



#### **Cambridge Assessment International Education**

Cambridge Ordinary Level

| CANDIDATE<br>NAME |  |                     |  |  |
|-------------------|--|---------------------|--|--|
| CENTRE<br>NUMBER  |  | CANDIDATE<br>NUMBER |  |  |

# BUSINESS STUDIES

7115/22

Paper 2

May/June 2019

1 hour 30 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

#### **READ THESE INSTRUCTIONS FIRST**

Write your centre number, candidate number and name in the spaces at the top of this page.

Write in dark blue or black pen.

You may use an HB pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, glue or correction fluid.

DO **NOT** WRITE IN ANY BARCODES.

Answer all questions.

The Insert contains the case study.

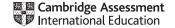
The businesses described in this question paper are entirely fictitious.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.

The total number of marks for this paper is 80.

This document consists of 9 printed pages and 3 blank pages.



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| [8]    |
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| Consider the following <b>three</b> possible business objectives for WA. Which objective is like be most important to WA in the long run? Justify your answer. |
|--|
| Be an environmentally friendly business:   |
|  |
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|  |
| Increase market share:   |
|  |
|  |
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|  |
| Survival:  |
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|  |
| Conclusion:  |
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| (a) | Identify and explain <b>two</b> examples of tertiary sector businesses that help WA to be succes | sful. |
|-----|--|-------|
|     | Example 1:   |       |
|     |  |       |
|     | Explanation:   |       |
|     |  |       |
|     |  |       |
|     |  |       |
|     |  |       |
|     |  |       |
|     | Example 2:   |       |
|     |  |       |
|     | Explanation:   |       |
|     |  |       |
|     |  |       |
|     |  |       |
|     |  |       |
|     |  | [8]   |
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2

| be the best way to choose to increase profit. Justify your answer. |
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| Use computers in manufacturing and design:                         |
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| Improve employee skills:   |
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| Recommendation:  |
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| 3 | (a) | Identify and explain how <b>two</b> stakeholder groups of WA are likely to be affected by the reduction in profit in 2018. |
|---|-----|--|
|   |     | Stakeholder group 1:   |
|   |     |  |
|   |     | Explanation:   |
|   |     |  |
|   |     |  |
|   |     |  |
|   |     |  |
|   |     |  |
|   |     | Stakeholder group 2:   |
|   |     |  |
|   |     | Explanation:   |
|   |     |  |
|   |     |  |
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|   |     |  |
|   |     | [8]  |

| Consider the following <b>three</b> ways WA could use to increase employee motivation. Recommendate which way WA should choose. Justify your answer. |
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| Introduce piece rate:  |
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| Give shares in WA to employees:  |
|  |
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| Introduce job rotation:  |
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| Decommendation   |
| Recommendation:  |
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| 4   | (a) | Cal  | CH | late |
|-----|-----|------|----|------|
| 4 ( | (a) | (Jai | Cu | alt  |

| (i)   | The total cost per month of producing 100 items of furniture.   |     |
|-------|---|-----|
|       |   |     |
|       |   |     |
|       |   | [2] |
| (ii)  | The average cost of 1 piece of furniture.   |     |
|       |   |     |
|       |   |     |
|       |   | [2] |
| (iii) | Explain how total cost and average cost will change if the output is increased to items of furniture per month. |     |
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|       |   |     |
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|       |   |     |
|       |   | [4] |

|             | n of new cost to businesses of \$50 per tonne for removing waste:  |
|-------------|--|
|             |  |
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| Increase ir | ı legal minimum wage by 5%:  |
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|             | And the second s |
| increase ir | tax on incomes:  |
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| Conclusion  |  |
| Conclusion  |  |
| Conclusion  |  |

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