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**BUSINESS STUDIES**

**9707/13**

Paper 1 Short Answer and Essay

**May/June 2014**

**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 'niche marketing'. [2]  
(b) Briefly explain **two** possible disadvantages of a niche marketing strategy. [3]
- 2 (a) Define the term 'disciplinary procedures'. [2]  
(b) Briefly explain **two** reasons why disciplinary procedures are important for a business when managing its employees. [3]
- 3 Explain factors that could affect the level of inventory held by a business. [5]
- 4 (a) Define the term 'break-even'. [2]  
(b) Briefly explain **two** uses of break-even analysis for a manufacturing business. [3]

**Section B (Essay)**Answer **one** question only.

- 5 (a) Explain why a business could decide to use **only** non-financial rewards to improve the motivation of its workforce. [8]  
(b) Discuss the view that effective workforce planning is a necessary requirement for successful business performance. [12]
- 6 Discuss the advantages and drawbacks for a business of setting corporate responsibility objectives. [20]
- 7 (a) Explain how the main differences between the legal structures of sole traders and public limited companies affect the way such businesses are financed. [8]  
(b) Discuss how cost information could be used to monitor and improve the performance of a hotel business. [12]

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