UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
General Certificate of Education
Advanced Subsidiary Level and Advanced Level

BUSINESS STUDIES **9707/11**

Paper 1 Short Answer and Essay **May/June 2010**

1 hour 15 minutes

Additional Materials: Answer Booklet/Paper

5216194031

READ THESE INSTRUCTIONS FIRST

If you have been given an Answer Booklet, follow the instructions on the front cover of the Booklet.
Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
Do not use staples, paper clips, highlighters, glue or correction fluid.

Section A
Answer **all** questions.
Section B
Answer **one** question.
You are advised to spend no more than 35 minutes on Section A.

At the end of the examination, fasten all your work securely together.
The number of marks is given in brackets [ ] at the end of each question or part question.

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Section A (Short Answer)

Answer **all** questions.

1 **(a)** State **two** functions of a Human Resources (Personnel) Manager. [2]

(b) Explain **one** reason why an employee might wish to join a trade union. [3]

2 **(a)** Define the concept of 'liquidity'. [2]

(b) Briefly distinguish between financial accounting and management accounting. [3]

3 Explain why it is important for a business to have clear objectives. [5]

4 **(a)** State **two** different stakeholder groups in a business. [2]

(b) Briefly explain why **one** of the stakeholder groups you have identified in part **(a)** may be interested in the performance of a business. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Explain why quality control might be important for a manufacturing company. [8]

(b) Discuss how a manufacturing business might achieve effective quality control. [12]

6 Discuss how the activities of a business might be constrained by ethical issues. [20]

7 **(a)** Explain the importance of the marketing function to a service business. [8]

(b) Discuss the advantages and disadvantages of niche marketing for a business. [12]

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