CAMBRIDGE
International Education

Cambridge International AS & A Level

BUSINESS **9609/42**

Paper 4 Business Strategy **May/June 2026**

1 hour 15 minutes

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You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS
- Answer **all** questions.
- Follow the instructions on the front cover of the answer booklet. If you need additional answer paper, ask the invigilator for a continuation booklet.

INFORMATION
- The total mark for this paper is 40.
- The number of marks for each question or part question is shown in brackets [ ].

This document has **4** pages.

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Gas Motels (GM)

A motel is a hotel targeted at motorists. GM owns a chain of motels across Europe. The original GM motel was built in 1958, and the owners have used external growth to take over smaller motel chains.

In 2018 GM purchased Travel Pal (TP), a chain of 20 motels. GM now owns 104 motels across Europe.

Timeline of GM

2018	Takeover of TP by GM is completed. New legislation requires all motels to have an updated fire evacuation plan. The human resource (HR) director proposes an updated fire evacuation plan for GM (see **Appendix 1**). The updated fire evacuation plan is adopted by GM.
2019	The finance director attends the European Cybersecurity Forum. Cybersecurity is the use of technology to protect systems, networks, software, and hardware from attacks. He advises that GM should purchase this protection. The two best cybersecurity businesses present their products to the board of directors (see **Appendix 2**). The board of directors decides to implement product B, due to the lower cost.
2020	All GM motels are closed due to the global pandemic. New safety equipment and barriers must be installed into every GM motel before they can reopen. Suppliers of the safety equipment increase prices by over 300%. GM is only able to reopen half of its motels. Revenue decreases significantly and GM makes a \$4m loss – the first loss in the company's history.
2021	Safety equipment and barriers are installed in all GM locations and all motels are reopened. GM makes a \$1m loss.
2022	GM breaks even for the year.
2023	GM installs self-check-in devices in all motels (see **Appendix 3**).
2024	GM's self-check-in devices are damaged by cybercriminals. This leads to all of the self-check-in devices being unusable for two weeks during the summer peak season. Employees have to check in customers, causing delays and customer complaints.
2025	The board of directors decides to review GM's existing insurance policies. They decide that GM is adequately covered.

Developing a strategy for improving employee performance

GM's revenue and profit have not yet returned to the levels reached before 2020. The HR Director believes that poor employee performance is to blame. He believes that GM needs a strategy to improve employee performance to increase revenue and profit.

Appendix 1: GM's updated fire evacuation plan in 2018

Emergency evacuation plan for employees and guests of GM motels.

On discovery of fire:

- raise the alarm by the nearest 'break glass' call point.

Call points are located on each floor.

Do not attempt to fight the fire.

Call the emergency services.

Each GM motel will have a fire practice once a year.

Appendix 2: Cybersecurity products in 2019

product	A	B
cost (per motel)	$6000	$2500
maximum number of motels protected	150	110
software and network security – protecting all software used by GM, including; the GM customer app and room booking software	✓	✓
cloud and data security – protecting all sensitive data that is kept by GM on employees and customers	✓	✓
hardware security – protecting all devices	✓	✗

key
✓ included in product
✗ not included in product

Appendix 3: GM installs motel self-check-in devices in 2023

GM has invested $10m in replacing some employees with devices.

GM has made over 200 employees redundant.

'Guests at GM can check themselves in as easily as using the checkout at the supermarket', said GM's managing director. 'We are making sure that GM will remain competitive in the European markets for years to come'.

Answer **both** questions.

1 Evaluate the effectiveness of GM's contingency planning between 2018 and 2025. [20]

2 Advise GM's board of directors on an appropriate strategy for improving employee performance. [20]

