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 2011**

1 hour 15 minutes

Additional Materials: Answer Booklet/Paper

2839521333

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)** Define the term 'partnership'. [2]

(b) Outline **two** advantages that a partnership might have over a sole trader. [3]

2 **(a)** State **two** internal sources of finance for a business. [2]

(b) Explain **two** external sources of finance that might be used to fund the capital expenditure of a public limited company. [3]

3 Explain why service differentiation is important for businesses in the tertiary sector. [5]

4 **(a)** Define the term 'induction training'. [2]

(b) Briefly explain why a business might invest in the training of its staff. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Explain how technology has influenced the marketing activities of businesses. [8]

(b) Discuss the impact on a car manufacturer of using new technology in its design and manufacturing operations. [12]

6 Discuss how the closure of a business owning many large retail stores might affect different stakeholders. [20]

7 **(a)** Explain the usefulness for a business leader of McGregor's classification of leadership styles (theory X and theory Y). [8]

(b) Discuss the factors that a business leader might take into account when choosing between an autocratic and laissez-faire leadership style. [12]

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