GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

JUNE EXAMINATION
GRADE 12

2026

BUSINESS STUDIES

(PAPER 2)

BUSINESS STUDIES P2

C2722E

TIME: 2 hours

MARKS: 150

10 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 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 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 … leader has certainty that decisions will be made timeously and work will get done on the scheduled time.

A democratic
B charismatic
C transactional
D autocratic

1.1.2 Avela invested an amount of R50 000 in a fixed deposit at 15% compound interest per annum for two years with Masingita Bank. Avela will receive … as interest after two years.

A R16 130
B R17 120
C R16 125
D R15 000

1.1.3 Carlos Manufacturers registered with the … Fund to enable their employees to be paid for injuries sustained in the workplace.

A Compensation
B Pension
C Road Accident
D Unemployment Insurance

1.1.4 An employee of Ntini Traders used the credit card of the business to pay for his lunch. This refers to … as a type of unprofessional business practice.

A unproductive employees
B abuse of work time
C difficult employees
D unauthorised use of workplace funds and resources

1.1.5 Creative thinking in the workplace means … to solve business problems.

A using old ways
B generating innovative ideas
C using routine thinking
D allowing one employee

(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.

compound; situational; under-insurance; ethical; force field analysis; professional; simple; over-insurance; transformational; Delphi

1.2.1 Thompson Traders' assets are insured for less than the actual value. This is known as …

1.2.2 The amount of interest earned based on the original amount invested as well as the interest earned is known as … interest.

1.2.3 Nelani Enterprise implements the … leadership theory as the business is experiencing radical changes.

1.2.4 The employees of Bennies Bookshop show … behaviour as they apply the business's code of conduct when dealing with clients.

1.2.5 The … problem-solving technique may be time-consuming since the business must stabilise before further changes can be made.

(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	Capital gain	A	noise levels in an office environment are reduced since there are no group discussions
1.3.2	Situational leadership theory	B	applicable to short-term insurance
1.3.3	Assurance	C	board of directors develop equity programmes to ensure that all employees are treated equally
1.3.4	Delphi technique	D	leaders are required to manage employees under different conditions
1.3.5	Responsibility	E	noise levels in an office environment are high since there are group discussions
		F	growth in value of property in relation to the original amount invested
		G	applicable to long-term insurance
		H	board of directors implement programmes aimed at protecting the communities in which they operate
		I	leaders communicate the vision of the organisation in a clear manner
		J	selling property for less than its original price in relation to the amount invested

(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 examples of long-term insurance. (4)

2.2 Elaborate on the meaning of *excess* as an insurance concept. (6)

2.3 Identify the types of investment opportunities applicable to Maretele Enterprise (ME) in EACH statement below.

2.3.1 Maretele Enterprise offered Tinyiko Traders the opportunity to start a business in return for having a share in the new business.

2.3.2 ME agreed to lend money to Mariah Limited under certain conditions for a fixed period.

2.3.3 Ahmed, an employee of ME, makes a monthly payment to Mango Insurance and is guaranteed a predetermined amount on a date in the future. (6)

2.4 Explain the functions of the Johannesburg Securities Exchange (JSE). (6)

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

MAZIVILA SNEAKERS (MS)

Mazivila Sneakers is a very lucrative business for teenagers. There is regular communication between the business and employees which leads to improved decision-making. MS offers counselling to boost the morale of demotivated employees. Authority is also delegated which inspires workers to be more productive.

2.5.1 Quote TWO advantages of the democratic leadership style applied by MS in the scenario above. (2)

2.5.2 Discuss other advantages of the democratic leadership style. (4)

2.6 Describe situations in which the transformational leadership theory can be applied in the workplace. (6)

2.7 Advise businesses on the advantages of insurance. (6)

[40]

QUESTION 3: BUSINESS ROLES

3.1 Elaborate on the meaning of ethical behaviour. (4)

3.2 Explain any TWO problem-solving steps. (6)

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

JONAS ENTERPRISE (JE)
Jonas Enterprise is experiencing huge losses on their profits. JE requested their employees to generate ideas silently on their own before sharing them with others.

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

3.3.2 Discuss other ways in which JE can apply the problem-solving technique identified in QUESTION 3.3.1. (4)

3.4 Explain how the abuse of work time as a type of unprofessional business practice poses challenges to businesses. (6)

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

TREVOR CARGO (TC)
Trevor Cargo (TC) is a large business that specialises in delivery services. They did not declare all their income of the previous financial year to the South African Revenue Service. TC also uses fine print to hide important information when promoting their products.

Identify TWO types of unethical business practices applicable to TC. Motivate your answer by quoting from the scenario above.

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

TYPES OF UNETHICAL BUSINESS PRACTICES	MOTIVATIONS
1.	
2.	

(6)

3.6 Explain how businesses can apply the following King Code principles for good corporate governance to improve ethical business conduct:

3.6.1 Transparency (4)

3.6.2 Accountability (4)

3.7 Suggest ways in which professional, responsible, ethical and effective business practices should be conducted. (4)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 State any FOUR factors that should be considered when making an investment decision. (4)

4.2 Outline the positive impact of unit trusts as a form of investment. (4)

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

MAVIS TRADING (MT)
Mavis Trading is known for selling quality products to various customers. The management of MT insured their business against theft and will be compensated for the damages specified. MT disclosed everything that may affect the extent of the risk.

Identify TWO principles of insurance applicable to MT. Motivate your answer by quoting from the scenario above. (6)

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

PRINCIPLES OF INSURANCE	MOTIVATIONS
1.	
2.	

4.4 Advise businesses on the advantages of the transactional leadership style. (6)

BUSINESS ROLES

4.5 Outline the ways in which businesses can apply the brainstorming technique to solve complex business problems. (6)

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

SMUTS MANUFACTURERS (SM)

Smuts Manufacturers supplies farming products. Management experienced a decline in sales due to the high costs added to the price of the final product. They do not have remedial programmes to protect the environment. SM formed a monopoly to increase their prices unilaterally which resulted in heavy fines.

4.6.1 Quote TWO challenges posed by the pricing of goods in rural areas as an unethical business practice from the scenario above. (2)

4.6.2 Describe other challenges posed by pricing of goods in rural areas as an unethical business practice. (4)

4.7 Recommend ways in which businesses could deal with the following unprofessional business practices:

4.7.1 Sexual harassment (4)

4.7.2 Unauthorised use of workplace funds and resources (4)

[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, for example QUESTION 5 on a NEW page, QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)

Effective management and leadership are crucial for achieving business objectives. The leader-follower leadership theory is often used in the workplace to help employees reach their highest level of performance. Most leaders also use the laissez-faire and charismatic leadership styles. A leader's personal attitude is considered by some to be a key factor in successful leadership.

Write an essay on management and leadership in which you include the following aspects:

- Outline the differences between management and leadership.
- Explain leaders and followers as a leadership theory.
- Discuss the impact of the following leadership styles on businesses:
  - Laissez-faire
  - Charismatic
- Advise businesses on the role of personal attitude in successful leadership. **[40]**

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

Businesses encounter various problems that affect their operations and must come up with innovative ways to make informed decisions. They must also create an environment that promotes creative thinking to enjoy the benefits of creativity in the workplace. The Delphi technique and the Force-field analysis enable businesses to solve complex business problems.

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 ways in which businesses can create an environment that promotes creative thinking in the workplace.
- Discuss the advantages of creative thinking in the workplace.
- Advise businesses on how they could apply the following problem-solving techniques to solve complex business problems:
  - Delphi technique
  - Force-field analysis

[40]

TOTAL SECTION C: 40

TOTAL: 150