

## Clarification of 91865 Future Proofing Level 2 v1

This standard looks at what the influences are, not what the solutions to mitigate the issues are or could be (that is Level 3).

Primarily it focusses on;

- what COULD / IS impacting on the agribusiness and how this MIGHT affect the agribusiness - Achieved,
- now and in the future - Merit, and
- predict impacts on the actual agribusiness and outside of it e.g. community, another agribusiness, or biodiversity – Excellence.

As opposed to what is impacting and what the agribusiness is doing to mitigate these i.e. solutions. The issue with this standard is that all agribusinesses are solutions focussed so students tend to pick up on this and talk about what the agribusiness is doing (strategies) rather than what the impacts are or could be (influences). Impacts could be positive or negative.

A good way around this is to get the students to select an influence, state what it is, what affect it could have on the agribusiness and how this might affect its running costs, brand reputation, market share, day to day running, competition etc.

A SWOT analysis may be useful for the evaluation.

For Merit they will need to talk (in-depth) about how these influences could affect the agribusiness now and into the future.

Excellence involves looking at possible impacts and consequences on the actual agribusiness (e.g. running costs, brand/reputation, staffing), **and** outside of the agribusiness such as on the community, on other agribusinesses, on council bylaws, on public perception, etc.

### NZQA clarifications

<https://www.nzqa.govt.nz/ncea/subjects/agribusiness-studies/clarifications-agriagribusiness/>  
As at December 2019.

91865: Demonstrate understanding of future proofing influences that affect agribusiness viability

- Students are required to choose a specific agribusiness and explain at least two influences that could impact agribusiness viability. For example, a student could explain the potential for a proposed government policy to damage brand reputation, market share and profits of the agribusiness.
- As an example of a specific agribusiness, the student could refer to a local veterinary practice or case study of a farm or another type of agribusiness, rather than examine a whole industry sector.
- The viability of a agribusiness is measured by its long-term survival and its ability to sustain profits over a period.
- The influences could be actual ones experienced by the agribusiness or could be theoretical. They may be positive, causing the agribusiness to consider opportunities to enhance viability, or negative, representing threats to viability. Influences might include the increasing demand for traceability of products, the use of robotic technology, technological disruptions, animal welfare, biosecurity, and volatility of agribusiness income.
- Students need to focus on the future proofing influences rather than on solutions that could mitigate the influences. For example, the context might be proposed new environmental regulations that will come into effect in three years. These regulations, and how they could impact viability of the agribusiness, would need to be explained.