



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

CANDIDATE
NAME

CENTRE
NUMBER

--	--	--	--	--

CANDIDATE
NUMBER

--	--	--	--



BUSINESS STUDIES

0450/22

Paper 2

May/June 2011

1 hour 45 minutes

Candidates answer on the Question Paper.

Additional Materials: Insert

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
Do not use staples, paper clips, highlighters, glue or correction fluid.
DO NOT WRITE IN ANY BARCODES.

Answer **all** questions.
The Insert contains the case study.
The business described in this question paper is 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.

For Examiner's Use	
1	
2	
3	
4	
5	
Total	

This document consists of **11** printed pages, **1** blank page and **1** Insert.



- 1 (a) The Directors of TT Foods are thinking of introducing machinery into the production and packing process. Identify and explain **two** reasons why the workers might be **happy** with this decision.

Reason 1:

.....

Explanation:

.....

.....

.....

.....

.....

Reason 2:

.....

Explanation:

.....

.....

.....

.....

..... [8]

- 2 (a) Identify and explain **two** factors that will affect the pricing decisions of TT Foods when deciding what price to charge large stores for their ready-made meals.

Factor 1:

.....

Explanation:

.....

.....

.....

.....

.....

Factor 2:

.....

Explanation:

.....

.....

.....

.....

..... [8]

(b) TT Foods want to reduce the costs of the food ingredients they buy. They are considering three possibilities:

- (i) Keep buying their food from a wholesaler but purchase the food less often in much larger quantities or
- (ii) Buy the food directly from farms or
- (iii) Buy their own farms and grow the food themselves.

Consider the advantages and disadvantages of these **three** possibilities and recommend which one the Directors should choose. Justify your choice.

(i):

.....

.....

.....

.....

.....

.....

.....

(ii):

.....

.....

.....

.....

.....

.....

.....

(iii):

.....

.....

.....

.....

.....

.....

.....

Recommendation:

.....

.....

.....

.....

.....

.....

.....

[12]

3 (a) Appendix 3 suggests that there is increasing demand for airline flights. Identify and explain **two** effects on TT Foods of this increase in the number of passengers.

Effect 1:

.....

Explanation:

.....

.....

.....

.....

.....

Effect 2:

.....

Explanation:

.....

.....

.....

.....

..... [8]

4 (a) Below is an outline for a job (person) specification for a Production Manager. Refer to Appendix 2. Explain why each requirement shown below should be included in the job specification.

Job title: Production Manager

Requirements	Example of requirement	Why each requirement should be included
Qualifications	University degree in Management	Explanation:
Skills	Able to lead a team of workers	Explanation:
Experience	At least 5 years experience in food processing	Explanation:
Personal Characteristics	Well organised	Explanation:

[8]

(b) When recruiting a new Production Manager the Directors of TT Foods could recruit internally or externally. Consider the advantages and disadvantages of these two different methods of recruiting the Production Manager and recommend which method the Directors should choose. Justify your answer.

*For
Examiner's
Use*

Internal recruitment:

.....

.....

.....

.....

.....

.....

.....

.....

.....

External recruitment:

.....

.....

.....

.....

.....

.....

.....

.....

.....

Recommendation:

.....

.....

.....

.....

.....

.....

.....

.....

.....

[12]

5 (a) TT Foods have to follow many consumer protection laws. Identify and explain **four** benefits to consumers of such laws.

Benefit 1:

Explanation:

.....

.....

Benefit 2:

Explanation:

.....

.....

Benefit 3:

Explanation:

.....

.....

Benefit 4:

Explanation:

.....

..... [8]

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.

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