Cambridge Assessment International Education

# Cambridge International AS & A Level

| CANDIDATE NAME | |
|---|---|

| CENTRE NUMBER | | | | | | CANDIDATE NUMBER | | | | |
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*0792086071*

**BUSINESS** **9609/32**

Paper 3 Case Study **February/March 2020**

**3 hours**

You must answer on the question paper.

You will need: Insert (enclosed)

**INSTRUCTIONS**

- Section A: answer **all** questions.
- Section B: answer **one** question.
- Use a black or dark blue pen.
- 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 an HB pencil for any diagrams, graphs or rough working.

**INFORMATION**

- The total mark for this paper is 100.
- The number of marks for each question or part question is shown in brackets [ ].
- The insert contains the case study.

This document has **20** pages. Blank pages are indicated.

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Answer **all** questions in Section A and answer **one** question in Section B.

You are advised to spend no more than 40 minutes on Section B.

## Section A

Answer **all** questions in this section.

**1** Analyse the likely impact of changes in interest rates on FE.

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**2** **(a)** Refer to lines 29–31. Calculate the forecast capacity utilisation for 2020 in FE's factory.

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**(b)** Refer to Table 1. Calculate the difference in unit cost of towers produced by expanding the factory or outsourcing.

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**(c)** Refer to your results from **2(a)** and **2(b)** and other information. Recommend to FE's directors whether to outsource production of the towers.

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**3** Evaluate changes to the marketing strategy of FE needed to increase its market share of the household market for wind turbines.

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**4** **(a)** Refer to Tables 2 and 3. Calculate for 2019:

**(i)** inventory turnover

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**(ii)** gearing

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**(iii)** current ratio.

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**(b)** Evaluate the usefulness of ratio analysis to FE's managers when making decisions.

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**5** Evaluate the significance of workforce planning to FE's future success.



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## Section B

Answer **one** question in this section.

**6** Evaluate the usefulness of decision tree analysis to FE's Directors when making the strategic choice between options A and B.

**7** Discuss the importance of FE's Directors developing a detailed corporate plan before implementing strategies for future growth.

Write the question number here: .....

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