



Cambridge IGCSE™ (9-1)

CANDIDATE
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BUSINESS STUDIES

0986/22

Paper 2 Case Study

May/June 2023

1 hour 30 minutes

You must answer on the question paper.

You will need: Insert (enclosed)

INSTRUCTIONS

- Answer **all** questions.
- Use a black or dark blue pen. You may use an HB pencil for any diagrams or graphs.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen or correction fluid.
- Do **not** write on any bar codes.
- You may use a calculator.

INFORMATION

- The total mark for this paper is 80.
- The number of marks for each question or part question is shown in brackets [].
- The insert contains the case study.

This document has **12** pages. Any blank pages are indicated.



1 (a) Explain **four** characteristics needed for an entrepreneur to be successful.

Characteristic 1:

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Characteristic 2:

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Characteristic 3:

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Characteristic 4:

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[8]

(b) Consider the advantages and disadvantages of starting up ET as either an unincorporated business or as a limited company. Which should Zane and Zaara choose? Justify your answer.

Unincorporated business:

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Limited company:

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Recommendation:

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[12]

- 2 (a) Explain **one** business objective for ET and **one** other objective that a social enterprise like Daycare might have.

Business objective for ET:

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Explanation:

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Objective for a social enterprise like Daycare:

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Explanation:

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[8]

(b) Using Appendix 2 and other information, consider the **two** options for the first performance at the theatre. Which is the best option for Zaara to choose? Justify your answer using suitable calculations.

Option 1:

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Option 2:

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Recommendation:

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[12]

3 (a) Explain **four** reasons why it is important that Zane prepares a cash-flow forecast before starting ET.

Reason 1:
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Reason 2:
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Reason 3:
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Reason 4:
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[8]

(b) Consider the following **three** roles of marketing for ET. Which role will be the most important for ET to be successful? Justify your answer.

- Identifying customer needs
- Satisfying customer needs
- Maintaining customer loyalty

Identifying customer needs:

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Satisfying customer needs:

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Maintaining customer loyalty:

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Conclusion:

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[12]

4 (a) Explain **two** leadership styles that Zane and Zaara could use when managing ET's employees.

Leadership style 1:

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Explanation:

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Leadership style 2:

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Explanation:

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[8]

(b) Consider the following **three** ethical issues for the theatre. Which ethical issue is likely to have the biggest effect on ET? Justify your answer.

- Paying fair wages to employees
- Only buying costumes produced in the local community
- Purchasing all refreshments from suppliers that do not pollute the environment

Paying fair wages to employees:

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Only buying costumes produced in the local community:

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Purchasing all refreshments from suppliers that do not pollute the environment:

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Conclusion:

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[12]

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