do you think we could have improved team management? The results of the survey were collated by the CEO then discussed at our final meeting. Throughout the year the CEO communicated really well with the other directors, helping to build a good culture.

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	Grade Boundary: High Achieved
4.	<p>For Achieved, the student needs to carry out, with consultation, an innovative and sustainable business activity.</p> <p>This typically involves planning for a business activity, consulting for a business activity, carrying out the business activity and evaluating the business activity through:</p> <ul style="list-style-type: none"> • stating business knowledge relevant to the business activity • stating a Maori business concept(s) where relevant to the business activity. <p>This student was part of a group that produced lemon curd from donated lemons, distributing along with an information sheet. The plan contains some sustainability goals to satisfy the quadruple bottom line (1). The group has consulted with an experienced curd maker. The activity was carried out as articulated in the operations section of the plan.</p> <p>To reach Merit, the group could include more detail in its business plan, and consider other aspects of the quadruple bottom line. For example, to enhance environmental sustainability it could explore the re-use of glass jars. Ethical sustainability could be enhanced by the application of the hygiene requirements of food production. Intentions would be reframed as SMART goals (2).</p>

Company Name	Luscious Curd Co
Product	Jars of lemon curd
Business plan contents	Executive summary, mission and objectives, marketing, people, finance, operations
Consultation	Tiana's grandmother, Mrs EE, experienced curd maker who advised on recipe and production method

Space does not permit Business Plan extracts beyond the standard's focus areas of innovation and sustainability to be shown in this Exemplar.

BUSINESS PLAN EXTRACTS

Company innovation

Our business is innovative as we are not just selling jars of lemon curd, we are also providing our customers with an information sheet on the uses of lemon curd and its ingredients. Our competitors do not provide this extra service. The fact sheet is something we know will be a successful concept after carrying out some market research. We found that people were interested in the product but did not understand exactly what to use lemon curd for. The information sheet will be separate from the product and packaging and available to any customers wishing to have it.

Sustainability

• Economic

It is our intention to break even and to repay the capital each director invested as well as making a profit.

• Environmental

Our business will be sustainable environmentally as the lemons we are using are second grade Meyer lemons from Zeafruit. If we did not use the lemons there would be a high chance they would be wasted as they are not up to a standard to be sold commercially as first grade. To produce lemon curd we don't need a high quality lemon as we only require the juice and the rind. The small minor cosmetic markings that are present on this second grade fruit will have no impact on the outcome of this product and is why they are the perfect sustainable product to us. We are sustainable as we are able to use a product that would otherwise be wasted.

• Social

We will donate five jars of lemon curd to Mrs EE's rest home.

• Cultural and ethical

We will take care to treat each other with respect and to respect all customers regardless of their cultures.

We will follow our business's code of conduct.

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EXTRACTS FROM STUDENT 5's REVIEW

Innovation

We saw many other examples of jars of lemon curd on supermarket shelves and at fairs and markets. The characteristic that made our Luscious Curd stand out was the information sheet telling customers of the many uses for the curd. The list of ingredients on the sheet set us apart from other home-produced curds, but not from supermarket curd products.

Sustainability

• Economic

From an economic perspective our business has gone well as by the end of the period we sold via our school website, at school, at the GJ retirement village and at five markets to meet our breakeven point and made a total profit of \$351.55, just over 25% more than projected. Our lemon curd had a 194% mark-up as we received the lemons for free. We reached breakeven point after our second market. The total profit we achieved met the “reasonable” target we set ourselves on the pessimistic/reasonable/ optimistic spectrum.

We were fortunate to be able to promote Luscious Curd fairly extensively but by incurring under \$5 in paper, sheets of labels and photocopying costs. One of our directors, Saul is a talented artist and he created effective imagery for our labels and posters. We also gained free publicity on the school website and in the newsletter, and used Twitter and Facebook to raise awareness of our product free of charge. Conducting taste tests in the school staff room and at the GJ retirement home exposed our curd to supportive adults, many of whom bought jars.

- Environmental

We used second grade lemons which means that we reduced waste by using a product which otherwise would have been thrown away. We explained this when selling our lemon curd as it made our product more appealing.

When we were doing our taste test in the staff room at interval, a teacher pointed out that wooden spoons would be more eco-friendly than plastic ones as wood takes between three to five months to decompose whereas plastic never breaks down. We took this advice on board and when we conducted the second taste test and sold at school, at market days and night markets, we used wooden ice-cream sticks for tasting.

We missed a good opportunity to really make a difference to reducing waste. We should have tried to source used jars for some if not all of our units but some of the directors felt it was important that all of the jars looked the same. Although a variety of jars would have meant we had irregular weights of curd, I felt we could get around this by grouping jars into large and small and having two weight measures. I still feel that customers might have taken our commitment to environmental sustainability more seriously if we'd reused jars.

- Social

From a social perspective our directors made an effort to go out into the public to sell to strangers at markets. Our first exposure to potential customers was in the staff room during interval. This gave us an insight into the types of questions customers might ask and gave us a chance to practise our selling pitch to supportive customers. During the selling period we all improved our social skills, in particular our communication, teamwork and initiative skills. At the start the intention was that everyone would take turns selling but it became clear that one director was extremely uncomfortable (and therefore not good at) selling, so we accepted this.

- Cultural and ethical

From a cultural perspective our business has been successful in both our product and business practices. We were able to be culturally accepting to different cultures present at the markets and our product appealed to all cultures. Our product did not specifically target certain cultures anyway. The Maori concept of manaakitanga, which is hospitality, generosity, care and giving, is a concept we were able to incorporate into our business as we were able to sell our product to the community and provide for people appropriately. We also gave back to our customers by providing them with a free recipe card and engaging with them when selling our product. Our business practices were ethical as we treated everyone fairly within our business and those we communicated with and needed products from, such as our suppliers. We developed our curd making skills one Sunday at my home, but took care that all curd that was going to be sold was produced under strictly hygienic conditions in the school hospitality room. We observed very high standards of cleanliness and wore gloves and hairnets, therefore remaining ethical by meeting health and safety requirements.

	Grade Boundary: Low Achieved
5.	<p>For Achieved, the student needs to carry out, with consultation, an innovative and sustainable business activity.</p> <p>This typically involves planning for a business activity, consulting for a business activity, carrying out the business activity and evaluating the business activity through:</p> <ul style="list-style-type: none"> • stating business knowledge relevant to the business activity explanations • stating a Maori business concept(s) where relevant to the business activity. <p>This student was a member of a group that planned and executed a business activity selling body scrub manufactured from recycled coffee grinds. This aspect differentiated the business from its competitors (1). The business plan included sustainability outcomes and contained relevant business knowledge. Some of the group's sustainability goals are SMART in nature (2).</p> <p>The group engaged in consultation with a <i>Dragons' Den</i> panel. However it is unclear if members acted on suggestions or if any of the dragons were experts in areas relevant to the product.</p> <p>The grade the group received for its planning and execution is Achieved.</p> <p>For a more secure Achieved, the group could ensure all intentions are framed as SMART goals and ensure that the activity is executed as planned. Market research would be conducted with the target demographic and thorough investigations of costs would be undertaken to ensure that the desired packaging was realistic and affordable.</p>

Student 5: Low Achieved
NZQA Intended for teacher use only

Company Name	Javascrub
Product	Coffee based body scrub using recycled coffee beans
Business plan contents	Executive summary, innovation and sustainability, marketing, human resources, finance, operations, health and safety, code of conduct
Consultation	Pitch to a Dragon's Den panel whose members gave general feedback

Space does not permit Business Plan extracts beyond the standard's focus areas of innovation and sustainability to be shown in this Exemplar.

BUSINESS PLAN EXTRACTS

Innovation

Recycled coffee beans will be our unique point of difference when we market our coffee-based body scrub. Since using regular coffee grinds would produce waste, the fact that we are using the waste to create a healthy product does two things. One is that it completely eradicates the waste problems that many other body scrub companies may have to face. Second, the use of recycled beans caters to people's sense of obligation to reduce, reuse and recycle. Customers will feel good about buying our product because they will know that they are helping the environment and minimising waste. ①

Sustainability

- Economic goals
We aim to sell 250 units by the end of term three, and to make an overall profit of at least \$2,340 by November. ②
- Social goals
We will be putting our customers first, providing them with a quality and affordable body scrub. Our packaging and promotion will raise awareness about recycling as well as cruelty-free cosmetics. We aim to give Fairtrade ANZ \$234 (10%) of our profit by November. ②
- Environmental goals
Our body scrub uses the waste that is produced by roasted coffee beans as its core ingredient. We will get our coffee grinds from Daily Grind Café so this will reduce the amount of waste that is produced by Daily Grind Café by a quarter. We will take 500 grams of the 2 kg of grinds they throw away each day. ②
Because our body scrub recycles used materials and does not involve any animal testing or contain any animal products, this means extreme animal lovers could be more attracted to it than other body scrubs that may be, or may just be perceived to be, harmful to the environment.
Our marketing methods will be digital, minimising our business's environmental impact as this will mean no paper or related resources will be used in marketing. We will also communicate with our key stakeholders digitally.
The labels on our body scrub containers will be professionally hand-printed using recycled paper.
- Cultural/Ethical goal
We have agreed on a code of conduct and set of values for our business. These include high standards of how we will work respectably towards our customers and each other.

EXTRACTS FROM STUDENT 4's REVIEW

- Economic goal and outcome
Our goal was to sell 25 units in June, 100 in July, 50 in August, 50 in September and 25 in October and to make a \$2340 profit.

We did not meet the profit goal or the targeted unit sales goals. This was mainly due to a lack of planning in some areas of our business plan. For example, we carried out our market research on students at our school but most of the customers we sold to at the series of farmers' and night markets were adults. We have brought in \$360 so far, however we are looking to achieve our goal next year through increased motivation.

We also aimed to minimise spending on advertising. We only spent a minimal amount on advertising so we achieved that part of our goal. A factor contributing to this was our application for sponsorship from NZ Sign Solutions, leading to free business cards in exchange for promoting their logo.

- Environmental goal and outcome

Our goal was to reduce the waste of Daily Grind Cafe by a quarter. Because we did not sell as much of our product as we expected, we made less of an impact on the waste of Daily Grind Café than we wanted. We have still made an impact on their waste but did not recycle a quarter of it. To increase the amount of waste we recycle we would need to create a far higher demand for our product.

We were initially planning to use recyclable packaging however this was extremely expensive and not economically sustainable for us. This did lower our environmentally-friendly approach to business.

- Social goal and outcome

Our goal was to give Fairtrade ANZ 10% of overall profit. Our company made a loss of \$1600. We are therefore unable to donate any money to Fairtrade ANZ meaning we did not achieve our goal.

- Cultural and ethical goal and outcome

We used different approaches when gaining feedback from employees and customers. We did an official written survey of employees and decided to gain customer feedback orally as a formal survey can make customers feel undervalued, as if they are one of many unimportant customers. Face-to-face feedback allows the customer to feel connected and valued by the company. We did meet our cultural goal as 100% of customer feedback was positive and over 95% of employee results were at the highest possible level.

	Grade Boundary: High Not Achieved
6.	<p>For Achieved, the student needs to carry out, with consultation, an innovative and sustainable business activity.</p> <p>This typically involves planning for a business activity, consulting for a business activity, carrying out the business activity and evaluating the business activity through:</p> <ul style="list-style-type: none"> • stating business knowledge relevant to the business activity • stating a Maori business concept(s) where relevant to the business activity <p>This student has been part of a group that has comprehensively planned for and carried out a business activity. Innovation (1) and sustainability (2) goals and business knowledge are integrated (3) throughout the business plan. The group engaged in consultation with relevant specialist advisers.</p> <p>The group received Excellence for its business plan.</p> <p>To reach Achieved, the student must provide insight into why the outcomes occurred, and evaluate the performance of the business activity in relation to the desired economic, social, environmental and cultural/ethical goals.</p> <p>The student's individual grade is Not Achieved.</p>

Student 6: High Not Achieved

NZQA Intended for teacher use only

Company Name	Vinobright
Product	Wine bottle lamps
Business plan contents	Executive summary (vision statement, SMART goals, business plan highlights), innovation and sustainability, directors, stakeholders, communication, marketing, finances, internal controls, operations, quality management, health and safety
Consultation	Ms WP technology teacher on production matters; Mr WT, school kaumatua on Maori designs, Mr MS sign writer on applying designs to bottles

Space does not permit Business Plan extracts beyond the standard's focus areas of innovation and sustainability to be shown in this Exemplar.

BUSINESS PLAN EXTRACTS

Company innovation

Vinobright's product is a regular empty wine bottle that has been turned into a unique outdoor lamp. Our product is innovative as we have taken a recyclable good and have transformed it into something completely different. By adding fairy lights into the bottle by drilling a hole in the bottom, we are able to use the bottle as a light reflector, creating a lamp. We are also able to use glass frosting to create Maori patterns on the glass, giving each bottle a unique cultural aspect. By using fairy lights that are battery powered instead of a wall plug, customers are able to transport their lamp to any position they require.

After looking online and finding competitors that sell similar products to Vinobright, we have come to the conclusion that our production method is unique. Being innovating and creative is very important to Vinobright as our main competitors have more advantages than us in the market.

Sustainability

- Economic

We are making certain that economic sustainability is being practised by constantly checking that short term costs are regularly taken care of and that the income is always higher than the expenses. Monitoring these economic factors will prevent monetary problems for the business. Vinobright aims to create a product that is successful enough in the market to provide a steady cash flow and offset costs. The main economic goals of the business are as follows:

 6. To break even as soon as possible
 7. To sell 230 units by the end of September
 8. To make a profit of at least \$900 by the end of September
 9. To avoid debt throughout the year in order to have a greater chance of being sustainable into the future
 10. To sell our business idea by November
- Environmental

Vinobright is using repurposed wine bottles to create its product. As these are made of glass they are completely recyclable, therefore making the main component of our product environmentally sustainable. The rest of our components may not be fully recyclable but they are sustainable in nature. This is illustrated by Vinobright's choice to use an LED light source inside the lamp over conventional (filament or gas) lighting. LEDs are sustainable due to their excellent life span and lumens to size ratio (very bright yet very small). The business's main environmental goals are:

 4. Minimise waste produced by Vinobright throughout production, packaging and sale of the product
 5. Prevent landfill and unnecessary dumping of otherwise recyclable material (e.g. the wine bottle) by other parties by repurposing it (lamp)
 6. Promote awareness of how the product repurposes waste bottles
- Social

Vinobright is going to donate 25% of its profit to a charity called Solar Aid which provides access to solar lights in some of the most remote regions of the world and is building a movement to eradicate kerosene lamps. We have decided to donate profits to Solar Aid as they supply lights to people in Africa and we thought that this would be good as the main focus for our business is to provide lighting to customers. Every \$6.24 we donate will provide two solar lights for the people in Africa.
- Cultural

Vinobright's main cultural goal is to make customers aware of New Zealand's cultural heritage. To achieve this we will be incorporating Maori designs onto the sides of each wine bottle lamp and thus promote awareness of the Maori

culture. By giving customers a reminder of the Maori culture's significance and place in New Zealand society, Vinobright hopes to preserve the recognition of Maori culture for future generations.

LINKS BETWEEN INNOVATION AND SUSTAINABILITY AND ASPECTS OF PLANNING

3

5. Competitor analysis – two similar products were seen at the XXX Market and YYY Night Market. One was almost identical to Vinobright product therefore the directors decided to apply the frosted adhesive containing the Maori design cut-out.
6. Suppliers – identified a local restaurant who would supply empty wine bottles, contributing to the goal of avoiding debt. Rob's father, a sign writer, agreed to donate the sheets of frosted acetate needed to apply the Maori designs to the bottles, again contributing to the goal of avoiding debt.
7. Promotion – the restaurant supplier of the empty bottles would use the Vinobright lamps on their restaurant tables, along with a business card promoting the business and raising awareness about the environmentally friendly nature of the lamp.
8. Quality control – operations section reveals that the final drafts of the Maori designs on the acetate sheets were approved by the kaumatua prior to the production run, to ensure cultural sensitivity.

EXTRACTS FROM STUDENT 6's REVIEW

Innovation

Our putake was to recycle wine bottles into lamps and we achieved this goal. We produced and sold repurposed wine bottles that had LED fairy lights inside them and Maori designs cut from frosted acetate applied to the bottles. We got very good feedback about our product with many people at markets saying they had never seen anything like it before. This made us think that it really was innovative.

Sustainability

- Economic outcomes
We managed to break even as soon as possible.
We did not sell the 230 units we hoped to but instead sold 170.
This meant that the profit made was \$250 less than we had planned. I believe this profit was made because we had a good work ethic and respected each other. We were organised and didn't have too many disagreements.
We were pleased to achieve the goal of not incurring any debt.
We did not manage to sell our business idea but hope to remain a sustainable business by continuing to sell our product to restaurants and consumers.
- Environmental outcomes
Our business proved that it is possible to take something that is just going to be thrown away and by spending just a little money on some fairy lights, produce a really good looking lamp that customers want to buy. By selling 170 lamps that was 170 bottles that didn't go into landfill. We didn't had to use fancy packaging either. Customers were quite happy to get their lamps wrapped in newspaper.
- Social outcomes
We donated 15% of the profit we have made to Solar Aid so we achieved our social goal.
- Cultural and ethical outcomes
We met our cultural goal by including Maori designs on our lamps. These were approved by our kaumatua therefore we acted in an ethical way.