



Year 11 Business Studies Assessment Task 2, 2024

TOPIC: Business Management	MARKS: /20
SUBMISSION REQUIREMENTS: Wednesday 19 th June 2024 This task must be submitted on Canvas by 11.59pm. <i>If unable to complete the task by the due date and time, you must complete an Illness/Misadventure form.</i>	WEIGHTING: 40%
OUTCOMES TO BE ASSESSED: P2 – Explains the internal and external influences on businesses. P6 – Analyses the responsibilities of businesses to internal and external stakeholders. P7 – Plans and conducts investigations into contemporary business issues.	
DIRECTIONAL VERBS: Analyse: Identify components and the relationship between them; draw out and relate implications Explain: Relate cause and effect; make the relationships between things evident; provide why and/or how Conducts: Organises and carry out	
TASK DESCRIPTION: You are to conduct an investigation into a contemporary Australian business which has globalised and report your findings in a <i>business report format</i> . Your report should explain the internal and external influences on a business as well as analyse the responsibilities of the business to your chosen internal and external stakeholders.	
ASSESSMENT CRITERIA: In order to successfully complete your business report, you will need to complete the following steps: Select one of the businesses listed below: <ul style="list-style-type: none">• Afterpay Limited• Flight Centre Travel Group Limited	

1. **Conduct** an investigation into your selected business which does the following:
 - Explain** at least 3 internal and 3 external influences on the business and how the business responds to these influences.
 - Explain** the potential involvement or influence of 3 internal and 3 external stakeholders of the business.
 - Analyse** the business' responsibility to stakeholders in responding to internal and external influences.

2. **Communicate** your findings in a business report format including:
 - Executive summary
 - Bolded** headings –including:
 - Introduction (brief outline of the business)
 - Internal influences
 - External influences
 - Internal Stakeholders
 - External Stakeholders
 - Business' responsibility to stakeholders in dealing with internal influences
 - Business' responsibility to stakeholders in dealing with external influences
 - Inclusion of relevant graphs, diagrams and relevant business data. These should be labelled and referred to in your report.
 - Conclusion (you do NOT need to provide a recommendations section in this report)
 - Font size 12 and 1.5 spaced lines.
 - Roughly 4-6 A4 pages.
 - Include a bibliography to demonstrate the sources of information.
 - See the following article as a starting point – the information is a little old now, but it has some good information on things that you might wish to consider for the external / internal influences and responsibilities to stakeholders. Financial Review '*Australian companies expanding their wings offshore*' 12 August 2017. It is also available on CANVAS with the task.

<https://www.afr.com/wealth/investing/australian-companies-expanding-their-wings-offshore-20170809-gxs9jp>

There will be opportunities during lunch over the coming weeks to work with your teachers on your assessment task. Your class teacher will let you know of their availability.

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ASSESSMENT MARKING CRITERIA

P2 – Explains the internal and external influences on businesses. P6 – Analyses the responsibilities of businesses to internal and external stakeholders. P7 – Plans and conducts investigations into contemporary business issues.	Mark	Grade
Student has conducted an extensive and well-planned investigation into a contemporary business. The findings are presented in a detailed and sophisticated business report that demonstrates an outstanding explanation and analysis of the chosen contemporary business with a specific focus on internal and external influences upon the business. Students effectively demonstrate a detailed understanding of the relevant internal and external stakeholders and presents a sophisticated analysis of the responsibilities of the chosen business in regard to these stakeholders. Proper business report structure is evident, with correct heading and sophisticated integration of graphs, diagrams, statistics and other relevant business data.	17 - 20	A
Student has conducted a thorough, well-planned investigation into a contemporary business. The findings are presented in a detailed business report that demonstrates a comprehensive explanation and analysis of the chosen contemporary business with a specific focus on internal and external influences upon the business. Students effectively demonstrate thorough understanding of the relevant internal and external stakeholders and presents an analysis of the responsibilities of the chosen business in regard to these stakeholders. Proper business report structure is evident, with correct heading and integration of graphs, diagrams, statistics and other relevant business data.	13 - 16	B
Student has conducted a sound investigation into a contemporary business. The findings are presented in a business report that demonstrates an explanation and analysis of the chosen contemporary business with a specific focus on internal and external influences upon the business, although this may lack the necessary detail. Students demonstrate an adequate understanding of the relevant internal and external stakeholders and presents an analysis of the responsibilities of the chosen business in regard to these stakeholders, but this may also lack detail. Proper business report structure is evident, with correct headings and inclusion of graphs, diagrams, statistics and other business data, although this may not be integrated effectively.	9 - 12	C
Student has attempted to conduct an investigation into a contemporary business, which lacks depth. The findings are presented in a business report that demonstrates a description and explanation of the chosen contemporary business but does not focus effectively on internal and external influences upon the business. Students demonstrate a basic understanding of internal and external stakeholders and presents an explanation of the responsibilities of the chosen business in regard to these stakeholders. Proper business report structure is not evident, with correct headings not used and no inclusion of graphs, diagrams, statistics and other relevant business data.	5 - 8	D
Student has conducted a limited investigation into a contemporary business. The business report may only identify and describe the business with little to no reference to internal and external influences and stakeholders. Business report structure has not been implemented effectively, with incorrect use of graphs, diagrams, statistics and other relevant business data.	1 - 4	E

Business report template

This document is designed to help you structure your assessment task and to figure out what information you need to discuss in each section of your response.

Please note that the tasks states that you are to incorporate graphs, tables, diagrams, etc., into your response. It is up to you what you use based on what you think is most appropriate to the argument you have made. However, you must refer to any graphs, tables, diagrams, etc., that you use in your response. These also do not count towards your 4-6 page limit.

Executive Summary

This is very similar to an introduction; however, it summarises the entirety of your argument. Due to this, you will need to complete the rest of your report first and then write your executive summary.

Think of it this way – if you were presenting a report to a very busy CEO of a major company and they had only 5 minutes to summarise your entire report (which in the real business world would be VERY long), what would they absolutely need to know? This is the information that you put in your executive summary – the vital points of your report summarised into about a paragraph in length. You can include dot points in your Executive Summary.

Introduction

Here you provide an overview of the business using the research you have conducted. This is where you essentially ‘set the scene’ for the rest of your report. It is the context to what will follow relating specifically to your business and the influences that are relevant to that business. Consider when the business was established, where it began, what products the business sells or service it provides and then introduce the focus of the report.

Internal Influences

Here you explain at least 3 internal influences on the business and how the business has responded to these internal influences. You should include what is an internal influence?, What internal influences affect your chosen business? (choose 3), explain how each of these internal influences have impacted the business and how the business has responded to them.

External Influences

Here you explain at least 3 external influences on the business and how the business has responded to these external influences. You should include what is an external influence? What external influences affect your chosen business? (choose 3), explain how each of these external influences have impacted the business, and how the business has responded to them.

Internal Stakeholders

Here you need to explain the involvement or influence of 3 internal stakeholders of the business. You should include what is an internal stakeholder? Identify 3 internal stakeholders in the business, describe the role of each of these internal stakeholders, and explain how each internal stakeholder you have identified is involved in and affects the business, its operations and decisions.

External Stakeholders

Here you need to explain the involvement or influence of 3 external stakeholders of the business. You should include what is an external stakeholder? Identify 3 external stakeholders in the business, describe the role of each of these external stakeholders, and explain how each external stakeholder you have identified affects the business, its operations and decisions.

Business' responsibility to stakeholders in dealing with internal influences

Here you need to analyse the business' responsibility to stakeholders in responding to the internal influences you identified earlier. This means you need to analyse how the business meets the needs of the stakeholders (internal and external) when responding to the internal influences. *Note: they may not be meeting the needs of every stakeholder when responding to each internal influence.*

Business' responsibility to stakeholders in dealing with external influences

Here you need to analyse the business' responsibility to stakeholders in responding to the external influences you identified earlier. This means you need to analyse how the business meets the needs of the stakeholders (internal and external) when responding to the external influences. *Note: they may not be meeting the needs of every stakeholder when responding to each external influence.*

Conclusions

Here you make a brief statement about the business and its potential for future success through response to internal and external influences.

Bibliography

On a new page you will need to include a bibliography. It is important to acknowledge your sources of information. It is important that you follow the established rules below regarding what to include in a bibliography and its correct layout. The information below includes an outline of how this should be done. Please use APA reference to cite your research.

General Guidelines:

- keep a record of the sources you use as you go
- add your bibliography on a separate page at end of your work
- Include the heading **Bibliography**
- arrange items in alphabetical order according to author, or title when there is no author
- use italics for the main title
- take note of correct punctuation, as shown in examples
- Include the date on which you viewed website pages and add the URL.
- p. stands for page; pp. for pages.

NOTE: You may use an online reference generator or the references tab on Microsoft word to construct your bibliography.

Examples
<p>Books Edwards, Paul. 2006, <i>7 Keys to Successful Study</i>. ACER, Hawthorn. Marsden, J.B. 2003, <i>Everything I know about writing</i>. Allen and Unwin, Port Melbourne.</p>
<p>Books with more than one author Cameron, K., Lawless, J., and Young, C. 2000, <i>Investigating Australia's 20th Century History</i>. Nelson, Southbank.</p>
<p>Encyclopedia entry 'Education', Encyclopedia Britannica. 1998, Encyclopedia Britannica Inc., Chicago. Vol.4. p. 373.</p>
<p>Encyclopedia (online) 'Literature for Children,' World Book Online. viewed 4 June 2010, http://www.worldbookonline.com</p>
<p>Website (with author) Credaro, Alex. <i>Constructing Bibliographies</i>. viewed June 14, 2010, http://www.geocities.com/koalakid_1999/loyola/biblio.html</p>
<p>Website (no author) 'Origins of society: fact and myth', Skwirk. viewed 6 June, 2010, http://www.skwirk.com.</p>
<p>Journal and newspaper articles Kluger, J. 2008, 'The battle to save your memory', Time Magazine. 12 June, pp. 52-57. Oaten, C. 2008, 'Open your house to the sun', The Sydney Morning Herald. 6 September, p. 3</p>

EXAMPLAR: The influences, stakeholders, and consequential responsibilities of Cotton On Group

Executive Summary

‘Cotton On Group’ is an Australian retailing company and has become a global success that operates in 20 countries worldwide. The business has multiple internal influences (including products, location, and business culture) and external influences (including social, competitive situation, and technological) over which the company bears responsibility. The corporation also has several internal stakeholders (including employees, managers, and franchisees) and external stakeholders (including customers, the community, and creditors) which must be responded to accordingly by ‘Cotton On Group’ in a suitable way. The aim of this report is to focus on the business’ multiple influences and stakeholders which are concurrently managed, thus demonstrating the overall responsibility the corporation holds to these aspects of the ‘Cotton on Group’ and the development of a balance between them.

Introduction

‘Cotton On Group’ is Australia’s largest global retailer, founded in 1988 in Geelong Australia. The group primary sells clothing and stationery to various consumer markets through eight brands (‘Cotton On’, ‘Cotton On Kids’, ‘Cotton On Body’, ‘Factorie’, ‘Rubi By Cotton On’, ‘Typo’, ‘Supré’, and ‘Ceres Life’). Nigel Austin founded the ‘Cotton On Group’ with a vision of introducing Australian culture and lifestyle to the global market, beginning with the sale of denim jackets at local markets and later becoming a staple in the Australian clothing industry. The aim of Cotton On Group is to become the most innovative and responsive brand within the market without compromising the values maintained by the corporation over time. Through the ethical framework of the ‘Cotton On Group’, the business outlines their purpose of improving their products, utilising personal leadership, putting people first, sustaining authenticity, creating a positive and fun environment, and maintaining integrity within their conduct.

Internal Influences

An internal influence of a business refers to the specific factors within the business over which the business holds control. These influences greatly impact operations and the overall success of the business. The internal influences in the business environment of ‘Cotton On Group’ include products, location, and business culture.



Figure 1: Clothing as a product of ‘Cotton On Group’

A product refers to the tangible item sold by the business to consumers; in relation to ‘Cotton On Group’, the products sold include clothing (as shown in Figure 1), accessories, footwear, stationary, and homewares. Product influences impact the internal structure of a business, including the type of product manufactured and sold, the size of the business and the business type. In considering the influence of the modern consumer

on the fashion industry, in the sense of both product design and ethical manufacture of the product, corporations such as ‘Cotton On Group’ are faced with the dilemma of developing affordable, ethically produced items which appease consumers. Also, being classified as a large private company means the ‘Cotton On Group’ can produce a high volume of goods, which influences the internal business structure and overall business functions. ‘Cotton On Group’ manages the influence of products through implementation of quality assurance measures, additionally adopting an ‘ethical framework’ relative to improving products and maintaining integrity as the corporation and the demand for goods continues to expand. ‘Cotton On Group’ uses sale and e-commerce data analysis to discover what the shifts between trends and needs are including timing and differences, and find out what people are searching for in their products. This ensures production rates are monitored and refined to suit consumer demand.



Figure 2: Global Store Footprint of ‘Cotton On Group’

The success or failure of a business is largely dependent upon its location as an appropriate location has potential to benefit the business. Across all eight brands, ‘Cotton On Group’ sells its products in 1300 stores worldwide, spanning 20 countries (as shown in Figure 2). The expansion of this corporation’s stores on a global scale demonstrates its success in global markets. ‘Cotton On Group’ manages location influences in consistently opening new stores globally. To cater for various cultural differences, the corporation manufactures and sells products that fit the trends of all customers in different locations, targeting specific geographic groups, e.g. selling a range of coats in colder climate areas. The demand for products is constant in the fashion industry, therefore ‘Cotton On Group’ combats this influence in the consistent release of new clothing lines to keep up with current trends.

Business culture refers to the combination of principles, expectations, ideas, and values of the business and the staff that work within it, including employees and managers. The business culture of the ‘Cotton On Group’ focuses on the creation of a “family-like” workplace where everyone is heard and a part of decisions. They encourage expression of personal style and pride themselves on establishing a working environment that is free from ego and hierarchy. In adopting this business culture, ‘Cotton On Group’ has set a standard for Australian businesses and the treatment of their staff.

External Influences

The external influences of a business are aspects of the business environment where the business has limited control, however, these factors may have a significant impact upon business operations. External influences of greatest significance to 'Cotton On Group' include social, competitive situation, and technological influences.

Social influences are social changes, including values, attitudes, and beliefs, which affect business operations. These influences may provide the business with opportunity for further improvement or contrastingly pose threats. The contemporary consumer demands businesses to be environmentally conscious in manufacturing and selling products, this has significantly influenced the 'Cotton On Group' as they work to improve sustainability and minimise ecological harm, as stated in their Ethical framework. They work to inspire change in the fashion industry relative to social responsibility responding to this influence in developing their sustainability goals. These goals include, but are not limited to, switching to 100% renewable energy and becoming carbon neutral in operations by 2030, committing to having 100% recyclable or reusable packaging by 2025 and sourcing responsibly in having 100% of their products made with sustainable attributes by 2030. In setting these goals through public statement, 'Cotton On Group' establishes their accountability in achieving these goals. As the corporation aims to make a positive difference, the goals are environmentally oriented and reduce their impact on the earth and are aligned with consumer concerns through the business's involvement in the media and further social media, as this is the outlet for consumers to express their opinions on different topics.

A business is influenced by its competitive situation, referring to its market concentration (number/size of businesses in an industry). In being part of the fashion industry, 'Cotton On Group' is significantly impacted by this influence as the clothing market is saturated with affordable and modern clothing items. To manage this influence 'Cotton On Group' works to develop an authentic and unique product which reflects the Australian lifestyle, keeping up with new trends as they emerge, and working to minimise costs in their efforts to appeal to the widest consumer range possible. The 'Cotton On Group' ensures a competitive advantage through differentiation of product, including physical appearance (following current trends), providing high level of customer service in store (friendly environment, helpful staff), and efficient production of goods (maximum quality at minimum cost). This product differentiation is evident in the 'Cotton On Group' brand 'Typo' (as seen in Figure 3 below) as there are no defined competitor brands with the same range of products and memorabilia available for sale.

All modern businesses are influenced by technology, as they are required to incorporate new communication and social technologies into their operations and marketing as they develop. Increasing use of technology in society means businesses are expected to keep up and continuously improve use of technology ensuring consumer needs are met. The 'Cotton On Group' has increasingly utilised technologies in their sales and marketing functions, including their online store and social media accounts. Through their online store, 'Cotton On Group' offers discount codes and online-only sales that improve the customer's experience, hence increasing sales. 'Cotton On Group' also increases their sales through technology by posting on their

social media and creating giveaways, competitions and codes that benefit the consumer. This allows the corporation to connect with consumers in a positive way and increase consumer access to products via the internet. In utilising ecommerce processes, ‘Cotton On Group’ can combat other external issues as they arise. An example of this is the launch of the ‘Cotton On’ IOS app, created and established to improve consumer experience which proved extremely useful in maintaining sales during the Covid-19 pandemic during when regular customer service was impacted. The app allows customers to personalise their shopping experience by creating a ‘scan & shop’ system, which lets customers scan items in the shop and discover more options. Thus, the ‘Cotton On Group’ demonstrates an ability to adapt to technological influences and utilise new technological developments to their advantage.



Figure 3: Storefront of ‘Typo’ from the ‘Cotton On Group’

Internal Stakeholders

An internal stakeholder is a person or group of people from within the business who is directly affected by or invested in the business, its operation, and its decisions. Internal stakeholders within ‘Cotton On Group’ include employees, managers, and shareholders, as shown in Figure 4.

Stakeholder	Description
Employee	An employee is an individual that works for a business in exchange for payment in the form of wages or a salary. The employees are crucial to business operations as the holistic performance of the business is dependent on employee efficiency, customer service, and the culture they create. ‘Cotton On Group’ expresses their hardworking and supportive culture through their employees, stating their employees to be “at the heart of everything we do”. Management of the ‘Cotton On Group’ responds effectively to employee influences in displaying a focus on inclusivity and diversity through equal employment opportunity, working to ensure all employees can enjoy a positive workplace where discrimination and harassment are not present.
Manager	A manager is an individual who coordinates a business’ limited resources to achieve specific goals. Managers are responsible for organising employees and insuring smooth running of business operations. Managers of stores within the ‘Cotton On Group’ are responsible for maintaining operational efficiency and effectiveness in ensuring other employees complete work tasks to a high quality and to the best of their ability. Managers also monitor employee-customer

	interaction to ensure a high quality of customer service and employee performance is maintained.
Franchisee	A franchisee is an individual or company that holds a franchise for the sale of products. As a major stakeholder sector of the 'Cotton On Group', franchisees are interested in and dependant on business profitability and growth, meaning the corporation works to fulfil these demands. The concerns of franchisees are successfully managed by the 'Cotton On Group' by working to ensure stability in business operations, meeting consumer demand, and keeping up with consumer trends to maintain a stable growth rate within the fluctuating global business environment, which consequently improves public image and prospects for the business.

Figure 4: Internal stakeholders for 'Cotton On Group'

External Stakeholders

External stakeholders refer to individuals or groups that are outside the business but hold interest in business activities and are affected by business decisions. Main external stakeholder of 'Cotton On Group' include customers, the community, and creditors, as seen in Figure 5.

Stakeholder	Description
Customer	Customers are individuals who purchase products from a business, responsible for generating the sales revenue of corporations. The 'Cotton On Group' values its customers and works to manage the influence of such in identification and satisfaction of consumer needs. By using customer surveys and feedback, 'Cotton On Group' continuously develops new, innovative products that appeal to consumer markets as the needs and wants of consumers change with society. The 'Cotton On Group' has also launched a loyalty program that allows consumers to give feedback and receive discounts.
Community	An important stakeholder to the 'Cotton On Group' is the community, with the various brands within the business providing employment and generating economic activity within the community. The 'Cotton On Group' promotes positive change in local communities, focusing on community empowerment projects, education, and healthcare. An example of this is the 'Cotton On Group' working closely with the University hospital in Geelong supporting children's health, working to empower the community in which the corporation was born. The business used fundraising to assist in redevelopment of the children's and maternity wards, demonstrating a strong link with the community.
Creditor	A creditor refers to an individual or company to which a business owes money, making them a stakeholder as they hold interest in the business activities relative to those involving their provided resources. The 'Cotton On Group' uses creditors in the supply of financial capital and materials, managing this influence in ensuring timely payment for resources.

Figure 5: External stakeholders for 'Cotton On Group'

Business' responsibility to stakeholders in dealing with internal influences

'Cotton On Group' deals with multiple business influences, including product, location, and business culture. In dealing with these, the corporation must remember the stakeholders and how these influences will affect them individually. Development and marketing of products by 'Cotton On Group' maintain constant consumer satisfaction, upholding responsibilities to customers and the community. The large number of stores selling products of the 'Cotton On Group' internationally means products are easily accessible for consumers therefore upholding their responsibility to said consumers. The increased number of stores results in a heightened profit, thus upholding responsibility to creditors. By creating more stores with the 'Cotton On Group', the amount of required employees rises, meaning responsibility to the community is upheld. A strong and empowering business culture upholds responsibilities to employees, customer, and the community in promoting ethical practises, environmental consciousness, workplace inclusivity and fairness. This improves the relationship between the 'Cotton On Group' and stakeholders as it ensures that their needs and concerns are met with results and resolutions.

Business' responsibility to stakeholders in dealing with external influences

While dealing with various external business influences, including social, competitive situation, and technological, 'Cotton On Group' must keep in mind their stakeholders and speculate their response to each influence. 'Cotton On Group' maintains responsibilities to their customers by listening to the public's opinions and responses, ensuring customers and the community are satisfied and feel respected. The corporation specifically focused on the public's environmental and moral opinions and responded by creating products that are sustainable and ethically manufactured. The influence of competitive situation establishes responsibilities to customers that are upheld by product differentiation and consumer choice. Product differentiation allows customers to have a wider range of options that specifically cater to their needs, and consumer choice allows customers make decisions to buy different products; responsibilities are therefore maintained by ensuring respect and satisfaction is retained. By increasing the use of new and digital technology within the business, responsibilities are upheld to creditors, customers, and franchisees through maintaining a modernised environment that encourages an active rise in popularity. Hence, responsibilities are sustained as these results generate a significant increase in sales, allowing for creditors to be paid, production to continue for customers' benefit, and the reputation of franchisees to remain positive.

Conclusion

To summarise, 'Cotton On Group' retains numerous internal stakeholders (employee, managers, franchisees) and external stakeholders (customers, community, creditor) to which they hold responsibilities regarding their internal and external influences, including product, location, business culture, social, competitive situation, and technological. Their significant success as a business in the fashion industry is commendable, however, to ensure the longevity of this success, 'Cotton On Group' must develop and maintain a balance between influence and stakeholders to an exceptional standard.

