

# IGCSE Business Studies

## Year 9

### Assessment Sample



Name:

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Teacher:

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Time allowed: 35 minutes

Raw mark		Teacher comment:
%		

Desmond wants to be a successful entrepreneur. He has decided to leave his office job to start up a gardening business cutting grass and planting flowers. It will be an unincorporated business. Desmond is aware that a new business is at greater risk of failure than an established business. He has identified his business objectives for the first year. Desmond has calculated he will need \$750 for his start-up capital.

a) Define 'unincorporated business'.

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.....  
..... [2]

b) Identify **two** external stakeholder groups.

Group 1: .....  
.....  
Group 2: .....  
..... [2]

c) Identify **four** possible objectives a new business might have.

Objective 1: .....  
.....  
Objective 2: .....  
.....  
Objective 3: .....  
.....  
Objective 4: .....  
..... [4]

(d) Explain **two** reasons (other than lack of finance) why Desmond's new business might be at greater risk of failure than an established business.

Reason 1: .....

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Explanation: .....

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Reason 2: .....

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Explanation: .....

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..... [6]

(e) Do you think being creative is the most important characteristic of being a successful entrepreneur? Justify your answer.

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..... [6]

TFN is a travel business which sells holidays. It has 37 shops and 1000 employees. Last year TFN's profit increased to \$46 million. The Managing Director knows that good customer service has helped maintain customer loyalty. He said: 'TFN's managers use ideas from Herzberg's two-factor theory to help motivate employees. All employees are provided with off-the-job training and each manager has a wide span of control.'

a) Define 'organisational structure'.

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[2]

b) Identify **two** hygiene factors from Herzberg's two-factor theory.

Hygiene factor 1: .....  
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Hygiene factor 2: .....  
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[2]

c) Explain **one** advantage and **one** disadvantage to TFN of its managers having a wide span of control.

Advantage: .....  
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Explanation: .....  
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Disadvantage: .....  
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Explanation: .....  
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[6]

