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

BUSINESS STUDIES **9707/13**

Paper 1 Short Answer and Essay **October/November 2010**

1 hour 15 minutes

Additional Materials: Answer Booklet/Paper

7260279425

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)** Distinguish between the mean and the mode. [2]

(b) Briefly describe **one** business situation in which the mode might be a useful measure. [3]

2 **(a)** Define the term 'quality assurance'. [2]

(b) Briefly explain **two** ways in which quality assurance might be achieved. [3]

3 Explain how legislation affects the operations of businesses in your country. [5]

4 **(a)** State the formula for **one** accounting ratio that could be used to measure the liquidity of a business. [2]

(b) Explain **two** factors that might affect the profitability of a business. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Explain the differences between McGregor's 'Theory X' and 'Theory Y' business managers. [8]

(b) Discuss the benefits of successful delegation for managers and workers. [12]

6 Discuss possible benefits and limitations of market research for a car manufacturer. [20]

7 **(a)** Discuss the importance of effective stock management to a business. [12]

(b) Explain how JIT (just in time) could be used to manage stock in a retailing business. [8]

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