Cambridge
O Level

Cambridge International Examinations
Cambridge Ordinary Level

CANDIDATE NAME	
CENTRE NUMBER	
CANDIDATE NUMBER	

3655826254

BUSINESS STUDIES **7115/21**

Paper 2 **October/November 2014**

1 hour 45 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

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, glue or correction fluid.
DO **NOT** WRITE IN ANY BARCODES.

Answer **all** questions.
The Insert contains the case study.
The businesses described in this question paper are entirely fictitious.

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.

This document consists of **11** printed pages, **1** blank page and **1** insert.

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CAMBRIDGE
International Examinations

1 **(a)** Identify and explain **two** disadvantages to PB Bank of being a public limited company.

Disadvantage 1: .....

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Explanation: .....

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Disadvantage 2: .....

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Explanation: .....

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.....[8]

(b) Employees complain they never know important information about the bank. Consider **three** ways the HR Director could use to improve the internal communication in the bank. Recommend which will be the best way to use. Justify your answer.

Way 1: .....

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Way 2: .....

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Way 3: .....

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Recommendation: .....

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.....[12]

2 **(a)** Banking is a tertiary sector business. Identify **four** other types of tertiary sector businesses that PB Bank might use and explain what services they offer to PB Bank.

Type of tertiary sector business: .....

Explanation: .....

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Type of tertiary sector business: .....

Explanation: .....

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Type of tertiary sector business: .....

Explanation: .....

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Type of tertiary sector business: .....

Explanation: .....

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.....[8]

(b) Refer to the organisational chart in Appendix 1. The directors are thinking of removing the middle management level (deputy managers). Consider the advantages and disadvantages of widening the span of control for the remaining managers. Recommend whether the directors should remove this level of management. Justify your answer.

Advantages: .....

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Disadvantages: .....

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Recommendation: .....

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3 **(a)** Identify and explain **two** appropriate ways in which the results from the question '*do you have a bank account?*' in Appendix 3 could be **presented**.

Way 1:

Explanation: .....

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Way 2:

Explanation: .....

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(b) PB needs to close some of its branches as more customers use online banking. Consider the advantages and disadvantages of branch X and branch Y. Recommend which branch PB should close. Justify your answer.

Branch X: .....

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Branch Y: .....

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Recommendation: .....

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4 **(a)** Identify and explain **four** reasons why the information in Appendix 3 may not be an accurate record of the views of all bank customers.

Reason 1: .....

Explanation: .....

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Reason 2: .....

Explanation: .....

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Reason 3: .....

Explanation: .....

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Reason 4: .....

Explanation: .....

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.....[8]

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(b) The Marketing Director of PB Bank wants to promote mobile (cell) phone banking to its existing customers. Consider the advantages and disadvantages of each of the following **three** ways of promoting mobile phone banking. Recommend which option the Marketing Director should choose. Justify your answer.

Advertising on television: .....

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Sending leaflets to customers: .....

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Putting information on the website of PB Bank: .....

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Recommendation: .....

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.....[12]

5 **(a)** Identify and explain **two** possible effects on DOTT Bank **employees** if DOTT Bank was taken over by PB Bank.

Effect 1: .....

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Explanation: .....

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Effect 2: .....

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Explanation: .....

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(b) Consider the advantages and disadvantages to PB Bank of taking over DOTT Bank. Recommend whether PB should take over DOTT Bank. Justify your answer by using appropriate calculations based on the data in Appendix 2.

Advantages: .....

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Disadvantages: .....

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Recommendation: .....

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