

**BUSINESS**

**9609/13**

Paper 1 Short Answer and Essay

**October/November 2018**

**1 hour 15 minutes**

No Additional Materials are required.

**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.

**Section A (Short Answer)**

Answer **all** questions.

- 1 (a) Define the term 'private limited company'. [2]
- (b) Briefly explain **one** advantage and **one** disadvantage to a business of operating as a public limited company, rather than as a private limited company. [3]
- 2 (a) Define the term 'debt factoring'. [2]
- (b) Briefly explain **two** disadvantages of using debt factoring to improve the cash flow of a business. [3]
- 3 Explain how an understanding of the product life cycle might help a business manage its product portfolio. [5]
- 4 (a) Define the term 'lead time'. [2]
- (b) Briefly explain **two** advantages to a business of effective inventory management. [3]

**Section B (Essay)**

Answer **one** question only.

- 5 (a) Analyse the advantages of a partnership as a legal structure for the owners of a small business. [8]
- (b) Discuss the most important factors that could influence the success of a small business manufacturing highly priced 'designer' handbags. [12]
- 6 A poorly performing business is considering changing its method of employee payment from a salary scheme to a performance related pay scheme.
- Discuss the likely advantages and disadvantages to the business of this change. [20]
- 7 (a) Analyse the importance to a business of having clear marketing objectives. [8]
- (b) Discuss the view that marketing objectives will not be achieved without a close relationship between the marketing, finance and operations departments of a business. [12]



**BLANK PAGE**

---

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in the Cambridge International Examinations Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at [www.cie.org.uk](http://www.cie.org.uk) after the live examination series.

Cambridge International Examinations is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.