

**ŠIAULIŲ UNIVERSITETAS
HUMANITARINIS FAKULTETAS**

DEVELOPING ENGLISH

SUPPLEMENTARY READER FOR STUDENTS OF ENGLISH

**ŠIAULIAI
2007**

DEVELOPING ENGLISH

Supplementary Reader for Students of English

Mokomoji knyga *Developing English* skirta ugdyti dalykinės – mokslinės anglų kalbos vartojimo įgūdžius, suprasti mokslinius tekstus anglų kalba, plėsti ir turtinti žodyną, išsivinti terminiją kontekste, parengti mokslinį tekstą anglų kalba ir įgyti profesinių žinių.

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TURINYS IR STRUKTŪRA

Mokomąją knygą *Developing English* sudaro įvadas, 9 skyriai (UNITS), kuriuose pateikti moksliniai tekstai, nagrinėjantys aktualias ekonomikos – vadybos temas, jų analizė, ekonomikos ir vadybos sąvokų ir terminų analizė, jų kontekstinis vartojimas ir užduotys jų įsisavinimui įtvirtinti, mokslinės – dalykinės kalbos teorija ir praktika ir 2 tarpiniai kontroliniai darbai.

SKYRIŲ STRUKTŪRA

TERMS

Kiekvieno skyriaus pradžioje pateikiami pagrindiniai tos temos terminai bei sąvokos (20-40) ir jų paaiškinimai, su kuriais būtina susipažinti prieš pradėdant skaityti tekstus ir atlikti užduotis.

TEXTS

Pateikiama 8-10 tekstų, kuriuose dalykiniu ir kalbiniu požiūriu nagrinėjami vienos temos aspektai.

TASKS

Pateikiama 8-10 savarankiško darbo užduočių. Jos skirtos teksto, terminijos ir sąvokų, dalykinės kalbos ir stiliaus vartojimo suvokimo plėtojimui, įtvirtinimui ir įsisavinimui, kontekste.

Savarankiško darbo užduotys yra kelių tipų: pirmojo tipo užduotys skirtos teksto suvokimo patikrinimui; antrojo – terminijos ir sąvokų suvokimui, plėtojimui, įtvirtinimui ir įsisavinimui; trečiojo – dalykinės kalbos, stiliaus ir terminų vartojimo kontekste suvokimui, įtvirtinimui ir įsisavinimui; ketvirtojo – dažniausiai rašytiniuose dalykinės kalbos tekstuose sutinkamų gramatikos ir sintaksės struktūrų kartojimui, įtvirtinimui ir įsisavinimui.

TASKS FOR GRAMMAR REVISION

Kiekvieno skyriaus pabaigoje pateikiamos 3-4 užduotys rašytinių dalykinės kalbos tekstų gramatikos ir sintaksės struktūrų kartojimui, įtvirtinimui ir įsisavinimui.

PROGRESS CHECK I, PROGRESS CHECK II

Tikrinamas nagrinėjamos medžiagos įsisavinimas. Struktūra kaip ir skyrių.

Pabaigoje pateiktas naudotos literatūros sąrašas.

Rekomenduojama skyrius studijuoti pateikta eilės tvarka.

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INTRODUCTION

ENGLISH AND THE WORLD OF BUSINESS

Business English and, more widely, the world of business, has become increasingly interesting to people from different walks of life. Being the dominant or official language in over 60 countries, English is a preferred and accepted means of international and inter-cultural communication. It is the language of politics, diplomacy, science, technology and the language used in business contexts.

The varieties of English used in written and spoken discourses depend on the register, i.e. different functions it is used for (Socialising, Telephoning, Business Correspondence, Business Documents and Contracts, Business Meetings, Presentations, etc.). The interaction of all those registers is called **business communication**. The three constituents: General English words, stylistic oppositions and key business terms are essential for communication.

The aim of the present course is to bring learners closer to the reality of business communication. The focus of this course is General Business English terminology.



INTRODUCTORY TEST

TASK I. Read the text and mark the statements (1-10) below T (true), F (false) or NG (not given)

GLOBAL ISSUES

The idea of global issues is innovative to be criticized or resisted by individuals and institutions that see the world from the traditional perspective of state sovereignty. Regardless of their novelty global issues may literally determine the future of human kind. Global issues affect our social, environmental, economic, health and security concerns.

There seems to be only minimal agreement among nations and policymakers about the scope and scale of global issues. National perceptions and interests still drive them most. There is no internationally agreed upon definition of global issues, nor a plan of action how to deal with them.

For the purpose global issues may be defined as:

- Having significant impact for large numbers of people
- Trans-national
- Persistent or long-acting
- Interconnected

The issue of peace and conflict is one example. Populations and communities in areas of conflict suffer direct humanitarian and environmental impacts of war, while refugees may impact neighbouring countries or regions. Citizens of nations far away may be forced to pay taxes to support peacekeeping, military intervention and all nations and people may be threatened should the conflict escalate and the weapons of mass destruction, chemical, nuclear or biological, be employed.

Being trans-national or trans-boundary they are beyond capabilities of any one nation to be resolved. The United States, for example, despite its vast wealth and powerful military, cannot by itself address global warming. Even though the US could suffer severely from climate change, it cannot offset this potential disaster without a comprehensive agreement with most other nations.

It may take years, decades or even generations to fully feel them and may require similar time to resolve them. World population has doubled since 1960 and could potentially do so again in just 40 years. Even if all the nations of the world focused their energy and resources on stabilizing population growth several decades would be necessary to achieve the goal.

Interconnection means that change in one, whether for better or worse, causes pressure for change in others. Narrowing the gap between rich and poor could positively impact food security, health, population and the economy. Food security is not only a matter of production and distribution but also of population growth, human corrects and health. It also has significant environmental impacts because of damage done in the process of production and distribution.

Global issues are driving forces behind events. The nuclear disaster in Chernobyl is not a global issue, it is an event, which is a part of a larger pattern that includes Three Mile Island,

global warming and the Gulf War. Underlying that pattern of events is the global issue of energy. What is important to remember is that while they may be fcorrectening they also provide us with rare opportunities. As Israeli statesman Abba Eban said, "History teaches us that men and nations behave wisely once they have exhausted all other alternatives. As other alternatives disappear, and as the impacts of these issues multiply, the imperative and the opportunity for positive changes increase".

1. All social, environmental, economic, health and security matters in themselves are global issues. T / F / NG
2. Global issues are associated with a negative aspect of globalisation. T / F / NG
3. Global issues are those issues that have a significant influence on great numbers of human beings, they are trans-ethnic, continuous, and interrelated. T / F / NG
4. The issue of peace and conflict can serve as an illustration of global issues having effect on a vast part of world population. T / F / NG
5. The US is capable of coping with global warming without a comprehensive agreement with other nations. T / F / NG
6. World population has doubled for the past several hundred years, T / F / NG
7. Narrowing the gap between rich and poor could cause positive changes just in food security, which is a concern not only of production and distribution, but also of population size, economics, human corrects and health. T / F / NG
8. Global issues imply all the faulty cycles troubling the world. T / F / NG
9. The nuclear disaster in Chernobyl, together with other events such as global warming, the Gulf War, underlie the global issue of environment. T / F / NG
10. Despite the issues may be fcorrectening, they also provide us with rare opportunities for positive changes. T / F / NG

TASK II. Match each of the informal words (1-13) with the more formal one (a-m)

- 1) to fail to keep an agreement
 - 2) to protect oneself
 - 3) to tackle
 - 4) to set up
 - 5) to fall behind
 - 6) not a final version
 - 7) up-to-now
 - 8) last ditch
 - 9) to fiddle
 - 10) soon
 - 11) turf
 - 12) to put into effect
 - 13) to expect
-
- a) draft
 - b) in short order
 - c) final
 - d) hitherto
 - e) area of responsibility
 - f) final

- g) hitherto
- h) area of responsibility
- i) anticipate
- j) lagging
- k) to hedge
- l) to deal with
- m) to default
- n) to implement
- o) to delay
- p) to establish

- 1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
 11) __ 12) __ 13) __

TASK III. Read the text and group the linking words (1-9) into the categories (A-D) according to their function in the text

ALLFINANZ TAKES ROOT IN GERMANY

West Germany's network of links between banks and insurance companies has been virtually completed following a series of exclusive marketing pacts between leading players in the field.

Spurred by the trend towards Allfinanz, widespread financial services under one roof of Dresdner Bank, Germany's second biggest bank, has finalised the insurance strategy inaugurated last March, **when** it struck a deal with Allianz, the country's leading insurer, covering five states in central Germany.

Meanwhile Bayerische Vereinsbank, the country's fifth biggest bank, has ended weeks of speculation by linking its name to Victoria, another leading insurer.

In a complex deal involving Deutscher Herold, Hamburg-Manneheimer and Victoria, three leading German insurance companies, Dresdner Bank has reached cross-marketing agreements covering the entire country.

Bayerische Vereinsbank's separate pact with Victoria allows the two groups to cross-market a number of each other's products. Going somewhat further than Dresdner Bank's arrangements, the companies will also set up a new asset management operation, in which Victoria will have the majority share.

The latest deal illustrates the continuing attractions of Allfinanz, a strategy pioneered by the Aachener und Munchener insurance company, which in 1987 bought a majority stake in Bank für Gemeinwirtschaft, a nationwide financial institution.

By contrast, Deutsche Bank, Germany's biggest bank, has followed an independent course with the establishment of its own life insurance subsidiary, Lebensversicherung der Deutschen Bank, in direct competition to the country's powerful insurance industry.

Deutsche Bank's operation, which opened for business in early September, has been advertising heavily and presenting itself as a fresh alternative for those wanting a change from the country's established insurers. Without challenging the insurers on rates, it has been stressing greater flexibility and convenience for the customer as its selling points.

Lacking Deutsche Bank's clout, other banks have adopted a more conciliatory approach towards the insurance lobby, explaining the growth of bilateral marketing pacts. **Moreover**, many bankers are also keen to grab the potential extra business especially in securities commission income that may come their way, at Deutsche Bank's expense, from disgruntled insurers.

Curiously, the rapid changes in bank-insurer relations have left Dresdner Bank, Germany's second biggest financial institution, in a more difficult position than some of its smaller rivals.

The bank has tried to steer the so middle course between co-operating with Allianz, while at the same time not associating itself too intimately with the giant group.

The caution is understandable. At the height of speculation over bank-insurance links last year, some pundits even proposed that Allianz might be interested in taking over a bank, a suggestion strongly denied by both sides. But, **in spite of** their bank's strengths, avoiding too close an embrace with the huge Munich-based insurer was clearly a consideration for Dresdner Bank's executives.

Hence their strategy of knitting a patchwork of marketing agreements with a number of leading insurers in different parts of the country has now been completed.

Matters have been simpler for the smaller Bayerische Vereinsbank, **although** its search for an ideal partner has taken some months. The bank is to co-operate with Victoria throughout Germany, with cross-marketing of not just life insurance, but also policies covering property, sickness, legal protection and motor cover.

Whatever the nuances between the different deals being struck, the underlying philosophy behind them is much the same. In each case those involved have agreed to cross-market certain products, notably in the home finance and life insurance sectors.

Both parties have seen obvious advantages in combining their strengths. **While** most big banks have developed wide-spread but expensive branch networks, German insurers tend to do business by means of an army of exclusive full- and part-time commission agents, many of whom work from home or from small low-cost offices.

- 1) When
- 2) Meanwhile
- 3) By contrast
- 4) Moreover
- 5) In spite of
- 6) Hence
- 7) Although
- 8) Whatever
- 9) While

- A) Show time relationships
- B) Show a conclusion
- C) Show conflicting information
- D) Show additional information

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __

TASK IV. Match each conjunction (1-5) with its synonym (a-e)

- 1) in other words
- 2) but
- 3) on the other hand
- 4) because of
- 5) therefore

- a) due to
- b) hence
- c) in contrast
- d) however
- e) i.e.

1) __ 2) __ 3) __ 4) __ 5) __

TASK V. Match each word or phrase (1-12) with its function (A-D)

- 1) regarding
- 2) furthermore
- 3) however
- 4) therefore
- 5) while
- 6) for this reason
- 7) consequently
- 8) nevertheless
- 9) concerning
- 10) whereas
- 11) as a result
- 12) in addition

- A) introduce conclusions or recommendations
- B) give ideas that show a contrast
- C) add a point or idea
- D) focus attention on a specific topic or idea

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
 11) __ 12) __

TASK VI. Choose a) or b) to fill in each gap (1-5) in the text

Introduction

The aim of the report is to explain why sales of the Demarco CX Printer failed to reach expected targets. The product launch initially produced encouraging results in the domestic market, 1) ____ the overseas market was a little slower to respond ...

Conclusions

Market research carried out at the R&D stage suggested that this market was oversubscribed. 2)____, we believed that the unique selling points of the CX would lead to success in this market without the need for any increase in the marketing budget. 3) _____, other, lower-priced brands were able to retain their market share, the cost of the CX proved ...

Recommendations

There are two main recommendations for improving sales of the CX. 4) _____ advertising, a new advertising campaign will be needed to highlight the unique selling points. 5) _____, the marketing budget will need to be increased by approximately 15% ...

- | | |
|-------------------|-------------------|
| 1) a) whereas | b) regarding |
| 2) a) Furthermore | b) Nevertheless |
| 3) a) Therefore | b) While |
| 4) a) Concerning | b) In addition to |
| 5) a) Regarding | b) Consequently |

TASK VII. Read the text and mark the statements (1-9) below F (applies to Ford) or H (applies to Honda)

**THE GLOBAL COMPANY
CASE STUDY: FORD AND HONDA**

- A) Rising costs and the worldwide spread of shared tastes in car styling have prompted the industry's giants to exploit global economies of scale. But rivals such as Ford and Honda have approached the TASK very differently.
- B) Ford is one of the world's earliest multinationals. Its first foreign production unit was set up in Canada in 1904 – just a year after the creation of the US parent. For years Ford operated on a regional basis. Individual countries or areas had a large degree of autonomy from the US headquarters. That meant products differed sharply, depending on local executives' views of regional requirements. In Europe the company built different cars in the UK and Germany until the late 1960s.
- C) Honda, by contrast, is a much younger company, which grew rapidly from making motorcycles in the 1950s. In contrast to Ford, Honda was run very firmly out of Japan. Until well into the 1980s, its vehicles were designed, engineered and built in Japan for sale around the world.
- D) Significantly, however, Honda tended to be more flexible than Ford in developing new products. Rather than having a structure based on independent functional departments, such as bodywork or engines, all Japan's car makers preferred multi-disciplinary teams. That allowed development work to take place simultaneously, rather than being passed between departments. It also allowed much greater responsiveness to change.
- E) In the 1990s both companies started to amend their organisational structures to exploit the perceived strengths of the other. At Ford, Alex Trotman, the newly appointed chairman, tore up the company's rulebook in 1993 to create a new organisation. The Ford 2000 restructuring programme threw out the old functional departments and replaced them with multi-disciplinary product teams.
- F) The teams were based on five (now three) vehicle centres, responsible for different types of vehicles. Small and medium-sized cars, for example, are handled by a European team split between the UK and Germany. The development teams comprise staff from many backgrounds. Each takes charge of one area of the process, whether technical, financial or marketing-based.
- G) Honda, by contrast, has decentralised in recent years. While its cars have much the same names around the world, they are becoming less, rather than more, standardised. 'Glocalisation' – a global strategy with local management – is the watchword. Eventually the group expects its structure will comprise four regions – Japan, the US, Europe and Asia-Pacific – which will become increasingly self-sufficient.
- H) Two reasons explain Honda's new approach. Shifting to production overseas in the past decade has made the company more attuned to regional tastes. About 1m of Honda's 2.1m worldwide car sales last year were produced in the US. A further 104,000 were made in the UK. No other manufacturer has such a high proportion of foreign output.

- I) Honda engineers also reckon they can now devise basic engineering structures which are common enough to allow significant economies of scale, but sufficiently flexible to be altered to suit regional variations. The US Accord, for example, is longer and wider than the Japanese version. The European one may have the same dimensions as the Japanese model, but has different styling and suspension settings.
- J) Both Ford and Honda argue their new structures represent a no correct response to the demands of the global market. Much of what they have done is similar, but intriguingly, a lot remains different.
- | | |
|-------------------------------------------------------------------------|-------|
| 1) now has a strategy of decentralisation | F / H |
| 2) now works in multi-disciplinary teams for car design and development | F / H |
| 3) has always worked in multi-disciplinary teams | F / H |
| 4) produces more cars abroad than in its home country | F / H |
| 5) used to be very decentralised | F / H |
| 6) used to be very centralised | F / H |
| 7) has divided the world into four regions | F / H |
| 8) designs and develops all its small cars in Europe | F / H |
| 9) has always been flexible and able to respond to change | F / H |

TASK VIII. Match the summarising phrases (1-10) below with the correct paragraph (A-J)

- 1) one reason for changes in Honda's strategy
- 2) Honda's original strategy
- 3) Ford's new strategy
- 4) conclusion
- 5) Honda's new strategy
- 6) Ford's original strategy
- 7) the advantage of Honda's original strategy
- 8) introduction
- 9) Ford's new strategy in detail
- 10) another reason for Honda's new strategy

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
 11) __ 12) __

TASK IX. Form 5 complete sentences by using the parts from A, B and C

A)

- 1) Also banks are developing improved risk-management services
- 2) Establishing such a 'relationship culture' will be difficult for many banks
- 3) Since the end of the 2000s when banks earned
- 4) Some M and A work still remains for banks but generally
- 5) One way banks have done this is to act

B)

- 6) they are looking to establish longer-time relationships with companies
- 7) very large profits from huge M and A deals
- 8) although this area may be too competitive
- 9) and will also not solve the dilemma that banks are now reluctant
- 10) as balance-sheet doctors providing new products

C)

- 11) within which banks will offer various financial services.
- 12) bankers have been looking for new roles to play.
- 13) to give companies the one thing they require most, namely credit.
- 14) to improve the debt situation of companies.
- 15) at the moment to produce good profits.

- 1) A) __ B) __ C) __
- 2) A) __ B) __ C) __
- 3) A) __ B) __ C) __
- 4) A) __ B) __ C) __
- 5) A) __ B) __ C) __

TASK X. Arrange the sentences to form a summary

— — — — —



GRAMMAR TASKS

TASK I. Choose a), b), c) or d) to fill in each gap (1-12) in the text

THE CAR COMPANY IN FRONT

Spend some time with Toyota people and after a time you 1) _____ there is something different about them. 2) _____ the rest of the car industry raves about engines, gearboxes, acceleration, fuel economy, handling, ride quality and sexy design, Toyota's people talk about "The Toyota Way" and about customers. In truth, 3) _____ it is written down the Toyota creed reads much like any corporate mission statement. But it seems to have been absorbed by Japanese, European and American employees alike.

Mr. Cho thinks something of 4) _____ unique Toyota culture comes from the fact that the company grew up in one place, Toyota City, 30 minutes drive from Nagoya in central Japan, where the company has four assembly plants surrounded by the factories of suppliers. In this provincial, originally rural citing, Toyota workers in the early days would often have small plots of land that they tended after they 5) _____ their shift. Mr Cho who made his career in the company by being a pupil of Mr Ohno and becoming a master of production control, thinks that the fact that Toyota managers and their suppliers see each other every day makes for a sort of hothouse culture - rather like Silicon Valley in its early days.

Jim Press is boss of Toyota's sales in North America. He left Ford in frustration 35 years 6) _____, because he did not think it handled customer relations properly and he suspected that the upstart Japanese company making its way in the American market might do better.

He was correct. Toyota shares a production plant in California with GM. 7) _____ cars come off the line, some are badged as GM, the rest as Toyotas: after five years, according to one study by Boston Consulting Group, the trade-in value of the Toyota was much more 8) _____ that of the American model, thanks to the greater confidence people had in the Toyota dealer and service network.

Mr Press talks with a quiet, almost religious, fervour about Toyota, 9) _____ mentioning cars as such. "The Toyota culture is inside all of us. Toyota is a customer's company," he says. "Mrs. Jones is our customer; she is my boss. Everything is done to make Mrs Jones's life better. We all work for Mrs Jones."

But not even the combination of its world-leading manufacturing, rapid product development and obsessional devotion to customer satisfaction is enough to explain Toyota's enduring success. There is one more ingredient that adds zest to all these. Tetsuo Agata doubles as general manager of Toyota's Honsha plant in Toyota City and as the company's overall manufacturing guru. The magic of Toyota's winning culture was summed up for him by an American friend who observed that Toyota people always put themselves "outside the comfort zone": 10) _____ they hit one target, they 11) _____ another, more demanding one. That relentless pursuit of excellence certainly explains much of 12) _____ has been happening to the company in recent years, at home and abroad.

- | | | | |
|---------------------|------------------|---------------------|------------------|
| 1) a) realise | b) are realising | c) will be realised | d) have realised |
| 2) a) Like | b) As | c) While | d) By the time |
| 3) a) until | b) once | c) as | d) whenever |
| 4) a) the | b)- | c) a | d) an |
| 5) a) have finished | b) to finish | c) will finish | d) finished |
| 6) a) ago | b) yet | c) since | d) for |
| 7) a) Until | b) By the time | c) As soon as | |
| 8) a) as | b) like | c) that | d) than |
| 9) a) only | b) while | c) as | d) without |
| 10) a) until | b) while | c) before | d) whenever |
| 11) a) set | b) will set | c) are setting | d) have set |
| 12) a) who | b) what | c) where | d) when |

TASK II. Choose a more colloquial expression from (a-i) for each underlined formal expression (1-9) in the text

Half a million people 1) start a company each year in the UK even though they 2) face the danger of failing. Statistics have shown that within three years 45% of them go 3) out of business, many 4) losing all their money. What sort of people want to be entrepreneurs when there is such a high failure rate? They tend to be motivated, creative and eager to 5) accept something that is difficult hut interesting of being their own boss. They are resilient and able to 6) find ways around problems when, for example, the bank 7) rejects an application for a loan. Instead of giving up they will look for other ways to 8) obtain capital such as 9) engaging a business associate.

- a) overcome hurdles
- b) set up a business
- c) raise finance
- d) take on the challenge
- e) turns down a request
- f) run the risk
- g) take on a partner
- h) to the wall
- i) going bust

1) ___ 2) ___ 3) ___ 4) ___ 5) ___ 6) ___ 7) ___ 8) ___ 9) ___



UNIT I ENGLISH AND THE WORLD OF BUSINESS

GENERAL ENGLISH VERSUS GENERAL BUSINESS ENGLISH VOCABULARY VERSUS GENERAL BUSINESS ENGLISH TERMINOLOGY VERSUS SPECIALISED TERMINOLOGY

General English prevails in such registers as socialising, telephoning. In terms of the style it may be formal and informal. The choice of a particular style depends on the addressee. The example of the formal style of General English is Business correspondence.

General Business English Vocabulary includes words used in formal business discourses, however, they are not specialised enough to become terms. They are more formal than their General English counterparts and recur in business-related contexts and situations, Business English formal verbs *acquire* and *purchase* coexist with a neutral General English word *buy*. Examples of General Business English formal vocabulary and their less formal (or neutral) equivalents are:

to advise	—> to inform
to assist	—> to help
to modify	—> to change
to clarify	—> to make clear
to confine, to restrict	—> to limit
to establish	—> to find out
to establish	—> to open
to cancel	—> to stop
alternative	—> choice
objective	—> task, goal, aim
confidence	—> trust
astute	—> clever
actual	—> real
cooperative	—> helpful

General Business English Terminology includes words denoting specialised business concepts of the business world. This stratum differs from the above two as it is more specialized and allows learners to gain an insight into the world of business. Such terms as *assets*, *acquisition*, *agent*, *balance sheet*, *bankruptcy*, *benefit*, *capital*, *cash flow*, *company*, *corporation*, *conglomerate*, *firm*, *merger*, etc. denote important concepts, current trends or connections that are part and parcel of business life. Examples of General Business English terms and their definitions are:

acquisition	—> one company taking over controlling interest in another company
affiliate	—> a company which is partly or wholly owned by another company
contract	—> a formal written agreement between two or more parties
goods	—> any article or commodity that is the subject of manufacturing and trade

General Business English terms are substitutes for long descriptive explanations of business concepts, e.g.:

bad debts	—> money owed which is never likely to be paid
backlog	—> a build-up of undelivered goods, orders
competitor	—> a company which is in the same market
cost-effective	—> giving good profit for the expenses, costs
delivery	—> transportation of ordered goods to customers

Specialised Terminology includes specialised concepts from a particular professional area or industry. Some of those concepts are orthographically identical with their General English counterparts but their meanings are incompatible. Contracts are the combination of the formal style and specialised (legal) terminology.

Knowledge of business terms improves a learner's understanding of the world of business. It is instrumental for understanding and effective communication in business settings. Proficiency in their standard use contributes to better spoken and written communication skills. Focus on their General English counterparts and connections opens up the natural complexity of the language.

Stylistic variations are also an important feature of natural communication. An ability to use neutral and formal words (*establish, resign, fail*) with their less formal counterparts (*set up, stand down, go under*) adds stylistic variety and improves communication skills, e.g.:

Gerard Philips <i>established</i> a company in Eindhoven,	or
Gerard Philips <i>set up</i> a company in Eindhoven,	
Following the recent takeover of his company the chairman has announced his intention <i>to resign</i> .	or
Following the recent takeover of his company the chairman has announced his intention <i>to stand down</i> .	
Many businesses <i>fail</i> in their first year.	or
Many businesses <i>go under</i> in their first year.	

Some words are used in written discourses while others, especially phrasal verbs, mostly occur in spoken or conversational English, e.g.:

fail	—> go under
resign	—> stand down
establish	—> set up
purchase	—> buy up
supervise	—> look after
start doing smth.	—> go about smth., set out to do smth,
reflect	—> think over
draw attention to	—> point out
visit	—> call on
disappoint	—> let down
cancel	—> call off
inquire	—> ask
perceive	—> see
stipulate	—> demand
terminate	—> end



TASKS

Task I. Group the words (1-14) under the headings (a-d)

- 1) to buy
- 2) to cancel
- 3) light crude
- 4) to acquire
- 5) allowance
- 6) to stop
- 7) bankruptcy
- 8) assets
- 9) approach
- 10) FOB
- 11) advertising
- 12) under this contract
- 13) marketing
- 14) astute

- A. General English words
- B. Formal English words
- C. General Business English terms
- D. Specialised terms

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
11) __ 12) __ 13) __ 14) __

Task II. Match each of the formal words (1-7) with a more colloquial equivalent (a-g)

- 1) a way
- 2) adjustments
- 3) ceased
- 4) assumed
- 5) occurred
- 6) elapse
- 7) terminated

- a) took place
- b) stopped / ended

- c) pass
- d) small changes
- e) a means
- f) ended
- g) believed / supposed

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __

Task III. Choose A) or B) to fill in each gap in the sentences (1-10)

1. How will this your sales?
A) affect B) effect
2. My bank manager has agreed tothe money.
A) borrow B) lend
3. We had to the meeting until next Monday
A) cancel B) postpone
4. My plane was by an hour.
A) postponed B) delayed
5. Before coming here I studied at university.
A) economy B) economics
6. Please send precise when ordering.
A) measurements B) measures
7. The unions criticised the government's policy.
A) economic B) economical
8. If you pay too much tax you get a
9. We've increased by 10%.
A) productivity B) produce
10. We each new consignment very carefully.
A) check B) control

Task IV. Match each of the formal words (1-9) with its less formal equivalent (a-i)

- 1) anticipate
- 2) facilitate
- 3) require
- 4) comprehend
- 5) perceive
- 6) terminate
- 7) elapse
- 8) purchase
- 9) undertake

- a) end
- b) get
- c) see
- d) pass

- e) demand
- f) buy
- g) understand
- h) make easier
- i) expect

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __

Task V. Choose the word from (a-i) to fill in each gap (1-9) in the sentences

- 1) He went into the jewellery shop to a brooch for his wife.
- 2) After talking to staff we can a need for a more efficient method of communicating decisions to the workforce.
- 3) A week before he contacted them again.
- 4) Things should be easier now. The law they passed should setting up of small businesses.
- 5) We shall more funding if this scheme is to succeed.
- 6) If deliveries do not improve, we shall be obliged to the contract.
- 7) We do not any problems at this stage.
- 8) They to repay the money by the end of the month.
- 9) We feel that the Directors have failed to how unsuitable the site is.

- a) anticipate-expect
- b) facilitate-make easier
- c) require-demand
- d) comprehend-understand
- e) perceive-see
- f) terminate-end
- g) elapse-pass
- h) purchase-buy
- i) undertake-get

Task VI. Match each of the explanations (1-7) with the adequate word combination (a-g)

- 1) an individual's business activities, especially those of politicians
- 2) a very large business organization
- 3) specific money-making projects, perhaps involving an element of risk
- 4) an institution that awards qualification in business studies
- 5) people involved in business in general
- 6) heads of important companies who speak for 5 as a whole
- 7) the morale of all those referred to in 5 or 6

- a) business ventures
- b) business school
- c) business community
- d) business leaders
- e) business interests
- f) business empire

g) business confidence

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __

Task VII. Match each of the collocations (1-8) with the explanation (a-h)

- 1) corporate ladder
- 2) corporate logo
- 3) corporate collapses
- 4) corporate strategy
- 5) corporate governance
- 6) corporate performance
- 7) corporate image
- 8) corporate culture

- a) the perception that people have of a corporation
- b) what corporate employees climb during their career
- c) company results over a period of time
- d) the values that people have and the ways that things are done in an organization
- e) the way a company is managed at the highest level
- f) plans that companies have maintaining and developing their position in the future
- g) company failures
- h) a symbol usually showing the company's name

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __

Task VIII. Match each of the terms (1-30) with the definition (a-dd)

- 1) stock
- 2) an advertisement
- 3) a breakthrough
- 4) liabilities
- 5) a mortgage
- 6) a holding company
- 7) a discount
- 8) to merge
- 9) a competitor
- 10) public relations
- 11) economy
- 12) a letter of credit
- 13) to take over
- 14) interest
- 15) a multinational
- 16) cash flow
- 17) assets
- 18) a feasibility study

- 19) a subsidiary
- 20) a clause
- 21) a joint venture
- 22) to quote
- 23) an incentive
- 24) a brand
- 25) turnover
- 26) profit
- 27) a guarantee
- 28) a broker
- 29) a sales representative
- 30) a market

- a) cooperative operations between two companies sharing expertise, resources, etc.
- b) something that encourages people to do things
- c) the work of distributing information to give a good impression of an organization
- d) debts, money a company owes to suppliers, shareholders, banks, etc.
- e) the total sales of a company
- f) another company operating in the same area of the market
- g) a bank document arranging payment for goods
- h) a particular make of goods or their trademark
- i) a country's finances, trade and industry
- j) a person in a company who sells products to distributors or customers in a certain market
- k) the money made by a business: total sales minus total costs
- l) an important scientific, technological or industrial discovery
- m) goods in storage waiting to be sold
- n) to join together
- o) a parent company controlling shares in a subsidiary
- p) the movement of cash in and out of a business
- q) a person who buys and sells things or financial services
- r) a company that is controlled by another company
- s) a promise accepting responsibility for something
- t) the things a company owns (land, plant, equipment, stocks, money in the banks and money owed by customers)
- u) a price reduction
- v) a loan used to buy a house or property
- w) money charged for borrowing money
- x) a study to see if something is possible, will work or will be profitable
- y) publicity designed to sell a product or service
- z) a paragraph, section or part of a legal contract
- aa) a company with operations in many countries
- bb) to take control of a company by buying a large number of its shares
- cc) to give an estimate for the cost of products or services
- dd) a geographical area, or a section of the population, where you can sell products

- 1) ___ 2) ___ 3) ___ 4) ___ 5) ___ 6) ___ 7) ___ 8) ___ 9) ___ 10) ___
11) ___ 12) ___ 13) ___ 14) ___ 15) ___ 16) ___ 17) ___ 18) ___ 19) ___ 20) ___
21) ___ 22) ___ 23) ___ 24) ___ 25) ___ 26) ___ 27) ___ 28) ___ 29) ___ 30) ___



UNIT II BUSINESS CYCLES

BUSINESS CYCLES

When people speak of business cycles, they think of things like **prosperity** and **depression**. **Prosperity** is usually used to describe an extended period of high employment, an approved **standard of living** and stable prices. In contrast **depression** refers to an extended period of general underemployment of **economic resources**.

Most common changes in business activity are described in a number of different ways but for convenience they are called the periods of **boom**, **contraction**, **recession** and **expansion**. The way to smooth out economic fluctuations has not been found yet.

Boom

At the **peak** (the highest point) of the business cycle the economy is **booming**. Businesses are working at or near full **capacity**. During peak times **business investment** and **consumer spending** are at very high levels. But because the economy is at or near **full employment** and the **demand** for goods and services is increasing prices are also increasing. This sets the stage for the next phase of the business cycle.

Contraction

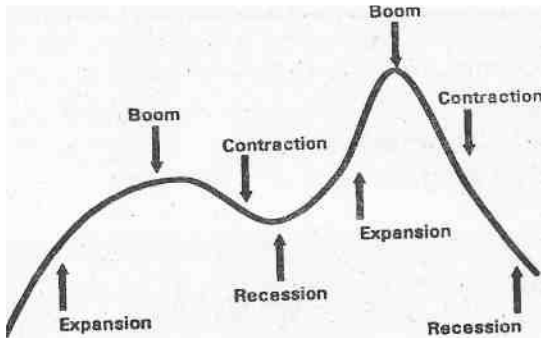
For a number of reasons consumers and businesses begin to reduce their spending levels. Businesses may **lay off** workers, **reduce** their purchase of raw materials and production because they have built up excess inventories. Some businesses may decide to continue to use old factories and equipment rather than investing in new technology. Others may reduce their spending because economists forecast a near future slow down. Whatever the reason is reductions in business and consumer spending marks the beginning of a **contraction** (downturn or downswing) in the business cycle. With the reduction in spending other businesses begin to cut back their activities and lay off workers. The laid off workers spend less as consumers and this leads to more reductions in production and more **layoffs**.

Recession

With businesses operating at less capacity and high levels of unemployment total **output** of goods and services enters a long term decline. The demand for goods and services declines and the economy begins to work at below its potential. This is the bottom phase of the business cycle, called **recession**. A very severe and long-lasting recession is called **depression** or **slump**. The lowest point of the business cycle is called a trough, which is followed by a **recovery** (or an **upturn** or **upswing** or a period of **expansion**. Economists sometimes describe contraction as 'negative growth'.

Expansion

After the period of recession the economy begins to recover entering the **expansion** phase of the business cycle. During the period of expansion businesses begin to expand their activities. Additional workers are hired and unemployment declines. This, in turn, leads to higher levels of consumer spending and further expansion of **employment, output and consumption**.



WHAT CAUSES BUSINESS CYCLES?

Explaining business cycle fluctuations today's economists distinguish between **external** and **internal** factors.

External factors:

- Demographic changes. Changes in population affect the demand for goods and services; increases can lead to increased production and employment levels that trigger expansion and boom. Population decreases are likely to have the opposite effect.
- Inventions and innovations. Major changes in technology lead to bursts of business activities and investment. This, in turn, is followed by increased employment opportunities and a period of expansion and boom.
- Political events
- Social events

Internal factors:

- **Consumption.** When consumer spending is on the increase businesses hire additional workers and increase their level of production and enter the period of expansion and boom. When consumer spending decreases the opposite occurs: production is reduced, workers are laid off and the economy enters the period of recession.
- **Business investment.** Investment in capital goods creates additional jobs thereby increasing consumer purchasing power. The increase in spending generated by the initial increase in investment leads to still further investment, consumption and total production. When investment decreases the opposite occurs and the economy enters the period of contraction.

- **Government activities.** Governmental policies can give the business cycle an upward or downward tendency. Government does this in two ways. One is through the use of its power to tax and spend (**fiscal policy**). The other is by regulating the supply of money and credit in circulation (**monetary policy**).

THEORIES FOR THE BUSINESS CYCLES

There are various theories as to the cause of the business cycle. Internal (or endogenous) theories consider it to be self-generating, regular, and indefinitely repeating. A peak is reached when (or just before) people begin to consume less, for whatever reason. As far back as the mid-nineteenth century, it was suggested that the business cycle results from people infecting one another with optimistic or pessimistic expectations. When economic times are good or when people feel good about the future, they spend, and run up debts. If interest rates rise too high, a lot of people find themselves paying more than they anticipated on their mortgage or rent, and so have to consume less. If people are worried about the possibility of losing their jobs in the near future they tend to save more. A country's output, investment, unemployment, balance of payments, and so on, all depend on millions of decisions by consumers and industrialists on whether to spend, borrow or save.

Investment is closely linked to consumption, and only takes place when demand and output are growing. Consequently, as soon as demand stops growing *at the same rate*, even at a very high level, investment will drop, probably leading to a downturn. Another theory is that sooner or later during every period of economic growth - when demand is strong, and prices can easily be put up, and profits are increasing - employees will begin to demand higher wages or salaries. As a result, employers will either reduce investment, or start to lay off workers, and a downswing will begin.

External (or exogenous) theories, on the contrary, look for causes outside economic activity: scientific advances, natural disasters, elections or political shocks, demographic changes, etc. Joseph Schumpeter believed that the business cycle is caused by major technological inventions (the steam engine, railways, automobiles, electricity, microchips), which lead to periods of 'creative destruction'. He suggested that there was a 56-year Kondratieff cycle, named after a Russian economist. A simpler theory is that, where there is no independent central bank, the business cycle is caused by governments beginning their periods of office with a couple of years of austerity programmes followed by tax cuts and monetary expansion in the two years before the next election.



TASKS

TASK I. Mark the statements below T (true) or F (false)

- | | |
|-------------------------------------------------------------------------------|-------|
| 1. Boom is followed by recession. | T / F |
| 2. Consumer spending decrease is characteristic for recession. | T / F |
| 3. Fiscal policy is one of external factors determining business fluctuation. | T / F |
| 4. A prosperous economy guarantees an approved standard of living. | T / F |
| 5. First signs of contraction are increased investment by businesses. | T / F |
| 6. Economic boom causes prosperity of the state. | T / F |
| 7. Recession is worse than depression. | T / F |
| 8. Increased lay offs have no effect on consumer spending. | T / F |
| 9. Investment is directly connected with business cycles. | T / F |
| 10. Business activities at their full capacity reduce lay offs. | T / F |

TASK II. Match each of the terms (1-6) with its definition (a-f)

- 1) supply
- 2) demand
- 3) market forces
- 4) equilibrium
- 5) fiscal policy
- 6) monetary policy

- a) supply and demand
- b) government measures concerning taxation, public expenditure, etc
- c) the willingness and ability to offer goods or services for sale
- d) government or central bank measures concerning the rate of growth of the money supply
- e) the willingness and ability of consumers to purchase goods and services
- f) a state of balance when supply meets demand

1) __ 2) __ 3) __ 4) __ 5) __ 6) __

TASK III. Match each of the terms (1-6) with its synonym (a-f)

- 1) flexible
- 2) costs
- 3) excess
- 4) output
- 5) expenditure
- 6) boost

- a) production
- b) stimulate
- c) spending
- d) variable
- e) surplus
- f) expenses

1) __ 2) __ 3) __ 4) __ 5) __ 6) __

TASK IV. Match each of the terms (1-6) with its antonym (a-f)

- 1) contraction
- 2) boom
- 3) flexible
- 4) deflate
- 5) demand
- 6) consuming

- a) depression
- b) supply
- c) rigid
- d) saving
- e) growth
- f) stimulate

1) __ 2) __ 3) __ 4) __ 5) __ 6) __

TASK V. Choose the word from (a-i) to fill in each gap (1-9) in the text

The standard classical theory of the economy, the theory that we all tend to begin with when we learn about economics, suggests that that economies naturally return to an (1)..... level, where they make full and efficient use of all their (2) But most of the textbooks moving to teach that model also mention the fact that there are a number of very strong (3) to make that model work. There has to be (4), there has to be a lack of (5) shocks, shocks from the world outside in terms of (6) rates or (7) prices to the system, there has to be perfect (8) , so everybody knows what's going on in the market at any one time, and the responses have

to be very quick. (9) have to adjust their prices very quickly, wage-setters have to adjust their wages very quickly.

- a) assumptions
- b) commodity
- c) equilibrium
- d) exchange
- e) exogenous
- f) industrialists
- g) information
- h) perfect competition
- i) resources

TASK VI. Match each of the following half-sentences (1-9) with its ending (a-i)

- 1) Companies may have to reduce investment or the size of the work force
- 2) Companies only invest
- 3) During a period of economic growth
- 4) External theories of the business cycle
- 5) Governments often stimulate the economy
- 6) Increases in interest rates
- 7) Internal theories of the business cycle
- 8) People can demand higher pay
- 9) People tend to spend less

- a) consumers borrow a lot of money.
- b) if labour costs increase too much.
- c) if their company's sales are decreasing.
- d) include psychological factors.
- e) include technological and population changes.
- f) prior to general elections.
- g) result in higher rents and mortgages.
- h) when they are afraid of becoming unemployed.
- i) while consumption is increasing.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __

TASK VII. Match each of the definitions (1-10) with the word (a-j) from the text

- 1. beliefs about what will happen in the future
- 2. money borrowed in order to buy a house or flat (GB) or apartment (US)
- 3. money paid for the use of a house or flat owned by somebody else
- 4. the amount of something produced by a company, a country, etc.
- 5. spending on new machines, factories, etc.
- 6. owners or managers of manufacturing companies

7. spending on goods and services
8. to dismiss employees
9. concerning the number of births, deaths, population movements, and so on
10. an absence of luxury and comfort

- a) to lay off
- b) expectations
- c) demographic changes
- d) rent
- e) austerity
- f) investment
- g) consumption
- h) mortgage
- i) output
- j) industrialists

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __



GRAMMAR TASK

TASK I. Choose a) or b) to fill in each gap in the text

The results of the latest supplier audit are 1) _____ incomplete. They will 2) _____, then we will prepare a full report. However, early analysis shows that some of our suppliers haven't 3) _____ complied with our policy. The companies concerned 4) _____ that failure to comply will mean that we 5) _____ our dealings with them.

6) _____ a lot of progress 7) _____ to eliminate products containing toxic materials, further work remains 8) _____, which 9) _____ 10) _____ us to include an ecological label on most of our goods. We 11) _____ probably be able to do this next year and guarantee that none of our products 12) _____ on animals.

As for health and safety and working conditions, we 13) _____ new guidelines in the near future. A summary of the problem areas 14) _____ below. 15) _____ protective clothing is provided, there are too many accidents. Additional training will 16) _____ workers become more familiar with the hazards of different machinery.

Regarding workers' concerns, we 17) _____ that companies using unpaid overtime will be removed from our list of suppliers. 18) _____ there are national differences in legislation, we 19) _____ continue our efforts to introduce minimum working conditions for overseas suppliers.

We expect that this year's survey 20) _____ enhance the performance of the company and maintain our reputation.

- | | |
|-------------------------|---------------------|
| 1) a) already | b) still |
| 2) a) process | b) be processed |
| 3) a) still | b) yet |
| 4) a) will be informing | b) will be informed |
| 5) a) are discontinuing | b) will discontinue |
| 6) a) Although | b) In spite of |
| 7) a) has been made | b) has made |
| 8) a) to do | b) to be done |
| 9) a) is going to | b) will |
| 10) a) enable | b) let |
| 11) a) are going to | b) will |
| 12) a) have tested | b) have been tested |
| 13) a) will produce | b) will be produced |
| 14) a) is given | b) is being given |
| 15) a) In spite of | b) Although |
| 16) a) allow | b) let |
| 17) a) have been agreed | b) have agreed |
| 18) a) Even though | b) Despite |
| 19) a) will | b) are going to |
| 20) a) is going to | b) will |



UNIT III BUSINESS IN THE 21ST CENTURY



BUSINESS ENGLISH TERMS

ECONOMICS

1. **Economics** is the study of how people, individually and collectively, allocate their limited resources trying to satisfy their wants.
2. **Scarcity** is a shortage of something.
3. **Primary sector** of the economies the extraction of raw materials from the earth and agriculture.
4. **Secondary sector** of the economy is manufacturing industry in which raw materials are processed or transformed into finished goods
5. **Tertiary sector** of the economy is services including commerce marketing, banking, communication, transport, health care, education, etc.
6. **Industry** is the sector of an economy that includes mining, construction, manufacturing, electricity, gas and water.
7. **Agriculture** is the sector of an economy that includes crop production, animal husbandry, hunting, fishing, and forestry.
8. **Services** are intangible goods, include catering, accommodation, wholesale and retail trade; transport, communications, financing, insurance, real estate, business services, community and social services (education and health care) and personal services.
9. **Primary goods** (commodities) are goods sold for consumption or production as they were found in nature. Include oil, coal, iron and agricultural products like wheat or cotton.
10. **Manufactured goods** are goods produced using primary goods. Include petroleum, steel, textiles, etc. processed foods.
11. **Public goods** are local (rural roads), national (defense) or global (global peace and security).
12. **Production** entails using technology to apply energy to materials in ways that make the materials more valuable, or that otherwise help satisfy human wants'
13. **Labour resources** are the physical and mental talents of people
14. **Opportunity cost** is the value of the best alternative when a choice is made
15. **Absolute prices** are prices in terms of some monetary unit
16. **Relative prices** are prices of goods or resources in terms of each other and are computed by dividing their absolute prices by one another
17. **Economic efficiency** is achieved when we produce the combination of outputs with the highest attainable total value
18. **Inputs** are resources used in the production process such as labour and raw or semi-finished materials
19. **Output** is the total value of goods produced or services performed
20. **Demand** is the quantity of specific goods that people are willing and able to buy during a specific period

21. **Supply** refers to the quantity of specific goods available for sale
22. **Equilibrium** is a state of balance when supply meets demand
23. **Surplus** is the excess of the quantity supplied over the quantity demanded
24. **Gross Domestic Product (GDP)** is the total market value of goods and services produced within a country during some period usually one year
25. **Gross National Product (GNP)** is the value of all output produced by resources owned by the citizens of a country
26. **Economic growth** is a positive quantitative change in an economic system; occurs when a society acquires greater productive capacity that can be used for consumption or investment
27. **Capital** is all physical improvements made to natural resources that facilitate production, including buildings and all machinery and equipment
28. **Wealth** is the value of the assets owned by an individual or a group of individuals
29. **Balance of payments** is the difference between accounts for imports and receives for its exports
30. **Balance of trade** is the difference between the money values a country's visible imports and exports
31. **Elasticity of supply** is changes in the supply of goods and services in response to changes in prices
32. **Elasticity of demand** is the responsiveness in the quantity of goods or services demanded to changes in market prices
33. **Fiscal** is related to government finances (taxation, expenditure, etc.)
34. **Terms of trade** is the ratio of export prices to import prices. A high ratio benefits an economy as the country can pay for many imports by selling a small amount of exports. If terms of trade worsen the country needs to sell more exports to buy the same amount of imports.



BUSINESS ENGLISH TERMS

MANAGEMENT

1. **Business**
 - a. work related to production, buying and selling goods and services;
 - b. an organization which produces and sells goods or provides services;
 - c. important matters that you have to be discussed or dealt with.
2. **Businessperson** is a person engaged in trade or commerce.
3. **Business cycle** is the process by which investment, output and employment in an economy tend to fluctuate up and down in a regular pattern causing boom and depression, with recession and recovery as intermediate stages.
4. **Organization** is a large group of people that has particular aims.
5. **Organizer** is a person who makes all arrangements for something and makes sure that everything happens as planned.
6. **Management** is the activity or skill of dealing with, directing and controlling the work of a company, the staff within the firm who exert control over its activities on behalf of the owners.
7. **Top management** includes the chief executive of the organization, his / her deputy or deputies, the board of directors and the managers in charge of the divisions or departments of the organization.
8. **Middle management** consists of the managers to whom top management delegates day-to-day running of the organization.
9. **Managing director** is the director responsible for day-to-day running of the company. Second in the hierarchy only to the chairman if there is one; the managing director is the company's chief executive.
10. **Manager** is a person controlling or administrating a business or a part of it.



BUSINESS IN THE 21ST CENTURY

Business is the exchange of goods or services for money; the result is a mutual **benefit (profit)** for both parties involved. An individual **engages** in business because he/she believes that the rewards or possible future benefits are greater than risks or possible sacrifices.

Business activities are events that involve making and carrying out the operating, investing and financing decisions that deal with business **assets** or **obligations**.

In a profit-seeking business there are three types of business activities that correspond to three types of business decisions.

Operating activities are the profit making activities of the enterprise. They include those activities that **generate revenues** such as selling merchandise or providing services for cash or on credit. They also include activities that result in increased **expenses** such as **purchasing** goods or **raw materials** for manufacturing or for resale, and combining goods and labour to manufacture products.

Investing activities include the purchase and sale of long-term assets in addition to other major items used in business operations.

Financing activities are activities that involve obtaining the cash or using other non-cash means for investments in long-term assets, repaying money borrowed from creditors (**loans and credits**) and providing a return to owners.

THREE SECTORS OF THE ECONOMY

The economy is generally described as consisting of three sectors:

The primary sector: agriculture and the extraction of raw materials from the earth

The secondary sector: manufacturing industries, in which raw materials are turned into finished products or providing services – administration, law, finance, marketing, selling, computing, personnel, etc.

The tertiary sector: the commercial services, that help industry produce and distribute goods to the final consumers as well as activities such as education, health care, leisure, tourism, etc.

People working for a company are referred to as its workforce, employees, staff or personnel and are on its payroll. In some contexts, especially more conservative ones, employees and workforce refer to those working on the shop floor of a factory actually making things. Similarly staff is sometimes used to refer only to managers and office workers. This traditional division is also found in the expressions white-collar and blue-collar.

Another traditional division is that between management and labour.

Personnel (or human resources) departments are usually involved in finding new staff, selecting, short listing and recruiting (or hiring or taking them on) in the process of recruitment. Someone recruited is a recruit or a hire (Am. E.). They are also involved when people are made to leave the organization (are dismissed, fired, sacked or terminated). These responsibilities are referred to, relatively informally, as hiring and firing. If you leave the job voluntarily you quit. Middle managers are now most often mentioned in the context of restructuring, delayering,

downsizing or correctsizing: all these expressions describe a recent trend for companies to reduce the numbers of people they employ by getting rid of the layers of managers from the middle of hierarchy. An organization that has undergone this process is lean (with few more productive employees) and its hierarchy is flat (with few layers of management).



TASKS

TASK I. Group the activities (1-14) by the sectors (A-C)

- 1) smelting iron
- 2) calculating prices
- 3) laying cables
- 4) construction
- 5) maintenance
- 6) mining coal
- 7) packaging products
- 8) transportation
- 9) distributing added value
- 10) pumping oil
- 11) cutting metal
- 12) welding metal
- 13) advertising
- 14) power supply

- A) Primary sector
- B) Secondary sector
- C) Tertiary sector

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
11) __ 12) __ 13) __ 14) __

TASK II. Match each question (1-8) with the answer (a-h)

- 1) What do we mean by the primary sector of the economy?
- 2) What happens to the food extracted in the primary sector?
- 3) What is the secondary sector?
- 4) Do people in the secondary sector make things?
- 5) And the tertiary sector?
- 6) Why is the number of people working in the primary sector declining?
- 7) Why is the secondary sector getting smaller in many of these countries?
- 8) But not in tertiary services?

- a) Because agricultural methods are always becoming more efficient. Western Europe and the USA already produce too much food with only 3% of the population working on the land.
- b) Because much manufacturing can be carried out more cheaply in low-wage economies, e.g. in East and South –East Asian countries like China, Honk Kong, Taiwan, South Korea.
- c) Agriculture and extraction of raw materials from the earth or the sea.
- d) It includes the commercial services that enable industry to produce and distribute goods to their final consumers as well as activities like education, health care and tourism.
- e) It involves the transformation of raw materials into finished products.
- f) Now if the activities require a lot of training, education, know-how and technology.
- g) Only some of the manufacturing companies also employ finance and marketing managers, administrative staff.
- h) Some of it, such as fresh fruit or fish is consumed almost immediately after extraction the rest serves as raw material for the secondary sector.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __

TASK III. Choose a) or b) to fill in each gap (1-10) in the sentences

1. statistics are of interest to policy decision makers.
 - a) Economic b) Economical
 - a) economic b) economy
2. An early definition of was ‘an inquiry into the nature and causes of the whole wealth of nations’.
 - a) economy b) economics
3. The national is the system of the management and use of resources of a country.
 - a) economics b) economy
4. Inflation may cause a bad state in a country.
 - a) economic b) economical
5. Specific problems of farm Are of interest to economists who study agriculture.
 - a) economy b) economics
6. decisions are made by companies and individuals.
 - a) Economic b) Economy
7.studies how markets and prices allow society to solve the problems of what, how and for whom to produce.
 - a) Economy b) Economics
8. The central Problem is to reconcile the conflict between people’s demands with society’s ability to produce.
 - a) economical b) economic
9. Modern in the West are mixed and rely on the market and government intervention.
 - a) economies b) economics
10. The level of regulation is different in different countries.
 - a) economic b) economy

TASK IV. Choose the word from (a-j) to fill in each gap (1-10) in the text

RULES OF ECONOMICS

People face 1) The cost of something is what you 2)to get it. Rational people think at the 3)....People respond to 4) 5) can make everyone better off. Markets are usually a good way to organize 6).... activity. Governments can sometimes improve market 7)..... A country's 8).... of living depends on its ability to produce goods and services. Prices 9).... when the government prints too much money. Society faces a short-run tradeoff between 10)... and unemployment.

- a) economic
- b) margin
- c) rise
- d) trade
- e) inflation
- f) give up
- g) incentives
- h) outcomes
- i) standard
- j) tradeoffs

TASK V. Choose the word from (a-g) to fill in each gap (1-7) in the text

We have to 1) _____ our company if we are to survive. We will have a 2) _____ structure with only two levels of management. We don't want to make anyone 3) _____. Some of our senior people will take early 4) _____. The rest will be offered posts, but they may be at a lower level. No one likes to be 5) _____ but it is better than being out of work. We hope people will be 6) _____ and move to different jobs. If anyone decides to hand in their 7) _____ we will help by offering out 8) _____ advice. This is a very difficult time for us all.

- a) outplacement
- b) redundant
- c) flatter
- d) notice
- e) retirement
- f) flexible
- g) demoted
- h) restructure

TASK VI. Choose the word from (a-e) to fill in each gap (1-5) in the sentences

- 1) They reserved the correct to make decision.
- 2) What you need is advice from your bank
- 3) I wish you could the time to come and to talk to you.
- 4) It is a perfectly task if to tackle it systematically.
- 5) They are part of my team.

- a) manage
- b) manageable
- c) management
- d) manager
- e) managerial

1) __ 2) __ 3) __ 4) __ 5) __

TASK VII. Match each statement (1-8) with the situation (A-I)

- 1) We used to have four layers of management but now we have only two.
- 2) I am an independent software designer. At the moment I'm working for three companies.
- 3) I don't know whether my job here is safe. I could be out of work next month.
- 4) In 1999 we had 430 employees, now there are only 280.
- 5) We used to do our printing in-house, but now it's done by a company in Hong Kong.
- 6) I was a shop floor supervisor but then they made me manager of the whole production plant.
- 7) Our company has been completely reorganized to make it more efficient.
- 8) Now that we have reduced our costs we are making much more money.

- a) delayering
- b) restructuring
- c) outsourcing
- d) promotion
- e) freelancer
- f) dismiss
- g) profitable
- h) insecurity

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __

TASK VIII. Choose a), b) or c) to fill in each gap (1-10) in the sentences

- 1) I didn't like the way the company was being run so I ____
a) resigned b) sacked c) terminated
- 2) They laid ____ 200 people in March and 50 more in September.
a) on b) off c) out
- 3) I joined this company because the career ____ is excellent.
a) path b) way c) contract
- 4) I have regular performance ____ with my manager.
a) advice b) support c) reviews
- 5) We now have fewer employees and so the company is much ____
a) efficient b) leaner c) fatter
- 6) I have worked my way up and now I am a ____ manager.
a) main b) old c) senior
- 7) She was ____ for copying company software on to her PC.
a) fired b) promoted c)retired)
- 8) I was appointed on a ____ contract so my job isn't very safe.
a) permanent b) full-time c) temporary
- 9) When you join a company now you can't expect a ____ for life.
a) job b) work c)career
- 10) If you break the safety rules you can be ____ immediately.
a) downsized b) dismissed c) delayed

TASK IX. Match each of the half-sentences (1-10) with its ending (a-k)

- 1) The principle of absolute advantage assumes
 - 2) Having been involved
 - 3) The concept of competitive advantage proves
 - 4) Developed countries
 - 5) Both the buying and the selling nations
 - 6) The theory of comparative advantage emphasizes
 - 7) It is necessary
 - 8) Being limited by scarce resources
 - 9) In accordance with economic theory,
 - 10) Promoting foreign trade
-
- a) in international division of labour LDCs became the centres of cheap foreign labour.
 - b) that the country can gain from trading high quality products and should compete for customers in the world market.
 - c) producers from different countries participate in foreign trade as economic units.
 - d) that a country should specialize in producing those goods which it can produce more cheaply than its trading partners.
 - e) the governments want to expand the potential market for the goods of their countries.
 - f) are known to have become main world trade centres, half of all foreign trade taking place between these countries.
 - g) the nation has to develop wide trade relations to supply the necessary goods for domestic consumption.

- h) that developing countries export more finished goods instead of raw materials.
- i) that a country should specialise in producing certain goods although its trading partners produce those goods more cheaply.
- j) gain from trade relations, as countries can consume larger and more diverse amounts of goods.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __

TASK X. Choose the word from (a-f) to fill in each gap (1-8) in the text

In China, all economic activity used to be controlled by the state. Prices were fixed by the government, not by buyers and sellers in the market (1) _____. But in the last 20 years there has been a series of market (2) _____ that have allowed people to go into business and start their own companies. Market (3) _____ are determined by what buyers are willing to pay, rather than by the state. There are still state-owned companies that lose money. Until recently, they have been protected from market (4) _____ but market (5) _____ will eventually mean that they close down. Of course, the market (6) _____ has its losers: those without work, and victims of crime, which used to be very rare.

- a) economy
- b) forces
- c) place
- d) reforms
- e) pressures
- f) prices

TASK XI. Choose the paragraph from (a-e) to fill in each gap (1-5) in the text

Energy's Future is Trapped in the Fossil Fuel Past

In his State of the Union address, President George W. Bush proposed a \$1.5bn (£900m) government research and development programme to replace the internal combustion engine with hydrogen-powered fuel cell cars. (1) _____

To be sure, the shift to fuel cells and a hydrogen economy will be as significant and far-reaching in its impact on the global economy and society as the steam engine and coal in the 19th century and the switch to the internal combustion engine and oil in the 20th century. (2) _____

Most commercial hydrogen today is extracted from natural gas but it can also be extracted from coal and oil. Even the nuclear industry has weighed in, arguing that nuclear power can be used to extract hydrogen. The White House's enthusiasm for hydrogen suddenly becomes understandable. (3) _____

There is, however, another way to get hydrogen. Renewable sources of energy - wind, photovoltaic, hydrogen, geothermal and biomass - can be harnessed to produce electricity and that electricity, in turn, can be used to electrolyse water, separating the hydrogen from the oxygen for storage and later use in a fuel cell. (4) _____ Why twice? Because electricity generated from renewable sources of energy cannot be effectively stored. If the sun is not shining, the wind stops blowing, or water stops flowing because of drought, electricity stops being produced and the economy stops. (5) _____

- a) By using some of the electricity generated by renewables to electrolyse water and extract hydrogen, society obtains stored energy to use at a future date.
- b) Hydrogen is the lightest, most plentiful element in the universe. When it is used to generate power, heat and light, the only by-products are water and heat. But what Mr Bush did not mention was that hydrogen has to be extracted from either fossil fuels or water.
- c) If fossil fuels and even nuclear power can be harnessed to produce hydrogen, the Bush administration can have its cake and eat it too.
- d) While some applauded his call to create a clean, non-polluting energy source for the 21st century, many environmentalists were less enthusiastic. That is because there is both more and less to his announcement than meets the eye.
- e) While this second approach frees us from fossil fuel dependency and is the solution environmentalists have dreamt of for years, it currently costs more to extract hydrogen with renewable energy. That is because electricity has to be generated twice, first to create the electricity to electrolyse the water and grab and store the hydrogen and then to use the hydrogen to power the fuel cell.



GRAMMAR TASKS

TASK I. Choose a) or b) to fill in each gap (1-10) in the text

In the late 1970s NASA decided to abandon its SSP (Space Solar Power) project using satellites to transmit solar energy from space. If the project 1) _____, many energy specialists and government planners 2) _____ less worried than they are today. But it didn't. Constructing the satellite 3) _____ \$78 billion and it 4) _____ 30 years to install it in space.

NASDA, the Japanese space agency, has now taken up the challenge and is currently doing its own research into a similar system. Their scientists are confident that if everything 5) _____ according to plan, they 6) _____ be able to make their first satellite power transmission to Earth before 2025. But transferring solar energy to the planet by satellite won't be easy. In fact, if cheaper launch systems for space vehicles 7) _____ be available in the near future, the cost of transporting and assembling even a simple system 8) _____ not remain prohibitive. However, one thing is clear: if there 9) _____ a slight chance of making the system work, the Japanese 10) _____ so much money.

- | | | |
|-----|----------------------------|---------------------|
| 1) | a) had succeeded | b) succeeded |
| 2) | a) would | b) will be |
| 3) | a) would have cost | b) would cost |
| 4) | a) will take | b) would have taken |
| 5) | a) goes | b) has gone |
| 6) | a) would | b) will |
| 7) | a) are not | b) will not |
| 8) | a) are | b) will |
| 9) | a) wasn't | b) isn't a |
| 10) | a) would not have invested | b) will not invest |

TASK II. Choose the word from (a-l) to fill in each gap (1-12) in the text

Household is a group of people 1) _____ make economic decisions together. In economic theory households have two roles: they enter the market as buyers or consumers 2) _____ goods and services produced 3) _____ firms and provide factor inputs for firms 4) _____ order to produce those goods and services. The term "household" is used in national income analysis, 5) _____ in supply and demand analysis it is replaced by the term "consumer".

Black economy is non-market economic activity 6) _____ is not included in the national income accounts, either because such activity does not pass 7) _____ the market or because it is illegal. Illegal economic activity may exist in the usual price system which is determined by demand and supply

Some non-market activity is carried out 8) _____ non-profit-making purposes or 9) _____ a barter basis. 10) _____ there has been no money paid, the activity does not add 11) _____ the GDP and 12) _____ so does not exist for statistics.

- a) as
- b) whereas
- c) which
- d) of
- e) to
- f) on
- g) in
- h) who
- i) so
- j) through
- k) by
- l) for



UNIT IV SOCIETY AND BUSINESS

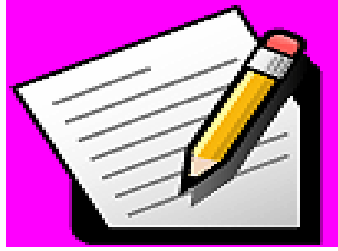


BUSINESS ENGLISH TERMS

SOCIOLOGY

- 1) **Demography** is scientific study of human populations, including their size, composition, distribution, density, growth and the causes and socio-economic consequences of changes in these factors.
- 2) **Human resources** is the total quantity and quality of human effort available to produce goods and services. The muscle and brain power of human beings.
- 3) Infant mortality rate is the number of every 1,000 infants born who die before their first birthday.
- 4) **Human capital** is the knowledge, skills, and experience of people that make them economically productive.
- 5) **Social capital of society** is the way people interact, cooperate and resolve their conflicts.
- 6) **Human development index (HDI)** is a composite of several social indicators. Useful for broad cross-country comparisons although it yields little specific information about each country.
- 7) **Standard of living** (living standard) is the level of well-being (of an individual, group or the population of a country) as measured by the level of **income (GNP per capita)** or by the quantity of various goods and services consumed.
- 8) **Poverty line (subsistence minimum)** is the income level people require to buy life's basic necessities (food, clothing, housing) and satisfy their most important socio-cultural needs. The poverty line changes over time and varies by region.
- 9) **Quality of life** is the people's overall well-being. Difficult to measure because in addition to material well-being (see standard of living) it includes such intangible components as the quality of the environment, national security, personal safety and political and economic freedoms.
- 10) **Labor force** is all economically active people in a country between 15 and 65. Includes all employed, unemployed persons also in armed services, excludes students and unpaid caregivers such as homemakers.
- 11) **Natural population increase (population growth rate)** is the difference between the birth rate and the death rate over a period of time.
- 12) **Birth rate** is the number of births in a year expressed as a percentage of the population or per 1 000 people.
- 13) **Death rate** is the number of deaths in a year expressed as a percentage of the population or per 1 000 people.
- 14) **Total fertility rate** is the average number of children a woman will have during her lifetime, by country or region.
- 15) **Life expectancy at birth** is the number of years a newborn would live.

- 16) **Illiteracy** is the percentage of the population who cannot read and write.
- 17) **Age dependency ratio** is the ratio of the non-working population (people under 15 or over 65) to the working population (people 15-64).
- 18) **Energy use per capita** is the amount of energy a country consumes in a certain period (usually 1 year) divided by the population of that country.
- 19) **Access to safe water** is the percentage of the population with reasonable means of getting safe water either treated surface or clean untreated water from springs, wells or protected boreholes.
- 20) **Natural resources** are all air, land, water, forests, wildlife, topsoil, minerals, picturesque landscapes. Can be either renewable or non-renewable.
- 21) **Renewable natural resources** are natural resources that can be replaced or replenished by natural processes or human action.
- 22) **Non-renewable natural resources** are regenerated on a geological, rather than human time scale.
- 23) **Semi-renewable natural resources** are regenerated very slowly on a human time scale.
- 24) **Greenhouse gases** in the earth's atmosphere creating a greenhouse effect that may dangerously raise temperatures around the globe.
- 25) **Externalities** are the effects of persons' or firms' activities on others which are not compensated. Either hurt (polluting the environment and not compensating the negative affect) or benefit others. Governments can reduce negative externalities by regulating and taxing goods with negative externalities or can increase positive externalities by subsidizing goods with a positive affect.
- 26) **Sustainable development** is includes economic, environmental and social sustainability, which can continue or last for a long time.
- 27) **Stakeholder** is a person or a group of people who are considered to be important.
- 28) **Campaign** is a series of actions intended to achieve a particular result.
- 29) **Social responsibility** is the duty of business to contribute to the well-being of society
- 30) **Recycling** is the reuse of products



CAN BUSINESS BE GREEN?

Nowadays most of us are more or less aware of environmental issues. How many of us consciously deposit our empty bottles at the bottle bank, save electricity by switching off lights or make a big thing of using a recycled paper all in the belief that we are doing our bit for the environment but what impression are we actually making on the environment by doing so? The answer is almost none. For even if every household in the world recycled everything it used, solid waste would be reduced by a mere 2%. In global terms that would make absolutely no difference whatsoever because the real problem lies not with the private individual but with big business and the \$35 trillion world economy.

Poor Track Record

The track record of the world's companies is poor. Whereas the Chernobyl disaster can perhaps be attributed to lack of funds and the old technology of a crumbling Soviet regime, no such excuse can be offered in the case of Union Carbide. When the full horror of the chemical accident at Bhopal in India became apparent, the company quite legally liquidated a large portion of its assets in the form of shareholders' dividends, thereby reducing the company's compensatory liability to its 200,000 victims. And when the Exxon Valdez tanker ran aground the Exxon company seemed more concerned to reassure the stock markets that its financial strength was undiminished than to console the Alaskans, whose livelihoods were wrecked by the catastrophic oil spill. Over the last 100 years some 200 oil tankers have sunk, many, like the one that broke up off the north-west Spanish coast in 2002, causing irreversible environmental damage.

No Solutions yet

Business just like everything else depends upon the survival of the eco-system, and it can only be in the interests of commerce and industry to learn how to manage Corporation Earth. But the fact is that though business is the only mechanism powerful enough to reverse the current global trend towards ecological disaster, it has yet to come up with a practical plan to halt the destruction of the planet. In 2002 the USA, by far the world's biggest producer of greenhouse gases, refused to sign the Kyoto Agreement on global warming. Many think they were pressured into rejecting it by giant corporations that simply had too much to lose.

Large Scale Pollution

The mighty General Electric, consistently among the world's five richest companies, has taken what some people call 'corporate crime' to even greater extremes. It had its contracts suspended by the Pentagon. It stood accused, among other things, of bribery and insider trading and of being one of America's greatest toxic polluters. One of its nuclear operations in Washington State alone has created sufficient radioactive pollution to charge 50 atom bombs of the kind dropped on Nagasaki during World War Two.

Making Conservation Profitable

The situation seems hopeless. But, as ecological expert Paul Hawken points out, if business is not only about making money but also about sustaining life, then perhaps it really can make conservation profitable, productive and possible. Some say that if they wanted to, the commercial powers could actually halt environmental degradation within as little as 20 years. For why must what is good for business always be bad for nature?

Short-term Finals

The simple answer to that is that big business is by definition antagonistic to nature. True, some companies like Royal Dutch Shell have very publicly 'gone green' introducing all kinds of environmental initiatives and renewable energy programs. But cynics point out that it was only after Shell's clash with Greenpeace over the disposal of the Brent Spar oil platform that the company found its corporate conscience.

Appearing green may indeed be good for business but Hawken reminds us that ultimately 'business is designed to break through limits, not to respect them'. It is about exploring, discovering, mining, extracting and exploiting. It is quite definitely not about putting things back. Although, in the long term, a living rain forest is more profitable than a dead one, the goals of big business are notoriously short-term. And, contrary to popular belief, big business is not in decline. The largest 1 000 companies in the United States still account for 60% of GNR with modern telecommunications, their global reach is almost complete. What can the environmentalists do when our planet's greatest enemy turns out to be the only force strong enough to save it?

TASK I. Mark the following viewpoints S (supported) or NS (not supported) in the text

- 1) Environmental awareness is greater now than it used to be. S / NS
- 2) People are still largely unaware of the scale of the environmental problem. S / NS
- 3) Domestic recycling is a waste of time. S / NS
- 4) Without government support, the business community can do little to protect the environment. S / NS
- 5) The corporations of the world only step in to put things correct after the disasters have already happened. S / NS
- 6) Green politics need not be a hopeless cause. S / NS
- 7) Commercial gain and ecological balance are incompatible. S / NS
- 8) As our business culture changes, the environment will be given a higher priority. S / NS

TASK II. Match each word or expression (1-6) from the article with its meaning (a-f)

- 1) doing our bit
- 2) the track record
- 3) wreck livelihoods
- 4) bribery
- 5) insider trading
- 6) antagonistic to

- a) illegal manipulation of share price
- b) destroy jobs, means of living
- c) past performance
- d) opposed, hostile to
- e) making our contribution
- f) persuading people to do what you want by illegal payment

1) __ 2) __ 3) __ 4) __ 5) __ 6) __

TASK III. Match each term (1-11) with its word partner (a-k) from the article

- 1) environmental
- 2) solid
- 3) eco
- 4) ecological
- 5) greenhouse
- 6) track
- 7) old
- 8) irreversible
- 9) corporate
- 10) insider
- 11) renewable

- a) record
- b) trading
- c) gases
- d) system
- e) energy
- f) waste
- g) crime
- h) issues
- i) disaster
- j) technology
- k) damage

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __ 11) __

TASK IV. Match each line (1-8) of the verbs with the correct noun (a-h)

- 1) to control / create / cut
- 2) to protect / harm / threaten
- 3) to address / face / settle
- 4) to make / break / keep
- 5) to adopt / implement / abandon
- 6) to develop / exploit / tap
- 7) to set / achieve / reach
- 8) to exercise / seize

- a) a promise
- b) resources
- c) the environment
- d) power
- e) a goal
- f) pollution
- g) an issue
- h) a policy

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __

TASK V. Choose the term from (a-k) to fill in each gap (1-11) in the text

PROFIT AT A PRICE

Western 1)industries are planning to send hundreds of tonnes of radioactive 2) to XXXX for 3) despite concern expressed by environmentalists, who fear another Chernobyl like 4) The facility will store and 5) tonnes of 6) rods by 2007 for one-third of the price charged by Britain and France.

7) are worried about the dangers involved in transporting the material and the threat to their already 8) environment. There has been a number of radiation 9) and systems 10) 'Reprocessing is dirty, dangerous and uneconomic', said one Greenpeace campaigner picketing outside the parliament building to urge MPs to stop the country becoming 'a nuclear 11) But the West's desire to get rid of nuclear waste cheaply and the country's need to earn hard currency are difficult to resist. The new plant could create 5000 jobs and earn about \$1 billion a year.

- a) leakage
- b) recycle
- c) nuclear fuel
- d) waste
- e) dump
- f) polluted
- g) nuclear
- h) reprocessing
- i) disaster
- j) environmentalists
- k) failures

TASK VI. Choose the correct word from (a-k) to fill in each gap (1-11) in the text

THE ECOLOGY OF COMMERCE

In his book Paul Hawken outlines practical ways towards a sustainable economy.

Reduce (1)..... of energy and (2) in the northern hemisphere by 75%. This is not as difficult as it sounds. We already have the (3) to make things last twice as long with half the resources.

Provide secure (4) for the whole population. A sustainable economy without job (5) would only lead to social (6) and civil war.

Honour market principles. Since you cannot change the dynamics of the market, you have to operate within it. Taxing morality by charging higher prices for (7) friendly goods doesn't work. It is basic human nature to shop around for the cheapest goods of comparable quality.

Extensive restoration will be needed as it is simply too late to (8) what we have. As part of our overall economic program we shall need to redesign all industrial, residential and transport (9) so that everything we use comes from the earth and returns to it.

Governments alone cannot create a (10) society. Everything largely depends on the daily acts of billions of ordinary people. Humans are not naturally wasteful and predatory, but intelligent (11), who adapt to fit in with their circumstances. In a sustainable culture people would naturally conserve.

- a) employment
- b) technology
- c) inequality
- d) consumption
- e) security
- f) environmentally
- g) sustain
- h) natural resources
- i) systems
- j) sustainable
- k) users

TASK VII. Read the text and mark the topics (1-8) below D (discussed) or ND (not discussed) in the text

Whereas in the past, supply and demand had a way of evening themselves out, now we swing from hyperinflation to soaring unemployment as slump follows boom. The once predictable business cycles which drive the market economy have gone out of control. The economic statistics issued by governments seem more unreliable than ever. And, for the first time, politicians have started talking about 'the death of economies'.

Speculative Greed

A major cause of the crisis has been the business sector's ruthless pursuit of capital. It was largely corrupt property speculators and poorly managed financial institutions that caused the collapse of the Japanese economy in the 90s and the subsequent 'Asian meltdown'. The dotcom boom at the beginning of the 21st century was also motivated by short-term speculative greed. More money actually changes hands in four and a half days on the global currency markets than is exchanged annually through trade in merchandise and services. Business, it seems, is a very slow way to make money. The fastest way to make money is money.

Merger-mania

Two decades of bigger and bigger mergers and acquisitions have compounded the problem. In 1997 alone \$1.6 trillion were spent on M&As. For the board members and shareholders of the companies concerned, there were huge windfall profits to be made, but for the companies themselves it was not

always good news. Nor was it good news for the thousands laid off as a result of bringing ex-competitors together. In the new globalised economy, the need to grow at all costs has also led companies like Enron and WorldCom to become increasingly creative in their accounting methods. In some companies, hiding debts to finance acquisitions has become common practice.

Different Worlds

But the real long-term crisis is the widening gap between rich and poor. Thirty per cent of the world's population represents ninety per cent of the world's GDP, whilst the other seventy per cent have to survive on the remaining ten per cent. The income ratio between the richest and poorest countries went from 30:1 in 1960 to 74:1 in 1997 - and it's getting worse. So it isn't trade deficits, post-communist chaos or the global arms build-up that pose the greatest threat to the world economy. Nor is it political instability in Africa and the Middle East, international terrorism or the Latin American debt crisis. It is the emergence throughout both the developed and developing world of a vast and permanent underclass of seriously poor.

Cheap Labour from the East

In some cities in Central and Eastern Europe, unemployment is running as high as eighty per cent. Wages have fallen so far behind escalating inflation that immigration controls in the West have had to be tightened to prevent an influx of workers from the East. But, of course, this hasn't stopped some Western companies exploiting cheap labour in both Eastern Europe and South-East Asia, and putting their own employees out of work.

The Working Poor

In the USA, where unemployment benefit is cut after six months and staying out of work is not an option, they are creating jobs at the cost of decreased incomes. For in many of the inner cities of the USA they have something approaching a Third World economy. According to the latest figures, 12.7% of Americans currently live below the poverty-line. The problem is not so much unemployment as underemployment, with millions of people in low-paid, dead-end, so-called 'McJobs' that have zero prospects.

Corporate Rule

The result of all this is that corporations now exercise an unprecedented influence on the global economy and the distribution of wealth, as the world's governments, powerless to regulate them, become increasingly irrelevant. Near-monopolies like Microsoft are hard to fight and in industries like telecoms, the top ten companies control eighty-six per cent of the market. In fact, half the world's richest institutions are not countries but companies. No wonder then that both countries and companies try to conceal the real figures. As the famous saying goes, "It's often easier to be economical with the truth than truthful about the economy".

- | | |
|------------------------------|--------|
| 1) the boom-bust economy | D / ND |
| 2) political extremism | D / ND |
| 3) the money markets | D / ND |
| 4) social inequality | D / ND |
| 5) retraining the unemployed | D / ND |
| 6) corporate fraud | D / ND |
| 7) the black economy | D / ND |

8) government cover-ups

D / ND

TASK VIII. Match each word or expression (1-12) from the text with its meaning (a-m)

- 1) a clue
- 2) slump
- 3) boom
- 4) collapse / meltdown
- 5) changes hands
- 6) compounded the problem
- 7) windfall profits
- 8) escalating
- 9) to be tightened
- 10) an influx of workers
- 11) unprecedented
- 12) no wonder

- a) made things worse
- b) rising rapidly
- c) made things worse
- d) sudden and complete economic failure
- e) it's not surprising
- f) an idea
- g) large amounts of money you get unexpectedly
- h) period when the economy is weak
- i) never having happened before
- j) is exchanged
- k) a period when the economy is strong
- l) the arrival a large number of people
- m) to be made stricter

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __ 11) __ 12) __

TASK IX. Choose the correct word from (a-e) to fill in each gap (1-5) in the text

It is often said that we live in a 1) _____; we consider it important to buy products and services. Companies need to be aware of the impact of this on the 2) _____, the natural world around us. Many companies use 3) _____ (boxes, bottles, etc.) which has been 4) _____, that is made using old materials. 5) _____ such as smoke in the air, can be reduced if companies use trains instead of road transport.

- a) environment
- b) consumer society
- c) Pollution
- d) recycled
- e) packaging

TASK X. Read the text and mark the statements (1-8) below T (true) or F (false)

SOCIAL RESPONSIBILITY

What is the purpose of a business? Is it just to make as much profit as possible for its shareholders? Or does a business have a wider responsibility to help solve society's problems? This is a controversial topic.

Thirty or so years ago discussions of social responsibility were of three types. Firstly, there was much talk about how business people should behave in their work. Should they have the same ethical standards - the same principles as they had in their private life? A question which was often discussed was: should an executive offer a bribe to secure a contract when he knew that his competitors were likely to do so? Secondly, people discussed the social responsibility of business towards its employees. They were interested in how organizations could improve the working conditions of their employees. Finally, social responsibility included the idea that business people should contribute to cultural activities. They should support activities like music festivals and art exhibitions. Executives were also expected to serve on educational committees, hospital boards and so on. In other words, they had to take an active part in the life of their community.

These days there is a new approach to social responsibility. Many people say that a business should try to meet the needs and interests of society. It has an obligation to help solve the problems of society. Because of this new concept society expects more from its business organizations. For example, pressure is put on businesses to provide a safer environment. A chemical company, therefore, is not only expected to meet government standards regarding pollution. It must take steps to reduce pollution to as low a level as possible even if this means reduced profits.

These days, businesses are expected to show social responsibility in all kinds of ways. They are urged to provide safer products; to protect and respect the environment; to hire more people from minority groups; to offer work opportunities to unemployed youngsters; to oppose racial discrimination and at all times to behave with integrity. The list is endless.

An example of the new approach can be found in banking. Some well-known British banks have had pressure put on them to stop doing business in South Africa. This is because many of their customers are opposed to South Africa's policy of Apartheid. Barclays Bank withdrew its business from South Africa. Similarly, a few years ago some Swedish companies were criticized for taking part in an electrical power project in Africa. The project was located in a country which was then a Portuguese colony. Some Swedish newspapers accused the companies of 'supporting imperialism'.

The new concept of social responsibility means that businesses and business people must have integrity. They must deal honestly with their employees and with the outside world. As Sir John Clark of the Plessey company says, 'I attach more importance to integrity than to ability'.

Successful companies are very sensitive if their integrity is attacked. They usually respond sharply. Some time ago an English health inspector found fault with the standards of hygiene in a Trusthouse Forte hotel. Lord Forte was most upset by the inspector's accusations. Making no attempt to plead guilty and by so doing avoid publicity the Trusthouse Forte Group fought the case in the courts. It also advertised in several national newspapers to give its side of the case.

The integrity of the shoe-making firm, Clark's, was recently questioned. To make its shoes, Clark's were using leather cured by sperm whale oil. Conservation groups heard about this and put pressure on the company to stop using such leather. They even talked of boycotting the company's shoes. At first, Clark's said that it had no control over leather provided by its suppliers. However, a little later the Chairman Daniel Clark gave a direct order that the company should only buy leather cured without sperm whale oil. He also invested in testing equipment to ensure that supplies of leather were free from this type of oil.

Many business people agree with the 'wider' concept of social responsibility. They accept that businesses should help to solve social problems - even if their businesses did not create them

and even if the social actions do not bring profits.

There are, nevertheless, some famous people who are against the new approach. One of these is Milton Friedman, an American economist who won the Nobel Prize for Economics. Milton Friedman believes that business has only one social responsibility. That is 'to use its resources and energy in activities designed to increase its profits as long as it stays within the rules of the game and engages in open and free competition without deception and fraud.' Friedman says that a business's social responsibility is 'to make as much money for its shareholders as possible'. Another famous person makes a similar point. Ian MacGregor has been Chief Executive of large organizations like British Steel and the National Coal Board. He says that a business's first priority is to create wealth. Many companies, he believes, have a concept of social responsibility which distracts them from this task.

It is certainly true that social actions cost money and businesses have to bear that cost often by raising prices, lowering wages or having less profit. Someone has to pay for the social actions in the end; it may be the customer, the employee or the shareholder.

Of course, by showing social responsibility, the company may well benefit in the long run. A spokesman for the Rank-Xerox company spoke recently of the wide range of social projects Rank-Xerox were engaged in: grants of equipment to universities; information technology projects and seminars; training programs in universities and schools; career seminars; sponsorship of art competitions, etc. The spokesman said that the social projects were an integral part of the company's business strategy. They were not some sort of charity work which would get a brief mention in the company's annual report. Being a large organization, Rank-Xerox had many contacts with government departments and other groups in society. Since it was a knowledge-based company, it needed to hire highly skilled people. Its social programs were 'critical to its success'. There was no doubt that, in the long run, these activities were profitable to the organization.

- 1) Nowadays business organizations are expected to have more social responsibilities than they used to. T / F
- 2) It is accepted that a company should not lose profits in order to become socially responsible. T / F
- 3) Some Swedish companies were criticized because they expressed unpopular political opinions. T / F
- 4) Trusthouse Forte took legal action in order to protect the reputation of its hotels T / F.
- 5) Milton Friedman suggests that a company does not need to show integrity, provided that it competes freely. T / F
- 6) Ian MacGregor says that some organizations do not make as much profit as they could because they have wrong ideas about social responsibility. T / F
- 7) Rank-Xerox has a large program of social projects because it believes that these will improve its image and reputation with the public. T / F
- 8) It is probably in the long-term interests of a business to show a strong sense of social responsibility. T / F

TASK XI. Match each word or phrase (1-10) from the text with its meaning (a-j)

- 1) bribe (kickback, sweetener)
- 2) fraud
- 3) create wealth
- 4) opposed
- 5) boycotting
- 6) deception

- 7) environment
- 8) in the long run
- 9) ethical standards
- 10) critical

- a) standards of moral behaviour
- b) something offered or given to persuade somebody, usually to do something wrong
- c) the natural conditions (air, water and land) in which we live
- d) strongly against
- e) refusing to buy or persuading people not to buy
- f) dishonesty or trickery
- g) criminal deception
- h) make people well-off, prosperous
- i) in the end, ultimately
- j) vital

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __



GRAMMAR TASKS

TASK I. Choose a) or b) to fill in each gap (1-12) in the text

In the forthcoming fight to eliminate global poverty, 1) _____ remains one of the UN's top priorities for the coming decade, microfinance will be playing one of the key roles in the attack. Microfinance is not charity, say 2) _____ supporters, 3) _____ argue that 4) _____ is only another form of investment, 5) _____ it provides credit to low-income households. Kofi Annan, 6) _____ efforts to alleviate poverty around the world are well-known, understands how difficult 7) _____ will be to make the UN's Year of Microfinance a success 8) _____ microfinance institutions and Wall Street investment banks can find a way to work together to reduce poverty 9) _____ enabling the rich to stay rich. Speaking at a recent conference, he 10) _____ his audience that 11) _____ order to achieve this, 12) _____ would have to make some fundamental changes to the way they see their role in the twenty-first century.

- | | |
|-------------------|---------------|
| 1) a) which | b) that |
| 2) a) its | b) their |
| 3) a) that | b) who |
| 4) a) it | b) this |
| 5) a) since | b) although |
| 6) a) whose | b) who's |
| 7) a) it | b) this |
| 8) a) unless | b) despite |
| 9) a) while | b) when |
| 10) a) advised | b) suggested |
| 11) a) for | b) in |
| 12) a) the former | b) the latter |

TASK II. Choose A, B or C to fill in each gap (1-10) in the text

Anita Roddick, the founder of The Body Shop, has recently added her voice to the campaign to promote the use of hemp as a substitute for various man-made substances. 1) _____ hemp in fact belongs to the same plant group as marihuana; it has none of the narcotic effects of its close relative.

2) _____, 3) _____ the efforts by hemp supporters to stimulate interest in the plant and to persuade the farming community to grow it commercially, it is still illegal under British law to actually plant hemp seeds.

4) _____ hemp is no longer used in Western Europe, it is still a common and valuable raw material in many other regions of the world where it provides the basis for a whole variety of products ranging from clothing to medication. 5) _____ to man-made fibres, hemp is entirely biodegradable and therefore does not contribute to the planet's waste problem. 6) _____ some of the materials that it could replace, like nylon, hemp requires no energy-intensive production process to turn it into something you can use or wear.

7) _____, the hemp campaigners have sometimes run into some rather unexpected opposition 8) _____ of all the arguments that they have produced in its favour. Even Anita Roddick herself has been accused of behaving irresponsibly and of being insensitive to the issues involved in drug abuse.

9) _____ some members of the farming community would be only too happy to grow hemp as a promising alternative crop, the majority of people remain firmly opposed to its reintroduction because of its association with marijuana.

10) _____ most consumers would have no worries about wearing clothing with nylon fibres, it would seem that, for the time being, *cannabis sativa*, as the hemp plant is known, is not something you'd want your neighbours to see you with.

- | | | | |
|-----|----------------|-----------------|----------------|
| 1) | A) In contrast | B) Nevertheless | C) Although |
| 2) | A) Even though | B) In spite of | C) However |
| 3) | A) although | B) despite | C) unlike |
| 4) | A) Whereas | B) Nevertheless | C) While |
| 5) | A) Unlike | B) In contrast | C) While |
| 6) | A) Although | B) However | C) Unlike |
| 7) | A) Although | B) Nevertheless | C) Unlike |
| 8) | A) despite | B) in spite | C) even though |
| 9) | A) However | B) Despite | C) Even though |
| 10) | A) Despite | B) However | C) Although |



PROGRESS CHECK I

TASK I. Choose the word or phrase from (a-o) to fill in each gap (1-15) in the text

THE AMERICAN WAY

Although America's geographic regions challenge the foreigner with different sets of 1)..... to operate within, no matter where you visit or attempt to do business in the USA, you will experience something that can be described as the American Way. The tempo of life in America is fast. Americans are generally busy and appear to be working at a rapid pace. Perhaps this is due to the credo 'time is money and money talks'. Americans work hard, generally play hard, and employ all available technology and gadgets to increase their pace. Other people may work longer hours and seem to live for their work, such as the Japanese. Yet for the Japanese, patience, contemplation, and even silence are important virtues. Americans think in terms of hours and days and the all-important 2)..... This tends to make 3)..... in the USA more 4) than in Japan, Europe, and the Australasian region.

The American attitude of 5)..... does not encourage socializing and getting to know business partners. Americans tend to have 'power breakfasts' and brief business lunches that are highly 6) to achieving business goals. People in other cultures will commit a lot of time and energy establishing relationships with business colleagues, whereas Americans tend to be more dedicated to 7).....

Americans work by 8)..... Given 9)....., they very often race to beat or achieve them. Giving deadlines elsewhere may produce alternative results, because of cultural differences that do not recognize that giving a task a deadline increases its importance and creates a sense of urgency. Sometimes meeting the deadline is a more important 10)of performance than the job itself.

Americans tend to be direct, particularly in a business environment, and openly challenge ideas and issues. Assertive, they take initiatives and opportunities to speak about their problems. For people from other cultures, this can sometimes appear to be confrontational and seem offensive. 11) in American business life are vital. However, these do not qualify in the same way as business relationships in some other cultures. Americans call this 'networking', where they are always prepared to sell something, whether it be a product, company, or themselves.

Meetings are a major source of 12)..... and workers rely on attending meetings to keep up with what's going on in the organization and industry. The existence of 13)..... within US companies is often not visually pronounced. A CEO (chief executive officer) of a company often participates in day-to-day communication with employees of the company. Americans prefer to have their own offices where possible; 14) in the company is usually marked by a larger office or bigger window. In some areas, particularly in the high-technology industry, more traditional trappings of power (separate executive cafeterias or assigned parking spaces) have been purposely eliminated in an effort to show 15)..... across the organization.

- a) let's get down to business'
- b) fiscal quarter
- c) frameworks
- d) geared
- e) getting the job done
- f) goal structuring

- g) short term
- h) deadlines,
- i) hierarchy
- j) information exchange
- k) measure
- l) personal connections
- m) schedules
- n) seniority
- o) team spirit

TASK II. Mark the sentences below T (true) or F (false)

ECONOMIC INDICATORS

- 1) Inflation is a measure of increasing prices. T / F
- 2) High inflation generally means increasing unemployment. T / F
- 3) A healthy consumer economy always means lower unemployment. T / F
- 4) Higher investment in training and education is easier during a low point in the economic cycle. T / F
- 5) A tight fiscal policy means high taxation and high government spending. T / F
- 6) Governments need to control their borrowing requirement. T / F
- 7) A high value of the local currency is good for exports. T / F
- 8) Housebuilding is seen as a good indicator of what is happening in the domestic economy. T / F
- 9) Gross national product (GNP) is a measure of the annual value of sales of goods and services in a country, and it does not include sales for companies abroad. T / F
- 10) Capacity utilization is a measure of how many people are in work. T / F
- 11) Generally, high levels of supply and low levels of demand means unemployment falls. T / F
- 12) Growth creates wealth and wealth creates jobs. T / F
- 13) Rationalization means cutting labour costs so people lose their job. Increased investment in real terms means increased investment above inflation rates. T / F
- 14) A balance of payments deficit means a company is spending more than it earns. T / F
- 15) Fluctuations in exchange rates do not trouble financial planning. T / F
- 16) If inflation is rising, a central bank will probably raise interest rates. T / F
- 17) Stable and low inflation and interest rates are an economic 'good thing'. T / F
- 18) High government spending can help to control inflation. T / F
- 19) High labour mobility is generally good for an economy. T / F

TASK III. Match each definition (1-12) with its term (a-l)

- 1) Create or set it up in a way that is intended to be permanent.
- 2) Help its development or growth by encouraging people to do or think about it.
- 3) Something that you must do or possess in order to be allowed to do some other thing.
- 4) The state of being real, alive or actual.

- 5) Energy in the form of thought, action, time, or money that people use in their work.
- 6) It influences someone or something or causes them to change in some way.
- 7) Succeed in doing or finishing something.
- 8) Being responsible for and prepared to justify one's actions.
- 9) A good result of something.
- 10) A person who buys things or uses services.
- 11) A particular, recognizable way in which something is done or organized.
- 12) To include somebody or something as a necessary part or use them in some way.

- a) accountability
- b) effort
- c) pattern
- d) requirement
- e) accomplish
- f) existence
- g) consumer
- h) foster
- i) affect
- j) establish
- k) benefit
- l) involve

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
11) __ 12) __



UNIT V

MANAGEMENT



BUSINESS ENGLISH TERMS

MANAGEMENT

- 1) **Golden goodbye, golden handshake or golden parachute** is a compensation package for an executive leaving a company.
- 2) **Compensation payment, compensation payoff or compensation payout** is a compensation leaving a company.
- 3) **To be ousted or to be given the golden boot** is to be forced to leave a company.
- 4) **Remuneration** includes a salary and benefits.
- 5) **Benefits or perks** may be share options, the correct to buy the company's shares at an advantageous price, a chauffeur-driven car, etc.
- 6) **Middle managers** are those in the hierarchy between senior management and front-line managers (line managers), the people managing the employees.
- 7) **Empowerment** is giving the employees the authority to make decisions previously taken by middle managers.
- 8) **Dismissing or making redundant** is losing a job.
- 9) **Outplacement** is helping the employees to find new jobs in other organizations.
- 10) **Headhunters** are specialist consultants who search for high-level (often board-level) executives and persuade them to leave their job in order to go to work in another company.
- 11) **The promise of a golden hello** is persuading executives to move to another company by a large sum of money.



WHAT IS MANAGEMENT?

Peter Drucker, the well-known American business professor and consultant, suggests that the work of a manager can be divided into planning (setting objectives), organizing, integrating (motivating and communicating), measuring, and developing people.

- First of all, managers (especially senior managers such as company chairpersons and directors) set objectives, and decide how their organization can achieve them. This involves developing strategies, plans and precise tactics, and allocating resources of people and money.
- Secondly, managers organize. They analyse and classify the activities of the organization and the relations among them. They divide the work into manageable activities and then into individual jobs. They select people to manage these units and perform the jobs.
- Thirdly, managers practise the social skills of motivation and communication. They also have to communicate objectives to the people responsible for attaining them. They have to make the people who are responsible for performing individual jobs form teams. They make decisions about pay and promotion. As well as organizing and supervising the work of their subordinates, they have to work with people in other areas and functions.
- Fourthly, managers have to measure the performance of their staff, to see whether the objectives set for the organization as a whole and for each individual member of it are being achieved.
- Lastly, managers develop people both their subordinates and themselves.

Obviously, objectives occasionally have to be modified or changed. It is generally the job of a company's top managers to consider the needs of the future, and to take responsibility for innovation, without which any organization can only expect a limited life. Top managers also have to manage a business's relations with customers, suppliers, distributors, bankers, investors, neighbouring communities, public authorities, and so on, as well as deal with any major crises which arise. Top managers are appointed and supervised and advised (and dismissed) by a company's board of directors.

Although the tasks of a manager can be analysed and classified in this fashion, management is not entirely scientific. It is a human skill. Business professors obviously believe that intuition and 'instinct' are not enough; there are management skills that have to be learnt. Drucker, for example, wrote nearly 30 years ago that 'Altogether this entire book is based on the proposition that the days of the "intuitive" manager are numbered,* meaning that they were coming to an end. But some people are clearly good at management, and others are not. Some people will be unable to put management techniques into practice. Others will have lots of technique, but few good ideas. Outstanding managers are rather rare.



TASKS

TASK I. Choose the correct word from (a-h) to fill in each gap (1-9) in the text

Managers have to decide how best to allocate the human, physical and capital 1) _____ available to them. They logically have to make sure that the jobs and tasks given to their subordinates are 2) _____. There is no point in 3) _____ objectives if you don't 4) _____ them to your staff. Managers have to 5) _____ their subordinates, to measure and try to improve their 6) _____. They have to check whether objectives and targets are being 7) _____. A top manager whose performance is unsatisfactory can be dismissed by the company's 8) _____. Top managers are responsible for the 9) _____ that will allow a company to adapt to a changing world.

- a) achieved
- b) board of directors
- c) communicate
- d) innovations
- e) manageable
- f) performance
- g) resources
- h) setting
- i) supervise

TASK II. Match each of the verbs (1-9) with the noun (a-i) to make a collocation

- 1) allocate
- 2) communicate
- 3) develop
- 4) make
- 5) measure
- 6) motivate
- 7) perform
- 8) set
- 9) supervise

- a) decisions
- b) information
- c) jobs
- d) objectives
- e) people
- f) performance
- g) resources
- h) strategies
- i) subordinates

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __

TASK III. Choose the appropriate heading from (a-i) for each of the paragraphs (1-9)**LEADERSHIP**

- 1) In large organisations, leaders should spend no more than four hours a day in their offices. The rest of the time, they should be out with their people, talking to lower-level employees and getting their feedback on problem areas. They should be making short speeches and handing out awards. They should be travelling widely throughout their organisations.
- 2) The best leaders are those whose minds are never closed and who are eager to deal with new issues. Leaders should not change their minds too frequently after a major decision has been made, but if they never reconsider, they are beginning to show a degree of rigidity and inflexibility that creates problems for the organisation.
- 3) Executives must take a disciplined approach to their schedules, their post, their telephone calls, their travel schedules and their meetings. Staying busy and working long hours are not necessarily a measurement of leadership effectiveness.
- 4) Leaders may run efficient organisations, but they do not really serve the long-term interests of the institution unless they plan, set goals and provide strategic perception.
- 5) The leader must be willing to pass on skills, to share insights and experiences, and to work very closely with people to help them mature and be creative.
- 6) Leaders should let people know that life is not so important that you can't sit back occasionally and be amused by what is happening. Laughter can be a great reliever of tension.
- 7) Reliability is something that leaders must have in order to provide stability and strength to organisations. Leaders must be willing to be flexible but consistency and coherence are important elements of large organisations.
- 8) Leaders must not only understand the major elements of their businesses but must also keep up with any changes.
- 9) Leaders should be able to look at themselves objectively and analyse where they have made mistakes and where they have disappointed people.
 - a) A leader should be a good teacher and communicator.
 - b) A leader must manage time and use it effectively.
 - c) A leader must have technical competence.
 - d) A leader must provide vision.
 - e) A leader must be visible and approachable.
 - f) A leader should be introspective.
 - g) A leader should be dependable.
 - h) A leader should be open-minded.
 - i) A leader should have a sense of humour.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __

TASK IV. Match each of the following half-sentences (1-11) with its ending (a-k)

1. A major part of the manager's job will be
2. The modern manager must now consider the environment in which

3. One difficulty facing the manager, however is determining
4. Each person in business looks to his or her personal
5. Managers outline the steps to be taken
6. At the turn of the century the manager's objective
7. The authority you grant must be adequate to accomplish the TASK
8. The degree of centralization that makes best
9. The quality of management's decision will be
10. But it remains for the field of management to develop a position that is
11. The science portion of management is expanding, more and more
 - a) decisions can be analyzed and programmed.
 - b) what is meant by the "interest of society".
 - c) consistent with the professional, ethical status of its members.
 - d) in moving organization toward the objectives.
 - e) to predict what the environment needs and what changes will occur in the future.
 - f) was to keep his company running and to make a profit.
 - g) you have delegated, but must not exceed your own authority,
 - h) code of ethics to determine acceptable behavior.
 - i) a reflection of the quality of the information it receives.
 - j) the organization operates and be prepared to adopt a wider perspective.
 - k) a use of the abilities of employees is the goal.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __ 11) __

TASK V. Choose the correct word from (a-l) to fill in each gap (1-12) in the text

RESTRUCTURED WHIRLPOOL ADVANCES

Better results from its European operations and a strong 1) in its core North American market helped Whirlpool, the biggest 2) of large home appliances in the USA, to post a 58% recovery in first-quarter 3) from continuing operations, at \$68m after 4) the company said yesterday there had been continued 5)improvements in its North American business, leading to higher 6) And record profit levels. Europe which has been a problematic 7).... Both Whirlpool and some of its large 8) in recent years also benefited from better product shipments and cost-reduction moves. The group said it believed there would be continued performance improvements in the region. Again, it lifted its forecast for industry 9) to about 3% up from previous estimates of about 2%. Latin America was less encouraging, with 10) declining on the back of weaker conditions in the big Brazilian market, although Whirlpool said performance had been 'solid'. Meanwhile, the Asian business was 'at planned levels' with 11) efforts said to be on schedule. The company reaffirmed its target of reaching 12) or close to this for the full year.

- a) manufacturer
- b) margins
- c) performance
- d) productivity
- e) profit
- f) tax
- g) break-even
- h) competitors

- i) growth
- j) market
- k) restructuring
- l) sales

TASK VI. Read the text and mark the statements (1-8) below T (true) or F (false)

INDUSTRIALIST HONED BY FRENCH POLISH

Like most of France's technocratic elite, Pierre Bilger is a Europhile and sees Alstom, the Anglo-French group he chairs, as an experiment in European unity.

Few people better personify the French technocratic elite that has held France in a tight grip for many decades than Pierre Bilger. Bilger is the Chairman of Alstom, the giant power and railway equipment company formed out of the joint venture between Britain's General Electric Company (GEC) and France's Alcatel-Alsthom, which became a separately quoted company in 1998.

In his long career, Bilger has moved effortlessly from government to big business with the ease that the French state seems to encourage. He was born in 1940, in the Alsace region of eastern France. After school, he attended first the Institut des Etudes Politiques, then the prestigious Ecole Nationale d'Administration (ENA), the elite finishing school for French technocrats and many future government leaders.

On graduating Bilger, like many of his ENA colleagues, joined the Finance Ministry, rising quickly up its ranks. In 1982 he switched from government to industry, joining CGE, as Alcatel-Alsthom was then known, although since the company was at that time owned by the French state, the change was more apparent than real.

At Alcatel-Alsthom his big project was overseeing the formation in 1988 of the joint venture with GEC. As soon as the joint venture, GEC-Alsthom, was formed, Bilger was given the TASK of running it. After a decade of working for one of the largest Anglo-French joint ventures, Bilger is well attuned to Anglo-Saxon attitudes. He speaks frequently of shareholders and of the need to keep costs down but he still remains very French. His explanations are fluent and polished and his arguments have none of the down-to-earth style you might expect from someone running a British engineering company.

Although Britain and France are neighbours, their business cultures could hardly be further apart. What, I ask, had he found most irritating about the English once he was put in charge of a company full of them? 'What I found most irritating about our British colleagues was their great reluctance to go through what we French would consider a rational process of making a decision,' he answered thoughtfully. 'They insist on going straight to the point, whereas we like to have a systematic agenda. But over time I came to appreciate that this had its virtues as well.' Like most French establishment figures, Bilger is an ardent Europhile. The company, he believes, is itself an experiment in unity; soon after the British and French parts were put together, German and Spanish units were added. After a brief attempt at using multiple languages inside the company, Bilger soon decided to impose English as the company language, partly because the English were reluctant to learn any other languages. 'We lost a few French managers because of that, but not many,' he says.

Alstom remains a technological leader and it is led by bcorrect people. Bilger does not mention it, but in France the country's cleverest, best-qualified people can be found running manufacturing companies. In Britain that has not been true for almost a century.

- | | |
|---------------------------------------------------------------------|------|
| 1. British and French business cultures have many things in common. | T/ F |
| 2. The British tend to take decisions more quickly than the French. | T/ F |

3. The French do not like having long discussions to analyse things in detail. T/ F
4. The French feel they are systematic and logical in their approach to business. T/ F
5. British business people like to follow a strict agenda at meetings. T/ F
6. Alstom is no longer a purely French-British company. T/ F
7. In Alstom the French and English languages have equal status. T/ F
8. In Britain manufacturing companies attract the best-qualified and cleverest people. T/ F

TASK VII. Match each of the verbs (1-6) with the correct noun (a-f) as they occur in the text

- 1) to go through
- 2) run
- 3) form
- 4) keep
- 5) make
- 6) give someone

- a) a task
- b) a process
- c) a joint venture
- d) a company
- e) a decision
- f) costs down

1) ___ 2) ___ 3) ___ 4) ___ 5) ___ 6) ___

TASK VIII. Match each of the terms (1-12) from the text with its definition (a-l)

- 1) hold in a tight grip
- 2) technocratic elite
- 3) rise up its ranks
- 4) change was more apparent than real
- 5) attuned to
- 6) down-to-earth
- 7) could hardly be further apart
- 8) reluctant to
- 9) go straight to the point
- 10) have its virtues
- 11) an ardent Europhile
- 12) bcorrect

- a) discuss the most important things immediately
- b) control something completely
- c) are completely different
- d) be very familiar with something, and to understand it :
- e) very clever and intelligent
- f) unsophisticated, not elegant or polished
- g) have some advantages or good points

- h) small group of people with a high level of technical education
- i) be promoted in an organisation
- j) someone who is very much in favour of a united Europe
- k) be unhappy or unwilling to do something
- l) there was no significant difference

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
 11) __ 12) __

TASK IX. Choose the correct word from (a-j) to fill in each gap (1-10) in the sentences

- 1) In a recession, companies need to economise and 1)..... as much as possible.
- 2) We need to 2).... quickly before it is too late.
- 3) Many people are 3).... learn foreign languages because it takes a long time.
- 4) Each way of working 4); it's important not to criticise people just because they do something in a different way.
- 5) In the UK business sectors such as advertising, the media, investment, banking and management consultancy tend to attract 5) people.
- 6) The most successful companies are 6) the needs of their customers.
- 7) In many countries around the world dictatorial leaders hold their country 7).....
- 8) He's a real high-flier who managed to 8) to Managing Director in five years.
- 9) When a project is very big two or more companies often 9) in order to do the work.
- 10) In cultures where people like to avoid direct statements they can be offended by people who 10) in discussions.

- a) rise up the ranks
- b) in a tight grip
- c) reluctant to
- d) make a decision
- e) attuned to
- f) keep costs down
- g) has its virtues
- h) form a joint venture
- i) go straight to the point
- j) bcorrect



GRAMMAR TASKS

TASK I. Choose a) or b) to fill in each gap (1-10) in the text

STELLA MCCARTNEY

Stella McCartney, Paul McCartney's daughter, 1) _____ the troubled Paris fashion house Chloe barely a year ago. It 2) _____ her just one year 3) _____ its fortunes. Previously Chloe 4) _____ virtually invisible as a major force in the world of fashion. But almost single-handedly she 5) _____ Chloe into the most talked about fashion brand in the world. She 6) _____ sales fivefold. Paris 7) _____ anything like it since the young Yves St Laurent 8) _____ the city by storm 30 years ago.

When she 9) _____ appointed it 10) _____ clear she 11) _____ what she 12) _____ to do. 'I want to bridge the gap between the consumer and the press. At the moment fashion is just sort of stuck in the middle'.

So far, Stella 13) _____ to her philosophy of 14) _____ outrageous and uncommercial catwalk creations. She 15) _____ to the simple philosophy of designing clothes that she or her friends 16) _____ to wear. As her best friends are Kate Moss, Naomi Campbell and Yasmin Le Bon, it also 17) _____ her big publicity.

- | | |
|--------------------|--------------------|
| 1) a) joined | b) has joined |
| 2) a) took | b) has taken |
| 3) a) reversed | b) to reverse |
| 4) a) was | b) has been |
| 5) a) transformed | b) has transformed |
| 6) a) increased | b) has increased |
| 7) a) didn't see | b) hasn't seen |
| 8) a) took | b) has taken |
| 9) a) was | b) has been |
| 10) a) was | b) has been |
| 11) a) knew | b) has known |
| 12) a) had | b) has had |
| 13) a) stuck | b) has stuck |
| 14) a) to avoid | b) avoiding |
| 15) a) kept | b) has kept |
| 16) a) would want | b) wanted |
| 17) a) would bring | b) brings |

TASK II. Choose the most appropriate word from (a-h) to fill in each gap (1-8) in the sentences

- 1) Mark Simpson, 1) _____ company specialises in security training, will be leading the first session.

- 2) _____ some companies do provide systematic language training for all staff, most do not.
3) There is no point in giving employees expensive training 3) _____ it contributes to improving their performance at work.
4) The stress management workshops were introduced 4) _____ reduce the number of workdays lost to stress-related illnesses.
5) We can't fix a date for the training course 5) _____ we know exactly who needs to attend.
6) _____ a 10% decrease in our training budget, we have been able to offer a wider variety of courses than ever before.
7) _____ we do not have the facilities here at head office, we will be running the course at an external training centre.
8) Improving the communication skills of our sales staff is one of the areas 8) _____ we need to focus on.

- a) Since
- b) unless
- c) in order to
- d) Although
- e) Despite
- f) until
- g) which
- h) whose



UNIT VI MARKETING



BUSINESS ENGLISH TERMS

MARKETING

- 1) **The market, the free market and market economy** describe an economic system where prices, jobs, wages, etc. are not controlled by the government but depend on what people want to buy and how much they are willing to pay.
- 2) **A market** is formed of buyers and sellers of particular goods or services.
- 3) **Target market** is a group of customers that make up a particular market
- 4) **Market forces (pressures)** are the way a market economy makes sellers produce what people want at prices they are willing to pay.
- 5) **Market prices** are the prices that people are willing to pay rather than ones fixed by a government
- 6) **Market reforms** are changes a government makes to an economy so that it becomes more like a market economy.
- 7) **Market segment** is a group of customers with similar characteristics, needs and requirements
- 8) **Mass market** is the market for standardized consumer products.
- 9) **Marketing** is the process of planning, designing, pricing, promoting and distributing ideas, goods and services in order to satisfy customer needs so as to make a profit.
- 10) **To penetrate** a market is to start selling there for the first time.
- 11) **To abandon** a market is to leave it, stop selling there.
- 12) **To dominate** a market is to be the most important company selling there.
- 13) **To corner** a market is to monopolize and be the only company selling there.
- 14) **To drive** another company out of a market is to make it to leave the market because it can no longer compete.
- 15) **To market** a product is to make a plan how to sell a product.
- 16) **A marketer (marketer)** is someone who works in marketing.
- 17) **Market segmentation** is the process identifying or appealing specific groups of customers
- 18) **Market orientation** is everything designed to meet the needs of the market.
- 19) **Market-driven, market-led or market-oriented** are companies quick to respond to the needs of a market.
- 20) **Market share** is the proportion of the total market.
- 21) **The four Ps** are: product (a decision what to sell), price (a decision what prices to charge), place (a decision how it will be distributed and where people will buy it, promotion (a decision how the product will be supported with advertising, special activities, etc.)
- 22) A fifth P sometimes added is **packaging** – the activities used to protect and present a product before it is sold.

- 23) **The marketing mix** is the summary of four Ps, successfully combined activities in order to sell.
- 24) **Consumers** are people who buy products or services for their own use.
- 25) **Customers** (end-users) are people who buy services.
- 26) **A purchaser** is a person or organization that buys something.
- 27) **A seller** is a person or organization that sells something.
- 28) **Distribution** is the actions involved in making goods available to customers.
- 29) **Street vendors** are people selling things in the street.
- 30) **Competition** is the activity of trying to sell more and be more successful.
- 31) **Intense, stiff, fierce or tough** competition is strong, if not - **low-key**.
- 32) **Competitors (rivals)** are companies or products in the same market.
- 33) **Key players** are the most important companies in a particular market.
- 34) **A brand** is a name a company gives to its products.
- 35) **A generic** is a product that does not have a name.
- 36) **A low-end (bottom-end)** product is the cheapest product.
- 37) **A high-end (top-end)** product is the most expensive product.



WHAT IS MARKETING?

Marketing is closely related to economics, the social science concerned with the production, distribution and consumption of goods and services; sociology as it studies people in a social context and helps us understand the differences not only between our society and those of other nations but also between various subcultures within our own country. Advertisers aim their appeals at particular market segments (the youth market, urban market, black market) and psychology, the study of the mental, attitudinal, motivational or behavioral characteristics of an individual or a group of individuals. Marketing practitioners find knowledge of psychology helpful in formulating advertising and sales campaigns. How do people think? What motivates them to buy? How can we change their buying habits? What price will have the strongest appeal? Psychological research has become a major tool of marketing analysts.

It is impossible to speak about marketing without an understanding what "needs and wants" mean. A need occurs when a person feels physiologically deprived of basic necessities like food, clothing and shelter. A want is a felt need that is shaped by a person's knowledge, culture and personality. Effective marketing creates an awareness of a needed product at a convenient location and shapes a person's want.

To serve both buyers and sellers marketing seeks:

- 1) to discover the needs and wants of prospective customers,
- 2) to satisfy them.

The key to achieving these two objectives is the idea of exchange, which is the trade of things of value between a buyer and a seller so that each is better off after the trade.

For marketing to occur at least four factors are required:

- 1) two or more parties (individuals or organizations) with unsatisfied needs,
- 2) desire and ability on their part to be satisfied,
- 3) a way for the parties to communicate,
- 4) something to exchange.

It is important to make sure that a product or service has a market, know who has a desire and a need for it. This means getting information about present and potential customers, competition and the image people have of the company, product or service. Because no business can satisfy all consumer needs it must concentrate on certain needs of a specific group of consumers. This is the target market, one or more specific groups of consumers toward which an organization directs its marketing program.

Consumers are so different

In **demographic segmentation** customers are classified as on the basis of occupation and social class: middle class, working class, etc.:

- professionals such as senior business executives and senior civil servants
- people with very responsible jobs such as middle managers, heads of local government departments, etc.
- all others doing non-manual jobs: technicians, nurses, etc.
- skilled manual workers
- semi-skilled and unskilled manual workers

-
- those on the lowest income levels, such as pensioners.

In behavioural segmentation customers are classified by their behaviour: why, when and how often they buy a particular product, their attitude towards it, etc. People from a particular social class may spend their money in particular ways, but it can be more useful to look at.

In **psychographic segmentation** customers are classified by their lifestyles, the overall pattern of how they live, what they buy, etc. Here values, opinions, activities and interests are important.

- **Actualizers** are successful, sophisticated, active, "take-charge" people with high self-esteem and abundant resources. They are with cultivated expensive tastes. Image is important to them.
- **Fulfillers** are mature, satisfied, comfortable, reflective people who value order, knowledge, and responsibility. Most are well educated in professional occupations, well-informed and look for solid products that give value for money.
- **Believers** are conservative, conventional people with beliefs based on traditional, established codes: family, church, community and nation. As consumers they are conservative and favor familiar products and established brands.
- **Achievers** are successful career- and work-oriented people who feel in control of their lives. Image is important to them; they favor established, prestige products and services that demonstrate success.
- **Strivers** seek approval from the world around them. Unsure of themselves and low on economic, social and psychological resources, they are concerned about the opinion and approval of others. Money defines success for them. Many of them seek to obtain stylish products to imitate those with more money.
- **Experiencers** are young, enthusiastic and impulsive. They seek variety and excitement, quickly become enthusiastic about new possibilities but are equally quick to cool. They spend much of their income on clothing, fast food, music, movies and video.
- **Makers** are practical people. They live within a traditional context of family, practical work and physical recreation and have little interest in new ideas. They buy practical, functional products such as tools, pick-up trucks or fishing equipment.
- **Strugglers** are poor, ill-educated, low-skilled, elderly and concerned about their health. They are often passive. Because they are limited by the need to meet the urgent needs of the present moment, their chief concerns are for security and safety. They are loyal to familiar brands.

Consumers can be categorized according to their self-orientation and resources. Marketers differentiate three primary self-orientations:

- **Principle-oriented** are the individuals guided in their choices by their beliefs and principles rather than by feelings, events or desire for approval.
- **Status-oriented** are the individuals heavily influenced by the action, approval and opinions of others.
- **Action-oriented** are the individuals who desire social or physical activity, variety and risk-taking.

Another dimension, termed resources, reflects the ability of individuals to pursue their dominant self-orientation. It refers to the full range of psychological, physical, demographic and

material means on which consumers can draw. Resources generally increase from adolescence through middle age and then remain relatively stable until they begin to decline with older age.

Many possible ways to satisfy the needs of target customers exist. A product can have many different features and quality levels, service levels can be adjusted, the package can be of various sizes, colours or materials, the brand name and warranty can be changed, various advertising media may be used, different prices can be charged, price discounts may be given, etc. With so many possible variables, is there any way to organize all these decisions and simplify the selection of marketing mixes? The answer is yes.

Having selected the target market the firm develops a marketing program to reach consumers by pulling a combination of four levels, often called the four Ps:

Product: a good, service or idea to satisfy the consumer's needs.

Place: a means of getting the product into the consumer's hands.

Price: what is exchanged for the product?

Promotion: a means of communication between the seller and buyer.

The four Ps are the elements of the marketing mix. The marketing mix elements are controllable factors because they are under the control of the marketing department in an organization.



TASKS

TASK I. Match each of the following half-sentences (1-5) with its ending (a-e)

- 1) Farms are now more market-oriented
 - 2) Since the 1980s, Britain has had a much more market-led
 - 3) Many market-led growth businesses,
 - 4) Lack of investment and market orientation
 - 5) American TV is a market-driven industry,
- a) such as Microsoft and Sony, are in several markets at once.
 - b) and the audience decides the direction it takes.
 - c) led to falling sales and profits.
 - d) and less dependent on government money.
 - e) approach to economics.

1) ___ 2) ___ 3) ___ 4) ___ 5) ___

TASK II. Choose a), b) or c) to fill in each gap (1-4) in the sentences

- 1) European films do not export well: European movies barely 1) _____ the US market.
 a) abandon b) corner c) penetrate)
- 2) In the 2000s Kodak 2) _____ the instant photography market, until then 3) _____ by Polaroid.
 a) cornered b) entered c) left
 a) abandoned b) dominated c) penetrated
- 3) The Hunt brothers tried to fix silver prices and to 4) _____ the silver market, 5) _____ all competitors.
 a) corner b) enter c) leave)
 a) entering b) driving out c) monopolizing
- 4) In the 1940s MGM 6) _____ the market on film musicals but by the late 1950s, Warner Bros had also started buying film corrects to musicals.
 a) abandoned b) got out of c) monopolized

TASK III. Read the text and mark the statements (1-10) below T (true) or F (false)

GUESS WHO WANTS TO MAKE A SPLASH IN WATER

Will Coke and Pepsi leave smaller bottlers high and dry?

First came the Cola Wars, next the Juice and Iced Tea Wars. Now beverage giants Coke and Pepsi are about to fight another beverage battle: the Water Wars. And the market may never be the

same. The \$4.3 billion bottled-water business has been divided among countless small regional players producing brands such as Alaska Ice Age Premium and McKenzie Mist. There are a handful of premium brands such as Evian and Perrier. But the biggest, Poland Spring, has only a 7.5% share. And with bottled-water consumption increasing 10% annually -triple the growth rate of the much larger but more mature soda business - it's a tempting market for both Coca-Cola Co, and PepsiCo Inc. Pepsi jumped in two years ago and its Aquafina brand has become one of the top 10 brands.

Now Coke is taking the plunge. Dasani, which Coke plans to unveil on February 19, isn't the product of some newly discovered spring but municipal tap water that is purified and distributed by Coke bottlers. Coke says it plans to tiptoe into water "to be careful that we don't replace high-margin soft drinks with low-margin water," as CEO M. Douglas Vester has put it. But analysts nonetheless expect the Atlanta-based beverage giant's entry to cause massive shifts in the US water business. "Coke will be a big player - and fast," says Gary Hemphill, vice-president of Beverage Marketing Corp, a New York research firm.

Indeed, analysts predict that Coke's move will dramatically hasten the consolidation already occurring in the water business. At risk are Vermont Pure, Evian, Naya and the dozens of bottled-water makers that are currently distributed by Coke's vast network of bottlers. Naya, for instance, depends on Coke distributors for 60% of its sales.

Also vulnerable are thousands of small regional players that can't match Coke's marketing tactics. Whispering Springs Inc., which only distributes its product within a 40-mile radius of its headquarters, has already felt Coke's power, says company president Rebecca Kelly. A Coke bottler who was distributing another Indiana water offered retailers a free cooler to stock the product, and merchants expected Kelly to do the same. "We couldn't afford that, so it cost us a couple of accounts," she says. Image problem? Still, for all the soda giants' marketing muscle and distribution might, there's no guarantee that they'll be able to dominate the business. It's one thing to convince consumers that Coke's secret formula is unique, but it may have a harder time proving that its water is the real thing. And it could turn out that Coke's success as a purveyor of soda could give it an image problem among consumers who buy water as a healthy alternative to the fizzy sweet stuff. "When you think of Coke, you don't think of water," notes Stephen Monaco, beverage buyer for Peach Food Stores, a Massachusetts-based chain of 136 stores.

Monaco has already dropped Aquafina. The Pepsi product, which like Dasani is treated local water, did not outsell a half-dozen other brands he stocked. He offered to keep selling Aquafina if he could stock it in the coolers the soda giant had provided. Pepsi refused; it didn't want to sacrifice cola space for water. For Coke and Pepsi, that's the dilemma: how to give water a place on the shelves and in the grocery bags without displacing soda sales. But they have managed that trick with teas and juices. And given the gusher of demand for water, Coke and Pepsi won't retreat from this battle.

- 1) The demand for bottled-water is rising. T / F
- 2) The market for bottled-water is growing but at a slower rate than the market for sodas. T / F
- 3) In a short period of time Pepsi has been able to position Aquafina among the top brands of bottled-water in the US. T / F
- 4) Aquafina and Dasani were launched on the market simultaneously. T / F
- 5) Aquafina and Dasani are spring waters. T / F
- 6) Companies can make more money from selling soda than from selling water. T / F
- 7) The entry of Coke and Pepsi will probably mean that smaller companies will have to change their distribution networks. T / F

- 8) Most small bottled-water producers provide retailers with free coolers to stock their products. T / F
- 9) Some people may feel uncomfortable about buying bottled-water produced by Coke or by Pepsi. T / F
- 10) The danger for Coke and Pepsi is that customers may buy their bottled-water s instead of their colas. T / F

TASK IV. Read the text and mark the statements (1-3) below T (true) or F (false)

MARKETING CONCEPTS

Marketing is two things. First, it is a strategy and set of techniques to sell an organization's products or services. This involves choosing target customers and designing a persuasive marketing mix to get them to buy. The mix may include a range of brands, tempting prices, convenient sales outlets and advertising and promotion. This concept of marketing as selling and persuasion is by far the most popular idea among both managers and the public.

The second and by far more important concept of marketing focuses on improving the reality of what is on offer. It is based on understanding customers' needs and developing new solutions which are better than those currently available. Doing this is not a marketing department problem but one which involves the whole organization. For example, for Rover to beat Mercedes for the consumer's choice involves engineering new models, developing lean manufacturing processes, and restructuring its dealer network.

Creating company-wide focus on the customer requires the continual acquisition of new skills and technology. Marketing is rarely effective as a business function. As the chief executive of Hewlett Packard put it 'Marketing is too important to leave to the marketing department.' Such companies understand that everybody's TASK is marketing. This concept of marketing offering real customer value is what business is all about.

- 1) The four Ps are mentioned in the article T / F
- 2) The author thinks the four Ps are a complete definition of marketing T / F
- 3) The author thinks that marketing is only for marketers T / F

TASK V. Match each of the terms (1-8) with its definition (a-h)

- 1) target audience
- 2) celebrity endorsements
- 3) hard sell
- 4) company logo
- 5) ad agency
- 6) publicity stunt
- 7) public relations event
- 8) product launch

- a) an aggressive, persuasive way of selling a product
- b) the marketing and advertising effort that is organized to promote a new item when it goes on the market
- c) a printed symbol that stands for a business or their brand
- d) an organized gathering to get media coverage for a brand, product or store opening

- e) the demographic group that an advertising campaign is aimed at
- f) well-known people promoting a particular product
- g) a firm that specializes in creating advertising campaigns for businesses
- h) an unusual, sometimes shocking action intended to attract people's attention in order to promote a brand or product

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __

TASK VI. Choose the correct term from (a-e) for the underlined expressions (1-5) in the text

I'm a marketing manager for CrazyCola in the country. In this market we (1) sell more than any other cola, we (2) have 55% of the market. (3) Sales are increasing from 7% to 8% per year. There are two main (4) groups of users: those who drink it in cafes, bars and restaurants and those who buy it to drink at home. Of course, many users belong to both groups but this is our (5) way of dividing our consumers.

- a) Market growth is
- b) market segments
- c) of the market share
- d) market segmentation
- e) are the market leader

1) __ 2) __ 3) __ 4) __ 5) __

TASK VII. Choose the correct term from (a-j) to fill in each gap (1-10) in the text

As more and more industries are making products specifically adapted to a particular 1) _____, market researchers are asked to carry out 2) _____ and to compile more detailed 3) _____ of consumer groups. 4) _____ based on sex, age and social class is not sufficient for companies operating in highly 5) _____ and 6) _____ markets. Questionnaires are designed to determine consumers' exact 7) _____ as well as to establish what affects consumers' 8) _____ when they choose one product instead of another. Only then 9) _____ can be targeted to appeal to the identified 10) _____.

- a) profiles
- b) market segment
- c) advertising campaigns
- d) target market
- e) buying decisions
- f) needs
- g) fragmented
- h) market segmentation
- i) market research
- j) competitive

TASK VIII. Re-arrange the paragraphs (A-F) to make a complete text**THE INTERACTIVE BAZAAR OPENS**

- A. In the trials, consumers should be able to switch on a shopping service provided by CUC International, a small Connecticut company that looks set to be the leader of interactive retailing. Walter Forbes, CUCs chairman, claims that interactive retailing has three advantages over local shops.
- B. In both trials of multimedia technology, consumers will be able to use their television screens to browse through constantly updated 'catalogues' containing images and information about, say, shirts or vacuum cleaners; to place orders for goods by means of a remote control or mouse; and to get their chosen products delivered to their home.
- C. Mr Forbes's third claimed advantage is convenience. Survey evidence suggests that many consumers find shopping boring, and are increasingly reluctant to leave the house because of fear of crime. Interactivity means that shopping no longer needs to involve a wearying trip to the local mall or supermarket in the rain.
- D. The first two also underlie CUCs growth in non-interactive form: information and cost. CUCs 'Shoppers Advantage' service offers sales information about 250,000 products from hundreds of manufacturers. And since the retailer is eliminated from the transaction, CUCs members get discounts of up to 50% on shop prices.
- E. This embryonic industry is already posing questions over the future of every other part of America's \$2.1 trillion retailing industry. Is there, some wonder, a future for department stores at all? Will the fast-growing mail-order catalogue business worth \$70 billion a year, be submerged into interactivity? More immediately, should retailers fight against interactive shopping, or should they join it?
- F. Unlike existing home-shopping TV channels, these interactive trials will give the customers control over what image is on the screen. Ultimately, the customers should be able to create their own, personalised home shopping services.

1 __ 2 __ 3 __ 4 __ 5 __ 6 __

TASK IX. Choose the correct sentence from (a-f) to fill in each gap (1-6) to complete the text**FASHION BRANDS TODAY***The sorry state of Europe's rag trade*

With a dwindling client base and copies rapidly available from clothes chains with quick production cycles, it has become almost impossible to make money out of exclusive custom-made garments.

The Givenchy and Yves Saint Laurent brands are all making losses, as are Versace and Valentino. 1) _____. After failing to make a profit for years, Ungaro is on the market On January 25th, Moët Hennessy Louis Vuitton (LVMH), a luxury-goods firm, sold Christian Lacroix, another loss-making brand, to American duty-free retailers for a symbolic" price. Prada has parted company with Helmut Lang after persistent losses. Ten years ago, more than 20 houses held Paris shows. 2) _____. Europe's rag trade has been in trouble now for more than five years. 3) _____. Valentino, for example, is owned by Marzotto, Italy's biggest clothing and textile group; Yves Saint Laurent belongs to Pinault-Printemps-Redoute, a French rival to LVMH.

4) _____. Mass-market producers cannot afford sustained losses. Medium-sized and small companies in France, Italy and Spain are cutting production or moving it abroad.
5) _____. Dozens have already gone under. Many more are streamlining operations and fighting for survival.

6) _____. Producers cannot match the low labour costs. The effect can be devastating, says Didier Grumbach at the Federation Frangaise de la Couture, France's main fashion association. And it can only get worse.

- a) Luxury-goods groups reliant on glamorous names keep high fashion alive.
- b) Some have merged or tried to cut costs by lowering the quality of their products.
- c) Today only a handful can afford to carry on.
- d) Further down the fashion chain things are equally dire.
- e) Only Chanel is thought to make money.
- f) The main cause of the mass market's troubles is competition from overseas.

TASK X. Match each of the terms (1-13) with its definition (a-m)

- 1) fragmented market
- 2) edge product
- 3) buying decisions
- 4) focus group
- 5) distribution channels
- 6) to launch a product
- 7) market opportunities
- 8) market segmentation
- 9) packaging
- 10) point of sale
- 11) product concept
- 12) market research
- 13) product features

- a) dividing a market into distinct groups of buyers who have different requirements or buying habits
- b) attributes or characteristics of a product: quality, price, reliability, etc.
- c) collecting, analysing and reporting data relevant to a specific marketing situation
- d) all the companies or individuals involved in moving a particular good or service from the producer to the consumer
- e) possibilities of filling unsatisfied needs in sectors in which a company can profitably
- f) an idea for a new product, which is tested with target consumers before the actual product is developed
- g) to introduce a new product onto the market
- h) wrappers and containers in which products are sold
- i) conclusions people reach about which products to purchase
- j) many different types of consumers who buy the same product
- k) an informal discussion group used for market research
- l) the most advanced and up to date
- m) place where goods are sold to the public - shops, stores, kiosks, market stalls, etc.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
11) __ 12) __ 13) __



GRAMMAR TASKS

TASK I. Choose a) or b) to fill in each gap (1-10) in the text

Chevron, the US oil company, announced that it has made a bid to acquire Unocal for \$18 billion. The planned acquisition comes at a time 1) _____ many industry analysts are warning that oil prices 2) _____ even higher than the recent peak of \$58 per barrel. If the specialists at Goldman Sachs 3) _____ be correct, the oil markets 4) _____ to become even more volatile as world reserves 5) _____ to diminish. 6) _____ Chevron decided to make the deal, one thing was already clear: if it 7) _____ a competitor with access to reserves of natural gas, it 8) _____ to supply its clients' growing appetite for this type of fuel. However, there is no doubt that even if petroleum prices eventually 9) _____, Chevron 10) _____ its money as it is paying for the acquisition with shares.

- | | |
|------------------------|-------------------------|
| 1) a) when | b) while |
| 2) a) rise | b) will rise |
| 3) a) are | b) will |
| 4) a) continue | b) will continue |
| 5) a) are starting | b) start |
| 6) a) Before | b) After |
| 7) a) hadn't bought | b) didn't buy |
| 8) a) won't be able | b) wouldn't be able |
| 9) a) fall | b) had fallen |
| 10) a) would not waste | b) will not have wasted |

TASK II. Choose the correct word from (a-f) to fill in each gap (1-6) in the sentences

- _____ we first introduced the product, it was the only one on the market.
- _____ looking at all the facts, the management has decided to stop manufacturing in Europe.
- The contract is coming by express delivery _____ you get it, sign it and send it back. It's urgent!
- _____ we run into design problems like this, it always seems to take so long to sort things out.
- I can give you an answer, but not _____ I've had time to look at the latest sales figures.
- At least we'll be able to do some work at home _____ the office is closed for renovation.

- as soon as
- Whenever
- When
- until
- After
- while

TASK III. Choose the correct word from (a-h) to fill in each gap (1-8) in the sentences

- 1) Almost every day newspapers and television seem to refer to the problems of inflation, unemployment and slow growth. These problems 1) _____ are likely to determine the outcome of elections.
- 2) The fiscal year in the United Kingdom begins on April 6 of one calendar year and ends on April 5 of the next year 2) _____ in the USA it runs from July 1 to June 30 of the next year.
- 3) Industry-specific human capital has both advantages and disadvantages. 3) _____, long years in the same job result in higher wages, 4) _____, when industries decline workers having human capital that is in low demand may remain unemployed for a long time.
- 4) Perhaps 5) _____ their social and political aspects labour markets are often heavily regulated, more so in Europe than in the USA.
- 5) 6) _____ considerable unemployment in some economies exists, there are vacancies not filled in others.
- 6) 7) _____ government intervention in agriculture has grown, considerable changes in grain markets both of the USA and Europe have occurred.
- 7) There is a large amount of economic activities 8) _____ household services and the shadow economy that cannot be measured.

- a) because of
- b) whereas
- c) On the one hand
- d) therefore
- e) such as
- f) Meanwhile
- g) on the other hand
- h) Since



UNIT VII FINANCE



BUSINESS ENGLISH TERMS

FINANCE

- 1) **Share capital (equity)** is the capital contributed by shareholders.
- 2) **Dividends** are periodic payments to shareholders.
- 3) **Interest** is a percentage of the principal paid to the borrower.
- 4) **The principal** is the sum of money borrowed.
- 5) **A venture capitalist** is someone who invests in new companies.
- 6) **Leverage** (Am. E.) or **gearing** (Br.E.) is the amount of loan capital in relation to its share capital.
- 7) **Acquisition** is buying other companies.
- 8) **Debt rescheduling (restructuring)** is persuading lenders to change debt repayment dates and terms.
- 9) **To default** a debt is to fail to make a debt repayment.
- 10) **To be insolvent** is to be unable to pay debts.
- 11) **To go into liquidation (receivership)** is to have financial difficulties.
- 12) **A stake (an interest or a holding)** in a company is the shares that one investor has in a company.
- 13) **A merger** is joining another company.
- 14) **A takeover** is the acquisition of one company by another.



BUSINESS ENGLISH TERMS

ACCOUNTING

- 1) **Capital** is the money invested in a business and used to buy the assets.
- 2) **Break even point** is sales volume at which a company covers its costs.
- 3) **Accountability** is the state of being responsible.
- 4) **Accounting** is keeping financial records, recording income and expenditure, valuing assets and liabilities, etc.
- 5) **Accounting equation** is the fundamental identity of the balance sheet: Assets = Liabilities + Owners' (Shareholders') Equity (Am.E.) or Shareholders' Funds (Br.E.).
- 6) **'Creative accounting' (window dressing)** is using accounting procedures and tricks to disguise the true financial position of a company.
- 7) **Bookkeeping** is recording financial data by writing down the details of transactions (debits and credits).
- 8) **Auditing** is an inspection and evaluation of financial records and accounts by a second set of accountants.
- 9) **Budget** is a financial operating plan showing expected income and expenditure.
- 10) **Balance** is an amount of money in an account remaining to be paid.
- 11) **Turnover** is the amount of business done by a company over a year.
- 12) **Managerial accounting** is preparing budgets and other financial reports necessary for management.
- 13) **Tax accounting** is calculating an individual's or a company's liability for taxes.
- 14) **Cost accounting** is working out the unit costs of products, including materials, labour, overheads and other expenses.
- 15) **Balance sheet** is the financial statement which shows a company's financial condition.
- 16) **Assets** are anything of value owned by a business that can be used to produce goods or pay liabilities.
- 17) **Asset turnover** is the ratio of the company's net sales to its average assets.
- 18) **Fixed (capital, permanent, tangible) assets** are land buildings, machinery, etc. expected to last for a long time.
- 19) **Current (circulating, floating) assets** are the assets to be consumed or turned into cash in the ordinary course of business.
- 20) **Book value** is the worth of an asset as recorded in a company's accounts.
- 21) **Inventory** (Am. E.), **stock** (Br. E.) is the value of raw materials, partially manufactured and finished but not sold goods.
- 22) **Prepaid expenses** are amounts paid in advance and recorded as such on a balance sheet.
- 23) **Accrued expenses** are expenses incurred but not yet paid
- 24) **Liabilities** are all the money that a company will have to pay to someone else in the future.
- 25) **Current liabilities** are debts to be paid within 1 year.
- 26) **Contingent liabilities** are possible future liabilities.
- 27) **Depreciation** (Br.E.) or **amortization** (Am.E.) is the reduction in value of a fixed asset during the years it is in use.
- 28) **Creditors** (Br.E.) or **accounts payable** (Am.E.) are sums of money owed to suppliers for purchases made on credit.

- 29) **Accounts receivable** (Am.E.) or **amounts of debtors** (Br.E.) sums of money owed by customers for goods or services purchased on credit.
- 30) **Income statement** (Am. E.) or **profit and loss statement** (Br. E.) is the financial statement which shows the profit or loss made by a company.
- 31) **Earnings (revenue, income)** are the money received by a company during a given period, minus the cost of sales, operating expenses and taxes.
- 32) **Accrued revenue** is revenue earned but not received or recorded.
- 33) **Factory costs** are material, labour costs and overheads
- 34) **Overheads** are various expenses of operating a business that can not be charged to a product, process or department.
- 35) **Bottom line** is the net profit or net income on a profit and loss account.
- 36) **Cash flow statement** shows a company's cash inflows and outflows.
- 37) **Ledger** is the book of accounts.
- 38) **Payroll** is a list of all company's employees and their earnings.



TASKS

TASK I. Read the text and mark the statements (1-8) below T (true) or F (false)

STOCKS AND SHARES

The act of issuing shares (stocks Am.E.) i.e. offering them for sale to the public for the first time is known as floating a company or making a flotation. Companies generally use a bank to underwrite the issue. In return for a fee the bank guarantees to purchase the security issue at an agreed price on a certain day as it hopes to sell it to the public. Newer and smaller companies trade on "over-the-counter" markets. Successful companies can apply to have their shares traded on the major stock exchanges, but in order to be quoted (Br.E.) or listed (Am.E.) there, they have to fulfill a large number of requirements. One is to send their shareholders independently-audited annual reports, including the year's trading results and a statement of the company's financial position.

Buying a share gives its holder part of the ownership of a company. Shares generally entitle their owners to vote at companies' General Meetings, to elect company directors, and to receive a proportion of distributed profits in the form of a dividend (or to receive part of the company's residual value if it goes into bankruptcy). Shareholders can sell their shares at any time but the market price of a share, which reflects how well or badly the company is doing, may differ radically from its nominal, face value.

Speculators buy them hoping to resell at a higher price before they actually pay for them, or to sell shares, hoping to buy them back at a lower price.

If a company wishes to raise more money for expansion it can issue new shares. These are frequently offered to existing shareholders at less than their market price: this is known as a corrects issue. Companies may also turn part of their profit into capital by issuing new shares to shareholders instead of paying dividends. This is known as a bonus issue or scrip issue or capitalization issue in Britain, and as a stock dividend or stock split in the US. American corporations are also permitted to reduce the amount of their capital by buying back their own shares, which are then known as treasury stock; in Britain this is generally not allowed in order to protect companies' creditors. If a company sells shares at above their face value, this amount is recorded in financial statements as share premium (Br.E.) or paid-in surplus (Am. E.).

The Financial Times-Stock Exchange (FT-SE) 100 Share Index (known as the "Footsie") records the average value of the 100 leading British shares, and is updated every minute during trading. The most important US index is the Dow Jones Industrial Average.

- 1) A company can only be floated once. T / F
- 2) Banks underwrite share issues when they want to buy the shares. T / F
- 3) Unlisted companies do not publish annual reports. T / F
- 4) The market price of a share is never the same as its nominal value. T / F
- 5) If a company issues new shares it has to offer them to existing shareholders at a reduced price. T / F

- 6) American corporations with large amounts of cash can spend it by buying their own shares. T / F
- 7) Companies do not have to sell their shares at their nominal value. T / F
- 8) The value listed in the newspapers is its nominal value. T / F

TASK II. Choose the correct word from (a-l) to fill in each gap (1-12) in the text

When a company needs to raise money in order to grow, it can do so on the 1) _____ by choosing between two different options. It can decide to 2) _____ which can be bought by 3) _____ or by the general public. Although different types of 4) _____ are available on the market, the most common are known as 5) _____. When an investor buys a share, using the services of a specialist company or a 6) _____, he/she becomes a 7) _____ and has a 8) _____ in a particular company. Shareholders can make money if the company does well either by receiving 9) _____ which are paid to them as a proportion of a company's annual profits or by seeing the value of their shares increase. Alternatively a company can borrow money from investors by issuing 10) _____ which are loans for fixed periods of time and which carry fixed interest rates. 11) _____ is the term used to refer to both bonds and shares. Each year billions of shares and bonds are 12) _____ on the world's major Stock Exchanges in New York, London, Frankfurt and Tokyo.

- a) securities
- b) shareholder
- c) equities
- d) bonds
- e) stake
- f) issue shares
- g) stock market/stock exchange
- h) institutional investors
- i) ordinary/common shares
- j) dividends
- k) broker
- l) traded

TASK III. Match each of the terms (1-7) with its definition (a-g)

- 1) a bid
- 2) to merge
- 3) to take over
- 4) a takeover bid
- 5) launch a raid
- 6) leverage buyout
- 7) to diversify

- a) a public offer to a company's shareholders to buy their shares at a particular price
- b) to combine with another company
- c) buying a large quantity of another company's shares on the stock exchange
- d) buying with borrowed money
- e) an offer to buy something at a particular price

- f) to branch out
g) to buy another company

1) ___ 2) ___ 3) ___ 4) ___ 5) ___ 6) ___ 7) ___

TASK IV. Choose the correct term from (a-j) to fill in each gap (1-10) in the text

ACCOUNTING AND FINANCIAL STATEMENTS

In accounting it is always assumed that a business is a 'going concern', i.e. that it will continue indefinitely into the future, which means that the current market value of its fixed assets is irrelevant, as they are not for sale. Consequently, the most common accounting system is historical cost accounting, which records (1) _____ at their original purchase price, minus accumulated depreciation charges. In times of inflation this understates the value of appreciating assets such as land, but overstates profits as it does not record the replacement cost of plant or (2) _____. The value of a business's assets under historical cost accounting - purchase price minus (3) _____ - is known as its net book value. Countries with persistently high inflation often prefer to use current cost or replacement cost accounting, which values assets (and related expenses like depreciation) at the price that would have to be paid to replace them (or to buy a more modern equivalent) today.

Company law specifies that (4) _____ must be given certain financial information. Companies generally include three financial statements in their annual reports. *The profit and loss account (Br.E.) or income statement (Am.E.)* shows (5) _____ and expenditure.

It usually gives figures for total sales or (6) _____, and costs, expenses and (7) _____. The first figure should obviously be the highest, i.e. there should be a profit. Part of the profit goes to the government in taxation, part is usually distributed to shareholders (stockholders) as a dividend and part is retained by the company.

The balance sheet shows a company's financial situation on a particular date, generally the last day of the financial year. It lists the company's assets, its long-term and short-term (8) _____ and shareholders' (stockholders') funds. A business's assets include (9) _____ as it is assumed that these will be paid. Companies also have intangible assets, whose value is difficult to quantify or turn into cash, such as goodwill, patents, copyrights and trade marks. Liabilities include (10) _____, as these will have to be paid. Long-term liabilities are usually loans and bonds; short-term liabilities include accrued or accumulated expenses that have not yet been paid such as taxes and interest. Negative items on financial statements, such as creditors, taxation, and dividends paid, are either enclosed in brackets or preceded by a minus sign.

In accordance with the principle of double-entry bookkeeping (that all transactions are entered as a credit in one account and as a debit in another), the basic accounting equation is Assets = Liabilities + Owners' (or Shareholders') Equity. This can be rewritten as Assets - Liabilities = Owners' Equity or Net Assets. This includes share capital (money received from the issue of shares), share premium (Br.E.) or paid-in surplus (Am.E.) (any money realized by selling shares at above their nominal value) and the company's reserves, including retained profits from previous years. Shareholders' equity or net assets are generally less than a company's market capitalization (the total value of its shares at any given moment, i.e. the number of shares times their market price), because net assets do not record items such as goodwill.

The third financial statement, *the funds flow statement or the cash flow statement (Br.E.), the statement of changes in the financial position (US)* shows the flow of cash in and out of the business between balance sheet dates. Companies often distinguish between operating activities and financing and investment activities. Sources of funds include trading profits, depreciation

provisions, sales of assets, borrowing and the issuing of shares. Applications of funds include purchases of fixed or financial assets, payment of dividends, repayment of loans, and, in a bad year, trading losses.

- a) liabilities
- b) turnover
- c) depreciation
- d) accounts payable
- e) accounts receivable
- f) overheads
- g) assets
- h) earnings or income
- i) stockholders
- j) stock

TASK V. Mark the statements (1-6) T (true) or F (false)

- 1) The selling expenses include the salaries for salespeople.
- 2) Depreciation represents amounts of money paid to suppliers.
- 3) All costs directly related to getting people to buy products are operating costs.
- 4) Overheads indicate money paid out.
- 5) Difference between cost price and selling price is margin.
- 6) Revenue received by a company is its net profit.

TASK VI. Choose the correct term from (a-j) to fill in each gap (1-10) in the text

In business planning a company financial controller needs to prepare a master budget. This is a budgeted (1) _____ which shows (2) _____ income and expenditure and also a (3) _____. The master budget summarizes various forecasts or budgets. Each of the following needs its own budget: sales, showing expected (4) _____, production, all (5) _____ and costs, both (6) _____ and (7) _____, e.g. labour, (8) _____ and components. A separate (9) _____ budget shows major spending on equipment and machinery. Another budget shows all general expenditure that the business needs. Also a (10) _____ shows estimated income and expenditure of cash.

- a) capital expenditure
- b) overheads
- c) cash budget
- d) fixed costs
- e) forecast
- f) income statement
- g) raw materials
- h) balance sheet
- i) turnover
- j) variable costs

TASK VII. Choose A), B) or C) to fill in each gap (1-8) in the text

It was announced today that the chemical giant XXXX UK is to be investigated. This follows an (1) _____ which revealed problems in the company's (2) _____. The company spokesperson said that annual (3) _____ for the past five years had given a (4) _____ and fair picture of XXXX's financial position. He stressed that the company follows British accounting (5) _____. But expert commentators are not convinced. Last year XXXX reported a pre-tax (6) of £29.6 million but many think that this was due to (7) _____ accounting - or worse. Giles Merchant, advisor to the Stock Exchange, said that the company was hemorrhaging red (8) _____ but had hidden the size of its liabilities.

- | | | | |
|----|-----------------|----------------|------------|
| 1) | A) amortization | B) accountancy | C) audit |
| 2) | A) accounts | B) assets | C) credits |
| 3) | A) books | B) records | C) reports |
| 4) | A) false | B) good | C) true |
| 5) | A) results | B) rules | C) firms |
| 6) | A) profit | B) budget | C) line |
| 7) | A) window | B) creative | C) direct |
| 8) | A) blood | B) ink | C) losses |

TASK VIII. Re-arrange the paragraphs (A-E) to make a complete text**ACCOUNTANTS SEEK TO STAY GLAMOROUS**

- A. For the past year Mr. Wyman has been engaged in shuttle diplomacy between London, Washington and Brussels. He has persuaded legislators, ministers and officials that the accountancy profession will not shirk its responsibilities to shareholders and has argued eloquently that any changes to the structure of the profession must be designed to improve the quality of the audit and enhance the integrity of auditor independence.
- B. Today's report is the third tranche of new rules to be introduced on both sides of the Atlantic – all aimed at improving corporate governance and strengthening auditor independence to ensure there are no more Enrons. First came the parallel reports from D. Higgs and Sir R. Smith in the UK; then the Securities and Exchange Commission's introduction of new regulations to implement more of the Sarbanes-Oxley legislation; and now the government has weighed in with the findings of its own inquiry. That the accountancy profession has emerged relatively unscathed from such a wide-ranging examination of its role and responsibility, conducted against a political backdrop of fear and retribution, is being attributed to the role played by P. Wyman, the president of the Institute of Chartered Accountants in England and Wales.
- C. The government will give the accountancy profession a generally clean bill of health today after a year-long investigation. It has concluded that the structure of Britain's auditing firms, the rules governing their conduct and the nature of their relationship with clients are sufficiently robust to eliminate any immediate risk of an Enron-style corporate collapse here.
- D. However, Patricia Hewitt, the Trade and Industry Secretary, will impose some important changes as she unveils the findings of the investigation. She will make it clear that vigilance

is critical to guard against lapses in professional standards, and will demand greater transparency from the big accounting firms. She will insist on clear procedures to ensure auditors do not develop cozy relationships with their clients, but the firms will not be forced to ditch lucrative non-audit work for clients – notably providing tax advice – unless conflicts of interest threatening the auditor's independence are identified.

- E. The IC AEW has already introduced measures to guard against auditors becoming too cozy with clients. It has a five-year rotation of lead audit partners, and has established the concept of an independent review partner who can oversee the audit but who does not know the client. Even on the vexed question of no-audit services, the profession can report good progress towards ensuring that the lust for lucrative contracts does not affect the audit relationship with the client.

1) ___ 2) ___ 3) ___ 4) ___ 5) ___

TASK IX. Choose the correct word from (a-g) to fill in each gap (1-7) in the sentences

- 1) The part of an economy which is not declared to the tax authorities is known as the _____ economy.
- 2) A business that is losing money is running at a _____.
- 3) A bank account that is in deficit is in the _____.
- 4) If a business will meet its costs but not make any profit; it will _____.
- 5) If you want to buy something quickly you can borrow money on your assets by taking out a _____ loan. You pay back the loan after you sell some assets.
- 6) The final return on a business deal, indicating whether the deal made a profit or not, is sometimes called the bottom _____.
- 7) Assets which have a value but cannot be seen, e.g. customer goodwill, patents or trade marks, are called _____ assets.

- a) intangible
- b) loss
- c) bridging
- d) black
- e) line
- f) red
- g) break even

TASK X. Match each of the terms (1-8) with its definition (a-h)

- 1) core activity
- 2) cost of sales
- 3) profitability
- 4) gross profit margin
- 5) net profit margin
- 6) overheads
- 7) selling costs
- 8) setting-up costs

- a) It shows how a business might make profits. It is calculated from the relationship between profit and the capital invested in the company and between profit and turnover.
- b) It is the main product or service which the business provides.
- c) The profit the business makes before costs are considered.
- d) The costs involved in creating a new business.
- e) The normal costs of a business, which do not change if production rises. They are also referred to as indirect costs or fixed costs.
- f) It is a calculation of profit after deducting the cost of sales and overheads.
- g) The costs directly associated with producing the products.
- h) The costs directly concerned with getting customers to buy products and moving them to the customer.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __



GRAMMAR TASKS

TASK I. Choose A) or B) to fill in each gap (1-17) in the text

Manufacturing resource planning (MRP) is a process which 1) _____ marketing, production and sales. MRP 2) _____ upon a fully integrated process and 3) _____ by a master scheduler, who 4) _____ that each of the three phases 5) _____ cost-effectively and efficiently. In MRP all the projections, estimates and forecasts have to 6) _____ in a production plan into concrete stages and mixes of products, whose manufacture has to 7) _____ as cost-effectively as possible, using just-in-time and electronic data interchange systems. Each stage in the production process 8) _____ a separate coding. Thus all arriving raw materials or bought-in parts 9) _____ for quality and 10) _____ until set standards 11) _____. Similarly, finished goods may not 12) _____ until quality checks have 13) _____. At each stage all materials and items 14) _____ unique production batch codings for identification in case of a defect 15) _____. In this way a computer database 16) _____ of each and every production run. In the case of a product recall, any defect problems may 17) _____ (locate) quickly and the public relations damage will therefore 18) _____.

- | | |
|----------------------------|-----------------------------|
| 1) a) is integrated | b) integrates |
| 2) a) is relying | b) relies |
| 3) a) is coordinated | b) coordinates |
| 4) a) is ensured | b) ensures |
| 5) a) manages | b) is managed |
| 6) a) synthesise | b) be synthesised |
| 7) a) be scheduled | b) schedule |
| 8) a) is given | b) gives |
| 9) a) are checked | b) check |
| 10) a) will not use | b) will not be used |
| 11) a) have been met | b) will not have been met |
| 12) a) warehouse | b) be warehoused |
| 13) a) have been fulfilled | b) will have been fulfilled |
| 14) a) give | b) are given |
| 15) a) occurring | b) to occur |
| 16) a) builds up | b) is built up |
| 17) a) be located | b) locates |
| 18) a) limit | b) be limited |

TASK II. Choose a) or b) to fill in each gap (1-7) in the sentences

- The company has confirmed that it 1) _____ ahead with its IPO as long as the market remains stable.
- Company spokesperson Gregory Hansett said that his firm 2) _____ to offer five million shares for sale.

- 3) The share price has yet to be fixed, but analysts say that it 3) _____ probably be in the order of \$10-15 per share.
- 4) By the time its new flagship hotel 4) _____ in February, the group will 5) _____ the market leader in Asia.
- 5) Some analysts say that the CEO 6) _____ for trouble if he takes the company public at such a difficult moment.
- 6) Economists are predicting that overcapacity 7) _____ profit margins for the industry as a whole.

- | | |
|----------------------|---------------------|
| 1) a) might go | b) will go |
| 2) a) will intend | b) intends |
| 3) a) will | b) might |
| 4) a) is opening | b) opens |
| 5) a) become | b) will have become |
| 6) a) will be asking | b) will ask |
| 7) a) erodes | b) will erode |



UNIT VIII GOING GLOBAL



BUSINESS ENGLISH TERMS

GLOBALISATION

1. **European Union (EU)** is a regional international organization of the most developed countries of Europe to promote economic integration among its member countries. In 1995 it succeeded the European Economic Community (EEC).
2. **Aid** is transferring of resources from industrial to developing countries.
3. **Structural adjustment** is a policy of making changes in countries to become more economically efficient. It has been criticised for creating unemployment and making health and education too expensive for many people.
4. **Liberalisation** is a process of reducing the government's involvement in a country's economy. It involves **de-regulation** (removing government regulation and restrictions), **privatisation** (sale of state-owned enterprises to the private sector) and **opening up economies** (removing trade barriers).
5. **Free trade** is trade without any restrictions.
6. **Ethical trade** is trade with companies where good working conditions are provided and the environment and human corrects are respected.
7. **Economic development** is qualitative change and restructuring of a country's economy in connection with technological and social progress. The main indicator of economic development is increasing **GNP per capita** (or **GDP per capita**) reflecting an increase in the economic productivity and average material well-being of a country's population. Economic development is closely linked with **economic growth**.
8. **Economic growth** is quantitative change or expansion of a country's economy measured as a percentage increase in **GDP** or **GNP** during one year.
9. **Extensive economic growth** uses more resources (physical, human or natural capital).
10. **Intensive economic growth** uses the same amount of resources more efficiently (productively). Requires economic development.
11. **Standard of living** is the amount of goods and services that people can afford to buy with their income.
12. **Quality of life** is people's overall well-being (standard of living) and includes such intangible components as the quality of the environment, national security, personal safety and political and economic freedoms.
13. **Poverty line** (subsistence minimum) is the income level people require to buy basic necessities (food, clothing, housing) and satisfy their most important socio-cultural needs.
14. **Developed countries** (industrial, industrially advanced countries) are high income countries in which most people have a high **standard of living**. Make up about 15% of the world's population.
15. **Developing countries** are countries with low or middle levels of GNP per capita. More than 80% of the world's population lives in more than 100 developing countries.
16. **Least developed countries** are low income countries where economic growth faces difficulties such as structural weaknesses and low human resources development.

17. **World Trade Organization (WTO, until 1995 GATT)** is an international organization based in Geneva created to liberalise world trade through international agreements to reduce protection (import tariffs, import quotas, government restrictions on foreign investment and trade in services, banking, insurance, transport, tourism and telecommunications) and promote free trade among nations.
18. **The World Bank** is an international lending institution that aims to reduce poverty and improve people's lives by strengthening economies and promoting sustainable development through development projects, technical assistance and advice.
19. **Capitalism** is an economic system and ideology based on the private ownership of the means of production, distribution and exchange.
20. **Anti-capitalism** covers any challenge to capitalism as the best or only way to organise the world.
21. **Industrialization** is the phase of a country's economic development when industry grows faster than agriculture and gradually comes to play the leading role in the economy.
22. **Post-industrialization** is the phase of a country's economic development that follows industrialization and is characterized by the leading role of the service sector in the national economy.
23. **Capital (capital assets)** is a stock of wealth used to produce goods and services. Modern economists divide capital into **physical capital** (also called produced assets), **natural capital** and **human capital**.
24. **Physical capital (produced assets)** is buildings, machines and technical equipment used in production plus inventories of raw materials, half-finished goods and finished goods.
25. **Natural capital** is a stock of natural resources such as land, water, and minerals used for production. Can be either renewable or non-renewable.
26. **Human capital** is the knowledge, skills, abilities and experience of trained or educated workers.
27. **Absolute advantage** is the ability to produce certain goods or services at lower costs than other countries.
28. **Comparative advantage** is relative advantage in the production of particular goods over some countries.
29. **Transition economies** are the economies moving from centrally planned to market-oriented economies (China, Mongolia, Vietnam, former republics of the Soviet Union and the countries of Central and Eastern Europe, make up about one-third of the world's population).
30. **Accumulation of capital** is using investment to build capital assets.
31. **Industry** is the sector of an economy that includes mining, construction, manufacturing, electricity, gas and water.
32. **Agriculture** is the sector of an economy that includes crop production, animal husbandry, hunting, fishing, and forestry.
33. **Services** are intangible goods, include catering, accommodation, wholesale and retail trade; transport, communications, financing, insurance, real estate, business services, community and social services (education and health care) and personal services.
34. **Gray economy (shadow economy)** is illegal business activities not accounted for by official statistics (in the so-called black market).
35. **Gross National Product** is the money value of all final goods and services produced in a country in a year. GNP per capita is divided by its population. It is a measure of economic productivity but does not measure people's well-being or a country's success in development. It does not show how equally a country's income is distributed among its citizens, does not reflect damage made by production processes to natural resources and the environment, does not take into account any unpaid work done within households or communities or production taking place in the **grey (shadow) economy**. It attributes value to anything produced whether it harms or contributes to general welfare.

36. **Gross Domestic Product (GDP)** is the money value of all final goods and services produced in a country in one year measured by adding up all of an economy's incomes (wages, interest, profits and rents) or expenditures (consumption, investment, government purchases and net exports (exports minus imports)).
37. **Primary goods** (commodities) are goods sold for consumption or production as they were found in nature. Include oil, coal, iron and agricultural products like wheat or cotton.
38. **Manufactured goods** are goods produced using primary goods. Include petroleum, steel, textiles, etc. processed foods.
39. **Public goods** are local (rural roads), national (defence) or global (global peace and security).
40. **Market failures** are cases when a market economy fails to provide people with a desirable supply of certain kinds of goods and services.
41. **Natural resources** are all air, land, water, forests, wildlife, topsoil, minerals, picturesque landscapes. Can be either renewable or non-renewable.
42. **Production resources** are the main inputs of capital: physical (or produced), human and natural.
43. **Productivity** (economic productivity, efficiency) is the amount of output using a certain amount of input.
44. **Purchasing power parity (PPP)** is the rate of exchange between two countries buying a representative basket of goods.
45. **Sustainable development** includes economic, environmental and social sustainability, which can be achieved by rationally managing physical, natural and human capital.
46. **Transfer payments** are payments from the government to individuals used to redistribute a country's wealth. Examples are pensions, welfare and unemployment benefits.
47. **Multinational corporations** operate in many different countries producing and selling their products and services globally.
48. **Social capital of society** is the way people interact, cooperate and resolve their conflicts.
49. **Globalization** is the tendency for the global economy to function as one unit with increasing interdependence between different parts of the world.



GLOBAL ISSUES

INTERNATIONAL AID

When there are extreme situations, aid agencies such as Oxfam or Medecins Sans Frontieres play an important role. These situations include war, natural disasters and famine when people do not have enough to eat following crop failure. Emergency relief is provided in the form of supplies, medical assistance, etc. This is part of humanitarian aid.

Development aid often comes from donor countries. Some countries are more generous than others, giving a higher proportion of their national wealth. The places to which aid is sent and the uses to which it is put are influenced by pressure groups and NGOs such as the aid agencies mentioned above.

Aid agencies and donor countries contribute so to economic development through specific development projects. These projects may use intermediate technology suited to local conditions that local people can operate and maintain. Some of these projects are designed to improve infrastructure, some provide seed money for small businesses they need to become viable and able to develop by themselves. Some donors require the recipients to use the money to purchase equipment, etc. from them, this is tied aid

Many would say that the purpose of aid is poverty reduction but there is a lot of discussion about how this can be achieved. Some experts say that the best use of aid is to invest in projects that contribute to economic development.

GOING GLOBAL

The key to success is to combine corporate culture with local knowledge and include, not reject national characteristics.

Multinationals running their various businesses the same way all over the world may have been perfectly acceptable 30 years ago, but it is not the way today. Nevertheless, the vast majority of even the biggest companies still have a culture rooted in their country of origin. Changing that is one of the biggest challenges to becoming genuinely global.

R. Greenhalgh, head of management development and training at the Anglo-Dutch consumer group Unilever, says that in a few areas, such as integrity and the Unilever code of conduct, corporate culture takes precedence. 'But you need a balance between having a very international cadre and having a national presence,' he says. 'A few years ago, we were concerned that we had too many expatriates. Five years ago, three of our four business heads in Italy were expatriates. Now they're all Italian. In a consumer business like ours, that's important.'

The global executive, in fact, may be something of a myth. According to Mr Greenhalgh, the use of expatriates goes against the policy of providing a career ladder for local managers.

In fact, however global the company may be, it remains necessary to manage people differently in different countries. Within Europe, Mr Greenhalgh says, Unilever has traditionally been much more open with managers in northern than southern countries, on matters such as where they stand in the salary scale or what their prospects are. But that is changing, he adds. A younger generation of managers is more likely to have travelled when young, and many have taken an MBA in the US.

Behind this lies the most fundamental problem of all: the fact that apart from a handful of companies, even the biggest corporations are dominated by the culture of the home country. 'Outside that handful,' says Lowell Bryan, a senior partner with McKinsey in New York, 'companies are very German, or very British, or very American. And in the case of US companies they assume globalisation means Americanizing the world. At least others don't have that arrogance.'

But if the members of top management are all nationals of the home country, it makes it much more difficult to attract and keep talented and ambitious managers from other countries. In fact, the problem lies not in attracting people - a talented Indian or Korean manager will typically want early experience with a multinational -but in keeping them. 'People will join the company to learn,' Mr Bryan says, 'but unless they feel they're part of the core company, they're going to leave, and exploit the brand status of the company in their next job.' So given the importance of local cultures within the global company, an obvious question is how to appraise and identify talent around the world on a consistent basis. Unilever, Mr Greenhalgh says, has been working on this for the past four years.

'We've been developing a set of eleven management competencies we can use worldwide', he says. 'The aim is to have a clear objective measure of potential. We measure such things as entrepreneurial drive, the ability to lead and develop others, and integrity. That makes up a common core of behaviours. We've tested it, and so far it seems to be culturally transferable.'



TASKS

TASK I. Mark the statements (1-8) T (true) or F (false)

- 1) Few companies are genuinely global.
- 2) The use of expatriates is growing at Unilever.
- 3) Corporate culture is more important than local needs in most areas of management
- 4) Recruiting local managers is difficult for many organisations,
- 5) It is important to offer a career path for local managers.
- 6) Unilever manages people differently in different countries.
- 7) Many multinationals impose their British, French, German or US approach to business on all their subsidiaries.
- 8) Unilever believes it is difficult to have a consistent measure of management potential worldwide.

TASK II. Read the text and match each example of globalization (1-4) with the trend (a-d)

In terms of economic development the world is divided into the rich industrialized countries or advanced economies of the West (the West includes such countries as Japan and Australia), the developing countries or less-developed countries (LDCs). Some are rural economies with very little industry, others are at various stages of industrialization, they are newly industrialized countries (NICs). Some of these are middle-income countries and some, such as the fast-growing economies in South East Asia like Taiwan and Singapore, the Asian tigers, are reaching the West's levels of wealth and prosperity. Before the fall of communism developing countries were referred to as the Third World but this label is now falling out of use. High national income can mean high living standards, high levels of wealth for people, but it depends on income distribution. Prosperity can also be measured in terms of GNI (Gross National Income). This includes money coming into a country from investments abroad, minus money leaving the country to go to investors from abroad. This is the new name for what used to be called GNP (Gross National Product).

- 1) The charge for transporting a whole container of goods across the Pacific can be as little as \$50.
- 2) In today's money, the cost of a three-minute phone call from London to New York in 1930 was £200. The same call costs less than £1 today.
- 3) There are no taxes on goods traded within the European Union.
- 4) We can invest in some Asian countries and bring back our profits without penalty

The supporters of globalization say that the way that the world's economy increasingly functions as one unit will continue to cause growth and prosperity thanks to:

- a) free movement of capital: money for investment can be easily moved around the world
- b) trade liberalization: obstacles to international trade are gradually being removed.
- c) shipping costs that are ever-declining thanks to the efficiency of containerization.

- d) telecommunication and computing costs that have fallen dramatically.

1 __ 2 __ 3 __ 4 __

TASK III. Choose the correct word from (a-j) to fill in each gap (1-10) in the sentences

- 1) High levels of wealth mean
- 2) The way wealth is spread (or not) through the population is
- 3) A nation in the process of industrializing is a
- 4) Advanced economies are
- 5) Countries depending on agriculture are
- 6) Countries which have a more rural economy are
- 7) The total value of a country's goods and services is its....
- 8) The successful economies of South East Asia are called
- 9) The value of goods and services produced is economic
- 10) Between rich and poor are countries.

- a) less-developed
- b) middle-income
- c) income distribution
- d) rural
- e) developing country
- f) Gross Domestic Product
- g) output
- h) industrialized
- i) Asian tigers
- j) high living standard

TASK IV. Choose the correct term from (a-g) to fill in each gap (1-7) in the text

Economic 1) _____ such as the rate of inflation and the level of unemployment are the signs that economists look for to help them produce their economic 2) _____. Economic 3) _____ is what a country faces if it builds up too great a national debt. The prospects for a country's economic future might be called its economic 4) _____. During a period of economic 5) _____ the government is forced to take strong economic 6) _____ to revitalise the economy. Despite all the talk of political and economic 7) _____ Europe seems more divided than ever.

- a) recession
- b) union
- c) indicators
- d) forecasts
- e) ruin
- f) measures
- g) outlook

TASK V. Choose the correct term from (a-k) to fill in each gap (1-12) in the newspaper headlines below

- 1) Signs that Europe may be coming out of
- 2) Widening ... must be closed, says Trade Minister.
- 3) Unions furious as government cuts ... for c: work.
- 4) Quebec relaxes ... for French-speakers.
- 5) Row over scrapping of 'Investing in People' ...
- 6) Football hooligans can only harm our ... warns Home Secretary.
- 7) EU resists ... to intervene in Middle East crisis.
- 8) Brussels bureaucrats come under ... in corruption scandal.
- 9) ... united on Northern Ireland peace accord.
- 10) New Brazilian government prioritises bringing down
- 11) Washington breaks off... with North Korea.
- 12) How India attracts ... in IT sector.

- b) pressure
- c) recession
- d) attack
- e) investment
- f) Public opinion
- g) program
- h) image
- i) unemployment
- j) negotiations
- k) trade gap
- l) benefits
- m) immigration controls

TASK VI. Match each of the terms (1-11) with its synonym (a-k)

- 1) seed
- 2) viable
- 3) natural disasters
- 4) humanitarian
- 5) recipient
- 6) intermediate technolog
- 7) development
- 8) NGO
- 9) donor
- 10) infrastructure
- 11) relief

- a) giver
- b) a country's water supply, roads, etc.
- c) receiver
- d) growth
- e) aid
- f) charitable

- g) start up
- h) earthquake, flood, famine, etc.
- i) equipment, machinery, etc. suited to local conditions for local people
- j) non-governmental organization
- k) able to function

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
 11) __ 12) __

TASK VII. Choose the correct term from (a-h) to fill in each gap (1-8) in the text

In Ethiopia in the mid-1980s many people did not have enough to eat. This was one of the most severe 1) of recent times.

In 1999 Pakistan produced much less cotton than it normally does because of unusual climate conditions. This is an example of a damaging 2).....

Helping people in India after the earthquake there in 1999 is an instance of 3) and 4)

Sometimes only a little 5) is required to get projects going, they can become 6) quite quickly.

The hurricanes and flooding in Central America in 2002 were one of the worst 7) of the last few years.

Small wind turbines to generate electricity on farms is one example of 8)

- a) natural disasters
- b) seed money
- c) famines
- d) crop failure
- e) intermediate technology
- f) emergency relief
- g) viable
- h) humanitarian aid

TASK VIII. Read the text and mark the sentences below T (true) or F (false)

THE GREAT AID DEBATE

Several factors have brought the question of overseas aid to the fore. Public opinion is one, helped by some very effective lobbying by pressure groups, especially on the issue of debt relief for the poorest countries. Ultimately, though, aid has forced its way to the top of the agenda because political leaders have realised that global security and prosperity depend on an inclusive international economy. Letting poor countries fall further behind is dangerous.

Making aid work is now a central but sensitive issue. In the past, both donors and recipients have tended to hijack the debate for their own purposes. Recipients tend to bristle at the idea that they waste aid money. That accusation, they say, is a distraction from the basic problem that the donors are not generous enough. There is no doubt that rich countries are often reluctant to deliver on their promises to the developing world, whether it be money for aid or the elusive open markets they continue to argue will help poor countries most. But there is considerable evidence now and from a wide range of sources that suggests that poor countries need to take more responsibility for their own problems and that by doing so they could ensure aid helps deliver what they need. Research by the World Bank has shown that aid can be effective in reducing poverty, but only when

given to countries with sound economic management and government institutions. In countries with weak economic management, the evidence suggests foreign aid does little to reduce poverty.

- 1) A number of things have made overseas aid a topical issue. T / F
- 2) The influence of pressure groups has produced results, especially in relation to debt relief. T / F
- 3) Donors and recipients have until now taken control of the discussion for their own advantage. T / F
- 4) Recipients accept the idea that aid money is sometimes wasted. T / F
- 5) Aid can reduce poverty only when economic management in a country is good. T / F



GRAMMAR TASKS

TASK I. Choose a) or b) to fill in each gap (1-10) in the text

Jonathan Harper 1) _____ his previous employer in a 2) _____ unusual lawsuit: he claims that he was a victim of discrimination because he 3) _____ to go to work dressed in a shirt and tie while his female colleagues were allowed to dress more 4) _____. When the case 5) _____ to trial 6) _____ this month, Harper 7) _____ £10,000 in damages by the Labour Tribunal. 8) _____ had the decision been announced than lawyers for his ex-employer appealed. However, the effects of the decision are already 9) _____ 10) _____ are thousands of other male employees across the country now saying that they too have been discriminated against, but they are also seeking compensation.

- | | | |
|-----|----------------|------------------|
| 1) | a) has sue | b) has been sued |
| 2) | a) high | b) highly |
| 3) | a) was forced | b) forced |
| 4) | a) casually | b) casual |
| 5) | a) brought | b) was brought |
| 6) | a) more early | b) earlier |
| 7) | a) was awarded | b) awarded |
| 8) | a) No sooner | b) Sooner |
| 9) | a) to be felt | b) being felt |
| 10) | a) not only | b) only not |

TASK II. Choose the correct word from (a-f) to replace the words in italics (1-6) in the text

He was first attracted to the micro-financing sector by a desire to help people in developing countries. They are *the people* 1) _____ whose projects he found the most challenging, and their motivation and enthusiasm were contagious. '*Their motivation and enthusiasm* 2) _____ are the things that make them interesting and worthwhile to work with' Jonas says. 'It's a great position to be in, and I'm sure that if I didn't work *in this type of* 3) _____ an environment, I would probably have set up my own business. Originally, I wanted to go into the technology sector and then I thought about a career in international relations, but *the technology sector* 4) _____ suffered a slump in my final year in business school, and I wasn't really qualified for *international relations* 5) _____. However, being *a microfinance account manager* 6) _____ is what all that matters for the moment.'

- a) the latter
- b) that
- c) such
- d) the ones
- e) these
- f) the former

TASK III. Choose A), B) or C) to fill in each gap in the sentences

- 1) _____ having to wait four to five years before it is delivered to you, demand for a Stirling car is strong.
A) Whereas B) Although C) Despite
- 2) _____ American software firms are still well ahead of their European and Asian counterparts, the latter are catching up fast.
A) Although B) Despite C) Nevertheless
- 3) Demand and price go up and down, interest rates fluctuate, rival firms disrupt even the most carefully-laid plans, employees make mistakes. The list of potential disasters is long, that of opportunities much shorter. _____ for most businesses the rules of the games and the types of disasters or opportunities stay much the same for years, or even decades, at a time.
A) In spite of B) Yet C) Despite
- 4) _____ the types of jobs for which intercultural training is considered essential – namely expatriate positions – are on the decline, the globalisation of firms has increased the need for cultural sensitivity training.
A) However B) Although C) Nevertheless
- 5) Many women feel that full equality in the workplace has not been achieved. _____ most will admit that there has been progress over the last 30 years.
A) Nevertheless B) Although C) Whereas
- 6) _____ American companies are allowed to own 49% of a European airline, European groups are limited to 25% of US carriers.
A) Whereas B) Nevertheless C) Despite



UNIT IX WRITING STYLES

INFORMAL STYLE

It is characterized by:

- everyday / colloquial expressions, vocabulary and idioms, e.g. *I thought I'd drop you a line*
- frequent use of short forms e.g. *won't be able, I'll be.*
- informal phrasal verbs e.g. *Lucy takes after her father.*
- simple linking words/phrases (*but, so, because, and*), e.g. *It rains a lot here, so you 'd better take an umbrella with you.*
- shorter sentences e.g. *Thanks a lot for the invitation. I 'd love to come.*
- personal tone i.e. use of first person (*I/We*), e.g. *I've got great news. I've found a new job.*
- descriptive tone i.e. use of adjectives/adverbs etc. for vivid description, e.g. *It was a bitterly cold winter morning.*

SEMI-FORMAL STYLE

It is characterized by:

- less formal language
- less frequent use of short forms, formal linking words/phrases or the passive
- respectful, polite tone

FORMAL STYLE

It is characterized by:

- formal expressions
- advanced vocabulary
- longer sentences, e.g. *Taking everything into consideration, it can be said that the facilities offered are of poor quality.*
- formal linking words/phrases (*however, nevertheless, in addition, consequently, etc.*), e.g. *Mobile phones are extremely useful for people who travel frequently. However, they can be dangerous.*
- no use of short forms, e.g. *I'm, there's..., I 'd be grateful if...*
- impersonal tone, i.e. use of the passive
- no description of feelings
- factual presentation of the information, e.g. *The Town Hall, constructed in the late 1800s, was seriously damaged by fire in 1909.*
-

Compare:

Formal: *I would be grateful if you could reply at your earliest convenience.*

Semi-formal: *I look forward to receiving your reply as soon as possible.*

Informal: *I can't wait to hear from you.*

Some visual and verbal devices demand a closer attention; they act as links between one idea or argument and the next.

The visual set consists of words:

- printed in italics;
- underlined;
- printed in bold face type;
- the numbering of points (1), (2), (3);
- the lettering of points (a), (b), (c).

The verbal set is of a wider, more varied range:

furthermore

therefore

however

for instance

firstly (which must be followed by *secondly* or *in the second place*)

in contrast

nevertheless

equally

thus

on the one hand (which must be followed by *on the other hand*)

Some other phrases appropriate for writing a research paper are:

in fact

the whole evidence

to illustrate what I mean

taking these facts together

more than this

SCIENTIFIC STYLE

The language of science is governed by the aim of the functional style of scientific prose, which is to prove a hypothesis, create new concepts, disclose the internal laws of existence, development, relations between different phenomena, etc. Therefore the language means used should be objective, precise, unemotional, devoid of any individuality, striving for the most generalized form of expression.

The first and most noticeable feature of this style is logical sequence with clear indication of interrelations and interdependence. In no other functional style a developed and varied system of connectives is found.

A second feature is the use of terms specific to each given branch of science. A term makes a direct reference to a descriptive explanation, a non-term. The necessity to penetrate deeper into the essence of things and phenomena gives rise to new concepts, which require new words to name them. Furthermore, terms are coined so as to be self-explanatory to the greatest possible degree. Science is prolific in coining new words. A new term in scientific prose is generally followed (or preceded) by an explanation.

Due to the rapid dissemination of scientific and technical ideas, particularly in the exact sciences, the process of "de-terminization" is observed, i.e. some scientific and technical terms function outside the narrow field they belong to and develop new meanings. But the overwhelming

majority of terms do not undergo this process of de-terminization and remain within scientific prose.

In modern scientific prose an interesting phenomenon is observed – the exchange of terms between various branches of science. This is due to the inter-penetration of scientific ideas. Collaboration of specialists in related sciences has proved successful in many fields. The exchange of terminology may therefore be regarded as a natural outcome of this collaboration. Some terms have left their own domain and travel freely to other sciences.

A third characteristic feature of scientific style is what may be called sentence – patterns. They are of three types: postulatory, argumentative and formulative. A hypothesis, a scientific conjecture or a forecast, must be based on facts already known, systematized and defined, therefore every piece of scientific prose should begin with a postulatory disclosure which is taken as self-evident and needing no proof.

The writer's own ideas are shaped in the pattern of a doctrine or theory, an argument, the result of an investigation, etc.

A fourth observable feature of the style of modern scientific prose is the use of quotations and references. The references have a definite compositional pattern: name of the writer referred to, the title of the work quoted, the publishing house, the place and year it was published and the page of the excerpt quoted or referred to.

The references may be placed at the back of the book (or article) as an appendix. In that case reference numbers will be found in the body of the article.

A fifth distinguishable feature of scientific style is the frequent use of foot-notes. Anything that seems not to be immediately relevant to the matter but may serve indirectly to back up the idea should be placed in a foot-note.

Further, the general vocabulary in scientific prose bears its direct referential meaning, i.e. words used in scientific prose always tend to be used in their primary logical meaning. Hardly a single word or any words with contextual meanings are used in more than one meaning. The possibility of ambiguity should be avoided. Neutral and common literary words used in scientific prose are explained even if their meaning is only slightly modified.

The impersonality of scientific writings is a typical feature of this style. The style should be clear, impersonal and objective.

Impersonality is mainly revealed in the frequent use of passive constructions. This has spread into politics, religion, public statements, film scripts, journalism and creates the bureaucratic impression that things "*were done*" and that nobody "*did them*".

E.g. I carried out a survey ... → The survey was carried out...

Impersonal passive constructions are frequently used with the verbs *suppose, assume, presume, conclude, infer, point out*, etc.

E.g. It should be pointed out that ...

It must not be assumed that...

It must be emphasized that ...

It can be inferred that

The first and the second person (I, me, my, you and your) should also be avoided.

E.g. The aim of my research is... → The aim of this research is ...

Emotiveness should be excluded from scientific prose as its use shows lack of evidence and argumentative facts. The same should be said about emotional structures or stylistic devices which aim at rousing aesthetic feelings.

Objectivity means that writing is unbiased and supported by evidence obtained through research, not from what you might feel, think or believe. Statements that are not based on a research should be avoided. New ideas should rest on a solid foundation of previously acquired knowledge. Original thinking should be evidenced by relevant ideas and the research carried out.

Common transitions should be used to show how things, ideas, sentences, paragraphs or events are related in time (chronological order: *after, first, second, meanwhile, finally*), in location (spatial order: *above, below*), in significance (order of importance: *to begin with, first, finally*), and in relationship to one another (developmental order: *besides, despite, e.g., however, therefore, while*).

Skilful use of transitional words and phrases can move the reader through the communication by transitions between paragraphs, from one idea to another without a break in continuity that could detract from the message. Writers can ensure this continuity by using appropriate transitional words or expressions.

*E.g. accordingly
for this purpose
moreover
besides
in addition
further
furthermore
nevertheless
however
notwithstanding
also
similarly
meanwhile
at the same time
hence
on the contrary
on the other hand
consequently
therefore*

SPECIFIC PITFALLS TO STYLE

Ambiguity (double meaning). It arises from clumsy thinking and produces clumsy writing.

E.g. The manager said to her assistant that the fault was hers.

Whose fault was it? Was it the fault of the manager or of her assistant?

E.g. The typewriter needed to be repaired badly (badly is out of place). The sentence should read: The typewriter badly needed to be repaired.

Circumlocution (use of many words where few would do).

E.g. Applications from three departments for financial assistance in the development of training schedules were voted approval by the board of directors. (21 words)

The sentence should read: *The directors granted three departments money for training schedules (9 words).*

Clichés (hackneyed phrases or expressions), e.g. *be that as it may, conspicuous by its absence, far be it for me to, at the parting of the ways, leave no stone unturned, in any shape or form, last but not least, it stands to reason, strange as it may seem, needless to so, no shadow of doubt.*

Colloquialisms (use of words, phrases or expressions acceptable in informal speech but not suitable in formal writing), e.g., *quite all correct, to go all out, couldn't care less, haven't a clue.*

The colloquial forms *she'd, don't, he'll, I'll*, etc., although used in ordinary conversations, are not used in formal writing except in direct quotation or dialogue.

Euphemisms (substitution of vague expressions for bluntness)

E.g. We are instituting many meaningful changes in the curriculum. The sentence should read: *We are changing the curriculum in many significant ways.*

Grandiloquence (pomposity of language, sometimes called *tall talk*).

Inseparables. Avoid such twins as *by hook or by crook*, *chop and chimp*, *ways and means*, *each and every*.

Jargon (technical phraseology) normally is relevant to a special activity.

Commercial jargon (use of long words for short words, unfamiliar words for familiar words, phrases for single words).

E.g. In relation to any order made under Section 107 or 108 of this Act, Designated Services' in this part of this Act means services of any class described in the order as being designated services.

Redundancy (use of unnecessary words).

E.g. She was in the habit of going to the cinema. .The sentence should read: *She often went to the cinema.*

Slang (a specialised vocabulary used by a class or group of people), e.g., *to go off the deep end*, *to get a kick out of*, *fed up with*, *to tick off*.

Verbiage (needless accumulation of words).

E.g. Should the supply of stickers not be sufficient to meet section requirements, application should be made to this office for a supply of additional copies. The sentence should read: *If you need more stickers, ask for them.*

The suffix – wise (*taxwise*, *moneywise*, *businesswise*, *eatherwise*, *careerwise*).

A word, a phrase, an expression has its own weight, sound and appearance. It is only by knowing and accepting this that you can write a sentence good to look at.



RESEARCH

CHOOSING A TOPIC FOR A RESEARCH PAPER

Choosing a topic it should be decided whether it:

- interests the writer (especially if you are going to be spending a month or two working on it).
- is possible to research (it is pointless to write on a topic *The Habitats of Mongolian Wild Fowl* as it will be impossible to research).

Writing is started with brainstorming: writing down everything you already know about the subject followed by what you think you need to find out, then think where and how you will get information.

A research paper can not be based on what you already know or from class notes and handouts, some research should be done. The strength or weakness of a paper rests upon how much research has been done, how it has been carried out and how it is presented. Extensive and relevant research yields a good result.

TYPES OF RESEARCH

1. **Primary research** is when information is gathered by means of surveys, interviews, questionnaires, observation, experiments and testing.
2. **Secondary research** is when information gathered from material already produced by someone else, e.g. books, brochures, leaflets, magazines, newspapers, the Internet, reports and other research papers.

PRIMARY RESEARCH

Interview. If you are going to meet the person face-to-face you should contact him/her by e-mail, letter or telephone to set up a meeting. It is possible to conduct an interview over the telephone. To appear professional and increase co-operation you should prepare a list of questions and tell an interviewee how long it will take.

Questionnaires are a common method of primary research for obtaining facts and figures that can be used for statistical analysis.

When designing a questionnaire the following should be considered:

- What exact information is required?
- Who will supply the information?
- Will the respondents understand the questions and be able to answer them?
- Are the questions clear and unambiguous?
- In what sequence should the questions be arranged?
- Is the layout clear?
- How will the results be formulated, i.e. in tables, charts, graphs, etc.?

A questionnaire should be as user-friendly as possible before undertaking the survey.

Layout of the questionnaire

- 1) Title of the survey
- 2) Some factual questions
- 3) More complicated questions
- 4) Open-ended questions
- 5) Identification questions (age, gender, nationality, etc.)

Types of questions

1) **Dichotomous questions** require an answer of either *yes* or *no*. Boxes may be used for the respondent to tick; it is very user friendly as respondents don't have to spend too much time thinking or writing.

E.g.: Do you drive a car? Yes No

2) **Multiple-choice questions** supply a number of possible answers from which the respondent can choose.

E.g.: Do you travel to work?

by bus

by car

by train

by bike

on foot

other (please specify)

3) **Open-ended questions** give the respondent the option of giving a more lengthy and detailed reply.

E.g.: What improvements would you like to see?

4) **Scaling questions** ask the respondent to rate something.

a) the Likert scale asks the respondent to agree or disagree with something.

E.g.: The Internet is a useful means of research

<i>Strongly agree</i>	<i>Agree</i>	<i>Neither agree nor disagree</i>	<i>Disagree</i>	<i>Strongly disagree</i>

b) the semantic-differential presents the respondent with a scale of two opposing adjectives and he /she indicates with a mark on that scale his attitude toward a specific issue.

E.g.: Monkstown Leisure Centre is:

Well maintained _____ *Poorly maintained*

A mark on the very left means he/she thinks it is very well maintained, on the very correct - poorly maintained, in the middle indicates average.

c) the staple scale consists of one adjective in the middle of a numbered scale.

E.g.: Do you think the staff in the centre are:

-5	-4	-3	-2	-1	<i>friendly</i>	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	<i>helpful</i>	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	<i>efficient</i>	+1	+2	+3	+4	+5

Analysis of the results

When the questionnaires have been completed by the required number of respondents they need to be objectively analysed and put into a table, chart or diagram.

Observation

This means observing people, activities, organisations, events and patterns of behaviour, objects, etc. and making careful notes on your observations. If you are researching the waste collection in your local community you might observe what day and time the bin lorry arrives each week to remove rubbish and you can note down this information.

Experiment and testing

Scientific experimenting and testing needs to be carefully monitored and notes of each stage of an experiment should be made.

SECONDARY RESEARCH

Encyclopaedia is useful for getting general information on a topic.

Encarta is Microsoft encyclopaedia on CD-Rom (Compact Disc Read-only memory). A free online encyclopaedia available at: www.encyclopedia.com

Library may be useful getting books, daily newspapers, magazines, CDs, cassettes and CD-ROMs on the topic. As soon as you start using written material for your research it is important to record the following:

- Title
- Author(s)
- Date of publication
- Publisher
- Place of publication

Central Statistics Office provides statistics on social and economic trends.

Internet / World Wide Web. Academic research was one of the original purposes of the Internet.

Newspapers, magazines, journals. Many specialist magazines are available online with an archive facility for searching back issues.

Reports, brochures and leaflets. Many organisations publish their own annual reports containing some basic facts on personnel, policy and finances.

THE STRUCTURE OF A RESEARCH PAPER

Title indicates the subject that is being dealt with.

Author

Annotation is an overview of what to expect in the main body, not giving too many details.

Introduction gives some general background: introduction to the subject, its origins, why it is relevant, current situation, showing why the paper has been written and how it has been constructed, stating the problem and / or what has caused it.

Aim of the research is the purpose, some hypothesis.

Methods of the research outline the type of research used and how it was carried out.

Main body (development section, in separate paragraphs) presents evidence of critical thinking, i.e. informed opinion based on facts acquired from the research, supported by arguments with justifications /examples, may be divided into several subsections under suitable subheadings (they introduce the topic of the paragraphs), including references to other works and written material. Under no circumstances should passages of the text be copied from other sources. This is

called plagiarism and is in breach of the copycorrect laws.

Summary gives a concise presentation of the research, the reasons for carrying it, the most important information it contains and the main findings.

Conclusions are the analysis of the aim or findings, recommendations, indication of possible future outcomes, reference back to the aim, stating if and how successfully it was achieved and present the results of the research. This might take the form of a recommendation for future action or draw the reader's attention to problems that need to be addressed.

Bibliography is the list of all the written sources of information used for research. Its purpose is:

- To show that you have done some research;
- To acknowledge the authors of written works you have used. This is common courtesy and also shows you haven't plagiarised their work.

Works should be listed in alphabetical order of authors' surnames and numbered.

Books

Surname of the author(s), first name(s)/initial(s), year of publication, title (in italics), publisher, place of publication, commas separating each item.

E.g.: Butler, R., 2000, The Internet Demystified, Oak Tree Press, Dublin.

Newspapers, magazines, journals

Author(s), year of publication, title of the article (in inverted commas), title of the journal, date/month/volume/issue number, page number(s).

E.g.: Holt, E., 2000, 'Who's watching the media?' -The Irish Times - Weekend, 2 December 2000, p. 6

Encyclopaedias

Title, year of publication, publisher, place of publication, volume number, page number(s).

E.g.: Philip's Concise Encyclopaedia, 1997, George Philip Ltd., London, p.132.

Pamphlets, brochures, leaflets

Title, year of publication, publisher, place of publication.

E.g.: Ireland's Environment Take Action Now! 2000, Environmental Protection Agency, Wexford.

Edited works (selection of essays by different authors)

Author(s), year of publication, title of essay/chapter, in: name of editor(s), (Ed(s).) title of publication, publisher, place of publication.

E.g.: Fiske, T., 1991, 'Postmodernism and Television', In Curran, J. and Gurevitch, M.(Eds.) Mass Media and Society, Edward Arnold, London.

CD-ROMs

Title, [CD-ROM], year of publication, publisher, place of publication.

E.g.: Encarta, [CD-ROM], 2001, Microsoft, USA.

Internet

Author(s), year of publication, title, [Online], Internet address, date of access.

E.g.: Floyd, G., McKay, J., 2001, Writing a Bibliography (Harvard System), [Online], <http://vmw.dicksonc.act.edu.au/Library/bibliog.html>, 15 July 2001.

Interviews

Name of interviewee, year of interview, position of interviewee, [interview], date of interview.

E.g.: McLelland, S., 2002, Manager of Leitrim Tourist Office, [Interview], 14 November.

Appendix is additional information (research notes, copy of a questionnaire, etc.).

References

Quotations (short, taken from the text word for word) should be written within quotation marks, followed with the author's surname, year of publication and page number. The reader can refer to the bibliography and check the details of the book.

E.g.: You can't get away from the Internet these days (Butler, 2000, p. 1).

Long quotations (3 lines or more) should be separated from the rest of the text and indented.

E.g.: You can't get away from the Internet these days. Everywhere you go, you see references: web sites, e-mail addresses, e-commerce. When you meet old friends, they won't ask for your address or phone number, they'll ask you for your e-mail address. Everybody has a different opinion of the Internet, what it is and what it means to them. (Butler, 2000:1)

Words omitted from a quoted piece are indicated by an ellipsis (...). This is useful if a passage contains words in the middle that are irrelevant, and you want to leave them out.

Quotations from an interview should be presented the same way, followed by the name of the interviewee in brackets, the word 'interview' and if possible the date it took place.

A citation is a reference to another author's work, which must include the year of publication.

E.g.: Butler (2000) states that the internet is unavoidable these days.

Conclusion

A paper should be written in a formal impersonal style, passive voice and full verb forms. Present tenses (or Past tenses for the events related to past events) should be used.

A paper should not contain contracted verb forms like *it'll* or *don't*, etc..

The use of the personal pronoun *I* should be avoided. Although it is true that '*you*' wrote the paper, it will only put the readers off if you refer too often to your own role. Use neutral phrasing instead.

The language should be clear as it will make it easier for the reader to assimilate your message.



TASKS

TASK I. Mark the words in bold C (contrast), CE (cause and effect) or NP (next point)

- | | |
|---------------------------------------------------------------------------------------|-------------|
| 1. On the other hand , it is true that... | C / CE / NP |
| 2. Furthermore , we would advise that this would provide an opportunity to ... | C / CE / NP |
| 3. However , this does not necessarily mean that... | C / CE / NP |
| 4. While these results may appear to ... | C / CE / NP |
| 5. Consequently , additional data was obtained which showed that ... | C / CE / NP |
| 6. This has been mainly due to ... | C / CE / NP |
| 7. Although it is not completely clear from our research ... | C / CE / NP |
| 8. As a result of this, it has not been possible to ... | C / CE / NP |
| 9. Moreover , in this particular case ... | C / CE / NP |
| 10. In addition to this , the survey included ... | C / CE / NP |

TASK II. Group the linking words (1-17) under the headings (A-D)

- 2) consequently
- 3) moreover
- 4) so
- 5) also
- 6) formerly
- 7) meanwhile
- 8) too
- 9) subsequently
- 10) on the other hand
- 11) alternatively
- 12) eventually
- 13) thus
- 14) therefore
- 15) furthermore
- 16) even so
- 17) nevertheless

- A. Contrast
- B. Result
- C. Extra information
- D. Sequencing in time

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __ 10) __
11) __ 12) __ 13) __ 14) __ 15) __ 16) __ 17) __

TASK III. Match the statements (1-6) with (a-f)

- 1) Heathrow is Europe's most modern airport.
 - 2) I would like to spend more time with my family.
 - 3) The drug has powerful side effects.
 - 4) The weak demand for our products in the domestic market and Asia hit us harder than we expected.
 - 5) She has been under a lot of pressure recently.
 - 6) I didn't enjoy the time I spent on the production line.
-
- a) Furthermore, it may be addictive.
 - b) However, it is severely congested.
 - c) Moreover, competition in the US and Europe is increasing.
 - d) On the other hand, it did give me first-hand experience of factory work.
 - e) I have therefore decided to resign as chairman.
 - f) As a result, she's decided to take time off to relax a little.

1) __ 2) __ 3) __ 4) __ 5) __ 6) __



GRAMMAR TASK

TASK I. Choose the correct word or expression from (a-h) to fill in each gap (1-8) in the text

The objective of the BCC's language survey was to analyse the relationship between foreign language use and export performance. 1) _____ interviewing several hundred the BCC analysed their responses to a standard questionnaire and used this information as the basis for the report. The findings of the survey, 2) _____ was conducted over a period of two years, show that 3) _____ the fact that UK managers have very different opinions about the importance of foreign languages, they do agree on one thing: English has now established itself as the international language of business. The study divides UK exporters into four distinct groups:

Anglocentrics choose to do business exclusively with countries that have had close historical ties to the UK and a tradition of using English. But this is not a dynamic strategy and 4) _____ this group tends to avoid business opportunities that present themselves in other parts of the world.

Opportunists do not like to have any direct business dealings in a foreign language. But they are prepared to consider doing business with non-English-speaking countries 5) _____ they can find an English-speaking representative to do the basic work for them.

Adaptors go further 6) _____ attract the foreign custom they need, and that involves making an effort to present product information and sales literature in the local language.

Enablers are the most sensitive to linguistic and cultural identity and integrate these two factors in their strategic overview. 7) _____ they do a lot of their business in non-English-speaking countries, they ensure that information about all aspects of their business operations is available in the national languages of the markets where they are present.

However, just 8) _____ managers in other groups, they too are reluctant to actually conduct business in a foreign language.

- a) which
- b) as long as
- c) After
- d) in order to
- e) despite
- f) just like
- g) as a result
- h) since



PROGRESS CHECK II

TASK I. Read the text and mark the statements below H (hard) skills or S (soft) skills required at each of the following stages of a project to design insurance products

THE CORRECT SKILLS

Hard and soft skills?

For a long time hard skills, e.g. skills in technical subjects, were considered the most important thing in business. But more and more people are realizing the importance of soft skills, the skills you need to work with other people and, in the case of managers, to manage people in tactful and non-authoritarian, non-dictatorial ways.

You've Got the Brains but Have you Got the Touch?

While IQ has traditionally been the means by which we judge someone's abilities and potential, EQ (the E stands for emotional) is the new benchmark for a new world. If you've got it you're more likely to be powerful, successful and have fulfilling relationships than if you haven't. Emotional intelligence, the ability to understand and control your emotions, recognize and respond to those of others, is emerging as the single most important and effective business and personal skill of the new century.

At American Express financial advisers who'd been through emotional intelligence training improved sales by up to 20%, significantly more than the company average. A ten-year study by Sheffield University of over 100 small- and medium-sized UK businesses found that people management was three times as important as research and development in improving productivity and profitability and six times as important as business strategy.

Daniel Goleman, a US science journalist-turned-consultant with a background in psychology, first popularized the notion of emotional intelligence in the mid-nineties. Goleman defines five elements of emotional intelligence: self-awareness, self-regulation, motivation, empathy and social skills. Sceptics argue that this sounds suspiciously like the old soft skills, in management-course speak, dressed up in new clothing. But Tim Sparrow, of human performance consultants Buckholdt Associates, points out a crucial difference. 'Soft skills training was only about interpersonal intelligence, relating to others. Emotional intelligence involves intrapersonal skills, knowing yourself as well. You can't be interpersonally intelligent if you don't recognise feelings in yourself.'

The project manager ...

- 1) employed someone with a doctorate in mathematics to work on risk probabilities.
H / S
- 2) gave three days off to a team member who said they had family problems at home.
H / S
- 3) analyzed her own feelings of frustration that the project was going too slowly.
H / S
- 4) dealt politely but firmly with a request by her boss to finish the project a month early.
H / S

- 5) did market testing of the product with a number of potential consumers of the product and analyzed the results on computer. H / S
- 6) did careful research on the Internet to find the best advertising agency to launch the product. H / S

TASK II. Choose the correct word from (a-i) to fill in each gap (1-9) in the text

If someone is good at persuading employees to do things without making them annoyed, they are good at 1)

More generally, getting along with people and avoiding tactless remarks are examples of 2)

Knowing your own emotions and feelings is 3): this is an 4) skill. Contrast this with the ability to get along with other people: 5)..... skills.

If you are able to control your own emotions, you have good 6)

If you are able to understand how other people feel, you have 7) with them.

The whole area is referred to by Daniel Goleman as 8) The abbreviation for the way this is measured is 9).....

- a) interpersonal
- b) intrapersonal
- c) self-regulation
- d) social skills
- e) people management
- f) empathy
- g) emotional intelligence
- h) self-awareness
- i) EQ

TASK III. Choose the word or phrase from (a-g) for the underlined ones (1-7) in the text

The Twelve start preparing for the next week's summit in Rome. There is no doubt that the main item on the agenda will be the question of Europe's institutions. The site of the European Parliament and a future European central bank is provoking rivalries, so it the sitting of three EC organisations: a European environment agency, a trademark office and a training centre for Eastern Europe.

A coalition of Euro-MPs and Brussels property developers supported by the Belgian Government seems sure to make an attempt to 1) prevent France's intention to 2) establish the EF in Strasbourg. All eyes are on France who is determined to 3) reject this challenge.

Transferring the EP's secretariat to Brussels resents Luxembourg, who apart from being 4) proposed as a candidate for the Eurofed wants the EP's secretariat in Luxembourg, where it now belongs. To keep it, Luxembourg is ready to 5) part with Eurofed.

The Italians want Milan as a home of environment agency, next to the existing EC research centre. In turn, Denmark, Spain and Greece, countries which so far have no institutions, 6) are eager to win the agency for their capitals. Spain sees Madrid as a setting of the trademark office; Berlin is the favourite for the training centre for Eastern Europe. To 7) resolve the contentious issue it may be proposed to put the training centre in Berlin, the environment agency in Copenhagen and the trademark office in Madrid.

- a) to get stuck in
- b) to set up
- c) to sort out
- d) to see off
- e) to fight off
- f) to give up
- g) to put forward

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __

TASK IV. Re-arrange the paragraphs (A-I) to make a complete story

SALE OF FAIRTRADE PRODUCTS DOUBLES

- A. Sales of goods that promise a better deal for farmers in developing countries have more than doubled in three years, it was announced at the weekend. Fairtrade coffee accounts for 14% of the market in the UK,
- B. and chocolate that carry the Fairtrade certification mark. Last November the Co-op supermarket chain announced it was switching all its own-brand chocolate to Fairtrade.
- C. and producers a better deal. Total sales rose from £21.8m in 1999 to £59m in 2002, according to figures released to mark Fairtrade Fortnight, which starts today to encourage shoppers to try the products.
- D. and the World Development Movement, to respond to the human consequences of collapsing world commodity prices.
- E. Harriet Lamb, executive director of the foundation, said: "Rising sales figures show that the public not only trust the Fairtrade mark but trust their taste too." The foundation was set up at the beginning of the 1990s by agencies including Christian Aid, Oxfam
- F. representing 4.5 million growers. More than 100 products are available in the UK in the categories of coffee, tea, cocoa, chocolate, snacks and biscuits, sugar, honey, fruit juice and fresh fruit, and are stocked by independent shops and most major supermarkets.
- G. The Fairtrade Foundation certifies and promotes products that meet internationally recognized standards of fair trade. It said that Salisbury's now sells around 1 million Fairtrade bananas a week, and has own-brand coffee, tea
- H. The first Fairtrade-marked product appeared on shelves in 1994. Now foods carrying the mark are sold in 17 countries through 235 traders and 452 companies. They are sourced from 360 producer groups in 36 countries,
- I. with sales having increased from 13.7 m in 1998 to 18.5 m in 2001. The growth has been made possible in large part by the increasing willingness of supermarkets to sell Fairtrade products, which are made using ingredients that guarantee farmers

1) __ 2) __ 3) __ 4) __ 5) __ 6) __ 7) __ 8) __ 9) __

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