Cambridge IGCSE

Cambridge Assessment International Education
Cambridge International General Certificate of Secondary Education

CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER				

BUSINESS STUDIES **0450/21**

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 syllabus is regulated for use in England, Wales and Northern Ireland as a Cambridge International Level 1/Level 2 Certificate.

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

Cambridge Assessment International Education

© UCLES 2019

[Turn over

1 **(a)** Identify and explain **one** advantage and **one** disadvantage to SA of starting to sell new products in a niche market.

View solution

Advantage: .....

.....

Explanation: .....

.....

.....

.....

.....

.....

Disadvantage: .....

.....

Explanation: .....

.....

.....

.....

.....

..... [8]

(b) Consider the following **three** roles of packaging for SA's new products. Which is the most important role for the successful launch of these new products? Justify your answer.

View solution

Protection: .....

.....

.....

.....

.....

.....

Brand image: .....

.....

.....

.....

.....

.....

Information about the product: .....

.....

.....

.....

.....

.....

Conclusion: .....

.....

.....

.....

.....

.....

.....

..... [12]

2 **(a)** Identify and explain how the following **two** stakeholder groups might be affected by SA's plans to expand.

View solution

Shareholders: .....

.....

.....

.....

.....

.....

.....

.....

Local community: .....

.....

.....

.....

.....

.....

.....

..... [8]

(b) Consider the following **three** benefits to SA of having well-motivated employees. Which benefit will be the most important to SA if it wants to increase profit? Justify your answer.

View solution

Higher output: .....

.....

.....

.....

.....

.....

Fewer employees leaving: .....

.....

.....

.....

.....

.....

Higher quality: .....

.....

.....

.....

.....

.....

Conclusion: .....

.....

.....

.....

.....

.....

.....

..... [12]

3 **(a)** Identify and explain **two** ways SA could use lean production in its factory.

View solution

Way 1: .....

.....

Explanation: .....

.....

.....

.....

.....

.....

Way 2: .....

.....

Explanation: .....

.....

.....

.....

.....

..... [8]

(b) Consider **three** leadership styles the Operations manager could use in the new factory. Recommend which leadership style should be used to improve decision-making. Justify your answer.

View solution

Leadership style 1: .....

.....

.....

.....

.....

.....

Leadership style 2: .....

.....

.....

.....

.....

.....

Leadership style 3: .....

.....

.....

.....

.....

.....

Recommendation: .....

.....

.....

.....

.....

.....

.....

..... [12]

© UCLES 2019

4 **(a)** Identify and explain **two** opportunities and **two** threats for businesses in country Z from globalisation.

View solution

Opportunity 1: .....

.....

Explanation: .....

.....

Opportunity 2: .....

.....

Explanation: .....

.....

Threat 1: .....

.....

Explanation: .....

.....

Threat 2: .....

.....

Explanation: .....

..... [8]

(b) Using Appendix 3 and other information, consider SA's financial position, using liquidity ratios. Recommend whether the bank manager should give a loan to SA for the new factory. Justify your answer.

View solution

.....

.....

.....

BLANK PAGE

© UCLES 2019

BLANK PAGE

© UCLES 2019

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 Assessment International Education Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at www.cambridgeinternational.org after the live examination series.

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

© UCLES 2019