



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

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**BUSINESS STUDIES**

**9707/13**

Paper 1 Short Answer and Essay

**May/June 2011**

**1 hour 15 minutes**

Additional Materials: Answer Booklet/Paper

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**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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This document consists of **2** printed pages.



**Section A (Short Answer)**

Answer **all** questions.

- 1 (a) Define the term 'job enrichment'. [2]  
(b) Briefly explain **two** benefits to a business that might result from the use of job enrichment. [3]
- 2 (a) Define the term 'gross profit margin'. [2]  
(b) Briefly explain **two** limitations of accounting ratios. [3]
- 3 Explain why many businesses fail within the first year of trading. [5]
- 4 (a) Define the term 'flow production'. [2]  
(b) Outline **two** benefits to a business of using flow production. [3]

**Section B (Essay)**

Answer **one** question only.

- 5 (a) Explain the strengths and weaknesses of small businesses. [8]  
(b) Discuss the extent to which businesses are accountable to their stakeholders. [12]
- 6 Discuss the sources of finance a medium-sized limited company might use to build a new factory. [20]
- 7 (a) Explain why product promotion is important for a business. [8]  
(b) Discuss how a retail business might increase its sales in a competitive market. [12]

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