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**BUSINESS**

**9609/12**

Paper 1 Short Answer and Essay

**October/November 2019**

**1 hour 15 minutes**

No Additional Materials are required.

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**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.

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

**Section A (Short Answer)**

Answer **all** questions.

- 1 (a) Define the term 'random sampling'. [2]  
(b) Briefly explain **two** benefits to a business of using quota sampling as a method of collecting data. [3]
- 2 (a) Define the term 'workforce planning'. [2]  
(b) Briefly explain **two** benefits to a business of workforce planning. [3]
- 3 Explain why the objectives of a business may change over time. [5]
- 4 (a) Define the term 'diseconomies of scale'. [2]  
(b) Briefly explain **two** functions of an operations management department. [3]

**Section B (Essay)**

Answer **one** question only.

- 5 (a) Analyse the advantages to an entrepreneur of purchasing a franchise to start a business. [8]  
(b) Discuss factors that could lead to the failure of a small business which repairs cars. [12]
- 6 A loss-making state-owned airline has a reputation for poor customer service. Its Human Resource Director suggested that: 'the best way to improve this business is to pay our employees higher wages and give them an end of year bonus'.  
Discuss this suggestion. [20]
- 7 (a) Analyse how break-even analysis might be used by a business when making a decision to introduce a new product. [8]  
(b) Discuss the usefulness of accounting ratios for assessing the performance of a large food retailing business. [12]



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