GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

JUNE EXAMINATION
GRADE 12

2024

BUSINESS STUDIES

(PAPER 2)

BUSINESS STUDIES P2

C2722E

X05

TIME: 2 hours

MARKS: 150

9 pages

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 question in this section.

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

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

3. Number the 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 the 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	**2**	**40**	**70**
CHOICE:	**3**	**40**	
(Answer any TWO.)	**4**	**40**	
C: TWO essay-type questions	**5**	**40**	**30**
CHOICE:			
(Answer any ONE.)	**6**	**40**	
TOTAL		**150**	**120**

7. Begin the answer to EACH question on a NEW page, e.g., QUESTION 1 on a new page, QUESTION 2 on a 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, for example 1.1.6 D.

1.1.1 Mike, the manager of Star Traders, applies the … leadership style when delegating tasks to his followers to be done without supervision.

A laissez-faire
B transactional
C democratic
D charismatic

1.1.2 The principal amount includes all interest accumulated during past periods when calculating the … earned.

A simple interest
B capital gain
C compound interest
D fixed interest

1.1.3 Businesses deal with tax evasion as unethical business practice by …

A providing a framework for corrective action.
B increasing the working hours.
C educating employees about the repercussions of fraud.
D keeping accurate records of income statements and financial transactions.

1.1.4 Consider the advantages and disadvantages of each alternative solution. This problem-solving step is known as …

A defining the problem.
B evaluating alternative solutions.
C implementing the best solution.
D identifying alternative solutions.

1.1.5 VC Motors applies the … technique when they distribute questionnaires to a panel of experts to find a solution for their business problem.

A force-field analysis
B nominal group
C empty chair
D Delphi

(5 x 2) (10)

1.2 Complete the following statements by using the word(s) 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.

leadership; brainstorming; shares; unfair advertising; transparency; nominal group technique; management; social responsibility; tax evasion; debentures

1.2.1 The process of getting things done by exercising responsibility is known as …

1.2.2 Sand Limited issued … to raise borrowed capital from the public.

1.2.3 Using fine print to conceal important information is known as an example of … as an unethical business practice.

1.2.4 The King Code principle that involves the development and implementation of programmes aimed at protection of the communities in which they operate is known as …

1.2.5 All members of the group randomly make suggestions during the ... problem-solving technique.

(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	Democratic leadership style	A	issued as compensation for unpaid dividends
1.3.2	Dividends	B	team members are encouraged to confront issues through constructive problem-solving
1.3.3	Bonus shares	C	the leader focuses on motivating followers through a system of reward
1.3.4	Nominal group technique	D	upholding the code of conduct of a specific profession
1.3.5	Ethical behaviour	E	team members are motivated as they are allowed to contribute to problem solving
		F	the return on investment in shares which is paid by a company to its shareholders
		G	the leader invites group members to contribute ideas and participate in decision-making
		H	upholding moral standards when doing business
		I	the return on fixed assets which increased in value
		J	issued to the founders and incorporators of the company

(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 Name any FOUR types of preference shares. (4)

2.2 Outline the advantages of the charismatic leadership style. (4)

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

JOZI CONSULTANTS (JC)

Jozi Consultants wants to invest R10 000 at 8% p.a., in a fixed deposit for two years with Gous Bank. JC also identified mutual funds as the best investment opportunity to expand their business.

2.3.1 Calculate the interest on fixed deposit that JC will receive after two years. (4)

2.3.2 Explain mutual funds as a type of investment opportunity. (4)

2.4 Discuss the impact of the Government/RSA Retail Savings Bonds as a form of investment. (6)

2.5 Describe the role of personal attitude in successful leadership. (6)

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

MDODO SPORTWEAR (MS)

Mdodo Sportswear has retail outlets throughout the country. The management of MS takes quick decisions without consulting with their employees.

2.6.1 Identify the leadership style applied by MS in the scenario above. (2)

2.6.2 Discuss other advantages of the leadership style identified in QUESTION 2.6.1. (4)

2.7 Suggest situations in which the transactional leadership style can be applied in the workplace. (6)

[40]

QUESTION 3: BUSINESS ROLES

3.1 Give any FOUR examples of ethical behaviour in the workplace. (4)

3.2 Identify the types of unprofessional business practices displayed by the employees of Galaxy Trading in EACH statement below:

3.2.1 Employees make personal calls during working hours. (2)

3.2.2 Employees download movies using the resources of the business. (2)

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

FARM TO TABLE LIMITED (FTL)

Peter was appointed as a new CEO at Farm to Table Limited. He had to make some changes to the business and had to make some important decisions. Some shareholders were not aware of these changes and decisions.

3.3.1 Identify the King Code principle applied by FTL. (2)

3.3.2 Explain other ways in which FTL can apply the King Code principle identified in QUESTION 3.3.1. (4)

3.4 Describe ways in which businesses could deal with sexual harassment as a type of unprofessional business practice. (6)

3.5 Define *creative thinking*. (4)

3.6 Explain the advantages of creative thinking in the workplace. (6)

3.7 Discuss the following problem-solving steps:

3.7.1 Identify the problem (2)

3.7.2 Develop an action plan (2)

3.8 Evaluate the positive impact of force field analysis as a problem-solving technique. (6)

[40]

QUESTION 4: MISCELLANEOUS

BUSINESS VENTURES

4.1 Elaborate on the meaning of *leadership*. (4)

4.2 Explain the situational leadership theory. (4)

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

VERO MANUFACTURERS (VM)

Vero Manufacturers wants to invest their extra profit. They are considering investing in a type of investment that can easily be converted to cash. The management of VM is aware that the duration of the investment may influence the return on investment.

Identify TWO investment decision factors that are applicable to VM.
Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.3.

INVESTMENT DECISION FACTORS	MOTIVATIONS
1.	
2.	

(6)

4.4 Evaluate the impact of a fixed deposit as a form of investment. (6)

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4.5 Define *professional behaviour*. (4)

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

NIMROD PAINTS (NP)

Nimrod Paints was faced with a complex business problem that needed to be solved. Management encouraged employees to suggest ideas in large groups. Employees are also inspired to use each suggestion to generate new ideas.

4.6.1 Name the problem-solving technique used by Nimrod Paints. (2)

4.6.2 Discuss the advantages of the problem-solving technique identified in QUESTION 4.6.1. (4)

4.7 Explain how unfair advertising as an unethical business practice poses challenges to businesses. (6)

4.8 Recommend ways in which professional, ethical and effective business practice should be conducted. (4)

[40]

TOTAL SECTION B: 80

SECTION C

Answer any ONE question in this section.

QUESTION 5: BUSINESS VENTURES (INVESTMENT: SECURITIES)

Most businesses are considering investing their surplus funds in shares listed on the JSE and through unit trusts. They must be well informed about the impact of unit trusts before investing. Businesses must also be aware of factors such as risk and return on investment when making an investment decision.

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

- Outline the rights of ordinary shareholders.
- Explain the functions of the Johannesburg Securities Exchange/JSE.
- Discuss the impact of unit trusts as a form of investment.
- Advise businesses on the following factors that should be considered when making investment decisions:
  - Risk
  - Return on investment **[40]**

QUESTION 6: BUSINESS ROLES (CREATIVE THINKING AND PROBLEM-SOLVING)

Problem-solving and decision-making skills are both important because they can help navigate challenging situations in the workplace. Some businesses apply the force field analysis and nominal group technique to solve complex business problems. Others believe that the Delphi technique is the most suitable problem-solving technique to use. Businesses invest in setting the right working environment in order to stimulate creativity and innovation.

Write an essay on creative thinking and problem-solving in which you include the following aspects:

- Outline the differences between problem-solving and decision-making.
- Explain how businesses should apply force field analysis and nominal group technique in the workplace.
- Discuss the impact of the Delphi technique as a problem-solving technique.
- Recommend ways in which businesses can create an environment that promotes creative thinking in the workplace. **[40]**

TOTAL SECTION C: 40

TOTAL: 150