Cambridge International AS & A Level

Cambridge International Examinations
Cambridge International Advanced Subsidiary and Advanced Level

BUSINESS STUDIES **9707/13**

Paper 1 Short Answer and Essay **October/November 2015**

1 hour 15 minutes

No Additional Materials are required.

T 9 6 9 1 T 8 7 0 8

READ THESE INSTRUCTIONS FIRST

An answer booklet is provided inside this question paper. You should follow the instructions on the front cover of the answer booklet. If you need additional answer paper ask the invigilator for a continuation booklet.

Section A
Answer **all** questions.
Section B
Answer **one** question.
You are advised to spend no more than 35 minutes on Section A.
The number of marks is given in brackets [ ] at the end of each question or part question.

This document consists of **2** printed pages, **2** blank pages and **1** insert.

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Section A (Short Answer)

Answer **all** questions.

1 **(a)** Define the term 'internal growth'. [2]

(b) Briefly explain **two** reasons why many businesses set growth as an objective. [3]

2 **(a)** Define the term 'process innovation'. [2]

(b) Briefly explain **two** ways in which process innovation could improve the operational efficiency of a business. [3]

3 Explain the importance to a business of distinguishing between revenue expenditure and capital expenditure. [5]

4 **(a)** Define the term 'laissez-faire leadership'. [2]

(b) Briefly explain **two** advantages for a business of autocratic leadership. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Explain the importance of a USP (unique selling point) to the marketing of a product or service. [8]

(b) Discuss ways in which poor customer relations could be improved in a large retail business. [12]

6 Discuss the view that business success is more likely if the operations department works closely with the marketing, finance and human resource management departments. [20]

7 **(a)** Explain the functions of management in a business organisation. [8]

(b) Discuss the view that a supervisor of production workers needs a high level of emotional intelligence to be successful. [12]

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