KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL STANDARDISED ASSESSMENT

GRADE 12

BUSINESS STUDIES P2

JUNE 2026

MARKS: 150

TIME: 2 hours

This question paper consists of 9 pages.

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INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections.

   SECTION A: COMPULSORY

   SECTION B: Consists of THREE questions. Answer any **TWO** of the three questions in the 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 particular note of what is required.

   Note that ONLY the first TWO questions in SECTION B and the first question 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 for where other instructions are given, answers must be full sentences.

5. Use the mark allocation and nature of each question to determine the length and the breath 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**	**30**
B: THREE direct/indirect type questions CHOICE: Answer ANY TWO	**2**	**40**	**30**
	3	**40**	**30**
	4	**40**	**30**
C: TWO essay-type questions CHOICE: Answer ANY ONE	**5**	**40**	**30**
	6	**40**	**30**
TOTAL		**150**	**120**

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

8. You may use an unprogrammable calculator.

9. Write neatly and legibly.

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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 Businesses can apply… in a situation where subordinates are experts and know what they want.

A democratic leadership style
B laissez faire leadership style
C transactional leadership style
D autocratic leadership style

1.1.2 Campo Ltd issued … shares to their shareholders as compensation for unpaid dividends.

A preference
B founders
C ordinary
D bonus

1.1.3 The … applies when goods /assets are under insured.

A average clause
B excess
C insurance
D re-instatement

1.1.4 Kate Suppliers 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 ethics

1.1.5 An act of inspiring subordinates to perform to achieve goals

A leadership
B leaders
C followers
D management

(5 x 2) (10)

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1.2 Complete the following statements by using the words 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, e.g. 1.2.6 D

situational; insurable; professional behaviour; short term; non-insurable; dividends; long term; ethical behaviour: transformational; capital gain

1.2.1 TP Clothing has taken property insurance for their buildings. Property insurance is an example of a... insurance.

1.2.2 Irrecoverable debt is an example of a...risk

1.2.3 The supervisor at Theo's Car dealership use polite language when communicating with colleagues in the workplace. This is an example of ...

1.2.4 The task dictates the leadership style that should be applied and leaders are flexible. This refers to...leadership theory.

1.2.5 The return on the share investment which is paid regularly by the company to its shareholders is known as ...

(5 x 2) (10)

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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 Transformational leadership	A	low risk, as the insured amount will be paid out regardless of circumstances
1.3.2 32 -day notice account	B	employees use business resources for personal gain
1.3.3 Compensation for Occupational Injuries and Diseases Fund	C	the amount that can be claimed for loss of income is limited by legislation.
1.3.4 Abuse of work time	D	followers listen to what is expected of them and are willing to work as a team
1.3.5 Creative thinking	E	process of analysing a situation to identify strategies to bring about change
	F	claim is determined by the degree of disablement
	G	leaders have the trust/respect/admiration of their followers/subordinates.
	H	the ability to think of original, varied new ideas or new approaches
	I	low risk, as investment plus interest will be paid out on the maturity date of investment
	J	employees make personal calls during office hours

(5 x 2) (10)

TOTAL SECTION A: 30

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SECTION B

Answer ANY TWO questions from this section.
Clearly indicate the QUESTION NUMBER of each question that you choose.

QUESTION 2: BUSINESS VENTURES

2.1 Name any FOUR examples of long -term insurance. (4)

2.2 Outline differences between compulsory and non-compulsory insurance. (4)

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

AFRICAN PAVINGS (AP)

Yasmin is a production manager at African Paving. She offers rewards to inspire workers to achieve set targets. Yasmin is also mindful of the role of personal attitude in successful leadership.

2.3.1 Identify the leadership style applicable to AP in the scenario above. Motivate your answer by quoting from the scenario above. (3)

2.3.2 Explain the role of personal attitude in successful leadership (6)

2.4 Discuss the impact of charismatic leadership style on businesses. (6)

2.5 Advise businesses on the importance of insurance. (4)

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

VIGO NEWS (VN)

Vigo News insured their property with Khula Insurers. Khula Insurers instructed Vigo News to pay a portion of the insurance claim towards replacement cost of the property damaged by fire.

2.6.1 Identify the insurance concept applicable to VN in the scenario above. Motivate your answer by quoting from the scenario above. (3)

2.6.2 Elaborate on the meaning of the insurance concept identified in QUESTION 2.6.1. (4)

2.7 Advise businesses on the impact of shares as a form of investment. (6)

[40]

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QUESTION 3: BUSINESS ROLES

3.1 Name any FOUR problem solving steps. (4)

3.2 Outline how businesses can apply Delphi as the problem-solving technique. (4)

3.3 Elaborate on the meaning of ethical behaviour in the work place. (4)

3.4 Explain ways in which businesses could deal abuse of work time as a type of unprofessional business practice. (4)

3.5 Discuss how businesses can apply brainstorming problem- solving technique to solve complex business. (6)

3.6 Read the scenario below and answer questions that that follow:

RIA CONSTRUCTION (RC)

Ria Construction is well-known for the building and repairing of national roads. RC has benefitted from effectively applying one of problem-solving techniques. RC was able to strengthen the driving forces and weaken the restraining forces. Each member had a chance to participate without interference from other team members. RC was able to have an idea of the timeline required and the requirements of additional resources.

3.6.1 Quote TWO advantages of force-field analysis in solving complex RC problems. (2)

3.6.2 Discuss OTHER advantages of force-field analysis in solving complex business problems. (4)

3.7 Describe the advantages of creative thinking in the workplace. (6)

3.8 Advise businesses on strategies to deal with sexual harassment as a type of unprofessional business practice . (6)

[40]

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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 Name FOUR principles of insurance. (4)

4.2 Identify the benefits paid out by Unemployment Insurance Fund (UIF) in EACH statement below:

4.2.1 Unemployed people may only claim if they contributed to UIF.

4.2.2 Employees may not claim these benefits if they refuse medical treatment.

4.2.3 If an employee had a miscarriage, she could claim for up to 42 days. (6)

4.3 Describe the situations in which autocratic leadership style can be applied. (4)

4.4 Evaluate the impact of unit trusts as a form of investment. (6)

BUSINESS ROLES

4.5 Name any FOUR examples of ethical business practices (4)

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

BLUE SKY (BS)
Blue Sky is experiencing the decrease in profits. BS requested their employees to brainstorm ideas to solve the problem. Each employee must develop ideas silently before sharing with others silently before sharing with others.

4.6.1 Identify the problem-solving technique applied by BS. (2)

4.6.2 Explain the application of the problem-solving technique identified in QUESTION 4.6.1 (4)

4.7 Describe the differences between problem-solving and decision-making. (4)

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

[40]

TOTAL SECTION B: [80]

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SECTION C

Answer any **ONE** question from this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question.

QUESTION 5: BUSINESS VENTURES (INVESTMENT- SECURITIES)

The Johannesburg Securities Exchange (JSE) provides potential investors with different investment portfolios. Investors should be aware of differences between simple and compound interests. It is important for investors to analyse types of investment opportunities such as debentures and mutual funds including the risk factors. Businesses should take note of the rights of preference shareholders.

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

- Outline the functions of Johannesburg Securities exchange (JSE).
- Explain the differences between simple interest and compound interest.
- Discuss the following investment opportunities and their risk factors:
  - Debentures
  - Mutual funds/Stokvel
- Advise investors on rights of preference shareholders.

[40]

QUESTION 6: BUSINESS ROLES (ETHICS AND PROFESSIONALISM)

Many businesses sustain their integrity by operating in a professional, responsible, ethical and effective manner. The King Code principles of good corporate governance such as transparency and accountability are important in improving the ethical business conduct Business owners are expected to eliminate any unethical business practices that pose challenges to their operations. Businesses are expected to device strategies to deal with unauthorised use of workplace funds and resources.

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

- Outline the ways in which professional, responsible, ethical and effective business practices should be conducted.
- Explain Discuss ways in businesses can apply the following King Code principles of good corporate governance to improve ethical business conduct:
  - Transparency
  - Accountability
- Discuss how the THREE types of unethical business practices pose challenges to the businesses
- Recommend strategies in which businesses can deal with unauthorised use of workplace funds and resources.

[40]

TOTAL SECTION C: (40)

GRAND TOTAL:150

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