Cambridge International AS & A Level

Cambridge International Examinations
Cambridge International Advanced Subsidiary and Advanced Level

BUSINESS **9609/11**

Paper 1 Short Answer and Essay **May/June 2016**

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.

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

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Section A (Short Answer)

Answer **all** questions.

1 **(a)** Distinguish between 'strategy' and 'tactics'. [2]

(b) Briefly explain **two** stages of business decision-making. [3]

2 **(a)** Define 'marginal costs'. [2]

(b) Briefly explain **two** other types of business costs. [3]

3 Explain the possible consequences for a business of high labour turnover. [5]

4 **(a)** Define 'inventory management'. [2]

(b) Briefly explain **two** reasons why a business might decide to hold a high level of inventory. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Analyse why it is important for a business to have policies on diversity and equality. [8]

(b) Discuss the importance of 'work-life balance' for employee welfare in a tertiary sector business. [12]

6 'Because there is conflict between profit and corporate social responsibility (CSR), private sector businesses should not have CSR as an objective.'

Do you agree? Justify your view. [20]

7 **(a)** Analyse how a business might use price elasticity of demand for pricing decisions. [8]

(b) Discuss the best ways a car manufacturer could use the marketing mix to increase its share of the market. [12]

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