



**BUSINESS AND MANAGEMENT
STANDARD LEVEL
PAPER 1**

Friday 13 November 2009 (afternoon)

1 hour 15 minutes

INSTRUCTIONS TO CANDIDATES

- Do not open this examination paper until instructed to do so.
- Read the case study carefully.
- Section A: answer two questions.
- Section B: answer the compulsory question.

SECTION A

Answer **two** questions from this section.

1. (a) Identify **two** fixed costs and **two** variable costs for *Les Maisonnettes*. [4 marks]
- (b) Using data from appendix 4, calculate the current ratio and the acid test ratio of *Les Maisonnettes* in the financial years 2005 and 2008. [4 marks]
- (c) With reference to the figures calculated in part (b), analyse the reasons for the changes in the liquidity position of *Les Maisonnettes*. [7 marks]

2. (a) Describe **two** non-financial incentives that are being considered by Sophie. [4 marks]
- (b) With reference to Sophie, explain **two** features of a “paternalistic leadership style” (lines 96–97). [4 marks]
- (c) Analyse how Sophie’s leadership style may need to change as *Les Maisonnettes* grows over time. [7 marks]

3. (a) Outline how writing a business plan (line 92) could help *Les Maisonnettes* achieve its growth objectives. [4 marks]
- (b) Explain **one** cost and **one** benefit to *Les Maisonnettes* of being a small organization. [4 marks]
- (c) Analyse the effects of the introduction of e-commerce to future marketing strategies for *Les Maisonnettes*. [7 marks]

SECTION B

Answer *the compulsory* question from this section.

4. (a) Describe **two** differences between the marketing of goods and the marketing of services (*lines 65–66*). [4 marks]
- (b) (i) Explain **two** disadvantages for *Les Maisonnettes* of operating in a niche market (*line 40*). [4 marks]
- (ii) Explain how Sophie could develop her human resource requirements to cope with variations in demand for accommodation. [4 marks]
- (c) Recommend changes to **two** elements of the existing marketing mix to help Sophie minimize the effects of fluctuations in demand for accommodation at *Les Maisonnettes*. [8 marks]

Additional information

There is no additional information in this paper for Sections A and B.
