GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PREPARATORY EXAMINATION

2026

10722

BUSINESS STUDIES

(PAPER 2)

BUSINESS STUDIES P2

10722E

TIME: 2 hours

MARKS: 150

9 pages

X10

P.T.O.

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 answer 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	**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 – 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 Maduna Trading implements the … leadership theory by allocating tasks and responsibilities to the most suitable employees.

A transformational
B leaders and followers
C situational
D transactional

1.1.2 Employers and employees each contribute 1% of employees' basic wages to the:

A Road Accident Fund
B Unemployment Insurance Fund
C Compensation Fund
D Fidelity Insurance Fund

1.1.3 Phakama Enterprises invested R 20 000 at an annual compound interest rate of 10% for a period of two years. They will receive an amount of … as interest on their investment.

A R2 000
B R2 200
C R24 200
D R4 200

1.1.4 Jimmy Welding appointed both male and female employees to managerial positions to address … as a diversity issue.

A gender
B age
C language
D culture

1.1.5 Jonny Manufacturers applied the … as a problem-solving technique to ensure that their employees use each suggestion to inspire new ideas.

A Delphi technique
B force-field analysis
C brainstorming technique
D nominal group technique (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.

information; private company; excess; communication; problem-solving; co-operation; privacy; decision-making; public company; premium

1.2.1 Secure Plus Stores has to pay an amount of R5 000 as … towards the cost of claiming for damages to their truck.

1.2.2 A form of ownership that raises capital by issuing shares to its shareholders is known as a ...

1.2.3 The CEO of Tshego Traders considered various alternatives before choosing the best one. This is known as …

1.2.4 Enticeful Properties is transparent in its financial statements and allows employees to access these statements on request. This refers to the right to …

1.2.5 Team leaders implement … as a criterion for successful team performance by providing quality feedback to their team members. (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	Transactional leadership style	A	funded by donations and foreign funding
1.3.2	Founders' shares	B	applied when employees are experienced in their chosen field
1.3.3	Non-profit companies	C	know your facts and be assertive
1.3.4	Race	D	issued to the promoters of the company
1.3.5	Expert	E	businesses encourage employees to be sensitive to the different perspectives of various age groups
		F	applied when businesses want to maximise employee performance
		G	businesses ensure that there is no discrimination in the workplace based on skin colour
		H	stay in control and emphasise the importance of making decisions
		I	funded by the Department of Trade and Industry
		J	issued to shareholders as compensation for the loss of dividends

(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 types of preference shares. (4)

2.2 Outline the functions of the Johannesburg Securities Exchange (JSE). (6)

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

THANDI TRADING (TT)

Neeresh presented information on a new product to the board of directors of Thandi Trading and allowed his audience to ask questions after the presentation. He used simple language to support the examples used in the presentation. He also maintained eye contact with the audience. Neeresh ensured that he understood each question clearly before responding.

2.3.1 Quote TWO ways in which the presenter handled feedback in a non-aggressive and professional manner from the scenario above. (2)

2.3.2 Explain other ways in which the presenter can handle feedback in a non-aggressive and professional manner. (4)

2.4 Discuss the advantages of insurance for businesses. (6)

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

FRONTLINE MANUFACTURERS (FM)

Frontline Manufacturers is well known for producing quality products for a range of retailers. Frank, the production manager, uses charm and personality to motivate his team to meet set targets.

2.5.1 Name the leadership style applied by Frank in the scenario above. (2)

2.5.2 Explain the advantages of the leadership style identified in QUESTION 2.5.1. (4)

2.6 Discuss the impact of unit trusts as a form of investment. (6)

2.7 Advise businesses how legislation as a criterion could contribute to the success and/or failure of a sole trader. (6)

[40]

QUESTION 3: BUSINESS ROLES

3.1 Name any TWO corporate social investment (CSI) focus areas. (2)

3.2 Outline the roles of health and safety representatives in protecting the workplace environment. (6)

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

RETRO ELECTRONICS (RE)

Retro Electronics gains significant benefits from diversity in the workplace. RE employs individuals from diverse backgrounds who bring different perspectives to the business. Retro Electronics ensures that employees are not forced to do work that is against their beliefs. Employees demonstrate greater loyalty to the business because they feel respected and understood.

3.3.1 Quote TWO benefits of diversity in the workplace from the scenario above. (2)

3.3.2 Explain other benefits of diversity in the workplace. (4)

3.4 Discuss the advantages of corporate social responsibility (CSR) for communities.

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

HECTAR PRODUCTION (HP)

Hectar Production specialises in the manufacturing of office furniture. The management of HP ensures that their resources for production purposes are not exhausted.

3.5.1 Identify the triple-bottom-line element applicable to HP. Motivate your answer by quoting from the scenario above. (3)

3.5.2 Explain ONE other triple-bottom-line element. (3)

3.6 Describe ways in which businesses could deal with unemployment as a socio-economic issue. (6)

3.7 Discuss the advantages of creative thinking in the workplace. (4)

3.8 Advise businesses on the correct procedures to follow when dealing with grievances in the workplace. (6)

[40]

QUESTION 4: MISCELLENEOUS TOPICS

BUSINESS VENTURES

4.1 State any FOUR examples of long-term insurance. (4)

4.2 Outline the advantages of a state-owned company. (4)

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

> Lumina conducted research on the factors that should be considered when making investment decisions. She knows that the current inflation rate is 3,4% and that her investment may be exposed to a certain level of risk. Lumina is also aware that debentures are an investment opportunity that can grow her investments.

4.3.1 Name TWO factors that should be considered when making investment decisions from the scenario above. (2)

4.3.2 Describe debentures as a type of investment opportunity. (4)

4.4 Advise businesses on the role of personal attitude in successful leadership. (6)

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4.5 List any FOUR problem-solving steps. (4)

4.6 Outline the economic rights of employees in the workplace. (6)

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

> **SKY CONSTRUCTION LIMITED (SCL)**
>
> Sky Construction Limited appointed a team to design the interior of its business premises. The team members opposed each other's ideas because they all wanted the position of a team leader. The team members eventually reached consensus.

Identify TWO stages of team development applicable to SCL. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.7.

STAGES OF TEAM DEVELOPMENT	MOTIVATIONS
1.	
2.	

(6)

4.8 Suggest ways in which businesses can contribute time and effort to improve the well-being of employees. (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, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS VENTURES (PRESENTATION AND DATA RESPONSE)

Effective presenters must understand and apply key factors when preparing for a presentation. A well-designed multimedia presentation plays a crucial role in communicating important information to stakeholders. Some presenters use flip charts and smartboards to enhance the quality of their presentations. It is essential for presenters to identify areas for improvement in the next presentation.

Write an essay on presentation and data response in which you include the following aspects:

- Outline factors that should be considered when preparing for a presentation.
- Explain the aspects that should be considered when designing a multimedia presentation.
- Discuss the impact of the following visual aids:
  - Flip charts
  - Smartboards
- Recommend the areas of improvement in the next presentation. **[40]**

QUESTION 6: BUSINESS ROLES (ETHICS AND PROFESSIONALISM)

Many businesses adopt ethical and professional behaviour to ensure sound corporate governance. They also apply transparency as a King Code principle for good corporate governance. Unethical business practices can negatively impact business operations if they are not conducted in a professional, responsible, ethical, and effective manner.

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

- Outline the differences between *ethical behaviour* and *professional behaviour*.
- Explain how businesses can apply transparency as a King Code principle for good corporate governance to improve ethical business conduct.
- Discuss how the THREE types of unethical business practices pose challenges to businesses.
- Suggest ways in which professional, responsible, ethical and effective business practices should be conducted. **[40]**

TOTAL SECTION C: 40

TOTAL: 150

END