GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

GAUTENG DEPARTMENT OF EDUCATION

PREPARATORY EXAMINATION

2020

10722

BUSINESS STUDIES

PAPER 2

TIME: 2 hours

MARKS: 150

10 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 questions in this section.

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

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

3. Number the answers carefully 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**	**35**
CHOICE: Answer any TWO.	**3**	**40**	**35**
	4	**40**	**35**
C: TWO essay-type questions	**5**	**40**	**30**
CHOICE: Answer any ONE.	**6**	**40**	**30**
TOTAL		**150**	**120 minutes**

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

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 Life assurance forms part of … insurance.

A. non-compulsory
B. compulsory
C. fire
D. non and compulsory

1.1.2 Piet applied the … leadership style when he allowed his employees to participate in decision making.

A. transactional
B. democratic
C. autocratic
D. laissez-faire/free-reign

1.1.3 … focuses on upholding the reputation of a business.

A. Ethical behaviour
B. Corporate governance
C. Disciplinary measure
D. Professionalism

1.1.4 Which of the following statements is not a strategy to deal with difficult employees?

A. Ask someone in authority for their input into the situation.
B. Do not judge the person.
C. Instructions should be given.
D. Treat people with respect.

1.1.5 Equal pay for work of equal value is an example of … right(s) of employees.

A. cultural
B. social
C. human
D. economic

(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 number (1.2.1 to 1.2.5) in the ANSWER BOOK.

fixed deposits; tax evasion; decision making; Johannesburg Securities Exchange; prospectus; debenture; tax avoidance; problem-solving; National Treasury of South Africa; retirement annuities

1.2.1 The … gives small investors a chance to be part of the economy.

1.2.2 Companies borrow capital from the public by issuing a …

1.2.3 An investor can only withdraw money from … when he/she reaches a certain age.

1.2.4 Businesses who do not declare all their income to SARS with the aim of paying less tax can be fined for …

1.2.5 A senior manager considers existing alternatives and decides on the best solution. This is an example of …

(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 number (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Bar graph	A.	Businesses should take care of the well-being of employees.
1.3.2	Reinstatement	B.	Shareholders receive extra dividend for the company's good performance.
1.3.3	Founders shares	C.	A set of figures systematically displayed, especially in columns
1.3.4	Responsibility	D.	Compensation value will be higher than the market value of an asset when a claim is made.
1.3.5	Inclusivity	E.	Shareholders are compensated for establishing a company.
		F.	A set of sales figures shown as a series of rectangles
		G.	Compensation value will not be higher than the market value of an asset when a claim is made.
		H.	Businesses should develop programmes that are aimed at protecting the communities.
		I.	Equal job opportunities are given to all people regardless of race, gender, religion etc.
		J.	Previously disadvantaged people are given preferential treatment when applying for jobs.

(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 Elaborate on the meaning of *insurance*. (4)

2.2 Identify the leadership style applied by Vusi Trading in EACH statement below.

2.2.1 Vusi Trading allows their employees to make decisions on their own work methods as they are experts.

2.2.2 Rewards are given to employees who meet targets. (4)

2.3 Discuss the *situational leadership theory*. (4)

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

> Peter saved R50 000 over a period of five years. He wants to invest this amount in a safe and low-risk investment option with a guaranteed return where no charges, fees or commission are payable.

2.4.1 Identify the type of investment that will suit Peter's investment needs. (2)

2.4.2 Analyse the impact of the type of investment identified in QUESTION 2.4.1 on investors. (6)

2.5 Explain the differences between a *private company* and a *public company*. (8)

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

> Thandi invested R7 000 in a flexi-deposito account at a bank for two years at 9% interest per annum, compounded annually.

Calculate the amount of interest that Thandi will receive after 2 years. Show all calculations. (4)

2.7 Discuss the following factors that should be considered when making investment decisions.

2.7.1 Return on investment (4)

2.7.2 Inflation rate (4)

[40]

QUESTION 3: BUSINESS ROLES

3.1 Name any TWO human rights in the workplace. (2)

3.2 Identify the stages of team development applicable to EACH statement below.

3.2.1 Individuals gather information about the scope of the task and how to approach it.

3.2.2 Team members come to an agreement and reach consensus.

3.2.3 All tasks need to be completed before the team finally dissolves. (6)

3.3 Explain the causes of conflict in the workplace. (6)

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

CLEARVIEW MANUFACTURERS (CM)

Clearview Manufacturers produces personal protective equipment for small businesses. CM is experiencing a decline in sales due to a lack of commitment from their employees to produce quality products. CM has requested a panel of experts to solve their problem.

3.4.1 Name the problem-solving technique that CM applied in the scenario above. (2)

3.4.2 Discuss the advantages of the problem-solving technique mentioned in QUESTION 3.4.1 above. (4)

3.5 Distinguish between *corporate social responsibility* (CSR) and *corporate social investment* (CSI). (8)

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

EASY STATIONERY SUPPLIERS (ESS)

Easy Stationery Supplies has employed Edith and Zama as supervisors in different departments. Edith refuses to take instructions from senior management as she feels she has enough experience and knows what is required of her. Zama always makes promises that she cannot keep.

Identify the types of difficult personalities displayed by Edith and Zama. Motivate your answer by quoting from the scenario above.

Use the table below as a guide to answer QUESTION 3.6.

EMPLOYEES	TYPE OF DIFFICULT PERSONALITY	MOTIVATION
Edith		
Zama		

(6)

3.7 Suggest THREE ways in which businesses can contribute to the well-being of employees. (6)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 List THREE types of benefits offered by the Unemployment Insurance Fund (UIF). (3)

4.2 Outline any TWO factors that should be considered by a presenter in his/her next presentation. (4)

4.3 Explain the meaning of *security* as a principle of insurance. (4)

4.4 Discuss the advantages of a State-Owned Company (SOC). (4)

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

MANANA LODGE (ML)

Musa, the owner of Manana Lodge has a positive attitude. He also knows that there is always more to learn.

4.5.1 Quote ONE role of personal attitude in successful leadership displayed by Musa. (1)

4.5.2 Advise Musa on any other TWO roles of personal attitude in successful leadership. (4)

BUSINESS ROLES

4.6 Identify the types of unprofessional and unethical business practices that are displayed by Manchester Carpets in EACH statement below.

4.6.1 Employees download music and movies using the business's internet.

4.6.2 Alex, the manager promised Elsie, one of his employees a promotion if she agrees to have an intimate relationship with him.

4.6.3 The business promotes the sale of carpets with cleaning detergents. These detergents are excluded when customers purchase them. (6)

4.7 Explain how businesses should apply the King Code principle of *accountability* for good corporate governance. (4)

4.8 Describe the advantages of creative thinking in the workplace. (4)

4.9 Discuss the correct procedure to deal with grievances in the workplace. (6)

[40]

TOTAL SECTION B: 80

SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question. The answer to the CHOSEN 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)

Sam, the owner of SS Consulting wants to present his business financial statement to potential investors. Sam designed a multimedia presentation using a PowerPoint Presentation and he will also distribute handouts at the end of his presentation. Sam could not respond to questions in a professional manner at the end of his presentation.

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

- Outline the aspects that Sam should consider when designing a multimedia presentation.
- Explain factors that Sam should consider while presenting.
- Evaluate the impact of a PowerPoint Presentation and handouts as types of visual aids.
- Advise Sam on the factors that he should consider when responding to questions in a professional and non-aggressive manner. **[40]**

QUESTION 6: BUSINESS ROLES (DIVERSITY & ENVIRONMENTAL ISSUES)

Many businesses consist of a diverse workforce that requires the development of strategies to deal with different types of diversity issues. Dealing with these issues enable businesses to enjoy the benefits of a diverse workforce. Businesses appoint health and safety representatives in order to protect the environment and human health in the workplace.

Write an essay on diversity and environmental issues in which you include the following aspects:

- Outline the benefits of diversity in the workplace.
- Explain how businesses could deal with the following diversity issues in the workplace.
    - Race
    - Language
    - Age
- Describe ways in which businesses can protect the environment and human health.
- Advise businesses on the roles of the health and safety representatives in protecting the workplace environment. **[40]**

TOTAL SECTION C: 40

TOTAL: 150

END