Cambridge
O Level

Cambridge International Examinations
Cambridge Ordinary Level

CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER				

8789142013

BUSINESS STUDIES **7115/21**

Paper 2 **October/November 2018**

1 hour 30 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name in the spaces at the top of this page.
Write in dark blue or black pen.
You may use an HB pencil for any diagrams, graphs or rough working.
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.

The total number of marks for this paper is 80.

This document consists of **9** printed pages and **3** blank pages.

CAMBRIDGE
International Examinations

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[Turn over

1 **(a)** Identify and explain **two** advantages and **two** disadvantages of GT being a public limited company.

Advantage 1: .....

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Explanation: .....

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Advantage 2: .....

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Explanation: .....

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Disadvantage 1: .....

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Explanation: .....

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Disadvantage 2: .....

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Explanation: .....

..... [8]

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(b) Consider the advantages and disadvantages of the following **two** options for distributing GT products. Recommend the option GT should choose. Justify your answer.

Continue selling to large shops: .....

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Only sell its products using e-commerce: .....

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Recommendation: .....

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2 **(a)** Identify and explain **two** roles of the Operations manager at GT.

Role 1: .....

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Explanation 1: .....

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Role 2: .....

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Explanation 2: .....

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(b) Consider the following **three** ways GT can reduce the average cost of products. Recommend the best way to choose. Justify your answer.

Change to a cheaper supplier of raw materials: .....

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Change the design of products so that they need fewer components: .....

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Change from batch production to flow production: .....

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Recommendation: .....

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3 **(a)** Identify and explain **two** factors GT should consider when developing products for markets in different countries.

Factor 1: .....

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Explanation: .....

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Factor 2: .....

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Explanation: .....

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(b) Consider how the following **three** communication issues affect GT. Which **one** of these issues is likely to cause the biggest problem for GT? Justify your answer.

Different languages are spoken in GT's markets in other countries: .....

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GT is starting to use several new suppliers: .....

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GT's main communication method with its production workers is a weekly meeting: .....

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Conclusion: .....

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4 **(a)** Identify and explain **one** effect on GT and **one** effect on GT's employees of workers being members of a trade union.

Effect on GT: .....

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Explanation: .....

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Effect on GT's employees: .....

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Explanation: .....

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(b) Refer to Appendix 3. Consider how the information in Appendix 3 will help the following **three** users of accounts. Which user will find the information most helpful when taking decisions? Justify your answer.

Shareholders of GT: .....

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Managers of GT: .....

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Competitors of GT: .....

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Conclusion: .....

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