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**BUSINESS**

**9609/12**

Paper 1 Short Answer and Essay

**February/March 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.

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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) Distinguish between the 'private sector' and the 'public sector'. [2]  
 (b) Briefly explain **two** advantages of public sector businesses. [3]
- 2 (a) Define 'productivity'. [2]  
 (b) Briefly explain **two** ways of improving manufacturing productivity in a business. [3]
- 3 Explain why accurate cost data is important to a business. [5]
- 4 (a) Define 'product differentiation'. [2]  
 (b) Briefly explain **two** marketing benefits of product differentiation. [3]

### Section B (Essay)

Answer **one** question only.

- 5 (a) Analyse the importance of employee motivation for the achievement of business objectives. [8]  
 (b) Discuss the view that managers and leaders perform very different functions in business organisations. [12]
- 6 Discuss **how** and **why** a multinational food manufacturer might have corporate social responsibility (CSR) as a business objective. [20]
- 7 (a) Analyse why it is important for businesses to effectively manage their levels of cash. [8]  
 (b) Discuss how liquidity ratios could be useful for external stakeholders of a business. [12]

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