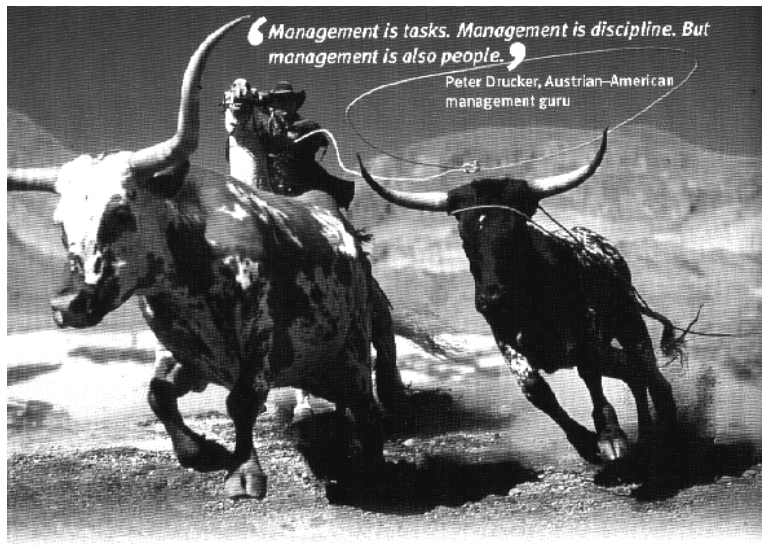


**E.M. Kolomeitseva, M.N. Makeyeva,
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EXECUTIVES AND MANAGEMENT



◆ TSTU Publishing House ◆

Министерство образования и науки Российской Федерации
Государственное образовательное учреждение
высшего профессионального образования
"Тамбовский государственный технический университет"

Е.М. КОЛОМЕЙЦЕВА, М.Н. МАКЕЕВА, Т.П. ПЕКШЕВА

**МЕНЕДЖЕРЫ И
МЕНЕДЖМЕНТ**

Английский язык

Учебное пособие



Тамбов
Издательство ТГТУ
2005

УДК 802.0(076)
ББК Ш13(Ан)я923
М50

Р е ц е н з е н т

Доктор филологических наук, профессор
И.М. Попова

Коломейцева Е.М., Макеева М.Н., Пекшева Т.П.
М5 Менеджеры и менеджмент: Учебное пособие. Там-
0 бов: Изд-во Тамб. гос. техн. ун-та, 2005. 200 с.

Пособие включает языковой и экстралингвистиче-
ский материал по развитию навыков общения в облас-
ти менеджмента, маркетинга и рекламы.

Предназначено для студентов, изучающих ме-
неджмент, управление организаций, рекламу и
маркетинг.

УДК 802.0(076)
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ISBN 5-8265-0419-6

©

Коломейцева Е.М., Макеева
М.Н., Пекшева Т.П., 2005
© Тамбовский государственный
технический университет
(ТГТУ), 2005

Учебное издание

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МЕНЕДЖЕРЫ И МЕНЕДЖМЕНТ

Учебное пособие

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Подписано к печати 17.08.2005.

Формат 60 × 84/16. Бумага офсетная. Печать офсетная.

Гарнитура Times New Roman. Объем: 11,63 усл. печ. л.; 11,15 уч.-изд. л.

Тираж 150 экз. С. 468^М

Издательско-полиграфический центр
Тамбовского государственного технического университета
392000, Тамбов, Советская, 106, к. 14

EXECUTIVES AND MANAGEMENT

This is a course in communication skills in English for students who need to use English in their work. English is the major means of communication between business people in different countries. This course is designed to be used with all kinds of people who:

- all work in the same field or in entirely different fields;
- work within the same or in different firms;
- are managers or people who hold other high jobs. Business English isn't a special language with a special grammar; it's simply English Used in Business Situations.

As there's no international standard form of English, both British and American usage will be incorporated into the course. The emphasis of the course is on performing tasks and carrying out activities encouraging students to use their judgment, business and general knowledge and skills.

This course covers the basic business or commercial terms that most business people use in the course of their work. It also provides a wide range of business settings and situations in which students can practice and improve their communication skill in English and can become more confident, more fluent and accurate.

TYPES OF ACTIVITIES AND EXERCISES

Various language skills are integrated into task-directed and communicative activities. In many of the speaking, writing, reading and listening activities students are expected to work together in pairs or groups, to play role plays and to cooperate in solving a problem or performing a task.

INTEGRATED ACTIVITIES

These activities contain tasks that are similar to the kind of tasks students will have to perform in business life. A variety of skills are:

- READING;
- LISTENING: hearing a phone call, taking & relaying a message;
- WRITING TASKS: tasks on letters, faxes, reports;
- DISCUSSION: jobs, careers, meetings, companies, processes, etc;
- PROBLEM – SOLVING: complains, marketing, negotiating, and operations;
- ROLE-PLAY: a real-life setting involves very detailed knowledge of the product, circumstances and personalities involved. The role-plays range from fairly simple activities, such as acting out face-to-face visits to more elaborated tasks, such as explaining how to do something.

The extended role-plays, the integrated activities and the longish to full-scale simulations reflect the reality that communication in business is multi-dimensional, many-sided, variable and unpredictable.

The purpose of a simulation is to provide opportunities for students to rehearse dealing with the unknown by employing the known means at their disposal.

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UNIT ONE

T a s k 1. A Guide to the Introduction of Executives and Management.

Investigate the idea of management and discuss the different points of view, find the similarities and differences in the following definitions of management given in the dictionaries.

1. LONGMAN DICTIONARY OF CONTEMPORARY ENGLISH:

- a) the act of managing, esp. business or money;
- b) skill in dealing with a person;
- c) the people who are in charge of a firm, industry, etc. considered as one body.

2. WEBSTER'S NEW COLLEGIATE DICTIONARY:

- a) the act or art of managing: the conducting or supervising of something;
- b) judicious use of means to accomplish an end;
- c) capacity for managing: executive skill;
- d) the collective body of those who manage or direct an enterprise.

3. NEWNES DICTIONARY OF BUSINESS TERMS:

- a) the carrying out of policies laid down by determining what results are to be accomplished, building up the required organization, and controlling that organization;
- b) the people responsible for carrying out these tasks.

T a s k 2. Food for thought:

1. Who do you manage and how?
2. Who manages you and why?
3. What are the things that must be managed, and if mismanaged, inevitably create ripple in your life?

TICK THE ONES YOU THINK APPLY AND COMPLETE THE LIST WITH YOUR OWN IDEAS

- a) time; b) money; c) energy; d) studies; e) carrier; f) human relationships.

T a s k 3.

A. Pre-reading guesses: discuss the following questionnaire.

1. High-technology requires
 - a) above-average management;
 - b) below-average management .
2. Ingenious products will sell themselves
 - a) true;
 - b) false.
3. Professional managers are good at
 - a) delegating responsibility;
 - b) doing everything themselves.
4. Technological infatuation leads to
 - a) the continual introduction of new products;
 - b) humans being dominated by machines.
5. As new technologies emerge, product life-cycles are
 - a) lengthening;
 - b) shortening.
6. You are a forward-thinking strategist, so first you
 - a) develop your product and only later start worrying about marketing;
 - b) draw up your marketing plan before your product development.

7. Science and commercial education should not be mixed
 - a) true;
 - b) false.
8. Unjumble the words to fill in the gaps in the sentence.
The relaxed, easy-going style of high-tech management is typified by...
t-T i h s r and s a j n e.
9. High-tech companies need to be tight about technical creativity and product development only
 - a) true;
 - b) false.

B. Case study. Read for specific information:

Can you locate the answers to your pre-reading guesses in the following text?

High-tech management

When the startup computer company made its debut at the Trade Fair, its text – and data-processing micro-computers system drew rave reviews. The company quickly booked 600 orders for the 8,000 packages. Its founder, a marketing expert with a background in computer manufacturing, looked as though he was on to a winner.

Sadly the company grossly overestimated its ability to meet delivery dates. It lacked a production expert in top management and the sales and marketing people thought that giving delivery dates was enough to get the production needed. The company only managed to deliver about a third of the systems ordered. Many customers backed out of contracts when delivery dates were not kept.

Red-faced salesman began jumping ship to maintain their credibility. In the chain reaction that ensued, lenders cut off credit and the company slid into liquidation.

The sorry rise and fall of this company typifies the management maladies afflicting so many of today's growing number of high-tech entrepreneurs. With high-tech business becoming a more vital force than ever, it's no one's interest for most of them to fold after a fleeting rush of glory. The entrepreneurs must find that elusive management formulas that will catalyze their ingenuity and energy into sustained, stable growth.

One thing is clear. Technology, venture capital and enthusiasm are not enough. Basic management skills, especially in such key areas as marketing and finance, are at least as important in a new high-tech venture as in the more common low-tech startup. High-tech entrepreneurs – typically young, brainy, single-minded and arrogant – rarely possess such skills. The problem is that high – technology requires above-average management. Too often in small companies it's below average.

The points at which high-tech ventures rise and fall come under four categories: marketing, planning, people skill, control.

Entrepreneurs must understand that a product of technology, no matter how ingenious, will not sell itself. Usually, you must adopt a market-niche strategy to survive.

A reasonably long-term plan, including product strategy, is essential for continuity and growth. It must continually be revised and updated.

The ability to relate to people, delegate responsibility and bring in professionals at the proper time is key attributes.

Discipline and monitoring systems, especially in finance, are vital.

The high-tech manager needs to have one foot in the lab and one foot in the market place. S/he must understand the technology and be able to ask the right questions but also be capable of getting close to the market and customers.

A kind of fuzziness is typical of high-tech startups. It stems from a lack of understanding of what the market for a particular product *is* and from letting technological infatuation lead to the continual introduction of new products.

Pitfalls

One of the biggest problems is not really understanding business strategy. You cannot just introduce products one after the other.

There has to be a portfolio strategy. You need aging products that require no investment but which will generate cash to fund embryonic products. That's very hard to do and it's essential to have experienced management. One of the pitfalls of many firms is that once they have succeeded in a certain product line, they try to develop a new product line without continuing to improve the old one.

But developing second-generation products and getting them to market is becoming increasingly difficult. As technologies grow more complex and new ones emerge, development costs are rising and product life cycles are shortening. The chances of generating enough funds from a first product to finance a second product are very slender.

Market-niche strategy

The situation is made even more difficult as the classic small high-tech company product – the personal computer – increasingly becomes a "commodity" with little to distinguish it from similar products. To survive at all, high-tech companies are becoming increasingly dependent on market-niche strategy.

With a glut of general-purpose computer systems on the market you have to make a market-niche selection to fill a gap in special-purpose systems.

You have to draw up your marketing plan before your business plan and product development. A big mistake many companies make is rushing to develop their product and only later starting to worry about the marketing.

Team play and delegation

In the early stages of a high-tech company, creativity is important. Next comes the leadership stage, in which the company is driven by a charismatic, high-energy entrepreneur. Then routinely follows an autonomy crisis, in which the individual no longer can make all the decisions. S/he has not built a team. Then s/he may be thrust aside and a more professional manager brought in. This is the delegation phase.

Idiosyncratic management

Traditionally, the correct strategy for a startup firm that has successfully reached a certain size is to bring in professional management. But finding a competent manager who understands technology is as hard as finding a technologist who can manage.

The traditional dichotomy between the scientist-innovator and businessperson may be a major stumbling block. Yet, universities to this day frown on mixing science and commercial education, and the commercially oriented scientist is still looked down on. Companies often have to conduct in-house training programmes to deal with the problem, training technical experts in commerce and commercial people in technology.

The killer

Successful companies stress the need for strong balance sheets and prudent financing. High-tech companies need to be "loose" about such areas as technical creativity, new product development and marketing. But they must be "tight" about management and financial control. The ratio should be around 20 % loose, and 80 % tight, too often it's the other way round – and that's a killer.

T a s k 4. Food for thought.

Now check your memory; tick the correct answer. Should you hesitate refer to the previous text again.

1. A high-tech manager needs to have

- a) both feet in the market place;
- b) one foot in the lab and one foot in the marketplace.
2. Once you have succeeded in a certain product line
 - a) develop a new product line by dropping the old one;
 - b) continue to improve the old one.
3. A technology grows more complex, development costs are
 - a) decreasing;
 - b) rising.
4. The chances of generating enough funds from a first product to finance a second one are
 - a) good;
 - b) slender.
5. Market-niche strategy aims at
 - a) covering a wide range of products;
 - b) filling a gap in the market.
6. Put the stages of a high-tech company in the correct order
 - a) leadership stage;
 - b) delegation stage;
 - c) autonomy crisis;
 - d) creativity stage.
7. High-tech companies need to be loose about
 - t.....l c.....y but tight about m.....t and f.....l c.....l.

T a s k 5. Read, translate and discuss the following text.

Meet David Kwok, a 1987 graduate of the University of California at Los Angeles. With a major in cognitive science, David works for a company called The Princeton Review that prepares students to take college and graduate school admission tests. At the age of 31, David directs fifty to sixty instructors at Princeton Review's Los Angeles office. "My academic training in artificial intelligence didn't really prepare me for my biggest job challenge – understanding and motivating people," says David. "For instance, nothing at UCLA really emphasized how to get people psyched up. For me, people are the unknown part of the equation that determines how effective

I am in my job. Other tasks, like scheduling or customer relations, give me very few headaches. What I've learned is that when things go wrong, it's almost always a people problem. I've worked hard to make our teaching staff feel like a small family and to learn techniques for getting them motivated. But it's been on-the-job training for me. I didn't learn any of this in school." David Kwok has learned what most managers learn very quickly:

A large part of the success in any management job is developing good inter-personal or people skills. Lawrence Weinbach, chief executive at the accounting firm of Arthur Andersen & Co., puts it this way: "Pure technical knowledge is only going to get you to a point. Beyond that, interpersonal skills become critical." Although practicing managers have long understood the importance of interpersonal skills to managerial effectiveness, business schools were slower to get the message. Until the late-1980s, business school curricula focused almost singularly on the technical aspects of management, emphasizing courses in economics, accounting, finance, and quantitative techniques. Course work in human behavior and people skills received minimal attention relative to the technical aspects of management. Over the past decade, however, business faculty have come to realize the importance that an understanding of human behavior plays in determining a manager's effectiveness, and required courses on people skills have been widely added to the curriculum.

Recognition of the importance of developing managers' interpersonal skills is closely tied to the need for organizations to get and keep high-performing employees. For instance, the chief executive of Chrysler Corporation, Robert Eaton, sees his workforce as an asset that provides his company with a sustainable competitive advantage. "The only way we can beat the competition is with people," says Eaton. "That's the only thing anybody has. Your culture and how you motivate and empower and educate your people is what makes the difference." The head of Starbucks, the rapidly growing Seattle-based coffee retailer, concurs: "Our only sustainable competitive advantage is the quality of our workforce." A study of 191 top executives at six Fortune 500 companies sought an answer to the question: Why do managers fail? The single biggest reason for failure, according to these executives, is poor interpersonal skills. The Center for Creative Leadership in Greensboro, North Caro-

lina, estimates that half of all managers and thirty percent of all senior managers have some type of difficulty with people. Consistent with these findings are surveys that have sought to determine what skills college recruiters consider most important for the job effectiveness of MBA graduates. These surveys consistently identify interpersonal skills as most important. We have come to understand that technical skills are necessary, but insufficient, for succeeding in management. In today's increasingly competitive and demanding workplace, managers can't succeed on their technical skills alone. They also have to have good people skills. This book has been written to help both managers and potential managers develop those people skills.

T a s k 6. Sum up the main points of the following text and make up a few questions on the basis of the given information.

What Managers Do

Let's begin by briefly defining the terms *manager* and the place where managers work –the *organization*. Then let's look at the manager's job; specifically, what do managers do?

Managers get things done through other people. They make decisions, allocate resources, and direct the activities of others to attain goals. Managers do their work in an **organization**. This is a consciously coordinated social unit, composed of two or more people, who functions on a relatively continuous basis to achieve a common goal or set of goals. On the basis of this definition, manufacturing and service firms are organizations and so are schools, hospitals, churches, military units, retail stores, police departments, and local, state, and federal government agencies. The people who oversee the activities of others and who are responsible for attaining goals in these organizations are managers (although they're sometimes called *administrators*, especially in not-for-profit organizations).

Managers – Individuals who achieve goals through other people.

Organization – a consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals.

Management Functions

In the early part of this century, a French industrialist by the name of Henri Fayol wrote that all managers perform five management functions: They plan, organize, command, coordinate, and control. Today, we have condensed those down to four: planning, organizing, leading, and controlling. If you don't know where you're going, any road will get you there. Since organizations exist to achieve goals, someone has to define those goals and the means by which they can be achieved. Management is that someone. The **planning** function encompasses defining an organization's goals, establishing an overall strategy for achieving those goals, and developing a comprehensive hierarchy of plans to integrate and coordinate activities. Managers are also responsible for designing an organization's structure. We call this function **organizing**. It includes the determination of what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made. Every organization contains people, and it is management's job to direct and coordinate those people. This is the **leading** function. When managers motivate subordinates, direct the activities of others, select the most effective communication channels, or resolve conflicts among members, they are engaging in leading.

"The people who oversee the activities of others and who are responsible for attaining goals in organizations are managers."

Planning includes defining goals, establishing strategy, and developing plans to coordinate activities.

Organizing determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made.

Leading includes motivating subordinates, directing others, selecting the most effective communication channels, and resolving conflicts.

The final function managers perform is **controlling**. After the goals are set, the plans formulated, the structural arrangements delineated, and the people hired, trained, and motivated, there is still the possibility that something may go amiss. To ensure that things are going as they should, management must monitor the organization's performance. Actual performance must be compared with the previously set goals. If there are any significant deviations, it is management's job to get the organization back on track. This monitoring, comparing, and potential correcting is what is meant by the controlling function. So, using the functional approach, the answer to the question, What do managers do? is that they plan, organize, lead, and control.

Management Roles

In the late 1960s, a graduate student at MIT, Henry Mintzberg, undertook a careful study of five executives to determine what these managers did on their jobs. On the basis of his observations of these managers, Mintzberg concluded that managers perform ten different, highly interrelated roles, or sets of behaviors attributable to their jobs. As shown in Exhibit 1-1, these ten roles can be grouped as being primarily concerned with interpersonal relationships, the transfer of information, and decision-making.

Controlling – monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations.

Managers plan, organize, lead, and control.

T a s k 7. Discuss the differences and significance of the managerial roles.

INTERPERSONAL ROLES All managers are required to perform duties that are ceremonial and symbolic in nature. When the president of a college hands out diplomas at commencement or a factory supervisor gives a group of high school students a tour of the plant, he or she is acting in a *figurehead* role. All managers also have a *leadership* role. This role includes hiring, training, motivating, and disciplining employees. The third role within the interpersonal grouping is the *liaison* role. Mintzberg described this activity as contacting outsiders who provide the manager with information. These may be individuals or groups inside or outside the organization.

The sales manager who obtains information from the personnel manager in his or her own company has an internal liaison relationship. When that sales manager has contacts with other sales executives through a marketing trade association, he or she has an outside liaison relationship.

INFORMATION ROLES All managers, to some degree, collect information from organizations and institutions outside their own. Typically, they get information by reading magazines and talking with other people to learn of changes in the public's tastes, what competitors may be planning, and the like. Mintzberg called this the *monitor* role. Managers also act as a conduit to transmit information to organizational members. This is the *disseminator* role. Managers additionally perform a *spokesperson* role when they represent the organization to outsiders.

DECISIONAL ROLES Finally, Mintzberg identified four roles that revolve around the making of choices. In the *entrepreneur* role, managers initiate and oversee new projects that will improve their organization's performance. As *disturbance handlers*, managers take corrective action in response to unforeseen problems. As *resource allocators*, managers are responsible for allocating human, physical, and monetary resources. Last, managers perform a *negotiator* role, in which they discuss issues and bargain with other units to gain advantages for their own unit.

Management Skills

Still another way of considering what managers do is to look at the skills or competencies they need to successfully achieve their goals. Robert Katz has identified three essential management skills: technical, human, and conceptual.

Technical skills encompass the ability to apply specialized knowledge or expertise. When you think of the skills held by professionals such as civil engineers, tax accountants, or oral surgeons, you typically focus on their technical skills. Through extensive formal education, they have learned the special knowledge and practices of their field. Of course, professionals don't have a monopoly on technical skills, and not all technical skills have to be learned in schools or formal training programs. All jobs require some specialized expertise, and many people develop their technical skills on the job.

Technical skills – means the ability to apply specialized knowledge or expertise.

Many people are technically proficient but interpersonally incompetent.

T a s k 8. Discuss the necessity of developing the following skills.

HUMAN SKILLS The ability to work with, understand, and motivate other people, both individually and in groups, describes **human skills**. Many people are technically proficient but inter-personally incompetent. They might, for example, be poor listeners, unable to understand the needs of others, or have difficulty managing conflicts. Since managers get things done through other people, they must have good human skills to communicate, motivate, and delegate.

CONCEPTUAL SKILLS Managers must have the mental ability to analyze and diagnose complex situations. These tasks require **conceptual skills**. Decision making, for instance, requires managers to spot problems, identify alternatives that can correct them, evaluate those alternatives, and select the best one. Managers can be technically and interpersonally competent yet still fail because of an inability to rationally process and interpret information.

Effective vs. Successful Managerial Activities

Fred Luthans and his associates looked at the issue of what managers do from a somewhat different perspective. They asked the question, Do managers who move up most quickly in an organization do the same activities and with the same emphasis as managers who do the best job? You would tend to think that the managers who were the most effective in their jobs would also be the ones who were promoted fastest. But that's not what appears to happen. Luthans and his associates studied more than 450 managers. What they found was that these managers all engaged in four managerial activities:

- *Traditional management.* Decision-making, planning, and controlling.
- *Communication.* Exchanging routine information and processing paperwork.
- *Human resource management.* Motivating, disciplining, managing conflict, staffing, and training.
- *Networking.* Socializing, politicking, and interacting with outsiders.

The "average" manager in the study spent thirty-two percent of his or her time in traditional management activities, twenty-nine percent communicating, twenty percent in human resource management activities, and nineteen percent networking. However, the amount of time and effort that different managers spent on those four activities varied a great deal. Among successful managers, networking made the largest relative contribution to success, and human resource management activities made the least relative contribution.

Among effective managers, communication made the largest relative contribution and networking the least. This study adds important insights to our knowledge of what managers do. On average, managers spend approximately twenty to thirty percent of their time on each of the four activities: traditional management, communication, human resource management, and networking. However, successful managers don't give the same emphasis to each of those activities as do effective managers. In fact, their emphases are almost the opposite. This finding challenges the historical assumption that promotions are based on performance, vividly illustrating the importance that social and political skills play in getting ahead in organizations.

A Review of the Manager's Job

One common thread runs through the functions, roles, skills, and activities approaches to management: Each recognizes the paramount importance of managing people. As David Kwok found out when he became a manager at The Princeton Review, regardless of whether it's called "the leading function," "interpersonal roles," "human skills," or "human resource management and networking activities," it's clear that managers need to develop their people skills if they're going to be effective and successful in their job.

T a s k 9. Comment on the following interview between a journalist of CNN Global Office and Hirst Pacific principal Kenneth Hirst. CNN.com, Dec 20, 2004.

Kenneth Hirst is an award – winning product and retail interiors designer and the founder and principal of strategic design firm Hirst Pacific.

Global Office: What are you reading?

Kenneth Hirst: "A Short History of Nearly Everything" by Bill Bryson; A smart, thought – provoking book of discovery that everything. The Board of engaging, informative and

GO: Who's been your

KH: Luigi Colani: a foresight. His innovation products we use today. He to create something with a can't help but smile when

GO: What's your

KH: A happy balance between professional and personal life is difficult to achieve. If anything I work too hard, but my work is my passion and it's created some of my biggest successes and friendships.

GO: Is management an art or a science?

KH: Neither, it's a sense. Management is a natural reaction to the needs of both the company and its employees. Good managers strategize according to forecasts, however a natural instinct for administering the plan whilst motivating the human element is key.

GO: What do you reach for on your desk when the fire alarm goes off?

KH: Keys, wallet, cell phone.



biggest influence?
truly maverick designer with intelligence and and original work has influenced many of the has the rare ability to bring an object to life, personality able to befriend the viewer. You you look at his work.

biggest mistake?

T a s k 10. Sum up and discuss the main facts from the manager's profile.

Judy Mcgrath, MTV Networks

(TIME) – In the more than two decades that she has spent helping build a fledgling music-video channel into one of the most powerful global media brands, Judy McGrath, 51, has always stayed in touch with what she likes to call her "inner teen." Now that she has taken over the reins at all of parent company Viacom's vast, fast-growing cable operations, including MTV, MTV2, VH-1, CMT, Nickelodeon, TV Land and Comedy Central, you might think she would need to get more in tune with her outer adult. But being responsible for the crown jewel of Sumner Redstone's empire – generating nearly \$3 billion in profits this year alone and reaching 400 million viewers in 164 countries – has done little to dull McGrath's rebellious spirit or passion for "driving creativity," as she puts it. Even with a husband and 10-year-old daughter at home, you can find this self-described "music junkie" at the occasional late-night club gig. These days, McGrath is spending lots of time overseas too, where she is intent on expanding Nickelodeon's presence and developing more original programming for MTV, including the soon-to-debut MTV Base in Africa. Back home, a year after Janet Jackson's MTV-produced Super Bowl half-time striptease, McGrath may again be a lightning rod with the February launch of her newest U.S. channel, Logo, a 24/7 network for gays and lesbians. Not surprisingly, controversy doesn't particularly concern her. Instead, says the Scranton, Pa., native, who started at MTV in 1981 as an on-air promotions copywriter, "I am always worried about missing a cultural beat." – By Daniel Eisenberg/New York.

EDUCATION

Bachelor's degree in English from Cedar Crest College, 1974

CAREER

McGrath started at MTV in 1981, working as an on-air promotions writer. Ten years later, she assumed all responsibility at MTV for programming, music, production and promotion, in 1993 becoming the network's president. In 2002, McGrath also took on oversight of VHI and CMT, in her job as MTV Networks president. She became chairman and CEO of MTV Networks in 2004.

T a s k 11. Read, translate and make up 15 questions disclosing the major issues of the text.

McGrath transforms television

Judy McGrath is chairman and CEO of MTV Networks, which is owned by Viacom.

(CNN) – If you want your MTV – or VHI, Comedy Central or Nickelodeon – Judy McGrath is the person to call.

As chairman and CEO of MTV Networks, McGrath is in charge of multiple networks owned by Viacom, including the 23-year-old pioneering music channel. Known for her originality and creativity, she influences programming that reaches 400 million viewers of more than 100 channels broadcast in 164 countries and 18 languages.

McGrath joined MTV in the network's infancy in 1981 as a copywriter in MTV's on-air promotions department. She remembers the uncertainty and pressure that greeted the novel idea of a music video channel.

"How could we combine these two powerful things, music and television, and come up with something fresh?" she told CNN during MTV's 20th anniversary year in 2001. "There was absolutely no sense that it would work."

But the maverick cable channel did work, changing how the world looks at music – and musicians. McGrath quickly rose through the pop culture channel's ranks, developing shows and events such as the MTV Video Music Awards, "Total Request Live," "The Real World," "The Osbournes" and "Punk'd."

In July 2004, already heading MTV and Comedy Central, McGrath's oversight was expanded to include additional networks such as TV Land, Nick at Nite and Spike TV.

Tom Freston, Viacom's co-president and co-chief operating officer, described McGrath as the perfect person for the job when he announced the promotion.

"Ours is a business of creative vision, smart brand building, unrelenting consumer focus and good execution," he said. "I feel very proud and fortunate to be able to turn this job over to Judy and very much look forward to seeing her influence on the company grow and grow."

Recognizing the importance of the international audience has had a lot to do with her success, McGrath says. In November, she announced the planned launch of MTV's 100th channel – MTV Base in Africa.

"With more than 75 percent of MTV's channels outside of the United States, we are a truly global operation that is fuelled by the exchange of creative ideas and cultures," she said in a press release about the new channel.

"Our international business is so important to the overall growth of MTV Networks and now reaching the 100-channel milestone, it is clear that there is no media company better positioned to benefit in the expanding international marketplace."

McGrath's success has landed her on numerous lists of the world's most powerful women and executives. Fortune magazine recently named her one of the 50 most powerful women in business. (MTV Networks is Viacom's most profitable division, with a projected \$2 billion in profits this year.) And this year she received one of Glamour magazine's Women of the Year awards in a televised November ceremony.

Image, attitude and originality have kept MTV on the cutting edge of television and business, and McGrath says the network will continue to change with the times.

"I think our mantra has always been 'Evolve or die.' "

T a s k 12. Sum up the offered pieces of advice and comment on their importance.

Management Masterclass

By Christine Hayhurst, Chartered Management Institute Wednesday, December 22, 2004

– The Chartered Management Institute shapes and supports the managers of tomorrow, helping them deliver results in a dynamic world. With 74,000 individual members and 500 corporate members, the Institute helps set and raise standards in management, encouraging development to improve performance.

Q: "I'm considering an offer to take up a position as general manager for a company which started off as a distributor for imported goods. The company has decided to start manufacturing and the CEO wishes to expand the company and create a professional environment. My brief would be to create systems and structures to take the company beyond its present level. I like the challenge but have little previous experience to call on. What are the key steps I ought to take in this situation?"

– Anabel, UK.

A: Starting a job in a new area of a business can be daunting however experienced you are.

If you have been recruited to create something intended to develop the business, as in this case, it's easy to feel under pressure.

It can feel like everybody is watching you and expecting immediate results.

Recently in the public eye, UK lawmaker Charles Clark has made the move from the Department for Education and Skills to become the new Home Secretary and will undoubtedly be under enormous pressure to produce results.

The key in this situation is to turn the pressure into a positive challenge and a new opportunity for learning and development.

It's important that you anticipate change as things will be different and it is likely that your working life will become more demanding.

By ensuring that you have the support of family and friends, you should be better equipped to deal with challenges in the workplace and receive the emotional backup you might need during the early stages of your new job.

Once you know why this new position has been created, consider why the chief executive believes you to be the best person for the job.

Try to identify the qualities that single you out for this job as your performance will certainly be judged by your demonstration of these characteristics and deployment of these skills.

You were chosen based on the experience and skills you offer so it is very unlikely that you are incapable of doing the job well.

When you begin your new role, don't expect too much of yourself settling in with the new territory. Although you may understand the purpose of the job you're doing and the company itself, there will be areas of the role you will need to learn, so try to find out exactly what is expected of you, the scope of your responsibilities and how this will be measured.

If you know what your aims are you can begin to break each aspect down into manageable pieces which will seem more achievable.

If you will be working with others, get to know your team and find out their strengths. It's easier to work with others if you understand them and their abilities.

If working alone, talk to your manager about your concerns and ask questions about the job in hand. By talking things through with your boss in an open manner you should feel less intimidated by the overall project and more supported.

It's important to remember to ask for help if you need it and to voice any concerns you have in plenty of time, before they become major issues.

You might find it useful to network with other managers outside of the organization who may have had similar experiences and can share their knowledge with you.

There are also many resources available to give you technical information on systems development if you require it. Once you have the information you need and are sure of your responsibilities, you need to believe in your own ability and use your experience and skills to achieve the company goals set for you.

If you use the resources open to you and plan your workload you should succeed. Remember, the chief executive would not have offered you this opportunity unless he or she has faith in you.

T a s k 13. Before you read discuss these questions.

1. The phrase 'think global, act local' is often quoted. What does it mean to you?
2. A lot is said and written about 'global organizations'. What do you understand by this phrase? Which organizations are global, in your opinion? Why?

Perspective: The myth of the global executive

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

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.

Richard 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 traveled 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 Americanising 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.'

FINANCIAL TIMES
World business newspaper.

T a s k 14.

A. Understanding main points

1. Which of these statements gives the best summary of the text?

- a) Having expatriates in key positions is still important for international companies.
- b) Using local managers rather than expatriates is now the objective of most companies.
- c) Developing managers from around the world who share the company's values is essential for global success.

2. According to Lowell Bryan of McKinsey, how many international companies are not dominated by the culture of the home country – a lot, or just a few? What is the phrase he uses?

B. Understanding details

Mark these statements T (true) or F (false) according to the information in the text. Find the part of the text that gives the correct information.

- a) Few companies are genuinely global. T
- b) The use of expatriates is growing at Unilever.
- c) Corporate culture is more important than local needs in most areas of management.

- d) Recruiting local managers is difficult for many organisations.
- e) It is important to offer a career path for local managers.
- f) Unilever manages people differently in different countries.
- g) Many multinationals impose their British, French, German or US approach to business on all their subsidiaries.
- h) Unilever believes it is difficult to have a consistent measure of management potential worldwide.

UNIT TWO

GLOBAL COMMUNICATIONS AND MANAGEMENT

This unit deals with high-tech innovations and management. Information isolated is information denied. A fact. An idea. An opinion. Without communication, there is no action. Communication doesn't just happen. It takes the right business tool.

T a s k 1. Read, translate and discuss the following text.

Global communications

The world is entering an era of unlimited processing power and bandwidth (the ability of a network to carry information). The growth of the Internet and the consequent demand for more bandwidth has led to a frenzied race to develop and deploy new technologies.

Global communications markets are going through the greatest transformation since the invention of the telephone and the rise of government-controlled monopolies. Around the globe, deregulation means that entrenched telephone monopolies are facing fierce new competition. The growth of Internet commerce and the rise of data traffic mean that new broadband multimedia networks are being built to supplant voice-only networks. New fiber-optic cables are being laid across the world's oceans with multiple landing points at the same time that low-earth-orbit satellites are being launched and deployed to drop T-1 lines out of the sky.

Transatlantic cables and all other new cables are designed to carry more than voice. Voice traffic is shrinking as an overall percentage of all communications traffic. Current demand is for new and improved Internet Protocol (IP) networks that will handle voice, data, audio and video – the Holy Grail du jour of telephony.

The world's global communications network is a patchwork quilt of terrestrial and satellite links and under-sea cables that is constantly changing. Quality and costs vary dramatically. But that will improve.

T a s k 2.

A. Pre-reading questions:

1. Have you ever read about digital office devices?
2. What kind of office device do you know?
3. What are the advantages and disadvantages of office devices?

B. Read and translate the text.

Renovating The Workplace With Digital Technology

By now we know the revolution will never abate. In the next few years, as advances in digital technology continue to emancipate information from the printed page, the nature of work and our notion of the job will change profoundly. It stands to reason that the office – as the place where work is performed, information shared and knowledge created – will undergo a similar, and no less startling, metamorphosis. In fact, a brave new breed of digital technologies has already begun to transform the familiar office landscape from a highly structured, physically constrained workplace into a virtually unbounded collaborative space.

Today, digital office devices are converting information historically delivered in the form of newspapers, magazines and books into bits – electronic strings of 1s and 0s that can be zapped around the globe in a heartbeat. Hewlett-Packard, for example, recently introduced the HP 9100C Digital Sender. This workgroup com-

munication device digitally compresses text and images from product brochures, bills of lading or office correspondence into electric files, which can be transmitted to colleagues via e-mail. Digital Sender also allows users to send the electronic files to networked fax machines, PCs and printers.

Digital Sender is only one component of Hewlett-Packard's broader vision of the digital office of the future. This vision is based on a concept called utility computing, in which the flow of digital information is effortless and accessible – and as inconspicuous as the electrical current. Ultimately, Hewlett-Packard envisions infrastructure so pervasive and dependable that it will melt imperceptibly into the office landscape.

Xerox's digital office strategy is no less innovative or compelling. At the company's Palo Alto Research Center, researchers have developed a community-based approach to the design and use of digital technology for the office. Xerox's Document Centre solutions allow workgroups to perform digital copying, printing, faxing and scanning from the desktop.

"Documents – whether paper or digital – are among the most important intellectual assets a company has," notes Tom Durkin, vice president of strategy and business development, Xerox Office Business Unit. "They can capture the essence of an idea, provide direction to a group or articulate an organization's hopes and dreams for the future. Through our Document Centre systems, we've essentially reinvented the hallway copier as a portal through which documents pass into and out of a broader community of users."

Novell is helping transform the office from a stationary place centered around the desktop computer and telephone into an intelligent networked environment that enables individuals to do business anywhere – at any time. GroupWise, Novell's premier network collaboration solution for business professionals, demonstrates the company's commitment to this vision of the future. GroupWise offers individuals a range of information capabilities, including document management, personal calendaring, group scheduling, e-mail, and Web access.

Whatever shape digital offices assume in the future, one thing is certain: Tomorrow's collaborative spaces will invite a broader, more diverse community of individuals to actively participate in the creation, revision and application of knowledge. It is important to remember, however, that with the virtually unlimited potential of such a dynamic work environment comes a whole new set of questions and challenges concerning information management.

From the user's perspective, only those people who are willing to share some of the information that has historically resided on their desktops will thrive in this new environment. Individuals imprisoned in the decades-old, desktop-centric mindset will no doubt struggle to adapt. Managers accustomed to convening with staff in the cosy confines of conference rooms will need to suspend – at least occasionally – their biological need for physical presence, recognizing the substantial benefits of collaborating in cyberspace. Perhaps most important, as desktop computers, hallway copiers and handheld devices evolve into two-way portals to the world of information, business leaders will need to weigh judiciously those decisions concerning who is entitled to access what information, and how they are allowed to use it.

C. Answer the questions:

1. What is the function of HP 9100C Digital Sender?
2. What is meant by a utility computing concept?
3. What is peculiar to GroupWise?
4. What are the challenges of information management?

T a s k 3. Figure out the order of the paragraphs of this scrambled text "Computers".

A. By the 1990s, systems that can be trained to read handwriting may be created. The new computers will understand not just your voice, but also your preferences. They will be able to scan and store all kinds of information—books, letters, scribbled notes, TV images, photos, electronic messages, and etcetera.

B. No more. As trends analyst John Naisbitt is fond of pointing out the "information float" has vanished. Now, intercontinental cables and communication satellites can move information long distance so fast that they often outstrip more conventional, short-distance communications. Modern communications move information at literally the speed of light. And as any student of elementary physics knows, that's as fast as it will get.

C. Managers who won't sit down at a telecommunications work station but insist on dictating to a secretary, who takes short-hand, transcribes her notes, and passes them back for checking, simply aren't communicating as fast as they could. Once on their way, electronic messages that are slowed by busy lines or delayed as they wait for capacity to open up a major switch also do not average anything like the speed of light. Integration

is thus the key buzzword in telecommunications circles today. No more can personal computers operate as "islands of computing unable to communicate."

D. The ultimate, perhaps, is a computer that can understand continuous speech patterns, regardless of who is speaking, and translate an unlimited vocabulary into typed words of action. It might dip into the corporate database, for example, and pull out sales numbers organized by salesman, by quarter and by region-without anyone typing in the commands. Such multiple-speaker, general-purpose speech recognition systems may be no more than 15 years off.

E. As recently as the mid-19th century, when telegraph lines crossing the North American continent quickly spread the news of President Lincoln's assassination throughout the country, the absence of transatlantic cables meant Europe did not learn of the event for nearly a week.

F. If the executive wants data out of a file, he simply touches "file cabinet" on his screen's main menu. Up pops a picture of a file cabinet. When he touches the drawer, it opens to reveal the folder. To add, modify or transmit information, the executive touches another spot in the screen, and then talks into a built-in microphone. His dictation is stored on a digital disk from which he can retrieve it for transcription into the word processor.

G. For the bulk of human history, communication has crept along at a snail's pace. Ancient South American Indians advanced it by organizing elaborate relays of runners to carry important messages. Elsewhere, seafaring technology allowed many cultures to send word by ship. And beacon lights combined with a dash by horseback heralded the beginning of the American war of independence against Britain.

H. Today, a personal computer or a terminal connected to a mainframe computer needs to serve as the hub of a complex information system and should include at least the capability to retrieve and transfer information. Added features, such as decision-support software, word-processing, calendars, project management, and even teleconferencing – at least with voice if not with video – are being added.

I. Amid all the marketing glitter, there is plenty of substance to this technological battle. That's because, while the universal limit on speed cannot be violated, the new technologies promise to improve what might be called the net effective rate of communications.

J. Pentias envisages the day when the executive desktop will be an integrated information system. "If you find a quote in a magazine you like, you should simply be able to circle it and have it immediately stored by the computer," he says, "regardless of whether you're sitting to the left or to the right of your desk. If you have an important discussion on the phone, it should be immediately transcribed and stored".

K. Fibre-optic communication is perhaps the epoch-making technical accomplishment of the 20th century in the field of communications.

T a s k 4. Memorize the following vocabulary:

to obsess, to captivate, to infuriate, to dominate, millennium, underestimation, eventually, ultimately, dazzling, amazing, to launch a quest, information-processing machines, a calculator, elaborate, to dub, to generate venture capital, to toss, a programmable machine/device, breakthrough, to outline, ingenious, contraption, controversy, to crack secret codes, to ponder, versatile, prescient, acolyte, feasibility.

T a s k 5. Read and translate the text from the magazine "News-weekExtra", Winter 1997-98.

The Computer

By Steven Levy

As the century comes to a close, the technology that obsesses us, captivates us, infuriates us and dominates us is the computer. But ultimately, this most amazing of inventions won't be seen as an artifact of the old millennium but the defining force of the one just dawning. Do you really think that we're already into the computer age? That's a gross underestimation of what the computer will eventually do to change our world, our lives and perhaps the nature of reality itself.

Underestimation, as it turns out, has been a constant in the brief but dazzling History of this amazing machine. Surprisingly, the tale begins in the 19th century, when Charles Babbage, an English mathematician born in 1791, launched a lifelong quest to build information-processing machines—first a calculator called the Difference Engine and then a more elaborate programmable device dubbed the Analytical Engine. He lacked—among

other things— electricity, transistors, keyboards and Bill Gates. Yet in the 1830s he came astonishingly close to producing something very much like the computers that would be celebrated decades after he died. Unfortunately, his skill at innovation was not matched by an ability to generate venture capital, and his plans were tossed into the unforgiving core dump of history.

The idea of a programmable machine that performed humanity's mental labors reappeared in the 1930s. Specifically, the breakthrough came at the hands of another eccentric English mathematician, Alan Turing, who outlined how it was possible to build something that could perform virtually any mathematical task that one could describe. His proof involved an ingenious imaginary device that would be known as the Universal Turing Machine – essentially, a machine that could duplicate the work of any other machine. Even if the "machine" were a human calculator. Turing knew what the rest of us are still trying to wrap our minds around – such a contraption, a computer, can do anything. It's an invention that breeds invention itself.

But it took a war to bring about the physical devices that would be known as the first real computers. (A small but noisy controversy among computer historians involves whether a device constructed in 1939 by John Atanasoff and his student at Iowa State University, Clifford Berry, deserves the true mantle of First Electronic Computer.) In England Turing himself worked on machines that helped crack the secret codes used by the Germans. In Germany itself, a wizard named Konrad Zuse was working on that country's computing effort but never fully realized his ideas. And in America, a Hungarian genius named John von Neumann—perhaps the premier mathematician of this century—was pondering mechanical devices to help perform the calculations required for the Manhattan Project. A chance meeting at a train platform in 1944 led him to a team of scientists working at the University of Pennsylvania to create ENIAC (Electronic Numerical Integrator and Computer), which many people consider the true Adam of computers. Designed by J. Presper Eckert and John Mauchly to help crunch numbers for artillery-target estimates, this device used 18, 000 vacuum tubes and cost \$400, 000.

Von Neumann was fascinated, and he worked with the ENIAC people to take computing to the next level: EDVAC, which was essentially a blueprint for the machines that followed: memory, stored programs and a central processor for number crunching. This scheme was sufficiently versatile to launch computers into the commercial realm. But even then, underestimation was as thick as in Babbage's day. Thomas Watson Sr., the head of the company that was perhaps most prescient of all in embracing the idea—IBM – thought it unimaginable that there would ever be a worldwide need for the machine. "I think there is a world market," said Watson, "for maybe five computers."

As we know, IBM sold a lot more than five computers. During the '50s and '60s big institutions and businesses used these expensive devices to perform complicated tasks, churning out responses to programs fed into the machine on manila cards. But while a quasi-priesthood of caretakers controlled access to the rooms that held these beasts, a small underground proto-hacker culture also emerged. These adventuresome super nerds used the computer to process words, to draw pictures and even to play chess. (Nay Sayers predicted that a computer would never master this purely human intellectual pursuit. Garry Kasparov probably wishes they were right.)

What finally bound those two cultures together was the development of the personal computer. This was made possible by the invention of the microprocessor – a computer on a chip – by Intel Corp.'s Ted Hoff in 1971. Essentially, what once filled a room and cost as much as a mansion had been shrunk down to the size of a postage stamp and the cost of a dinner. By 1975, the PC was just waiting to be born, and the obstetrician was Ed Roberts, a Florida-born engineer who dreamed of a machine that would deliver to the ordinary man a machine that was the mental equivalent of what the pharaohs had in Egypt: thousands of workers to do one's bidding. His Altair microcomputer was announced in January of that year, and though it had limited practical value (the only way to put a program in was to painstakingly flick little switches), it caused a sensation among a small cult of tweak-heads and engineers.

Like who? A Harvard student named Gates, for one, who instantly began writing Altair software. Another acolyte was Stephen Wozniak, who quickly designed his own machine, the Apple II.

Even then, people still kept underestimating. Consider what Ken Olsen, head of the then powerful Digital Equipment Corp., had to say when asked about the idea of the computer's becoming a common device: "There is no reason for any individual to have a computer in his home." What proved him wrong was the grass-roots development of software for these small devices: word processing, games and, perhaps the most crucial of all, a program called VisiCalc that not only automated the previously tedious task of calculating financial spreadsheets, but made modeling of business plans as easy as sneezing. Electronic spreadsheets were the tool that per-

sueded big business (which had previously turned its nose up at personal computers) to adopt the machines wholesale. And a new industry was suddenly thriving.

The next big step was the move to computer communications in the '90s, when a program called Mosaic, written by students at the University of Illinois who later helped found the Netscape company, shot what was already an accelerating global Internet into serious overdrive. The prospect of millions of computers connected worldwide was suddenly a reality. People are still processing the effects of that explosion. And a lot of people, still in denial, are kidding themselves by thinking that the end of the Net transformations is anywhere in sight.

Where are the frontiers of computing? It's scary to contemplate, because the field is so young and the technology so flexible. But consider what some computer scientists are already working on. Nanocomputers—microscopic devices that may change the way we think of materials. Digital ink that will, in effect, transform paper into something as protean as computer screens. And "artificial life" software that works like biological organisms, so much so that it strives to be classified as itself alive.

Skeptics dismiss the feasibility of many of these ambitious projects. In other words, people still persist in underestimating the power of a machine whose limitations are seemingly unbounded. If history is our guide, even our imaginations cannot grasp what the computer will ultimately become.

T a s k 6. Discuss the following points from the previous text.

1. The history of the computer up to the '60s of the 20th century.
2. The appearance of a personal computer.
3. The move to computer communications.

T a s k 7. Give a summary of the following texts from "Newsweek Special Issue", Winter 1997-98.

THE MOUSE

Humble in size (fits in your palm) and even humbler in name, the computer mouse is now taken for granted. Actually it's part and parcel of the elephant-size leap forward in computing that it accompanied: the graphical user interface, or GUI. In the mid-'60s, when GUI's godfather, Douglas Engelbart, began playing with what would become windows and menus, he realized that for people to comfortably access the stuff within a computer, they'd need a tool that let them intervene directly on their screens, without necessarily using a keyboard. After experimenting light pens and steering wheels, he decided on a pointing device as easy to use as an index finger. The first prototypes were wheeled blocks carved from wood. Later variations at Xerox's Palo Alto Research Center and at Apple streamlined and reshaped the device. Now only the tail-like wire is really mousey.

BAR CODES

Supermarket clerks use bar-code scanners to whisk your purchases from cart to bag in no time, but the technology behind them developed more slowly. In 1948, a grad student named Bernard Silver overheard a foodchain exec bemoan the lack of an automated-checkout system. Silver, with fellow student Norman Woodland, developed and patented a system that used light to read a set of concentric circles. Crude and cumbersome, Woodland and Silver's concept waited for decades for the two innovations that would make it practical: computers and lasers. By the late '60s, they'd arrived. In 1973, IBM's Universal Product Code was adopted by the grocery industry. The following summer, a single pack of gum became the first item sold with a scanner. Store managers quickly discovered they could use the system not just to speed checkouts, but also to control inventory and gauge customers' habits. Shopping has never been the same.

THE CELLULAR PHONE

With its catchy name and clear convenience, the walkie-talkie was one of the hits of World War II. So after the war, companies moved to capitalize on the public interest in wireless phones. In 1946 AT&T set up the first commercial public radiotelephone service, in St. Louis. The system used a single transmitter and offered just six channels. It was a success, but was soon backlogged. And the system couldn't be expanded without clogging

the radio frequencies. In 1947 AT&T hit upon the solution: instead of a single transmitter, you could create a network of low-power transmitters, each placed in a region or "cell." As a phone user travels, calls could be handed off from cell to cell, allowing more people simultaneous access to the airways. In 1983, the first commercial cellular system clicked on with a call from Chicago to the grandson of Alexander Graham Bell in Germany. Experts predict some 500 million users by 2001.

T a s k 8. Read the text and point out the main facts concerning

- 1) the history of faxes and copiers;
- 2) their applications throughout the world.

Machines that make copies and send copies have become the modern offices favorite gadgets.

FAXES & COPIERS

By T. Trent Gegax

Of all the electronic gadgetry in today's office, the PC is the most important and widely used. No-brainer, right? Only if PC means "photocopier." The personal computer doesn't even rank second. That distinction belongs to the fax. Now here's another surprise: after the telephone, the fax is the most important modern office innovation to be created in the 19th century. Alexander Bain, a hard-drinking Scot, patented the first fax process in 1843. As a schoolboy, Bain scored poorly and obsessed on clocks. After he moved to London, he developed the so-called master-slave mechanism, which, among other things, synchronized systems of school clocks. Bain's synchronization skills were indispensable for early fax technology. It required the transmitter of an image to send, via precisely timed telegraphy, successive lines of the image to a receiver, which were then reassembled at the exact same speed with the help of electromagnetic pendulums. Nearly a century later, the idea for "electrophotography" came to Chester Carlson, a poor Caltech grad working in a New York City patent office. It was 1934, and Carlson found himself in constant need of duplicate copies of patent specifications. Loath to hand-copy everything, he set about saving himself time. Since he knew that large companies were already exploring photographic and chemical copy processes, he turned his apartment into an electrostatics laboratory. It took Carlson four years to hit pay dirt. His first photocopied message: "10-22-38 ASTORIA." Carlson sold his idea to a New York firm that wanted an exotic name for its new process. A consultant, William Robert Jones, an Ohio State University classics professor, chose the Greek word for "dry writing": xerography. A decade later, the company renamed itself Xerox. Its breakthrough 914, a 650-pound monster that cost \$29, 500, debuted in 1960. By the 1970s Xerox had permeated corporate America.

As the copier bloomed, the much older fax finally began taking root. The first commercial fax machine, then called long-distance xerography, went into service in 1964. The fax boom began in 1980, when the price dropped below \$2, 000 and a digital standard made it possible to network all faxes worldwide. Between 1985 and 1990, fax machines proliferated – from 500,000 to 5 million. Federal Express tried to capitalize on the technology with ZAP Mail, a heavily promoted, high-speed fax service. It was a disaster, costing the company \$300 million, says Jonathan Coopersmith, a tech history professor at Texas A&M. "But in the process," he says, "it popularized the fax machine."

Both pieces of equipment have played small roles in historical dramas. In 1962 the CIA used a Xerox repairman to mount an 8-mm movie camera inside the Xerox 914 at the Soviet Embassy in Washington, D. C. For its part, the fax has developed into a propaganda tool for democratic movements. During the 1989 Tiananmen Square demonstration, Chinese students in the United States faxed pro-democracy manifestoes to random Chinese fax numbers. Mikhail Gorbachev beat back a coup attempt in 1991 with the help of Russian citizens who faxed updates to the Voice of America that in turn were read back over the airwaves to millions of Russians.

Though they seem indispensable to modern life, the fax and photocopier may have begun their inevitable decline.

Some experts predict that e-mail and the Web will make the fax and photocopier redundant. But not for another two decades, predicts Columbia University's Michael van Biema. "We have this view of America being cutting edge," he says. "But an awfully large number of our documents still take four days to get from A to B by way of the U. S. mail."

T a s k 9. Listening comprehension.

- A. Listen to the first and second conversations and define what the products are.
- B. Point out the clues that helped you to understand what it is.
- C. Listen to the third conversation and give a hands-on-demonstration of the alarm.

Conversation #1

Woma OK, Bob. So first of all, you make sure that's there's
n: paper.
Man: Yeah, uhuh.
Woma Yes, fine ... there. And then you put the document
n: down. Face down.
Man: Mhm.
Woma Right. And then you indicate in the digital display
n: here how many copies you want.
Man: Mhm.
Woma So that's ...what? Two. We want two.
n:
Man: Fine.
Woma And then you pressed the button.
n:
Man: Easy as that?
Woma Yeah.
n:

Conversation #2

Man: OK, so you've got your document. OK. Two pages.
So, the first page, OK, you turn face up
Woma Yeah.
n:
Man: And you feed it into the slot here, and it takes it in
automatically.
Woma Oh, right.
n:
Man: Yeah? And then you dial the number that you want.
Woma What here?
n:
Man: Just there, yeah. And you ... press the green button.
Woma Right.
n:
Man: OK. And it dials the number automatically.
Woma Yes.
n:
Man: And it connects with the fax at the other end. And
then it automatically sends the first page. It just feeds
through.
Woma Oh, right, yes.
n:
Man: And then when the first page finished, there's a 'beep'
and it's simple, you just feed in the second page.

Woma Straight away after the other one?

n:

Man: In the same way, that's right. That's right.

Woma Right.

n:

Man: Yeah. And then at the end there's another beep, which you ignore and wait for the ... just wait for the line to disconnect and then you see the display there says: FAX DONE. And that's it.

Woma Oh, right. Oh, I think I can manage that.

n:

Conversation #3

Woma OK, so you want me to set me the alarm for tomorrow morning?

Man: Show me how to do it, yeah?

Woma OK, I'll show you. First of all, you press MODE.

n:

Man: Yeah.

Woma That's what it's set at now, 6.07.

n:

Man: No, no, no.

Woma Too early?

n:

Man: Too early.

Woma Right. I press this button. Now, 7.07?

n:

Man: No. 7.30.

Woma 7.30. OK. So I press the other button. 8, 9, 10 ...

n:

Man: It's a bit like the video.

Woma It is a bit, isn't it? You just have to keep on pressing that button, until we get to 28, 29,30. OK? Now press MODE again. But the numbers are still flashing. So

n: ...

Man: Right.

Woma Press MODE again.

n:

Man: Right.

Woma That's 2.19 now. And then I press that and the alarm is set to come on.

Man: All right.

Woma Tomorrow morning at 7.30.

n:

Man: Excellent.

Woma A pleasure.

n:

Man: Thanks.

UNIT THREE

Task 1. Classics – lessons in management solutions. Read, translate and discuss the following text.

CREATIVE THOUGHT, NOT QUICK FIXES

John K. Clements, an associate college professor, contends there is no better parable for the executive nearing retirement than King Lear. He believes students can learn more about management from the classes than from all the finance textbooks written since the Dark Ages. "Management is essentially one of the humanities", he asserts. "It is the most human of enterprises".

In Clements's course, "Masters in Management", business majors analyse such works as Plato's "Republic", Plutarch's "Lives", and Homer's "Iliad" for lessons applicable to corporate life. The point is to learn that dealing with people is more complex than dealing with numbers. Solutions require creative thought, not quick fixes. Lear, for example, shows how disaster can result when an aging manager allows flattery to influence his choice of a successor; in the "Iliad", Agamemnon and Achilles resemble rival executives who refuse to compromise for the good of their company.

Clements decries the recent state of the "how-to" best-sellers on management as oversimplified. "In business", he says, "if you do A-B-C, D often will not happen".

Decades of business school education have conditioned managers to reach for rational, logical and quantifiable decisions in the development of their business. For all the benefits this scientific foundation has brought to modern organization theory, some analysts deplore the other side of this trend – the relegation of human intuition to a distant backseat.

Conventional managers are often deterred from recognizing and using their own intuitive powers because they feel that intuition is not intellectually respectable. The cult of rational manager has an iron grip on such minds.

Intuition is the power or faculty of immediately apprehending that something is the case.

Apparently it is done without intervention of any reasoning process. There is no deductive or inductive step-by-step reasoning, no conscious of the situation, no employment of the imagination – just a quick and ready insight – "I just know".

Sherlock Holmes personifies the thinker who relies primarily on looking carefully at the evidence and drawing correct deductions from the premises – establishing the truth of the matter, and then deciding what to do. That is one strategy.

But the intuitive person doesn't seem to follow that route. His mind tells him instantly what must have happened or who committed the murder.

In practice, it is not a question of either/or. A Sherlock Holmes may work logically for a time and then suddenly have an intuition, or conversely, an intuitive person may be equipped with formidable powers of analysis which he habitually brings to bear upon his intuitions.

T a s k 2. Unscramble the words to figure out some of the creative problem-solving techniques managers favor. Begin with the word in bold type.

1. **and, problem, define, the**, understand.
2. **mood, yourself, relax, in, put, humorous, playful, a**.
3. generate, **passing, alternatives, before, several, any, judgments**.

4. **elements, combine, existing, new, in, a, way.**
5. **go, word-association, fantasize, through, exercises.**
6. **find, problem, similar, solved, how, other, aspect, in, life, of, analogy, some, a, or, is, nature, use, out.**
7. **it, the, restate, find, that paradox, then, problem, in, as, solves, an, analogy, a.**
8. **parts, engage, both, and, conscious, subconscious, of, the, the, brain.**
9. **anybody's, not, do, flashes, creative, quash.**

T a s k 3. Discuss the following statements.

The latest research identifies some common traits of a creative thinker:

1. **Creative types are generally highly motivated, independent, and persistent. They are also risk-takers, great skeptics, but have a strong sense of humor.**
2. **Creative people are often hard to get along with.**
3. **Hunches, instincts and emotions play big roles in their decision-making.**
4. **They prefer the complex and asymmetrical in objects as well as in intellectual tasks.**
5. **Disorder doesn't make them anxious; indeed, they relish it.**
6. **Creative people usually don't have a dull, predictable childhood. Instead, childhood is marked by exposure to diversity. Parents show greater-than-average cultural and intellectual interests and grant their offspring unusual freedom in exploring and making decisions. Strains in family life – financial ups and downs or divorces – are common. Experts believe a doze of adversity gives children the ability to see issues and problems from different points of view.**
7. **Forget the old stereotype of the creative genius as a loner. The most creative, gifted people are veritable gadabouts.**
8. **Studies have shown that experts who talk with their peers hold more patents, publish more patents, and produce more innovative work than their more aloof colleagues.**
9. **Creative problem solving draws on everything from knowledge, logic, imagination and intuition to the ability to see connections and distinctions between ideas and things.**

T a s k 4. Which of the following statements would you agree with? Discuss your views in threes or fours.

1. **Modern education, which stresses logic, fosters creativity.**
2. **To be a creative thinker, an exceptionally high IQ is more important than values and personalities.**
3. **In more fields, creative inspiration works best after years of hard work.**
4. **One should follow the rules instead of wasting time questioning them.**
5. **Being practical leads to the greatest efficiency.**
6. **Trying to find the only right answer may stifle your creative impulses.**
7. **Creativity is a combination of different types of thinking: analytical, logical, verbal, intuitive and emotional.**
8. **Creativity is a divine gift that cannot be explained, and therefore cannot be learnt.**

T a s k 5. Put the paragraphs of the jumbled text in the right order.

Plan Your Work, And then Work Your Plan

A. Driving to work on Monday morning, you quickly reviewed once again your day's schedule, your week's tactical outline and the month's scenario. You entered your office at 8:30 a.m., sat down behind your desk for last-minute inspiration. Before you got down to your work you look, in the aphorism on the opposite wall: "PLAN YOUR WORK, THEN WORK YOUR PLAN". You had already done the first part: you were ready now to dive into the last part.

B. To illustrate this, let us imagine that you are a manager with a few years' experience. You know that the management process consists of planning, organizing, reading, coordinating and controlling.

C. First your mind went quickly through tomorrow's (Monday's) scenario. This was easy, because you had spent the last hour before quitting time on Friday getting organized for Monday. What you ended up with was not a plan but a very tight schedule.

D. One Sunday afternoon you were doing the planning part of the process in your living room with the TV set tuned to a programme you were ignoring. Your spouse was down the street gossiping with the neighbors, your youngsters were up the street "doing their thing", and you were making the most of your solitude to do some planning.

E. Next your mind scanned the entire week. You knew better than to schedule that far ahead, for Murphy's three famous laws would have made a shambles of it. But you did have a tactical plan for getting a number of issues squared away that had been hanging fire for too long. Finally, your mind, like a radar beam, scanned the entire upcoming month. This you recognize, is long-range planning, in which one can easily lose sight of both the forest and the trees.

T a s k 6. Read, translate and discuss the following texts. Make up a few questions on the basis of the texts and answer them.

TYPES OF DECISIONS AND PROBLEMS

A **decision**¹ is a choice made from available alternatives. For example, an accounting manager's selection among Bill, Nancy, and Joan for the position of junior auditor is a decision. Many people assume that making a choice is the major part of decision making, but it is only a part. **Decision-making**² is the process of identifying problems and opportunities and then resolving them. Decision-making involves effort both before and after the actual choice. Thus, the decision as to whether to select Bill Nancy, or Joan requires the accounting manager to ascertain whether a new junior auditor is needed, determine the availability of potential job candidates, interview candidates to acquire necessary information, select one candidate, and follow up with the socialization of the new employee into the organization to ensure the decision's success.

PROGRAMMED AND NONPROGRAMMED DECISIONS

Management decisions typically fall into one of two categories: programmed and nonprogrammed. **Programmed decisions**³ involve situations that have occurred often enough to enable decision rules to be developed and applied in the future. Programmed decisions are made in response to recurring organizational problems. The decision to reorder paper and other office supplies when inventories drop to a certain level is a programmed decision. Other programmed decisions concern the types of skills required to fill certain jobs, the reorder point for manufacturing inventory, exception reporting for expenditures 10 percent or more over budget, and selection of freight routes for product deliveries. Once managers formulate decision rules, subordinates and others can make the decision, freeing managers for other tasks.

Nonprogrammed decisions⁴ are made in response to situations that are unique are poorly defined and largely unstructured, and have important consequences for the organization. The question of how to deal with charges of faulty Pentium chips was a nonprogrammed decision. Intel had never faced this type of problem and

¹ **Decision** A choice made from available alternatives.

² **Decision-making** The process of identifying problems and opportunities and then resolving them.

³ **Programmed decision** A decision made in response to a situation that has occurred often enough to enable decision rules to be developed and applied in the future.

⁴ **Nonprogrammed decision** A decision made in response to a situation that is unique, is poorly defined and largely unstructured, and has important consequences for the organization.

did not have rules for dealing with it. Many nonprogrammed decisions involve strategic planning, because uncertainty is great and decisions are complex. Decisions to build a new factory, develop a new product or service, enter a new geographical market, or relocate headquarters to another city are all nonprogrammed decisions. When Goodyear CEO Stanley Gault decided to launch four new tires at once and sell through new distribution channels, such as Wal-Mart, Kmart, and Sears, he made a nonprogrammed decision. Gault and other top executives had to analyze complex problems, evaluate alternatives, and make a choice about how to revive the failing company.

GERTAINTY, RISK, UNCERTAINTY, AND AMBIGUITY

In a perfect world, managers would have all the information necessary for making decisions. In reality, however, some things are unknowable; thus, some decisions will fail to solve the problem or attain the desired outcome. Managers try to obtain information about decision alternatives that will reduce decision uncertainty. Every decision situation can be organized on a scale according to the availability of information and the possibility of failure. The four positions on the scale are certainty, risk, uncertainty, and ambiguity, as illustrated in Exhibit 9.1 on page 281.

CERTAINTY. **Certainty**⁵ means that all the information the decision maker needs is fully available. Managers have information on operating conditions, resource costs or constraints, and each course of action and possible outcome. For example, if a company considers a \$10,000 investment in new equipment that it knows for certain will yield \$4,000 in cost savings per year over the next five years, managers can calculate a before tax rate of return of about 40 percent. If managers compare this investment with one that will yield only \$3,000 per year in cost savings, they can confidently select the 40 percent return. However, few decisions are certain in the real world. Most contain risk or uncertainty.

RISK. **Risk**⁶ means that a decision has clear-cut goals and that good information is available, but the future outcomes associated with each alternative are subject to chance. However, enough information is available to allow the probability of a successful outcome for each alternative to be estimated. Statistical analysis might be used to calculate the probabilities of success or failure. The measure of risk captures the possibility that future events will render the alternative unsuccessful. Some oil companies use a quantitative simulation approach to estimate hydrocarbon reserves, enabling oil executives to evaluate the variation in risk at each stage of exploration and production and make better decisions. Apple Computer took a calculated risk by launching a new line of Macintoshes using the speedy PowerPC chip. The computer maker's future may hinge on new new, more powerful line, but too aggressive a transition could devastate sales of the company's older, core products.

UNCERTAINTY. **Uncertainty**⁷ means that managers know which goals they wish to achieve, but information about alternatives and future events is incomplete. Managers do not have enough information to be clear about alternatives or to estimate their risk. Factors that may affect a decision, such as price, production costs, volume, or future interest rates, are difficult to analyze and predict. Managers may have to make assumptions from which to forge the decision even though it will be wrong if the assumptions are incorrect. Managers may have to come up with creative approaches to alternatives and use personal judgment to determine which alternative is best.

For example, Boeing faced great uncertainty in the decision to build the entry-first-century airplane. Bypassing the traditional design route of building mock-ups, Boeing decided to build the new 777 plane, making the radical jump directly from computer image to finished product. Despite the collapse of air carriers such as Eastern and Pan Am, Boeing is gambling that its 777 will secure its future by filling the gap between the 218-passenger 767 and the 419-passenger 747.

Many decisions made under uncertainty do not produce the desired results, but managers face uncertainty every day. They must find creative ways to cope with uncertainty in order to make effective decisions.

Ambiguity. Ambiguity is by far the most difficult decision situation. **Ambiguity**⁸ means that the goals to be achieved or the problem to be solved is unclear, alternatives are difficult to define, and information about

⁵ **Certainty** All the information the decision maker needs is fully available.

⁶ **Risk** A decision has clear-cut goals, and good information is available, but the future outcomes associated with each alternative are subject to chance.

⁷ **Uncertainty** Managers know what goal they wish to achieve, but information about alternatives and future events is incomplete.

⁸ **Ambiguity** The goals to be achieved or the problem to be solved is unclear, alternatives are difficult to define, and information about outcomes is unavailable.

outcomes is unavailable. Ambiguity is what students would feel if an instructor created student groups, told each group to write a paper, but gave the groups no topic, direction, or guidelines whatsoever. Ambiguity has been called a "wicked" decision problem. Managers have a difficult time coming to grips with the issues. Wicked problems are associated with manager conflicts over goals and decision alternatives, rapidly changing circumstances, fuzzy information, and unclear linkages among decision elements. Fortunately, most decisions are not characterized by ambiguity. But when they are, managers must conjure up goal and develop reasonable scenarios for decision alternatives in the absence of information. When reports surfaced several years ago that syringes and hypodermic needles had been found in cans of Pepsi, Pepsi-Cola executives faced ambiguity squarely in the face, as described in the Focus on Decision Making box. Another example of ambiguity is in the movie industry—one of the most difficult in which to make decisions because so many new movies are flops. At Warner Brothers, studio executives build personal relationships with top stars, so they will want to do pictures with the studio. Another approach is to provide stars with a percentage of gross revenues rather than a huge salary. For *Batman*, Jack Nicholson received up to 15 percent of the studio take and Michael Keaton, 8 percent. The stars made millions because *Batman* was so successful, but they would have made little if it had failed. Warner Brothers uses these approaches to reduce the financial risks of ambiguity when making new movies.

DECISION-MAKING MODELS

The approach managers use to make decisions usually falls into one of two types—the classical model or the administrative model. The choice of model depends on the manager's personal preference, whether the decision is programmed or nonprogrammed, and the extent to which the decision is characterized by risk, uncertainty, or ambiguity.

CLASSICAL MODEL

The **classical model**⁹ of decision-making is based on economic assumptions. This model has arisen within the management literature because managers are expected to make decisions that are economically sensible and in the organization's best economic interests. The assumptions underlying this model are as follows:

1. The decision maker operates to accomplish goals that are known and agreed upon. Problems are precisely formulated and defined.
2. The decision maker strives for conditions of certainty, gathering complete information. All alternatives and the potential results of each are calculated.
3. Criteria for evaluating alternatives are known. The decision maker selects the alternative that will maximize the economic return to the organization.
4. The decision maker is rational and uses logic to assign values, order preferences, evaluate alternatives, and make the decision that will maximize the attainment of organizational goals.

The classical model of decision-making is considered to be **normative**¹⁰, which means it defines how a decision maker *should* make decisions. It does not describe how managers actually make decisions so much as it provides guidelines on how to reach an ideal outcome for the organization. The value of the classical model has been its ability to help decision makers be more rational. For example, many senior managers rely solely on intuition and personal preferences for making decisions. In recent years, the classical approach has been given wider application because of the growth of quantitative decision techniques that use computers. Quantitative techniques (discussed in detail in the appendix) include such things as decision trees, payoff matrices, break-even analysis, linear programming, forecasting, and operations research models. The use of computerized information systems and databases has increased the power of the classical approach.

In many respects, the classical model represents an "ideal" model of decision-making that is often unattainable by real people in real organizations. It is most valuable when applied to programmed decisions and to decisions characterized by certainty or risk, because relevant information is available and probabilities can be calculated. One example of the classical approach is the model developed by a Canadian organization for scheduling ambulance services.

⁹ **Classical model** A decision-making model based on the assumption that managers should make logical decisions that will be in the organization's best economic interests.

¹⁰ **Normative** An approach that defines how a decision maker should make decisions and provides guidelines for reaching an ideal outcome for the organization.

ADVANTAGES AND DISADVANTAGES OF PARTICIPATIVE DECISION MAKING

Whatever group techniques managers use for decision-making, there are clear advantages and disadvantages compared with individual decision-making. Because managers often have a choice between making a decision by themselves or including others, they should understand the advantages and disadvantages of participative decision making.

ADVANTAGES. Groups have an advantage over individuals because they bring together a broader perspective for defining the problem and diagnosing underlying causes and effects. In addition to enriching problem diagnosis, groups offer more knowledge and facts with which to identify potential solutions and produce more decision alternatives. Moreover people who participate in decision-making are more satisfied with the decision and more likely to support it, thereby facilitating implementation. Group discussion also can help reduce uncertainty for decision makers who may be unwilling to undertake a big risk by themselves. Finally, group discussion enhances member satisfaction and produces support for a possibly risky decision.

DISADVANTAGES. Group decisions tend to be time-consuming. People must be consulted, and they jointly diagnose problems and discuss solutions. Moreover, groups may reach a compromise solution that is less than optimal for the organization. Another problem is groupthink. **Groupthink**¹¹ is a "mode of thinking that people engage in when they are deeply involved in a cohesive in-group, and when the members' strivings for unanimity override their motivation to realistically appraise alternative courses of action." Groupthink means that people are so committed to the group that they are reluctant to disagree with one another; thus, the group loses the diversity of opinions essential to effective decision making. For example, many of the people involved in making the movie *The Bonfire of the Vanities* had doubts about casting decisions and changes in the story line, but no one was willing to voice these opinions. Director Brian DePalma says he had some reservations as well, but because everyone else seemed to be in agreement, he convinced himself that making the changes was the right decision.⁴⁸ Finally, there is no clear focus of decision responsibility, because the group rather than any single individual makes the decision.

One example of the disadvantages of group decision making occurred when a coalition at Citibank refused to change the practice of "parking"—the bogus transfer of foreign exchange deposits to shift bank profits to countries with low tax rates. The line between illegal and legal activities was hazy, and groupthink appeared—people were unwilling to disagree with the current practice because group norms supported high profits and reduced taxes. Group members were willing to compromise their values, groupthink reduced dissent, and there was no clear focus of responsibility because everyone had agreed to the potentially illegal practice.

IMPROVING DECISION-MAKING BREADTH AND CREATIVITY

Encouraging employee thinking and participation in solving problems can improve decision quality. Front-line workers who are in touch with the needs and concerns of customers can have a clearer insight into how to solve problems that directly concern those customers. For example, soliciting the input of terminal workers at Greyhound Lines might have helped Greyhound executives avoid some of the costly mistakes they made with the Trips reservation system. At Chrysler, the team manager for the new Dodge Neon asked for line workers' input regarding specific problems and got more than 4,000 ideas, many of which were implemented.

In today's fast-changing world, decisions must often be made quickly, and an organization's ability to stimulate the creativity and innovativeness of its employees is becoming increasingly important. Competitive pressures are challenging managers to create environments that foster and support creative thinking and sharing of diverse opinions. An environment in which bosses make all the decisions and hand them down to frontline workers is becoming not only inappropriate but inefficient. As organizations seek to take full advantage of all workers' abilities and make the best use of everyone's time, it makes sense to have those who are closest to a problem involved in solving it. The Leading the Management Revolution box describes how creative, participative decision-making helped Ford make its new Mustang.

How can managers pursue the advantages of participation and overcome some of the disadvantages? A number of techniques have been developed to help individual managers as well as groups make better decisions. These techniques are often used in the interactive and nominal group formats discussed in the previous section.

¹¹ **Groupthink** A phenomenon in which group members are so committed to the group that they are reluctant to express contrary opinions.

A **devil's advocate**¹² is assigned the role of challenging the assumptions and assertions made by the group. The devil's advocate forces the group to rethink its approach to the problem and to avoid reaching premature consensus or making unreasonable assumptions before proceeding with problem solutions. One management scholar has recommended that companies create "an institutionalized devil's advocate" by appointing teams to act as perpetual challengers of others' ideas and proposals. This forces managers and others to examine and explain the risks associated with a particular decision alternative. This approach would be similar to **multiple advocacy**¹³, a technique that involves several advocates and multiple points of view. Minority opinions and unpopular viewpoints are assigned to forceful representatives, who then debate before the decision makers. Former president Bush was renowned for using multiple advocacy in his decision-making. The proposal for clean-air legislation in 1989 was a textbook case, because White House aides staged debates they called "Scheduled Train Wrecks" to help Bush think through the issue. These were live scrimmages with Bush asking questions back and forth during the debate. The result was a decision based on solid argument and understanding of all perspectives.

Brainstorming¹⁴ uses a face-to-face, interactive group to spontaneously suggest ideas for problem solution. Brainstorming is perhaps the best-known decision aid; its primary role is to supply additional creative solutions. Kodak encourages continuous brainstorming and has created a "humor room" where workers can relax and have creative brainstorming sessions. The room is filled with videotapes of comedians, joke books, stress-reducing toys, and software for creative decision-making. The brainstorming technique encourages group members to suggest alternatives regardless of their likelihood of being implemented. No critical comments of any kind are allowed until all suggestions have been listed. Members are encouraged to brainstorm possible solutions out loud, and freewheeling is welcomed. The more novel and more unusual the idea, the better. The object of brainstorming is to promote freer, more flexible thinking and to enable group members to build on one another's creativity. The typical session begins with a warm-up wherein definitional issues are settled, proceeds through the freewheeling idea-generation stage, and concludes with an evaluation of feasible ideas.

SUMMARY AND MANAGEMENT SOLUTION

This chapter made several important points about the process of organizational decision-making. The study of decision-making is important because it describes how managers make successful strategic and operational decisions. Managers must confront many types of decisions, including programmed and nonprogrammed, and decisions differ according to the amount of risk, uncertainty, and ambiguity in the environment.

Two decision-making approaches were described: the classical model and the administrative model. The classical model explains how managers should make decisions so as to maximize economic efficiency. The administrative model describes how managers actually make nonprogrammed, uncertain decisions with skills that include intuition and coalition building.

Decision-making should involve six basic steps: problem recognition, diagnosis of causes, development of alternatives, choice of an alternative, implementation of the alternative, and feedback and evaluation.

At Intel, some observers believe Andrew Grove's doggedly analytical style hampered his ability to consider all sides of the situation to determine the true nature of the Pentium chip problem and carefully consider decision alternatives. Grove also failed to listen to employees who had a better feel for the situation, such as many of the company's 2,000 employees who had expressed disagreement with the harsh initial policy. Intuition is not highly valued at Intel—as Grove puts it, "Intuition is not going to get you a 3-million-transistor microprocessor." Evaluation and feedback led Grove to implement a replacement policy and decide that Intel needs to be closer to consumers. The company opened a hot line staffed by engineers to cut through the layers between chip designers and consumers. Intel could benefit from more participative decision making, particularly in regard to customer relations problems.

This chapter also explained the Vroom-Jago model, which managers like Grove can use to determine when a decision calls for group participation.

¹² **Devil's advocate** A decision-making technique in which an individual is assigned the role of challenging the assumptions and assertions made by the group to prevent premature consensus.

¹³ **Multiple advocacy** A decision-making technique that involves several advocates and presentation of multiple points of view, including minority and unpopular opinions.

¹⁴ **Brainstorming** A decision-making technique in which group members present spontaneous suggestions for problem solution, regardless of their likelihood of implementation, in order to promote freer, more creative thinking within the group.

Managers may use several types of groups, including interactive groups, nominal groups, and Delphi groups. As competitive pressures force today's organizations to shift toward forms of decision making that encourage creativity and sharing of diverse views, managers need to maximize the advantages of group decision-making and overcome the disadvantages. Useful techniques include devil's advocate, multiple advocacy, and brainstorming. These techniques can help managers and groups define problems and develop more creative solutions.

DISCUSSION QUESTIONS

1. You are a busy partner in a legal firm, and an experienced secretary complains of continued headaches, drowsiness, dry throat, and occasional spells of fatigue and flu. She tells you she believes air quality in the building is bad and would like something done. How would you respond?
2. Why is decision making considered a fundamental part of management effectiveness?
3. Explain the difference between risk and ambiguity. How might decision making differ for each situation?
4. Analyze three decisions you made over the past six months. Which of these were programmed and which were nonprogrammed?
5. Why are many decisions made by groups rather than by individuals?
6. The Vroom-Jago model describes five decision styles. How should a manager go about choosing which style to use?
7. What are three types of decision-making groups? How might each be used to help managers make a decision to market a product in a new geographical territory?
8. What is meant by *satisfying* and *bounded rationality*? Why do managers not strive to find the economically best solution for many organizational decisions?
9. What techniques could you use to improve your own creativity and effectiveness in decision-making?
10. Which of the six steps in the decision-making process do you think is most likely to be ignored by a manager? Explain.

CULTURE/PEOPLE CHANGES

A **culture/people change** refers to a change in employees' values, norms, attitudes, beliefs, and behavior. Changes in culture and people pertain to how employees think; these are changes in mindset rather than technology, structure, or products. People change pertains to just a few employees, such as when a handful of middle managers is sent to a training course to improve their leadership skills. Culture change pertains to the organization as a whole, such as when Union Pacific Railroad changed its basic mindset by becoming less bureaucratic and focusing employee on customer service and quality through teamwork and employee participation. The Leading the Management Revolution box describes one company's innovative approach to culture change. Training is the most frequently used tool for changing the organization's mindset. A company may offer training programs to large blocks of employees on subjects such as teamwork, listening skills, quality circles, and participative management. Training programs will be discussed further in Chapter 13 on human resource management.

Another major approach to changing people and culture is organizational development. This has evolved as a separate field that is devoted to large-scale organizational change.

ORGANIZATIONAL DEVELOPMENT

Organizational development (OD) is the application of behavioral science knowledge to improve an organization's health and effectiveness through its ability to cope with environmental changes, improve internal relationships, and increase problem-solving capabilities. Organization development improves working relationships among employees. The following are three types of current problems that OD can help managers address.

1. *Mergers/acquisitions.* The disappointing financial results of many mergers and acquisitions are caused by the failure of executives to determine whether the administrative style and corporate culture of the two companies "fit." Executives may concentrate on potential synergies in technology, products, marketing, and control systems but fail to recognize that two firms may have widely different values, beliefs, and practices. These differ-

ences create stress and anxiety for employees, and these negative emotions affect future performance. Cultural differences should be evaluated during the acquisition process, and OD experts can be used to smooth the integration of two firms.

2. *Organizational decline/revitalization.* Organizations undergoing a period of decline and revitalization experience a variety of problems, including a low level of trust, lack of innovation, high turnover, and high levels of conflict and stress. The period of transition requires opposite behaviors, including confronting stress, creating open communication, and fostering creative innovation to emerge with high levels of productivity. OD techniques can contribute greatly to cultural revitalization by managing conflicts, fostering commitment, and facilitating communication.

3. *Conflict management.* Conflict can occur at any time and place within healthy organization. For example, a product team for the introduction of a new software package was formed at a computer company. Made up of strong-willed individuals, the team made little progress because members would not agree on project goals. At a manufacturing firm salespeople promised delivery dates to customers that were in conflict with shop supervisor priorities for assembling customer orders. In a publishing company, two managers disliked each other intensely. They argued at meetings, lobbied politically against each other, and hurt the achievement of both departments. Organizational development efforts can help solve these kinds of conflicts.

Organizational development can be used to solve the types of problems just described and many others. Specialized OD techniques have been developed for these applications.

OD ACTIVITIES. A number of OD activities have emerged in recent years. Some of the most popular and effective are as follows.

1. *Team-building activities.* **Team building**¹⁵ enhances the cohesiveness and success of organizational groups and teams. For example, a series of OD exercises can be used with members of cross-departmental teams to help them learn to act and function as a team. An OD expert can work with team members to increase their communication skills, facilitate their ability to confront one another, and accept common goals.

2. *Survey-feedback activities.* **Survey feedback**¹⁶ begins with a questionnaire distributed to employees on values, climate, participation, leadership, and group cohesion within their organization. After the survey is completed, an OD consultant meets with groups of employees to provide feedback about their responses and the problems identified. Employees are engaged in problem solving based on the data.

3. *Intergroup activities.* These activities include retreats and workshops to improve the effectiveness of groups or departments that must work together. The focus is on helping employees develop the skills to resolve conflicts, increase coordination, and develop better ways of working together.

4. *Process-consultation activities.* Organizational development consultants help managers understand the human processes within their organization and how to manage them. Managers learn to think in terms of cultural values, leadership, communication, and intergroup cooperation.

5. *Symbolic leadership activities.* This approach helps managers learn to use the techniques for cultural change, including public statements, symbols, ceremonies, and slogans. For example, public statements that define a path finding vision and cultural values account for the success of such companies as Disney, Dana, and Wal-Mart. Managers can signal appropriate behavior through symbols and ceremonies, such as when Roy Ash had several of AM International's copying machines removed to signal the need for less paperwork.

Harold Geneen, president of ITT, captured the new value for his corporation with the slogan: "Search for the Unshakeable Facts," which helped do away with smoke screens and political games.

OD STEPS. Consider the cultural change at Westinghouse Canada's manufacturing facility at Airdrie, Alberta. Cycle time for made-to-order motor-controlled devices was reduced from 17 weeks to 1 week. One major requirement for reducing the time was to change the mind-set of both managers and workers to give workers more discretion. Instead of waiting for approval from superiors, production employees now talk directly with customers and suppliers to solve their problems.

Organizational development experts acknowledge that corporate culture and human behavior are relatively stable and that company-wide changes, such as those at Westinghouse Canada, require major effort. The theory underlying organizational development proposes three distinct steps for achieving behavioral and attitudinal change: (1) unfreezing, (2) changing, and (3) refreezing.

¹⁵ **Team building** A type of OD intervention that enhances the cohesiveness of departments by helping members learn to function as a team.

¹⁶ **Survey feedback** A type of OD intervention in which questionnaires on organizational climate and other factors are distributed among employees and the results reported back to them by a change agent.

In the first step, **unfreezing**¹⁷, participants must be made aware of problems and be willing to change. This step is often associated with *diagnosis*, which uses an outside expert called a *change agent*. The **change agent**¹⁸ is an OD specialist who performs a systematic diagnosis of the organization and identifies work-related problems. He or she gathers and analyzes data through personal interviews, questionnaires, and observations of meetings. The diagnosis helps determine the extent of organizational problems and helps unfreeze managers by making them aware of problems *in* their behavior.

The second step, **changing**¹⁹, occurs when individuals experiment with new behavior and learn new skills to be used in the workplace. This is sometimes known as *intervention*, during which the change agent implements a specific plan for training managers and employees. This plan may include team building, survey feedback, intergroup, process-consultation, and symbolic leadership activities as described earlier.

The third step, **refreezing**²⁰, occurs when individuals acquire new attitudes or values and are rewarded for them by the organization. The impact of new behaviors is evaluated and reinforced. The change agent supplies new data that show positive changes in performance. Senior executives can reward positive behavioral changes by employees. Manager and employees also participate in refresher courses to maintain and reinforce the new behaviors.

The spirit of what OD tries to accomplish with culture/people change was illustrated in Honeywell's use of OD to change the corporate culture from an autocratic to a participative mindset.

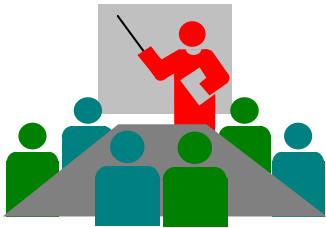
UNIT FOUR

Companies and Organizations

In this section various aspects of describing companies and referring to their activities are covered.

Background information about the organization.

What sort of company is it?



There are many types of business organization and the different terms can be confusing. Read both columns below. The left-hand column gives various types of organization and the other column contains short descriptions of each organization. Cover the Type column, and from the description name the type of organization. Finally, cover the Description column, and try to describe each organization listed.

Charity = an organization to relieve poverty, advance religion or education, etc; benefits from some financial concessions.

Company (UK) = an organization operating to make a profit corporation (US)

Cooperative = a democratic firm owned by its workers.

Enterprise = a new commercial activity [for example How's your new enterprise? Also in some company names; for example, Smiths Enterprises (enterprise = firm)]

Government agency = an organization which is part of the state administration.

Holding company = a firm, usually without commercial activity, created to be parent to other companies.

Limited company = a firm where shareholders' liability is limited.

Minority interest = company in which another firm has less than a 50 % interest.

Multinational = an organization operating in several countries.

Nationalized company = company owned by the state.

Offshore company = a firm based in a tax haven to avoid higher taxation.

¹⁷ **Unfreezing** A step in the diagnosis stage of organizational development in which participants are made aware of problems in order to increase their willingness to change their behavior.

¹⁸ **Change agent** An OD specialist who contracts with an organization to facilitate change.

¹⁹ **Changing** A step in the intervention stage of organizational development in which individuals experiment with new workplace behavior.

²⁰ **Refreezing** A step in the reinforcement stage of organizational development in which individuals acquire a desired new skill or attitude and are rewarded for it by the organization.

Operation = a general word for a company, usually a small one, part of a large group. It also means-activity; for example, our commercial operation.

Parent company = a company which owns another.

Partnership = two or more partners working together for profit, without limited liability.

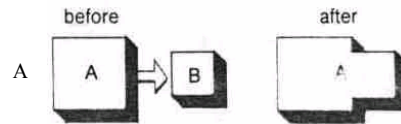
Private company = a company whose shares are not publicly available.

Public company = a company whose shares are publicly available.

Society = a friendly association of people; for example, a sports society (society = firm).

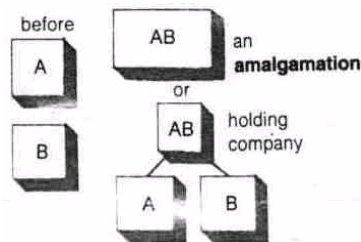
Subsidiary (affiliate) = firm owned by a parent company.

Changes between companies



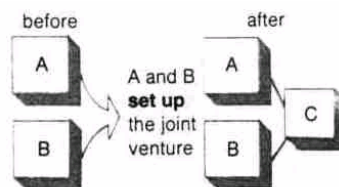
takeover (or acquisition)

A offers to buy B **A has taken over B**
privately, or makes
a take-over bid publicly
B accepts or resists

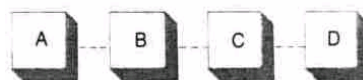


merger

A and B have merged



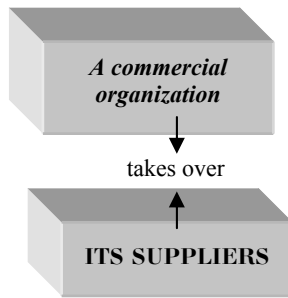
joint venture



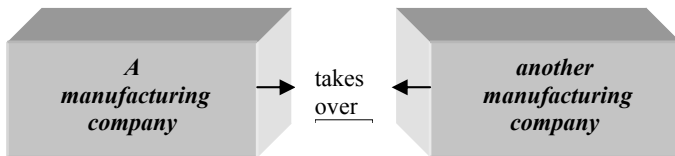
informal association

Note: In some countries, takeovers and associations which may have too much influence on the market (**cartels**), are controlled by **monopoly** (UK) or **antitrust** (US) **legislation**.

Horizontal and vertical groups



This is called vertical integration



THIS IS CALLED HORIZONTAL INTEGRATION

WHY DO TAKEOVERS OCCUR?

(from *Twenty Years of Acquisition Behaviour in America*, H. Ansoff et al., Cassell/Associated Business Programmes)

In order, from the companies asked:

1. To complete product lines
2. To increase market share
3. To fully utilize existing marketing capabilities
4. To offset unsatisfactory growth
5. To capitalize on technological expertise
6. To obtain patents, licenses and know-how
7. To meet the demand of diversified customers
8. To utilize existing production capacity
9. To increase control of sales outlets
10. To reduce dependence on suppliers

There may be occasions when you have to talk about the company (US English: corporation) you work for. It may be when you're actually showing someone around the place of work or premises. Or you may need to explain to someone how your company or your department is organized, who is responsible for different aspects of the business and how the company is run.

T a s k 1. Read and translate the following text. Make up a few questions on the basis of the text.

Companies and corporations

Companies are a very important part of a country's economy. Businesses produce goods and services, and they come in every shape and size. Although the vast majority of the world's companies are small, in many countries the economy is dominated by large firms. Large businesses differ from small ones in a wide variety of ways. In many countries there are nationalized companies belonging to the state, as well as private companies. A private company might be a small firm with just one owner or a very large firm with thousands of shareholders 'owning' the firm.

In very large firms the shareholders have very little to do with the day-to-day running of the firm. This is left to the management. Large companies may be organized into several large departments, sometimes even divisions. The organizational structure of some companies is very hierarchical with a board of directors at the top

and the various departmental heads reporting to them. Often the only time shareholders can influence the board is at the yearly shareholders' meeting.

Some firms may only produce one good or service. Others may produce many different products; in fact they may seem to be like a collection of 'businesses' inside one company. As a company gets bigger it may expand geographically. Many large firms are multinationals with manufacturing plants and trading locations in several different countries spread around the world.

Offices

The physical surroundings of most modern places of work, especially offices, are becoming more and more similar. Although there are some differences from country to country, one office looks much like another. Office furniture and equipment tends to be similar- desks, chairs, lamps, filing cabinets, computers, phones, photocopiers, etc.

The 'atmosphere' of the workplace can influence the effectiveness of a company's employees. Modern offices are more spacious and better lit, heated, ventilated and air-conditioned than in the past. But of course this is a feature that varies from firm to firm and may be dependent on the size of the company and its corporate 'philosophy'. In some companies, the employees work in large open-plan offices without walls between the departments. In others, the staff works more privately in individual offices.

Work relations with other people at the place of work include relationships with fellow employees, workers or colleagues. A great part of work or job satisfaction – some people say the major portion – comes from 'getting on' with others at work. Work relations will also include those between management and employees. These relations are not always straightforward; particularly the management's assessment of how you're performing can be crucial to your future career.

Industrial relations

There will always be matters about which employees will want to talk to the management. In small businesses the boss will probably work alongside his or her workers. Anything, which needs to be sorted out, will be done face-to-face as soon as a problem arises. There will be no formal meetings or procedures. The larger the business, the less direct contact there will be between employees and management. Special meetings have to be held and procedures set up, to say when, where, how and in what circumstances the employees can talk to the management. Some companies have specially organized consultative committees for this purpose.

In many countries of the world today, particularly in large firms, employees join a trade union and ask the union to represent them to the management. Through the union all categories of employees can pass on the complaints they have and try to get things changed. The process through which unions negotiate with management on behalf of their members is called 'collective bargaining'. Instead of each employee trying to bargain alone with the company, the employees join together and collectively put forward their views. Occasionally a firm will refuse to recognize the right of a union to negotiate for its members and a dispute over union recognition will arise.

Where there is disagreement, bargaining or negotiating will take place. A compromise agreement may be reached. Where this is not possible, the sides can go arbitration and bring in a third party from outside to say what they think should happen. However, sometimes one of the sides decides to take industrial action. The management can 'lock out' the employees and prevent them from coming to work. This used to be quite common, but is rarely used today.

The main courses of action open to a trade union are: a strike, a ban on working overtime, 'working to rule' (when employees work according to the company rule book), 'go-slows' (employees may spend more time doing the same job) and picketing (employees stand outside the entrance to the business location holding up signs to show that they are in conflict with the management).

Every country has its own tradition of industrial relations, so it is difficult to generalize. In some businesses, unions are not welcomed by the management. But in other countries the unions play an important role both in the everyday working relations in individual companies and also in the social and political life of the country.

Task 2. Listen to the recording about the structure of Biopaints International

Presenter: Today we are talking to Philip Knight about the structure of Biopaints International. Philip's the General Manager of the Perth factory. Philip, do you think you could tell us something about the way Biopaints is actually organized?

Philip Knight: Yes, certainly. Er...we employ about two thousand people in all in two different locations. Most people work here at our headquarters plant. And this is where we have the administrative departments, of course.

Presenter: Well, perhaps you could say something about the departmental structure?

Philip Knight: Yes, certainly. Well, now first of all, as you know we've got two factories, one here in Perth, Australia, and the other in Singapore. Lee Boon Eng is the other General Manager, over there in Singapore.

Presenter: And you are completely independent of each other, is that right?

Philip Knight: Oh, yes. Our two plants are fairly independent. I mean, I am responsible to George Harris, the Production Manager, and we have to co-operate closely with Rosemary Broom, the Marketing Manager.

Presenter: Mm, yeah.

Philip Knight: But otherwise, as far as day to day running is concerned, we're pretty much left alone to get on with the job. Oh, and I forgot to mention finance. The Finance Director is Weimin Tan. She's a very important woman. And her task is to make sure the money side of things is OK. The accountant and such people, they report to her directly.

Presenter: Is that all?

Philip Knight: Oh, no, no. There's Personnel too.

Presenter: Oh, yes.

Philip Knight: That's quite separate. Deirdre Spencer is Personnel Manager. And the Training Manager reports to her, of course.

Presenter: What about Research and Development? Isn't that a separate department?

Philip Knight: Well, in terms of the laboratories, there are two: one at each production plant. But it's a separate department and it has a separate head. And that's Dr. Tarcisius Chin.

Presenter: Are there any other features worth mentioning?

Philip Knight: There's the planning department – Chow Fung is in charge of that. And a purchasing department – they buy in the materials for production.

Presenter: Yes, and what about the board of directors and the chairman?

Philip Knight: Yes, well they're at the top, aren't they, of course? I mean, a couple of the executives are directors themselves. The Managing Director, of course, that's Robert Leaf and then there's...

T a s k 3. Describe the departmental structure of the company and the managers' functions.

T a s k 4. Memorize the following vocabulary units:

a group accountant, to be responsible for, to account for, to cover financial management, management accounting, cash books, purchase ledger, sales ledger, credit control, virtually, to tackle a job, urgent, to be up against the deadline, to be bored, fascinating, particularly.

T a s k 5. Listen to a few authentic interviews of people working for a software company, you'll hear four people talking about their work and speak on the following points:

- a) their responsibilities;
- b) their likes and dislikes.

McSHANE: My name is McShane, and I'm a group accountant for the Small World-wide. I'm responsible for a day-to-day accounting for the group. I'm covering financial management, management accounting, cash-books, purchase ledger, sales ledger, credit control, and so on. Virtually every day I have a different kind of job to tackle. It's always, without the exception, urgent. I'm always against the deadline therefore I'm never bored. I find all the finance fascinating anyway, and all the exercises are very interesting. It's not very pleasant being difficult or having to be difficult with people to get money out of them. And I don't particularly like doing that.

LESLEY: My name's Lesley Trigg. At Small World I work as an administrator for the international business development group. My responsibilities are responding to correspondence, making sure that meetings are scheduled for the right rooms at the right places... Um... also deal with organizing people travel in the company to various different countries throughout the World.

The most important thing that I enjoy is actually the people that are here in Small World. The people are very friendly and I enjoy the work.

I wish at times I was a little bit more busier. Um... I have to wait for people to generate work for me and, as working within the international business development group most of the people actually work in...within other countries, because they're going out into other countries to find partners that will assist Small World. And when they're out of the country they're not generating the work for me back in the office, they generate the work when they're back in the office for me to deal with.

PATRICK: My name is Patrick Verdon. I deal with the systems administration for Small World. I think the best description of the systems administration is that it's a trouble-shooting kind of job, there are all kinds of responsibilities, such as back-up of data, installation of new machines, installation of the operating system and the installation of the product that...er..Small World actually produces. It's quite a challenge, because there's such a variety of problems sometimes it'll be a loose cable on a...on a machine that's a problem, another time it'll take hours to solve.

I think the nice part of systems administration is the challenge. Um... sometimes it's very quiet, but on the other hand you can have a day when it's completely hectic and all kinds of different problems come up. So... you're always being confronted with...with different problems, which is nice.

The things I don't enjoy are the routine back-ups of all the data, these take a bit of time. The other thing that I don't quite like is the... the out of hours concept of system... systems administration, because the best time to actually fix problems is when people aren't working, which means that ideally we should do that after six when everybody's gone home, so, yes, we can be here until the early hours of the morning at the extreme.

PAUL: I'm Paul Lockwood, and I'm one of the training officers at Small World and my job is to... um... run and provide training courses for our customers and agents.

The thing I enjoy most about my work is... um... being able to have direct contact with customers and...er... direct knowledge of the sort of problems they encounter and how to resolve them.

The thing I don't enjoy so much is that I feel that I... I... um... tend to be spending a lot of time either teaching or preparing training material, and I don't get enough chance to do hands-on programming that I would like to do. I do have to have the skills of programming but what I don't get the opportunity to do at the moment is to actually use them to develop real applications for customers, I'm just showing other people how to do it.

Generally speaking, I... I enjoy my job. I... I enjoy the company that I work for. Um... it's a very good environment, a very stimulating environment.

T a s k 6. Listening comprehension.

Vocabulary to be memorized:

abolish, rewarding, consign, staff turnover, rotate, parking lots, scrutiny, corporate managers, pyramid structure, subject oneself to, collapse, afflict, counselor.

A PART OF RADIO PROGRAM ABOUT SEMCO

Charles: Jane, I wonder if you could tell us what Ricardo Semler is trying to do.

Jane: Well, sure. Semler wants to introduce real democracy in the workplace, and that's the essence of his philosophy. It's the end of the party for the Henry Ford's assembly line he would argue. He gives it at the most a hundred years. That means it still has 15 – 20 years to go. It's collapsing slowly. And the giant corporations we knew this century are coming to an end.

Charles: Robert, would you like to comment on this?

Robert: Yes, I think it needs to be stressed that autocracy is the main problem afflicting all these companies. In countries like America, Britain and Brazil people are all very proud of their democratic values in public life and rightly so. But as Semler himself says he's as yet to see a democratic work place we're being held back by a system that doesn't allow democracy into business or into the work place.

Jane: If I could just add a related point there concerning bureaucratic structures, getting rid of seven layers of management bureaucracy is the real key to Semco success. This went hand in hand with the introduction of genuine democracy. Managers including Semler who is one of the 6 counselors who rotate in the job of chief

executive are rated regularly by their employees. Every manager gets points from 1 to a hundred from his staff anonymously. This happens every six months when a new budget is set. If managers regularly fail to come up to expectations they give way or are pushed out. One long serving manager used to score 86 out of a 100 has dropped down to nearly 51 and what will happen to him is uncertain.

Charles: Surely, this means the work force watches the management closely all the time instead of going on with their work.

Robert: Yes, but evaluating the boss was just the first step. The big break came when the people were allowed to elect their own boss. In Semler's view managers imported from outside the company are bad news. The staff who are truly involved in the financial success of the factory are realistic about choosing future bosses.

Charles: Jane, can this system really work?

Jane: Absolutely, and I'll tell you why. You see, the factory employees are free to come and go as they like or work from home or become a consultant. It means that they don't take advantage of the situation. They recognize the responsibility that comes with controlling their own futures. And as several reports show it appears to be a happy place to work with very low staff turnover and a long waiting list of people applying for jobs there.

Robert: As Jane's already said what's happened is that Semco has got rid of the old pyramid structure of bureaucrats together with their power symbols. So secretaries and parking spaces have gone. The organization now consists of three concentric circles: an inner one of 6 vice-presidents (including Semler), surrounded by a second circle of up to 10 leaders of the business units and the outer one which includes everyone else. They are called associates. Just walking around the factory there's no way of distinguishing the high earners from the low earners because workers wear what they like and hardly anybody has a desk.

Charles: Of course, the major question people have been asking is whether the Semco experiment is transferable? For instance, to other types of company and other countries?

Jane: –Yes, that's a big question. In some parts of Europe employees already do participate actively but in this case there seems to be a special factor to explain their success. For example, the Mondragon cooperatives in Northern Spain which are closely tied up with the Basque culture, or the benevolent former owners in employee-owned companies in several other countries.

Charles: Still Semco must be taken seriously: a company that can survive more than a decade of Brazil's inflation can't just be ignored. Can it Robert?

Robert: Oh, no it certainly can't. But there's one area, I believe where this model won't work. Transferring the model to a large corporation like IBM or General Motors doesn't have much hope of success, as long as giving up control means bringing information out in the open. And it's precisely information, or the lack of it, which represents power in such organizations. Or as their critics would say, those are the reasons they will go to the wall.

Charles: At any rate a few smaller companies have tried, to directly copy Semler's example and if the hundreds of managers who visit Semler's shop floor have any guide, there's a considerable appetite out there for making Western capitalism more civilized. Would you agree, Jane?

Jane: That certainly appears to be the case. And yet I suppose the probability of this happening quickly is very small. As the British journalist Victor Keegan puts it: "The trouble is that the corporate world is run by people who are not exactly willing to lose their parking lots, let alone to subject themselves to monthly scrutiny by people whom, currently, they can hire and fire. Corporate managers don't yet look in a hurry to commit mass professional suicide!"

Charles: That's right.

T a s k 7. Listen to the recording and tick off which of the following general topics are mentioned:

1. Bureaucracy at work.
2. Staff promotion systems.
3. Management elections by the workers.
4. The design of Semco's factory buildings.
5. The success of large corporations.

T a s k 8. Define if the following statements are true or false:

1. The industrial assembly line system has a further 100 years' life in it.

2. Democratic values of public life are limited in some countries.
3. Managers are evaluated by their employees.
4. Managers from outside the company are always welcome.
5. Employees have developed a sense of responsibility.
6. The associates just walk around the factory doing what they like.
7. Many companies have not survived the high inflationary period.
8. IBM has not been able to control the information flow in the company.
9. Hundreds of companies have been following Semco's example.
10. Corporate executives are eager to try out new ideas.

T a s k 9. Language revision: prepositions.

Fill the gaps in the sentences with a suitable phrase from the list below:

Share ... with, specialize in, submit... to, subscribe to, superior to, take into consideration, take over from, valid for, waste ... on, withdraw from.

1. Does anyone in the department ...**subscribe... to** *The Economist*?
2. There's no point in money ___ radio commercials.
3. One of the factors that we should ___ is the size of the market.
4. You should a copy of the report ___ head office.
5. I think we should try to ___ our contract.
6. We believe that our product is ___ theirs.
7. Can I some of this work ___ you?
8. Their agency ___ public relations.
9. This guarantee seems to be ___ every country except ours!
10. I'll..... ___ you if you need a break.

T a s k 10. Choose the appropriate verb or noun with the preposition from the list below:

Qualified for, range from ... to, reduction in, regardless of, relating to, remind ... of, remit money to, report on, report to, resign from, responsible for, retire from, run short of, run out of.

1. That ...**reminds...** me **of** a funny thing that once happened to me.
2. She ___ the firm after 25 years' service.
3. He ___ his post after the scandal.
4. Have you read this ___ the West African market?
5. We're ___ computer disks – I'll order some more.
6. We must achieve our targets ___ the amount of work we have to do.
7. He is not really ___ the job he has applied for.
8. Their products ___ paints ___ pens and stationery.
9. There has been a ___ the fares to the USA.
10. She is ___ making travel arrangements for the staff.
11. While I was abroad I nearly ___ money.
12. Jan and Pat both ___ Mr. Brown, the export manager.

T a s k 11. Read, translate and discuss the following text. Make up a few questions and answer them. Pick out the topic vocabulary.

SUMMARY AND MANAGEMENT SOLUTION

Change is inevitable in organizations. This chapter discussed the techniques available for managing the change process. The trend today is toward the learning organization, which embraces continuous learning and change. Managers should think of change as having four elements—the forces for change, the perceived need for change, the initiation of change, and the implementation of change. Forces for change can originate either within or outside the firm, and managers are responsible for monitoring events that may require a planned organizational response. Techniques for initiating changes include designing the organization for creativity, encouraging change agents, and establishing new-venture teams. The final step is implementation. Force field analysis is one technique for diagnosing restraining forces, which often can be removed. Managers also should draw on the implementation tactics of communication, participation, negotiation, coercion, or top management support.

This chapter also discussed specific types of change. Technology changes are accomplished through a bottom-up approach that utilizes experts close to the technology. Successful new-product introduction requires horizontal linkage among marketing, research and development, manufacturing, and perhaps other departments. Structural changes tend to be initiated in a top-down fashion, because upper managers are the administrative experts and champion these ideas for approval and implementation. Culture/people change pertains to the skills behaviors, and attitudes of employees. Organizational development is an important approach to changes in people's mind-set and corporate culture. The OD process entails three steps—unfreezing (diagnosis of the problem), the actual change (intervention), and refreezing (reinforcement of new attitudes and behaviors). Popular OD techniques include team building, survey feedback, intergroup activities, and process consultation.

These concepts apply to the Preston Trucking Company discussed in the chapter-opening problem. Preston, hammered by deregulation and unhappy employees, decided to revise its corporate culture and encourage bottom-up change in its production process. The survey results indicating how bad things were unfroze management. Consultants were brought in, and meetings were held to determine the best way to proceed and to gain employee participation. A new mindset was introduced that made employees equal partners in the trucking business. Improved production efficiency occurred through weekly idea meetings from which suggestions flowed from lower-level employees. In one year, more than 4,000 moneymaking ideas were proposed, worth about \$1.5 million. One idea helped decrease truck service maintenance from 23 hours to 11 hours. With both a new corporate culture and a steady bottom-up flow of modifications in production technology, Preston has become the darling of the trucking industry. Growth is rapid, sales and profits are up, and grievances are way down. Preston is a model for how to change effectively.

NEW RESPONSES TO CULTURAL DIVERSITY

Affirmative action opened the doors of organizations in this country to women and minorities. However, the path toward promotion to top ranks has remained closed for the most part, with many women and minorities hitting the glass ceiling. Although the federal government responded to this problem with the Civil Rights Act of 1991 to amend and strengthen the Civil Rights Act of 1964, affirmative action is currently under attack. As the debate over affirmative action continues, companies need to find new ways to deal with the obstacles that prevent women and minorities from advancing to senior management positions in the future.

How can managers prepare their organizations to accommodate diversity in the future? First, organization leaders and managers must come to terms with their own definitions of diversity and should be encouraged to think beyond race and gender issues to consider such factors as education, background, and personality differences.

Once a vision for a diverse workplace has been created and defined, the organization can analyze and assess the current culture and systems within the organization. This assessment is followed by a willingness to change the status quo in order to modify current systems and ways of thinking. Throughout this process, people need support in dealing with the many challenges and inevitable conflicts they will face. Training and support

are important for the people in pioneering roles. Finally, managers should not de-emphasize affirmative action programs, because these are critical for giving minorities and women access to jobs in the organization.

Once managers accept the need for a program to develop a truly diverse workplace, action can begin. A program to implement such a change involves three major steps: (1) building a corporate culture that values diversity; (2) changing structures, policies, and systems to support diversity; and (3) providing diversity awareness training. For each of these efforts to succeed, top management support is critical, as well as holding all managerial ranks accountable for increasing diversity.

CHANGING THE CORPORATE CULTURE

For the most part, today's corporate cultures reflect the white male model of doing business. These cultures are not conducive to including women and minorities in important decision-making processes or enabling them to go high in the corporate hierarchy. The result of this mismatch between the dominant culture and the growing employee population of minorities and women is that many employees' talents will be underutilized, and the corporation will be less competitive.

Chapters 3 and 12 describe approaches for changing corporate culture. Managers can start by actively using symbols for the new values, such as encouraging and celebrating the promotion of minorities. To promote positive change, executives must change their own assumptions and recognize that employee diversity is real, is good, and must be valued. Executives must lead the way in changing from a white male monoculture to a multicultural in which differences among people are valued.

To accomplish this, managers must be willing to examine the unwritten rules and assumptions. What are the myths about minorities? What are the values that exemplify the existing culture? Are unwritten rules communicated from one person to another in a way that excludes women and minorities? For example, many men may not discuss unwritten rules with women and minorities because they assume everyone is aware of them and they do not want to seem patronizing.

Companies are addressing the issue of changing culture in a variety of ways. Some are using surveys, interviews, and focus groups to identify how the cultural values affect minorities and women. Others have set up structured networks of people of color, women, and other minority groups to explore the issues they face in the workplace and to recommend changes to senior management. Corning, Inc., appointed a task force to tackle the problem of how to recruit, retain, and develop talented minority workers.

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T a s k 12. Before you read discuss these questions.

1. What impact are developments in information technology having on the way companies are organized, e.g. the use of video conferencing, which means people need to travel less? 2. How has the Internet changed the way you work or study?

Task 13.

A. Understanding main points

Read the text about how businesses will be organised in the future and answer these questions.

1. Which of these statements gives the best summary of the ideas in the article?
 - a) New communications technologies enable information to be shared instantly across the world.
 - b) In the future most people will be self-employed or will work as freelancers.
 - c) Companies are having to restructure due to developments in electronic communications.
2. What exactly do the authors mean by the term 'e-lance economy'?
 - a) Most work inside large companies will be done using e-mail and computers.
 - b) In the future tasks will be done by individuals and small companies linked to the Internet.
 - c) Business between companies will increasingly be done through the Internet.

B. Understanding details

Mark these statements T (true) or F (false) according to the information in the text. Find the part of the text that gives the correct information.

1. Big corporation will soon go out of business – F.
2. There is a move towards decentralisation of decision-making in many companies.
3. Many companies are now experiencing cash flow and similar financial problems.
4. No more than 10 per cent of workers in the US work for the top 500 companies.
5. ABB and BP Amoco have sold many parts of their businesses.
6. Large organisations can save money by centralising all transactions.
7. Computer companies have decentralised their decision-making process.
8. It is possible that the shape and structure of companies will be very different in the future.

Task 14. Before you read discuss these questions.

1. Can there be such a thing as a 'world car'? Or should cars be designed to suit the tastes of different markets? What are the financial and marketing implications?
2. Which do you think is better for an international company – strong central control of international operations or decentralised decision-making? Does it depend on the business the company is in?

FINANCIAL TIMES WEDNESDAY OCTOBER 15

Case study: Ford and Honda



Haig Simonian on two car groups' different routes to the global market Rising costs and the worldwide spread of shared tastes in car styling have prompted the industry's giants to exploit global

5 economies of scale. But rivals such as Ford and Honda have approached the task very differently. Ford is one of the world's earli-

10 est 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

15 basis. Individual countries or areas had a large degree of autonomy from the US headquarters. That meant products differed sharply, depending on local execu-

20 tives' views of regional requirements. In Europe the company built different cars in the UK and Germany until the late 1960s. Honda, by contrast, is a much

25 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

30 vehicles were designed, engineered and built in Japan for sale around the world. Significantly, however, Honda tended to be more flexible than

35 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

40 preferred multi-disciplinary teams. That allowed development work to take place simultaneously, rather than being passed between departments. It also allowed much

45 greater responsiveness to change. In the 1990s both companies started to amend their organisational structures to exploit the perceived strengths of the other. At

50 Ford. Alex Trotman, the newly appointed chairman, tore up the company's rulebook in 1993 to create a new organisation. The Ford 2000 restructuring pro-

55 gramme threw out the old functional departments and replaced them with multi-disciplinary product teams. 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

65 UK and Germany. The development teams comprise staff from many backgrounds. Each takes charge of one area of the process, whether technical, financial or

70 marketing-based. Honda, by contrast, has decentralised in recent years. While its cars have much the same names around the world, they are becoming

75 less, rather than more, standardised. 'Glocalisation' – a global strategy with local management – is the watchword. Eventually the group expects its structure will

80 comprise four regions – Japan, the US, Europe and Asia-Pacific – which will become increasingly self-sufficient. Two reasons explain Honda's

85 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

90 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.

95 Honda engineers also reckon they can now devise basic engineering structures which are common enough to allow significant economies of scale, but sufficiently

100 ly 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

105 same dimensions as the Japanese model, but has different styling and suspension settings. Both Ford and Honda argue their new structures represent a

110 correct response to the demands of the global market. Much of what they have done is similar, but intriguingly, a lot remains different

FINANCIAL TIMES
World business newspaper.

T a s k 15.

A. Understanding main points

1. Read the text about two car companies' global strategies and say which of these statements apply to Ford and which to Honda.
 - a) Now has a strategy of decentralisation. Honda.
 - b) Now works in multi-disciplinary teams for car design and development.
 - c) Has always worked in multi-disciplinary teams.
 - d) Produces more cars abroad than in its home country.
 - e) Used to be very decentralised.
 - f) Used to be very centralised.
 - g) Has divided the world into four regions.

- h) Designs and develops all its small cars in Europe.
 - i) Has always been flexible and able to respond to change.
2. According to the ideas in the text, why do car companies now need to have a global strategy?
 3. How did the two companies change their strategies? B How the text is organized.

These phrases summarise the main idea of each paragraph of the text. Match each phrase with the correct paragraph.

- a) one reason for changes in Honda's strategy;
- b) Honda's original strategy;
- c) Ford's new strategy;
- d) Conclusion;
- e) Honda's new strategy;
- f) Ford's original strategy;
- g) the advantage of Honda's original strategy;
- h) introduction paragraph 1;
- i) Ford's new strategy in detail;
- j) another reason for Honda's new strategy.

T a s k 16. Before you read discuss these questions.

1. What criteria do you think global companies use when they choose the location of their manufacturing operations around the world? Some examples are labour costs, education level of the local workforce, and political stability. Can you think of others?

2. It has become increasingly common for organisations to subcontract some aspects of their activity to outside companies. Typical examples are catering (the company restaurant) or security (protecting the buildings). What, in your opinion, are the advantages and disadvantages of subcontracting work in this way?

Task 17.

A. Understanding main points

Read the text about how global companies organise their production and answer these questions.

1. Where are most simple toys manufactured and why?
2. Why does Lego do things differently?
3. What is the reason for a global company to have a 'part configuration' model?
4. According to the text, what are the advantages and disadvantages of 'low-cost assembly plants'?
5. What are the operational advantages of outsourcing?

B. Understanding details

Mark these statements T (true) or F (false) according to the information in the text. Find the part of the text that gives the correct information.

1. The main reason to have overseas plants is to be close to local markets, F.
2. A lot of plants are now being located in Eastern Europe.
3. Imports to many markets are now cheaper.
4. The number of overseas plants is increasing.
5. Cost is the main factor in choosing the location of a foreign plant.
6. Outsourcing production to subcontractors gives a company more flexibility.

Unit Five

Task 1. Read, translate and discuss the following text. Make up a few questions and answer them. Pick out the topic vocabulary.

TOTAL QUALITY MANAGEMENT

About ten years ago, a *Wall Street Journal* survey confirmed the fears of U. S. managers by revealing that three-fourths of all Americans consider foreign-made products equal or superior in quality to products made in the United States. An NBC documentary titled "If Japan Can. Why Can't We?" also challenged U.S. quality standards. Executives saw the task of improving service and product quality as the most critical challenge facing their companies. Throughout the 1980s and into the 1990s, the quality revolution spread as U.S. executives saw quality improvement as the route to restoring global competitiveness, and many companies recommitted themselves to quality.

The term used to describe this approach is *total quality management (TQM)*, which infuses quality throughout every activity in a company. This approach was successfully implemented by Japanese companies that earned an international reputation for high quality. As we saw in Chapter 2, much of the foundation for the Japanese system was laid by U.S. educators and consultants following World War II. The Japanese eagerly

adopted the quality ideas of Americans such as Deming, Juran, and Feigenbaum. The sounding of the quality alarm in North America and the publication of such books as *Quality Is Free: The Art of Making Quality Certain* by Philip Crosby and *The Deming Management Method* by Mary Walton helped reawaken managers to the need for quality throughout U.S. companies.

Total quality management (TQM)²¹ is a philosophy of organization-wide commitment to continuous improvement, with the focus on teamwork, increasing customer satisfaction, and lowering costs. TQM works through horizontal collaboration across functions and departments and extends to include customers and suppliers. Teams of workers are trained and empowered to make decisions that help the organization achieve high standards of quality. This is a revolution in managerial thinking, because quality control departments and formal control systems no longer have primary control responsibility. Companies that really want to improve quality are urged to stop inspecting every part and to get rid of their quality control departments. These companies are then told to train the workers and trust them to take care of quality.

This approach can give traditional executives several sleepless nights as their traditional means of control vanish. Total quality control means a shift from a bureaucratic to a decentralized method of control.

American Airlines is cited frequently by customers for the high quality of its service. Chairman Robert L. Crandall explains how it goes back to a policy decision to improve the traditionally adversarial relationship between labor and management.

The airline business has historically had a strong military bent and developed as a rather rigid, procedures-based and confrontational workplace. On top of that, the industry became heavily unionized. Very early in the deregulation process, we made the decision to make a sustained, long-term effort to change the confrontational, non-cooperative, non-participative environment into an environment based on trust and mutual respect.

Company-wide participation in quality control requires quite a change in corporate culture values as described in Chapter 12. The mindset of both managers and employees must shift. Companies traditionally have practiced the Western notion of achieving an "acceptable quality level."

This allows a certain percentage of defects and engenders a mentality that imperfections are okay. Only defects caught by a quality control department need be corrected. Total quality control not only engages the participation of all employees but has a target of zero defects. Everyone strives for perfection. A rejection rate of 2 percent will lead to a new quality target of 1 percent. This approach instills a habit of continuous improvement rather than the traditional Western approach of attempting to meet the minimum acceptable standard of performance.

Recent books and articles advocating a systematic quality effort suggest that to be successful, company-wide quality control programs:

1. Reflect total *commitment* to quality by management.
2. Be devoted to *prevention* rather than appraisal and correction.
3. Focus on quality *measurement* (using feedback).
4. *Reward* quality (employing incentives and penalties).
5. Focus on quality *training* at all levels.
6. Stress problem identification and *solution* (using teams).
7. Promote *innovation* and continuous *improvement*.
8. Promote total *participation*.
9. Stress high performance *standards* with zero defects.
10. Provide *calculations* and *reports* of cost savings.

Quality control thus becomes part of the day-to-day business of every employee. Management needs to evaluate quality in terms of lost sales and total company performance rather than as some percentage indicator from a management control system. Each employee must internalize the value of preventing defects. When handled properly, the total quality approach really works. Standout companies using these techniques include Ford Motor Company, Motorola, Westinghouse, and Florida Power & Light.

²¹ **Total quality management (TQM)** A philosophy of organization-wide commitment to continuous improvement, focusing on teamwork, customer satisfaction, and lowering costs.

The implementation of total quality control is similar to that of other control methods. Targets must be set for employee involvement and for new quality standards. Employees must be trained to think in terms of prevention, not detection, and they must be given the responsibility and power to correct their own errors and expose any quality problems they discover. Top management should provide the training, information, and support employees need to meet quality standards.

One impetus for total quality management *in* the United States is the increasing significance of the global economy. As described in the Manager's Shoptalk box, many countries have endorsed a universal framework for quality assurance, called ISO 9000.

TQM TECHNIQUES

The implementation of total quality management involves the use of many techniques. Most companies that have adopted TQM have incorporated quality circles, empowerment, benchmarking, outsourcing, reduced cycle time, and continuous improvement.

QUALITY CIRCLES. One approach to implementing a total quality philosophy and engaging the workforce in a decentralized approach is that of quality circles (QCs). A **quality circle**²² is a group of from 6 to 12 volunteer employees who meet regularly to discuss and solve problems affecting their common work activities. Time is set aside during the workweek for these groups to meet, identify problems, and try to find solutions. The key idea is that people who do the job know it better than anyone else and can make recommendations for improved performance. QCs also push control decision making to a lower organizational level. Circle members are free to collect data and take surveys. In many companies, team members are given training in team building, problem solving, and statistical quality control to enable them to confront problems and find solutions more readily. The groups do not focus on personal gripes and problems. Often a facilitator is present to help guide the discussion. Quality circles use many of the teamwork concepts described in Chapter 18. The quality circle process as used in most U.S. companies is illustrated in Exhibit 19.5, which begins with a selected problem and ends with a decision given back to the team.

The quality circle concept spread to the United States and Canada from Japan. It had been developed by Japanese companies as a method of gaining employee commitment to high standards. The success of quality circles impressed executives visiting Japan from Lockheed, the first company to adopt this practice. Many other North American companies, including Westinghouse, Digital Equipment, and Baltimore Gas & Electric Company, have since adopted quality circles. In several of these companies, managers attest to the improved performance and cost savings. Westinghouse has more than 100 quality circles; a single innovation proposed by one group saved the company \$2.4 million. To build on these successes, Westinghouse created the Productivity and Quality Center that assists departments throughout the company. It acts as a SWAT team of sorts to help divisions do the same work in half the time with better quality results.

An alternative to the quality circle, which can be established within the traditional hierarchical structure, is the *web*, which utilizes today's primary technology (integrated computer networks) and better serves the structural integrity of today's decentralized organization. Solutions are achieved through the inclusive sharing of information throughout the organization and across functions, departments, and even regions. As technology speeds the need for instant decision-making and as decision-making is increasingly pushed down to frontline workers, it is crucial that individual authority be enhanced with the best, up-to-the-minute information.

EMPOWERMENT. A significant trend within organizations adopting TQM is the empowerment of employees, suppliers, and customers in the decision-making process, reflecting dramatic changes in technology and environment. As companies reduce staff and layers of management, offer alternative work options (such as telecommuting, job sharing, or the creation of a mobile workforce), or shift tasks to suppliers or outside organizations, managers need to share rather than hoard information. Likewise, as customers increase their product sophistication levels and their demands for higher quality, organizations are recognizing the need for customer inclusion in the information loop by providing product and service information and developing interactive relationships between the company and the customer. For example, companies are discovering the wisdom of empowerment through customization. Automakers such as Volvo and BMW are abandoning finished-product inventories in favor of build-to-order. Customers order a customized car with options designed to meet their

²² **Quality circle (QC)** A group of 6 to 12 volunteer employees who meet regularly to discuss and solve problems that affect their common work activities.

needs and personal taste. The information is instantly relayed to the factory, where the car is assembled and shipped within two to three days.

BENCHMARKING. Introduced by Xerox in 1979, benchmarking is now a major TQM component. **Benchmarking**²³ is defined by Xerox as "the continuous process of measuring products, services, and practices against the toughest competitors or those companies recognized as industry leaders." The key to successful benchmarking lies in analysis. Starting with its own mission statement, a company must honestly analyze its current procedures and determine areas for improvement. As a second step, a company must *carefully* select competitors worthy of copying. For example, Xerox studied the order fulfillment techniques of L. L. Bean and learned ways to reduce warehouse costs by 10 percent. Companies can emulate internal processes and procedures of competitors, but with caution. For example, a small company may court failure by copying the "big boys" such as Ford or Xerox whose methods are incompatible with a small-company situation. Once a strong, compatible program is found and analyzed, the benchmarking company can then devise a strategy for implementing a new program.

OUTSOURCING. One of the fastest-growing trends in U.S. business is **outsourcing**²⁴, the farming out of a company's in-house operation to a preferred vendor with a high quality level in the particular task area. Companies such as B. F. Goodrich and Glacxo Pharmaceuticals have latched on to outsourcing as a route to almost immediate savings and quality improvement. Traditional in-house operations can be farmed out to save costs on employee benefits, to reduce personnel, and to free existing personnel for other duties. For example, banks have outsourced the processing of credit cards to companies that can do it more cheaply. Large oil companies have outsourced the cleaning and maintenance of refineries. Eastman Kodak outsourced its computer operations to IBM. Manufacturing companies have outsourced the designing of new plants, and service organizations have outsourced mailrooms, warehousing, and delivery services. Outsourcing has also become a viable option for city and state governments trying to slash costs and improve efficiency. In Scottsdale, Arizona, Rural/Metro Company contracts with the city to run fire departments and emergency medical services and is able to provide better service at a fraction of the cost of traditional government-run services. As with other quality systems, outsourcing is successful when care is taken in selecting the operations that can be accomplished with greater quality elsewhere and in finding the best outsourcing partners. As described in the Leading the Management Revolution box, the trend toward outsourcing is widespread.

REDUCED CYCLE TIME. In the book *Quality Alone Is Not Enough*, the authors refer to cycle time as the "drivers of improvement." **Cycle time**²⁵ refers to the steps taken to complete a company process, such as teaching a class, publishing a textbook, or designing a new car. The simplification of work cycles, including the dropping of barriers between work steps and among departments and the removal of worthless steps in the process, is what enables a TQM program to succeed. Even if an organization decides not to use quality circles, substantial improvement is possible by focusing on improved responsiveness and acceleration of activities into a shorter time. Reduction in cycle time improves overall company performance as well as quality.

For example, L. L. Bean, Inc., the Freeport, Maine, mail-order firm, is a recognized leader in cycle time control. Workers have used flowcharts to track their movements and pinpoint wasted motions, shifting high volume merchandise closer to the packing station. Improvements such as these have enabled L. L. Bean to respond with a correct shipment rate of 99.9 percent within only a few hours after the order is received.

CONTINUOUS IMPROVEMENT. In North America, crash programs and grand designs have been the preferred method of innovation. Yet the finding from Japanese success is that continuous improvement produces an even more effective result. **Continuous improvement**²⁶ is the implementation of a large number of small, incremental improvements in all areas of the organization on an ongoing basis. In a successful TQM program, all employees learn that they are expected to contribute by initiating changes in their own job activities. The basic philosophy is that improving things a little bit at a time, all the time, has the highest probability of success. Find one small way to improve the job today and act on it. That improvement will suggest another useful piece tomorrow. No improvement is too small to implement—activities are fine-tuned all the time. In this way, innovations can start simple, and employees can run with their ideas. There is no end to the process. Improvements occur all the time, and the resulting changes give a company a significant competitive advantage.

²³ **Benchmarking** The continuous process of measuring products, services, and practices against the toughest competitors or those companies recognized as industry leaders.

²⁴ **Outsourcing** The farming out of a company's in-house operation to a preferred vendor.

²⁵ **Cycle time** The steps taken to complete a company process.

²⁶ **Continuous improvement** The implementation of a large number of small, incremental improvements in all areas of the organization on an ongoing basis.

The continuous improvement concept applies to all departments, products, services, and activities throughout an organization. At South Carolina Baptist Hospital in Columbia, South Carolina, 2,500 employees have been trained in continuous improvement techniques. Managers learn a coaching role, empowering employees to recognize and act on their contributions. Baptist has learned that countless improvements require a long-term approach to building quality into the very fiber of the organization. Over time, project by project, human activity by human activity, quality through continuous improvement has become the way the hospital's employees do their work.

T a s k 2. Listening comprehension: an interview with a management consultant about quality control.

Interviewer: Sarah Lockhart is the Quality Director of AP Management Consultants. Sarah, how is Quality with a capital Q different from what's always been known as 'quality control'?

Ms Lockhart: The idea of Quality is a concept that is coming to be the driving force of many parts of industry today. The interesting thing is that it can be applied to both the service sector and the manufacturing sector. We can talk about Quality of manufacturing and quality of service. Quality is something that affects all the functions of the company and all the staff from board level down to line managers and employees.

Interviewer: So how would this be applied to manufacturing?

Ms Lockhart: Well, the key idea here is 'Zero Defects' – the company should be aiming to produce goods that are perfect. So that customers are entirely satisfied and they don't discover any faults at all after delivery has taken place.

Interviewer: Yes, but surely nobody's perfect. We all make mistakes sometimes.

Ms Lockhart: Well, yes, people make mistakes, but we believe that everybody wants to be perfect and they want their product to be perfect and to have no eff...defects.

Interviewer: Ah, I see.

Ms Lockhart: In the past it was considered impossible to mass-produce goods to a very high standard. There would always be rejects and some faulty goods would inevitably get through to the customer, because carrying out a quality control of every manufactured item would be too expensive and therefore unprofitable. Quality control usually consisted of random checks – operating rather like Customs officers in the green channel at an airport. Customers came to expect there're to be some faults in the goods – and it was just a fact of life in manufacturing. Anything that was wrong could always be put right later by complaining to the supplier and getting him to repair or replace the faulty goods.

Well, the Quality revolution, if I can call it that, turns these views on their head. There are several reasons for this. First, putting mistakes right – fixing a faulty machine or collecting it and replacing it – are labor-intensive and costly and it's more cost-effective to eliminate the need for this by producing a perfect product with zero defects in the first place. Second, if your competitors are able to produce goods with zero defects, then clearly customers will prefer those. So in order to survive, you have to keep ahead of your competitors. Obviously this applies to services too – your service has to be so good that there is no dissatisfaction and hence no complaints from clients. Complaints usually mean that there are defects in your product or in your service – and even your accounts department is providing a service to you and your suppliers and customers.

Interviewer: The big problem about all this is the other links in the chain. I mean, you're dependent on the quality of materials supplied to you as a manufacturer that you will then transform in your factory. How does this fit in?

Ms Lockhart: Yes, I agree, this is one of the problems. You normally don't have a direct control over your supplier's processes, but you can change suppliers in order to obtain the materials of the highest quality. This will normally mean paying more, but the extra cost can be easily justified if your own production quality improves. If, however, you're obtaining poor quality materials from a single source, you may have to start looking for alternative suppliers, or impose your own quality control on all incoming supplies before you accept them.

Interviewer: All right, suppose a company wants to introduce Quality as part of its business philosophy, how easy is it to set about doing this?

Ms Lockhart: First of all you have to sell the concept to everyone in the company: at board level, to senior management, to line managers and to the employees. Everyone has to believe in Quality for it to succeed – it won't work if you have a group of people somewhere in the company who are working against you – that may

mean production staff who are careless or office staff who don't provide a good service to customers and to other members of their own company. New staff can be trained relatively easily, but established staff tend to be much harder to persuade about new ideas. The major arguments we use in our seminars are to do with taking a pride in your work – well, you know, everyone likes to feel they're doing a good job, and we say 'If your competitors are successfully doing this, can you afford not to?' If we can't sell our service or product, we'll lose business and people will lose jobs.

Interviewer: Sarah, thanks very much.

Ms Lockhart: Thank you.

T a s k 3. Listen to the interview again and find and correct one mistake in each sentence of the following summary.

1. Quality affects every function of the company and some of its employees.
2. With 'Zero Defects' the company aims to produce goods that are mostly perfect.
3. In the past, customers expected some faults -they could be corrected by apologizing to the supplier, who would replace the faulty goods.
4. Putting mistakes right is labor-intensive and inexpensive and it's more cost-effective to produce a perfect product with no defects.
5. If your competitors can produce perfect products, your customers will prefer yours.
6. A service has to be so good that there is no dissatisfaction and there are few complaints from your clients.
7. A manufacturer can change suppliers to get materials of the highest quality, even if this means paying less.
8. The extra cost is justified if the quality of your own production deteriorates.
9. To introduce Quality you must sell the idea to everyone in the company: most of the staff have to believe in quality.
10. It's easier to sell new ideas to established staff.

T a s k 4. Before you read discuss these questions.

1. What qualities do you think a person needs in order to be a successful global manager? Some examples may be independence, or an interest in foreign cultures. Try to think of others.
2. What personal and professional skills do you need for a successful business career in your country, e.g. specialist training, knowledge of foreign languages, outgoing personality?

Global Careers

Thomas Aitken

Ideally, it seems a global manager should have the stamina of an Olympic runner, the mental agility of an Einstein, the conversational skill of a professor of languages, the detachment of a judge, the tact of a diplomat, and the perseverance of an Egyptian pyramid builder. And that's not all. If they are going to measure up to the demands of living and working in a foreign country, they should also have a feeling for the culture; their moral judgment should not be too rigid; they should be able to merge with the local environment; and they should show no signs of prejudice.

According to Colby Chandler, the former Chief Executive of Eastman Kodak Company, 'these days there is not a discussion or a decision that does not have an international dimension. We would have to be blind not to see how critically important international experience is.' International companies compete with each other for global executives to manage their operations around the world. Yet what it takes to reach the top of a company differs from one country to the next. For example, whereas Swiss and German companies respect technical creativity and competence, French and British companies often view managers with such qualities as 'mere technicians'. Likewise, American companies value entrepreneurs highly, while their British and French coun-

terparts often view entrepreneurial behaviour as highly disruptive. Similarly, whereas only just half of Dutch managers see skills in interpersonal relations and communication as critical to career success, almost 90 per cent of their British colleagues do so.

Global management expert, Andre Laurent, describes German, British and French managers' attitudes to management careers as follows:

German managers, more than others, believe that creativity is essential for career success. In their mind, successful managers must have the right individual characteristics. German managers have a rational outlook; they view the organisation as a coordinated network of individuals who make appropriate decisions based on their professional competence and knowledge.

British managers hold a more interpersonal and subjective view of the organisational world. According to them, the ability to create the right image and to get noticed for what they do is essential for career success. British managers view organisations primarily as a network of relationships between individuals who get things done by influencing each other through communicating and negotiating.

French managers look at organisations as an authority network where the power to organise and control others comes from their position in the hierarchy. French managers focus on the organisation as a pyramid of differentiated levels of power. They perceive the ability to manage power relationships effectively and to 'work the system' as critical to their career success.

As companies integrate their operations globally, these different national approaches can send conflicting messages to success-oriented managers. Subsidiaries in different countries operate differently and reward different behaviours based on their unique cultural perspectives. The challenge for today's global companies is to recognise local differences, while at the same time creating globally integrated career paths for their future senior executives.

There is no doubt the new global environment demands more, not fewer, globally competent managers. Global experience, rather than side-tracking a manager's career, is rapidly becoming the only route to the top. But in spite of the increasing demand for global managers, there is a potentially diminishing interest in global assignments, especially among young managers. A big question for the future is whether global organisations will remain able to attract sufficient numbers of young managers willing to work internationally.

T a s k 5.

A. Understanding main points

1. Which of these statements gives the best summary of the text on the opposite page?
 - a) A successful global manager needs many qualities.
 - b) The qualities required to become a top manager differ from country to country.
 - c) Many young managers are not interested in a global career.
2. Mark these statements T (true) or F (false) according to the information in the text Find the part of the text that gives the correct information.
 - a) International experience is essential if you want a global career.
 - b) Subsidiaries of global companies use the same criteria when promoting managers.
 - c) The demand for global managers is increasing.
 - d) Young managers want to work internationally.

B. Understanding details

1. Different qualities for career success are described for different cultures and nationalities.

Match the qualities from the list below to the nationalities mentioned in the text.

- a) Good communication skills British.
- b) Technical creativity.
- c) Ability to network.
- d) Professional competence.
- e) Entrepreneurial skills.
- f) Knowing how to work within a hierarchical structure.
- g) Good interpersonal skills.

2. Which national group considers communication and interpersonal skills to be more important – the British or the Dutch?

3. According to Andre Laurent, German, British and French managers see organisations as different kinds of networks. What words does he use to define these networks in each case?

T a s k 6. Before you read discuss these questions.

1. What do the letters MBA stand for?
2. In your country how important is it to have an MBA to succeed in management?
3. Do you know many people who have an MBA, or who are studying or plan to study for one? Are you one of them? What are the reasons for doing so?

What do employers say?

Getting an MBA is one thing. Getting employers to take it seriously is another. MBAs have not traditionally commanded the same respect in the UK as in the US, but an increasing number of UK employers are now taking them very seriously indeed.

None more so than top management consulting firm McKinsey. Of its 260 London consultants, around half have MBAs. The company actively recruits 30 – 40 people a year from major business schools, such as INSEAD in France, Harvard and Stanford in the US, and London Business School and Manchester in the UK. It spends around £1 million a year sponsoring its 25 – 30 graduate recruits to complete full-time MBAs at the same institutions.

'Essentially we see an MBA as a short cut to business experience', says Julian Seaward, head of recruitment for McKinsey's London Office. 'It enriches people with a lot of management theory, and perhaps a bit of jargon thrown in.'

However, the company still prefers MBAs gained abroad. With a longer established reputation in the US, business schools there still have the edge in attracting candidates, while INSEAD has positioned itself as an international school with a cosmopolitan faculty and student body.

'The networking and experience of other cultures is very useful as a lot of our clients are global', says Seaward. Nevertheless, McKinsey is actively raising its profile over here with a recently-launched scheme offering external candidates sponsorship through a United Kingdom MBA with a guaranteed job afterwards.

With a £50,000 Harvard MBA, McKinsey knows how attractive its staff are to other employers. Those who wish to leave within two years have to repay their sponsorship, but Seaward believes the staff development strategy has a good return rate. 'We look for people to develop a long-term career with us, not just an analyst job for a couple of years, and reward high achievers with good salaries and opportunities.'

Equally convinced of the value of MBAs is direct marketing company Ogilvy One Worldwide, which recently established an MBA bursary for staff members. Chairman Nigel Howlett believes the MBA's formal education in analytical skills and constructing solutions provides a very useful training, producing people who have a good overview of business issues rather than a concern for details.

The company is currently undertaking an evaluation of the best UK schools in which to invest their bursary. With the recent big increase in the number of institutions offering MBAs, Howlett is concerned that not all MBAs are equal. 'There are clear differences in terms of quality.'

But not every company favours MBAs. In the early 1990s, Shell actually abandoned its own MBA course at Henley when it realised it was not producing graduates who fitted the jobs for which they were destined.

'We're slightly ambivalent towards MBAs,' says Andy Gibb, Shell's head of global recruitment. 'A lot of Shell's work is technical, while MBAs from leading schools are pitched at a more strategic level. It can be frustrating and unnecessary to be trained for strategic thinking, when the job you're moving into is not really suited to that. We would rather focus them on technical leadership.'

Companies like chartered accountants PricewaterhouseCoopers take a more middle-of-the-road approach. While it does not actively target MBAs or recruit them directly from business schools, a growing proportion of its senior consultants have got them, and it is increasingly on the lookout for MBA graduates.

'Our business is changing from audit and tax management more into consultancy roles,' says UK recruitment partner Keith Bell. 'MBAs do bring a breadth of vision to the business problem rather than a narrow viewpoint, and that can be an advantage.'

But the issue is the longer term. If you sponsor someone to do an MBA, will you get them back again?
From The Independent

Task 7.

A. Understanding main points

Read the previous text about different attitudes towards MBA graduates and answer these questions.

1. What is the attitude of UK employers to MBAs? Are they very positive, negative or in between?
2. Several top business schools are mentioned in the text – which ones are they? Do you agree with his list? Would you add others?
3. According to the article, do most MBA students pay for themselves?
4. In which country are MBAs very highly regarded by employers, according to the article?

B. Understanding details

1. Four companies are mentioned in the article. Rank them in order in terms of their attitude to MBAs, starting with the one most in favour.
2. Some disadvantages about MBAs are mentioned by people quoted in the article. What are they?
3. Businesses are generally grouped into two broad categories – manufacturing and production on one side, and services on the other side. Into which categories do the four companies mentioned in the article fit? What does this tell you about the type of companies which generally favor MBAs? Is this the case in your country too?

Unit Six

Meetings

This unit deals with different sorts of meetings, their procedure and peculiarities.

Task 1. Read the text and give its gist.

BACKGROUND INFORMATION

Business people spend quite a lot of time in meetings, and meetings come in all shapes and sizes, ranging from formal committee meetings to informal one-to-one meetings.

There are several reasons why meetings are held:

- reaching decisions in a meeting means that all the participants can feel more committed to the decision;
- more information is available;
- different and unexpected ideas can be contributed;
- meetings can lead to more imaginative and informed decisions – often more courageous decisions than one person might feel brave enough to make.

Some of the drawbacks of meetings are:

- more time is required than if one person made the decisions;
- there's more talk (and this is sometimes irrelevant and repetitive);
- there's more group pressure.

The larger the meeting, the longer it may take to reach a decision. There seem to be ideal sizes for meetings, depending on the purpose. A meeting where information is being given to people can be quite large, because there is not likely to be much discussion, and questions may be asked by a few individuals on everyone else's behalf.

The way a committee operates often depends on the **chairperson**: he or she may control the proceedings very strictly, or let everyone speak whenever they want. An effective chairperson should be flexible. In some committee meetings the members have to take a vote before a decision can be made: formal proposals or '**motions**' may have to be tabled, seconded and discussed before a vote can be taken. Other meetings may require a consensus of the members: everyone agrees with the decision – or at least no one disagrees.

Most meetings have an **agenda**. For a formal meeting, this document is usually circulated in advance to all participants. For an informal meeting, the agenda may be simply a list of the points that have to be dealt with.

The purpose of an agenda is to speed up the meeting and keep everyone to the point. The agenda for a formal meeting must be organized in logical order. Often the agenda shows not only the topics but the meeting's function regarding each topic ('to receive a report on...', 'to confirm...', 'to approve...', etc.). All items on which a decision is to be taken should appear on the agenda, which would usually have this format:

1. Minutes of previous meeting.
2. Matters arising.
3. Items.

Any other business (AOB)

Taking **minutes**, and writing them up later, are special skills, involving decisions like 'Do we need to know which person made every point?' and 'Is this point worth mentioning?' Minutes usually report details of the time, date and duration of the meeting and the names of those present, but the content of the report itself may be detailed or brief, depending on the anticipated readership.

Even one-to-one or small informal meetings are structured (usually with an agenda) and planned. They are different from chance conversations in a corridor or over coffee. Small informal meetings may also take place or continue during a meal.

Task 2. Read and discuss the following information.

Problem – solving and idea – generating meetings

A frequent mistake you as an executive may make, is your failure to define a meeting's purpose, either to yourself, or those taking part. It is extremely important to clarify this in advance because there are basically two different kinds of meetings, which call forth two quite separate approaches.

There are routine, problem-solving meetings, and there are occasional, idea-generating sessions.

Problem-solving meetings	Idea – generating meetings
<ol style="list-style-type: none"> 1. Keep a tight control of the meeting. 2. Only consider realistic solutions. 3. Maintain an economy of words. 	<ol style="list-style-type: none"> 1. Maximum participation; diverse thoughts need time to surface. 2. Egalitarian leadership; nobody should dominate the meeting. 3. Emphasize the collaborative spirit.

JUMBLED TEXTS

Group the guidelines in the texts under the headings below

A. Problem-solving meeting b. idea-generating meeting

a) The purpose of the meeting is to break new ground. If, for whatever reason, you are embarking upon something unprecedented, you should allow the widest possible freedom of thought and expression to explore all the possibilities. If your organization or product, e.g., has suddenly become the target for activist consumer groups, determining the most effective corporate response will require maximum openness to ideas from the people who will have to deal with the criticism.

b) The end goal is clear. – For example, you may have convened a group of department heads because there have been instances of inter-departmental friction, or overlapping responsibilities. The initial goal is obviously to improve the way the groups relate to each other. It is up to the groups to come up with methods of overcoming the obstacles under discussion.

c) There are specific external constraints such as time, money, the availability of personnel or a scarcity of resources, that limit the range of possible solutions, for example, if you know a competitor is soon to come out with a new product which it would take your company a year to match, don't waste time talking theory. You and your marketing group should probably convene a meeting and decide urgently to alter your selling points or

look for new markets.

d) Part of the task is to decide what the eventual goal ought to be – You might be in the beginning stages of setting long-term corporate objectives, for example. Or you might be weighing the potential value of alternative forms of employee incentive programmes. In such cases, in-depth probing of basic management theory would be not only in order, but necessary to achieve the desired outcome.

e) Everyone expects a course of action to follow the meeting – If you are convening, for example, to decide among alternative new product possibilities, the participants will expect a commitment to be made by the end of the meeting.

f) The outcome of the meeting is open-ended. – For example, one effective problem-prevention technique is to assemble a properly functioning group to discuss ways in which its performance could be even better. Since there are no pressing issues, the focus is naturally broad, encompassing even the most seemingly idealistic concepts.

T a s k 2. Put the words of the following sentences in order to get the rule of how to conduct an idea-generating and a problem-solving meeting respectively.

1. A control of, tight, meeting. KEEP, the (start with "keep").
2. Participation, time. MAXIMUM diverse, to, thoughts, need. surface, (start with "maximum").
3. Consider, realistic, ONLY, solutions (start with "only").
4. Meeting, EGALITARIAN, nobody, should, the, leadership, dominate (start with "egalitarian"). This rule consists of 2 parts.
5. An, of, MAINTAIN. words, economy, (start with "maintain").
6. Collaborative the. EMPHASIZE, spirit, (start with "emphasize").

T a s k 3. Listen to the recording and tick the points in this list that the speakers make.

Most people are happy with the present system.

With flexitime some people would benefit more than others.

Any department can decide not to adopt flexitime.

'Core times' from 10 to 3 are too restrictive.

The staff canteen must be open longer at lunch-time – say from 11.30 to 2.30.

Staff should be able to build up 'credit' by working longer, so that they can take extra days off – i. e. 'flexible days' as well as flexible hours. Each department should set its own core times, according to its busiest times of day.

Flexible hours should only be worked on Mondays and Fridays. Every department should work to the same core Times. Staff should be allowed to work all through the lunch hour and not have a lunch break.

'Flexible days' would be very confusing for visitors and callers.

All: ... yes... it took an hour and a half for my bags to come through... yes, but it... it's always the same... the last time I saw you I...

(Mr. Brown Chair.): Er. –. OK, it's ten o'clock, everybody so I think we'll... er... make a start. Now, the first item on the agenda is a discussion of the management's proposals on flexitime. Now, you've all discussed the proposals within your departments, haven't you?

All: Yes. We have, yes.

Chair: Good. Er. –. Miss Garcia, would you like to start, then?

Anna Maria: OK, well, most of my people are perfectly happy with the present non-flexible system. They think a change would be dangerous.

Carlo: I'm sorry, I'm not quite with you. Dangerous?

Anna Maria: Well, they feel more flexible hours would make it difficult to cover for each other. We all have quite clearly defined responsibilities. Some people would benefit more than others.

Enzo: It seems to me that your people can just agree together to go on working from nine to five, they don't have to work later.

Anna Maria: Yes, but the problem is that if one or two people opt for the new system, the others will have

to cover for them when they're not there.

Chair: Ah, Mr. Bergman, what are your views on this?

Alex: Well... um... the thing is that. –. er...

Carlo: Look, I'm really sorry to interrupt. I'd just like to say that any department can vote to opt out. They can just vote on it and the majority wins.

Chair: Thank you, MRS Baldini. Ah... Ms Legrand, yes. **Tina:** Um... could I make a suggestion? Wouldn't it be... um... be best to hear what each member has to say about the proposals... er... from the point of view of his or her department?

Chair: Yes, all right. Er. –. Ms Legrand, wh... what are your views? **Tina:** Well, the main problem is... is the decision about... about basic core times.

Enzo: I'm sorry, I didn't catch what you said.

Tina: I'm talking about core times – that's... er... the basic hours that would not be flexible. It's been suggested that these be ten to three, but this seems much too restricted, don't you agree, Carla?

Carlo: Absolutely. In fact I'd say that there should be flexible days.

Anna Maria: Sorry, I'm not quite with you.

Carlo: Well, Staff should be allowed to build up a credit of hours to entitle them to take whole days off, not just fewer hours on other days.

Chair: Ah... Mr. Rossini, what do you think about this?

Enzo: Yes, I'd go along with that. As for cover, in my own case it's no problem, there are three of us in the Export Department and we work as a team, so it's easy for us to cover for each other as long as there are still two of us in the office.

Alex: Er. –. Mr. Brown?

Chair: Yes, Mrs. Bergman?

Alex: Er. –. If I could just make a point here... er... in our *case*, we do a lot of dealing on the phone with the Stares and... er... sending messages to and fro by fax in the afternoon. Er. –. if we had anyone off then we wouldn't be able to manage. That means our core times would have to be one to five. Maybe each department should set its own core times.

Chair: Mm... er... yeah, Mrs. Baldini?

Carlo: That's all very well, Alex, but then no one in any other department would know who was in at what time, I mean there'd be chaos. There has to be a standard for all departments.

Chair: Er... yes, Mr. Rossini?

Enzo: Yes, coming back to the flexible days idea, this just wouldn't work. People phoning the company or visiting would get terribly confused.

Tina: No, no, that... that's not true, Enzo. I mean, when people take holiday or... or when people are sick, cover arrangements are made. Well, with flexible days, exactly the same kind of arrangements would be made.

Chair: Well, any other points?

All: No... Don't think so... Covered it all...

Chair: Have you got all this down, Mr. Johnson?

Ron: Yes.

Chair: Then I think we'll move on to the next item on the agenda...

T a s k 4. Listen to the conversation and point out what is necessary for the successful presentation.

ONE-TO-ONE MEETING

Paul: Ah, good morning, Ms Ross, do come in.

Pam: Hello, Mr. Fisher. Nice to see you.

Paul: Nice to see you – face-to-face instead of *on* the phone, what? How are you?

Pam: Fine, thanks, very well.

Paul: Oh, do sit down. would you like some coffee?

Pam: Oh, yes, please – black.

Paul: Mmm. Here you are.

Pam: Thanks, well, how's it all going?

Paul: Oh, not too bad, we're just about to open a branch in New Zealand.

Pam: Oh, will you be going there on your travels?

Paul: Oh... I'm hoping to – if I can justify it to the marketing director! How's your little boy, has he started school yet?

Pam: Oh, yes, he's in the second year now.

Paul: What, already? Doesn't time fly! Is he enjoying it?

Pam: Very much, it's much more fun than being at home!

Paul: Haha. Well, I suppose we'd better make a start. Shall we get down to business?

Pam: Right. First of all can confirm the time and date of the presentation? It's Saturday 24 October in the morning. What time exactly?

Paul: Well, on the invitations we're sent out we've said that the presentation itself will start at 11 and go on till 12.30. **Pam:** So you're needing the room from about 10 till 2. Would you like us to serve coffee beforehand?

Paul: Yes, yes – and drinks and snacks at the end.

Pam: Better to have buffet lunch?

Paul: No. People who are invited won't be expecting a free lunch; they might think that's overdoing it. They'll want to get back to their families, as it's Saturday.

Pam: All right, the normal pre-lunch snack buffet will be what you need – that's basically the same as what you had last February.

Paul: Oh, that'll be fine.

Pam: OK, well, we'll charge for the room, coffee and snack buffet at the standard rate less 15 %, as we agreed. And we'll charge for the drinks served on a pro-rata basis.

Paul: Fine, fine, yes.

Pam: What type of... um... equipment, furniture would you like?

Paul: Well, let's have... um... four... no, no... five tables for our display. Er... we'll bring our own stands.

Pam: Right.

Paul: Now, there's an overhead projector and sound system already in the room, I believe? Can you get someone to check that, you know before we come, so that's working?

Pam: Oh, of course, the technician will be with you when you're setting everything up.

Paul: On, well. **Pam:** Oh, the seats in that room have flap-over desk tops, will that be all right?

Paul: Yes, yes, that's fine, sure.

Pam: You say you've sent out the invitations, any idea how many people there'll be? Um... I think you know there's... the capacity for the room is about 50, but 40 is ideal.

Paul: Yes, ah.. the problem is that we won't know exactly how many there'll be until shortly before.

Pam: Can you let me know definitely by the Thursday?

Paul: Mm... no. But I'll have a rough idea and we'll budget for the number I give then. We've sent out a hundred invitations...

Pam: A hundred?!

Paul: Yes, well, in theory that means that there could be two hundred people.

Pam: Yes, but the room won't...

Paul: But of course... haha... I don't expect more than about thirty to come.

Pam: But what if they do? This is the only room we have that day – there's a wedding reception in the banqueting rooms, so we...

Paul: Well, in that case, I suppose we could...

T a s k 5. Discuss the following questionnaire.

1. Meetings are:

- a) a pain in the neck;
- b) a thrill;
- c) something in your life you

have to learn to accept.

2. Meetings are:

- a) effective means of decision
- b) a sheer waste of time;
- c) never quite to the point.

making;



3. What other more effective means of communication besides meetings can you think of?
 - a) circulars/memos;
 - b) video circulars;
 - c) pin board;
 - d) telephone;
 - e) teleconference.

4. A meeting should last:
 - a) never more than one hour;
 - b) about two hours;
 - c) as long as there is discussion.
5. Participants should:
 - a) come and go according to their own time schedule;
 - b) be right on time but leave when they have to;
 - c) stay from the first to the very last moment .

6. If you have to be late for a meeting or leave it early for some reason, you feel:
 - a) you're one up for cutting it short;
 - b) very embarrassed out go ahead regardless;
 - c) perfectly. All right since you consider yourself the roaster of your own time;
 - d) O. K. if you inform the chairperson beforehand.

7. At a meeting you usually:
 - a) speak up;
 - b) stay silent;
 - c) whisper with your neighbors;
 - d) exchange notes on the topic with your friends.

8. When others speak up a lot you:
 - a) listen to them with some interest;
 - b) fume that's a waste of time;
 - c) react as in A or B depending on your relationship with the speaker.

9. When a speaker rambles on with no end in sight, you:
 - a) snap at him/her to get to the point;
 - b) boil with silent frustration;
 - c) make distinct noises to embarrass him/her.

10. You strongly disagree with a speaker. Do you:
 - a) force yourself to speak your mind;
 - b) shrivel up and say nothing;
 - c) bawl him/her out in public;
 - d) bawl him/her out in private.

11. When you do speak your mind, are you:
 - a) diplomatic enough to beat about the bush;
 - b) completely without tact;
 - c) as in B but afterwards you wish you hadn't spoken at all.

12. Do you usually criticize:
 - a) any opinion regardless whose it is;
 - b) the speaker, regardless of the opinion itself.

13. Are you content:

- a) with simply airing your own views in public;
 - b) only if others give you feedback on your ideas.
14. You think a chairperson should:
- a) just let the debate go on since the sheer quantity of words;
 - b) prevent any prolonged discussion of the problem;
 - c) only prevent attempts at point scoring.
15. You would act as a chairperson:
- a) under no condition because;
 - b) with considerable reluctance as;
 - c) with alacrity since.
16. As a chairperson you would be:
- a) highly effective because;
 - b) totally at a loss because.
17. Would you agree that smoking at a meeting should be:
- a) allowed since it stimulates brainwork;
 - b) allowed with due respect to individual freedom;
 - c) forbidden since it unhealthy for everyone in the room;
 - d) forbidden with due respect to Individual freedom.
18. When someone smokes at a meeting and it disturbs you, you:
- a) tell them snappishly to stop;
 - b) suffer in silence (and plan revenge);
 - c) cut the tip of the burning cigarettes off with long scissors.
19. When bored to death at meeting, to keep yourself occupied, you:
- a) draw doodle strips;
 - b) chain-smoke;
 - c) bite your nails;
 - d) scratch and fidget;
 - e) force yourself to take notes;
 - f) doze with your eyes open;
 - g) catch up on your sleep with your eyes closed (letting out and occasional snore);
 - h) observe others and take mental notes of their behavior;
 - i) drift off into your own thoughts in total isolation;
 - j) plan the next day schedule;
 - k) mumble under your breath.

NOTE:

1. Tick the 3 or 4 points that are the most relevant to his/her behavior in such situations.
2. Compare and discuss the questionnaire.

T a s k 6. Read, translate and discuss the following text.

GAMES PEOPLE PLAY AT MEETINGS

Do you ever feel as though you spend all your time in meetings?

Henry Mintzberg, in his book *The Nature of Managerial Work*, found that in large organizations managers spent 22 per cent of their time at their desk, 6 per cent on the telephone. 3 per cent on other activities, but a whopping 69 per cent in meetings.

There is a widely held but mistaken belief that meetings are for "solving problems" and "making deci-

sions". For a start, the number of people attending a meeting tends to be inversely proportional to their collective ability to reach conclusions and make decisions. And these are the least important elements.

Instead hours are devoted to side issues, playing elaborate games with one another. It seems therefore, that meetings serve some purpose other than just making decisions.

All meetings have one thing in common: role-playing. The most formal role is that of chairman.

He (and it is usually a he) sets the agenda, and a good chairman will keep the meeting running on time and to the point. Sadly, the other, informal, role-players are often able to gain the upper hand. Chief is the "constant talker", who just loves to hear his or her own voice.

Then there are the "can't do" types who want to maintain the status quo. Since they have often been in the organization for a long time, they frequently quote historical experience as a ploy to block change: "It won't work. We tried that in 1984 and it was a disaster. " A more subtle version of the "can't do" type, the "yes, but ...", has emerged recently. They have learnt about the need to sound positive, but they still can't hear to have things change.

Another whole sub-sets of characters are people who love meetings and want them to continue until 5.30pm or beyond. Irrelevant issues are their specialty. They need to call or attend meetings, either to avoid work or to justify their lack of performance, or simply because they do not have enough to do.

Then there are the "counter-dependents", those who usually disagree with everything that is said, particularly if it comes from the chairman or through consensus from the group. These people need to fight authority in whatever form.

Meetings can also provide attenders with a sense of identification of their status and power. In this case, managers arrange meetings as a means of communicating to others the boundaries of their exclusive club who is "in", and who is not.

A popular game is pinching someone else's suggestions. This is where someone, usually junior or female, makes an interesting suggestion early in the meeting, which is not picked *up*. Much later, the game is played, usually by some more senior figure who propounds the idea as his own. The suggestion is of course identified with the player rather than the initiator.

Because so many meetings end in confusion and without a decision, another more communal game is played at the end of meetings, called reaching a false consensus. Since it is important for the chairman to appear successful in problem solving and making a decision, the group reaches a false consensus. Everyone is happy, having spent their time productively. The reality is that the decision is so ambiguous that it is never acted upon, or, if it is. There is continuing conflict, for which another meeting is necessary.

In the end, meetings provide the opportunity for social intercourse, to engage in battle in front of our bosses, to avoid unpleasant or unsatisfying work, to highlight our social status identity. They are, in fact, a necessary though not necessarily productive psychological side-show. Perhaps it is our civilized way of moderating, if not preventing change.

(from *The Independent On Sunday*)

Decide whether these statements are true or false, according to the article.

1. According to Henry Mintzberg, managers spend most of their working time having meetings.
2. According to him, the purpose of meetings is to solve problems and make decisions.
3. At a meeting every person is playing a role.
4. The writer mentions eight roles that people play at meetings.
5. A "can't do" type is in favor of tradition and against new ideas.
6. People who aren't invited to meetings are regarded as less important by those who do attend.
7. It's normally junior people who steal other people's ideas at meetings.
8. Men at meetings no longer treat women as inferiors.
9. Even when no definite decisions are made at a meeting, the people often leave thinking the meeting has been useful.
10. The writer believes that meetings are a waste of time and prevent changes being made.

Highlight any useful vocabulary you'd like to remember in the passage.

UNIT SEVEN

MARKETING, ADVERTISING, SELLING AND NEGOTIATING

This unit includes some information about marketing, selling, advertising and negotiating.

T a s k 1. Read, translate and discuss background information about marketing.

Nowadays, marketing influences, and often actually controls, almost every part of a company's activities.

Underlying all marketing strategy is 'The Marketing Concept', explained here:

The marketing concept:

1. We must produce what customers want, not what we want to produce.
2. This means that we put the customer first. We organize the company so that this happens.
3. We must find out what the customer wants. We carry out market research.
4. We must supply exactly what the customer wants.
5. We can do this by offering the right marketing mix:

'The Four Ps': the right **product** at the right **price** available through the right channels of distribution, **place** presented in the right way, **promotion**.

THE FOUR PS

Product = the goods or the service that you are marketing. A 'product' is not just a collection of components. A 'total product' includes the image of the product, its design, quality and reliability – as well as its features and benefits. In marketing terms, political candidates and non-profit-making public services are also 'products' that people must be persuaded to 'buy' and which have to be 'presented and packaged' attractively. Products have a life cycle, and companies are continually developing new products to replace products whose sales are declining and coming to the end of their lives.

PRICE = making it easy for the customer to buy the product. Pricing takes account of the value of a product and its quality, the ability of the customer to pay, the volume of sales required, and the prices charged by the competition. Too low a price can reduce the number of sales just as significantly as too high a price. A low price may increase sales but not as profitably as fixing a high, yet still popular, price. As fixed costs stay fixed whatever the volume of sales, there is usually no such thing as a 'profit margin' on any single product.

PLACE = getting the product to the customer. Decisions have to be made about the channels of distribution and delivery arrangements. Retail products may go through various channels of distribution:

1. Producer – end-users (the product is sold directly to the end-user by the company's sales force, direct response advertising or direct mail (mail order))
2. Producer – retailers – end-users
3. Producer – wholesalers/agents – retailers – end-users
4. Producer – wholesalers – directly to end-users
5. Producer – multiple store groups / department stores / mail order houses – end-users
6. Producer – market – wholesalers – retailers – end-users

Each stage must add value to the product to justify the costs: the person in the middle is not normally someone who just takes their 'cut' but someone whose own sales force and delivery system can make the product available to the largest number of customers more easily and cost-effectively. One principle behind this is 'breaking down the bulk': the producer may sell in minimum quantities of, say, 10,000 to the wholesaler, who sells in minimum quantities of 100 to the retailer, who sells in minimum quantities of 1 to the end-user. A confectionery manufacturer doesn't deliver individual bars of chocolate to consumers: distribution is done through wholesalers and then retailers who each 'add value' to the product by providing a good service to their customers and stocking a wide range of similar products.

PROMOTION = presenting the product to the customer. Promotion involves the packaging and presentation of the product, its image, the product's brand name, advertising and slogans, brochures, literature, price lists, after-sales service and training, trade exhibitions or fairs, public relations, publicity and personal selling. Every product must possess a 'unique selling proposition' (USP) – the features and benefits that make it unlike any other product in its market.

THINKING MARKETING

Marketing affects every aspect of a company's operations, as shown here:

1. Everyone who works for the company must 'think marketing'.
2. To think marketing we must have a clear idea of.
3. What the customers need. What the customers want. What causes them to buy. What the product is to the customer: its functional, technical and economic aspects as well as the aesthetic, emotional and psychological aspects.
4. **'Features'** (what the product is) + **'benefits'** (which means that...).
5. We must be aware of our firm's strengths and weaknesses as well as the opportunities and threats we face in the market ('S.W.O.T.').

T a s k 2. Read, translate and discuss the following text.

Promoting products and brands

Promoting a product doesn't only involve advertising, it involves considering it as a "Total Product": its brand name, presentation, labeling and packaging are all part of a total product – as well as its instructions, reliability and after-sales service. A service is also a product and customers must be made aware of what is being offered.

Promoting a product involves developing a "Unique Selling Proposition" (USP): the features and benefits which make it unlike any of competing products.

There are four stages in promoting a product – AIDA:

1. attract the Attention of potential customers;
2. arouse Interest in the product;
3. create a Desire for its benefits;
4. encourage customers to take prompt Action.

T a s k 3. Cut a few ads from magazines and newspapers and present them to the group, covering these points:

1. Target customers.
2. The USP of the product: its features and benefits.
3. How the ad works in terms of the four stages of AIDA.

T a s k 4. Describe your favorite TV commercials and explain why you think they are effective. Use the following statements:

- a) I'd like to show you an ad that really impressed me.
- b) What do you think of this ad? It shows ...
- c) This ad seems to be aimed at ...
- d) According to this ad, the USP of this product is ...
- e) What I don't like about this ad is ...

T a s k 5. Fill the gaps with suitable words from the list below:

Ways of promoting products: packaging, personal selling, point of sale advertising, public relations, publicity, sales literature, show rooms, sponsorship, telephone sales, trade fairs and exhibitions, word of mouth.

1. Brochures, leaflets and catalogues can describe your product in more detail and give more information than an advertisement. Potential customers can be sent direct mail. Sales literature

2. Displays in retail outlets (supermarkets, chain stores, etc.) can attract the attention of potential customers. ...
3. Labels and presentation increase the impact of your product. ...
4. You can contribute to the cost of a sporting or artistic event, where your brand name or logo is displayed prominently. ...
5. Potential customers can come to your premises and see a display or a demonstration of your products and get hands-on experience. ...
6. Your company takes a stand or mounts an exhibit to enable customers to see your products and talk to your representatives. ...
7. The public are informed of a new development through newspaper articles. You can inform the press by issuing press releases. ...
8. PR can ensure that your firm keeps a high profile, and that people are aware of your good reputation and image. ...
9. Existing customers tell their friends or colleagues about your product and hopefully recommend it to them. ...
10. Your staff can call customers, or customers can call a toll-free number to request sales literature or ask for information. ...
11. Your rep can visit customers: this is the most effective method of promotion, but also the most expensive. ...

T a s k 6. Listen to a part of a lecture about brand names. Point the brand names of portable radios, drinks, food, cars and computer software which are on sale in the UK.

Lecturer:... Now, on the subject of brand names: English names are often used in foreign countries to make products sound more 'international'. But this doesn't always work. Take, for example, portable radios. There's the *Party Center*, the *Concert Boy*, the *Party Boy* and the *Yacht Boy* – these are all marketed in the UK under those names, but they do sound a bit silly to British ears, don't they?

Um...many foreign brand names just don't sound quite right in Britain. Here are a few examples of brand names which would have to be changed if they wanted to sell me products...um...on the British market. *Pocari Sweat* – that's a drink for sports people and...er...*Calpis*, *Pschitt* and *Sic* – these are drinks which sound quite disgusting in English. *Bum* – that's a... a brand of bubble gum. There's *Mother*, a brand of biscuits. *Bimbo*, and that's a brand of bread.

Um...another strange name is *Haagen-Dazs* ice cream. This brand name was invented in the USA – um...it's supposed to have a European 'quality' sound and look, but it doesn't actually mean anything in any language. Still, it's the most popular luxury brand in Britain despite the fact that no one can spell it correctly!

Um...Oh, and not all British brands sound right in other countries. Um...there are two Irish whiskey liqueurs you can buy in the UK: *Irish Cream* and *Irish Mist*. The latter wouldn't sell in Germany, where the word *Mist* means 'manure'.

And...er...h...how about the Nissan cars: *Cedric* and *Gloria*? Those English first names sound so unglamorous that neither of them could be sold in the UK under those brand names. But, having said that, er... a good product can succeed even if the name does sound a tiny bit strange. Look at Japanese cars: you've got the Nissan *Bluebird*, the Daihatsu *Applause*, the Honda *Accord*, the To...Toyota *Carina*- all very successful in the UK.

Oil, er...by the way, I've always been puzzled by how many Japanese cars have an R or L in their name: there's the Toyota *Previa*, the Nissan *Micra*, the Toyota *Corolla*, the Nissan *Primera*- um...most Japanese cars I

can think of have a...an R or a...a...an L in their name, even though many Japanese people pronounce the sounds 'r' and 'l' the same. A...an exception is the four-wheel drive Mitsubishi *Shogun* (a... as it's called in the UK), but...er...in most countries it's called the *Pajero* – er...except, in Spanish-speaking countries where that word is very rude indeed. There the same car is the *Ranchero*.

Er...many international car names have been invented specially. They don't mean anything in any language but they're just supposed to sound attractive – most of the brands I've already mentioned are invented words. Some more examples of these on sale in the UK are the Ford *Mondeo*, the Toyota *Celica* and the Citroen *Xantia*.

But sometimes they may have to change the brand name to make it acceptable in different countries. In Europe, General Motors cars are marketed under the *Opel* brand name. In Britain, these cars are *Vauxhalls* – a name that most Europeans find very hard to pronounce. But there's a definite trend to create European brands: um...the *Opel Kadett* used to be called the *Astra* in the UK, now it's the *Astra* all over Europe. And here in Britain the *Vauxhall Nova* has taken on the European brand name *Corsa* – in Spanish and Italian *No va* means 'it doesn't go', which wouldn't have been a suitable name for a reliable small car! And in the USA they have a car called the *Rabbit* – a sort of light-hearted, amusing image, hasn't it? That's what we call the *VW Golf*, because consumers here seem to prefer a more serious sporty image.

A fashionable product like... er... computer software has to have a marketable, and a...a memorable brand name. And as more products are developed increasingly meaningless new names have to be invented, which nobody else has thought of before.

Computer software products on sale in the UK often have brand names consisting of two words without a space between them. So instead of being called *Page Maker*, the product is called *PageMaker* with a capital M in the middle. Then...um...there's *WordPerfect* (with a capital P in the middle) and *QuarkXPress* (with capital X and capital P in the middle). Um...but *Microsoft Word* is two words and... er...there are no capitals in the middle anywhere.

Now, having said all that, what I'd like you to do is to think of some... er... foreign brand names that you think are unsuitable for the market in your country. Get together with a colleague and you've got three minutes to make notes. OK?...

T a s k 7. Read this article from The Guardian and then sum up its most important facts.

Are brand names being pushed off the shelf?

According to the Wall Street Journal: "More and more shoppers are by-passing household names for the cheaper, no-name products one shelf over. This shows that even the biggest and strongest brands in the world are vulnerable."

It has been clear for some time – principally since recession began to be felt in the major economies of the world – that the strength of brands has been under fire. During the second half of the eighties, the Japanese, for example, showed themselves willing to pay a huge premium to buy goods with a smart label and image to match: they were fashion victims par excellence, be it in choosing their luggage (Louis Vuitton was much favoured) or in buying their booze, where a 20-year-old version of a good malt whisky could fetch the equivalent of \$60 or more. Over the past year or two, that enthusiasm to spend big money on a classy label has waned markedly.

But we may be witnessing the death of the brand.

First, every story that now appears about the troubles being experienced by makers of luxury goods triggers wise nods and told-you-so frowns.

Two days ago, LVMH in France, which owns Moet et Chandon champagne, Louis Vuitton and the Christian Lacroix fashion house, reported lower earnings for the first half of 1993 than it did a year ago. As David Jarvis, in charge of the European operations of drinks company Hiram Walker, puts it: "A few years ago, it might have been considered smart to wear a shirt with a designer's logo embroidered on the pocket; frankly, it now seems a bit naff."

This conclusion fits with one's instincts. In the straitened nineties, with nearly 3 million out of work and 425,000 people officially classed as homeless in England alone, conspicuous consumption now seems vulgar rather than chic.

But just because flashy, up-market brands have lost some of their appeal, it does not follow that all brands have done so. Cadbury's Dairy Milk is just as much a brand as Cartier watches. Tastes may have shifted downmarket, but that does not mean that they have shifted from flash-brand to no brand.

The second strand of the brand argument is tied intimately with the effects of recession. No one yet knows to what extent the apparent lack of some brands' appeal is merely a temporary phenomenon. It may well be that, deep down, we would still love to own a Louis Vuitton suitcase rather than one from Woolworth's but while we are out of work or fearing that our job is at risk, we are not prepared to express that preference by actually spending the cash.

Third, the example of Marlboro is an extreme one. The difference in price between premium brand cigarettes and budget rivals in the US had become huge during the 1980s: a packet of Marlboro or Camel might cost 80 per cent more than a budget variety. Few brands in any area of consumer goods could hope to maintain so great a premium indefinitely.

And fourth, in looking at the brands argument globally, it is too easy to become misled by what is happening in an individual market. In the UK as a whole, about one third of groceries are under super-markets' own labels. In the USA the proportion is only 20 per cent. But it does seem that the gradual shift from manufacturer-branded to retailer-branded goods is worldwide.

As David Jarvis of Hiram Walker says: "We believe that brands will retain their halo, but people are less inclined to pay for something just because it's a fashion accessory. They need to be re-assured that the product is intrinsically better."

Reports of the death of the brand have been exaggerated. Reports of the death of the de luxe brand may be premature, but sound much more plausible.

1. Consumers often prefer to buy ... unbranded products rather than more ... branded goods. The reason for this seems to be the worldwide ... in major economies.

2. In Japan consumers are less likely to buy goods with a fashionable

3. In the present economic climate it seems ... to spend money on expensive designer products.

4. ... brands are less popular, but ... brands are still important.

5. Maybe, when the recession is over, designer brands will regain their

6. In the 80s, famous-brand cigarettes cost ... per cent more than cheap brands. This difference is no longer so

7. In the USA proportionally ... own-label brands are sold than in Britain.

8. The consumer won't buy branded goods unless they are

T a s k 8. Fill the gaps in these sentences with a suitable phrase from the list below:

share with, specialize in, submit to, subscribe to, superior to, take into consideration, take over from, valid for, waste on, withdraw from

1. Does anyone in the department *subscribe* to The Economist?

2. There's no point in ... money ... radio commercials.

3. One of the factors that we should ... is the size of the market.

4. You should ... a copy of the report ... head office.

5. I think we should try to ... our contract.

6. We believe that our product is ... theirs.

7. Can I ... some of this work ... you?

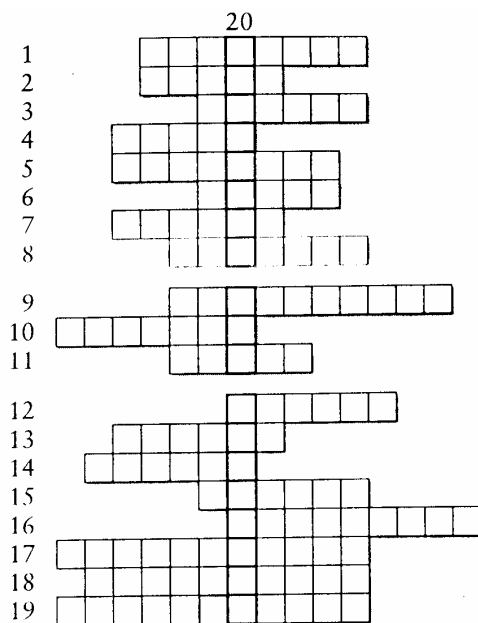
8. Their agency ... public relations.

9. This guarantee seems to be ... every country except ours!

10. I'll ... you if you need a break.

T a s k 9. Add the missing words to the puzzle:

design, chain store, trademarks, media, bargain, leaflets, label, competitors, brands, launch, display, graph, chart, survey, region, advertised, fluctuate, poster, features and benefits, consumer



1. Please take one of these ... describing our new product.
2. There's a full description of the product on the
3. We are about to' ... a new product.
4. You can see the trend that these figures show by looking at this
5. The average ... is unaware of marketing.
6. This ... shows that our sales are rising.
7. **I think you'll like our new ... on the wall outside.**
8. Retail outlets are being encouraged to use this window
9. **Coca Cola and Pepsi are both famous**
10. I think you'll agree that this new budget-price product is a real
11. Which of the ... should we place our advertisements in?
12. Our product compares very well with nationally advertised
13. According to a recent ..., 45,9 % of consumers prefer not to buy imported goods.
14. The motor is exactly the same, but the case is a completely new
15. Which ... do our products sell best in?
16. Demand for many products may ... according to the season.
17. It's important that our ... don't find out about our new process.
18. I saw the product ... in a magazine.
19. You can buy this product in any supermarket or
20. Consumers must be fully aware of the ... of a product.

T a s k 10. Read some of the rules controlling advertising in Britain.

In Britain, the ASA (Advertising Standards Authority) controls advertising. Here are some of its rules:

- Advertisements must be "legal, decent, honest and truthful".
- There can be no TV or cinema advertising of cigarettes.
- Advertisements for alcoholic drinks should not be aimed at under-18s. They should not suggest that a drink will make a person more popular.
- Advertisements should not make children feel unpopular for not buying a product.

Answer the questions:

What do you think of the ASA rules?

Is there an advertising authority in your country?

Have you seen any adverts that break any of these rules?

Make up two more rules.

T a s k 11. Listen to a radio discussion about advertising and note down the four opinions.

Welcome to this week's Round Table. The discussion topic this afternoon is advertising. And my first guest is Angela Right.

- Now, Angela, what do you feel about advertising?
- In my opinion advertisements make you buy things you don't need and can't afford. I've got a couple of clothes that don't suit me and I'm in debts. And the reason is that I see a show of beautiful people in beautiful clothes and I think "Aha, it happens...clothes".
- Dave Simmons, do you agree that ads make people spend too much?
- In normal ways if you ask me the best ads are works of art like the Benetton ad showing a new-born baby. It's a fabulous image. And it doesn't try to make you buy a product. You don't see any beautiful people in Benetton clothes in the picture.
- What's your view, Diana Richardson?
- Personally, I think too many ads exploit women and it makes me angry. Take a recent bra ad. It doesn't say the bra is comfortable or well-made. Instead it implies that a woman will be happy to grate the boys while wearing it. In my view this is a male fantasy. I bet the ad was made by men.
- It seems to me that a lot of ads make people feel bad. They can't afford the expensive things in the magazines: you know, luxury apartments or holidays. A mother can't buy her kids a big new computer and she feels guilty about that.
- Well, after a break we want you, the listeners, to give us your views on advertising. Lines are open now. And the number to call us...

T a s k 12. Name one good thing and one bad thing about advertising using the following vocabulary:

**GIVING
OPINIONS**

Asking opinions

It seems to me...

Do you agree that...

In my opinion...

We want your views on...

Personally, I think...

How do you feel about...

My feeling is that...

Where do you stand on...

As I see it...

What do you feel about...

If you ask me...

What's your view on...

T a s k 13.

A. Read the text.

How does this make you feel?

Today, as part of a new advertising campaign from the sportswear giant, Nike, Peter Hull will appear on billboard posters all over London, alongside the slogan: "Peter is not like ordinary people...". Indeed he is not. Peter has no forearms and no legs and, we are told, he's done the London Marathon.

Peter hopes that his image will help to promote disabled sport. The cynical might say it will simply promote Nike. "I did wonder whether this ad was going to be in good taste," he admits. "But when they explained the idea to me, I quite liked it. It portrays me as an athlete, not a victim, and I think it's a positive message.

"The fact is, I've always been like this. I was born like this and you don't miss what you've never had. I dream of having limbs. Of course I do. But I'm happy the way I am and I get on".

Carel Press

B. Answer the questions:

- a) Which company is using Peter Hull in their advertisements?
- b) In what ways is Peter "not like ordinary people"?
- c) What does Peter hope the advertisement will promote?
- d) Why does he like the ad?
- e) How long has Peter been disabled? Does he seem depressed?
- f) What do you think of the Nike ad? Give reasons for your opinion.

Make use of these notes:

- in good taste? / in bad taste?
- promotes disabled sport? / pretends to promote disabled sport?
- makes you admire Peter? / makes you feel sorry for him?
- good for Nike's image?
- will make people buy Nike products?

T a s k 14. Learn the following vocabulary and use it in the brief summary of the text.

Advertising campaign – planned series of advertisements

Giant – extremely large company

Billboard posters – very big adverts at the side of the road

Slogan – advertising phrase that is easy to remember

London Marathon – long-distance (41.8 km) race that takes place in London every year

Promote – make people more interested in

The cynical people – who do not believe in human goodness

In good taste – what most people think is artistically and socially acceptable; not offensive

Portrays – shows

T a s k 15. Fill each gap with a word or phrase from the glossary.

1. I don't like that ad because it ... women as passive sex objects.
2. Their ... , Real Juice For Real People, is easy to remember.
3. ... **can be more effective than TV commercials because so many people drive past them every day.**
4. An advertising agency looks at new ways to ... the product.
5. Then it launches an ... in the press and on TV.

T a s k 16. Listen to the conversation about the advertisement for "Michelin Maps and Guides". Discuss the USP of the product.

Man: What do you think of this advertisement?

Woman: Mm, I quite like it.

Man: Yes, yes, so do I. It makes the product seem sort of likeable, doesn't it?

Woman: Mm. well, it's an advertisement for three products really: hotel and restaurant guides, guidebooks of places to see and maps.

Man: Mm, I like the way the nice pale colors catch your attention – and the smiling Michelin man looking straight at you makes you want to step into the countryside – even though it's only a drawing. It has a nostalgic, old-fashioned look and that makes you interested in reading the text.

Woman: That's right yes, and when you read the text you find the selling points of each of the three products. It makes them all seem very desirable.

Man: The message is "Make sure it's a Michelin", which means next time you're thinking of buying a map or a guide book, you should think of Michelin products.

Woman: What kind of people is this message directed at, do you think?

Man: Well. I suppose motorists and tourists, people who stay in hotels or eat in restaurants.

Woman: Yes, and what seems to be the Unique Selling Proposition of the products, according to the ad?

Man: It's actually different for each product. Er ... the red guides list more hotels and restaurants than their competitors. Er ... the green guides use a star system to rate places of interest. And the maps are updated every year – u ... unlike their competitors, we are supposed to think.

Woman: Yes, but it also says that the three products are cross-referenced, which means they can be used together easily. They're a sort of package. I'd say that was the USP!

Man: Yeah, yes, you're right.

T a s k 17. Read, translate and discuss the following text.

Selling

You don't have to be a special kind of person to sell a product. But although successful salespeople often have special talents and an outgoing personality, the skills they employ are used by us all: we build and maintain relationships with different kinds of people, we listen to and take note of what they tell us and don't just enjoy the sound of our own voices, and we explain things to them or discuss ideas with them.

A firm may depend on their own sales team and/or on the salesmanship of their distributors, wholesalers or retailers. But any company needs to establish a personal relationship with its major clients ("key accounts") and potential customers ("prospects"). It is often said that 'people do business with people': a firm doesn't just deal impersonally with another firm, but a person in the buying department receives personal visits from people representing the firm's suppliers on a regular basis – or in the case of department stores or chain stores, a team of buyers may travel around visiting suppliers.

Keeping salespeople 'on the road' is much more expensive than employing them to work in the office because much of their time is spent unproductively traveling. Telephone selling may use this time more productively (though in some countries this is illegal), but a face-to-face meeting and discussion is much more effective. Companies involved in the export trade often have a separate export sales force, whose travel and accommodation expenses may be very high. So servicing overseas customers may often be done by phone, fax or letter with not so many personal visits. Many firms appoint an overseas agent or distributor whose own sales force takes over responsibility for selling their products in another country.

A sales department consists of many people who are based in different parts of the country or the world, who don't have the day-to-day contact and opportunities for communicating with each other that office-based staff have. For this reason, firms hold regular sales conferences where their entire sales force can meet, receive information and ask questions about new products and receive training.

T a s k 18. Read this text. Which of the points do you agree or disagree with? Give your reasons.

Anyone who has contact with customers is a salesperson – that includes the telephonist who answers the phone and the service engineer who calls to repair a machine. So that probably includes you!

The relationship between a salesperson and a client is important: both parties want to feel satisfied with their deal and neither wants to feel cheated. A friendly, respectful relationship is more effective than an aggressive, competitive one.

A salesperson should believe that his or her product has certain advantages over the competition. Customers want to be sure that they are buying a product that is good value and of high quality. People in business are

not going to spend their company's money on something they don't really need (unlike consumers, who can sometimes be persuaded to buy 'useless' products like fur coats and solid gold watches!).

Some salespeople adopt a direct 'hard sell' approach, while others use a more indirect 'soft sell' approach. Which approach do you prefer? Whichever approach is used, in the end perhaps a good salesperson is someone who can persuade anyone to buy anything. On the other hand, maybe a good salesperson is someone who knows how to deal with different kinds of people and who can point out how his or her product will benefit each individual customer in special ways. After all a buyer is called a 'buyer' because he or she wants to buy. All you need to do is to convince them that your product is the one they want. A successful sales meeting depends on both the salesperson and the customer asking each other the right sort of questions.

T a s k 19. Fill the gaps in these sentences with these words:

Before, buying, client, individual, product, wants, weaknesses

If you want to be a successful negotiator and salesperson you should ...

1. Know your and its main features.
2. Know the strengths and of competing products.
3. Find out who makes the decisions in your client's firm.
4. Plan each sales interview it takes place.
5. Match what you're selling to each client's and needs.
6. Listen to what your tells you.
7. Remember that each client is an not a number.

T a s k 20. Listen to a part of a talk at a workshop for people who have little experience of selling. Listen to the recording and answer these two general questions:

1. What is the talk about?
2. **What stages are referred to in the talk?**

Workshop leader: ... All right then everybody, if...um...we look at a typical sales interview where you meet a client or where a salesperson visits you to sell you something, we see that there are three stages: the Opening Stage, the Building Stage and the Closing Stage. And we should add to these stages other activities that will take place when you are not actually meeting or talking to a client: Preparation and Planning.

So let's look at these stages one by one. If you have any questions don't be afraid to interrupt. Now, the first stage, one, is the Opening Stage. Usually this is a phone call. But you might be preceding it with a letter, or a brochure or something like that. The first thing you have to do is get past the secretary, that's the most important. Find out when exactly you can talk to your prospect. Don't accept a promise to ring you back, ever. And you need to explain who you are and what you're selling. And arrange an appointment. Right?

And two is what we call the Building Stage. In other words the sales interview itself. It's important to prepare well and rehearse doing this sales interview. OK? And you can role-play it with a friend or a relation. Erm ... and now this person should try to be unfriendly and uncooperative and difficult, to give you the right sort of practice. OK? Then dress suitably for the occasion. OK, think about that. Behave in a... in a friendly, confident but business-like manner. Right? And remember not to spend too long on social conversation; it makes people impatient, before getting down to business. And remember that your client is a busy person. So respect that. Try and show the client that you're a responsible, trustworthy person, which of course you are. Tell the client about all the other well-known firms who use your product. Let the client know the benefits of the product. But, make care...be careful that you don't do all the talking. Ask him questions. And make sure they're open questions, not ones he can just answer with a yes or no, to find out what his needs are. So that you can match your product to those needs and to find out how large and how frequent an order he may place. That's important. You should talk only about half the time. Make sure of that.

Man: Oh ... erm ... what about objections? I always find that the hardest thing to deal with, when a client starts giving you reasons why he doesn't need to buy your product. Um...how do you deal with ... er ... objections?

Workshop leader: Well, objections suggest an interest in the product. The client may be...may be looking for arguments to use to justify to his superiors or his colleagues, for buying your product. And if you can answer these objections, you're well on the way to making a sale. But the important thing is to prepare answers to all foreseeable objections.

Man: Right, yeah.

Workshop leader: And give your prepared answer or if you don't have an answer, tell the client about a ... a further benefit. I think the important thing is not to spend too long trying to answer an objection. It gives it too much importance. And, remember, don't argue with the client. And finally, you get to stage three: the Closing Stage -recognizing that your client wants to buy and is on the point of confirming that order. Now, this is the hardest part, because it depends on timing. You have to judge when your client is ready to place that order. Then you can thank him for the order and go on to your next appointment. Now there's one more thing. Once you have a promise of the order, if it's a new client, do remember to check their financial status. And sometimes even if it's an old client, don't start work until you have a written confirmation of the order. That's very important

T a s k 21. Fill the gaps in this summary of the talk.

1. The Stage:

usually a phone call. You have to talk to ... in person – not his/her

Identify yourself and arrange an

2. The Stage:

a) prepare and with a or

b) dress suitably for the

c) behave in a , confident but manner.

d) don't spend too long on

e) show that you're a , person.

f) mention firms who use your product.

g) tell the client about the of your product.

h) encourage your client to talk by and only talk the time yourself.

3. The Stage:

recognizing exactly when your client is ready to the order.

This depends on

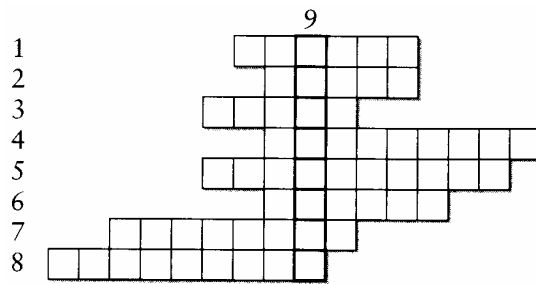
Finally, your client for the order and leave.

T a s k 22. Write the missing words in these sentences in the spaces in the puzzle:

goodwill, trend, sample, publicity, boost, volume, worldwide, competitor, monopoly.

1. We'll send you a ... of our product.

2. How can we ... sales without taking on more sales staff?



3. I've noticed that there has been a ... towards ordering later.
4. There is an enormous market for this product
5. ACME plc is our major
6. What ... of sales do you anticipate in your region?
7. We have built up a great deal of ... among our regular customers.
8. After that report on TV, we have had a lot of good
9. Even a company that has a ... invests in marketing and sales.

T a s k 23. Listen to the recording and then discuss these questions:

1. How much attention is the customer paying?
2. How convinced is the customer of the camera?
3. Which of these aspects is not covered in the demonstration?

advertising, after-sales service, film for the camera, guarantee period, pricing, using the camera.

Salesman: Yes, well, the best thing to do is er ... take a look at this print here. You see you get an amazing feeling of depth and realism. And, well, I mean it's as if you're really there, isn't it? You don't need any special glasses, you know, anything like that.

Customer: Hmm. That's very impressive. Mm ... what's the price and ... and what sort of discount are you offering?

Salesman: The cost to the end-user would be under \$100. And we're obviously offering the usual trade discount.

Customer: Mhm, I see. Well, I might be prepared to take ... er ... let's see, well, ten on a sale or return basis for each branch ... er ... that's 50 altogether.

Salesman: Ah, er ... problem: I'm afraid ... er ... can't let you have the goods on sale or return because, well, the demand's going to be very heavy.

Customer: Well, the problem is, you see, it does look a bit complicated for the beginner to use.

Salesman: Oh no, not at all, no. Look, if I could just show you, you see, you just look through the viewfinder here, press the button and ... er ... the automatic exposure and focusing system takes care of the rest.

Customer: Mm ... er ... do you have any point of sale advertising material?

Salesman: Yes, we have this showcard and a nice colorful poster.

Customer: Oh yes, that's very good, I like that, yeah.

Salesman: And we're running a national advertising campaign, so ... er ... end-users will be fully aware of the product. And ... oh ... there'll be this double-page spread in the Sunday color magazines next month. You see, it answers all the questions people may want to ask about the product.

Customer: Mm, I see. Well now, presumably the camera needs a special film?

Salesman: No, no, it uses normal 35 mm color print film. Er ... the films are processed by us in our computer-controlled laboratory. The four images ... er ... from the four lenses here, they're printed onto a special micro-lens material to form one single image. And ... oh ... and we're running a special introductory offer – end-users' first three films are processed free.

Customer: Yeah, that's good. Well, I'd like to know ... mm ... what'll happen if the product doesn't take off and ... er ... you stop manufacturing it – will the laboratory still operate? Um ... I mean, will my customers be left with a piece of equipment that they can't use?

Salesman: No, there's absolutely no danger of that whatsoever. This product is going to be a big success. Er ... the reviews in the trade press have been fantastic. Take a look at this one, for instance ...

Task 24. Role play. Work in groups. What would you do in these situations? How would you deal with these customers?

Three customers – three case studies



Mr. A always keeps you waiting 20 minutes when you've made an appointment to see him. He never looks at the literature you leave with him but seems equally unfamiliar with your competitors' products. He seems very cautious and says he has to consult his colleagues before making a firm decision, but regardless of this, when you make your next visit he always says he hasn't had time to do so.



Mrs. B regularly places small orders with you, but could order substantially more. Instead, she orders from your main competition. She seems to enjoy telling you that your products are too up-market for her customers. Your product range is very competitive, and anyway you do have a more down-market range that you know she knows about. She always says she's in a hurry, but can still find time to criticize your company.



Mr. C keeps raising objections to your products: he says they are too expensive, that he's worried about your after-sales service, that your new technology may not be reliable, that your design may not appeal to his customers. Just when you think it's time to close the deal, he raises yet another random objection and declines to place an order.

Suggested possible scenarios:

Mr. A

State that you are glad to wait for him, as it will mean that it will be worthwhile this time, you hope. But add that if it is likely to happen again that he is so busy, perhaps it may be preferable to ask to see his assistant next time. It may even be advisable to send the promotional literature in advance to his superior. If he would prefer this to happen, you can offer to leave and to return on an occasion more convenient to all concerned.

Mrs. B

You might offer her an increased discount, if she is prepared to order more next time. Offer to show her the catalogue for products in the lower price range, in case she has lost the one you sent in advance. Tell her that she would be able to benefit from taking a longer look this time at the products which are clearly qualitatively

far better than anything the competition currently has on offer. Emphasize that your competitors are still offering largely out-of-date models as the latest design. This is a method your own company would never engage in.

Mr. C

Tell him that you understand his fears concerning the price, but since the beginning of the year you have acquired some new after-sales engineers and the problems he mentions with after-sales service are now a thing of the past. Moreover, the slight difficulties with the new technology were simply teething troubles which have now been satisfactorily resolved. It's perhaps worth giving the new-look product a chance, since in the trade journals it has been certified as being twice as fast as the old model, despite appearances. It is, after all, performance that counts. Despite his unwillingness to place an order this time, tell him that you are convinced that you will be able to do business in the future. Thank him for his time and promise to call again next month, when you will be able to offer him a number of new articles which you feel will be just the kind of item he will be able to use.

Task 25.

A. Pre-reading questions:

1. What is meant by business negotiation?
2. What kinds of business negotiation do you know?
3. What are the reasons for conflicts in business negotiation?

B. Read this text and sum up the main facts.

Negotiating

Diplomacy, friendliness and co-operation are important in selling. There's a widespread belief, which is probably true, that buyers 'buy from those they like' and that sellers give a better deal to 'those they like'. All salespeople have a certain 'fear', or reverence, for buyers because they have the power to give or to withhold an order. 'Negotiation' is the part of the sales conversation where bargaining about the conditions of an order takes place. It comes at the end of the sales talk at the point when the buyer is definitely interested. Because additional persuasion may be required, it's important not to give away concessions while making the sales presentation.

In international business there are different types of business negotiations, negotiation styles and negotiation situations. A simplified model of what goes on shows four main phases of negotiation:

1. **The preparation phase:** this is where you work out what you want and what your main priorities are.

2. **The debating phase:** **this is where you try to find out what the other side or the customer wants. You say what you want but you don't say yet what the final conditions are. You use open questions and listen to the customer to try to find out in what areas they may be prepared to move.**

3. **The proposal phase:** this is the point at which you suggest some of the things you could trade or which you might theoretically be prepared to trade, offer or concede. Formulate your proposals in the form of if ..., then Be patient and listen to the other side's proposals.

4. **The bargaining phase:** this is when you indicate what it is you will actually trade, offer or perhaps concede. In turn you conditionally exchange individual points, along the lines of: 'If you are prepared to pay swiftly, then we are prepared to change our delivery schedules.' Remember to write down the agreement.

Not all business negotiations take place face-to-face. Sometimes you may have to exercise negotiating skills on the telephone. Clearly, too, not all business bargaining ends in a deal. Some negotiations may begin with an exploratory session during which clients specify their needs and expect you to come back later with a proposal of how your company will meet those needs.

People often try to postpone a decision. They might politely break off from the negotiation and say something like: 'I'll have to think about it' or 'I'll have to consult my boss or my department head', etc. On the whole, however, people expect that agreement will be reached or else you'll do business with another company. Normally both parties are interested in reaching an agreement in which both sides take away something positive from the deal. This is called a 'win-win situation'.

However, conflict can occur in business negotiations and relationships. Naturally, we all try to avoid this because this is where only one side can win and the other will lose. Situations which might lead to such negotiations could be late delivery, poor performance of a product, component failure or the need to make compensation payments. In a situation where one side is clearly in the wrong, the outcome is clear: either the conflict continues until the dispute is resolved or it goes to court.

The final important point about negotiating in the business world is the law of contract. It is generally enforceable in the courts. The position is more complicated in international business negotiations because of differences in laws and assumed liabilities. But, nevertheless, the courts are a source for remedies if contracts are broken. Suing defaulting contractors is quite common. A sound knowledge of contract law is therefore essential for negotiators drawing up an agreement at the end of a deal. However, this is the point at which the experts will usually have to be called in and so is not dealt with further here.

T a s k 26. Answer these questions:

1. When do you use expressions in the form of *if ... , then ...*?
2. **When do you suggest some of the things you might be prepared to trade?**
3. Why should you be patient and listen to the other side's proposals?
4. When do you work out what you want and which are the main priorities?
5. What should you not forget to do in a negotiation?
6. What sort of questions should you use in the early phases?
7. Why do you think that is?
8. In what phase do you suggest things you are ready to trade?

T a s k 27. Read and comment on the following extracts

Never begin a deal, a battle or love affair if the fear of losing overshadows the prospect of winning. Aristotle Onassis, shipping tycoon.

William Ury is co-author of the world's most famous book on negotiating, *Getting to Yes*. Read the following extract from his best-selling sequel, *Getting Past No*. Which of the situations remind you of something that's happened to you?

Daily life is full of negotiations that can drive you crazy. Over breakfast you get into an argument with your spouse about buying a new car. You think it's time, but your spouse says: 'Don't be ridiculous! You know we can't afford it right now!'

A morning meeting with your boss. You present him with a carefully prepared proposal for a new project, but he interrupts you after a minute and says: 'We already tried that and it didn't work. Next item.'

During your lunch hour you try to return a defective toaster-oven, but the salesperson refused to refund your money because you don't have the sales slip: 'It's store policy.'

In the evening you need to return some phone calls, but the line tied up by your thirteen-year-old daughter. Exasperated, you ask her to get off the phone. She yells: 'Why don't you get me my own phone line? All my friends have them.'

T a s k 1 Answer the following questions:

a) In order to give the person in the article advice, what else would you need to know about each situation?

b) What would you say in response to each of the people in the text?

Compare your ideas with a partner.

T a s k 2 Complete the following sentences in not more than five words:

'A good negotiator

Compare sentences with other people in the class.

T a s k 3 Listen to four business people sharing their views on how to negotiate and answer the questions below.

- a) Put the following stages in a negotiation into the order Speaker 1 mentions them.
- | | |
|-----------------------|------------------------|
| have lunch | create rapport |
| agree on a procedure | set out proposals |
| bargain | agree terms |
| close | celebrate |
| listen and take notes | make counter-proposals |
- b) Speaker 2 refers to the following acronyms. What do they mean?
 OP
 TP
 WAP
 FBP
 BATNA
- c) According to Speaker 3, why doesn't 'win-win' usually work?
 d) What five pieces of advice does Speaker 3 offer?
 e) According to Speaker 4, what's the worst thing you can do to a negotiator?
 What's the difference between tactics and dirty tricks?
 What examples does he mention?

Collocations. Match up the halves of the following collocations.

- | | |
|----------------------|--------------|
| a initial | deal |
| b long-term | offer |
| c dirty | relationship |
| d one-off | tricks |
| e critical | process |
| f win-win | demand |
| g negotiating | phase |
| h last-minute | negotiation |

Speaker 1

Spend as much time as possible at the outset getting to know exactly who you're dealing with. Inexperienced negotiators tend to go straight in there and start bargaining. That may be OK for a small, one-off deal, but it's no way to build a long-term business relationship. So create rapport first. This could take several hours or several months! When you're ready to start negotiations make sure you agree on a procedure before you begin. And while they're setting out their proposals, don't interrupt. Listen. And take notes. Then have lunch! Don't be tempted to make your counter-proposals and enter the bargaining phase until after a good long break. You'd be surprised how much you can find out over a decent meal. Bargaining, of course, is the critical phase, but it can be surprisingly quick. If it isn't, break off and fix another meeting. Don't try to run marathons. When you do finally get to the agreement stage, agree the general terms, but leave the details to the lawyers – that's what they're there for. Close on a high note and remember to celebrate!

Speaker 2

Prepare thoroughly. If you don't, you won't know whether to accept an offer and may end up actually arguing with your own side, which is suicide in a negotiation.

So make sure you establish all the points you're going to negotiate and have a clear idea of your opening, target and walk-away position on each. Your opening position or OP is your initial offer – on price or whatever. Your TP, your target position, is what you're realistically aiming for. And your WAP or walk-away position is the point at which you walk away from the negotiating table. Always be prepared to do that. Know what your fall-back position or FBP is – what you'll do if you don't reach an agreement. Some people call this your BATNA, your best alternative to a negotiated agreement. You

nearly always have a BATNA, however undesirable. But if you really haven't got one, you'd better be good at bluffing or you going to lose big time!

Speaker 3

Ideally, a successful negotiation is a kind of joint problem-solving meeting, where we identify each other's interests, wants and needs and then explore the different ways we could satisfy those. I say 'ideally', because it hardly ever is like that. Win-win negotiation is a great idea, but most people have a simple 'I win – you lose' mentality. So what do you do with the person who simply won't listen, who keeps interrupting, who becomes aggressive, who makes last-minute demands, who won't make a decision? I must have read dozens of books on negotiation tactics. The problem is, so has everybody else. So they don't really work. My only advice is: don't get personal – ever; don't agree to anything until you've discussed everything; don't make any concessions without asking for something in return; ask lots and lots of questions; and don't give in to pressure. Remember, if the answer must be now, the answer must be 'No'.

Speaker 4

I think it was the negotiations trainer and writer, Gavin Kennedy, who said the worst thing you can do to a negotiator, is to accept his first offer. You may think that's exactly what he wants, but that's where you'd be wrong. If you accept his first offer without a fight, your opponent will think he could have got a lot more out of you. He won't be happy at all, and you don't want that. So play the game. And don't worry about dirty tricks. They're only dirty tricks when your opponent uses them. When you use them, they're tactics! So use them. Shock them with your opening offer; use your English as an excuse to deliberately misunderstand them; kill them with silence; use your emotions when it's to your advantage; right at the end, say you have to get the OK from your boss or make another last-minute demand.

T a s k 28. Read the joke. Is there a lesson to be learned from it?

Two priests were so addicted to smoking that they desperately needed to puff on cigarettes even while they prayed. Both developed guilty consciences and decided to ask their superior for permission to smoke. The first asked if it was OK to smoke while he was praying. Permission was denied. The second priest asked if he was allowed to pray while he was smoking. His superior found his dedication admirable and immediately granted his request.

T a s k 29. How direct you want to be in a negotiation is a matter of both culture background and personal choice. On which side of the line below would you place people from your own culture? How about you personally?

prefer the diplomatic approach | prefer straight-talking

- a) Find someone in your group who put themselves on the other side of the line from you. Try to persuade each other that you side is better.
- b) The following thoughts passed through the minds of two negotiators during a negotiation. Use the words and phrases in brackets to reproduce what they actually said.
- a) That's impossible.
(unfortunately / would not / possible)
 - b) We can't go higher than 7 %.
(would find / quite difficult)
 - c) We won't accept less than \$5 a unit.
(afraid / not in a position / this stage)
 - d) You'll have to pay more if you want that.
(may / slightly)
 - e) We need a commitment from you now.
(would / some kind)
 - f) We should spend more time looking for a compromise here.

- (shouldn't / little?)
- g) It would be good idea to agree on a price before we go any further.
(wouldn't / better?)
- h) We hoped you'd pay a deposit today.
(were hoping / able)
- i) It will be difficult to get my boss to agree to this.
(might not / very easy)
- j) That's as far as we can go.
(think / about / the moment)

Task 30. What do the negotiators do to make their statements more diplomatic? Do you prefer the direct or diplomatic versions?

The language of negotiations

Task A. The following expressions are all useful on negotiations, but some letters are missing from the final words. When you have completed them, the letters in the box spell out some good advice for a negotiator.

- a) Perhaps we should begin by outlining our initial ... P S T
- b) Can I make a ... GG ST ?
- c) What if we offered you an ... ALT N E?
- d) Let me get this quite ... L R
- e) Would you be willing to accept a ... C P M S ?
- f) I'm afraid this doesn't really solve our ... R B M
- g) We may be in a position to revise our ... FF
- h) I think that's about as far as we can go at this ... S G
- i) Are these terms broadly ... CC PT ?
- j) Let me just check I understand you ... RR T
- k) I'm afraid we could only accept this on one ... ND T
- l) What sort of figure are we talking ... A T?
- m) Could you give us an idea of what you're looking ... F ?
- n) What sort of time-scale are we looking ... A ?
- o) We'd like to see some movement on ... PR C
- p) Can we just run through the main points once ... O E?
- q) At the moment, we do not see this as a viable ... O T
- r) We seem to be nearing ... A EE T
- s) Well, that's it. I think we've earned ourselves a ... D K?

Task B. Listen to extracts from two different negotiations and tick off the expressions in Task A as you hear them. Which two are not used?

Extract 1

A: Now, the next thing is: we'd like to see some movement on price. We have a rather lower figure in mind than the one you've quoted us.

B: OK. What sort of figure are we talking about?

A: Well, something nearer to seven million euros.

B: Now, let me just check I understand you correctly. You're offering us seven million for the whole construction contract?

A: That's right.

B: And what sort of time-scale are we looking at?

A: We would expect you to complete the project within 18 months.

B: How flexible can you be on that?

A: Not very. We were hoping to have the plant fully in operation by next September.

B: I see Can I make a suggestion?

A: Go ahead.
 B: Well, would you be willing to accept a compromise?
 A: That depends on what kind of compromise you had in mind.
 B: Well, what if we offered you an alternative? What if you paid us two million in advance, two million mid-contract, and another 3.2 million on completion.
 A: On schedule?
 B: On schedule. 18 months Or thereabouts.
 A: Hm. So that's 7.2 million euros in all.
 B: Correct.
 A: And what if you run over schedule?
 B: Then there would be a penalty. Let's say 25 thousand euros for each week we ran over schedule.
 A: Hm. I'm afraid this doesn't really solve our problem. What we need from you is a guarantee that the project will be finished on time.
 B: And, as you know, I can only give you that guarantee by bringing in more outside contractors.
 A: Which ups the price to your original bid of 7.8 million euros?
 B: Yes.
 A: At this moment we do not see this as a viable option.
 B: 7.8 million really is my best price on that.
 A: Well, in that case, I think that's about as far as we can go at this stage.
 B: Now, wait a minute. We're not going to lose this deal for 600.000 euros, surely How about this ... ?

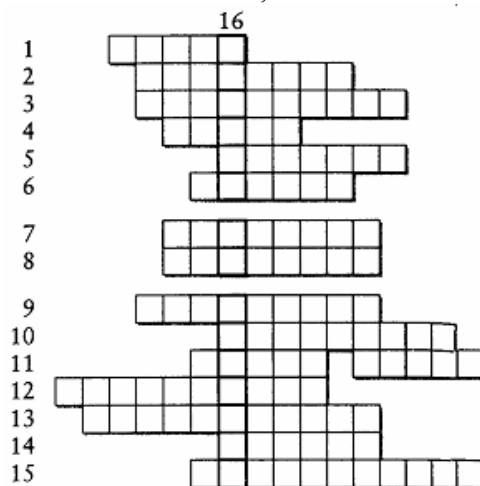
Extract 2

A: Right. We seem to be nearing agreement. But, erm, before we finalise things, can we just run through the main points once more?
 B: Sure.
 A: Now, you'll provide a series of eight two-day in-company seminars for our telesales team over the six months. You yourself will be conducting most of the sessions with two other trainers, using materials specially designed to meet our specific needs and approved by us four weeks prior to the first seminar?
 B: That's correct.
 A: And, er, let me get this quite clear, each seminar is to have no more than 16 participants, is that right?
 B: Yes. We find the seminars are much more effective with smaller groups.
 A: Hm, I suppose you're right. It does also mean running more courses, but OK. Now, since we are booking eight seminars, we'll obviously expect a reasonable discount on your usual fee.
 B: Erm, yes. Could you give us an idea of what you're looking for? Because with this particular course
 A: I would have thought a 15 % discount was fair. So that's eight times 3,000 is 24,000 minus 15 %, which is, erm, 3,600. And that would come to a total fee of 20,400. And you'd invoice us on completion of the whole series of seminars. Are these terms broadly acceptable?
 B: Er, well, just a moment. We haven't actually agreed on the discount yet. As I was about to say, with this particular course there wouldn't normally be such a large discount. We offer 10 % on five or more of our standard seminars, but this is a specially designed course for your personnel only. Obviously, we have to cover our development costs.
 A: I should think you could cover them quite easily on just over 20,000, Mr Smart. No, my mind's made up. 15 % – take it or leave it.
 B: Well, now, I'm afraid we could only accept this on one condition.
 A: Which is?
 B: Erm, we'd want a 25 % non-refundable deposit in advance
 A: Done.
 B: You see, ... erm, sorry?
 A: 25 % deposit – no problem. I'll get accounts to make you out a cheque for, let me see, 5,100 Well, that's it. I think we've earned ourselves a drink!
 B: Erm, well, yes. Nice doing business with you.

T a s k 31. Add the missing words to the puzzle:

claim, covers, inferior, warranty, minor, emergency, install, regardless, compensate, arisen, spare parts, guarantee, shortage, repair or replace, maintaining, merchandise.

1. This is not a serious problem, it's only a ... fault.
2. We are rejecting the goods because we consider the quality to be
3. If you have suffered any loss, we will of course ... you for this.
4. We intend to ... for the additional expenses we have incurred.
5. You don't need a qualified electrician to ... a computer printer.
6. A number of problems have ... since we bought the machine.
7. The delay is due to a ... of qualified staff.
8. As explained in our catalog, this program carries a 90-day
9. As explained in our catalogue, this programme carries a 3-month
10. The engineer is on call 24 hours a day if there is an
11. There is a lack of ... for such an old machine.
12. We must have a computer system that works well, ... of the cost.



13. Their service department is responsible for ... the machine.
14. The service contract ... all repairs to the equipment.
15. Any ... that is faulty will be returned to the supplier.
16. Please ... these faulty items.

T a s k 32. Listen to the conversation between Bob Kellerman and Sales Manager Michelle on the phone. Make notes and discuss these questions:

1. What do you think has happened?
2. What sort of supplier are you dealing with?
3. What action should you take in this situation?

Bob: Good morning. Buying department.
Mi- Hello, can I speak to Bob Kellerman?
chelle:
Bob: Speaking. Hi Michelle. How are you?
Mi- Fine. It's about those new components.
chelle:
Bob: You mean the X77s – the ones from Coyote Enterprises?
Mi- Yes.
chelle:
Bob: Uhuh, why, are there any problems with them?
Mi- There's a big problem with the quality of the wiring.
chelle:

Bob: Yeah, but we tested all the samples and my assistant told me there were no problems at all with the wiring. And the price is very good, Michelle. No, it...it may be Coyote's...er...quality control that's at fault. Er...is it just the wiring that's faulty?

Michelle: No, there have been problems with the switches too.

Bob: No, not the switches! What, is there a safety problem or something?

Michelle: The assembly people are having to reject 20 % of them.

Bob: Wait a minute, did you say 20 %?

Michelle: Yes.

Bob: Well, if you're rejecting that many, then there's no...there's no cost saving...in getting the components Coyote. A... and if any of the switches don't work properly, then, well, we'll be getting some customer complaints.

Michelle: We already have. There's obviously a design fault.

Bob: A design fault in the switches? But if there is a design fault, I'm – Geoff – you know Geoff in assembly – well, he would have told me. So, are you sure?

Michelle: Yes.

Bob: Oh, no! All right, I'll look into it. I...is there any...anything else?

Michelle: Well, the paint matching isn't quite right.

Bob: Well, if the paint doesn't match, that's not so serious, we can deal with that. But with everything else – well, OK, I'll get onto this right away. Um. – I'll get my assistant to look into it and...er...I'll get back to you...um...well, I'm not sure, but as soon as I can, is that all right?

Michelle: As soon as you can, Bob.

Bob: OK, Michelle. Listen, I'm really sorry about all this. I'll clear it up.

Michelle: Bye.

Bob: Bye bye. I'll talk to you later. Bye bye.

T a s k 33. Read this text and sum up the main facts.

Import and export

An import/export transaction usually requires a lot of complicated documentation. Many different arrangements have to be made and this can be difficult when one firm is dealing with another firm on the other side of the world.

Many specialists may be involved, including:

1. A shipping agent and/or a freight forwarder (forwarding agent) who takes responsibility for the documentation and arranges for the goods to be shipped by air, sea, rail or road. These services may also be carried out by the supplier's own export department, if they have the expertise.
2. Airlines, shipping lines, railways or road haulage firms to transport the goods.
3. Both the importer's and exporter's banks will be involved in arranging payments if a letter of credit or bill of exchange is used.
4. Customs officers who may examine the goods, check import or export licenses and charge duty and/or VAT.
5. The manufacturer or a Chamber of Commerce to issue a Certificate of Origin, if this is required by the importer's country.
6. An insurance company or insurance broker to insure goods in transit.
7. An export credit insurance company (such as Hermes in Germany).
8. A lawyer if a special contract has to be drawn up.

Different documents may be needed, for example:

- Bill of Lading
- Sea Waybill
- Shipping Note
- Dangerous Goods Note '
- Air Waybill
- Certificate of Insurance

Many of these documents can be replaced with computerized procedures. Standard 'aligned' export documentation is also used: the required information is entered on a single master document and then photocopied to produce all the required documents.

Many import or export deals are arranged through an exporter's agent or distributor abroad – in this case the importer buys from a company in his own country and this company imports the goods. Alternatively, the deal may be arranged through an importer's buying agent in a buying house acting for the importer, or through an export house based in the exporter's country. In this situation, the exporter sells directly to a company in his own country, who will then export the goods.

Prices for exports may be quoted in the buyer's currency, the seller's currency or in a third 'hard' currency (e.g. US dollars, Deutschmarks or Swiss Francs). The price quoted always indicates the terms of delivery, which conform to the international standard Incoterms. The terms of delivery that are most common depend on the kinds of goods being traded and the countries between which the trade is taking place.

Incoterms

(The most common ones are shown with *.)

CFR This price includes Cost and Freight, but not insurance, to a named port of destination in the buyer's country.

CIF* This price covers Cost, Insurance and Freight a named port of destination in the buyer's country.

CPT The cost and transportation of the goods, Carriage Paid to a named destination in the buyer's country.

CIP The cost and transportation of the goods, Carriage and Insurance Paid, to a named destination in the buyer's country.

DAF The cost, insurance and transportation of the goods Delivered At Frontier. DES The cost, insurance and transportation of the goods Delivered Ex-Ship. DEQ The cost, insurance and transportation of the goods, unloaded from the ship and Delivered Ex-Quay.

DDU The cost, insurance and transportation of the goods Delivered Duty Unpaid to the buyer.

DDP The cost, insurance and transportation of the goods Delivered Duty Paid to the buyer.

EXW* This price is the Ex-Works cost of the goods. The buyer arranges collection from the supplier and pays for freight carriage and insurance.

FCA The Free Carrier price includes all costs to a named point of loading onto a container. The buyer pays for onward shipment and insurance.

FAS This price includes all costs to a named port of shipment Free Alongside Ship. The buyer pays for loading, onward shipment and insurance.

FOB* This price includes all costs of the goods Free On Board a ship (or aircraft) whose destination is stated in the contract. The buyer pays for onward shipment and insurance.

Methods of payment may be on a cash with order basis (or cash deposit with order), on open account (as in most domestic trade, where the buyer pays the supplier soon after receiving the goods), by irrevocable letter of credit or by bill of exchange. Exporters and importers often prefer the security of payment by confirmed irrevocable letter of credit when dealing with unknown firms in distant countries.

Trade between countries within a free trade area and within the European Union is simpler, and many firms pay for goods by cheque and use their own transport to deliver goods across frontiers. No special customs documentation is required for trade between firms in different parts of the EU, but VAT rates vary from country to country.

Documentation

Task 34. Add the missing words.

1. After receiving their enquiry, we sent them a
2. We have just received an ... for the goods we wanted.
3. Another word for 'buy' is
4. A bill of lading and a letter of credit are both ... used in foreign trade.
5. Please inform us when the cargo arrives at its
6. We send a ... before making up an order.
7. Our agents will ... the goods to you when they arrive.
8. It's important to state the ... of each package on all the forms.
9. I've just heard that charges are going up.
10. That firm is our sole ... of these components.
11. They have added \$50 for ... and handling.
12. When will you be able to the goods to us?
13. The ... price is 30 % higher than the wholesale price.
14. Before we can accept your order, we require a ... of 5 % of the total price.
15. When fixing a price for an export order, the ... are very important.
16. Doing business on the phone with companies ... is very costly.

Task 35. Sum up the main facts.

Accounts and foreign payments

Very often in business situations you may find yourself having to talk about money with suppliers and customers. You may be physically handling money or dealing with figures and money on paper. If you work in the accounts department of a firm you may have to fill in invoices for customers' orders. Or you may have to send a customer a reminder because they have not paid an invoice. You may even have to decide whether customers can have further credit and can delay paying their outstanding bills: this is called 'credit assessment'. If you are working in international trade you may need to be familiar with the different types of payment that exist.

In most middle-sized and large firms there is an Accounts Department which deals with the money paid out to suppliers for goods delivered and the money received from customers for goods supplied.

The table below gives you a very general idea of the different activities which involve money in an accounts department. Two of the most important processes are paying suppliers and billing or controlling credit of customers. It is normal to send a proforma invoice in advance when supplying goods to a customer. In a situation in which the customer is known and reliable, firms may send an invoice *after* the delivery.

Accounts dealing with money coming in and going out from a firm

<i>Purchasing</i>	invoices	RECEIVE	from	supplier
	payments – cheques,	SEND	to	supplier

	etc. (you pay the invoice)	OUT	
<i>Sales</i>	Invoices	SEND OUT	to supplier
	payments – cheques, etc. (you invoice the cus- tomer)	RECEIVE	from cus- tomer

Methods of Payment in Foreign Trade

1. **CWO** – cash with order: Note that cash simply means money in tills context. This method is uncommon since you extend credit to your supplier; in addition you run the risk that the goods will not be dispatched in accordance with the contract terms. But this is usual with mail order, where you pay by Eurocheque or cheque or by using a credit card. In business, CWO contracts often include provision for partial advance payments in the form of deposits (normally between 10 per cent and 20 per cent of the contract price). Or they include progress payments at various stages of manufacture (particularly for capital goods). Then the remainder of the payment is usually made by one of the methods described below.

2. **Open account**: This is a simple agreement in which you agree to pay for the goods after you have received them, usually on a monthly basis. There are various ways in which you can send money to your suppliers under open account. Your suppliers may suggest the method to be used, for example:

Cheque: This is usually the slowest method of payment. Your suppliers may have charges from their own bank and also from banks in your country since a cheque has to be cleared through the international banking system before they receive credit. Different banks have different methods and this could take as long as a month. For these reasons your suppliers may not accept payment by cheque.

Banker's draft: You can arrange for your bank to issue a draft, which is a kind of cheque, drawn on an overseas bank in either sterling or foreign currency. You send this direct to your suppliers who pay it into their bank account. Then they will usually receive immediate credit.

Telegraphic Transfer: This is the fastest method of sending money abroad but costs a little more than most other methods of transferring money. Your bank instructs an overseas bank, by cable or telex, to pay a stated amount of money to your suppliers. Your own or foreign currency may be sent in this way. If you wish, the overseas bank can be instructed to inform your suppliers as soon as the money arrives.

International Payment Order: You can arrange for your bank to instruct an overseas bank to make payment to your supplier, by airmail. International Payment Orders are slower than Telegraphic Transfers, but they are slightly cheaper because there are no cable costs.

International Money Orders: These can be purchased from your bank. You post the money order to your suppliers and they receive immediate credit from their bank in the same way as with a draft. This is a very cheap and simple way to make payment of relatively small amounts.

3. **Documentary Bill of Exchange**: This is a popular way of arranging payment and offers benefits for both you and your suppliers. The main advantage is that you are not required to make payment until your suppliers have dispatched the goods. Your suppliers are protected by law and also know that money owing against bills of exchange can easily be obtained. It is in effect a demand for payment from your suppliers. They will draw it up on a specially printed form or on their own headed notepaper and forward it to their bank, together with the document relating to the transaction. These may include a transport document proving that the goods have been dispatched.

The overseas bank will send the bill and documents to a bank in your country for 'collection'. Your bank will notify you of the arrival of the documents and will pass them on to you provided that:

- if the bill is drawn 'at sight', you pay the amount of the bill in full when it is presented to you;
- if the bill is drawn payable after a certain number of days you 'accept' the bill. It means that you sign across the bill your agreement to pay the amount full on the due date.

FINANCIAL TERMS

Add the missing words.

1. Banks ... your account: when you use a Eurocheque abroad.

2. Few companies pay their shareholders a regular
3. ... can result if you have no more income to pay all your debts.
4. Our customers get reminders on payments.
5. People with large incomes or can always get credit from a bank.
6. Banks very high rates of interest on credit loans.
7. Suppliers expect their ... to be paid promptly.
8. A firm's costs include wages, interest and also
9. Although we have paid our bills regularly, we still have some outstanding
10. We hope to increase our profits for this ... year.
11. Our profits were very small despite a large
12. The increase in ... will not change our price policy.
13. Every year a company must allow for ... in the value of its machines and buildings.

Exercises on prepositional phrases

Fill the gaps in these sentences with a suitable noun and prepositional phrase. The first one is given for you as an example.

Of inferior quality, of minor importance, of short duration, out of date, out of order, out of stock, out of work, to a certain extent, under separate cover, with reference to.

1. We are sending you our Spring catalogue *under separate cover*.
2. Because the other items on the agenda were the meeting was adjourned.
3. It is at this stage of the process that any products are removed from the assembly line.
4. Even if the machines are they should not be touched unless the power supply is off.
5. At a time when so many skilled workers are it will be easy to fill the vacancy.
6. The old machinery was completely your letter of 15 March, we are unable to offer you an alternative delivery date.
7. The strike was so the production lost was minimal.
8. We'll have to reduce the workforce perhaps by a process of voluntary redundancies.
9. We regret that we are unable to supply the items you ordered, as we are completely

T a s k 36. Give a gist of the following conversation.

At a trade exhibition

- How do you do? My name is Bob Norman. I'm from Rotorflex. Can I help you in any way?
- Oh, hi, my name is Tim Brown. How are you doing? Pleased to meet you.
- Fine, thanks. I wanted to ask you about your rotary printer you have here.
- Aha, yes, now, you mean our R75.
- Yes, that's right, the R75. Now, what I'd like to know is can it deal with a high quality embossed greeting cards. That's the sort of thing we are involved with.
- Certainly, that's no problem at all.
- Fine, now you see, we are looking for replacements of our 20 years old machines. So we need the latest technology. Now, if we were interested in making a firm order how quickly could you deliver the machines?
- Well, I can't give you a firm delivery date myself at the moment. But we can deliver pretty quickly.
- My firm would be interested in 10 machines.
- Yes, oh, that's very good.
- So I was wondering: could we get a 15 percent discount on an order that size?
- Well, as you can see from our catalogue here we normally offer 12 percent on orders of that kind.
- Yes, I read that. But your neighbors down the hall there, they are willing to give me 15 percent.

- Well, of course, we'll be delighted to do business with you, Mr. Brown. So I'd like to draw your attention to the latest laser – driven technology which the R75 contains.
- Yes, very interesting, but this discount is very important.
- Well, look, if you'd like to wait just for a few minutes I can get through to my head office and I'll enquire about any special arrangements which we might be able to make for you.
- No, no, please don't bother about that just now. There is no that much of a hurry. I still have a report back to my board.
- Yes, I understand that. Look, here's my card. It'll be quite enough if you just drop me a line about things like the discount in the course of the next 2 weeks.
- Yes, very well, Mr. Brown. I'll be only pleased to do all that for you. It's been very pleasant talking to you. Oh, well, here's my card as well.

Presenting

"Talk low, talk slow and don't say too much". (John Wayne, Hollywood film star).

Task A. Think of successful talks you've been to in the past. What made them so successful? Complete the following list of elements that make a good presentation using the following words.

To be good presenter you need ...

- | | |
|------------------------------|-----------------------|
| a) a well-structured; | f) an enthusiastic; |
| b) thorough subject; | g) a strong; |
| c) a smart and professional; | h) a creative use of; |
| d) a good sense of; | i) expressive body; |
| e) good eye; | j) careful. |

Task B. With a partner, discuss the elements in Task A and number them in order of importance. Use the phrases below in your discussion

Delivery

Task 1. Read the text below. Is it a good advice?

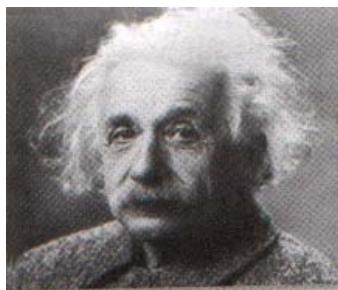
Did you know ... that almost thirty million business presentations are given every day? And yet, in surveys, most managers say they are more afraid of public speaking than anything else – even death! To overcome nerves, a lot of presentation trainers advise you to 'just be yourself'.

Task 2. Discuss with a partner. How is speaking to an audience – even a small one – different from speaking to a group of friends? Think about the following:

- how clearly you speak – how quickly you speak;
- how often you pause – how emphatic you are.

Task 3. Look at this famous toast to Albert Einstein by writer, George Bernard Show. The extract is unpunctuated. Mark (|) where you think the speaker paused. Then listen and check.

I have said that great men are a there are great men who are great men who are great amongst great you have amongst you tonight I go count in that period I can count Pythagoras Ptolemy Aristotle Co-I still have two fingers left vacant for the toast health and length of Einstein.



mixed lot but there are orders of great men men amongst all men but there are also great men and that is the sort of great men whom back 2,500 years and how many of them can I them on the fingers of my two hands pernicus Kepler Galileo Newton Einstein and my lords ladies and gentlemen are you ready days to the greatest of our contemporaries

Task 5. Listen again and underline the stressed words.

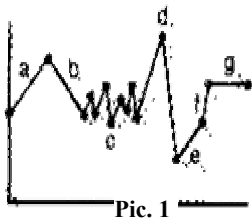
- b) Is there a connection between what we stress and where we pause?
 c) What's the effect of pausing less often? more often?

Using visuals

Task 1. You can draw below. Complete them using the words

give see point have show

- 2 As you can , ... 5 To you the
 3 I'd like to out ... to this.



attention to your visuals by using the phrases in the box.

- 1 _____ a look at this. 4 Let me you something.
 background.

Task 2. Which parts of the graph on the left do the following verbs refer to? rise level off fluctuate peak recover bottom out fall.

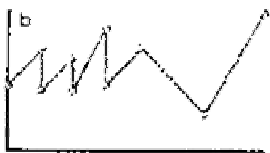
A technical problem



Pic. 1

Task 1. Listen to a stock trading company manager describe how his team solved a problem with the company's website.

Part A

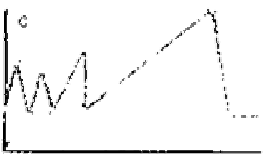


Pic. 2

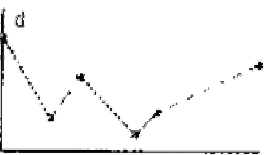
1. Underline the two things the manager does to open his presentation.
 ask a question / tell a joke / tell a story / quote some figures.

2. What's the significance of the following facts and figures?

- 9 _____
 250,000 _____
 3 _____
 60,000 _____



Pic. 3



Pic. 4

Part B

3. What three problems was the company having with its website?

- A _____ B _____ C _____

4. Having improved the website, what are E-Stock's two current objectives?

- a)
 b)

Part C

5. Which graph on the left does the speaker refer to?

6. What three things does the manager do to close his presentation?
- a) he sums up his talk; c) he refers people to his report;
 b) he quotes a well-known person; d) he invites questions.

Task 2. Read the following sentences from the presentation in Task 1.

- a) When we first went online, we were getting over 250,000 hits a day.
 b) The problem was not the service we were offering, but the website itself.
 c) A fault we hadn't noticed in the programming caused 1,500 people to invest in a company that didn't even exist.
 d) The next thing was Internet advertising, winning back the customer confidence we'd lost.

In which of the sentences above do the highlighted verbs refer to things happening at the same time?

happening one after the other?

UNIT EIGHT

Jobs and careers

This unit covers some aspects of company. It should be mentioned that of applying and interviewing in norms.



applying for a job or a promotion within a different conventions apply to the processes different countries. There are no international

Task 1.

Background information: applications and interviews

In different countries different conventions apply to the process of job application and interviews. In most parts of the world, it's common to submit a typed or laser-printed CV (curriculum vitae – British English) or resume (American English). This contains all the unchanging information about you: your education, background and work experience. This usually accompanies a letter of application, which in some countries is expected to be hand-written, not word-processed. A supplementary information sheet containing information relevant to this particular job may also be required, though this is not used in some countries.

Many companies expect all your personal information to be entered on a standard application form. Unfortunately, no two application forms are alike, and filling in each one may present unexpected difficulties. Some personnel departments believe that the CV and application letter give a better impression of a candidate than a form.

There are different kinds of interviews: traditional one-to-one interviews, panel interviews where one or more candidates are interviewed by a panel of interviewers and even 'deep-end' interviews where applicants have to demonstrate how they can cope in actual business situations. The atmosphere of an interview may vary from the informal to the formal and interviewers may take a friendly, neutral or even hostile approach. Different interviewers use different techniques and the only rules that applicants should be aware of may be '*Expect the unexpected*' and '*Be yourself!*'

Progress interviews are interviews where employees have a chance to review the work they are doing and to set objectives for the future. Such interviews usually take place after a new employee has been working with a company for several months, and after that they may take place once or twice a year.

In different countries, and in different trades and different grades, the salary that goes with a job may be only part of the package: extra benefits like a company car or cheap housing loans, bonuses paid in a 'thirteenth month', company pension schemes, free canteen meals, long holidays or flexible working hours may all contribute to the attractiveness of a job.

Task 2.

Do this questionnaire as a brainstorming activity

1. A resume is the same as a C. V. (CURRICULUM VITAE).
a) True; b) False.
2. A resume must contain the following facts about your background. Rearrange these in the proper order:
a) interests; b) qualifications; c) personal details; d) work experience; e) education; f) career objectives; g) references.
3. You should start your resume with –
4. You never start with your work experience.
a) True; b) False.
5. Information about your work experience will include the following; rearrange these in the proper order:
a) a brief summary of duties; b) name of employer; c) date of employment; d) job title; e) address.
6. In your resume the list of positions/jobs should be in reverse chronology.
a) True; b) False.
7. Leisure and non-work activities should be:
a) mentioned in brief;
b) left out since they are irrelevant.
8. It has become acceptable practice to:
a) supply names and addresses of referees;
b) write "References: available upon request".
9. You fine-tune your resume:
a) once and for all, since basic facts don't change;
b) every time you apply for a new job since it must be updated.
10. It may be advantageous to have:
a) one "perfect" updated resume always at hand;
b) two or three different resumes/each emphasising a different area of competence.

T a s k 3. Read and discuss the following texts.

RULES TO WRITE THE RESUME AND THE COVER LETTER

A RESUME is a short description of your history in work and at school. Resumes have a fairly standard format and should be neatly typed on good quality paper.

At the very top, give your name, address, and telephone number. Your age and marital status may be included if necessary.

The next item in the resume is a brief paragraph that may be labeled "Objectives". In the paragraph, you indicate what job you are looking for and your major qualifications for such a job.

Following this is the record of your work experience. This record is the main part of the resume. Your work experience is listed with your most recent job first. The job before that is listed next, and so on with your first job listed last.

After the record of your work experience, list your schooling, any degrees, relevant courses, hobbies, honors, and affiliations. For example, physical fitness is an asset: if you jog, swim, play tennis, golf, or engage in any other fitness activity, it may be worth noting. If you belong to professional societies, you should definitely list them. Do list any awards or honors you have received whether or not they are job-related. Such honors indicate that you are esteemed by others.

Resumes are generally kept to one page.

THE COVER LETTER

A resume that will be mailed to a prospective employer should be accompanied by a cover letter.

The cover letter should be straightforward and brief. It should not be a repetition of all the information contained in the resume. You should state the specific position you are interested in. You should briefly discuss your experience, and to refer the reader to the enclosed resume. At the end of the letter you may wish to indicate that you will telephone the prospective employer for an interview.

A SAMPLE COVER LETTER

DEAR SIRs:

I am applying for the position of assistant sales manager, advertised in Sunday's Boston Globe. I have held a number of selling jobs and I am currently working in the sales department of a large manufacturing company.

The enclosed resume will furnish additional information on my background. I will telephone you next week for an interview. Thank you for your consideration.

Yours sincerely, Helen Croft.

A SAMPLE RESUME FOR A PERSON LOOKING FOR A FIRST JOB

Leslie White
987 East ROAD
Elmwood, New Jersey 03103
987-6343

Objective

To find an entry-level job in sales with a large international company. Would like to utilize my knowledge of French.

Work experience

Summers 1998,1997

Group leader in a European teen-travel summer trip. We traveled on bicycles and by boat. Many of the arrangements had been made in advance, but I often had to make substitute arrangements because of unforeseen events.

Summer 1996

Spent three months in France working as a volunteer on a farm. Did so to improve my spoken French.

Part-time employment 1997, 1998,1999

Salesperson, college bookstore during school year.

School record

1999

B. A. magna cum laude with honors in French Literature and Language Minor in History. Princeton University.

1995

Elmwood High School, class salutatorian. Honours in language and science.

Extracurricular activities

Member of soccer team in high school and college. Contribution to school magazine in college. President of French Club in high school. Speak and write French fluently. Have working knowledge of Spanish.

A SAMPLE RESUME FOR A PERSON LOOKING FOR A NEW JOB

Courtney Black
123 Lincoln Street
Deerfield, Illinois 60015
789-3456
Objectives

To find a job that would utilise a broad range of my managerial and business skills and offer the potential for advancement in a large company.

Record of work experience

1987 to present

Public Relations Director for a small manufacturing company. Am responsible for creating and maintaining a favourable public image by preparing and disseminating news releases, arranging press conferences, contests, conferences and other activities that keep the company in the public eye. Supervise a staff of six and work with various other departments: art, advertising, production. Maintain close working relations with various people in the media and local government.

1983 to 1987

Publicity Writer for the Widget Company. Wrote copy for publicity releases and other public-relations material. Know paper, printing, art styles. Many of my releases appeared on trade journals and local newspapers.

1980 to 1983

Copy editor for Deerfield Gazette.

Corrected copy and did proof-reading for the local paper. Did some rewrite and occasional reporting.

Educational background

M. B. A. University of Illinois, 1986. Took night courses for master's degree.

B. A. University of Illinois, 1980. Major in Journalism. Received award for Most Promising Student.

Extracurricular: Worked on college newspaper; member of swim team.

Affiliations and hobbies

Member of Illinois Society of Publicity Writers.

Vice President of Alumni Association, University of Illinois Hobbies include swimming, tennis and directing amateur theatre productions.

T a s k 4. Learn the vocabulary list in the given situations.

- | | |
|---|--|
| 1. to seek | 1. The company is seeking commercial travellers. |
| 2. to take on | 2. Don't take on any extra work. |
| 3. to provide | 3. This letter will provide us with the information we need. |
| 4. to handle | 4. It was a difficult situation but he handled it very well. |
| 5. to submit | 5. Your essays should be submitted by the end of the week. |
| 6. to apply for the | 6. She is going to apply for the position of headmaster. |
| 7. to enclose with | 7. I enclose a check for a 100 pounds with this letter. |
| 8. to graduate from | 8. He graduated from a very good university. |
| 9. to cater for the needs of | 9. In this country no attempt is made to cater for the needs of the elderly. |
| 10. to furnish | 10. These people are responsible for furnishing us with the necessary translation. |
| 11. to get the insight into the problem | 11. After reading the book you will get a better insight into the problem. |
| 12. to broaden one's horizons | 12. Travel broadens our horizons. |
| 13. to pursue | 13. I'd prefer not to pursue the mat- |

	ter.
14. to be commensurate with	14. This salary isn't commensurate with your experience.
15. application	15. Write this application as quickly as possible.
16. resume	16. This fact should be included in your resume.
17. curriculum vitae	17. Why haven't you written your curriculum vitae yet?
18. personal details	18. We don't know his personal details.
19. marital status	19. His marital status is still unknown.
20. working knowledge	20. I'm fluent in English and have a working knowledge of German.

SYNONYMS

1. to seek = to look for;
2. to provide = to furnish = to cater for;
3. to submit = to send in, to present;
4. to handle = to deal with;
5. to pursue = to follow;
6. essential = necessary;
7. to launch = to start;
8. to supervise = to be in charge of;
9. to be engaged = to be involved;
10. organization = establishment;
11. to conduct = to carry out.

Task 5. Read and translate the following texts. Discuss the structure of a sample resume and cover letter.

Text 1. ANNOUNCEMENTS

The City Council seeks a resourceful person with a university degree (preferably a master's or doctor's degree), who is willing to take on challenging tasks. The Council is now launching a campaign to provide meals and accommodation for children in need, and wants a person to take care of it. The person will be required to travel extensively all over the country and handle various kinds of situations. Salary commensurate with ability and experience. Driving licence essential. Application and resume should be submitted to the City Council Northampton.

Text 2. APPLICATION FOR A JOB

A sample cover letter
 20 Princess Street
 Northampton
 15 November 1998

City Council
 21 Church Road
 Coventry

Dear Sir or Madam

In reply to your advertisement in "The Star" on Monday, November 14th, I would like to apply for the position of a social worker with your Council.

As you can see from my enclosed curriculum vitae, I am a twenty-six-year old graduate from the University of Cambridge, where I read the social sciences.

Since graduating I have had considerable practical training in dealing with handicapped children of all ages. During the two years in which I was employed as a teacher in Paris, I spent my vacations in a holiday centre, which has been established especially to cater for the needs of the mentally and physically disabled. I feel that the experience I gained there has furnished me with an insight into the problems such people face.

Since returning to England I have been engaged in doing voluntary social work at local schools in Northampton, and now extremely keen to broaden my horizons at an establishment such as yours.

Should you wish to pursue my application, I would be able available for an interview at your convenience. Perhaps you could contact me at the following phone number: (052)62743892.

Yours faithfully, John Brown.

Text 3.

A sample curriculum vitae

Personal details

Name: John Brown

Date of birth: 20 March 1972

Address: 20 Princess Street

Northampton

Telephone: (052)62743892

Marital status: Married

Education: Cambridge University; awarded a master's degree in 1991 –1996

Social Sciences-July 1996.

Experience: Worked in a school for handicapped children of all ages (Paris). Made major contributions to the organisation and development of the school. Supervised the raising of money for children in need. Maintained close relations with other schools of this type.

1998-present: Voluntary social worker at local schools in Northampton. In charge of informal groups involved in voluntary social work.

Additional: Travelled in France. Fluent in French/with working knowledge of Italian.

Interested in parachuting and hang-gliding.

Special qualifications: Currently conducting research related to my dissertation.

T a s k 6. Vocabulary exercise.

Put in the following words into the given sentences:

supervise, contribution, award, personal details, development, major, marital status, relations, maintain, raise, in charge, dissertation, fluent, additional, hang-gliding, conduct, research, working knowledge, currently, parachuting.

1. When applying for this job you must give as many _____ as possible.
2. What do we know about his _____ ?
3. Which university _____ you the degree?
4. This is one of the _____ cities in this country.
5. What _____ would you like to make?
6. My language _____ is very slow now.
7. We shouldn't let her _____ this work.
8. I don't think you'll _____ enough money to solve all problems the school is facing now.
9. The police failed to _____ order during the match.
10. We have no choice but to establish friendly _____ with this country.

11. Who is _____ here?
12. We don't need any _____ evidence to accuse him of committing the crime.
13. I speak _____ English, but I still make errors.
14. My _____ of Spanish allows me to communicate in everyday situations.
15. I've been interested in _____ since childhood.
16. Is it true that you want to take up _____ ?
17. _____ we want to make as much profit as possible.
18. The government is now _____ an anti-smoking campaign on television.
19. This _____ is very expensive.
20. It's a pity you want to write a _____ .



Applying for a job

1. Listen to four people talking about their approach to applying for a job. Take notes and match the people on the left to the summaries below.

- a) I'm looking for a chance to develop and demonstrate my true potential.
- b) My qualifications and experience speak for themselves.
- c) I'm so brilliant at whatever I do, they would be lucky to have me working in their company.
- d) There may be people with better qualifications and experience, but no one is more enthusiastic or hard working than me.

2. Which speaker(s) do you agree with? What approach did you use to get your present job? Does the approach you use depend on the job?

3. Read the following extracts from letters of application. Match them to the summaries in 1.

I am very keen to work for your company because of its excellent reputation. I do not have the specific qualifications or experience referred to in your advertisement. However, I am applying because I feel I am able to make up for this through hard work and willingness to learn.

If you believe in the pursuit of excellence, then I am interested in joining your company. I set high standards for myself and expect them from others, especially the organisations that I work for. I look forward to an opportunity to add to the list of already outstanding achievements, which are outlined in my CV.

From my CV, you will see that five years at a chemicals multinational have given me a solid business background. I am responsible for my department's logistical planning, which has developed my organizational skills. However, I am now looking for opportunities for further development and responsibility, which my present employer cannot offer.

As a commercially aware and linguistically trained university graduate, I have a broad range of employment experience at blue-chip companies in both the USA and Europe. I am dynamic and creative, with a strong team spirit and leadership qualities. I have a proven record of working with individuals at all levels through highly developed interpersonal and communication skills.

4. Reading between the lines

Read the extracts in 3 again. There are certain formal phrases people use in letters of application to talk about their qualities and achievements. Underline phrases which mean the following:

- I'd really like to work for you because you're such a great company.
- If you think doing things well is important, I'd like to work for you.
- I don't really have the profile of the ideal candidate.
- I've worked with many different, important companies.
- I've shown I can work all kinds of people and get on with everyone.

WHAT ABOUT THE WORKERS?



1. What is happening in the photographs on this page? How do you think these situations relate to employment and staffing?

2. Work with a partner. You will each read an article to the employment situation in a country and do three exercises. When you have finished, turn back to this page. Student A see page . Student B see page.

3. Complete the sentences with words and phrases from the articles in 2. Are the sentences true for you? Discuss them with your partner.

- An advanced society should pay to people who can't find _____ work.
- The average age of my country's _____ is getting younger.
- Flexible labour laws help to reduce the _____.
- Using _____ causes job insecurity and lower productivity.
- _____ are more important than the interests of big business.
- Money and security are the _____ in most people's work.
- If the _____ can't find work, they should take any job they are offered.
- Companies should invest more in training if they need _____.
- It is often hard to predict your _____ needs over a long period.
- A good salary doesn't necessarily _____ for a lack of job security.



4. The noun / verb combinations in the box were in the articles in 2. The verbs were in the passive. Can you remember the sentences? Tell your partner.

A	survey / carry out	firms / contact	staff / pay
	salaries / negotiate	conditions / agree	
B	country / bring	strike / call	offers / put
	anyone / sack	reforms / defend	

5. Discuss the following questions in relation to your company.

- What are the laws about unemployment benefits? Do you think they are fair?
- What rights do workers have? How do they affect employment?
- Why do you think there is a shortage of skilled workers? Do you think the use of temporary labour is a good solution to the problem?
- 'It is increasingly difficult to provide people with jobs for life.' Do you think this is true?

Speaker 1

I think that these days you have to really sell yourself. Certainly this is what employers expect in the US. You should show them how great and self-confident you are. Modesty isn't going to mind if you exaggerate a bit and dress things up to sound more impressive. Make the potential employer feel that, although this is the job you always wanted and of course you are the ideal person for it. If they don't snap you up, someone else will. So, they had better hire you before they lose the chance.

Speaker 2

It's not often that qualifications and experience totally match up to an advertised post, so it's preferable to emphasize other qualities like your willingness to learn and the fact that you work hard. In fact, you should be careful not to give the impression you are over-qualified for the job. I think that employers are often more interested in things like loyalty and ability to fit in. A highflier who knows too much can create a bad working atmosphere and break a team. Personally, I want the employer to think that I am going to be easy to work with and won't create too many waves.

Speaker 3

No one likes a 'big head' but, on the other hand, don't be falsely modest either. Basically, your qualifications and experience tell their own story so you're not going to impress anyone by adding a lot of adjectives like 'excellent' and 'outstanding' to your CV. Usually this will make an experienced recruitment officer suspicious. It doesn't hurt to acknowledge one or two weaknesses either – areas that you would like to improve and you want a chance to develop. Above all, be honest, because if you exaggerate or lie, in the end someone is going to catch you out, and you'll end up looking stupid.

Speaker 4

People's motivations interest employers. If you want to work for a specific company, tell them why, especially if you are changing jobs. Valid reasons would be that you are frustrated by the limitations of your present post, or that you can't fulfill the potential of your background and education. Don't whine, though, and don't blame your current employers: you've learnt a lot with them, but it's time to move on. Tell potential employers that you have a lot of offer, and all you need is an opportunity to show it. If someone gives you a break, they won't be disappointed.

Hiring and Firing

Sack the lot! Letter to The Times, September 2nd, 1999 (on overmanning and overspending within government departments)

T a s k 1. Look at headline below. What do you think the article is about?

T a s k 2. Read the article to see if you are correct. Then answer the questions.

IBIZA PHONE – IN PRIZE WINNER FIRED Nicola Williams, a 31-year-old single mother from Newbridge in South Wales, couldn't believe her luck when she was told she was the winner of a Mediterranean holiday for herself and her six-year-old daughter. The week's break on the sunshine island of Ibiza was the prize in a radio phone-in competition. She told reporter Hefina Rendel on BBC Wales television that she was 'totally over the moon, really exited'. However, only minutes later she was laid off. Nicola, an electronic parts worker, who phoned the radio station from work using her own mobile phone, was unaware that her boss was standing nearby. He asked her to hang up, took her into his office, and told her she was sacked. She was ordered to leave the factory immediately.

This was her first job since the birth of her daughter, and she was fired by the same manager who originally hired her.

But the story may have a happy ending. The commercial radio station which ran the competition is now trying to find her another job. A spokesman for the station said that people should be allowed to take part in

competitions from work, as they are in general life. He said it was sad that the manager couldn't see the good side and just congratulate Nicola on her good luck.

Skytronics, Nicola's former employer, refused to be interviewed by the BBC, and later issued a statement supporting the action of their manager.

- a) Do you think the sacking was justified?
- b) Would this be possible in your company, or in your country?
- c) What advice you give to Nicola?

T a s k 3. Find two more verbs in the article that are similar in meaning to 'sack'. Which verb is more formal than the others?

The passive

T a s k 4. Find sentences in the article that are similar in meaning to the following:

- a) They laid her off.
- b) They ordered her to leave the factory immediately.

T a s k 5. Compare the two pairs of sentences in 4.

- a) Which are active and which are passive?
- b) Who is mentioned first in the active sentences?
- c) Who is mentioned first in the passive sentences?
- d) Who is the story about?
- e) What is the advantage of using the passive sentences?
- f) The agent in the active sentences is 'they'. What happens to it in the passive sentences? Why?

T a s k 6. Read the manager's report of the incident in 2. He uses the passive to sound more objective and formal in style. Complete the report using the verbs below in passive.

ask	give	note	inform	warn	give	inform
-----	------	------	--------	------	------	--------

On two occasions in November Ms Nicola Williams, an employee in the assembly plant, (a) _____ that using a mobile phone in work hours was against the company rules. Both these warnings (b) _____ by another supervisor, and (c) _____ in her file.

Then, in December, on the further occasion, she (d) _____ a written warning. Finally, on Friday, 12 January at 10.30 I (e) _____ of problem on the factory floor. When I arrived there, I found a lot of noise and shouting going on. Ms Williams was using her mobile phone to participate in a radio phone-in programme. Apparently she had won a prize.

I asked her to put the phone down immediately, and to come in to my office. I decided to terminate her employment, and in the presence of Ms Jones, my deputy, Ms Williams was told that she was being sacked. She became hysterical and abusive, and (f) to leave the factory immediately. She (g) _____ that her possession would be forwarded to her by post.

T a s k 7. In what way are the details about the incident different?

T a s k 8. Improve these short texts by changing one verb to the passive in each one.

- a) They have laid off over 35,000 people in the last five years, unemployment is rising, and there are social problems in the region.
- b) The business is a great success. They are hiring new staff and it is expanding fast.
- c) As there was a recession and the number of orders decreased, they closed one of the factories.
- d) To improve margins, it is making new model in Hungary where labour costs are lower.
- e) Ford has several plants in Europe. One of them is in Valencia and it produces the Escort there.
- f) They have announced plans for the new industrial estate. It will cover ten hectares and create space for over fifteen business ventures.

Task 9. Work in groups. In what situations do you think sacking is justified? Think about the following:

dishonesty	punctuality	disrespect to superiors
not meeting objectives or achieving results	violence	inappropriate dress
industrial action (going on strike)	revealing company secrets	

Add your own ideas, if you like.

Unit Nine

PREPARING FOR AN INTERVIEW

Task 1. MINI-POLL. Go round the class and interview as many people as you can. Ask them why they work/study.

To earn a living; for the fun of it; for work's sake; to make a major impact; to achieve results; for self-fulfillment; to make it big; to become famous; to leave a legacy; to support a family; out of keen interest; to gain power and authority.

Sum up the information you have received

Task 2. The questionnaire: are you a workaholic?

1. You work:
 - a) for work's sake;
 - b) to make a major impact.
2. After work you need to relax. You know this:
 - a) but never get down to it because you thrive on pressure;
 - b) and you do it regularly.
3. In the decision-making process, you are in favor of:
 - a) delegating authority;
 - b) centralized authority.
4. When choosing subordinates/co-workers you make it a point to:
 - a) surround yourself with competent people;
 - b) outsmart the people at work.
5. In your work strategy, you:
 - a) foster a nose-to-the-grindstone strategy;
 - b) are overwhelmed by work and events;
 - c) set goals and stick to them.
6. Your communication with people at work is:
 - a) nothing to be proud of;
 - b) businesslike and efficient.
7. About work, you often:
 - a) give/get useful feedback;
 - b) mistrust what anyone has to say.

8. Your work habits make you:
 - a) labor at your desk from dawn to dusk;
 - b) do overtime only when it's reasonable.

9. When you are working on a project, you focus on the:
 - a) quality of the work;
 - b) volume.

10. Your family life is in shambles due to your long working hours.
 - a) Yes; b) No.

11. There's a pain in your chest/back.
 - a) Yes; b) No.

12. You have difficulty sleeping at night even though you are exhausted.
 - a) Yes; b) No.

Sum up the results of the questionnaire.

T a s k 3. Discuss the following questionnaire: WE ARE ONLY HUMAN.

**IMAGINE AN OFFICE SITUATION WHERE
YOU WORK TOGETHER WITH DIFFERENT TYPES OF PEOPLE.
DISCUSS THE QUESTIONNAIRE WHILE DOING IT**

1. There are a variety of emotions among people who work together. But emotions are highly contagious; to create a positive atmosphere at work, do you think people should:
 - a) be encouraged to express their feelings clearly;
 - b) be discouraged to act on feelings because they may often spread ill will;
 - c) make a conscious effort to spread the effects of positive feelings to create an effective and humane working atmosphere.

2. Are you aware of the emotional effect you have on others? Do you make them:
 - a) tense;
 - b) relaxed;
 - c) enthusiastic;
 - d) subdued;
 - e) open;
 - f) guarded.

3. When you feel good, do you:
 - a) pass it on, sharing the positive mood;
 - b) lose the potential ripple effect of your own good mood by buttoning up.

4. When you feel rotten, do you:
 - a) fight back at the world;
 - b) bottle up your negative feelings;
 - c) get to the root of the problem and talk it out with someone sympathetic.

5. At work, someone vents anger or frustration on you. Is your reaction:
 - a) to get rid of it by accepting and passing it on;
 - b) to stop it spreading by offering your sympathetic ear;

c) to refuse to get caught up in the ill feeling.

6. Misunderstanding often creates, unwittingly, all sorts of emotional ripples. To avoid wrong interpretations, do you:

- a) keep your message direct and to the point;
- b) choose your tone and words in keeping with the content of what you have to say;
- c) concentrate primarily on clear articulate speech;
- d) check if you are being understood by asking questions to make sure;
- e) write detailed messages/memos.

7. If colleagues at work seem unduly angry or tenser than the situation warrants, do you:

- a) ask about the inexplicable emotional display to make them realise the impression they are making;
- b) join in with a grim smile;
- c) tell them to pull themselves together.

8. In interacting with people, do you:

- a) tune in to the emotional waves fluctuating around you;
- b) adjust the ways you express yourself to produce the effect you intend;
- c) ever manipulate, artificially, to make the most effective emotional impact;
- d) always work within your personality regardless of the atmosphere around you.

T a s k 4. Listening comprehension.

First interview

Interviewer: Good morning. Miss

Sue Jones: Miss Jones. Good morning.

Interviewer: Miss Jones, yes, right. Hi. Um ... now, you'd like to join our team, I gather.

Sue Jones: Yes, I would.

Interviewer: That's ... that's very good. Er ... I'd like to know a little bit about you. Perhaps you could tell me ... perhaps we could start ... if you could tell me a bit about your education.

Sue Jones: Oh yes, right. Well, I left school at 18 and for the first two years I went to Gibsons, you might know them, they're an engineering firm.

Interviewer: Ah, yes, right.

Sue Jones: Um ... and after that, I wanted to do a course, so I ... I did a one-year full-time PA course and went back to Gibsons. I was PA to the Export Director. I stayed there for another two years and ... and then moved on to my present company. Um ... that's Europa Marketing ... um ... Mr. Adair, the marketing director, offered me a job because Gibsons had ... had worked quite a lot with Europa Marketing.

Interviewer: Oh, yes, Europa Marketing ... yes.

Sue Jones: And I've been with them for three years now ... um ... first with the Marketing Director and ... and now I'm with the Sales Director.

Interviewer: That's all very interesting. Miss Jones. Um ... I ... I'd like to know, what did you enjoy most at school? What was the course that you enjoyed most?

Sue Jones: Ah ... foreign languages I liked best.

Interviewer: Foreign languages?

Sue Jones: We did French and German. Yes.

Interviewer: Mhm. And are you quite fluent in those now or ... ?

Sue Jones: Yes, a bit rusty now, but ... um ... obviously the more travel I can do the more I can use my languages and I'd like to learn another language. I'd like to add Italian as well.

Interviewer: Italian?

Sue Jones: Yes.

Interviewer: Very good, very good, that ... that might be very useful. Now ... er ... tell me a little bit about ... er ... the work you're doing at present.

Sue Jones: Um ... well Europa Marketing is a marketing and publ... public relations company.

Interviewer: Yes, I've heard of it.

Sue Jones: And they do ... they do consultancy work for companies operating in the UK and European markets. Er ... our clients come from all over the world ... um ... we deal with some of them by ... by post, but most of them come to our offices and at least once during a project. I assist the Sales Director by arranging these visits, setting up meetings and presentations and I ... I deal with all her correspondence. I've not been able to go with her on any ... on any of her trips abroad, but I ... I've been to firms in this country, several times on my own ... um ... to make these arrangements.

Interviewer: It sounds as if you're very happy there, Miss Jones. I'm curious why you'd like to leave them and join our company?

Sue Jones: Well ... um ... I know the reputation of Anglo-European and it has a very good reputation. And I feel that I would have more scope and opportunity in your company and the work would be more challenging for me. I might be able to possibly travel and use my languages because at the moment most of my work is... is rather routine secretarial-type work and I like the idea of more ... um ... challenges in my life really.

Interviewer: Yes, aha, aha.

Discuss the following points:

- a) Sue's work experience
- b) The responsibilities of the PA to the Sales Director
- c) Sue's reasons for getting the job

Second interview

Interviewer: ... yes, well, your CV seems pretty well up to scratch. Now, I wonder, can you tell me more about yourself?

Tom Richards: Um ... well, I

Interviewer: Yes?

Tom Richards: I... I'm... well, I think I'm serious... serious-minded, I... calm

Interviewer: You're calm?

Tom Richards: Yes, well, yes, I like a joke, though, good sense of humour, I don't panic in a crisis and I... I enjoy working with all kinds of people. I... I even like... um... p... people who are, you know, bad-tempered or something like that.

Interviewer: Yes, but wh... where do you see yourself in let's say five years' time?

Tom Richards: Um ... well, I... sort of the long-range thing. Well, I... I see myself in the public relations and... er... well, one day I must admit I would rather like to open up my own consultancy in my own home town.

Interviewer: Mhm, what is it specifically about Anglo-European PR that attracted you?

Tom Richards: Er... well, first of all, I want to leave my present employers because they're a small company and... er... I know about Anglo-European PR, I mean, they're a... they're a good company, larger. I think I'll have more scope,.. er... the work will be more challenging. I mean, quite a lot of what I do at present is quite boring, it's... it's routine secretarial work.

Interviewer: And... and you'd like to move on?

Tom Richards: Yes, if I could, you know, hopefully to a job that gives me more opportunity. So I can use my initiative.

Interviewer: Mhm.

Tom Richards: Can I just ask you this question? Excuse me... I'd like to know if I get this job with Anglo-European, would I be able to... um... work abroad in one of your overseas branches?

Interviewer: Oh, yes, certainly.

Tom Richards: Oh, good.

Interviewer: Um... our staff regularly do six-month placements in other branches.

Tom Richards: Six. Oh well, that's good.

Interviewer: So I'm sure you might

Tom Richards: Um... that's what I'm interested in.

Interviewer: Mhm. Can. I... d... I know we're all human beings here and I'd like to know wh ... what you consider your strengths and your weaknesses.

Tom Richards: Um... strengths and weaknesses? Haha. Well, I ... I mentioned before, I think my sense of humour... er... and my ability to work with all types of people is a particular strength.

Interviewer: Yes.

Tom Richards: My weakness? I don't know, I suppose I'm a bit of a perfectionist... I... I'm quite often dissatisfied with what I've done. I always think I can do it better, you know, or in a different way. **Interviewer:** I wouldn't call that a weakness, I'd call that a strength.

Tom Richards: Well... ah... well, that's good, well... I mean, apart from that I... I suppose I get a little bit sort of full of the 'Wanderlust' and that's why I want to travel. I'm easily bored with repetition and... er... and procedure.

Interviewer: Do you have a lack of commitment?

Tom Richards: No, not at all. No... er... once my goals are set and I've got the right sort of initiative then... er... I... I'm as committed as anybody.

Interviewer: Not one of these people who wanders off?

Tom Richards: No, not at all.

Interviewer: Now... um... i ... is there anything else you'd like to ask me?

Tom Richards: Aha... yes, if I can just get down to the nitty-gritty; would the salary be reviewed at the end of the year?

Interviewer: Yes, the salary wi... the salary would be reviewed every six months. And after six months you'd also be eligible to share in the company's bonus scheme.

Tom Richards: Oh, I didn't know that. Oh, that's good, yes.

Interviewer: Right, well... um... time is pressing on, I'm afraid, so thank you very much for coming to see me and we'll be in touch with you before the end of the week.

Tom Richards: Good. Well, thank you for seeing me.

Interviewer: Goodbye.

Tom Richards: Bye.

Discuss the following questions:

- a) What are the characteristic features of Tom Richards?
- b) What are his reasons for getting a new job?

T a s k 5.

Discuss the questionnaire GETTING ALONG

1. To achieve office harmony is not easy because
 - a) office workers are so committed to devious little games that they have forgotten what the company produces, sells, etc.;
 - b) an office is like a war zone of neurotic combat spurred on by personality conflicts, backbiting and backstaging.
2. People who are difficult have learnt to be that way because
 - a) being difficult works for them;
 - b) of their loveless childhood;
 - c) they are nervous wrecks;
 - d) they are unappreciated geniuses.
3. Here are some of the "subspecies" of people who are hostile aggressives. Match the name with the definition:
 - a) Tanks 1. those who yell, curse or cry all of a sudden;
 - b) Snipers 2. those who are pushy, loud and know what is best for their fellow workers;
 - c) Exploders 3. those who shoot at people through the camouflage of sarcasm or irony.
4. The basic strategy to deal with loud, pushy people, is to
 - a) fight them till they explode;

- b) look them straight in the eye and state your disagreement;
- c) let them blow off some of their steam.

5. To neutralise those who kill with their snappy sparks, you should

- a) make them overt in their attack, smoke them out;
- b) push them hard to backtrack and make them lose face;
- c) let them get out from under their attack.

6. To fend off those who curse and/or yell habitually, you should

- a) let the tirade crying jag spin itself out and end in a guilty apology;
- b) distance yourself;
- c) leave the room saying you will return in five minutes.

7. Dealing with a complainer-whiner, it is a serious mistake to

- a) agree;
- b) disagree;
- c) paraphrase the complaints back to them;
- d) react by noncommittal but encouraging "ums" and "ahs".

8. Locate the mistakes in the sentence and correct them.

Analyst indecisives are those who are afraid of making enemies, and be-nicers are indecisive because they are afraid of making a mistake.

T a s k 6. DRESSING FOR SUCCESS. Expand on the following statements and express your point of view.

1. The way people dress at work usually indicates how competent they are at their jobs.
2. People should be allowed to wear exactly what they want at work.
3. Firms who want employees to wear particular clothes should pay for those clothes.
4. In most firms, the way you dress will affect your chances of promotion.
5. People work best in the clothes they feel most comfortable in.
6. People wearing unusual clothes to work give a bad impression to clients.
7. As long as a person is good at his/her job, it shouldn't matter what s/he wears.
8. I object to senior female staff wearing trousers.
9. Sloppy clothes mean sloppy work.
10. I wouldn't have faith in a businessperson who wore jeans to work.
11. Men shouldn't be allowed to take off their jackets at work even in the summer.
12. Bosses should always be smartly dressed.

T a s k 7. Discuss the points of the topic "DRESSING FOR BUSINESS".

1. You should be aware of the underlying symbolism of your clothing.

Vocabulary to be used:

a costume; to be designed; to have an impact; to convey the message; competent, able, ambitious, self-confident, reliable; authoritative; to make a favourable impression on.

2. In business you dress to express personal taste.
3. It is provocative for female staff to wear trousers at work.
4. Women should always wear feminine attire.

Vocabulary to be used:

to choose skirts or pants; to be appropriate for daily activities; to make sure; to get into a car; to mount the bus steps; to climb stairs; to get on the commuter train; to look awkward, ungainly, inept; to distract attention; to give absolute freedom of motion; to wear pants suits; to impede physical movement; to fit perfectly; to feel as comfortable in clothes as in a second skin.

5. Women should avoid garish colours like red.

Vocabulary to be used:

dark blues, grays, pinstripes, subtle plaids;

to convey the symbol of authority; to wear a red suit; to be dressed in the red colour spectrum; to have a definite air of confidence and assurance; to be counteracted with blending and softening blouses and scarves.

6. Women always choose high heels to set off the shape of their legs.

7. The bigger your handbag the better.

Vocabulary to be used:

the typical male outfit; to contain an average of nine pockets; to transport keys, money, cheque books, glasses, make-up, papers, lipstick, comb, glasses for reading, reading glasses, sun glasses, cigarettes, credit cards, notebooks, a functional bag; a burdensome bag; not to wear anything that jingles, wiggles, clanks or glitters; executive insignia; silent, understated, unobtrusive.

GRAMMAR EXERCISES

Exercise 1

Complete this dialogue by putting the verbs in brackets into the correct form of the past simple or present perfect. Use contractions where possible.

Victoria: Hi, Sue. I (1) _____ (not/see) you for ages.

Sue: Hi. No, I'm sorry. I (2) _____ (not/be) in touch with anyone recently. I (3) _____ (be) really busy.

Victoria: Oh, what have you been up to then?

Sue: Well, you know I (4) _____ (leave) my job in January so that I (5) _____ (can) go freelance as a graphic designer?

Victoria: Yes, I remember, you (6) _____ (talk) a lot about that last year. How's it going?

Sue: Well, it (7) _____ (be) a really difficult year so far. I (8) _____ (have) anything like this before ... it's much harder work than I (9) _____ (imagine). (10) _____ (you/ever/be) self-employed?

Victoria: No, never, although I (11) _____ (often/think) about it. So, why has it been so difficult?

Sue: Well, at the beginning I (12) _____ (have) two or three good clients – and, you know, people that I (13) _____ (know) for many years, like Tom Pierce. And since then I (14) _____ (have) a lot of interest from different companies, but none of them (15) _____ (become) regular customers.

Victoria: What about advertising in the specialist magazines?

Sue: I (16) _____ (already/do) that. I (17) _____ (put) an advert in Design Monthly a couple of months ago, but I (18) _____ (not/get) any replies.

Victoria: Oh, dear, well, (19) _____ (put) up a website with examples of your work?

Sue: Yes, I (20) _____ (just/finish) it. Would you mind having a quick look at it and tell me what you think of it.

Exercise 2

The Human Resources Manager of a large company is explaining the appraisal system to a group of new employees. Complete his talk by putting the verbs in brackets into the right tense. Choose between the present simple (*I do*), future continuous (*I'll be doing*), future perfect (*I'll have done*) and *was going to*.

Your appraisal interviews (1) _____ (be) in March. Er, I'm sorry, they (2) _____ (be) in February but we had to postpone them. Sorry about that. Um, during February your line managers (3) _____ (collect) all the information they need from you, and by the time you meet for the interview,

they (4) _____ (produce) a checklist of points for discussion. Right. Um, in the interview you (5) _____ (discuss) your performance during the past year and any issues relating to your future needs, er, such as training. By the end of the meeting I hope that you and your line managers (6) _____ (agree) on your personal objectives for next year, both in terms of sales targets and professional development. Is that clear? Yep, OK, good. Of course there is some flexibility in the targets, in case anything (7) _____ (happen) to the market that we cannot predict. We may also have a budget for you to do some training, after you (8) _____ (come) back from your summer holidays but before work (9) _____ (get) really busy in September. Is that OK? Yeah. Good.

After that, the next time that we all (10) _____ (meet) again will be in October, when I'd like some feedback on your training, as by then any courses that you do (11) _____ (finish). Is that OK? Yeah. I (12) _____ (send) you feed back forms nearer the time. Well, er, unless you (13) _____ (have) any questions, I think that's all. Oh, no. Er, yes – I (14) _____ (have) a word with you about your holiday plans, but you probably don't know them yet. Could you email me with your request as soon as you know them.

Exercise 3

A businessman is describing his trip to Lagos. Complete the text with *had to*, *didn't have to*, *couldn't*, *should have* or *shouldn't have*. Each phrase is used twice.

I (1) _____ travelled on the 10 am flight, but when I got to the airport they told me that the flight was overbooked and I (2) _____ catch a later flight. Then at the check-in desk they told me that I (3) _____ take both my bags as hand luggage, so I (4) _____ let one of them go in the hold, which was very annoying as I had my diary in it, and it delayed me by nearly an hour at baggage reclaim at the other end. When I got on the plane I wanted to use my laptop, but of course I (5) _____ until after take off. The flight attendant told me to turn it off and said that I (6) _____ known not to use it. To be honest I'd just forgotten, and he (7). _____ been so rude. Er, it was quite late when I finally left Lagos airport, so it was lucky I (8) _____ go to any meetings that afternoon. And, looking back at what happened, I (9) _____ travelled with that airline – they have a lot of problems with overbooking. And my company was paying for the flight so I (10) _____ choose the cheapest option.

Exercise 4

George is visiting Fernando in Sao Paulo. Complete the dialogue with the phrases from the list below.

Let me; shall we; I should; would you like; would you like to; would you like me to; do you mind; would you mind; I don't mind; of course; of course not; I'd appreciate that

Fernando: Please, come in. (1) _____ take your coat. It's good to see you!

George: It's very nice to be here in Sao Paulo. Thank you so much for your invitation to come and see your company. It was very kind.

Fernando: Not at all. It's my pleasure. (2) _____ some coffee? Or mineral water perhaps?

George: I'd prefer mineral water, please.

Fernando: Still or sparkling?

George: Oh, (3). _____, either would be fine. (4). _____ if I just make a quick call – I didn't get a chance earlier.

Fernando: (5) _____. Go right ahead.

George: Oh, there's no signal. Never mind. Um, you have a wonderful building here. It looks really impressive from the outside.

Fernando: It's very new — we only moved in last year. It's designed by one of our most famous architects, Cesar Pelli. (6) _____ show you around later?

George: Thanks. (7) _____.

Fernando: Now then, (8) _____ get down to business? (9) _____ telling me a little about your interest in our market? What exactly are your long-term objectives here in Brazil?

George: Er, perhaps (10) _____. begin by explaining a little about the history of our company. I have a short presentation on my laptop. (11) _____ see it?

Fernando: (12) _____

Exercise 5

Paula, a marketing manager of a car manufacturing company, is talking to her colleague Luis, a production manager. Complete their conversation with the words from the list below.

will (x2) won't (x2) would (x2) wouldn't unless (x2) be; is; is going to be don't didn't

Paula: Luis. Aren't you worried about the proposed strike?

Luis: Well, sure ...

Paula: You see, if the factory workers go on strike, we (1) _____ lose a lot of production. If we lose production, we (2) _____ be able to supply all our customers.

Luis: Yes, I know, but ...

Paula: And if we (3) _____ supply our customers, they'll probably buy other makes of car. If that happens, our market share (4) _____. go down. It's not looking good.

Luis: Well, that's right, but ...

Paula: And what's more, in my experience, when workers go on strike there (5) _____ a bad atmosphere for months afterwards.

Paula: So, (6) _____ you can come to an agreement with the workers soon, there (7) _____ a lot of trouble ahead. If you want my advice, (8) _____ very careful.

Luis: Look, don't worry.

Paula: Don't worry?

Luis: Yes. Look, the workers know that the success of the company depends on this new model. (9) _____. they're stupid, they (10) _____ go on strike.

Paula: Oh?

Luis: Now, just imagine – if it sold really well, we (11) _____ increase our market share and our profits. If that happened, we (12) _____ need to make so many job cuts. And if we (13) _____ have to cut jobs, the trade unions (14) _____ be much happier.

Paula: Well, I suppose you've got a point.

Exercise 6

Complete the mini-dialogue with the correct form of the verb in brackets. On two occasions both forms are possible.

Thomas: Hi, Carla. I've been meaning (1) _____ (speaking/to speak) to you all day. We're trying (2) _____ (booking/to book) a table at that new Chinese restaurant tonight. Would you like to come too?

Carla: Oh, thanks, I'd really like to, but I was intending (3) _____ (starting/to start) work on my monthly sales report tonight.

Thomas: Really? Wouldn't you prefer (4) _____ (coming/to come) out with us? Just this once?

Carla: Of course I want (5) _____ (going/to go) out with you tonight, but I really have to get this report done. I'm sorry it means (6) _____ (missing/to miss) dinner with you guys tonight.

Thomas: Well, perhaps next time then.

Carla: Yeah. And next time don't forget (7) _____ (giving/to give) me as much notice as possible beforehand so I can keep the evening free.

Thomas: Oh, the trouble with you, Carla, is that you never stop (8) _____. (working/to work). You should remember (9) _____ (having/to have) some fun sometimes.

Carla: Look, Thomas, you know I'd really love (10) _____ (joining/to join) you, but I just ...

Thomas: Well, if you go on (11) _____ (working/to work) like you do at the moment, you'll start (12) _____ (getting/to get) really stressed, and then you'll regret (13) _____ (missing out/to miss out) on your social life. It happened to a friend of mine — in the end he went on (14) _____ (having/to have) a nervous breakdown.

Carla: Oh, come on. Stop (15) _____ (being/to be) so dramatic. I don't enjoy (16) _____ (taking/to take) work home, it's just that I like (17) _____ (finishing/to finish) my reports on time.

Exercise 7

Complete this letter by putting the verbs in brackets into the correct form, *-ing* or *to* + infinitive.

Dear Audio World

I am writing to complain about the poor service that I received when I was in your store last week. Recently you decided

(1) _____ (remove) listening facilities in your stores, and your sales staff encouraged customers (2) _____. (take) home their choice of CDs without (3) _____ (hear) them first. You invited us (4) _____. (return) any CDs that we did not like, as long as we kept the receipt as proof of purchase. In my opinion this was an excellent policy as it allowed customers (5) _____. (risk) (6) _____ (buy) things that were a little different.

A consequence of your policy is that customers will buy more CDs, and this means (7) _____ (return) more that they don't like. In fact last week I brought back eight CDs, from the fourteen I had bought on the previous visit. Your salesman refused I (8) _____ (accept) such a large number, and accused me of (9) _____ (take) the CDs home just (10) _____ (copy) them. I strongly objected to (11) _____ (be) treated like this as I had remembered (12) _____ (bring) the receipts with me and my actions were within the terms of your guarantee. I can't help (13) _____ (think) that you will lose a lot of business if your staff go on (14) _____ (behave) in this way, and I advise you (15) _____ (train) your staff (16) _____ (deal) with customers in a more polite manner.

Yours sincerely

Ian Carr

Exercise 8

Complete the sentences with *make* or *do*. You may have to use a past simple form.

1. I'm sorry, the President is busy. You'll have to _____ an appointment.
2. The insider dealing scandal _____ a lot of damage to his reputation.
3. I think France Telecom are going to _____ a bid for Telecel.
4. Could you _____ me a favor? Could you _____ some more coffee?
5. I think we should use another agency to _____ the cleaning.
6. Don't worry, just _____ your best. We all _____ mistakes.
7. OK, shall we _____ a start?
8. The builders _____ so much noise that it was difficult to _____ any work.
9. We _____ business in the Ukraine for three years before we _____ a profit.
10. We _____ some tests last week and I think we _____ progress.
11. We have to _____ a decision. We can't just _____ nothing.
12. I hope we can send a technician to the job this afternoon.

Exercise 9

Match the uses of *get* in the following sentences with meanings a) – h).

- a) obtain/buy
- b) receive/be given
- c) become
- d) move/arrive
- e) bring/fetch
- f) understand
- g) persuade

h) travel by/catch

1. What time do you usually get to the office?
2. You might be able to get it a little bit cheaper if you go to a larger store.
3. I'm sorry, I didn't quite get the last point. Could you explain it again?
4. The factory is very busy. We got a large order from Taiwan last week.
5. Can I get you a coffee while you are waiting?
6. This new software is so hard to use. I don't think I'll ever get used to it.
7. I flew to Heathrow and then got a train to Reading.
8. I couldn't get her to sign the contract. She needs more time to decide.

Exercise 10

Look at the form of the word *have* in the sentences below. Put a tick () if the sentence is possible. Put a cross (X) if it is not possible.

1. It's OK, I don't need any help, I'm just having a look.
2. I'm having one brother and one sister.
3. She's a good team member – she's having a lot of energy.
4. Why not join us later? We'll be having a drink in the bar.
5. OK, I've decided. I'm having the steak.
6. You'll easily recognize Anna. She's having short brown hair and glasses.

Exercise 11

Complete the dialogue with a correct form of *make*, *do* or *get*.

Lan: Helen, you've been (1) _____ a lot of overtime recently! Are you hoping to (2) _____ promoted?

Helen: No, it's just that I haven't been (3) _____ this job very long and I really want to (4) _____ a good impression. In the last place I worked they (5) _____ a lot of people redundant, including me.

Lan: Really, why was that?

Helen: Well, the company just wasn't (6) _____ very well. Basically they (7) _____ into difficulties by expanding too quickly. They (8) _____ a big investment in Latin America but they hadn't (9) _____ their market research properly. So they just couldn't (10) _____ enough money.

Lan: So what did you (11) _____ then?

Helen: Well, it was difficult for a while, although the company was very good to us and we (12) _____ a lot of help in applying for new jobs.

Lan: Well, at least that's something.

Helen: And the redundancy package was quite good and I (13) _____ some money on some shares I'd sold, so I had enough money to last me a few months while I applied for other jobs.

Lan: So, how long was it before you got this job?

Helen: Well, about two months. I put my CV on the web, and I (14) _____ quite a few replies. At the time having the Internet at home (15) _____ a big difference.

Lan: Yeah, it's great, isn't it. I couldn't (16) _____ without it. I even (17) _____ my shopping on the Internet now....

Helen: Then I (18) _____ an interview here, and they (19) _____ me an offer the next day, and I accepted it straightaway.

Exercise 12

Complete the sentences with a word or phrase from the list below.

all (x2) any no not one none each (x2) every (x2) both either (x2) neither

1. We sent letters to sixty customers, but _____ replied!
2. I can't go. There are only two flights, and there are _____ seats left on _____ of them.
3. I can't go. There are only two flights, and _____ of them has any seats left.
4. _____ I want is a bit of peace and quiet to finish writing this report.
5. I've phoned _____ store in the Yellow Pages and they are _____ out of stock.
6. We have three models, and _____ one has its own special features.
7. I was nervous at the start of my talk, but after that I enjoyed _____ minute.
8. I got three letters, but there were _____ for you, I'm afraid.
9. I got three letters, but there weren't _____ for you, I'm afraid.
10. The Trade Fair is important. We need _____ Sue and Mike on the stand.
11. Both roads lead to the city centre. You can take _____ one.
12. You've been six of the best trainees that we've ever had on this course. The best of luck to of you in your future careers.

Exercise 13

Complete the dialogue with one of these words: *for, since, during, while, ago, before, after, afterwards*.

Interviewer: Well, perhaps you could begin by telling us a little bit about your career history? And (1) _____ we'll move on to your current job.

Alessandro: Yes, of course. Well, I graduated from Bocconi University in Milan five years (2) _____ I was at Bocconi (3) _____ about six years, and (4) _____ that period I worked briefly as an analyst in my uncle's consultancy firm.

Interviewer: Uh, huh. And did you manage to find a job easily (5) _____ you left university?

Alessandro: Well, eventually I was offered a job in an Italian bank, but (6) _____ that I had been looking for work (7) _____ quite a long time. It wasn't easy finding jobs in Italy at that time, you know, but luckily the situation has got much better (8) _____ then.

Interviewer: Yes, like here. So how long did you work at the bank?

Alessandro: Well, I worked there (9) _____ about two years.

Interviewer: Two years ... and why did you leave?

Alessandro: I enjoyed my time there a lot. And (10) _____ I was there I learnt a lot of techniques for financial analysis, and important skills like teamwork, you know. But I wanted the chance to do something more challenging in an international environment

Interviewer: Uh, huh.

Alessandro: It had been my dream to work in an international company (11) _____ leaving school.

Interviewer: Well, you've applied to the right place. So what did you do then?

Alessandro: Well, I decided to take a risk and move to London. That was about two years (12) _____.

Interviewer: Did you have a job to go to in London?

Alessandro: No. (13) _____ I left Italy I sent my CV to a lot of different agencies, but I thought that it would be easier to find a job (14) _____. I was actually living in London. Hah. I only realized (15) _____ how much competition there was!

Interviewer: Well, yes.

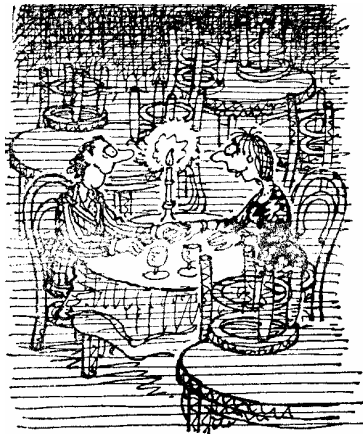
Alessandro: Anyway, eventually, (16) _____ some months, I found a job at a bank in the City. That's where I'm working now.

Exercise 14

Write: Put in any suitable adverbs of degree (any, many, much, fairly, quite, etc.).

CAN WE GO HOME PLEASE?

It was¹ quite late. The waiters were beginning to yawn. There was had clearly had⁴ _____ a other across the table and were⁵ them. The waiters wanted to go wanted⁶ _____ more to eat wasn't⁷ _____ use-asking a good idea. He began staking others joined in. Another waiter was⁹ _____ dim. The chairs that just sat and sat and sat!



restaurant clock showed 1.30 a.m. The feeling² _____ tired and were one³ _____ middle-aged couple left. They good meal. Now they were looking at each _____ unaware of the world around home. One of them asked the couple if they or drink. He didn't get an answer. It clearly questions! One of the waiters had⁸ _____ chairs upside-down onto the tables. The turned off the lights. In the end, the restaurant were stacked on the tables round the couple

Exercise 15

Write: Use suitable words to complete this story. Don't use the same word more than twice.

JUSTLY PUNISHED

There were¹ too many people on the bus for comfort and passengers were standing in the aisle. A young woman carrying a baby was² _____ grateful when an old man offered her his seat. The baby was³ _____ asleep and she could now rest him on her lap. She thanked the old man⁴ _____ and was just going to sit down when a rude was⁵ _____ embarrassed, and the say anything. All the passengers⁷ action. They were⁸ _____ angry late, the rude man wanted to get passengers. They all stood closely made to stay on the bus till it _____ deserved.



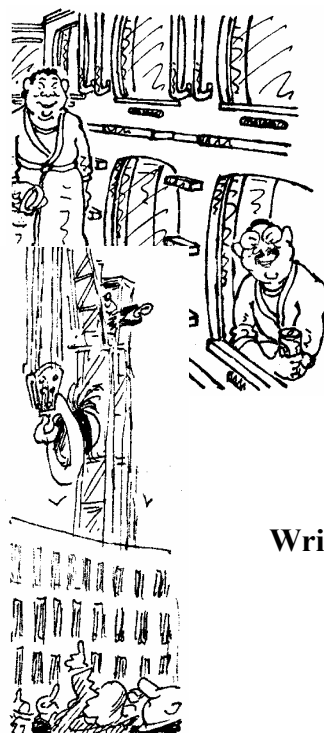
young man sat in the empty seat. Everyone young mother was⁶ _____ surprised to _____ disapproved of the man's with him, but he paid no attention.⁹ _____ off the bus and tried to push past the together and wouldn't let him move. He was reached its terminus, a punishment he¹⁰

Exercise 16

Write: Put in the right verb agreeably, however, in brief,

form and these adverbs: according to, moreover or ultimately.

DON'T ASK FOR A ROOM WITH A VIEW!



So high (be)¹ is the price of land in Tokyo, That its land area probably costs as much as the whole of California. Never, in any place in the world, (there be)² _____ such a demand for space!³ _____ a newspaper report, this lack of space has led to 'capsule hotels'. The rooms are just capsules, measuring 1 metre. high, 76 cms. wide and 2 metres. deep. ⁴ _____, you will be⁵ _____ surprised to hear that they are equipped with phones, radio and TV.⁶ _____, they are less expensive than ordinary hotels.⁷ _____, they provide you with all you need for a comfortable night's sleep, even if they don't give you an automatic wash and dry as well!⁸ _____, some people would argue, a small hole in the wall is preferable to a big hole in your pocket! But don't ask for a room with a view! Don't ask for a room with a view!

Exercise 17

Write: Put in with, out to over, off, of, in, above, below, on top of.

THE AMAZING FLYING HAT

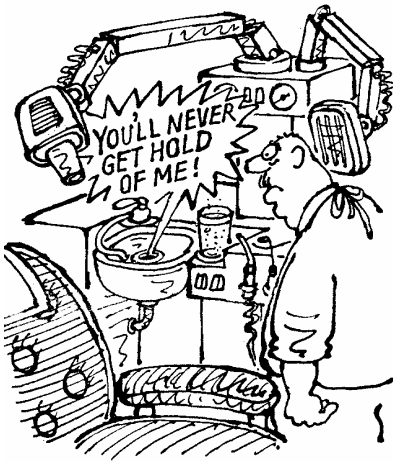
She was a striking woman¹ of about 25, dressed for the races.² _____ her smart dress and fantastic hat made³ _____ feathers, she drew admiring glances as she walked down the street. Her hat attracted even more attention when a gust⁴ _____ wind lifted it⁵ _____ her head and carried it into the air. We all stopped to watch as this amazing hat flew⁶ _____ out heads. People came⁷ _____ buildings and into the street. The young woman⁸ _____ the smart dress was as entertained as the rest⁹ _____ us. Suddenly, the hat rested¹⁰ _____ a high building and we lost sight of it. Then the wind lifted it up again. 'There it is!' cried a man¹¹ _____ an umbrella. He jabbed his umbrella at the sky¹² _____. Then an amazing thing happened. The hat simply disappeared! The mystery was solved when someone shouted¹³ _____ a loud voice. There was a tall yellow crane¹⁴ _____ a high building and the crane driver looked down at the crowd¹⁵ _____. 'Lost your hat, miss?' the crane driver cried and we all gasped¹⁶ _____ surprise when we saw that the hat had been caught by his crane!

'Lost your hat, miss?'

Exercise 18

Write: Put in at, for, from, in, of, on, out of or to. Use each word at least once.

IS THERE ANYBODY THERE?



A dentist in Bavaria has been haunted by a voice, which swears¹ at him all the time. The voice comes² _____ light sockets, washbasins and the telephone. It is a sharp, deep voice, which laughs³ _____, the dentist and mocks him. The poor dentist is suffering⁴ _____ a bad case of nerves. Recently, the voice was recorded and broadcast, so now everyone in Bavaria is looking⁵ _____ the ghost, but so far no one has succeeded⁶ _____ finding it. People who don't believe⁷ _____ ghosts think it is just a practical joke. The voice always shouts⁸ _____ the dentist, but speaks sweetly⁹ _____ his 17-year-old assistant, Claudia. But no one can blame Claudia¹⁰ _____ the behavior of the ghost or accuse her¹¹ _____ playing tricks¹² _____ her poor boss. Engineers don't know what to make¹³ _____ it. 'He's a technical genius,' one of them said. The ghost has responded¹⁴ _____ all this activity by saying, in a thick Bavarian accent, 'You'll never get hold¹⁵ _____ me!'

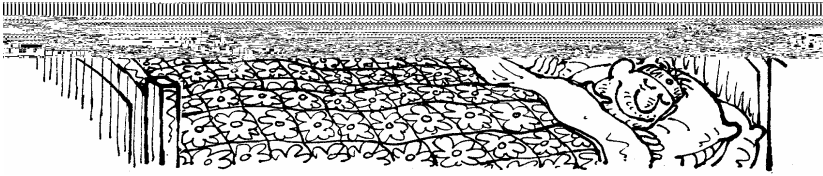
You'll never get hold of me!

Exercise 19

Write: Put in about down, down on, in, in on, up, up on, up to, up with or to.

A CURE FOR SNORING

It's very difficult for people who sleep silently to put _____ the sound of snoring. Some people are asleep the moment they lie _____; others stay _____ half the night waiting for the miracle of sleep to come _____. Even insomniacs are. Insomniacs are the ones who need to lie _____ in the morning to catch _____ lost sleep. Snorers will never admit to snoring. They know the rest of the world looks _____ them and they just can't face _____ reality. My friend, Henry, a champion snorer, has just found a cure and he let me _____ his little secret. He has just coughed _____ good money for a band with a stud on it. He wears the band round his head at and if he tries to sleep on his back, the stud gives him a jab. I'm sure this news will cheer _____ all snorers, who now have a new experience to look forward _____. With one of these on their heads, all they have to lose is their sleep!



He wears this round his head

Exercise 20

Write: Put in the simple present or present progressive. Note where both forms are possible.

A HOLIDAY JOB WITH A DIFFERENCE!



I (study)¹ *am studying* English at Exeter University. I'm on holiday at the moment and I (work)² _____ in a public library. I'm lucky to have this job. I (not have to)³ _____ get up early. The library (open)⁴ _____ at 10 and (close)⁵ _____ at 7. It's interesting work because people (always come in)⁶ _____ and (ask)⁷ _____ me to help them, so I (learn)⁸ _____ a lot about different subjects. I (enjoy)⁹ _____ the job and (find)¹⁰ _____ it very amusing, too. People (use)¹¹ _____ the strangest things as bookmarks. I have found a rasher of bacon (uncooked!). Matchsticks (be)¹² _____ common and so (be)¹³ _____ bus tickets. My colleagues (always find)¹⁴ _____ things too – even a \$ 10 note, but I haven't been so lucky! I often (think)¹⁵ _____ of the photo of a beautiful woman, which I found. On the words; 'I (love)¹⁶ _____ you. I (miss)¹⁷ _____ you and I'll

never forget you.

The strangest bookmarks!

Exercise 21

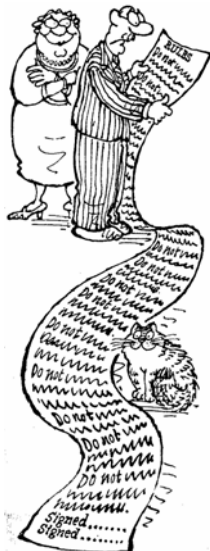
Write: Put in suitable forms of will and shall.

RETIREMENT

I'm going to retire next week and I'm looking forward to it. For the first time in my life I¹ *shall* be able to do all the things I've always wanted to do. I² _____ (not) have to travel to work any more. I³ _____ (not) have to earn a living. My firm⁴ _____ pay my pension into my bank account and I⁵ _____ (not) have to worry about earning money ever again. My wife and I⁶ _____ be able to spend more time together. We⁷ _____ take care of the house together. We⁸ _____ do the shopping together all these plans to my wife. 'Of course,' she said. 'I'm looking forward to your retirement, too, but you must remember that while you can retire, I can't. I've written out some simple rules for us both which⁹ _____ apply from the day you retire. Here they are:'

RULES OF THE HOUSE

1. We¹⁰ _____ take turns to do the
2. We¹¹ _____ (not) watch TV all
3. We¹² _____ keep regular hours.
4. We¹³ _____ find interesting
5. We¹⁴ _____ spend time out of
6. We¹⁵ _____ keep fit in mind



cooking and the housework.
day long.

hobbies to keep us occupied.
the house as well as in it.
and body.

'They look like sensible suggestions,' I said. 'They are,' my wife answered. 'If we follow these rules I'm sure we¹⁶ _____, enjoy a long and happy life together.' 'I hope we¹⁷ _____,' I answered. If we follow these rules

Exercise 22

Write: Put in simple future, the future progressive or the future perfect simple.

FLYING JUNK

By the middle of the 21st century we (build)¹ *will have built* space stations which (circle)² _____ the earth and (probably circle)³ _____ the moon, too. We (establish)⁴ _____ bases on planets like Mars. At present, we use radar to 'watch' nearly 8.000 objects in space. In addition, there are at least 30.000 bits of rubbish from the size of marbles to the size of basket balls flying round the earth. There (increase)⁵ _____ in number by the year 2050 and (orbit)⁶ _____ the earth. All these bits and pieces are watched by NORAD (North American Radar Defiance Command). NORAD (have)⁷ _____ more and more rubbish to watch as the years go by. Some bit fall back to earth, like the Russian satellite C954, which crashed in the Northern Territories of Canada in 1978. crashing junk could give us a bad headache. Most of the stuff (stay)⁸ _____ up there (we hope)! The sad fact is that we who are alive today (not clear up)⁹ _____ our own junk tomorrow. Perhaps we (just watch)¹⁰ _____ from some other (safe) place as it goes round and round the earth!



Perhaps we'll be watching ...

GLOSSARY OF BUSINESS TERMS

Adjective (*adj*) Headwords for adjectives followed by followed by information in square brackets [only before a noun] and [not before a noun] show any restrictions on where they can be used.

Noun (*n*) The codes [C] and [U] show whether a noun, or a particular sense of a noun, is countable (an agenda, two agendas) or uncountable (AOB, awareness).

Verbs (*v*) The forms of irregular verbs are given after the headword. The codes [I] (intransitive) and [T] (transitive) show whether a verb, or a particular sense of a verb, has or does not have an object. Phrasal verbs (*phr v*) are shown after the verb they are related to.

Some entries show information on words that are related to the headword. Adverbs (*adv*) are often shown in this way after adjectives.

acquire v [T] if one company acquires another, it buys it

acquisition n [C] when one company buys another or part of another company, or the company or part of a company that is bought

advertising campaign n [C] an organization's programme of advertising activities over a particular period with specific aims, for example an increase in sales or awareness of a product

agenda n [C]

1) a list of the subjects to be discussed at a meeting

2) the things that someone considers important or that they are planning to do something about

aggressive *adj*

1) an aggressive plan or action is intended to achieve its result by using direct and forceful methods

2) an aggressive person or organization is very determined to achieve what they want

alliance n [C] an agreement between two or more organizations to work together

amend v [T] to make small changes or improvements to a law or a document

AOB n [U] any other business; the time during a meeting when items not on the agenda can be discussed

application n [C]

1) a formal, usually written, request for something or for permission to do something

2) a formal request for work

3) a practical use for something

4) a piece of software for a particular use or job

apply v

1) [I] to make a formal, usually written request for something, especially a job, a place at university, or permission to do something

2) [T] to use something such as a law or an idea in a particular situation, activity, or process

3) [I,T] to have an effect on someone or something, or to concern a person, group, or situation

approximate *adj* an approximate amount, number etc is a little more or a little less than the exact amount, number etc – **approximately** *adv*

asset n [C] something belonging to an individual or a business that has value or the power to earn money

assign v [T] to give someone a particular job or task, or to send them to work in a particular place

Region labels The codes *AmE* and *BrE* show whether a word or sense of a word is used only in American or British English.

attend v [I,T] to go to an event such as a meeting

attribute n [C] a characteristic, feature, or quality

awareness n [U] knowledge or understanding of a particular subject, situation, or thing

background n [C] someone's past, for example their education, qualifications, and the jobs they have had

balance sheet n [C] a document showing a company's financial position and wealth at a particular time. The balance sheet is often described as a 'photograph' of a company's financial situation at a particular moment

band-width n [U] the total amount of information that can be carried through a telephone wire, computer connection etc at one time

bankrupt¹ n [C] someone judged to be unable to pay their debts by a court of law, and whose financial affairs are handled by a court official until the debts are settled

bankrupt² *adj* not having enough money to pay your debts

bankrupt³ v [T] to make a person, business, or country go bankrupt

bankruptcy n *plural bankruptcies* [C,U] when someone is judged to be unable to pay their debts by a court of law, and their assets are shared among their creditors (= those that they owe money to), or a case of this happening

bank statement n [C] information sent regularly by a bank to a customer, showing the money that has gone into and out of their account over a particular period

barrier to trade also **trade barrier** n *plural barriers to trade* [C] something that makes trade between two countries more difficult or expensive, for example a tax on imports

benefits package n [C] the total amount of pay and all the other advantages that an employee may receive such as bonuses, health insurance, a company car etc

bid¹ n [C]

1) an offer to buy something, for example a company in a takeover, or the price offered

2) an offer to do work or provide services for a fixed price, in competition with other offers

bid² v *past tense and past participle bid present participle bidding*

1) [I,T] to offer to pay a particular price for something, for example a company in a takeover

2) [I] to offer to do work or provide services for a fixed price, in competition with others – **bidding** *n* [U]

billboard *n* [C] *AmE* a large sign used for advertising. Billboards are usually called hoardings in British English

blue-chip company *adj.* a blue-chip company or investment is profitable and safe: blue chip stocky and shares – blue chip *n* [C]

blueprint *n* [C] a plan for achieving or improving something

board also **board of directors** *n* [C usually singular] the group of people who have been elected by shareholders to manage a company

bonus *n* [C] an extra amount of money added to an employee's wages, usually as a reward for doing difficult work or for doing their work well

boom¹ *n* [C,U]

1) a time when business activity increases rapidly, so that the demand for goods increases, prices and wages go up, and unemployment falls

2) a time when activity on the stockmarket reaches a high level and share prices are very high

boom² *v* [I] if business, trade, or the economy is booming, it is very successful and growing.

boost *v* [T] to increase something such as sales, production or prices

bottom line *n* [C] the figure that shows a company's total profit or loss

brainstorm *v* [I,T] to develop new ideas and solve problems by having a meeting where everyone makes suggestions and these are discussed

brand¹ *n* [C] a name given to a product or group of products by a company for easy recognition

brand² *v* [T] to give a name to a product or group of products

branded *adj* branded goods or products have brand names

branding *n* [U] the activity of giving brand names to products, developing people's awareness of them etc

brand leader *n* [C] the brand with the most sales in a particular market

bribe¹ *n* [C] money that is paid secretly and dishonestly to obtain someone's help

bribe² *v* [T] to dishonestly give money to someone to persuade them to do something that will help you

bribery *n* [U] dishonestly giving money to someone to persuade them to do something to help you

broad-band *n* [U] a system of sending radio signal which allows several messages to be sent at the same time

broker *n* [C] a person or organization whose job is to buy and sell shares, currencies, property, insurance etc for others

bureaucracy *n plural bureaucracies*

1) [C] a system of governing that has a large number of departments and officials

2) [U] *disapproving* all the complicated rules and processes of an official system, especially when they are confusing or responsible for causing a delay

bust *adj* [informal] if a company goes bust, it cannot continue to operate because it does not have enough money to pay its debts

buyout also **buy-out** *n* [C]

1) the act of buying a business

2) the act of buying all the shares in a company of a particular shareholder

canvass *v* [T] to try to get information or support from people

capitalization also **-isation** *BrE n* [U]

1) the total value of a company's shares

2) the total value of all the shares on a stockmarket at a particular time

cash cow *n* [C] a very profitable business or part of a business

cash flow also **cashflow** *n*

1) [U] the amounts of money coming into and going out of a company, and the timing of these

2) [C,U] profit for a particular period, defined in different ways by different businesses

cash generation *n* [U] money that a company gets from sales after costs are taken away. Cash generation is often used in talking about the degree to which the company is able to do this

chair *n* [singular]

1) the position of being the chairman of a company or organization or the person who is chairman

2) the position of being in charge of a meeting or the person who is in charge of it

chair *v* [T]

challenge *n* [C] something difficult that you feel determined to solve or achieve

Chief Executive Officer (CEO) *n* [C usually singular] the manager with the most authority in the day to day management of a company, especially in the US. The job of CEO is sometimes combined with others, such as that of president

clock *v*
clock in/on *phr v* [I] to record on a special card or computer the time you arrive at or begin work
clock off/out *phr v* [I] to record on a special card or computer the time you stop or leave work
collapse *v* [I] if a company, organization, or system collapses, it suddenly fails or becomes too weak to continue – *collapse n* [C,U]
commission *n* [C,U] an amount of money paid to someone according to the value of goods, services, investments etc they have sold
commitment *n* [C,U] a promise to do something or to behave in a particular way
compatible *adj*
 1) [technical] compatible machines, methods, ideas etc can exist together or be used together without causing problems
 2) two people that are compatible are able to have a good relationship
compensate *v* [I,T] to pay someone money because they have suffered injury, loss, or damage
compensation *n* [U]
 1) an amount paid to someone because they have been hurt or harmed in some way
 2) the total of pay and benefits for an employee, especially a high-level manager
competitive advantage *n* [C] something that helps you to be better or more successful than others
complementary *adj* sold or used together with other products
concept *n* [C] an idea for a product, business etc
consortium *n plural* consortiums *or* consortia [C] a combination of several companies working together for a particular purpose, for example in order to buy something or build something
consumer behaviour *BrE consumer behavior* *AmE n* [U] how, why, where, and when consumers buy things, and the study of this
consumption *n* [U] the amount of goods, services, energy, or natural materials used in a particular period of time
contingency *n* [C] an event or situation that might happen in the future, especially one that might cause problems
controlling interest *n* [C,U] the situation where one shareholder owns enough shares to control a company
controlling shareholder also **majority shareholder** *n* [C] someone who owns more than half the shares in a company

core *adj* **core business/activity/product** the business, activity etc that makes most money for a company and that is considered to be its most important and central one
corrupt¹ *adj* using power in a dishonest or illegal way in order to get money or an advantage of some kind
corrupt² *v* [T] to encourage someone to behave in an immoral or dishonest way – **corrupted** *adj*, **corruptible** *adj*,
corruptibility *n* [U]
corruption *n* [U]
 1) the crime of giving or receiving money, gifts, a better job etc in exchange for doing something dishonest or illegal that helps another person or company
 2) when someone who has power or authority uses it in a dishonest or illegal way to get money or an advantage
counterfeit¹ *adj* made to look exactly like something else, usually illegally
counterfeit² *v* [T] to copy something so that it looks like something else, usually illegally – *counterfeiter n* [C]
crash¹ *n* [C]
 1) a time when many investments lose their value very quickly, usually when investors lose confidence in the market and sell
 2) an occasion when a computer or computer software suddenly and unexpectedly stops working or fails to work properly
crash² *v*
 1) [I] if stockmarkets, shares etc crash, they suddenly lose a lot of value
 2) [I,T] if a computer crashes, or if you crash a computer, it suddenly and unexpectedly stops working
crisis *n plural* crises [C,U]
 1) a period or moment of great difficulty, danger, or uncertainty, especially in politics or economics
 2) a time when a personal problem or situation has reached its worst point
culture *n* [C,U]
 1) the ideas, beliefs, and customs that are shared and accepted by people in a society
 2) the attitudes or beliefs that are shared by a particular group of people or in a particular organization
customize also **-ise** *BrE v* [T] if something is customized, it is designed or built especially for a customer, making it different from other things of its kind
customs *n* [U] the government department responsible for collecting the tax on goods that have

been brought into the country and making sure that illegal goods are not imported or exported

deceit *n* [C,U] when someone tries to gain an advantage for themselves by tricking someone, for example by making a false statement

deceive *v* [T] to make someone believe something that is not true in order to get what you want

decline *v* [I]

1) if an industry or country declines, it becomes less profitable, productive, wealthy etc

2) if sales, output, production etc decline, they become less decline *n* [C,U]

defect *n* [C] a fault or the lack of something that means that a product etc is not perfect – defective *adj*, defectively *adv*

delegate *v* [I,T] to give part of your work or power to someone else, usually someone in a lower position than you

demand *n* [U]

1) spending on goods and services by companies and people in a particular economy

2) the total amount of a type of goods or services that people or companies buy in a particular period the total amount of a type of goods or services that people or companies would buy if they were available

demerge *v* [I,T] if a company or unit demerges from a group, or if it is demerged, it becomes a separate company – demerger *n* [C]

deregulate *v* [T] if a government deregulates a particular business activity, it allows companies to operate more freely so as to increase competition – **deregulation** *n* [U]

devious *adj* using dishonest tricks and deceiving people to get what you want – deviously *adv*, deviousness *n* [U]

differentiation *n* [U] when a company shows how its products are different from each other and from competing products, for example in its advertising differentiate *v* [T]

disclosure *n*

1) [C,U] the duty of someone in a professional position to inform customers, shareholders etc about facts that will influence their decisions

2) [U] the act of giving information about someone by an organization or person who would normally have to keep that information secret, for example when a bank gives information about a customer's accounts to the police

3) [C] a fact which is made known after being kept secret

dismissal *n* [C,U] when someone is removed from their job by their employer

dispense *v* [I,T] if a machine dispenses something, it gives it to someone when they put in money, a code number etc

disposal *n*

1) [U] the act of getting rid of something

2) [C] an asset that is sold, and the act of selling it

dispose *v* [T]

1) if you dispose of something, you get rid of it

2) *formal* if a company disposes of a particular asset, activity etc, it sells it

distribution channel also **distribution chain** *n* [C] the way a product is made available and sold, the organizations involved etc

diversify *v* [I]

1) if a company or economy diversifies, it increases the range of goods or services it produces

2) to start to put your money into different types of investments in addition to the investments you already have diversification *n* [U]

downmarket¹ also **downscale** *AmE adj* involving goods and services that are cheap and perhaps not of very good quality compared to others of the same type, or the people that buy them

downmarket² also **downscale** *AmE adv go/move downmarket/downscale* to start buying or selling cheaper goods or services

dress code *n* [C] the way that you are expected to dress in a particular situation, as an employee of a particular company etc

drive *n*

1) [U] someone's energy, motivation, and ability to work hard

2) [C usually singular] an effort to improve or increase the level of something

drop¹ *v*

1) [I] to fall to a lower level or amount

2) [T] to stop doing or planning something

drop away/off *phr v* [I] to become lower in level or amount

drop² *n* [C usually singular] if there is a drop in the amount, level, or number of something, it goes down or becomes less

dumping *n* [U] the activity of selling products in an export market cheaper than in the home market, or cheaper than they cost to make, usually in order to increase market share

durable *adj* if something is durable, it lasts a long time – **durability** *n* [U]

economies of scale *n plural* the advantages that a bigger factory, shop etc has over a smaller one because it can spread its fixed costs over a larger num-

ber of units and thus produce or sell things more cheaply

economy drive *n* [C] a planned effort by an organization to reduce costs

efficient *adj* 1 producing goods using as little time, money etc as possible 2 doing a job quickly and well

endorse *v* [T] if someone, usually famous, endorses a product, they say how good it is in advertisements. People will buy the product because they like or trust the person – endorsement *n* [C,U]

entrenched *adj.* strongly established and not likely to change

enhance *v* [T] to improve the quality or value of something

ethical *adj*

1) connected with principles of what is right and wrong

2) morally good or correct – ethically *adv*

ethics *n* [plural] moral rules or principles of behaviour that should guide members of a profession or organization and make them deal honestly and fairly with each other and with their customers

etiquette *n* [U] the formal rules for polite behaviour

evade *v* [T] to not do something you should do according to the law, for example to not pay tax

expand *v*

1) [I,T] to become larger in size, amount, or number, or to make something larger in size, amount, or number

2) [I] if a company expands, it increases its sales, areas of activity etc expansion *n* [U]

exploit *v* [T]

1) to use something fully and effectively in order to gain a profit or advantage

2) to treat someone unfairly in order to make money or gain an advantage for yourself

extort *v* [T] to illegally force someone to give you money by threatening them – extortion *n* [U]

facility *n plural facilities*

1) [C] a place or large building which is used to make or provide a particular product or service

2) **facilities** [plural] special buildings or equipment that have been provided for a particular use, such as sports activities, shopping and travelling

fake¹ *adj* made to look like something valuable or genuine in order to deceive people

fake² *n* [C] a copy of an original document, valuable object etc that is intended to deceive people into believing it is the real document, object etc

fall¹ *v past tense fell past participle fallen v* [I] to go down to a lower price, level, amount etc

fall² *n* [C]

1) a reduction in the amount, level, price etc of something

2) when a person or organization loses their position of power or becomes unsuccessful

fiddle *n* [C] *BrE informal* 1 a dishonest way of getting money or not paying money

2 **be on the fiddle** to be getting money dishonestly or illegally

flaw *n* [C]

1) a mistake or weakness in a machine, system etc that prevents it from working correctly

2) a mistake in an argument, plan, or set of ideas

flexible *adj*

1) a person, plan etc that is flexible can change or be changed easily to suit any new situation

2) if arrangements for work are flexible, employers can ask workers to do different jobs, work part-time rather than full-time, give them contracts for short periods etc. Flexible working also includes job-sharing and working from home – flexibility *n* [U]

flexitime *BrE also flexitime AmE n* [U] a system in which people who work in a company do a fixed number of hours each week, but can choose what time they start or finish work within certain limits

flood *v* [T] to send a large number of things such as letters to an organization

fluctuate *v* [I] if prices, income, rates etc fluctuate, they change, increasing or falling often or regularly **fluctuating** *adj*

fluctuation *n* [C,U] the movement of prices, income, rates etc as they increase and fall

focus *n* [U] when a company serves particular groups of customers in a market with particular needs, rather than serving the whole market

focus group *n* [C] a group of people brought together to discuss their feelings and opinions about a particular subject. In market research, focus groups discuss their opinions of products, advertisements, companies etc

franchise¹ *n* [C]

1) an arrangement in which a company gives a business the right to sell its goods or services in return for payment or a share of the profits

2) a particular shop, restaurant etc that is run under a franchise, or a company that owns a number of these

franchise² *v* [I,T] to sell franchises to people – **franchising** *n* [U]

franchisee *n* [C] someone who is sold a franchise and operates it

fraud *n* [C,U] a method of illegally getting money from a person or organization, often using clever and complicated methods

freelance *adj. adv.* working independently for several different companies or organizations rather than being directly employed by one **freelance** also **freelancer**

free port *n* [C] a port where import duty does not have to be paid on imports that are to be sent to another country to be sold, or used to manufacture goods that will be sold abroad

fringe benefit *n* [C] an additional advantage or service given with a job besides wages, for example a car

gambling *n* [U] the practice of risking money or possessions on the result of something uncertain, for example a card game or a sporting event such as a horse race

gauge *v* [T] to measure how people feel about something

global *adj*

1) affecting or involving the whole world

2) including and considering all the parts of a situation together, rather than the individual parts separately

globally *adv*

global economy *n* [singular] the economy of the world seen as a whole

globalization also – **isation** *BrE n* [U] the tendency for the world economy to work as one unit, led by large international companies doing business all over the world

globalize also **-ise** *BrE v* [I,T] if a company, an industry, or an economy globalizes or is globalized, it no longer depends on conditions in one country, but on conditions in the world as whole

glut *n* [C usually singular] a supply of something that is more than you need

goodwill payment *n* [C] a payment made by a supplier to a customer because of a problem the customer has had, for example with quality or late delivery of goods

gross domestic product (GDP) *n* [singular] the total value of goods and services produced in a country's economy, not including income from abroad

gross domestic product per capita *n* [singular] the total value of goods and services produced in a country divided by the number of people living there

grow *v past tense grew past participle grown*

1) [I] to increase in amount, size, or degree

2) [T] if you grow a business activity, you make it bigger

growth *n* [U] an increase in size, amount, or degree

haulage *n* [U] *BrE* the business of carrying goods by road or rail

headquarters *n* [plural] the head office or main building of an organization – **headquartered** *adj*

hoarding *n* [C] a large sign used for advertising. Hoardings are called billboards in American English

hostile *adj* a hostile bid or takeover is one in which a company tries to buy another company whose shareholders do not want to sell

impose *v* [T] to officially order that something should be forbidden or taxed

incentive *n* [C] something which is used to encourage people, especially to make them work harder, produce more or spend more money

income statement *n* [C] *AmE* a financial document showing the amount of money earned and spent in a particular period of time by a company. This is usually called the profit and loss account in British English

incompetence *n* [U] not having the ability to do a job properly

incremental *adj*

1) an incremental process is one where things happens in small steps

2) an incremental amount, sum etc is small when considered by itself

indictment *n* [U] the act of charging somebody with a criminal offence

industrial espionage *n* [U] the activity of secretly finding out a company's plans, details of its products etc

infrastructure *n* [C,U]

1) the basic systems and structures that a country needs to make economic activity possible, for example transport, communications, and power supplies

2) the basic systems and equipment needed for an industry or business to operate successfully or for an activity to happen

inhibit *v* [T] to prevent something from growing or developing in the way it could, or to prevent it from being as good as it should be

innovate *v* [I] to design and develop new and better products

innovator *n* [C]

innovation *n*

1) [C] a new idea, method, or invention

2) [U] the introduction of new ideas or methods

innovative *adj*

1) an innovative product, method, process etc is new, different, and better than those that existed before

2) using clever new ideas and methods – **innovatively** *adv*

insider trading *n* [U] when someone uses knowledge of a particular company, situation etc that is not available to other people in order to buy or sell shares. Insider trading is

integration *n* [U] when two or more units, organizations etc combine so that they work more effectively

integrity *n* [U]

1) the state of being united or kept together as one whole, and therefore strong, unit

2) complete honesty

interest *n*

1) [U] an amount paid by a borrower to a lender, for example to a bank by someone borrowing money for a loan, or by a bank to a depositor (=someone keeping money in an account there)

2) [U] the interest rate at which a particular sum of money is borrowed and lent

3) [U] the part of a company that someone owns

4) [C] the possession of rights, especially to land, property etc

interpreter *n* [C] someone who translates what someone says from one language into another, especially as their job

inventory *n plural inventories* [C,U] *AmE*

1) a supply of raw materials or parts before they are used in production, or a supply of finished goods. Inventories of raw materials or parts are usually called stocks in British English

2) a supply of goods, kept for sale by a shop or other retailer. Inventories of goods are usually called stocks in British English

inventory control *n* [U] *AmE* making sure that supplies of raw materials, work in progress, and finished goods are managed correctly. Inventory control is called stock control in British English

isolate *v* [T] to separate something so that it can be dealt with by itself

jeopardize also **-ise** *BrE v* [T] to risk losing or harming something

jet lag *n* [U] the tired and confused feeling you can get after flying a very long distance

joint venture *n* [C] a business activity in which two or more companies have invested together

junk *adj* [informal] **junk mail/email/fax** is mail etc sent to someone who has not requested it, usually to advertise something

knowledge worker *n* [C] someone whose job involves dealing with information, rather than making things

labor union *n* [C] *AmE* an organization representing people working in a particular industry or profession, especially in meetings with their employers. Labor unions are called trade unions in British English

laissez-faire also **laissez-faire** *n* [U] the idea that governments should do as little to the economy as possible and allow private business to develop without the state controlling or influencing them

launch¹ *v* [T]

1) to show or make a new product available for sale for the first time

2) to start a new company

3) to start a new activity, usually after planning it carefully

launch² *n* [C]

1) an occasion at which a new product is shown or made available for sale or use for the first time

2) the start of a new activity or plan

leading edge *n singular* the area of activity where the most modern and advanced equipment and methods are used

let *v* [T] *BrE* to allow someone to use a room or a building in return for rent

letter of credit (l/c) *n plural letters of credit* [C] in foreign trade, a written promise by an importer's bank to pay the exporter's bank on a particular date or after a particular event, for example when the goods are sent by the exporter

level¹ *n* [C]

1) the measured amount of something that exists at a particular time or in a particular place

2) all the people or jobs within an organization, industry etc that have similar importance and responsibility

level² *v past tense and past participle levelled* *BrE* also **leveled** *AmE present participle levelling* *BrE* also **leveling** *AmE*

level off/out *phr v* [I] to stop climbing or growing and become steady or continue at a fixed level

liability *n*

1) [singular] an amount of money owed by a business to a supplier, lender, or other creditor

2) **liabilities** [plural] the amounts of money owed by a business considered together, as shown in its balance sheet

3) [U] a person's or organization's responsibility for loss, damage, or injury caused to others or their property, or for payment of debts

liaison *n* [singular, U] the regular exchange of information between groups of people especially at work, so that each group knows what the other is doing

liberalize also **-ise** *BrE v* [T] to make a system, laws, or moral attitudes less strict – **liberalization** *n* [U]

limited company also **limited liability company** *n* [C] a company where individual shareholders lose only the cost of their shares if the company goes bankrupt, and not other property they own

loan *n* [C] money borrowed from a bank or a person on which interest is usually paid to the lender until the loan is repaid

logo *n plural logos* [C] a design or way of writing its name that a company or organization uses as its official sign on its products, advertising etc

loophole *n* [C] a small mistake in a law that makes it possible to do something the law is supposed to prevent you from doing, or to avoid doing something that the law is supposed to make you do

lose *v past tense and past participle* **lost** *present participle*

losing [T]

1) to stop having something any more, or to have less of it

2) to have less money than you had before or to spend more money than you are receiving

3) to fall to a lower figure or price

4) **lose something (to sb/sth)** to have something such as a contract or customers taken away by someone or something

5) **lose ground** to become less in value or to lose an advantage

loss *n*

1) [C,U] the fact of no longer having something that you used to have

2) [C] when a business or part of a business spends more money in costs than it gets in sales in a particular period, or loses money on a particular deal, problem etc

loyal *adj* if customers are loyal to a particular product, they continue to buy it and do not change to other products – **loyalty** *n* [U]

lucrative *adj* an activity that is lucrative makes a lot of money **mailshot** *n* [C] *BrE* when information or advertising material is sent through the mail to a large number of people at the same time

malpractice *n* [C,U] when someone breaks the law in order to gain some advantage for themselves **margin** also **profit margin** *n* [C,U] the difference between the price of a product or service and the cost of producing it, or between the cost of producing all of a company's products or services and the total sum they are sold for

market challenger *n* [C] an organization or product that may take the place of the organization or product that has the highest sales in its market or industry

marketing mix *n* [C usually singular] the combination of marketing actions often referred to as product, price, place, and promotion: selling the right product, through appropriate distribution channels, at the right price in relation to other products and for the profitability of the company, with the correct support in terms of advertising, sales force etc

market leader *n* [C] an organization or product that has the highest sales, or one of the highest sales, in its market or industry

market nicher *n* [C] a product or service sold in a niche market (=a market for a product or service, perhaps an expensive or unusual one, that does not have many buyers) or the company that sells it

market share *n* [C,U] the percentage of sales in a market that a company or product has

merchandise *n* [U] goods that are produced in order to be sold, especially goods that are sold in a store

merge *v* [I,T] if two or more companies, organizations etc merge, or if they are merged, they join together

merger *n* [C] an occasion when two or more companies, organizations etc join together to form a larger company etc **middleman** *n plural* **middlemen** [C] a person, business, organization etc that buys things in order to sell them to someone else, or that helps to arrange business deals for other people

mission statement *n* [C] a short written statement made by an organization, intended to communicate its aims to customers, employees, shareholders etc

model *n* [C]

1) a particular type or design of a vehicle or machine

2) a simple description or structure that is used to help people understand similar systems or structures

3) the way in which something is done by a particular country, person etc that can be copied by others who want similar results

morale *n* [U] the level of confidence and positive feelings among a group of people who work together

mortgage *n* [C] a legal arrangement where you borrow money from a financial institution in order to buy land or a house, and you pay back the money over a period of years

motivate *v* [T]

1) to encourage someone and make them want to achieve something and be willing to work hard in order to do it

2) to provide the reason why someone does something – **motivating** *adj*

motivated *adj* very keen to do something or achieve something, especially because you find it interesting or exciting

motivation *n*

1) [U] eagerness and willingness to do something without needing to be told or forced to do it

2) [C] the reason why you want to do something

nepotism *n* [U] the practice of giving jobs to members of your family when you are in a position of power

niche market *n* [C] a market for a product or service, perhaps an expensive or unusual one that does not have many buyers but that may be profitable for companies who sell it

offset *v* [T] if one cost offsets another it has the effect of reducing or balancing it, so that the financial situation remains the same

open-plan office *n* [C] open-plan offices do not have walls dividing them into separate rooms

optimize also **-ise** *BrE v* [T] to make the best possible use of something or to do something in the best possible way

outsource *v* [T] if a company outsources its work, it employs another company to do it

overtime *n* [U]

1) time that you spend working in your job in addition to your normal working hours

2) time that a factory, office etc is operating in addition to its normal hours

3) the money that you are paid for working more hours than usual

panacea *n* [C] something that people think will help make everything better

partner *n* [C]

1) a company that works with another company in a particular activity, or invests in the same activity

2) someone who starts a new business with someone else by investing in it

3) a member of certain types of business or professional groups, for example partnerships of lawyers, architects etc

4) also **economic partner** a country that invests in another or is invested in by another, or that trades with another

5) also **trade partner, trading partner** one country that trades with another

partnership *n*

1) [C] a relationship between two people, organizations, or countries that work together

2) [U] the situation of working together in business

3) [C] a business organization made up of a group of accountants, lawyers etc who work together, or of a group of investors

patent¹ *n* [C] an legal document giving a person or company the right to make or sell a new invention, product, or method of doing something and stating that no other person or company is allowed to do this

patent² *v* [T] to obtain a patent, protecting the rights to make or sell a new invention, product, or method of doing something patented *adj* [only before a noun]

peak¹ *n* [C] the time when prices, shares etc have reached their highest point or level

peak² *adj*

1) **peak level/price/rate etc** the highest level, etc something reaches

2) **peak time/period/hours/season** the time etc when the greatest number of people are doing the same thing, using the same service etc

peak³ *v* [I] to reach the highest point or level

penny-pinching *adj* not liking to spend money

perk *n* [C] something in addition to money that you get for doing your job, for example a car

phone rage [U] angry behaviour on the telephone by people who are not satisfied with the service they are receiving etc

pioneer *n* [C] the first person or organization to do something that other people and organizations will later develop or continue to do – **pioneer** *v* [T], **pioneering** *adj*

plummet *v* [I,T] to suddenly and quickly go down in value or amount – **plummet** *n* [C]

point-of-sale advertising *n* [U] advertising for a product in places where it is sold

portal *n* [C] a system for connecting a computer to another network, especially the Internet

positioning *n* [U] the way that people think about a product in relation to the company's other products or to competing products

predator *n* [C] a company that takes advantage of another company weaker than itself, for example by trying to buy it **premium** *n* [C] if you have to pay a premium, you have to pay more than normal for something

prevail *v* [I] if someone or their arguments, views etc prevail, they finally win an argument, usually after a long period of time

prime time *n* [U] the time in the evening when most people are watching television, and the cost of advertising is at its most expensive

product portfolio *n* [C] all of a company's products considered as a group

profile *v* [T] to give a short description of someone or something in a newspaper or television programme

profit and loss account *n* [C] *BrE* a financial document showing the amount of money earned and spent in a particular period of time by a company. This is usually called the income statement in American English

promotion *n*

1) [C,U] a move to a more important job or rank in a company or organization

2) [C] also **sales promotion** an activity such as special advertisements or free gifts intended to sell a product or service

prospect *n* [C] someone who is not a customer yet, but may become one in the future

protectionism *n* [U] the idea that a government should try to help an industry in its country by taxing foreign goods that compete with it, limiting the number that can be imported etc, and the actions that it takes to do this – **protectionist** *adj*,

protectionist *n* [C]

prototype *n* [C] the first form that a new design of a car, machine etc has

public limited company (PLC) *n* [C] a limited company whose shares are freely sold and traded, in Britain public limited companies have the letters PLC after their name

purchase *v* [T] to buy something

qualification *n*

1) [C usually plural] an examination that you have passed at school, university, or in your profession

2) [C] a skill, personal quality, or type of experience that makes you suitable for a particular job

quota *n* [C] an official limit on the number or amount of something that is allowed in a particular period

R and D *n* [U] research and development; the part of a business concerned with studying new ideas and developing new products

rationalize also **-ise** *BrE v* [I,T] to make a business or organization more effective by getting rid of unnecessary staff, equipment etc, or reorganizing its structure – **rationalization** *n* [C,U]

real estate *n* *AmE* [U] land or buildings and the business of

buying and selling them

recall *v* [T]

1) if a company recalls one of its products, it asks customers to return it because there may be something wrong with it – **recall** *n* [C]

2) to remember something that you have seen or heard, such as an advertisement – **recall** *n* [U]

receipt *n*

1) [U] the act of receiving something

2) [C] a document given by someone, showing that they have received money, goods, or services

3) **receipts** [plural] money that has been received

recession « [C,U] a period of time when an economy or industry is doing badly, and business activity and employment decrease. Many economists consider that there is a recession when industrial production falls for six months in a row

reciprocal *adj* a reciprocal arrangement is when two people, countries, or companies do or give the same things to each other so that each is helped

recover *v*

1) [I] to increase or improve after falling in value or getting worse

2) [T] to get back money that you have spent or lost

3) [T] to get back something that was stolen, lost, or almost destroyed

recovery *n plural* recoveries

1) [C,U] when prices increase, or when the economy grows again after a period of difficulty

2) [U] the act of getting something back, such as money that you are owed

recruit¹ *v* [I,T] to find new people to work for an organization, do a job etc

recruit² *n* [C] someone who has recently joined a company or organization

recruitment *n*

1) [U] the process or the business of recruiting new people

2) [C] an occasion when someone is recruited

redundancy *n plural* **redundancies** *especially* *BrE*

1) [U] when someone loses their job in a company because the job is no longer needed

2) [C usually plural] a person who has lost their job in a company because the job is no longer needed

redundant *adj especially BrE* if you are redundant or made redundant, your employer no longer has a job for you

reference *n* [C]

1) a letter written by someone who knows you well, usually to a new employer, giving information about your character, abilities, or qualifications

2) a person who provides information about your character, abilities, or qualifications when you are trying to get a job

refund *n* [C] a sum of money that is given back to you

reliable *adj* someone or something that is reliable can be trusted or depended on – **reliability** *n* [U]

relocate *v* [I,T] if a company or workers relocate or are relocated, they move to a different place – **relocation** *n* [C,U]

resign *v* [I,T] to officially leave a job, position etc usually through your own choice, rather than being told to leave – **resignation** *n* [C]

resource *n*

1) [C usually plural] also **natural resource** something such as oil, land, or natural energy that exists in a country and can be used to increase its wealth

2) **resources** [plural] all the money, property, skill, labour etc that a company has available

restriction *n* [C] an official rule that limits or controls what people can do or what is allowed to happen

retailer *n* [C]

1) a business that sells goods to members of the public, rather than to shops etc

2) someone who owns or runs a shop selling goods to members of the public

retail outlet *n* [C] a shop through which products are sold to the public

retain *v* [T] to keep something or to continue to have it

rise¹ *v past tense rose past participle risen* [I] to increase in number, amount, or value

rise² *n*

1) [C] an increase in number, amount, or value

2) [C] *BrE* an increase in salary or wages. A rise is called a raise in American English

3) [singular] the process of becoming more important, successful, or powerful

rival *n* [C] a person, group, or organization that you compete with

rocket also **rocket up** *v* [I] if a price or amount rockets or rockets up, it increases quickly and suddenly

sample¹ *n* [C]

1) a group of people who have been chosen to give opinions or information about something

2) a small amount of a product that people can try in order to find out what it is like

sample² *v* [T]

1) to ask questions to a group of people chosen from a larger group, in order to get information or opinions from them, so as to better understand the larger group

2) to try a small amount of a product in order to find out what it is like

sanction *n* [C] an official order or law stopping trade or communication with another country in order to force political change in that country

scarce *adj* if something is scarce, there is not enough of it available

security *n* plural securities

1) [U] actions to keep someone or something safe from being damaged, stolen etc

2) [U] a feeling of being safe and free from worry about what might happen

3) [U] property or other assets that you promise to give someone if you cannot pay back the money that you owe them

4) [C] a financial investment such as a bond or share, or the related certificate showing who owns it

segment¹ *n* [C]

1) a part of the economy of a country or a company's work

2) also **market segment** a group of customers that share similar characteristics, such as age, income, interests, social class etc

3) also **market segment** the products in a particular part of the market

segment² *v* [T] to divide a large group of people into smaller groups of people of a similar age or with similar incomes, interests etc. Companies segment markets so as to be able to sell to each group the products that are most suitable for it – **segmentation** *n* [U]

sell-off *n* [C] when a business, company etc, or part of one, is sold to another company

share *n* [C] one of the parts into which ownership of a company is divided

share capital *n* [U] capital in the form of shares, rather than in the form of loans

shareholder *n* [C] someone who owns shares in a company **share option** *n* [C] the right given by a company to its workers to buy shares at a fixed price.

skill *n* [C,U] an ability to do something well, especially because you have learned and practised it

sleeping partner *n* [C] a partner who invests in a business but does not take an active part in managing it

slip¹ *v past tense and past participle slipped present participle slipping* [I] to become worse or less or fall to a lower amount, standard etc than before

slip² *n* [singular] an occasion when something becomes worse or becomes less or lower

slogan *n* [C] a short phrase that is easy to remember and is used by an advertiser, organization, or other group

slot *n* [C] a particular time when a television programme or advertisement is shown

soar *v* [I] to increase quickly to a high level

sole trader *n* [C] a legal form of company in some countries for someone who has their own business, with no other shareholders

speculate *v*

1) [I] to buy goods, shares, property etc in the hope that their value will increase so that you can sell them at a higher price and make a profit, often quickly

2) [I,T] to think or talk about the possible causes or effects of something without knowing all the facts or details speculation *n* [U]

speculative *adj*

1) bought or done in the hope of making a profit

2) based on guessing, not on information or facts

sponsorship *n* [U] financial support to pay for a sports or arts event or training, in exchange for advertising or to get public attention

stabilize also **-ise** *BrE v* [I,T] to become firm, steady, or unchanging, or to make something do this

stake *n* [C usually singular] money risked or invested in a business

stakeholder *n* [C] a person who is considered an important part of an organization or of society because they have responsibility within it and receive advantages from it

stand *v past tense and past participle stood*

stand at *phr v* [I] to be at a particular level or amount

start-up *n* [C] a new company

status symbol *n* [C] something you own that you think is a sign of high social status

stock *n* [C,U]

1) *especially AmE* one of the shares into which ownership of a company is divided, or these shares considered together

2) also stocks a supply of a commodity (=oil, metal, farm product etc) that has been produced and is kept to be used when needed

3) *especially BrE* a supply of raw materials or parts before they are used in production, or a supply of finished goods. Stocks of raw materials or parts are usually called inventories in American English

4) a supply of goods, kept for sale by a shop or other retailer. Stocks of goods are usually called inventories in American English

stock control *n* [U] *BrE* making sure that supplies of raw materials, work in progress, and finished goods are managed correctly. Stock control is called inventory control in American English

straight *adj be/play straight with sb* to be honest and truthful with someone

strategic *adj* done as part of a plan to gain an advantage or achieve a particular purpose – strategically *adv*

strategy *n plural strategies*

1) [C] a plan or series of plans for achieving an aim, especially relating to the best way for an organization to develop

2) U] the process of skilful planning in general

stress *n* [U] continuous feelings of worry about your work or personal life, that prevent you from relaxing – stressful *adj*

stressed also **stressed out** *adj* if someone is stressed or stressed out, they are so worried and tired that they cannot relax

strike *v* [I] to deliberately stop work for a while because of a disagreement about pay, working conditions etc

submit *v* [T] to give a plan or piece of writing to someone in authority for them to consider or approve

subsidiary also **subsidiary company** *n plural subsidiaries* [C] a company that is at least half-owned by another company

subsidize also **-ise** *BrE v* [T] if a government or organization subsidizes a company, activity etc, it pays part of the cost – **subsidized** *adj*

subsidy *n plural subsidies* [C] money that is paid by a government or organization to make something cheaper to buy, use, or produce

surge *v* [I] to increase suddenly

sweetener « [C]

1) something used to make an offer, suggestion etc more attractive

2) a bribe (=illegal or unfair payment made to someone to persuade them to do something)

synergy *n* [C,U] additional advantages or profits that are produced by two people or organizations combining their ideas and resources

tactic *n* [C usually plural] a method that you use to achieve something

tactical *adj* done in order to achieve what you want at a later time, especially in a large plan

tailor *v* [T] to make something or put something together so that it is exactly right for someone's needs – **tailored** *adj*

take *v past tense took past participle taken*

take over *phr v* [I,T]

1) to take control of something

2) to take control of a company by buying more than half of its shares

takeover *n* [C] the act of getting control of a company by buying more than half of its shares

takeover target *n* [C] a company that may be bought or that is being bought by another company

target¹ *n* [C]

1) an organization, industry, country etc that is deliberately chosen to have something done to it

2) a result such as a total, an amount, or a time which you aim to achieve

target² *v* [T]

1) to make something have an effect on a particular limited group or area

2) to choose someone or something as your target – **targeted** *Adj*

tariff *n* [C usually plural] a tax on goods coming into a country or going out of it

teaser *n* [C] an advertisement intended to get people's attention for advertisements that will come later or products that will be available later

teller *n* [C] especially *AmE* someone whose job is to receive and pay out money in a bank

terminate *v*

1) [I,T] if something terminates, or if you terminate it, it ends

2) [T] to remove someone from their job

thrive *v* [I] if a company, market, or place is thriving, it is very successful

top-of-the-range *adj* used to describe the most expensive products in a range of products or a market

track record *n* [C usually singular] all the things that a person or organization has done in the past, which shows how good they are

trade union also **trades union** *n* [C] *BrE* an organization representing people working in a particular

industry or profession, especially in meetings with their employers. Trade unions are called labor unions in American English – **trade unionist** *n* [C]

transaction *n* [C]

1) a business deal, especially one involving the exchange of money

2) the act of paying or receiving money

transition *n* [C,U] *formal* the act or process of changing from one state or form to another

trend *n* [C] the general way in which a particular situation is changing or developing

trial *n*

1) [C] a legal process in which a court of law examines a case to decide whether someone is guilty of a crime

2) [C usually plural] a process of testing a product to see whether it is safe, effective etc **trial** *v* [T], **trialing** *n* [U]

triple¹ *adj* [only before a noun] having three parts or members

triple² *v* [I,T] to become three times as much or as many, or to make something do this

turnaround also **turnround** *BrE n* [C usually singular]

1) the time between receiving an order for goods, dealing with it, and sending the goods to the customer

2) a complete change from a bad situation to a good one

3) a complete change in someone's opinion or ideas

turnover *n* [singular]

1) *BrE* the amount of business done in a particular period, measured by the amount of money obtained from customers for goods or services that have been sold

2) the rate at which workers leave an organization and are replaced by others

3) the rate at which goods are sold

underperform *v* [I,T] if a company or investment underperforms, it is not as profitable as it should be

unique selling proposition also **unique selling point** (USP) *n* [C usually singular] the thing that makes a particular product different from all other similar products

unscrupulous *adj* behaving in an unfair or dishonest way – **unscrupulously** *adv*, **unscrupulousness** *n* [U]

upgrade¹ *v* [I,T]

1) to make a computer, machine etc better and able to do more things

2) to buy a new computer, machine etc that is better and able to do more things than your old one

3) to get a better seat on a plane, a better rented car etc than the one you paid for, or give someone a better seat etc than the one they paid for

upgrade² *n* [C]

1) the act of improving a product or service, or one that has been improved

2) new computer software that replaces previous software of the same type

3) an occasion when someone is given a better seat on a plane, a better rented car etc, than the one they paid for

upmarket¹ also **upscale** *AmE adj* involving goods and services that are expensive when compared to others of the same type, or the people that buy them

upmarket² also **upscale** *AmE adv* **go/move**

upmarket/upscale to start buying or selling more expensive goods or services

voice mail *n* [U] a system for leaving messages for people by telephone, or the messages themselves

volatile *adj* a volatile market or situation is changing quickly and suddenly, for example rising and falling without much warning

volume *n* [C,U]

1) the amount of space that a substance or object contains or fills

2) the total amount of something

warranty *n plural* warranties [C,U] a written promise that a company gives to a customer, stating that it will repair or replace a product they have bought if it breaks during a certain period of time. Warranty is another word for guarantee

welfare *n* [U] help that is given by government to people with social or financial problems because they are unemployed, ill etc

whistleblower *n* [C] someone working for an organization who tells the authorities that people in the organization are doing something illegal, dishonest, or wrong

whizz-kid *n* [C] a young person who is very skilled at a particular activity or is very successful in a particular area of work

wholesaler *n* [C] a person or company that sells goods in large quantities to other businesses, who may then sell them to the general public

windfall *n* [C] an amount of money that a person or business gets unexpectedly

withdraw *v past tense withdrew past participle withdrawn* [T]

1) to take money out of a bank account

2) to remove something or take it back, often because of an official decision

3) if a company withdraws a product or service, it stops making it available, either for a period or permanently

withdrawal *n*

1) [C,U] the act of taking money out of a bank account, or the amount you take out

2) [U] the removal or stopping of something such as support, an offer, or a service

3) [C,U] also **product withdrawal** the act of no longer making a product available, either for a period or permanently

4) [U] the act of no longer taking part in an activity or being a member of an organization

workforce *n* [C] all the people who work in a particular country, area, industry, company, or place of work

