

Section A (Short Answer)

Answer **all** questions.

- 1 (a) Define the term 'partnership'. [2]
(b) Outline **two** advantages that a partnership might have over a sole trader. [3]
- 2 (a) State **two** internal sources of finance for a business. [2]
(b) Explain **two** external sources of finance that might be used to fund the capital expenditure of a public limited company. [3]
- 3 Explain why service differentiation is important for businesses in the tertiary sector. [5]
- 4 (a) Define the term 'induction training'. [2]
(b) Briefly explain why a business might invest in the training of its staff. [3]

Section B (Essay)

Answer **one** question only.

- 5 (a) Explain how technology has influenced the marketing activities of businesses. [8]
(b) Discuss the impact on a car manufacturer of using new technology in its design and manufacturing operations. [12]
- 6 Discuss how the closure of a business owning many large retail stores might affect different stakeholders. [20]
- 7 (a) Explain the usefulness for a business leader of McGregor's classification of leadership styles (theory X and theory Y). [8]
(b) Discuss the factors that a business leader might take into account when choosing between an autocratic and laissez-faire leadership style. [12]

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