



**BUSINESS STUDIES  
PAPER 2**

**EXAMINER:** GL  
**MODERATOR:** LF / TG / UM

**DURATION:** 2 HOURS  
**MARKS:** 150 MARKS

**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 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.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Except where other instructions are given, answers must be 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)
<b>A: Objective-type questions COMPULSORY</b>	1	30	20
<b>B: THREE direct/indirect type questions CHOICE: Answer any TWO.</b>	2	40	70
	3	40	
	4	40	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	5	40	30
	6	40	
<b>TOTAL</b>		<b>150</b>	<b>120</b>

7. Begin the answer of EACH question 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 number (1.1.1–1.1.5).

1.1.1 Managing employee stress in the workplace means to ...

- A not lead a balanced and healthy lifestyle.
- B stay calm at the onset of a crisis.
- C practice effective time management strategies.
- D create conflict situations with co-workers.

1.1.2 The ... serves as the constitution of a company.

- A initial public offer
- B memorandum of incorporation
- C notice of incorporation
- D prospectus

1.1.3 The directors of a ... company are jointly and severally liable for the debts of the company.

- A personal liability
- B non-profit
- C private
- D public

1.1.4 The ... company provides essential services such as water and electricity at reasonable prices.

- A personal liability
- B State-owned
- C public
- D private

1.1.5 The process of studying a situation and finding strategies in response to bring about change.

- A Non-conventional solution
- B Problem-solving
- C Routine thinking
- D Force Field Analysis

(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 number (1.2.1–1.2.5)

Lessor Prospectus	Continuity Liability	Stress Lessee	Audit Franchisor	Franchisee Crisis
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1.2.1 A business that pays a fee to the franchisor for the right to use the trademark and proprietary knowledge.

1.2.2 A “tenant” that must comply with specific obligations as defined in the agreement.

1.2.3 A business that continues to exist even if a change of ownership takes place.

1.2.4 The process where an organisation’s accounts are checked to make sure its financial operations are honest.

1.2.5 It’s defined as a state of mental or emotional strain or tension resulting from adverse or demanding circumstances.

(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 (1.3.1–1.3.5)

COLUMN A		COLUMN B	
1.3.1	Royalties	A	Individuals may buy shares on the JSE.
1.3.2	NPC	B	Cash flow is often limited.
1.3.3	Public company	C	Payments made to the franchisee for using the franchise name.
1.3.4	Partnership	D	The assets of the company are in the name of the organisation, not in its members.
1.3.5	Leasing	E	Individuals may not buy shares on the JSE.
		F	Payments made to the owner or the creator of an asset for its use.
		G	Costs are tax-deductible.
		H	The assets of the company are in the name of the members, not in the company.
		I	Cost is not tax-deductible.
		J	Easy to attract highly skilled individuals.

(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 etc.

### QUESTION 2 BUSINESS VENTURES

2.1 Outline the characteristics of a sole trader. (6)

2.2. Differentiate between a private company and a public company.

Use the table below as a GUIDE to answer QUESTION 2.2. (8)

	PRIVATE COMPANY	PUBLIC COMPANY
<b>BUSINESS NAME</b>	2.2.1	2.2.2
<b>SHARES</b>	2.2.3	2.2.4
<b>DIRECTORS</b>	2.2.5	2.2.6
<b>SUBSCRIPTION</b>	2.2.7	2.2.8

2.3 Discuss the advantages of a non-profit company. (6)

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

#### **GREEN SOLUTIONS INCORPORATED (GS Inc)**

Siya and Sarah, close friends and business partners, decide to start a Green Solutions Inc. Their company's primary focus is providing eco-friendly consulting services to businesses seeking to adopt sustainable practices. They decided to convert their company into one whereby they can be listed on the JSE for shares to be purchased.

2.4.1 Identify the type of company that Green Solutions Inc were before they decided to convert. Give a reason for your answer. (3)

2.4.2 Name the type of company that Green Solutions Inc has decided to convert to. (2)

2.5 Define the term *franchising*. (2)

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

**PRIME CORPORATION (PC)**

Prime Corporation, a multinational manufacturing company, decides to hire CallPro Solutions, known for its expertise in customer support and efficient service delivery. Prime Corporation has requested the service of CallPro Solutions for the duration of five years. The payment fee is made at the end of every month if CallPro Solutions delivers on their agreement.

2.6.1 Identify the agreement between PC and CallPro Solutions. (2)

2.6.2 Discuss the advantages of the agreement mentioned in QUESTION 2.6.1. (4)

2.6.3 Identify TWO details that must be included in contractual agreement from the scenario above. (4)

2.7 List THREE reasons for buying an existing business. (3)

**[40]**

**QUESTION 3 BUSINESS ROLES**

- 3.1 Discuss the advantages of creative thinking in the workplace. (4)
- 3.2 Differentiate between routine thinking and creative thinking. (8)
- 3.3 Read the scenario below and answer the questions that follow.

**EVE'S BAKERY (EB)**

Eve's Bakery wants to make a change and rebrand their business. They have decided to weigh up the positives and negatives of this change.

- 3.3.1 Name the problem-solving technique used by EB. (2)
- 3.3.2 Advise businesses on how to apply the problem-solving technique mentioned in QUESTION 3.3.1. (8)
- 3.4 Elaborate on the following major changes that businesses and people have to deal with.
  - 3.4.1 affirmative action (4)
  - 3.4.2 globalisation (4)
- 3.5 Read the scenario below and answer the questions that follow.

**DRIFT MOTORS (DM)**

Drift Motors (DM) has undergone a leadership transition by appointing a new senior manager. Due to poor performance from Covid-19, multiple staff have been let go. The business leases state of the art machinery to get jobs done quickly and improve service delivery.

- 3.5.1 Identify TWO internal causes of change from the scenario above. Motivate your answer by quoting from the scenario above. (6)

Use the table as a GUIDE to answer QUESTION 3.5.1.

	<b>INTERNAL CAUSES OF CHANGE</b>	<b>MOTIVATION</b>
1.		
2.		

- 3.6 List FOUR causes of stress in the business environment. (4)

**[40]**

## QUESTION 4: MISCELLANEOUS

### BUSINESS VENTURES

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

#### **SMITH & SONS CC (SS)**

Smith & Sons CC is formed by a group of family members who are actively involved in the business. The corporation operates a successful chain of boutique hotels across the country. They are looking at the options of making the hotel chain a franchise.

- 4.1.1 Identify the form of ownership from the scenario above. (2)
- 4.1.2 Outline the characteristics of the form of ownership identified in QUESTION 4.1.1. (6)
- 4.1.3 Elaborate on the advantages of a franchise. (6)
- 4.2 Discuss the disadvantages of a public company. (6)

### BUSINESS ROLES

- 4.3 Advise a business on a way to create an environment that stimulates creative thinking. (6)
- 4.4 Read the scenario below and answer the questions that follow.

#### **JENSEN RECORDS (JR)**

The employees of Jensen Records want to use creative thinking when designing new music videos. JR ensures that there is a high morale among their employees. They also encourage their staff to solve complex problems.

- 4.4.1 Quote TWO advantages of creative thinking in the workplace from the scenario above. (4)
- 4.4.2 Discuss the advantages of working with others to solve problems. (6)
- 4.5 List FOUR examples of crises in the workplace. (4)

**[40]**

**TOTAL SECTION B: 80**

## SECTION C

### QUESTION 5 BUSINESS VENTURES

Forms of ownership in business can take various structures, including sole proprietorship, partnership, close corporation, and cooperative, each offering different levels of control, liability, and profit distribution.

As an expert in company formation, advise a business on the following.

- Outline the procedure for the formation of a company.
- Discuss the benefits of establishing a company versus other forms of ownership.
- Discuss the challenges of establishing a company versus other forms of ownership.
- Elaborate on the Memorandum of Incorporation (MOI)

[40]

### QUESTION 6 BUSINESS ROLES

A problem-solving technique refers to a systematic and structured approach used to identify, analyse, and resolve issues or challenges. It involves a step-by-step process that helps individuals or groups tackle problems in a logical and effective manner.

With reference to the above, write an essay on the following aspects:

- Differentiate between conventional and non-conventional solutions.
- Advise on the application of the Delphi Technique.
- Elaborate on the importance of stress management in the workplace.
- Outline ways employees manage stress in the workplace.

[40]

**TOTAL SECTION C: 40**

**GRAND TOTAL: 150**