GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

JUNE EXAMINATION
GRADE 12

2025

BUSINESS STUDIES

(PAPER 2)

BUSINESS STUDIES P2

C2722E

TIME: 2 hours

MARKS: 150

9 pages

X05

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO main topics.

   SECTION A: COMPULSORY
   SECTION B: Consists of THREE questions.
   Answer any TWO of the three questions in this section.
   SECTION C: Consists of TWO questions.
   Answer any ONE of the two questions in this section.

2. Read the instructions for each question carefully and take note of what is required.

   Note that ONLY the answers to the first TWO questions selected in SECTION B and the answers to the FIRST question selected in SECTION C will be marked.

3. Number your answers correctly according to the numbering system used in this question paper. NO marks will be awarded for answers that are numbered incorrectly.

4. Except where other instructions are given, answers must be written in full sentences.

5. Use the mark allocation and nature of each question to determine the length and depth of an answer.

6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	**1**	**30**	**20**
B: THREE direct/indirect-type questions **CHOICE: Answer any TWO.**	**2**	**40**	**70**
	3	**40**	
	4	**40**	
C: TWO essay-type questions **CHOICE: Answer any ONE.**	**5**	**40**	**30**
	6	**40**	
TOTAL		**150**	**120**

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page QUESTION 2 – new page.

8. You may use a non-programmable calculator.

9. Write neatly and legibly.

SECTION A (COMPULSORY)

QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 The directors of Duiker Ltd issued … shares to their shareholders as compensation for unpaid dividends.

A preference
B bonus
C founder's
D ordinary

1.1.2 Employees with low morale can be inspired by the insight and personality of … leaders.

A democratic
B autocratic
C laissez-faire
D charismatic

1.1.3 Businesses that insure assets for more than the market value will not receive a pay-out larger than the loss at market value. This is known as …

A over-insurance.
B reinstatement.
C compulsory insurance.
D under-insurance.

1.1.4 Yasir Traders develops remedial programmes to protect the environment by reducing pollution to adhere to … as a King Code principle.

A transparency
B responsibility
C accountability
D professionality

1.1.5 This process is often undertaken by one person, which makes it authoritarian.

A Analysing
B Brainstorming
C Decision-making
D Problem-solving

(5 x 2) (10)

1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

simple; unprofessional; non-insurable; unit trust; decision-making; professional; problem-solving; insurable; RSA Retail Savings Bonds; compound

1.2.1 Laizah earns … interest, calculated on the principal amount and accumulated interest.

1.2.2 KG textiles is affected by changes in fashion. This is an example of a/an … risk.

1.2.3 Minors are encouraged to invest in … with the help of a legal guardian.

1.2.4 The owner of Peter Fast Food is suspected of … behaviour for giving special favours to some workers.

1.2.5 The process of analysing a situation to identify strategies to bring about change, is known as ....

(5 x 2) (10)

1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A – J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g., 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Situational leadership theory	A	applicable when property is under-insured
1.3.2	Liquidity	B	ability to look at a challenge and come up with original, and innovative solutions
1.3.3	Reinstatement	C	depends on workers embracing change and boosting the morale of employees
1.3.4	Creative thinking	D	assets are sold to pay creditors due to a lack of capital
1.3.5	Unethical business practice	E	depends on the relationship that exists between the leader and employees
		F	paying employees unfair wages
		G	assets can quickly be bought or sold and can easily be converted into cash
		H	applicable when property is over-insured
		I	paying employees UIF benefits
		J	ability to look at a challenge and identify the problem

(5 x 2) (10)

TOTAL SECTION A: 30

SECTION B

Answer ANY TWO questions in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

QUESTION 2: BUSINESS VENTURES

2.1 List any FOUR factors that should be considered when making investment decisions. (4)

2.2 Outline the role of personal attitude in successful leadership. (6)

2.3 Read the scenario below and answer the questions that follow.

MASHAWU TILE SUPPLIERS (MTS)

Venus is the owner of Mashawu Tile Suppliers. He rewards employees for meeting sales targets and for achieving business goals.

2.3.1 Identify the leadership style used by MTS in the scenario above. (2)

2.3.2 Explain situations in which the leadership style identified in QUESTION 2.3.1 can be applied in the workplace. (4)

2.4 Discuss the impact of shares as a form of investment. (6)

2.5 Read the scenario below and answer the questions that follow.

JUDE LODGE (JL)

Jude bought a lodge for R800 000, but he insured it for R500 000. A storm destroyed a portion of the lodge, with damage estimated at R300 000.

2.5.1 Name the insurance clause that is applicable to the scenario above. (2)

2.5.2 Calculate the amount that Jude will receive as compensation from the insurer. Show ALL calculations. (4)

2.6 Describe *excess* as an insurance concept. (6)

2.7 Advise businesses on *debentures* as a type of investment opportunity. (6)

[40]

QUESTION 3: BUSINESS OPERATIONS

3.1 Name any FOUR problem-solving steps. (4)

3.2 Outline the meaning of professional behaviour. (6)

3.3 Identify the type of unethical business practice applicable to Thandi's Salon in EACH statement below:

3.3.1 Thandi is falsifying the business's financial statements.

3.3.2 The salon is selling second-hand goods as new goods.

3.3.3 Thandi is charging higher prices for goods of inferior quality. (6)

3.4 Explain the impact of the Delphi technique in solving complex business problems. (6)

3.5 Read the scenario below and answer the question that follows.

MIKE'S COMPUTERS LTD. (MC)

Mike's Computers sells computers and accessories. Mike ensures that there is regular communication between the directors and shareholders. He also conducts business deals openly so that there is no corruption.

Identify TWO King Code principles for good corporate governance applied by MC. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.5.

KING CODE PRINCIPLES	MOTIVATIONS
1.	
2.	

(6)

3.6 Discuss the benefits of creative thinking in the workplace. (6)

3.7 Advise businesses on how they can apply the brainstorm problem-solving technique to solve complex business problems. (6)

[40]

TOTAL SECTION B: 80

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 State any FOUR types of benefits paid out by the Unemployment Insurance Fund (U.I.F). (4)

4.2 Elaborate on the meaning of *management*. (4)

4.3 Read the following scenario and answer the questions that follow.

ROBERT FOOTWEAR (RF)

Robert Footwear is in the process of investing surplus funds at a financial institution. They invested in a form of investment where interest is earned at a fixed rate, regardless of changes in the economic climate.

4.3.1 Identify the form of investment that is applicable to the scenario above. (2)

4.3.2 Discuss the impact of the form investment, identified in QUESTION 4.3.1. (4)

4.4 Suggest situations in which the *laissez-faire leadership style* can be applied. (6)

BUSINESS ROLES

4.5 Outline examples of ethical behaviour. (4)

4.6 Read the scenario below and answer the questions that follow.

JANINE ENTERTAINMENT (JE)

Janine Entertainment is experiencing an increase in employee turnover. JE requested their employees to generate ideas silently on their own before sharing them with others.

4.6.1 Identify the problem-solving technique applied by JE in the scenario above. (2)

4.6.2 Explain other ways in which JE can apply the problem-solving technique identified in QUESTION 4.6.1. (4)

4.7 Discuss the advantages of the force field analysis problem-solving technique for businesses. (4)

4.8 Recommend ways in which businesses can create an environment that promotes creative thinking in the workplace. (6)

[40]

TOTAL SECTION B: 80

SECTION C

Answer ANY ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question. The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS VENTURES (INVESTMENT INSURANCE)

Most businesses can clearly distinguish between insurance and assurance. They understand that they can benefit by investing in insurance tailored to their needs. They apply the principles of insurance when entering into an insurance contract. Businesses are also required to contribute to compulsory insurance.

Write an essay on investment insurance in which you include the following aspects:

- Outline the differences between *insurance* and *assurance*.
- Explain the benefits of insurance for businesses.
- Discuss the following principles of insurance:
  - Indemnity/Indemnification
  - Utmost good faith
- Advise businesses on the Road Accident Fund (RAF)/Road Accidents Scheme (RABS) as a type of compulsory insurance. **[40]**

QUESTION 6: BUSINESS OPERATIONS (ETHICS AND PROFESSIONALISM)

Corporate governance ensures that ethical and professional behaviour is maintained during the daily operations of a business. Most businesses strive to uphold their integrity by conducting themselves in a professional, responsible, ethical and effective manner. They are also expected to conduct operations in a professional manner and develop strategies to address any unprofessional challenges that may arise.

Write an essay on ethics and professionalism in which you include the following aspects:

- Elaborate on the meaning of ethical behaviour.
- Explain ways in which professional, responsible, ethical and effective business practice should be conducted.
- Discuss how the THREE types of unprofessional business practises pose challenges to businesses.
- Recommend ways in which businesses could deal with these types of unprofessional business practices. **[40]**

TOTAL SECTION C: 40

TOTAL: 150