МІНІСТЕРСТВО ОСВІТИ І НАУКИ, МОЛОДІ ТА СПОРТУ УКРАЇНИ

МИКОЛАЇВСЬКИЙ НАЦІОНАЛЬНИЙ УНІВЕРСИТЕТ

ІМЕНІ В.О.СУХОМЛИНСЬКОГО

КАФЕДРА ІНОЗЕМНИХ МОВ

**НАВЧАЛЬНО-МЕТОДИЧНИЙ ПОСІБНИК З БІЗНЕС-КУРСУ АНГЛІЙСЬКОЇ МОВИ**

ДЛЯ СТУДЕНТІВ ФІЛОЛОГІЧНИХ ФАКУЛЬТЕТІВ СПЕЦІАЛЬНОСТЕЙ «УКРАЇНСЬКА МОВА І ЛІТЕРАТУРА ТА АНГЛІЙСЬКА МОВА», «РОСІЙСЬКА МОВА І ЛІТЕРАТУРА ТА АНГЛІЙСЬКА МОВА», «ПРИКЛАДНА ЛІНГВІСТИКА»

МИКОЛАЇВ – 2015

МІНІСТЕРСТВО ОСВІТИ І НАУКИ, МОЛОДІ ТА СПОРТУ УКРАЇНИ

МИКОЛАЇВСЬКИЙ НАЦІОНАЛЬНИЙ УНІВЕРСИТЕТ

ІМЕНІ В.О.СУХОМЛИНСЬКОГО

КАФЕДРА ІНОЗЕМНИХ МОВ

**НАВЧАЛЬНО-МЕТОДИЧНИЙ КОМПЛЕКС З БІЗНЕС-КУРСУ АНГЛІЙСЬКОЇ МОВИ**

ДЛЯ СТУДЕНТІВ ФІЛОЛОГІЧНИХ ФАУЛЬТЕТІВ СПЕЦІАЛЬНОСТЕЙ «УКРАЇНСЬКА МОВА І ЛІТЕРАТУРА ТА АНГЛІЙСЬКА МОВА», «РОСІЙСЬКА МОВА І ЛІТЕРАТУРА ТА АНГЛІЙСЬКА МОВА», «ПРИКЛАДНА ЛІНГВІСТИКА»

|  |  |
| --- | --- |
| УДК 372.881.111.1 + 378.147  ББК | Друкується за рішенням вченої ради Миколаївського національного університету імені В.О.Сухомлинського  протокол №\_\_\_\_\_\_ від\_\_\_\_\_\_\_\_\_ |

**Шиян Т.В.** кандидат педагогічних наук, доцент кафедри іноземних мов Миколаївського національного університету імені В.О. Сухомлинського

|  |  |
| --- | --- |
| **Рецензенти** |  |
| **Гришкова Р.О.** | доктор педагогічних наук,  професор, завідувач кафедри  англійської мови  Чорноморського державного університету імені Петра Могили |
| **Солодка А.К.** | кандидат педагогічних наук, доцент кафедри іноземних мов Миколаївського національного університету імені  В.О. Сухомлинського |

Навчально-методичний посібник адресований студентам, які поглиблено вивчають англійську мову на 3-5 курсах університетів, та розрахований на 28 годин аудиторної та 28 годин самостійної роботи.

Дане видання містить автентичні тексти різного виду (словникові й газетні статті, навчальні тематичні тексти, діалоги й інтерв’ю) зі спеціально розробленими вправами, спрямованими на формування комунікативної компетенції студентів. Мовний і мовленнєвий матеріал охоплює такі тематичні блоки як *Career management, Enterprise, E-business, Brand Management, Corporate Entertainment, Public Relations, Cultural Awareness, Global Advertising* та ін. У посібнику містяться матеріали для самостійної роботи студентів, завдання для самоконтролю, практичні завдання з автентичним аудіосупроводом.

**ЗМІСТ**

|  |  |  |
| --- | --- | --- |
| **Модуль1**.  ***Jobs, people and organizations*** | | |
| Лекція1 | *Career management…………………………………………*……....... | 5 |
| Практичне заняття 1 | *Ways of working………………………………………………………...* | 8 |
| Індивідуальне заняття 1 | *The career ladder……………………………………………………….* | 11 |
| Самостійна робота 1 | *Problems at work……………………………………………………….* | 14 |
| Практичне заняття 2 | *Getting ahead in business…………………………………………...…* | 17 |
| Самостійна робота 2 | *How to be successful at interviews……………………………….…..* | 21 |
| Самостійна робота 3 | *Job satisfaction………………………………………………….………* | 23 |
| **Модуль 2.**  ***Enterprise*** | | |
| Лекція 1 | *Entrepreneurs …………………………………………………………* | 28 |
| Практичне заняття 1 | *The danger of not looking ahead ……………………………………* | 32 |
| Самостійна робота 1 | *Influential business people……………………………………………* | 37 |
| Індивідуальне заняття 1 | *Business people and Entrepreneurs…………………………………* | 40 |
| Практичне заняття 2 | *E-commerce……………………………………………………………..* | 44 |
| Самостійна робота 2 | *Starting an E-business…………………………………………………* | 48 |
| Самостійна робота 3 | *Internet Shopping* | 49 |
| **Модуль 3**  ***Brand Management and Innovation*** | |  |
| Лекція 1 | *Brand wars………………………………………………………………* | 52 |
| Самостійна робота 1 | *Products, Brands and Prices…………………….……………………* | 56 |
| Практичне заняття 1 | *Prices and Commodities……………………………………………….* | 61 |
| Індивідуальне заняття 1 | *Innovation………………………………………………………………..* | 66 |
| Самостійна робота 2 | *Innovation and Invention………………………………………………* | 70 |
| Самостійна робота 3 | *Counterfeiting……………………………………………………………* | 73 |
| Самостійна робота 4 | *International Marketing………………………………………………..* | 76 |
| **Модуль 4**  **Management Styles** | | |
| Практичне заняття 1 | *Corporate Entertaining………………………………………………...* | 79 |
| Самостійна робота 1 | *Business across Cultures………………………………………………* | 84 |
| Індивідуальне заняття 1 | *Public Relations…………………………………………………………* | 89 |
| Самостійна робота 2 | *Cultural awareness……………………………………………………..* | 94 |
| Самостійна робота 3 | *Global Advertising……………………………………………………...* | 99 |
| Індивідуальне заняття 2 | *She is the Boss…………………………………………………………...* | 103 |
| Самостійна робота 4 | *The Future of Business…………………………………………………* | 109 |
| Література……………………………………………………………………………………….... | | 113 |

**MODULE I**

LECTURE 1

*CAREER MANAGEMENT*

 **(1.1)**

**Hired Guns**

What do Steve Jobs, CEO of Apple Computers, Karl von der Heyden, former CFO of PepsiCo., and twenty other top executives at Fortune 500 companies have in common? The answer is they have all been “interim managers”, hired on a temporary basis to come and revitalise a firm with their own special brand of magic. And then leave. In fact, such short-term employment contracts are becoming the norm at all management levels. And iof they are good enough for the likes of Jobs, they are good enough for the rest of us.

**Employability**

Provided you can stand the insecurity, there has never been a better time to get a job. The old “smokestack” industrues of mining, shipbuilding and steel may be gone, but with the arrival of the New Economy, what we are now increasingly seeing is highly paid project teams created for particular assignment for a specific period of time. Once the project is completed, the team is simply disbanded. No hard feelings – just thanks abd goodbye. There’s no promise of more work, but if you’ve done a good job, you’ve added to what human resources people call your “employability”. You’ve enhanced your career prospects with another firm on a similar short-term basis.

**The Corporate Ladder**

In the past it was different. You worked hard, pleased an insufferable boss – ypu had a job for life. True, you were little more than a wage slave, but if you stuck to the dress code, played by the rules and made a few powerful friends along the way, you could climb to the top of the corporate ladder by the age of fifty, take early retirement at fifty-five and drop dead at fifty-six.

**Re-engineering**

Then along came “re-engineered 90s” and changed all that. According to Jerry Yoram Wind and Jeremy Main at the world-leading Wharton School of Management, big companies like AT&T “finally woke up in 1995 and said: ‘Oh, my goodness, we have 40.000 people too many’.” Mass redundacies followed. In April 1997 Newsweek ran a cover story entitled ‘Corporate Killers, the public is Scared as Hell’. The killers were giants like General Electric and IBM. Now managers were kicked out at fourty-five and on the scrap heap at fourty-six.

**Empowerment**

The tables have turned, the fourty-three million jobs lost in the United States alone since 1979 are more than compensated fir by the 70.2 million jobs created in the same period. Now it’s our empoyers who are afraid we’ll take our expertise elsewere. With so many job opportumities, severe skills shortages in many industries, fewre barriers to entrepreneurship and easier access to start-up capital, we’ve never been so empowered. Never mind the corporation. What about me?

**Telecommuters**

In a study carried out for Management Today by RHI Management Resources, sixty-seven per cent of managers put a job for life at the bottom of their priorities. Amongst the under-35s the figure was seventy-seven per cent. Ninety-one per cent of those younger managers said career development was the resposibility of the individual. Fifty-five per cent of them wanted to retire at fifty-five or younger. All of them wanted the flexibility to work from home or even telecommute. All of them said they would dump their present company in an instant if they were offered something ‘sexier’ by another employer.

**The Rat Race**

Mark Albion, founding partner of You & Co., and co-founder of Students for Responsible Business, approves of this new opportunism. “You learn where you fit in by not fitting in,” he says. “You learn what you want to do by doing what you don't want to do. If you're offered a ‘big’ job, take it. You might love it. But you might not find it as satisfying as you’d hoped, and it will be a jumping-off point for what you really want to do.

“His simple message seems to be: “Don’t get really good at something you don’t want to do.” And remember to get a life along the way. For, as comedian, Lily Tomlin once put it: “The trouble with the rat race is that even if you win, you’re still a rat”.

**Crosschecking**

Which of the following viewpoints support the opinions expressed in the article? Which opinion do you most agree with?

1. *"To make a living is no longer enough. Work also has to make a life."* (Peter Drucker, management guru)
2. *"In the past we said to employees, ‘Do as you're told and you have a job for life. Then we betrayed them.’* (AT&T manager who preferred not to be named)
3. *"Ambitious young people should be reasonably patient and hold the success of the company as more important than their own success."* (Sir John Egan, British executive)
4. *"No longer can one expect to sell 100,000 hours of one's life to an organization."* (Charles Handy, business writer and thinker)

**Against the Clock**

Complete all the expressions below. Use the clues in brackets to help you.

* 1. Hired on a te ...... basis. (opposite of permanent) (paragraph 1)
  2. Short-term employment co ...... . (what you sign when you join a company) (paragraph1)
  3. Once the project is completed, the team is simply dis ..... . (broken up) (paragraph 2)
  4. You've enhanced your career pr ....... with another firm. (chances of being successful) ( paragraph 2)
  5. You worked hard, you had a job for li ....... (until retirement) (paragraph 3)
  6. True you were little more than a wa ….. slave. (the money your employer pays you) (paragraph 3)
  7. Managers were k ..... o ….. at forty-five and on the scrap heap at forty-six. (fired) (paragraph 4)
  8. So many job op ... . (openings) (paragraph 5)
  9. Severe skills sh ... . (opposite of surplus) (paragraph 5)
  10. Sixty-seven per cent of managers put a job for life at the bottom of their list of pr ... . (essential requirements) (paragraph 6)

LESSON 1

*WAYS OF WORKING*

**A *Old and new ways***

I'm an **office worker** in an insurance company. **It**'s a **nine-to-five** job with regular **working hours.** The work isn't very interesting, butI like to be able to go home at a reasonable time.

We all have to **clock in** and **clock** out every day. In this company, even the managers have to, which is unusual!

*Note: You also say* ***clock on*** *and* ***clock off****.*

I'm in computer programming. There's a system of **flexitime** in my company, which means we can work when we want, within certain limits. We can start at any time before eleven, and finish as early as three, as long as we do enough hours each month. It's ideal for me as I have two young children.

I work in a car plant. I work in **shifts.** I may be on the day **shift** one week and the **night shift** the next week. It's difficult changing from one shift to another. When I change shifts, I have problems changing to a new routine for sleeping and eating.

I'm a commercial artist in an advertising agency. I work in a big city, but I prefer living in the country, so I **commute** to work every day, like thousands of other **commuters. Working from home** using a computer and the Internet is becoming more and more popular, and the agency is introducing this: it's called **teleworking** or **telecommuting.** But I like going into the office and working with other people around me.

**B *Nice work if you can get it***

All these words are used in front of 'job' and 'work':

* **satisfying, stimulating, fascinating, exciting:** the work is interesting and gives you positive feelings.
* **dull, boring, uninteresting, unstimulating:** the work is not interesting.
* **repetitive, routine**: the work involves doing the same things again and again.
* **tiring, tough, hard, demanding:** the work is difficult and makes you tired.

**C *Nature of work***

|  |  |
| --- | --- |
| My work involves | + noun  human contact  long hours  team work |
| + -ing  solving problems  travelling a lot  dealing with customers |

*Exercise 1* Which person (1-5) is most likely to do each of the five things (a-e)?

1. A software designer in an Internet company. Has to be in the office.
2. An office worker in a large, traditional manufacturing company.
3. A manager in a department store in a large city. Lives in the country.
4. A construction worker on a building site where work goes on 24 hours a day.
5. A technical writer for a city computer company. Lives in the country.
6. work in shifts
7. work under a flexitime system
8. telecommute
9. commute to work
10. clock on and off at the same time every day

*Exercise 2* Look at the words and expressions in B and C opposite.

Five people talk about their jobs. Match the jobs (1-5) to the people (a-e) and put the words in brackets into the correct grammatical forms.

1. accountant
2. postwoman
3. flight attendant
4. software developer
5. teacher
6. Obviously, my work involves …………… (travel) a lot. It can be quite physically……… (tire), but I enjoy…………(deal) with customers, except when they become violent. Luckily this doesn't happen often.
7. I like………… (work) with figures, but my job is much less………….(bore) and routine than people think. The work…….. (involve) a lot of human contact and teamwork, working with other managers.
8. Of course, it involves getting up quite early in the morning. ButI like………… (be) out in the open air. And I get a lot of exercise!
9. You've got to think in a very logical way. The work can be mentally………… (tire), but it's very satisfying to write a program that works.
10. I love my job. It's very……………. (stimulate) and not at all……….(repeat): no two days are the same. It's good to see the children learn and develop.

*Exercise 3* discuss the following

**If you work** **...**

Do you have a nine-to-five job?

Do you have to clock on and off?

Is there a flexitime system in your organization?

Are there people who do shiftwork in your company?

Could you do your job working from home? If so, would you like to?

**If you don't work ...**

What sort of working hours would you like to have if you worked?

Would you like to work from home?

INDIVIDUAL LESSON 1

*THE CAREER LADDER*

**A *A job for life***

Many people used to work for the same organization until they reached **retirement:** the age at which people **retire,** or end their working life. **Career paths** were clear: you could **work your way** up **the career ladder,** getting **promotion** to jobs that were more **senior,** with greater responsibility. You would probably not be **demoted:** moved to a less senior job.

To leave the company, you could **resign** or **hand in your notice.**

**B *A job for now***

Modco has **downsized** and **delayered.** The number of management levels in the company hierarchy has been reduced from five to three, and many managers have lost their jobs. Modco has reorganized and **restructured** in order to become **flatter** (with fewer layers of management) and **leaner** (with fewer, more productive employees).

They did this to reduce costs, and increase **efficiency** and **profits.** Employees said the company used words like 'restructure' to make the situation sound positive and acceptable.

|  |  |
| --- | --- |
| Modco before | Modco after |

**C ln-house staff or freelancers?**

Modco has **outsourced** many jobs previously done by **in-house** personnel: outside companies clean the offices, transport goods and collect money from customers. This allows Modco to concentrate on its main business activities. Modco uses more **freelancers,** independent people who may work for several different companies, and they employ people for short periods on **temporary contracts.** Modco expects **flexibility,** with people moving to different jobs when necessary, but for many employees, this means **job insecurity,** the feeling that they may not be in their job for long. The way that they are doing their job is discussed at **performance reviews:** regular meetings with their manager.

Note: You say freelancers or freelances.

**D *Losing your job***

If you do something wrong, you are ...

* **dismissed**
* **fired**
* **sacked**
* **terminated**

If you've done nothing wrong, you are ...

* **laid off**
* **made redundant**
* **offered early retirement**

Employees who are made redundant may get advice about finding another job, retraining, etc. This is called **outplacement** advice.

*Exercise 1* Complete the tables with forms of words from A, B and C opposite. You may wish to refer to a dictionary.

|  |  |  |  |
| --- | --- | --- | --- |
| Noun | Verb | Noun | Adjective |
|  | retire | seniority |  |
| demotion |  |  | freelance |
| lay-off |  | redundancy |  |
|  | dismiss |  | insecure |
|  | terminate |  | flexible |

*Exercise 2* Match the sentence beginnings (1-5) to the correct endings (a-e). The sentences all contain words from A and B opposite.

|  |  |
| --- | --- |
| 1. Career paths aren't what they used to be 2. He worked his way up from 3. The new management have delayered the company 4. We used to do printing in-house 5. Workers are afraid their organizations will d be downsized | * 1. and they will be replaced by temporary workers.   2. companies won't take care of us for life any more.   3. but now we outsource it.   4. factory worker to factory manager.   5. reducing five management levels to three. |

*Exercise 3* Carla used to work for an Italian magazine publishing company. She talks about how she lost her job. Choose the correct form of the words in brackets to complete the text.

**Edizione Fenice is a big magazine publishing company, and a very nice company to work for. I was director of a magazine called *Casa e Giardino.***

Then, Fenice was bought by an international publishing group. We had to have regular performance (1)……………… (review/reviews/reviewer) with one of the new managers. After a few months they started laying staff (2)…(off/on/out). Our own journalists were put on temporary (3)……. (contracts/contractual/contracting) or replaced by (4)…………………….. (freelancer/freelancers/freelanced).

Then they started (5)……….(laid/lying/laying) off more senior people like me. The new owners said they wanted to make the company (6)………….. (flat/flatter/flatten) and (7)………….(lean/leant/leaner). So I was made (8)………….. (redundant/redundancies/redundancy). They offered to help me to find another job with (9)……….. (outplacement/outplaced/outplacing) advice, but I refused.

*Exercise 4* Discussion

**If you work** **...**

Do you have performance reviews?

What are the advantages and disadvantages?

Has your organization been restructured?

What aspects of the business does your company outsource?

**If you don't work ...**

Would you prefer a job for life or a more flexible career?

Would you like regular performance reviews?

SELF-STUDY ASSIGNMENT 1

*PROBLEMS AT WORK*

**A *Health and safety***

Here are some **health and safety issues** for peopleat work.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| a temperature | b passive smoking | c repetitive strain injury (RSI) | d dangerous machinery | e hazardous substances | f fire hazards |

All these things contribute to a **bad working environment.** The government sends officials called **health and safety inspectors** to make sure that factories and offices are safe places to work. They check what companies are doing about things like:

|  |  |  |
| --- | --- | --- |
| g heating and air-conditioning | h first aid | i fire precautions |

**B *Bullying and harassment***

If someone such as a manager **bullies** an employee, they use their position of power to hurt or threaten them, for example verbally. Someone who does this is a **bully.**

**Sexual harassment** is when an employee behaves sexually towards another in a way that they find unwelcome and unacceptable. The related verb is **harass.**

**C *Discrimination***

If people are treated differently from others in an unfair way, they are **discriminated against**.

If a woman is unfairly treated just because she is a woman, she is a victim of **sex discrimination**. In many organizations, women complain about the **glass ceiling** that allows them to get to a particular level but no further.

If someone is treated unfairly because of their race, they are a victim of **racial discrimination** or **racism.** Offensive remarks about someone's race are **racist** and the person making them is **a racist.**

In the US, **affirmative action** is when help is given in education and employment to groups who were previously discriminated against. In Britain, affirmative action is known as **equal** **opportunities**.

Some companies have a **dignity at work policy** covering all the issues described in B and C.

*Exercise 1* Match the employees' complaints (1-6) to the health and safety issues (a-f) in **A** above.

1. *My doctor says there's something wrong with my lungs, but I've never smoked…*
2. *I do a lot of data entry, and I've started getting really bad pains in my wrists…*
3. *It's either too cold and we freeze, or too hot and we all fall asleep…*
4. *There's all this waste paper but there are no fire extinguishers in the building.*
5. *The containers are leaking - one day someone is going to get acid burns…*
6. *There are no safety guards on the machines; you could easily get your hand caught…*

*Exercise 2* Complete these headlines and articles with the correct form of words from **B** and **C** above. One expression is used twice.

1. **OFFICE MANAGER ACCUSED OF………**

A court heard today how an office worker was almost driven to suicide by a bullying office manager. James Blenkinsop, 27, told how boss Nigel Kemp victimized him by shouting at him, criticizing his work in front of others, tearing up his work and telling him to do it again ...

1. **NATIONAL RESTAURANT CHAIN FACES ……….CLAIMS**

Four waitresses claim they were repeatedly …………by male bosses in a branch of a well-known national restaurant chain. All four waitresses said they were subjected to sexist remarks at the restaurant...

1. **JAPANESE WOMEN BREAK THROUGH**

Naomi Tanaka, 23, last year started working on the Tokyo Stock Exchange as a trader. She complained about…… ……and said she did not want to be a 'counter lady' answering phones and serving tea at a Japanese bank. Instead she got a job as a trader at Paribas, a French firm...

1. **SHOP MANAGERESS IN…………..CASE**

A clothing shop's half-Burmese manageress, 24-year-old Marion Brown, claims her boss continually made……….. remarks, and sacked her from her £ 110-a-week job when she objected. She claims that the company that owns the shop has racially…….against her...

1. **……… ………..** **ABOLISHED** **AT TEXAS LAW SCHOOL**

A court made affirmative action at the University of Texas law school illegal last year, and supporters of……. ………say it has been 'a disaster'. Last year the law school admitted a class that was 5.9 per cent black and 6.3 per cent Hispanic. This year the black percentage stands at 0.7 and the Hispanic at 2.3 ...

LESSON 2

*GETTING AHEAD IN BUSINESS*

**The appointments pages**

Complete the following extracts from job advertisements using the words in the box which fit best

|  |
| --- |
| career skills experience salary leadership pressure overtime CV atmosphere company |



**Reading between the lines**

Be careful! Not all job ads are what they seem. Match the extracts above to what they can really mean.



**Quotes**

Using the words in the middle, complete the advice of four American business leaders on how to get ahead in business.

|  |  |  |
| --- | --- | --- |
| **William Raduchell**  *“Don’t pick a job. Pick a … . Your first boss is probably the biggest … in your career … . A boss who doesn’t trust you won’t give you … to grow.”* | **options**  **boss**  **team**  **factor**  **economy**  **standard**  **opportunities**  **success** | **Lisa Gansky**  *“Make mistakes early and often. Try out lots of different … early in your career. For most jobs, especially those in the digital …, there is no objective … for being ‘qualified’. If you and the … you’re working with think you’re qualified, you are.”* |
|  |  |  |
| **Simon Roy**  *“The smartest route between two points is not a straight line. Take a … . The only … you’ll regret are the ones you didn’t have. Always work with people who know more than you do. They are the best source of new … , and they help you make great … down the road.”* | **thing**  **skills**  **experiences**  **trouble**  **work**  **connections**  **adventure**  **detour** | **Esther** **Dyson**  *“Be careful about getting too good at one …. The world around you keeps changing and if you can’t change with it, you are in …. Look for … . If you feel that you can]t get much better at something, do something else. If you’re not enthusiastic about your …, you won’t be very good at it anyway.”* |

 (1.2) **Change management**

Listen to Sue talking to her line manager Bob about the way she and her team works. Fill in the gaps with the words you hear.

**Bob**: Hi Sue, how are things?

**Sue**: Fine, yeah ..

**B**: OK, now, about the ……. in your work ………, you’re going to work Saturdays from next month.

**S**: Yes, but why should I have to work on Saturdays? No one’s told me why this is necessary.

**B**: I’m sorry, this should have been explained to you. We get a lot of people …….. now on Saturdays for …….. about our products – it’s important that we answer these questions. Is that OK? Any more questions?

**S**: No, OK

**B**: Great, well how’s your ……. coming along? You’re learning how to make……....

**S**: The course is great, it’s not that difficult, I’m helping my son make a …… at home, it’s fun.

**B**: Great, you’ll be able to work on our ……. soon then.

**S**: Sure, what’s happening in the other ………., is someone there working on Saturdays too?

**B**: I’m afraid I can’t tell you that at the moment, because they’re different …… I can’t say really.

**S**: Hmmm... Are there any other …..… I can take after the website …… course finishes?

**B**: There are one or two that could be useful – let’s talk again about this once you’ve finished the ..….. ……… .

**S**: OK. You know Bob, I’d like to ask you something, it’s good that you take the time to talk to me about my work and things but don’t you think it’s be a good idea to …….. things ……. together, you know have a ……. with everyone in our department, see what everybody thinks – all together. If we ….. things …… together I think we could ……. … with some great ideas on how to improve things here.

**B**: I agree Sue, it would be good for everyone to meet together, especially now that we’ve got so many ….. coming … . You know the problem is that we haven’t got a room big enough for us all to ….. together …

After listening, read these reports on Bob as a line manager. Which report best describes Bob?

**Report A**

Bob takes great interest in his team. He encourages them to attend training courses; in short he encourages his team members to be lifelong learners. He shares company strategy with employees and asks for their comments on this strategy. He has a wide vision across the organisation; again he shares this knowledge with his team members. Bob regularly holds full team meetings.

**Report B**

Bob is liked and respected by his team. He encourages lifelong learning amongst team members. He needs to do more to encourage team learning. Bob is great at one to one interviews; he is rather afraid of full team meetings and avoids these at all costs. Bob shares some information but he should try to share all company information with his team.

SELF-STUDY ASSIGNMENT 2

*HOW TO BE SUCCESSFUL AT INTERVIEWS*

**Recruitment**

What procedure does your company or a company you know go through to recruit executive staff? Do they advertise or are most posts filled internally?

Work with a partner. Add the following stages in the recruitment procedure to the checklist below.

Invite applicants to a first interview.

Send out rejection letters.

Draw up a job description.

Conduct in-depth interviews.

Compile a shortlist of the best candidates,

Offer the post to the successful applicant subject to satisfactory references.

Place a job advertisement.



**Interview skills**

(1.3)Listen to a careers consultant giving her 'Top Ten Tips' on how to be successful at interviews and put the points she mentions in order.

1. showing you've done research on the company
2. selling yourself to the company
3. making a good first impression
4. talking about your weaknesses
5. dressing to impress
6. showing loyalty to previous employers
7. projecting the right attitude
8. talking about your strengths
9. avoiding sounding self-congratulatory
10. talking about your career history

**Phrase-building**

All the phrases below were in the advice you just listened to. Complete them using the pairs of words in the box.

|  |
| --- |
| make + references put + easebuild + humour don't + CV  do + company give + examples dare + chances don't + ex-employers ask + questions conduct + presentation |

1. ... the interviewer at ...
2. ... your homework on the ...
3. ... informed ...
4. ... the interview as a ...
5. ... in a bit of ...
6. ... say negative things about ...
7. ... concrete ...
8. ... sure you have great ...
9. ... try to cover up gaps in your ...
10. ... to take a few ...

SELF-STUDY ASSIGNMENT 3

*JOB SATISFACTION*

*Exercise 1* Which of the following would motivate you to work harder? Choose your top five and rank them in order of priority. Explain your priorities.

|  |  |  |
| --- | --- | --- |
| bonus  bigger salary  commission  praise | more responsibility  threat of redundancy  hard-working  boss good colleagues | working for a successful company  a better working environment  promotion opportunities  perks or fringe benefits |

*Exercise 2* Discuss these questions.

1. A recent US survey showed children preferred parents to go out and earn money rather than spend more time with them. What does this show, in your opinion?
2. Would you prefer a male or female boss? Why?
3. For what reasons might you change jobs? How often would you expect to do so in your lifetime? Is changing jobs often a sign of success in your culture?

*Exercise 3* Match the items which are similar in meaning.

|  |  |
| --- | --- |
| 1. bureaucracy 2. autonomy 3. burnout 4. pay 5. appraisal 6. perks 7. golden handshake | 1. assessment 2. remuneration 3. fringe benefits 4. severance package 5. independence 6. breakdown 7. red tape |

*Exercise 4* Complete the sentences with words or phrases from Exercise 3.

* 1. Most people like to have control over their work and therefore put………. near the top of their list of motivating factors.
  2. Dealing with…………is a very time-consuming, demotivating problem which affects large businesses and organizations.
  3. Overwork can lead to…………………….if not spotted early.
  4. Many job satisfaction studies, perhaps surprisingly, have found that often……………………………is not the most motivating factor.
  5. Offering………………..rather than a salary increase can be a way of retaining employees in traditionally high staff turnover industries.
  6. He received a very generous……………… when he left the company.
  7. One way for managers to monitor and develop staff and loyalty is by using…………………interviews.

*Exercise 5* Complete each sentence with the correct form of the word in bold. Sometimes you will need to use a negative form.

* + 1. **satisfy**
       1. The survey showed that staff working flexible hours were more with their jobs than those working fixed hours.
       2. Low pay and poor working conditions create……………….workers.
       3. Small European companies are top of job…………………league tables.
    2. **motivate**
       1. What are the strongest………………………factors in people's lives?
       2. Workers become………………..if they work long hours for low pay.
       3. What was your……………………..for becoming a salesperson?
    3. **frustrate**
       1. You could see the…………………..building up in the workforce.
       2. I find talking to him……………………..because he never listens.
       3. I felt so………………with their attitude that I decided to resign.

*Exercise 6* Discuss these questions.

* + - * 1. What do you find satisfying and frustrating about your work or studies?
        2. Who or what inspires you at work?
        3. How true do you think the following statements are?

There is no such thing as company loyalty these days.

True fulfillment can only come with a job you love.

You should work to live not live to work.

*Exercise 7* Helen Tucker is Human Resources Director at Procter and Gamble. Each year, the company conducts a survey throughout their organization to find out how satisfied their staff are in their jobs.

|  |  |
| --- | --- |
|  | a) http://classroomclipart.com/images/gallery/Music/Clipart/TN_headphones-04.jpg (1.4) Listen to the first part of the interview. Note down all questions in the survey. Compare your answers with other members of your group.  b) http://classroomclipart.com/images/gallery/Music/Clipart/TN_headphones-04.jpg (1.5) Listen to the second part of the interview and answer these questions. |

What three ways have job priorities changed in recent years?

What examples does Helen Tucker give of flexible working programs?

Apart from flexible working conditions, what other factors might persuade people to join Procter and Gamble?

Why did Procter and Gamble introduce a car share scheme?

*Exercise 8*What kind of perks would you like to have when joining a new company?

In which lines are these ideas mentioned?

money is a less important motivator than a caring company

giving employees more choice how they organize their time away from work

the disadvantages of offering perks

creating an atmosphere and culture which employees feel they belong to

examples of up-market perks offered by technology companies

the increased benefits being offered to employees

*Exercise 9* Read the article from *Virginia Business Online* by Robert Burke

***PERKS THAT WORK***

Keeping people happy is an increasingly tough trick. With unemployment at record lows, “companies are trying just about anything” to retain employees, says Jay Doherty of the New York-based human-resources consulting firm William M. Mercer Inc. Not only are employees being pampered, they're getting more money, better benefits and help with personal problems such as child care and financial planning. Bosses once shunned such intervention. Retention “is no longer a human resource issue, it's a business issue,” Doherty says.

Because technology companies face the tightest labor markets, they have been the most aggressive in devising ways to keep workers. Herndon-based Net2000 Communications, for example, puts top performers behind the wheel of luxury cars like a BMW 323i or Z3. Micro Strategy, a Vienna-based data miner, goes a step further and has hosted all of its employees on Caribbean cruises.

Such perks are great for the employee, but do they make sense for the company? Maybe. Doherty says all companies -including technology firms –“'have to be careful they don't create a business model that's not 40 profitable.” Don't throw money at workers who want to leave because pay raises don't always work. Perks and benefits can be effective, but they have to be custom-fit to the company and the business sector. Don't add new perks just because they seem like hot trends, he says. “Too often there's a desperation sometimes to just try anything, and it's very expensive.” MicroStrategy, which reported lower earnings earlier this year, has been rethinking its cruises, for example.

Yet companies still face labor crunches that can really hurt. How do you keep workers? Start by making them feel they're part of a special place with a unique culture. “We want to hire people that are totally aligned with our values,” says Tim Huval, general manager for South Dakota-based Gateway's 2,200-employee call center and manufacturing facility in Hampton. “Honesty, efficiency, aggressiveness, respect, teamwork, caring, common sense and fun. Those are values that we live by.” Richmond-based Xperts also lives by the value system. Founder and CEO William Tyler pushes pairing quality of life with a sense of social responsibility.

Workers can designate which non-profit groups Xperts contributes to, for example. A strong culture makes it hard for so people to leave, Tyler says. “They don't have an urge to leave because they've found a home. They're happy.” Notice this corporate culture stuff doesn't say much about shareholders or profit. It's a decidedly employee-centric approach. “If you ask any of them, they're all going to say, "Pay me more money." But that's not the truth,” Tyler says. “What people are looking for is, "A place that's looking out for me."” What that means is helping employees cope with problems they face outside the office. “That is where companies can build employee loyalty,” says Barbara Bailey of William M. Mercer's loo Richmond office. One popular tool is revamping leave policies to create 'flexible leave banks' that put all employee leave into a single category. Employees take time off when they need it and don't have to call it a sick day or vacation. “Work-life issues are huge,” Bailey says. “You make them feel as though they're not no interested in looking elsewhere, because they're very happy with their life.”

*Exercise 10* Look in the article to complete these word partnerships

|  |  |
| --- | --- |
| 1. personal …..*problems* 2. financial ……….. 3. top …………….. 4. general ………… | 1. common…………….. 2. social………………... 3. corporate……………. 4. employee……………. |

*Exercise 11* Complete these sentences with word partnerships from Exercise 10.

He has resigned after having a lot of………………..this year.

Building up……………is important with unemployment at a record low.

Our…………..is in charge of running the company and for making joint strategic decisions with the CEO.

The new CEO transformed the bureaucratic …………. ……………..to profit-minded entrepreneurship.

Companies who pollute the environment are ignoring their ethical and…………… ……………….. .

The…………. ……………..should get the biggest bonuses.

We need to use logic and …………….. ……………not our emotions to make this decision.

**MODULE II**

LECTURE I

*ENTREPRENEURS*

*Exercise 1*  (2.1) What are the easiest routes to making your first million? Intelligence? Hard work? Inheritance? An outstanding education? Luck? A tough childhood? Good looks?

Work with a partner and list your ideas. Then compare them with those in the article below. Are you at all surprised by what you read?

***HOW TO MAKE A MILLION***

*Trying to make your first million? Then forget about drive, initiative and ingenuity. And don't let anyone tell you it's about* putting *in an 18-hour day, having a sudden stroke of genius or beating the system* as you *work your way to the top. Statistically speaking, your chances of making a fortune will largely depend on how fortunate you are in the first place. According to all the* surveys, here are *four* sure-fire ways *of getting rich:*

1. START OFF RICH.

It's depressing but true that half of Britain's 95,000 millionaires were born into wealthy families, and so were a quarter of those who head the country's largest corporations. When you're rich already it takes a special kind of person not to get richer.

1. DO BADLY AT SCHOOL.

Richard Branson, the founder of Virgin, is the classic case, leaving school at sixteen to start a mail-order record company and ending up running his own airline, publishing, broadcasting, construction and holiday empire. He's not alone. Almost two-thirds of the UK's top earners finished their education early. And the studious graduate is less likely to be found staying at the Hilton Hotel than applying for a job in its kitchens.

1. LOSE A PARENT.

Amazingly, only five per cent of successful entrepreneurs had both parents present throughout their childhood. Perhaps a lack of parental control gives you the toughness, resilience and independence you need to make it on your own.

1. BE BEAUTIFUL.

Silly as it sounds, good looks really do get you places, both in terms of career and marital prospects. If you are too pretty, however, people may tend to assume that you're nice but stupid and pass you over for promotion.

So what can you do if you're born poor and ugly, pass all your exams and have parents who look as though they'll make ninety...?

*Exercise 2*  (2.2) Now read and listen to the article.

***ENTREPRENEURS***

Entrepreneurs come in all shapes and sizes – the dynamic, the cautious and the greedy. But all of them hold an equal fascination for us. How do they do it? What’s their secret? Some of the world’s biggest corporations would like to know, too. For entrepreneurism is in. And these days everyone wants to be an entrepreneur.

But an entrepreneur is not what you are, it's what you become, and real entrepreneurs exist only in retrospect. At first, nobody takes them seriously. They're crackpots, dreamers, unemployables. And by the time they've finally earned the respect of the business community, they've already made it. So cancel the classes on entrepreneurship and throw out your business plan. For the road to entrepreneurial success can't be mapped out in advance. You get there one sale at a time.

In the beginning, only the entrepreneur needs to see the goal, nobody else. And the goal is quite simple: you get an idea; you identify your customer; you make a sale. Then you make another and another and another until your office in the spare bedroom has turned into the tower block in Manhattan you always wanted. Forget about marketing strategy at this stage. What you need first is a steady cashflow. Bide your time. Focus on the little things. That's how it works. Big companies are just small companies that got bigger.

Take Richard Branson, for instance. For the founder of Virgin, the first ten years were a struggle, with his company suffering some cashflow problems until as late as 1980. By then, the Virgin Group was running eighty different operations, none of them making large amounts of money and some of them losing money hand over fist. Yet in 1992 Branson's music business alone sold for £560 million.

Or take Nicolas Hayek, the man who invented the Swatch and brought the Swiss watch-making industry back from the dead. Hayek took on Japanese market leaders, Seiko and Citizen and beat them on quality and price. Today the Swatch Group, which includes many famous names such as Omega, Longines, Calvin Klein and Tissot, sells 114 million watches a year. With annual sales of over four billion Swiss francs and a twenty-five per cent share of the global market, the group is now by far the largest manufacturer and distributor of finished watches in the world. The Swatch was a 20h century icon and some of the highly collectable early designs are now classed as art and fetch more than £20,000 - not bad for a plastic watch!

So what is it that makes a good entrepreneur on the scale of a Bill Gates, a Jeff Bezos or a Michael Dell? Clearly, not the same thing that makes a good manager. For good managers tend to come from fairly conventional backgrounds. They're the bright kids everyone knew would do well, born organizers, who rise through the ranks to reach the top of large corporations. But the budding entrepreneur is more likely to be an outsider, a troublemaker, a rebel who drops out of college to get a job, discovers a flair for building companies from nothing, gets bored quickly and moves on. Most of all, the entrepreneur will be a master of risk-management. For risk doesn't mean the same thing to the entrepreneur as it does to the rest of us. The king of corporate raiders, Sir James Goldsmith, summed it up best: "The ultimate risk," he said, "is not taking a risk." And that's probably how he got to be a dollar billionaire.

**Information Check** Which of the following topics does the article discuss?

* 1. The hero-status of the entrepreneur
  2. How to get rich quick
  3. goal-setting
  4. perseverance
  5. enterprising managers

**Find the Expressions** Look back at the article. Find the words and expressions which mean:

* + - 1. popular, fashionable (paragraph I)
      2. looking back (paragraph *2)*
      3. mad or eccentric person (paragraph *2)*
      4. succeeded (paragraph 2)
      5. losing money rapidly (paragraph 4)
      6. revived (paragraph 5)
      7. fought against (paragraph 5)
      8. a classic image of the time (paragraph 5)
      9. climb the corporate ladder (paragraph 6)
      10. the developing entrepreneur (paragraph 6)
      11. a natural skill or talent (paragraph 6)
      12. a person who launches hostile takeover bids (paragraph 6)

**Find in the text:**

* + - 1. three words you want to use more often.
      2. three word partnerships you need with their equivalents in your own language.
      3. three longer expressions with their equivalents in your own language.

*LESSON 1*

*THE DANGER OF NOT LOOKING AHEAD*

*Exercise 1* Which item in each of the categories below carries the most and the least risk? Explain why.

|  |  |  |  |
| --- | --- | --- | --- |
| **Travel**  car  plane  train  ship | **Lifestyle**  drinking alcohol poor diet  smoking  jogging | **Money**  property  stocks and shares savings account cash | **Shopping**  on line  mail order  private sales auction |

*Exercise 2*.  (2.3) Listen to Allan Smith, who is an expert in risk management. Note down the risks he mentions.

*Exercise 3* The verbs in the box are used to describe risk. Check their meanings and put them under the appropriate heading.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| calculate eliminate | encounter estimate | | ***face***  foresee | | minimise reduce | | prioritise spread |
| **Predict** | | **Assess**  *face* | | **Manage** | | **Meet** | |

*Exercise 4* Match these halves of sentences from newspaper extracts.

|  |  |
| --- | --- |
| 1. Internet businesses… 2. We can reduce risk ... 3. Trying to minimise risk ... 4. It is impossible to ... 5. It is difficult to foresee the risks... 6. Actuaries calculate risk ... 7. It's important to consider the... | 1. risks involved when sending staff to work in dangerous locations. 2. in order to advise insurance companies. 3. involved in setting up a new business. 4. eliminate all risk when entering a new market. 5. face increasing risks of running out of money. 6. by spreading our lending to more businesses. 7. is an important part of business strategy. |

*Exercise 5* The following adjectives can be used with the word *risk.* Which describe a high level of risk? Which describe a low level?

faint great huge minuscule

negligible remote serious significant

slight substantial terrible tremendous

*Exercise 6*  (2.4) a) Listen to the first part of the interview with Steve Fowler, Chief Executive of the Institute of Risk Management, London. What are the four main types of risk? Give two examples of each type.

|  |  |
| --- | --- |
|  | b) http://classroomclipart.com/images/gallery/Music/Clipart/TN_headphones-04.jpg (2.5) Listen to the second part of the interview and note down the five key steps to effective risk management.  c) http://classroomclipart.com/images/gallery/Music/Clipart/TN_headphones-04.jpg (2.6) Listen to the final part of the interview. What three examples of effective risk management does he mention? What negative example does he mention? |

*Exercise 7* Read and translate the article

**THE DANGERS OF NOT LOOKING AHEAD**

By Andrew Bolger

Risk management has undoubtedly moved up the corporate agenda in recent years with fears of war and terrorism being added to the usual list of business worries.

Shivan Subramaniam, the Chairman and Chief Executive of FM Global, a commercial and industrial property insurer, says: “Corporations are operating in a turbulent world where businesses are seeking growth through globalization, out-sourcing, consolidation, just-in- time delivery and cross-border supply, further increasing their potential exposure to risk.”

“Add regulatory, legal and labour considerations, and you begin to understand the complex nature of business risk in the 21st century. While acts of terrorism receive the most coverage, it's the more traditional events such as fires, floods, explosions, power failures or natural disasters that have the biggest impact.”

FM Global believes the majority of all loss can be prevented or minimised and this should be the first part of any disaster recovery plan. It also argues that prevention is better than cure and says there is a lot companies can do to stop such events from becoming a disaster in the first place.

However, research shows that more than one-third of the world's leading companies are not sufficiently prepared to protect their main revenue sources and have room for improvement.

Ken Davey, a managing director with FM Global, says: “To best protect cashflow, competitive position and profit, companies need to assess the potential hazards that can impact top revenue sources and make sure there is business continuity planning.”

Lord Levene, chairman of the Lloyd's insurance market, said recently that companies must be prepared for business interruptions, which accounted for 25 per cent of the $40bn lost as a result of the September 11 terrorist attacks. It was estimated that 90 per cent of medium to large companies that could not resume near-normal operations within five days of an emergency would go out of business.

“Looking ahead 10 years I firmly believe that the most successful, least crisis-prone businesses will be those whose boards have shown firm resolve and taken decisive action,” Lord Levene said. “Effective, integrated strategies for dealing with tomorrow's risks require a change in culture at board level now.”

A new research report from Marsh, the world's biggest insurance broker, found that half of European companies did not 80 know how to manage the most significant risks to their business.

Most of Europe's senior executives surveyed admitted that they did not have procedures in place to manage properly operational and strategic risks, which were responsible for most company failures in the twenty- first century.

The survey found that the three most significant risks, and those that businesses felt least able to manage, were: increased competition, adverse changes in customer demand and reduced productivity because of staff absenteeism and turnover.

“While business leaders are aware that these risks are the most threatening to their future survival and growth they are scratching their heads when it comes to protecting their businesses against them,” says Neil Irwin, European development director of Marsh's corporate client practice. “Management processes could easily help companies identify and address these risks. Instead, too many companies take a low-level approach to risk management preferring to focus on easy-to-solve risks, such as asset protection and health and safety.”

Mr. Irwin says: “Risk is dynamic, it changes with the environment. Unless businesses accept this and review risk regularly, they could eventually find themselves in a state of crisis, struggling to survive rather than focused on growth. Business leaders have an obligation to their employees, shareholders and other stakeholders to properly protect themselves against risk. Businesses that do attempt to manage these risks will boost their bottom lines.”

From the *Financial Times*

*Exercise 8* What types of risk are mentioned in the first three paragraphs?

*Exercise 9* According to the article, which of the people listed below believes the following?

Lord Levene Ken Davey Shivan Subramaniam Neil Irwin

1 Businesses face greater risks because they are trying to expand in many different ways.

2 Businesses need to evaluate risks which can affect their profits.

3 Senior managers need to change their thinking in order to manage risk.

4 Many businesses concentrate too much on less important risks.

5 Businesses should check their exposure to risk often.

6 Businesses which have a well-thought-out approach to risk will increase their profits.

*Exercise 10* Match the following word partnerships from the article.

|  |  |
| --- | --- |
| 1. business   2 recovery  3 decisive  4 potential  5 integrated  6 revenue  7 near-normal | a) hazards  b) interruptions  c) sources  d) operations  e) plan  f) strategies  g) action |

*Exercise 11* Match the word partnerships from Ex.10 to the most appropriate verb below. For example: *develop* integrated strategies

take protect assess develop implement resume prepare for

*Exercise 12* Which adverbs are the strongest and which are the weakest in the box below?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| a bit  highly reasonably | entirely increasingly slightly | exceptionally moderately somewhat | extremely quite totally | fairly  rather  very |

*Exercise 13* Complete these dialogues with a suitable adverb.

* 1. “What were your results like last year?”

“……………..good. We increased profits by over 5%.”

* 1. “How was the launch of your new product?”

“………………successful. We've been flooded with orders ever since.”

* 1. “Do you really think we should try to enter that new market?”

“It's……………..risky but on balance I think we should go ahead.”

* 1. “What did you think of the presentation?”

“It was…………………..useless. Most of the audience lost interest after five minutes.”

* 1. “Are you confident about those sales projections?”

“…………………confident, although it's going to be tough.”

SELF-STUDY ASSIGNMENT 1

*INFLUENTIAL BUSINESS PEOPLE*

David Summers, author of the recently published “Keys to Success” is being interviewed about his book on influential business people.

*Exercise 1* Before you listen to the interview, check whether you know the following words and phrases:

|  |  |
| --- | --- |
| influential  the discount store  retailer  assembly line | to fill a gap  to have a certain amount of money at your disposal to convince  gift of the gab |

*Exercise 2*  (2.7) Listen to the interview without looking at the audioscript. Note down the names of famous people mentioned and what is said about them.

*Exercise 3* Listen to 2.7 again and answer the questions:

* What do we mean by “influential” people?
* What is Sam Walton famous for?
* In what way can people become successful with their business ideas?
* In what way are the McDonalds and the Ford companies related?
* What qualities does a great business person possess?

Make use of the audioscript of the interview

David Summers = DS

**Interviewer:** So what is it that makes a businessman or business woman influential?

**DS:** Well, first we ought to think about what we mean by influential. Lots of business people enjoy success but relatively few become influential, *really* have an influence, on the people around them, on society, on the world -

**Interviewer.** Ok, so who would you say were influential? What names come to mind?

**DS.** Well, sometimes it isn’t the names that come to mind, sometimes it’s the product. Obviously we’ve got the big names - Bill Gates, Henry Ford, people like that. Sometimes the names are not familiar at all - like Sam Walton.

**Interviewer**: Sam who?

**DS:** Exactly! (*both laugh)* Sam Walton was the man who perfected the idea of the discount store. The Wal-Mart stores are his. It’s the biggest chain of retailers in the world and in the States Wal-Mart employs more than 1.3 million people.

**Interviewer:** Wow! He’s a rich man!

**DS:** He *was***.** He died in 1992, but yes, his heirs are worth more than $100 billion - that’s more than Bill Gates. If he was alive today he’d probably be the richest man in the world.

**Interviewer:** So, he invented the discount store.

**DS:** Ah no - and that’s another point he didn’t *invent* the discount store, he just *perfected* it. Sometimes a great idea is already out there, and it takes a great mind to see the potential and to turn the idea around. Other successful business people take an idea that’s already a success and just change the context.

**Interviewer:** I’m not sure that I follow you -

**DS:** Well, earlier we mentioned Henry Ford. He invented the assembly line. He used it to produce cars.

**Interviewer:** Yes?

**DS:** Well, Ray Kroc -

**Interviewer:** Ah, the McDonalds guy!

**DS:** Yes, well, what he did was to take Ford’s idea of the assembly line - and bring it into the kitchen. The initial idea was there - he just *adapted* it.

**Interviewer:** So, let’s go back to my original question: what sets these people apart from ordinary business people? What make them so *influential*?

**DS:** Well, I suppose there are a number of factors. First of all there is an element of luck.

**Interviewer:** Being in the right place at the right time?

**DS:** Yes, but obviously that’s not enough in itself. You have to be able to see a gap in the market. Sometimes a certain amount of business training or experience is necessary for that.

**Interviewer:** Ok, so we’re talking about an idea, having an idea that would fill a gap.

**DS:** Yes. For an idea to be successful, you have to do a lot of forward planning, a lot of thinking. Sometimes these great business people have an idea for years and years, decades even, before it’s actually put into action.

**Interviewer:** Ok, what else? What other things are necessary?

**DS:** Well, great business people have to be prepared to take big risks.

**Interviewer:** What do you mean?

**DS:** Well, for every great idea that works, there are probably hundreds - or thousands - that don’t. You have to be prepared to deal with failures as well as successes.

**Interviewer:** And I suppose that implies having a certain amount of money at your disposal.

**DS:** Yes, business people will need to invest both time and money.

**Interviewer:** So does that mean that all influential business people are also rich?

**DS:** No, that doesn’t necessarily follow. If you’ve got a really good business plan and a firm idea of how to make it work, then you stand a chance of convincing others to invest in you. So, I suppose we could say that having a convincing nature is also a requirement.

**Interviewer:** The gift of the gab?

**DS:** *(laughing*) Indeed! The gift of the gab! *(both laugh and fade out)*

INDIVIDUAL LESSON 1

*BUSINESS PEOPLE AND ENTREPRENEURS*

**A *Businesspeople and entrepreneurs***

A **businessman, businesswoman** or **businessperson** is someone who works in their own business or as a manager in an organization.

Note: The plural of businessperson is **businesspeople.** Businessperson and businesspeople can also be spelled as two words: **business person, business people.**

An **entrepreneur** is someone who starts or **founds** or **establishes** their own company. Someone who starts **a** company is its **founder.** An entrepreneur may found a series of companies or **start-ups. Entrepreneurial** is used in a positive way to describe the risk-taking people who do this, and their activities. Some entrepreneurs leave the companies they found, perhaps going on to found more companies. Others may stay to develop and **grow** their businesses.

**Establishment** can also describe an action (e.g. the establishment of a successful business was his main aim in life).

**B *Leaders and leadership***

A large company mainly owned by one person or family is a **business empire.** Successful businesspeople, especially heads of large organizations, are **business leaders** or, in journalistic terms, **captains of industry.**

There is a lot of discussion about whether people like this are born with **leadership skills,** or whether such skills can be learned.

**C** Magnates, moguls and tycoons

People in charge of big business empires may be referred to, especially by journalists, as **magnates, moguls** or **tycoons.** These words often occur in combinations such as these:

|  |  |
| --- | --- |
| media  press  shipping  oil | **magnate** |
| movie  media  shipping | **mogul** |
| property  software | **tycoon** |

*Exercise 1* Use words from **A** and **B** above to complete this text.

The big place at the moment for (1)……………is, of course, the Internet. Take John Pace. 'After an engineering degree at Stanford and an MBA at Harvard, I worked for a while in a computer games company. But I always felt I was an (2)………………………kind of guy. In 1997, I (3)…………………….an Internet site for cheap travel: flights, hotels, renting cars and so on. I obtained money for investment in the (4)……………from friends.'

Now the site has 300,000 customers, and Pace is very rich, with a big apartment in Manhattan and a house in the Bahamas. 'I don't want to sell the company,' he says. 'I've had offers from some big companies, but I want to stay independent. I want to (5)…………………the business and do things my way.

Unlike many entrepreneurs, I think I have the (6)………….. skills to lead and inspire a large organization. I can see the day when I'm in charge of a large business (7) ……………………..'

*Exercise 2* Who are (or were) these famous businesspeople? Use the Intenet and expressions in **C** above to describe them.

* + - 1. Randolf Hearst (1863-1951)
      2. Masayoshi Son (b. 1957)
      3. Rupert Murdoch (b.1931)
      4. Aristotle Onassis (1906 - 1975)
      5. Paul Getty (1892 - 1976)
      6. Donald Trump (b.1946)

**D *Business and businesses***

**Business** is the activity of producing, buying and selling goods and services. **A** **business**, **company**, **firm** or more formally, a concern, sells goods or services. Large companies considered together are referred to as **big business**.

A company may be called an **enterprise**, especially to emphasize its risk-taking nature.

Businesses vary in size, from the **self**-**employed** person working alone, through the **small** or **medium** **enterprise** **(SME)** to the large **multinational** with activities in several countries.

A large company, especially in the US, is a **corporation**. The adjective, **corporate**, is often used in these combinations:

■ corporate culture ■ corporate headquarters ■ corporate image

■ corporate ladder ■ corporate logo ■ corporate profits

**E *Enterprise***

In 1970s Britain, there were **state-owned** or **government-owned** companies in many different industries such as car manufacturing and air travel. Some industries had been **nationalized** and were entirely state-owned, such as coal, electricity and telephone services. In the 1980s, the government believed that **nationalized companies** were **bureaucratic** and inefficient, and many of them were **privatized** and sold to investors.

**Enterprise** is used in a positive way to talk about business, emphasizing the use of money to take risks.

**F** ***Word combinations with “enterprise”***

|  |  |  |  |
| --- | --- | --- | --- |
| free  private |  | enterprise | business activity owned by individuals, rather than the state |
| enterprise |  | culture | an atmosphere which encourages people to make money through their own activities and not rely on the government |
| economy | an economy where there is an enterprise culture |
| zone | part of a country where business is encouraged because there are fewer laws, lower taxes, etc. |

**G** Commerce

**Commerce** is used to refer to business:

■ in relation to other fields: 'literature, politics and commerce'.

■ in relation to government departments that deal with business: the US **Department of Commerce**.

■ in the names of organizations which help business: **chambers of commerce**.

■ on the Internet: **electronic commerce** or **e-commerce**.

The adjective **commercial** describes money-making business activities: **commercial airline; commercial artist; commercial television; commercial disaster; commercial land.**

*Exercise 3*. Correct the mistakes using words and expressions from **D** above.

a) Before we employ people, we like to put them in job situations to see how they do the work and fit into the corporate ladder.

b) The company has built a grand corporate logo as a permanent symbol of its power.

c) Our stylish new corporate culture shows our wish to be seen as a more international airline.

d) The economy is growing and corporate headquarters are rising.

e) The rules were introduced to protect women working in factories, but today they make it harder for women to climb the corporate image.

f) Companies hit by computer crime are not talking about it because they fear the publicity will harm their corporate profits.

*Exercise 4* Someone is talking about the word combinations in **G** above. Which are they referring to each time?

a) It carries passengers and goods, it's not military.

b) It's going to be used for offices and factories, not houses.

c) It receives no money from the state to make its programmes.

d) He does advertisements: you can't find his work in art galleries.

e) It was an artistic success, but unfortunately it lost a lot of money.

*Exercise 5* Use expressions from **F** opposite to complete this text.

Margaret Thatcher often talked about the benefits of (1)……….or (2)……… . She said that her achievement was to establish an (3)……….. ……..……in Britain, an economy where people were encouraged to start their own companies and where it was acceptable to get rich through business: an (4) …………. …………… .

In some areas, the government reduced the number of laws and regulations to encourage businesses to move there. Businesses were encouraged to set up in the London Docklands, for example. The Docklands were an (5) …………… ……… .

LESSON 2

*E-COMMERCE*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Nethead or Web-hater?**  *"The Internet is so big, so powerful and so pointless that for some people it is a complete substitute for life."*  Andrew Brown, Web site designer | | |
| **Are you a 'Nethead' or a 'Web-hater'? Discuss the following with a partner.**  1) How much time do you spend surfing the Internet?  2) Do you ever join online discussion groups or chat rooms?  3) Do you book things like flights and hotel rooms on the Net?  4) Have you ever bought goods over the Net – books, CDs, software?  5) Would you search for a job on the Internet?  6) Do you bank online? If not, would you?  7) Would you consider looking for a partner in cyberspace?  **Look at the e-businesses on the right. What products or services do you think they offer (or offered - some of them may have gone out of business)? Discuss with a partner. Which of these Web sites would you be curious to visit?** | |  |

 (2.8) Listen to and read the article **“Dot-con?”**

**Hype**

The IT industry has a tendency to exaggerate. Take Y2K, the supposed 'Millennium Bug'. It was widely predicted to wipe out seventy-five per cent of the world's computers in the very first second of the 21st century. Planes were going to fall from the sky, hospitals to be thrown into chaos and anarchists to take to the streets as the lights went out on the stroke of midnight in the civilised world. Over an eighteen-month period of corporate panic, programming experts, called in to debug doomed mainframes, amassed vast fortunes in consultancy fees. In the end, little more than minor technical problems were reported with two pocket calculators and a Gameboy.

**E-volution**

So it came as no surprise when those same experts announced the death of business as we know it and the arrival of the New, Weightless, Wireless, Connected Economy. “Welcome to the Age of the Network” declared *Fortune* magazine. “E-business: What Every CEO Needs to Know” said *Business Week.* There followed a frenzy of financial speculation not seen since the American Gold Rush. For a while, it seemed like every post-adolescent with a laptop and a business plan written on the back of a rock concert ticket could get access to unlimited venture capital. Popular domain names like business.com and houses.com were snapped up for millions of dollars. Then came a flood of more exotically named start-ups like ScreamingMedia, Egghead and AtomicTangerine.

**Dot.bomb**

Bust followed boom. In the race to outgrow the competition, most e-businesses burned up capital and never turned a profit. At one point e-shopping site, letsbuyit.com was getting through three and a half million dollars a month. Normally conservative organizations like Goldman Sachs, who had poured $850 million into groceries-by-Net company Webvan, saw their investment reduced to zero in two years. The prestigious Janus Mutual Fund lost a similar amount on health site WebMD. Hungry for further capital, the more dynamic dotcoms decided to issue shares. The stock market flotation of lastminute.com, to take one example, raised $ 175 million overnight and made the company's founders multi-millionaires. But shareholders were less fortunate. On April 14th 2001 more than one trillion dollars in market capitalisation was lost in six and a half hours of corporate madness on Wall Street. The dotcom phenomenon was over.

**Return of the Dotcom**

Or was it? Some say the dramatic fall in share prices reflected more the instability of the market than the commercial potential of the dotcoms themselves. New technology always leads to some kind of market correction. The same thing happened when the railways first went public. The truth is that of the 10,000 start-ups to attract major funding in the late 90s, 9,500 are still in existence. Some have 'morphed' into new companies with new names and new management. Significantly, those whose success is built on technological superiority have survived. So too have those who added 'bricks' to their 'clicks' like bancol.net, Brazil's first virtual bank, which finally decided to open conventional highstreet branches in response to customer demand.

**B2B**

Part of the dotcom disaster was that the media focused on the retailers, or e-tailers, like eBay and Amazon. But worries about security have prevented most of these e-tailers from ever breaking even. Less than one per cent of consumer sales are currently conducted through the Internet. In the US people spend more on dog- food than they do online! Only seven per cent of SMEs even attempt to carry out online transactions. Consumer sales, B2C, were never going to be exciting. The real growth area was always B2B. Business-to-business trading between suppliers, manufacturers and distributors over the Internet is forecast to reach $20 trillion by 2010 and, for once, the forecasts may be right. For production and logistics departments the 'friction-free' environment of the Internet is the answer to their prayers.

**E-pitaph**

But what about all the dotcoms that have failed? A successful industry has grown out of them, too. At NetSlaves, for example, you can visit a virtual museum of dead dotcoms. Steve Shah, the co- founder of e-business 'health-checker' DotCom Doom.com says business has never been better. And at dotcomfailures.com you used to be able to buy up dotcoms on the verge of bankruptcy, but unfortunately that is no longer possible. A short while ago dotcomfailures.com itself... failed.

**Recall**

Work with a partner. Without referring back to the article, can you remember in what context the following figures were mentioned?

75%

$175million

2001

9,500

$20 trillion

**Crosschecking**

Which of the following viewpoints support the opinions expressed in the article?

*1) "Unless the total online shopping environment - sites and payment mechanisms - is made more secure, some customers will never have the confidence to explore the opportunities."* Anna Bradley, National Consumer Council.

2) *"The compelling and main reason for e-commerce is simply and ultimately more revenue ... it's all about sales."* Aaron Goldberg, vice-president and principal analyst for Ziff-Davis.

3) *"The exciting reality is that e-commerce is in its infancy. It is today where the Wright brothers were in aviation. The Web is still an infant technology."* Jeff Bezos, founder and CEO of e-tailer, Amazon.com

**Response** What are your immediate reactions to the article you've just read?

* I'm amazed that ...
* I agree with what it says about ...
* But I'm not so sure about ...
* I think it over-stresses the importance of ...
* And underestimates the significance of ...
* I don't quite understand the point about ...
* And I'm not sure I believe the point about ...
* Overall, I think what the article says is absolutely right/more or less right/biased/misleading/completely wrong.

SELF-STUDY ASSIGNMENT 2

*STARTING AN E-BUSINESS*

 (2.9) Listen to a small e-Business owner talking about how he set up his business. Match the beginnings and ends of the sentences.

|  |  |
| --- | --- |
| 1) Anthony started making wooden toys  2) He couldn’t make the toys quickly enough  3) His son suggested  4) Anthony decided to make  5) Anthony’s sister suggested | 1. as a hobby. 2. customised toys. 3. that he sold the toys online. 4. the name tree2toy.com. 5. to sell them in the shops. |

Make use of the audioscript to check your answers.

I’d been making wooden toys for my family and friends for quite some time. It was just a hobby at first, but then it started to take over my life. So many people were asking me to make specific things, like a doll’s house for a birthday present, that I began to wonder if I could make a living out of it. I approached some shops and department stores, but they weren’t interested in stocking my toys unless I could guarantee a regular supply, and I just couldn’t produce them quickly enough.

I think it was my son who first suggested I set up an internet shop. I hadn’t a clue how to go about it, so I started by looking at existing sites selling handmade toys. There were some great sites by people doing a similar thing to me. I wondered if there was something not being provided that I could do, a niche market I could develop. I thought about what people usually asked me to make and I realised that a lot of people wanted a customised toy. They asked for their child’s name painted on it, or wanted it painted particular colours. I hadn’t seen anyone offering this kind of service.

The next step was to think of a name for my business. By then I had read quite a bit of advice about setting up internet companies, and I knew I would have to register a domain name. I got all my family involved, trying to think up a name that would be easy to remember. Every time we thought of a good one I searched for it on the internet and sure enough, someone had already got it. I was getting quite frustrated when my sister suggested tree2toy.com. I checked and to my amazement it hadn’t been registered. I tried several searches on the internet – after all I didn’t want to discover that another company had the same name – they could take legal action against me. Then I registered the domain name and I was ready to start designing my website.

SELF-STUDY ASSIGNMENT 3

*INTERNET SHOPPING*

*Exercise 1* Match the following phrases with their meaning

|  |  |
| --- | --- |
| virtually  a significant part  the retail sector  to be confined to  a developed country  a developing country  old-fashioned  to recommend | 1. the area of business where things are sold; in basic terms, shops 2. a rich country whose industry is advanced 3. something that was accepted or fashionable once, but isn't any more because it's not modern 4. to be only in that place 5. to suggest that someone should do something or have something because it is good 6. a large part 7. a poor country whose industry is not so advanced 8. almost |

*Exercise 2* (2.10) Before you listen to the BBC programme “Internet shopping”, read these comprehension questions. Try to answer them as you listen.

* Can you name one of the 'developed' countries mentioned in the programme?
* Can you give an example of something people prefer not to buy on the internet?
* What worries people about internet shopping?

*Exercise 3* Listen to 2.10 again and find the correct statement

1. Find the correct statement.

a) Only a small amount of goods are bought over the internet in the UK.

b) Internet shopping isn't very popular in the UK.

c) A large amount of goods are bought over the internet in the UK.

1. Which of the following is a developing country?
   * + 1. Japan
       2. Ethiopia
       3. France
2. Why don't people like to buy clothes on the internet?

They can't try them on before they buy.

They're too expensive.

There's too much choice.

1. Some people don't like internet shopping because...

There's too much choice.

They don't think it's safe to put their credit card details into the computer.

It's old-fashioned.

Make use of the audioscript of the programme.

Weekender © BBC Learning English

**Jo:** You’re listening toWeekender from bbclearningenglish.com. I’m Jo Reffin and today we’re talking about shopping – but the kind of shopping where you can buy almost anything without even leaving your house!! Yes, we’re talking about internet shopping.

We spoke to Russell Padmore from the BBC World Service. He’s a business reporter and we went along to one of the busiest shopping streets in London, Oxford Street, to ask him more about internet shopping. First of all, I asked him just how big this trend is in the UK. Listen to him and listen out for a word that means ‘almost’.

**Russell Padmore** Perhaps 10 years ago we’d have been talking about virtually zero but I can tell you today internet shopping is a really significant part of the retail sector in the UK

**Jo:** So 10 years ago, the number of people shopping on the internet was virtually zero. Virtually is the word meaning almost – almost no one did internet shopping then. However today, internet shopping is a really significant part of the retail sector. A significant part is a large part. Retail basically means selling things – so out of all the things sold now, a large amount of them are sold over the internet.

But is internet shopping popular only in the UK? Which other part of the world is seeing an increase in the use of the internet? Here’s Russell again.

**Russell Padmore** It’s not just confined to the developed economies of the world – it’s not just the United States or Western Europe or Japan – elsewhere we’re starting to see the internet becoming a serious area where people can do business. In Africa many telecom companies are developing their business - they also see the growth of the internet.

**Jo:** Did you catch where there is an increase in the use of the internet? Yes, Russell talked about Africa. Internet shopping is not only confined to developed countries.

To be confined to means to only exist or affect that place – and developed countries are the richer ones with advanced industries – like the United States or Japan as Russell said. So internet shopping isn’t only a trend in those places. In developing countries, so poorer countries whose industries aren’t so advanced – for example countries in Africa – those developing countries are increasing their use of the internet.

We wanted to know from Russell if internet shopping was likely to get even more popular in the future. But what kind of things does he say people don’t like to by online?

**Russell Padmore** Internet shopping is definitely going to increase in the future – it’s changing the traditional method of shopping – but let’s remember there are some things that people still want to buy in a shop – if you’re buying a pair of trousers – if you’re buying a new shirt – people still feel more comfortable going into let’s say one of these grand shops where we’re here on Oxford St in London – they want to see that particular piece if clothing – feel it touch it – perhaps more importantly if it’s a pair of shoes try them on

**Jo:** So Russell thinks internet shopping is definitely going to get more and more popular in the future. But what don’t people like to buy online? Well as you might expect – clothes. If you’re buying a shirt, trousers or shoes people still like to go into a shop and try things on, see them, touch them before they buy – you can’t of course do this if you’re internet shopping. And this man would agree – when we asked him if he ever did internet shopping he said he preferred going to a shop to buy things. Which word does he use that means the opposite of modern?

**Man** Personally I don’t do a lot of internet shopping. When it actually comes to buying products maybe I’m a bit old fashioned – I like to go into a shop and get them.

**Jo:** So this man thinks he is perhaps a bit old-fashioned, not very modern. Some people we asked are actually a bit worried about shopping on the internet – but what is it that worries them?

**Man** I use the internet quite a lot – I just sometimes worry about putting my card details in

**Woman** The problem is that you have to put all the information related to your debit card and credit card which I think is so dangerous

**Jo:** So these people are worried about putting their credit and debit card details into the computer. They think it’s not safe because someone might be able to get those details and buy things with their card. But then some people love it – like this man – he thoroughly recommends it – he thinks everyone should do it.

**Man** Internet shopping – I thoroughly recommend it and I must say I practise it all the time – I’m not afraid at all.

**Jo:** And speaking of the internet – you can look at all of the language from today’s programme on our website bbclearningenglish.com. That’s all for today – bye for now.

**MODULE III**

LECTURE I

*BRAND WARS*

 (3.1)

**Coke versus Pepsi; Nike versus Reebok; Nintendo versus Sega – the battle is on amongst the world’s top brands.**

Aggressive comparative advertising has now reached fever pitch; extra millions are pouring into R&D, and the market leaders are under constant pressure to slash their prices in a cut-throat struggle for market domination. When Philip Morris knocked 40c off a packet of Marlboro, $47-and-a-half billion was instantly wiped off the market value of America's top twenty cigarette manufacturers. Lesser brands went to the wall. And that's just one example of how fair competition within a free market has rapidly escalated into all-out brand war.

**Own-Label products**

Yet in spite of the efforts of the corporate heavyweights to win market share, when it comes to fast-moving consumer goods, more and more consumers are switching to the supermarkets' own-label products. And brand loyalty is fast becoming a thing of the past. The once unchallengeable Nescafe and Kellogg's are actually losing sales, as their higher price is no longer automatically associated with higher quality. And in many supermarkets across Europe and the States own-labels now account for over fifty-five per cent of total sales. Their turnover has never been higher.

**Lookalike Coke**

Of course, the big brands are not giving in without a fight. When British supermarket chain, Sainsbury's, led the attack on Coke by launching its own similarly packaged product, it managed to secure fifteen per cent of the total UK cola market in just two months. But Coca-Cola was quick to respond. Sainsbury's was told to change its packaging fast or Coke would cut its prices to rival supermarkets and leave Sainsbury's hopelessly overpriced. Some people say the Sainsbury's cola tastes as good as Coke. But they're the ones who underestimate the power of the brand.

**Big Brands – Big Business**

Brand names are still the reason Omega can put a 300% mark-up on their watches, the reason Nestlé spent a fortune buying Perrier, the reason investors are prepared to pay up to twelve times the book value for a company's stock. Big brands remain big business in the City.

**Brandstretching**

Brandstretching is another way in which the household names are fighting back. By putting their familiar trademark on attractive and fashionable new products, companies can both generate additional revenue and increase brand-awareness, hence Pepsi Maxwear, Virgin Cola, Camel Adventure Gear clothing and even jewellery by Cadbury! The high-life image suits companies like Philip Morris, for whom, as the restrictions on tobacco ads get tougher, brandstretching is the perfect form of subliminal advertising.

**Buyer Beware**

So much for the high-street brands. Further upmarket, the luxury branded goods manufacturers are facing an even greater enemy of their own, namely, the pirate brands. And as the trade in lookalike products increases, companies like Ray- Ban and Reebok, Yves Saint Laurent and Armani are calling for a crackdown on the pirates. In Europe over ten per cent of clothes and footwear sold are said to be fakes, costing the firms who make the real thing nearly $7 billion a year. For a fraction of the recommended retail price you can pick up fake Gucci, fake Lacoste, fake Lego, fake Disney, fake Nintendo, fake anything. But buyer beware! Your case of Moet et Chandon will probably turn out to be cider and your bottle of Calvin Klein more like industrial cleaner than perfume.

**Market Saturation**

But, brand wars aside, the single biggest threat to the market remains saturation. For it seems there are just too many products on the shelves. In the States they call this 'product clutter' and it is currently the cause of a strong anti-consumerism movement. In fact, product proliferation and widespread 'me- tooism' mean that some Boots stores actually stock seventy-five different kinds of toothbrush and 240 types of shampoo. It would take you over twenty years to try them all, assuming you even wanted to! And that's just got to be crazy when you think that eighty to ninety per cent of new brands fail within their first six months.

**Recall** Without referring back to the article, can you remember in what context the following companies were mentioned?

1. Philip Morris / Marlboro

2. Nestlé

3. Coca-Cola

4. Omega

5. Cadbury

6. Môet et Chandon

Calvin Klein

Boots

**Response** Having read the article, in what way could you explain the marketing terms?

|  |  |
| --- | --- |
| brand-awareness  own label products  subliminal advertising  market saturation | brand loyalty  brandstretching  me-tooism  lookalike products |

**Find the expressions** Look back at the article. Find the expressions which mean:

has now reached a ridiculous level (paragraph I)

to cut drastically (paragraph I)

fiercely competitive (paragraph I)

took 40c off (paragraph I)

went bankrupt (paragraph I)

major companies (paragraph 2)

total sales before costs are deducted (paragraph 2)

profit margin (paragraph 4)

pay a lot of money for (paragraph 4)

10. official value of an asset (paragraph 4)

11. extra income (paragraph 5)

12. severe measures against law-breakers (paragraph 6)

*Exercise 1* Match each of the words in the first column with a word from the second column to make twelve word partnerships from the article. There are some alternative partnerships, but there is only one way to match all twelve.

|  |  |
| --- | --- |
| 1. aggressive 2. household 3. me- 4. lookalike | 1. names 2. products 3. advertising 4. tooism |
| 1. retail 2. supermarket 3. branded 4. free | 1. goods 2. market 3. chain 4. sales |
| 1. subliminal 2. anti- 3. fair 4. recommended | 1. consumerism 2. retail price 3. advertising 4. competition |

*Exercise 2* The following nouns form strong word partnerships with the word ***market***: *market forces, market penetration.* Find five more in the article you have just read.

*Exercise 3* The following nouns form strong word partnerships with the word***brand*:** *brand image, brand manager.* Find three more in the article you have just read.

*Exercise* 4 Which 8-letter word can come before the following words: *goods, research, protection, profile, advertising, durables, non-durables.* Now match these word partnerships with the following definitions:

1. commercials aimed at the end-user

2. goods used shortly after purchase such as food, newspapers, etc.

3. products purchased by a member of the public

4. goods which last a long time such as cars, televisions, etc.

5. laws to defend buyers against unfair trading

6. market study of buyer behaviour patterns

7. description of a typical buyer according to age, sex, social status, etc.

SELF-STUDY ASSIGNMENT 1

*PRODUCTS, BRANDS AND PRICES*

**A *Word combinations with 'product'***

|  |  |  |
| --- | --- | --- |
|  | **catalogue (BrE)**  **catalog (AmE)**  **mix**  **portfolio** | a company's products, as a group |
|  | **line**  **range** | a company's products of a particular type |
| product |
| **lifecycle** | the stages in the life of a product, and the number of people who buy it at each stage |
|  | **positioning** | how a company would like a product to be seen in relation to its other products, or to competing products |
|  | **placement** | when a company pays for its products to be seen in films and TV programmes |

**B *Goods***

**Goods** can refer to the materials and components used to make products, or the products that are made. Here are some examples of these different types of goods:

Consumer goods that last a long time, such as **cars** and washing machines, are **consumer durables.** Consumer goods such as food products that sell quickly are **fast- moving consumer goods,** or **FMCG.**

**C *Brands and branding***

A **brand** is a name a company gives to its products so they can be easily recognized. This may be the name of the company itself: the **make** of the product. For products like cars, you refer to the make and **model,** the particular type of car, for example, the Ford (make) Ka (model).

**Brand awareness** or **brand recognition** is how much people recognize a brand. The ideas people have about a brand is its **brand image.** Many companies have a **brand manager.**

**Branding** is creating brands and keeping them in customer's minds through advertising, packaging, etc. A brand should have a clear **brand identity** so that people think of it in a particular way in relation to other brands.

A product with the retailer's own name on it is an **own-brand product** (BrE) or **own- label product** (AmE). Products that are not **branded,** those that do not have a **brand name,** are **generic products** or **generics.**

*Exercise 1* Match the sentence beginnings (1-7) with the correct endings (a-g). The sentences all contain expressions from **A** above.

|  |  |
| --- | --- |
| 1. Banks are adding new types of accounts   * 1. Apple is going to simplify its product line   2. Consumers have mixed feelings about supermarkets   3. When BMW bought Rover,  1. The new law will ban product placement 2. Following the launch of the Series   5 laptop, consumers were slow to understand   1. With this type of equipment in the US, | * + - 1. product life cycles are so short that product launches are very frequent.       2. its product positioning in relation to Psion's existing hardware products.       3. it changed its product range towards more expensive cars.       4. of cigarettes in movies.       5. extending their product portfolio into financial services.       6. and deliver fewer but more competitive models       7. to their product mix. |

*Exercise 2* Look at the words in **B** opposite. Which applies to each of these products?

*microwave ovens cotton cars hamburgers soap powder*

*Exercise 3* Complete this marketer's description of his work using expressions from **C** opposite.

My name's Tomas. I'm Portuguese, and I've been (1)………..for Woof dog food for the whole of Portugal and Spain since I left business school last summer. The Woof (2)……….is owned by a big international group. The market for pet food in Portugal and Spain is growing very fast, as more and more people own dogs and cats, and we're trying to increase (3)……………of Woof through TV advertisements and hoardings in the street. Research shows that people have very positive ideas about it: it has a very positive (4)……………… . But the supermarkets have their (5)……………….dog food, usually sold cheaper than our product, which is a problem. There are even (6)……………sold just under the name 'dog food'. We have to persuade people that it's worth paying a bit more for a (7)………….product like Woof, which is far better, of course.

**D *Pricing***

*“Our goods are* ***low-priced****. Permanently low* ***pricing*** *means we* ***charge*** *low prices all the time”*

*“You must be selling some goods at cost (what you pay for them) or* ***at a loss*** *(even less).”*

*“You mean* ***cheap****: your goods are poor quality. Our goods are* ***high-priced****, but we give customer service. And a lot of our goods are* ***mid-priced****: not cheap and not expensive.”*

*“Yes. We have* ***loss leaders*** *- cheap items to attract customers in. But it's all below the 'official'* ***list price*** *or* ***recommended retail price****. We have a policy of* ***discounting****, selling* ***at a discount*** *to the list price.”*

*“Your goods are* ***expensive****. Customers don't need service.”*

*“If he goes on* ***undercutting*** *us, we can't stay in business”*

**D *Word combinations with “price”***

|  |  |  |  |
| --- | --- | --- | --- |
| price |  | boom | a good period for sellers, when prices are rising quickly |
| controls | government efforts to limit price increases |
| cut | a reduction in price |
| hike | an increase in price |
| war | when competing companies reduce prices in response to each other |
| leader | a company that is first to reduce or increase prices |
| tag | label attached to goods, showing the price; also means 'price' |

**E *Upmarket and downmarket***

Products, for example skis, exist in different **models**. Some are basic, some more **sophisticated**. The cheapest skis are **low-end** or **bottom-end**. The most expensive ones are **high-end** or **top-end** products, designed for experienced users (or people with a lot of money!). The cheapest **entry**- level skis are for beginners who have never bought skis before. Those in between are **mid-range**. If you buy sophisticated skis to replace basic ones, you **trade up** and move **upmarket**. If you buy cheaper skis after buying more expensive ones, you **trade down** and move **downmarket**.

**Downmarket** can show disapproval. If a publisher **takes** a newspaper **downmarket**, they make it more popular, but less cultural, to increase sales.

**F *Mass markets and niches***

**Mass market** describes goods that sell in large quantities and the people who buy them. For example, family cars are a mass market product. A **niche** or **niche** **market** is a small group of buyers with special needs, which may be profitable to sell to. For example, sports cars are a niche in the car industry.

*Exercise 4* Look at the price list. Are the statements below true or false?

|  |  |
| --- | --- |
| 1. The pricing policy is to sell belowlist prices.  2. The Adagio is low-priced, and is cheaper than the competition.  3. The mid-priced models are the Brio and the Capricioso.  4. This retailer charges 16,908 euros for the Delicioso.  5. The Delicioso is the highest-priced model.  6. The Delicioso is cheaper than the competition.  7. All models are sold at a discount. |  |

*Exercise* 5 Complete the sentences with the appropriate form of words from **D** above.

* 1. A price……………..by Mills may indicate the start of price increases by other producers.
  2. Britain's house price…………..has gone beyond London, with properties in Kent now worth 25 per cent more than a year ago.
  3. Consumers will get price………………of eight per cent off phone bills from May.
  4. When President Perez ended price…………., electricity, phone and transport costs went up.
  5. Petron is a price……………; it's usually the first to offer lower prices.
  6. The project had many design problems, pushing up the price…………..for each helicopter from $11 million to $26 million.
  7. There is a price…………………between Easyjet and KLM on the London to Amsterdam route.

*Exercise 6* Correct the mistakes in italics, using expressions from **E** and **F** above.

I'm Denise van Beek, from sailing boat company Nordsee Marine. We have something for everyone. If you've never sailed before, try our (1) *mid-range* model, the Classic. It's six meters long and very easy to sail. After a year or two, many customers (2) *trade down* or (3) *take upmarket* to something more (4) *basic*, like the (5) *entry-level* nine-meter Turbosail, with more equipment and a bit more luxury. Our (6) *bottom end* product is the Fantasy. It's 15 meters long and has everything you need for comfort on long voyages. We also produce the Retro, a traditional boat. There's a small but profitable (7) *mass market* for this type of boat.

LESSON 1

*PRICES AND COMMODITIES*

*Exercise 1* Which of the following points of view is nearer to your own?

*"It is not the aim of this company to make more money than is prudent."*

Lord Rayner, Marks and Spencer

*"Pan Am takes good care of you.*

*Marks and Spencer love you.*

*At Amstrad we want your money."*

Alan Sugar, founder of Amstrad.

*Exercise 2* Since the only legitimate object of doing business is to make a decent profit, few things can be as important as the price tag you put on what you sell. But price is actually one of the hardest things to determine, and it's not so much a question of what a thing is worth as how much you can reasonably expect to get for it. How wouldyou define price?

1. As a true reflection of value?

2. Costs plus mark-up?

3. Whatever the market will stand?

*Exercise 3.*  (3.2) Now read and listen to the article

**IF THE PRICE IS RIGHT...**

A personal computer wouldn't cost twice as much in the UK as it does in the States and you wouldn't need to take out a bank loan to buy a coffee in the Champs-Elysées. Of course, strictly speaking, the computer is tradeable and the coffee non-tradeable. For tradeable goods are exported all over the world, but non-tradeables have to be consumed where they are produced. And, since a café noir halfway up the Eiffel Tower can only be purchased in Paris, frankly, they can charge what they like for it. But, tradeable or not, as every salesperson knows, "The price of a thing is what it will bring." And when it comes to price, the buyer is his own worst enemy. Show me a high price and I'll show you too many customers prepared to pay over the odds.

The truth is, people pay the price they deserve. A massive twenty per cent mark-up does not stop people buying a billion cans of Coke a day. And with profit margins of up to a phenomenal fifty per cent, Philip Morris can still gross around $100 billion a year, making the makers of Marlboro cigarettes the most profitable company in the world.

In fact, product-pricing lies at the very heart of the marketing process itself. Its impact is felt in sales volume, in the product's contribution to overall profits and, above all, in the strategic position the product occupies in the marketplace. For a higher price will often raise a product's profile and a high product profile commands a higher price. Product profile is basically the difference between a Rolex and a Timex, a bottle of Chanel No.5 and a bottle of Boots No.7. So, of course, is price.

But it isn't as simple as that. Economic, as well as market forces are at work. If they were not, we might expect international competition to equalise prices everywhere, but in spite of all the talk of a single market, a borderless Europe and a common currency, prices remain alarmingly elastic. And what goes for a song in one country can cost a bomb in another.

For one thing, most commodities, particularly agricultural products, &re usually heavily subsidized. So, in the absence of free trade, food will tend to be cheap in the USA, cheaper still in Central and South America, expensive in Europe and outrageously so in Japan. Trade barriers compound the problem. For sadly, those who took part in the last round of GATT could barely reach general agreement on where to have lunch.

So how do you put a price on things? An everyday supermarket item in one country might be a luxury item in another and cost considerably more. Scotch, for instance, is a mass market product in Aberdeen but understandably a niche market product in Abu Dhabi. No prizes for guessing where it's cheaper.

Then, of course, there are taxes. By imposing wildly different rates of tax on otherwise homogeneous commodities like petrol, governments distort prices even further. If you're driving through Europe, you'd certainly do better to fill up in Luxembourg than in Italy. Tax is also the reason why a Jaguar car costs less in Brussels than in Britain, where it was built.

So buy your car in Belgium, your fridge and other 'white goods' in the UK; stock up on medicines in France and on CDs in Germany. That way you'll be sure to get the best deal. For where you spend your money is almost as important as what you spend it on, but neither is as important as the fact that you're prepared to spend it. In the words of film actor Cary Grant, "Money talks, they say. All it ever said to me was *Goodbye."*

*Exercise 4* Without referring back to the article, how much can you remember about:

|  |  |
| --- | --- |
| computers  Coca-Cola  Marlboro cigarettes  Rolex and Chanel  food | GATT  Scotch whisky  Jaguar cars  fridges  CDs |

*Exercise 5* Find the expressions in the article which mean:

1. to be absolutely accurate (paragraph 2)

2. pay more for something than it's worth (paragraph 2)

3. money will get you anything (paragraph 9)

Read the text again. Find:

4. three words you want to use more often.

5. three word partnerships you need, with their equivalents in your own language.

6. three longer expressions, with their equivalents in your own language.

*Exercise 6* The following business words appeared in the article. Find their word partners.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Business word | Word partner | Business word | Word partner | Business word | Word partner |
| tradeable  profit  product  sales  overall | …..  …..  …..  …..  ….. | strategic  product  market  borderless  common | ….  ….  ….  ….  …. | free  trade  luxury  mass  niche | ….  ….  ….  ….  …. |

*Exercise 7* Decide whether the following expressions mean ***cheap*** *or* ***expensive.***

1. It cost the earth.
2. It cost a bomb.
3. It was going for a song.
4. It cost peanuts.
5. It cost a fortune.
6. They were practically giving it away.
7. It cost an arm and a leg.
8. It was a real bargain.
9. It cost a packet.

*Exercise 8* In each example, use the word in CAPITALS to make another form of the word, which will fit in the sentence.

TRADE

……goods are exported all over the world.

* 1. TRADE

China is rapidly becoming one of the world’s main ……….. nations.

* 1. PROFIT

Unfortunately, the product didn’t turn out to be ……….. profitable.

* 1. PROFIT

The ratio of net profit to sales will give us an idea of the company’s overall……. .

* 1. PROFIT

I think we have all …….. from a sharp increase in demand.

* 1. COMPETE

We’ve lost market share because our products no longer ………… .

7. COMPETE

In the oil industry our main ….. are obviously the Arabs and the Americans.

1. COMPETE

With so many similar products available already the …… is very stiff.

1. PRICE

It’s high time we had a thorough review of our …. policy before we …. Ourselves out of the market.

1. PRICE

Some of their products are a bit …. . We can get the same thing cheaper elsewhere.

*Exercise 9* All the words below form strong partnerships with the words***prices*** and***price****,* but the vowels are missing from each word. How many can you work out?

|  |  |  |
| --- | --- | --- |
| **VERB +** *price(s)* | **ADJECTIVE +** *price(s)* | *price* **+ NOUN** |
| * 1. c \_ t   2. f\_x   3. s1 \_s h   4. r \_ d \_ c \_   5. r \_ \_ s \_   6. q \_ \_t\_   7. f r \_ \_z\_   8. \_q \_ \_l\_z\_ | * 1. f \_ x \_ d   2. c \_ mp\_ t \_ t \_ v\_   3. r \_ \_ s \_ n \_ bl \_   4. \_ ttr \_ ct \_ v **\_**   5. \_ 1 \_ st \_ c   6. \_ nb \_ \_t \_ bl \_ | * 1. c \_ t   2. w \_ r   3. r \_ s \_   4. r\_d\_ct\_ \_ n   5. s\_ns\_t\_v \_ty   6. \_ l\_st\_c\_ty   7. \_ n d \_ x   8. h \_ k \_ |

*Exercise 10* Now complete the following using some of the word partnerships above.

1) If we accept your offer, we will expect you to ...... prices at their present level for the next 12 months.

2) If we all keep reducing our prices, we'll end up with a price ..... on our hands.

3) You can't buy cheaper. Our prices are not just......, they're ........ .

4) We more than cut our prices - we ……. them by 35%!

5) The price of most things is pretty ...... .It depends on where you buy them and what the demand is.

6) Talk about a price ...! They've practically doubled their prices every six weeks!

7) We think the price you've ……. us is very reasonable. You've got yourself a deal.

8) Acute price ………... has prevented us from raising our prices.

INDIVIDUAL LESSON 1

*INNOVATION*

*Exercise 1.* Discuss

* How important is creativity in business? Are creativity and innovation the same thing?

Some suggest that luck plays a major part in any innovative breakthrough. Below is a list of tips on how to maximise your chances of striking it lucky, taken from Tom Peters' bestseller, *Liberation Management.* Which piece of advice strikes you as:

* the most useful?
* the cleverest?
* the silliest?

*Listen to everyone. Ideas come from everywhere.*

*Don’t listen to anyone. Trust your inner ear.*

*Constantly reorganize. Mix, match, try different combinations to shake things up.*

*Read odd stuff. Visit odd places. Make odd friends. Work with odd partners.*

*Disorganise.*

*Get out of your office.*

*Get rid of your office.*

*Nurture intuition.*

*Forget the same tired meetings, talking with the same tired people about the same tired things.*

*Get fired. If you're not pushing hard enough to get fired, you're not pushing hard enough!*

*Exercise 2* Read the article and summarize it.

**BRIGHT IDEAS**

The scene is the boardroom of a multinational cosmetics company at the end of an exhausting all-day meeting. The conference table is littered with screwed up papers and empty Perrier bottles. The financial controller is tearing his hair out and the director of R&D is no longer on speaking terms with the head of marketing. The launch of a new shampoo has backfired badly. All decisions have had to be deferred until the next meeting. Nobody even wants to think about the next meeting.

At this point a young marketing consultant cuts in. "Ladies and gentlemen, I have an idea which is guaranteed to double sales of your new shampoo. Now, believe it or not, my idea can be summed up in just one word and for $30,000 I'll tell you what it is." Naturally, objections are raised, but the chairman finally agrees to the deal. "Here is my idea. You know the instructions you put on the back of the shampoo bottle? I suggest you add one word to the end. And the word is: 'repeat'."

Not all good ideas are this simple, but in business a surprising number of them are. At least, they seem simple after they've been thought of - the secret is to think of them in the first place. As someone once remarked, "If you can't write your idea on the back of your business card, you don't have an idea."

So what are the conditions for creativity in business? And is there a blueprint for having bright ideas? Here's what the psychologists think:

1. Be a risk-taker. Those who are reluctant to take risks don't innovate.

2. Be illogical. An over-reliance on logic kills off ideas before they have a chance to develop.

3. Let yourself be stupid from time to time. Great ideas often start out as stupid ideas.

4. Regularly re-think things. Problem-solving frequently involves breaking up problems into parts and putting them back together again in a different way.

5. Take advantage of lucky breaks. The most creative people never ignore an opportunity.

They say the West creates and the East innovates, and there may be some truth in this. Take British entrepreneur. Sir Clive Sinclair, the great electronics inventor of the 70s, whose C5 electric car flopped when people found it quicker to get out and walk. Then take Akio Morita, the chairman of Sony, who has seen his company claim eighty-five per cent of the world personal stereo market with the much imitated Sony Walkman - a masterly innovation which merely took advantage of existing technology. The comparison speaks for itself.

And maybe one reason high-technology companies seek to merge multinationally is so that they can combine both creative and innovative strength. For anything that won't sell isn't worth inventing and it's an expensive waste of time coming up with ideas you can't exploit. But it's even more expensive if your competitors can exploit them. And there's not much point doing the research if another company is going to end up doing the development, and making the profit.

**Look back at the article *Bright Ideas.*** Find the words and expressions which mean:

1. is frustrated (paragraph I)

2. has gone wrong (paragraph I)

3. a master plan (paragraph 4)

4. unexpected opportunities (paragraph 4)

5. failed badly (paragraph 5)

6. is obvious (paragraph 5)

*Exercise 3*  (3.3) Read and listen to the article

**THE LATERAL THINKER**

In his book on creative problem-solving, *'Breaking Through',* Tom Logsdon tells the story of a bright young executive hired to manage a San Francisco hotel. One of the first problems the young executive has to face is a flood of complaints about the hotel lifts, which are infuriatingly slow. Guests are actually starting to demand rooms on lower floors. But an upgrade of the lift system is ruled out when the lowest estimate for reconstruction comes to $200,000. Clearly something else has to be done, and pretty quickly, before people start checking out.

Finally, a creative solution occurs to the young executive. The key to the problem, he decides, is boredom. With only the lift doors and a blank wall to stare at, guests are understandably getting bored, and when people are bored they tend to complain. So instead of speeding up the lifts, full-length mirrors are installed both inside and directly outside the lifts on each floor - at a cost of just $4,000. Now, with their reflections to look at when they use the lift, people stop complaining, thereby saving the hotel $196,000.

This is what Edward De Bono called lateral thinking, and it's the result of looking at the problem in a different and unusual way. Indeed, reformulating and redefining a problem is just one of the ways in which you can create a climate for creativity in business. And an increasing number of companies now see such creative strategies as vital to their survival.

At 3M, for example, employees spend as much as fifteen per cent of their time on new ideas and twenty-five per cent of every manager's product portfolio consists of products that are less than five years old. At Hewlett-Packard more than half their orders in 1992 are for products introduced in the previous two years. It's a similar story at Glaxo, ICL and SmithKline Beecham. For it's no coincidence that in research-driven industries, like computers and pharmaceuticals, an innovative lead creates the market leaders. Management guru, Tom Peters, talks nowadays of a company's whole culture being creative. But creativity would be useless without innovation, and the two terms should not be confused.

According to the team running creativity courses at the Cranfield School of Management, creativity is essentially about generating, not judging, ideas. Innovation, on the other hand, is the successful implementation of those ideas on a commercial basis. In a brainstorming session, you don't criticise ideas before they're fully formed. That would be counter-productive. Evaluation comes in at the innovation stage, where you're turning good ideas into a commercial proposition. It follows that you cannot be both creative and innovative at the same time.

For making a discovery is one thing; exploiting it quite another, as the Xerox Research Centre found out to its cost when its system for making personal computers easier to use was copied by Apple Macintosh. Apple led the market for almost ten years with the enormously successful desktop system it 'borrowed' from Xerox. But Apple had the foresight to copyright the system. Xerox didn't. Originality, it seems, is the art of concealing your source, and too many companies fail to see an opportunity until it ceases to be one.

**Write down 5 words and 5 expressions you’d like to remember.**

SELF-STUDY ASSIGNMENT 2

*INNOVATION AND INVENTION*

**A *Innovation and invention***

|  |  |  |  |
| --- | --- | --- | --- |
| Verb | Noun: concept (uncountable) | Noun: thing (countable) | Noun: person |
| **design:** to make plans or drawings for how something is to be made | **design** | **a design** | **a designer** |
| **develop:** to make a new idea successful, for example by making or improvinga product | **development** | **a development** | **a developer** |
| **innovate:** to think of new ideas, methods, products, etc. | **innovation** | **an innovation** | **an innovator** |
| **invent:** to design and make something for the first time | **invention** | **an invention** | **an inventor** |
| **–** | **technology:** the  practical or industrial use of scientific discoveries | **a technology** | **a technologist** |

**B *Research and technology***

**Hi,** I'm Ray and I'm head of **product development** at Lightning Technologies. Lightning makes semiconductors, the components at the heart of every computer. I'm in charge of **research and development (R&D)** at our **research centre** just outside Boston. Our **laboratories** are some of the most **innovative** in the computer industry, and we have made many new discoveries and **breakthroughs.**

I love **technology,** using scientific **knowledge** for practical purposes. The **technology** of semiconductors is fascinating. We are at the **cutting edge** or **leading edge** of semiconductor technology: none of our competitors has better products than us. Everything we do is **state-of- the-art,** using the most advanced techniques available.

Of course, the **hi-tech** products of today become the **low-tech** products of tomorrow. Products that are no longer up-to-date because they use old technology are **obsolete.** It's my job to make sure that Lightning's products never get into that situation.

**C *Patents and intellectual property***

Information or knowledge that belongs to an individual or company is **proprietary.** A product developed using such information may be protected in law by **patents** so that others cannot copy its design.

Other companies may pay to use the design **under licence** in their own products. These payments are **royalties.**

In publishing, if a text, picture, etc. is **copyright,** it cannot be used by others without permission. Payments to the author from the publisher are **royalties.**

The area of law relating to patents and copyright is **intellectual property.**

*Exercise 1* Choose the correct forms to complete these sentences containing words from **A** above.

1. White came up with (a design / design) that combined lightness and warmth.
2. There's an exhibition on architecture and (the design / design) at the Museum of Modern Art.
3. McGrew is vice president of (a development / development) and product planning.
4. The FDA has approved (a development / development) for treating tooth disease, a new laser machine.
5. Electric light was (an invention / invention) which enabled people to stay up later.
6. Sometimes (an invention / invention) is so obvious that it is hard to believe nobody thought of it before.
7. Channel Four has always encouraged experimentation and (an innovation / innovation) in its films.
8. He discovered (an innovation / innovation) that has enabled him to build guitars more efficiently.

*Exercise 2* Complete this presentation using words from **B** above. Put the words in brackets into their correct form.

Hi, I'm Raj (1)………….. . I'm head (2)……………..product (3 develop)…….at (4)………….Indian Rice Research Centre. I'm in charge of research (5)…..development (6)………our (7 researching)……....centre in Delhi. Our (8 laboratory)…………are (9)……..…..of the most (10 innovation)………….. (11)…………..agriculture. We have recently (12)…………….some big………….(13 breakthrough)……………..in increasing rice production.

I love (14 technological)………., using scientific knowledge (15)……….improve people's lives. (16)……..…technology (17)…….….. rice development (18)……….a good example (19)…………….this.

We are at the (20)…………….edge of rice-growing techniques. Everything we do (21)…………….state-of-the-art, using the most advanced biological (22 know)………………available.

*Exercise 3* Match the expressions (1-6) from C opposite with their meanings (a-f).

|  |  |
| --- | --- |
| * 1. copyright infringement   2. intellectual property   3. patent application   4. proprietary information   5. royalty payment   6. licensing agreement | * + - 1. a payment to the owner of a design, or to an author       2. an arrangement between the owner of a design and someone else, allowing them to use the design for money       3. when someone uses another's text, pictures, etc. without permission       4. when an inventor asks the authorities to officially recognize an invention as his/her property       5. designs, ideas, etc. that belong to someone       6. the law relating to designs, ideas, etc. that belong to someone |

SELF-STUDY ASSIGNMENT 3

*COUNTERFEITING*

*Exercise 1* Read the text and complete it with the following sentences.

1. However, brand owners often willingly hand over production masters to counterfeiters without realizing it.
2. As long as there is a market for a product the copycats will imitate it.
3. Peter Lowe, head of the CIB, reckons that some $25bn worth of counterfeit goods are traded each year over the internet.
4. In recent years the counterfeiters have gone from strength to strength.
5. Some of these, borrowed from security devices developed for use on dollar bills, are clearly visible and are intended to help consumers distinguish fakes from genuine goods.
6. Procter & Gamble reckons it spends $3m a year fighting the copycats.

**COUNTERFEITING IS ON THE INCREASE. COMPANIES IGNORE IT AT THEIR PERIL**

To most people, counterfeiting means forged currency. But counterfeiters are copying an ever-widening range of products. For some time they have been churning out imitation designer fashion, software and CDs. Now they are copying medicines, mobile phones, food and drink, car parts and even tobacco. 1\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .

2\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ . New technology has broadened the range of goods that are vulnerable to copying. It has dramatically improved their quality, as well as lowering their cost of production. Where once counterfeits were cheap and shoddy imitations of the real thing, today their packaging and contents (especially for digital products such as software, music CDs and DVDs) often mean they are almost indistinguishable from the genuine article.

A counterfeit, by definition, is something that is copied or imitated without the perpetrator having the right to do it and with the purpose of deceiving or defrauding. Such rights are legally covered by patents (for inventions), copyright (for artistic works and software), trademarks (for words, pictures, symbols and industrial designs) and other forms of intellectual-property protection.

Counterfeiting is as diverse as any legal business, ranging from back-street sweatshops to full-scale factories. Counterfeiters often get their goods by bribing employees in a company with a valuable brand to hand over manufacturing moulds or master disks for them to copy. 3 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ . One of the most frustrating problems for brand owners is when their licensed suppliers and manufacturers "over-run" production lines without permission and then sell the extra goods on the side.

Distribution networks can be as simple as a stall in the street, or a shop on the other side of the world. The internet has been a great help to counterfeiters, giving them detailed information about which goods to copy and allowing them to link consumers and suppliers with ease. 4 \_\_\_\_\_\_\_\_\_\_\_\_ .

Counterfeiting is not a victimless crime. For a start, legitimate businesses lose sales because of competition from counterfeiters. If their brand loses value (because it is seen as less exclusive or is confused with shoddy imitations), there is a long-term threat to profitability. In addition, firms have to bear the cost of anti-counterfeiting measures. 5 \_\_\_\_\_\_\_\_\_\_\_\_\_\_ . One strategy that companies increasing­ly use is to load their vulnerable prod­ucts with anti-counterfeiting features. 6 \_\_\_\_\_\_\_\_\_\_\_\_ . Companies also use these features, primarily to help them track their products through the supply chain and to distinguish genuine articles from fakes, especially should they need to take the copycats to court. But no amount of effort will ever completely stop the copy­cats. For as long as there is consumer demand, companies will find that imita­tion is the severest form of flattery.

*Exercise 2* Read the text again and answer the following questions.

1. What role has technology played in the expansion of counterfeiting?
2. How do counterfeiters often obtain their production masters?
3. What are the distribution networks for counterfeit products?
4. What effects does counterfeiting have on legal businesses?

*Exercise 3* Choose the best word to complete each sentence.

* + - * 1. Expensive\_\_\_\_\_\_\_\_fashion items are commonly copied products.

**a** excluded **b** invented **c** designer **d** prototype

* + - * 1. Copies are so well made that they are almost\_\_\_\_\_\_\_from the original.

**a** identical **b** the same **c** incomparable **d** indistinguishable

* + - * 1. Many consumers prefer to pay more for a \_\_\_\_\_\_\_\_\_brand.

**a** genuine **b** right **c** normal **d** reality

4) \_\_\_\_\_\_\_\_ manufacturers receive permission to produce branded goods.

**a** Partner **b** Associatedc Agreed **d** Licensed

1. The overseas printer produced extra books and sold them\_\_\_\_\_\_\_\_\_\_\_ .

**a** on the side **b** besidesc inside **d** over the side

1. The music industry is very concerned about\_\_\_\_\_\_\_\_\_\_\_infringement.

**a** patent **b** copyright **c** trademark **d** intellectual

1. Increased counterfeiting affects the brand owners' future \_\_\_\_\_\_\_\_\_\_\_ .

**a** balancing **b** potentialc profitability **d** finance

1. CDs and Videos are particularly\_\_\_\_\_\_\_\_\_\_to piracy.

**a** easy **b** suspect **c** vulnerable **d** valuable

1. One legal action against counterfeiters is to take them to \_\_\_\_\_\_\_\_\_\_\_ .

**a** justice **b** courtc account **d** copyright

*Exercise 4* Form the opposites of these adjectives and adverbs by adding in-, *un-* or *il-.* Use a dictionary to help you.

1. distinguishable ***– indistinguishable***

2. vulnerable –

3. legitimate –

4. profitable –

5. legally –

6. willingly –

7. visible –

SELF-STUDY ASSIGHNMENT 4

*INTERNATIONAL MARKETING*

*Exercise 1* Think of one brand in each of these categories which is marketed internationally.

Food drink electrical equipment clothing construction

*Exercise 2* Discuss these questions.

1. What are the advantages for a company of expanding beyond its domestic market?
2. What kinds of problems do companies face when they go international?
3. What methods can companies use to enter overseas markets?

*Exercise 3* Complete these statements with suitable expressions from the box.

|  |  |
| --- | --- |
| buying habits | economic situation |
| government bureaucracy | income distribution |
| monetary regulations | political stability |

* 1. Because of tight………………..company profits could not be taken out of the country.
  2. Red tape and other examples of……………hinder a company's entry into a market.
  3. The country is attractive to exporters because it has enjoyed…………..for the last 50 years.
  4. The purchasing behaviour of consumers can be described as their…………… .
  5. The………………….is improving leading to a rise in employment.
  6. …………….. is a term used by economists to describe how wealth is shared in a country.

*Exercise 4* Discuss these questions.

1) What are some of the main benefits of political stability?

2) How would you describe the present economic situation of your country compared to 10 years ago?

3) Is it possible to achieve equal income distribution in a country? Explain why or why not.

*Exercise 5* Look at the words and phrases below. Underline the odd one out.

* + - * 1. **a)** growing market **b)** developing market **c)** expanding market **d)** declining market
        2. **a)** questionnaire **b)** focus group **c)** promotion **d)** survey
        3. **a)** market sector **b)** market research **c)** market segment **d)** market niche
        4. **a)** international market **b)** domestic market **c)** overseas market **d)** worldwide market
        5. **a)** launch a product **b)** withdraw a product **c)** bring out a product **d)** introduce a product
        6. **a)** slogan **b)** free sample **c)** discount **d)** special offer
        7. **a)** retailer **b)** distributor **c)** wholesaler d) manufacturer

*Exercise 6* Complete this exercise and then compare answers with a partner.

1) Give an example of an expanding market in your country.

2) Give some examples of products or services which are targeted at niche markets.

3) Another name for a home market is a………………..market.

4) If a product has a design fault a company may decide to……………..it, correct the fault and relaunch it at a later date.

5) 'Just do it' is an example of a …………………….. .

6) What's the difference between a retailer and a wholesaler?

*Exercise 6* Which of the following verbs can form a word partnership with a) a product, b) a market?

|  |  |  |  |
| --- | --- | --- | --- |
| 1 retreat from | 4 break into | 7 saturate | 10 roll out |
| 2 launch | 5 penetrate | 8 withdraw | 11 get a foothold in |
| 3 pull out of | 6 introduce | 9 license | 12 phase out |

Which of the verbs in Exercise 6 are connected to a) entering a market, b) leaving a market? Use a good dictionary to help you.

*Exercise 7*  (3.4) Listen to the first part of the interview with Paul Smith, a marketing specialist. What questions should you consider before entering an overseas market?

|  |  |
| --- | --- |
|  | http://classroomclipart.com/images/gallery/Music/Clipart/TN_headphones-04.jpg (3.5) Listen to the second part of the interview. What problems or challenges does Paul Smith mention? |

*Exercise 8* A compound noun is two nouns together. Noun compounds are common in business because they are shorter and more convenient than noun phrases. For example: *an export licence* rather than *a licence to export, a consumer protection law* rather than *a law for the protection of consumers*

One word in each group does not make a compound noun with the word in bold. Cross it out.

1 **marketing** campaign / budget / leader / strategy

2 **market** research / survey / check / sector

3 **product** market / range / features / manager

4 **advertising** campaign / exchange / agency / slogan

5 **brand** awareness / loyalty / image / contract

6 **sales** figures / conditions / forecast / targets

7 **price** promotion / rise / product / range

*Exercise 9* The words in each of the noun phrases below are in the wrong order. Write the phrases in their correct form.

* + 1. impressive figures sales really
    2. department new public relations
    3. highly research market ambitious program
    4. overseas expanding operations
    5. rapidly sheet balance improving
    6. extremely rate exchange volatile
    7. highly marketing report confidential

**MODULE IV**

**MANAGEMENT STYLES**

LESSON 1

*CORPORATE ENTERTAINING*

*Exercise 1*  (4.1) Read and listen to the article. Do some tasks after you’ve translated it.

***Looking after the twenty percent***

There's no doubt about it, corporate entertainment is big business. In Japan, for example, where relationship-building is a fundamental part of business life, a staggering £40 billion of marketing expenditure goes on corporate entertainment annually. That's roughly equivalent to Romania's GDP or Venezuela's total foreign debt. The infamous Recruit Group, which has been the subject of repeated scandals in Japan, once paid $15,500 for a single meal for a dozen executives at a favourite restaurant. So it's easy to see how the money the Japanese spend in a year on wining and dining important clients could add up to the cost of 365 brand-new jumbo jets!

To some, corporate entertainment is merely an expensive and perhaps unnecessary luxury. To those who take a dimmer view, it's nothing short of bribery. But the truly corrupt corporate entertainer is relatively rare. Famous fraudsters, the Bank of Credit and Commerce International, did indeed specialise in 'sweetening' their most valued clients – frequently international terrorists, drug barons and Third World dictators – with shopping sprees in London and endless lines of credit at Las Vegas casinos. But this is a million miles away from an everyday business breakfast at the Hilton or a power lunch at the Savoy. For most successful business people would agree that goodwill is a crucial part of clinching lucrative deals and these days goodwill costs more than a smile.

A few years ago, the Ritz Hotel, recognising the major contribution made by executive diners to its restaurant turnover, invented the award of Business Luncher of the Year to honour, in their words, "the executive who does most to help the recovery of the economy by lunching out". Only those who spent in excess of £5,000 a year stood a chance of winning, but there was no shortage of candidates willing to compete.

What the Ritz was acknowledging is that business lunches are an important part of corporate culture, whether to consolidate professional relationships between colleagues and charge it to expenses or to manipulate over-cautious clients into an immediate agreement. After all, it's rather difficult to reject your host's proposal (however unspeakable) when you have just eaten a hundred dollars' worth of their entertainment budget!

How cost-effective it really is for Fiat to own an art gallery so it can take customers on special conducted tours or for the German Neckermann company to have a whole department organising weekends in the Mediterranean for important clients is, of course, open to question. Certainly in Austria, where corporate entertaining is tax-free, offering Mozart festivals to music-lovers and Klosters to corporate skiers seems to promise a good return on an initial investment. But can it legitimately be considered part of a company's overall marketing effort?

It can. What more and more companies are realising is that across-the-board marketing doesn't work. Marketing in the future will have to be more clearly focused. And it may turn out that big above-the-line marketing campaigns prove less effective in moving goods than simpler strategies for getting the client on your side. Of course, in times of recession, corporate hospitality looks extravagant and doesn't make for good public relations. But it still makes sense to target your best clients. For if the so- called Pareto Principle is true and eighty per cent of your business really does come from twenty per cent of your customers, then shouldn't you be looking after the twenty per cent?

**Response**

What things in the article did you personally find most amusing, interesting, surprising, and shocking?

What amused me was ...

What interested me was ...

What surprised me was ...

What shocked me was ...

**Expand**

Without referring back to the text, can you expand on the following facts and figures mentioned in the article?

* + - * 1. $40 billion
        2. Romania and Venezuela
        3. $15,500
        4. 365
        5. BCCI
        6. The Ritz
        7. Fiat and Neckermann
        8. Tax
        9. Above-the-line marketing 10. The Pareto Principle

**Wrongdoing and corruption**

**A *Wrongdoing***

PARADISO FINANCIAL SERVICES

We regulate financial services; our job is to prevent financial **wrongdoing** and punish the **wrongdoers**.

* **Insider dealing** or **insider trading**: someone buys or sells securities using information that is not publicly available. **Chinese walls** are measures that you can take to stop knowledge in one department of your company being illegally used by another department to buy or sell shares for example.
* **Price fixing**: a group of companies in the same market secretly agree to fix prices at a certain level, so they do not have to compete with each other.
* **Market rigging**: a group of investors work together to stop a financial market functioning as it should, to gain an advantage for themselves.

**B** ***Bribery and corruption***

An illegal payment to persuade someone to do something is a **bribe**, or informally a **backhander** (BrE only), **kickback** or **sweetener**. To **bribe** someone is **bribery**. Someone who receives bribes is corrupt and involved in **corruption**. This is informally known as **sleaze**, especially in politics.

**C *Fraud and embezzlement***

'I'm Sam Woo. I've been a **fraud squad** detective for 20 years and I've seen a lot! Once, a gang **counterfeited** millions of banknotes in a garage. We found US$10 million in **counterfeit notes**. They were very good quality. Counterfeiting or forgery of banknotes was a problem, but now all the **forgers** are in jail.

**Faking** luxury goods like Rolex watches was also a problem, but we're working hard to close workshops where **fakes** are made.

There have been bad cases of **fraud** where someone offers to lend money, but demands that the borrower pays a "fee" before they get the loan. People can be stupid.

And there's **embezzlement**, a type of fraud where someone illegally gets money from their employer. One accountant sent false invoices to the company he worked for, and paid money from his company into bank accounts of false companies he had "created". He **embezzled** $2 million - quite a **scam**.

There used to be a lot of **racketeers** demanding "protection money" from businesses. If they didn't pay, their businesses were burnt down.

**Money** **laundering**, hiding the illegal origin of money, is common - gangsters buy property with money from drugs. When they sell the property, the money becomes "legal". But banks now help by telling us when someone makes a large cash deposit.'

*Exercise* 2 Answer the questions using expressions from **A** and **B** above.

* 1. Two ferry companies with ferries on the same route secretly meet in order to decide the prices they will charge next summer. What are they guilty of?
  2. A company that wants to keep its share price high makes secret payments to investors who buy its shares. What are the company and the investors guilty of?
  3. A rich businessman lends $1 million to a politician so that he can buy a house. The politician pays no interest on the loan and does not mention it when asked to give a complete account of his finances. Which word, used especially about politicians, do people use to talk about this?
  4. Specialists in one department of a financial institution are advising Company X on a merger with another company. In another department of the financial institution, traders hear about this and buy large numbers of Company X's shares. What are they guilty of? (2 expressions) What should the financial institution do to prevent this?
  5. A company selling weapons to a foreign government makes secret payments to politicians who make decisions on which companies to buy arms from. What could these payments be called? (4 expressions) What is the company and the government guilty of? (2 expressions)

*Exercise* 3 Complete this table, using information from **C** above. The first row has been done for you. You may wish to refer to a dictionary.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Noun (what) | Noun (who) | Verb (what the criminal does) | Noun (thing made or done in the crime) | Related adjective |
| *counterfeiting* | *counterfeiter* | *counterfeits* | *a counterfeit* | *counterfeit* |
|  | embezzler |  |  |  |
|  | faker | fakes | a |  |
|  |  |  | a forgery |  |
| fraud | fraudster | defrauds | a |  |
|  | money launderer |  | **–** | **–** |
|  |  | racketeers | **–** | **–** |

SELF-ASSIGHNMENT 1

*BUSINESS ACROSS CULTURES*

**A *Cultures and culture***

Alexandra Adler is an expert in doing business across cultures. She is talking to a group of British businesspeople.

**“Culture”** is the “way we do things here”. “Here” may be a country, an area, a social class or an organization such as a company or school. You often talk about:

* **company** or **corporate** **culture**: the way a particular company works, and the things it believes are important.
* **canteen** **culture**: the ways that people in an organization such as the police think and talk, not approved by the leaders of the organization.
* **long**-**hours** **culture**: where people are expected to work for a long time each day.
* **macho culture:** ideas typically associated with men: physical strength, aggressiveness, etc.

But you must be careful of **stereotypes**, fixed ideas that may not be true.'

**B** ***Distance and familiarity***

Distance between managers and the people who work under them varies in different cultures. Look at these two companies.

|  |  |
| --- | --- |
| In Country A, managers are usually easy to talk to – **accessible** and **approachable** – and there **is** a tradition of employees being involved in **decision-making** as part of a **team of equals.**  This company is not very **hierarchical,** with only three **management layers.** | In Country B, managers are usually more **distant** and **remote.** Employees may feel quite distant from their managers and have a lot **of deference** for them: accepting decisions but not participating in them.  Companies in Country B tend to be more **hierarchical** than those in Country A, with more **management layers.** |

Deference and distance may be shown in language. Some languages have many **forms of address** that you use to indicate how **familiar** you are with someone. English only has one form, 'you', but distance may be shown in other ways, for example, in whether first names or surnames are used.

*Exercise 1* Look at **A** above. Which word combination with 'culture' describes each of the following?

1 The men really dominate in this company, they don't make life easy for women at all. All they talk about is football.

* + 1. Among the management here we try to be fair to people from different minorities, but there are still elements of racism among the workforce.
    2. Of course, the quality of the work you do after you've been at it for ten hours is not good.
    3. There was a time when managers could only wear white shirts in this company - things are a bit less formal now.
    4. Here the male managers talk about the market as if it was some kind of battlefield.
    5. They say that if you go home at 5.30, you can't be doing your job properly, but I'm going anyway.

*Exercise 2* Read this information about two very different companies and answer the questions.

The Associated Box Company (ABC) and the Superior Box Corporation (SBC) both make cardboard boxes. At ABC there are three levels of management between the CEO and the people who actually make the boxes. At SBC, there is only one level. Managers at ABC are very distant. They rarely leave their offices, they have their own executive restaurant and the employees hardly ever see them. Employees are never consulted in decision-making.

At SBC, managers share the same canteen with employees. Managers have long meetings with employees before taking important decisions. Managers and the CEO of SBC have an open-door policy where employees can come to see them about any complaint they might have. At ABC, employees must sort out problems with the manager immediately above them.

At ABC, employees call their managers 'sir'. At SBC, everyone uses first names.

Which company is more hierarchical / more informal in the way people talk to each other?

In which company are managers more approachable / more remote?

In which company are employees more deferential / on more equal terms with their bosses?

**C** ***Entertainment and hospitality***

Alexandra Adler continues her seminar on cross-cultural issues. **Entertaining** and **hospitality** vary a lot in different cultures.

* In Alphaland, entertaining is important. There are long **business lunches** in restaurants, where deals are discussed. Professional and private life are separate, and clients are never invited home.
* In Betatania, evenings are spent drinking and singing in bars with colleagues and clients.
* In Gammaria, lunch can be important, but less so than in Alphaland. Important contacts may be invited to dinner at home. **Corporate hospitality** is a big industry, with clients invited to big sports events.
* In Deltatonia, restaurants are rare outside the capital. Some entertainment takes place when important clients are invited to people's houses for dinner, or go sailing or to country houses for the weekend, etc.

**D** ***Time***

Attitudes towards time can vary enormously.

In Busyville, people start work at eight, and officially finish at six, though many managers stay much longer. There is a culture of **presenteeism:** being at work when you don't need to be.

There is a two-hour **lunch break,** and a lot of business is done over restaurant lunches. (Lunch is the main meal. The **working breakfast** is rare.) There are no snacks between meals, just coffee, so eat properly at meal times.

As for punctuality, you can arrive up to 15 minutes 'late' for meetings. If invited to someone's house (unusual in business), arrive 15-30 minutes after the time given.

Don't phone people at home about work, and don't phone them at all after 9 pm.

There are a lot of **public holidays** (about 15) during the year. Busyville is empty in August, as many companies close completely for four weeks. Employees have five weeks' **holiday** a year and they usually take four of them in August.

**E** ***Cross-cultural communication***

Here are some other areas of potential cultural misunderstanding:

**distance when talking to people:** what is comfortable?

**eye contact:** how much of the time do people look directly at each other?

**gesture:** do people make lots of facial gestures? How much do they move their arms and hands?

**greetings/goodbyes:** do people shake hands every time? Are there fixed phrases to say?

**humour:** is this a good way of relaxing people? Or is it out of place in some contexts?

**physical contact:** how much do people touch each other?

**presents:** when should you give them? When should you open them? What should you say when you receive one?

**rules of conversation and the role of silence:** how long can people be silent before they feel uncomfortable? Is it acceptable to interrupt when others are speaking?

*Exercise* 3 In which country from **C** above might you hear these things?

1. How about a trip out tomorrow afternoon? We could see some horse racing and have a glass of champagne.

2. Do come out with us this evening! I know some great bars. How's your singing?

3. What are you doing this weekend? You could come to our summer cottage. You'll meet my family and we can take the boat out.

4. Let's get out of the office to discuss the deal. I know a nice restaurant near here, with some very good local dishes.

*Exercise* 4 Look at **D** above. Tick (**˅**) the things this visitor to Busyville does right, and put a cross (**x**) by her mistakes.

I phoned my contact in her office at 7.30 pm. (1...) I suggested a working breakfast the next morning. (2...) She wasn't keen, so I suggested lunch. (3...) We arranged to meet at her office at 12.30.1 arrived at 12.45 (4...) and we went to a restaurant, where we had a very good discussion. That evening I wanted to check something, so I found her name in the phone book and phoned her at home. (5...) She was less friendly than at lunchtime. I said I would be back in Busyville in mid- August (6...). Not a good time, she said, so I suggested September. (7...)

*Exercise 5* Which points in **D** above are referred to in this story?

Sally, a student, is working for a company abroad for work experience. The company has employees from all over the world. The head of the company, Henrik, invites Sally to a barbecue for his employees at his home, at 3 pm on Saturday.

She is the first to arrive, at exactly 3 o'clock. When the others arrive, some shake hands with each other. Some kiss on one cheek, others on both cheeks. Others arrive and say hello without kissing or shaking hands. (1...) Some bring wine or flowers, which the host does not open and puts to one side. Others bring nothing. (2...)

In conversations, some people move their arms around a lot and seem to make signs with their hands, others keep their hands by their sides. (3...) Some people do not let others finish what they are saying, and others say almost nothing; the people with them seem upset and move away when they can. (4...) Some people look directly at the person they are talking to. Others look away more. (5...) Some touch the arm of the other person whenever they are speaking to them. (6...) She notices that some people seem to be slowly moving backwards across the garden as the conversation goes on, while the person with them is moving forward. (7...)

Later, somebody makes a joke but nobody laughs. Everyone goes quiet. (8...) People start saying goodbye and leaving.

INDIVIDUAL LESSON 1

*PUBLIC RELATIONS*

*"Love them or hate them, the media are now an indispensable part of modern business. No major corporate action is complete without a press release and a series of interviews. Some executives seem to spend more time with profile writers than in their offices. They know that reputations are what history remembers of us."*

Stuart Crainer, business journalist

*Exercise 1*  **(**4.2**)** Read and listen to the article. Do some tasks after you’ve translated the text

**TRUE LIES**

**Networking**

She seldom eats lunch and when she does, you pay. She knows your boss's name, his golf handicap and his favourite scotch. She knows your wife's name, your kids' names, your dog's name. She knows the names of virtually everyone she has ever met - their life stories carefully keyed into her PalmPilot. She knows pretty much everything about you. You, on the other hand, know almost nothing about her. Who is she? Your public relations consultant.

**The Age of PR**

There was a time when PR was just about a couple of well-timed press releases, a sponsored event and the occasional television interview. Not anymore. In the media age, the new generation of PR professionals can often make or break a company's reputation. Faced with a corporate crisis, it's the PR team that the CEO will increasingly call in first. In the words of business journalist Stuart Crainer, "They are on their mobile in the boardroom while you are crying in the corridor."

**Global Communications**

These days, thanks to electronic communications, a minor problem at a plant on the other side of the world can rapidly escalate into a major scandal. A back-page story in a local newspaper suddenly hits the front pages of the international press and then gets posted on the Internet, where it spirals out of control.

**Knowledge Management**

A partial solution is knowledge management. Edelman, one of the world's largest PR firms, not only has its own 24-hour newsroom, it also offers clients something it calls i-Wire - a monitoring service that allows you to trace, download, and evaluate anything written about your company on the Internet by anyone, anywhere, anytime.

**Web Talk**

But for a company in real trouble there's now nowhere to hide. For all the official statements made at the Department of Justice trial about Microsoft's anti­competitive activities, it was the leaked e-mails and sustained personal attacks on Bill Gates on the Net that did the company most damage. Facts were less important than 'cyberbuzz' – the continuous 'chat' among Internet users in newsgroups and online forums. For in cyberspace your customers are talking about you all the time. It's not word of mouth but 'word of web'. And it can be devastating.

**A Wave of Bad Publicity**

Sports clothing manufacturer, Nike, realized just how devastating when human rights campaigners picked up on the huge discrepancy between the $20 million Michael Jordan got to endorse Nike trainers and the twenty cents an hour workers in the Far East got to actually make those shoes. Within weeks, pressure groups were demonstrating against the company in US cities and unsold inventory was piling up in the warehouses.

**Responding to Adverse Publicity**

To protect its corporate image, Nike responded with a well-publicised 'greening' of the company. Its mission statement, "To experience the emotion of competition, winning and crushing competitors" was replaced by the more caring, if less inspiring, "Nike will share responsibility with our manufacturing partners to continually improve the workplace for every worker manufacturing Nike products." Nike now apparently champions better working conditions in the Developing World, but is this a genuine turnaround or a triumph of PR?

**Being On Message'**

Perhaps it's all a question, as PR people put it, of being "on message", identifying and communicating your company's unique value, raising industry awareness, educating the customer, building brand image and differentiating yourself from your competitors. For the fact is, in sophisticated high-tech cultures, mass marketing doesn't work. We simply know too much. What works isn't global advertising but tightly focused public relations.

**An Invisible Force**

Unlike advertising, PR is an invisible force subtly persuading us that Microsoft plays fair, that Nike really cares - so subtly that sometimes it's hard to tell reality from public relations. May the force be with you.

**Crosschecking** Which of the following viewpoints support the opinions expressed in the article?

1) "Good *PR is invisible."*

Peter Bradshaw, business journalist

* + - * 1. *"Perception is reality."*

Donald Trump, property tycoon

* + - * 1. *"Price is crucial. Image isn'tYou can't sell a new logo."*

Gerald Ratner, whose career was ruined by bad publicity

* + - * 1. *"Bad publicity is good publicity."*

Malcolm McLaren, rock impresario

1. *"There is only one thing in the world worse than being talked about, and that is not being talked about."*

Oscar Wilde, writer and wit, destroyed by being talked about

**Recall** Without looking back at the article, how much can you remember about the following?

* 1. i-Wire
  2. Cyberbuzz
  3. Nike's mission statement
  4. High-tech cultures

**Find the Expressions** Look back at the subheadings in the article. Find the expressions which mean:

* + 1. making business contacts through social activities.
    2. identifying and manipulating external sources of information about a company and expertise within it.
    3. a series of negative stories about a company in the media.
    4. successfully presenting to the public the image of your company that you would like them to have.

*Exercise 2* Certain key words are always popular with the PR teams who write mission statements. Work as a group to complete the key words bellow.

|  |  |  |
| --- | --- | --- |
| adjectives | nouns | verbs |
| * + 1. s\_cc\_ssf\_l     2. r\_sp\_ct\_d     3. s\_p\_r\_ \_r     4. \_nn\_v\_t\_v\_     5. gr\_w\_ng     6. pr\_m\_ \_ r     7. \_tst\_nd\_ng     8. \_n\_qu\_ | * + 1. \_xc\_ll\_nc\_     2. t\_ \_mw\_rk     3. qu\_l\_ty     4. r\_sp\_ns\_b\_l\_ty     5. pr\_f\_t\_b\_1\_ty     6. g\_ \_l     7. v\_l\_ \_     8. v\_s\_ \_n | 1. s\_t\_sfy 2. s\_st\_ \_n 3. \_mpr\_v\_ 4. s\_rv\_ 5. \_nsp\_r\_ 6. b\_n\_f\_t 7. \_cc\_mpl\_sh 8. \_ch\_ \_v\_ |

*Exercise 3* All the verbs below can be used with the word *'image'.* Put them into pairs with similar meaning. The first pair has been done for you as an example. ***create* change preserve project *develop* harm maintain present strengthen damage reinforce update**

*Exercise 4* Now complete the following using the correct tense of some of the verbs above.

* + - * 1. The recent wave of bad publicity has seriously ……... our image.
        2. I just don't think we're …….. the right image. Customers don't know what we stand for.
        3. We're starting to look very old-fashioned. It's time to ……….. our image.
        4. We already have a strong corporate image, but we should be ………... it through advertising.
        5. The image we're trying to ………..... for this new product is one of energy and excitement.
        6. We must ………. our image at all costs – our reputation is our most valuable asset.

*Exercise 5* In each example, use another form of the word in capitals to complete the sentence. You may want to use a good English-English dictionary.

COMMUNICATE

Thanks to modern global ………………….. , nothing stays secret for long.

COMMUNICATE

The PR officer wasn't very ……………... at the press conference.

PUBLIC

Their record on human rights violations received a lot of adverse ………...... .

PUBLIC

Bill Gates's charity work has been very well ……………………….……….... .

* 1. PERSUADE

PR is about the truth. Advertising is about ………………………….….... .

* 1. PERSUADE

I'm afraid I found their arguments mostly …………………….……..... .

* 1. REPUTATION

The information came from a fairly ………..…….. source, so it can't be relied on.

* 1. REPUTATION

The CEO is ………………..……... to have taken bribes.

SELF-STUDY ASSIGNMENT 2

*CULTURAL AWARENESS*

*Exercise 1* **(**4.3**)** Read and listen to the article. Do some tasks after you’ve translated the text

**BOARDROOM CULTURE CLASH**

**An Unpredictable Affair**

Try to put pressure on a Japanese in a negotiation and you will be met with stony silence. Hold an informal fact-finding meeting with a German and you can expect a battery of searching questions. Disagree with the French on even a minor point and they will take great pleasure in engaging in spirited verbal combat. Doing business across culture can be an unpredictable affair.

**Cultural Awareness**

Most of us prefer to do business with people we like. And it should come as no surprise that the people we like tend to be like us. So whilst we may dispute the accuracy of cultural stereotypes, it is generally agreed that good business relationships are built on cultural awareness. Across national frontiers 'nice guys' do more business than nasty ones. But what constitutes nice-guy behaviour in a boardroom in Miami is not necessarily what they expect in Madrid.

**The US Perspective**

For instance, most Americans will insist on the hard sell. It's not enough that you want to buy their products, you must let them sell them to you. They have to report back to superiors who will be as interested in how the deal was struck as the result. Systems and procedures matter to Americans.

**The Spaniards Trust You**

The Spanish, on the other hand, are unimpressed by the most meticulously prepared meeting and pay much more attention to people. In this they are more like the Arabs or the Japanese. In the Middle and Far East, business is built on trust over a long period of time. Spaniards may come to a decision about whether they trust you a little sooner.

**Animated Italians**

Italians, too, tend to feel that the main purpose of meetings is to assess the mood of those present and reinforce team-spirit. There may well be a lot of animated discussion at a meeting in Italy, but the majority of decisions will be made elsewhere and in secret.

**Scandinavians Want Results**

Strangely enough, Scandinavians are rather like Americans. They value efficiency, novelty, systems and technology. They are firmly profit-oriented. They want results yesterday.

**Succeed with the Germans**

Don't be surprised if the Germans start a meeting with all the difficult questions. They want to be convinced you are as efficient and quality-conscious as they are. They will be cautious about giving you too much business until you have proved yourself. They will demand prompt delivery and expect you to keep your competitive edge in the most price- sensitive market in Europe. Succeed and you will enjoy a long-term business relationship.

**Adversarial Meetings**

The French will give you their business much more readily. But they will withdraw it just as fast if you fail to come up with the goods. Meetings in France tend to be adversarial. Heated discussion is all part of the game. Germans will be shocked to hear you question their carefully prepared arguments. The Spanish will offer no opinion unless sure of themselves, for fear of losing face. But French executives prefer to meet disagreement head on, and the British tendency to diffuse tension with humour doesn't go down too well.

**Prisoners of Our Culture**

Ask yourself whether meetings are opportunities to network or get results. Is it more important to stick to the agenda or generate new ideas? Is the main aim of a meeting to transmit or pool information? It all depends on where in the world you hold your meeting and whether you belong to an individualistic business culture like the French, Germans and Americans or to a collective one like the British, Japanese and Greeks. Indeed, who knows to what extent our views are our own and to what extent culturally conditioned? For in business, as in life, "All human beings are captives of their culture."

**Crosschecking** Which of the following points support the opinions expressed in the article?

1. In meetings the French tend to be more aggressive than the Germans.

2. The Arabs have nothing in common with the Japanese.

3. The French generally don't appreciate the British sense of humour.

4. The Spanish are rarely hesitant in cross-cultural meetings.

5. The Americans and Scandinavians value a methodical approach.

6. The Germans want quality at any price.

7. The British tend to be more individualistic in business than the Germans.

8. In business the Italians are more or less like the Spanish.

**Response** Look back at the last three paragraphs in the article. Find the expressions which mean:

be made to believe (paragraph 7)

earned their respect (paragraph 7)

compare favourably with your competitors (paragraph 7)

do as you promised (paragraph 8)

being made to look stupid (paragraph 8)

react strongly to differences of opinion (paragraph 8)

is not popular (paragraph 8)

*Exercise 2* The following business verbs appeared in the article in the order in which they are listed. How many of their word partners can you find in just five minutes?

|  |  |  |
| --- | --- | --- |
| hold  disagree on  build  report back to  strike | 1. come to 2. reinforce 3. withdraw 4. question 5. offer | 1. diffuse 2. get 3. generate 4. transmit 5. pool |

*Exercise 3* Complete the sentences below using words from the following list. Referring back to the article will help you with some of them.

**market price client cost profit quality technology**

* + 1. We're a firmly …….... -oriented company, so the bottom-line for us is not how big our market share is but how much money we're going to make.
    2. Even at low prices, inferior products won't sell in such a ………... -conscious market.
    3. The market's far too …………... -sensitive to stand an increase in service charges.
    4. We're constantly forced to respond both to changing customer needs and to what our main competitors are doing in a ………….... -driven business such as this.
    5. The customer always comes first. We're a very ………... -centred company.
    6. In a …………….-led business, such as ours, it's vital to plough profits back into R&D.
    7. If the price of materials goes up any more, production will no longer be …………... -effective.

*Exercise* 4 According to research, people rank these items as their top fears in life, in this order:

1. speaking in public

2. fear of dying

3. financial ruin

4. spiders

5. snakes

Do you also fear speaking in public? Discuss this with the class.

What are some situations in which people have to speak in public? Are there any in non-business settings? Which are the scariest?

*Exercise* 5 (4.4) Listen to the speaker talking about 'tweens'.

1. What is her definition of a'tween'?

2. Decide if each statement is true or false.

* + - 1. The audience of this presentation is probably business people.
      2. The purpose of the presentation is to sell.
      3. Audience members are encouraged to ask questions during the presentation.
      4. The speaker will use visual aids in the talk.
      5. There are handouts.

*Exercise 6* Look at this sentence from the presentation: "I'm here to talk about the growing 'tweens' market."

It is important to put the right verb + preposition together. Fill in the blanks with the correct verbs from the box.

talk look go (x2) begin finish start

1. I'm unprepared. I don't know what I'm going to ………….. about.

2. Let's ………………... at some examples, shall we?

3. I think it's best not to ……………….... into that matter just yet.

4. Before I begin, I'd like to ……………. over some figures with you.

5. To ………………….... off, let's analyze this chart.

6. I'll …………………….. by examining the market potential, and then talk about specific opportunities.

7. I'll summarize and then ……………. by inviting questions and comments.

SELF-STUDY ASSIGNMENT 3

*GLOBAL ADVERTISING*

*Exercise 1* Before you read the article think of any famous advertising slogans? Which do you like best?

*Exercise* 2 According to the advertising guru David Ogilvy, *"A good advertisement is one which sells the product without drawing attention to itself,"* and *"Bad advertising can unsell a product."*

Have you seen an advertisement recently which you particularly liked or disliked? Did it actually persuade you to buy or put you off buying what it was advertising?

*Exercise 3* Are you familiar with the term 'global advertising'? A global ad needs to appeal to the greatest number of consumers from many different cultural backgrounds. Which of the following must a good global ad be?

|  |  |
| --- | --- |
| * simple * informative * entertaining * amusing * visual | * clever * cool * sexy * timeless * controversial |

*Exercise 4*  (4.5) Now read and listen to the article

***GOING GLOBAL***

Perhaps the biggest challenge now facing the international advertising industry is that of promoting 'world brands', for growing opposition to globalization has not stopped the market getting more global by the day. And whilst there will always be national and niche markets which require specific marketing strategies, global operations call for global campaigns. Professor Theodore Levitt of Harvard Business School first put forward the theory of “the globalization of markets”, but the idea that there are more similarities between cultures than differences goes back to the popular image of the 'global village'.

**The Best in the Business**

It was Marlboro in the 50s who invited us to "come to where the flavor is," Coca-Cola who sang in the 70s "I'd like to buy the world a Coke," and British Airways who announced in the 80s that they were "the world's favourite airline". Their universally recognized TV and cinema advertisements were among the first of a new breed of glamorous global ads, and the agencies who created their award- winning commercials are today widely regarded as the best in the business.

**An Advertising Sensation**

The very first global commercial Saatchi & Saatchi ran for BA featured Manhattan Island being flown across the Atlantic. The ad was ninety seconds long with no voice-over at all for the first forty. As BA's inflight magazine put it, "The effect was breathtaking; words were barely needed; the pictures said it all." When the voice-over finally cut in, the message was devastatingly simple: "Every year, we fly more people across the Atlantic than the entire population of Manhattan." The commercial was screened in twenty-nine countries and caused a sensation in the industry.

**Ads as Art**

Only a handful of worldwide advertising networks have the capacity to take on the world's biggest brands. In fact, this small group of top agencies has been responsible for some of the most successful advertising slogans of the last thirty years - slogans like Coke's “Just for the taste of it” and Nike's “Just do it,” IBM's “Think” and Apple's “Think different”. It was the Canadian communications theorist Marshall McLuhan who claimed that "advertising is the greatest art form of the 20-th century" and in the case of one product, this is almost literally true. Designed by the founder of Pop Art Andy Warhol, the Absolut vodka bottle is as much of a 21-st century icon as the Nike swoosh.

**Minimalist Approach**

So what is it that makes global advertising so compelling and memorable? The answer lies partly in reducing the message to an absolute minimum, in letting pictures, music and a strong, simply-worded concept take the place of product description. Indeed, brand image is often reinforced independently of any real consideration of the product at all. It needs to be. When low-cost no-frills airlines will get you from A to B as quickly as the major carriers, and cheap PC-compatibles offer almost as many features as top-of-the-range IBMs, your image is all you have left to compete on. So Singapore Airlines promises us "a great way to fly" and IBM offers "solutions for a small planet".

**Think Big**

The beauty of a good global advertising campaign is that it can be used to great effect over a period of many years and still seem fresh. Global image-making, however, is a lengthy, costly and, to some extent, risky business. Bringing together the best creative talent in the advertising industry usually ends up costing the earth. These days there is growing opposition to the power of the world's biggest brand names. And industry critics of global ads point out that for the majority of brands, global advertising is not the answer. Though the world is getting smaller by the day, few companies, even multinationals, have true global status and most “mass-marketed” products actually sell to fewer than five per cent of the masses. But those five per cent can be spread right across the planet and to reach them you've sometimes no option but to “think big”.

**Crosschecking** Which of the following viewpoints support the opinions expressed in the article?

1. Global advertising is just a current trend.

2. Global ads are generally believed to be superior to other commercials.

3. If global advertising became more widespread, only the top three or four agencies would be left in business.

4. Showing the same commercial in several countries cuts down production costs and saves time.

5. As companies compete more fiercely on price, branding becomes more important.

6. Good global ads often rely on their non-verbal impact.

7. Global commercials have more mileage.

8. Mass marketing is actually a contradiction in terms.

**Find the Expressions** Look back at the article. Find the expressions which mean:

small, specialised markets (paragraph 1)

a new type (paragraph 2)

considered by many (paragraph 2)

the voice of an unseen speaker in a commercial (paragraph 3)

extremely impressive or beautiful (paragraph 3)

created a lot of interest and excitement (paragraph 3)

a small number (paragraph 4)

a famous symbol (paragraph 4)

extremely interesting (paragraph 5)

basic, offering no extra features (paragraph 5)

with excellent results (paragraph 6)

costing a lot of money (paragraph 6)

INDIVIDUAL LESSON 2

*SHE IS THE BOSS*

 (4.6)

Business has traditionally been and to a certain extent still is “a boy's game”. Less than six per cent of executive management positions in American and European companies are held by women, and of the Fortune 500 only four have a female CEO! Yet in Britain one in three new businesses are started up by women, and according to John Naisbitt and Patricia Auburdene, authors of ‘Megatrends’, since 1980 the number of self-employed women has increased twice as fast as the number of self- employed men.

**The Glass Ceiling Syndrome**

Is it just a case of women whose career progress has been blocked by their male colleagues - the so-called “glass ceiling syndrome” - being forced to set up their own businesses? Or do women share specific management qualities which somehow serve them better in self-employment? As many as forty per cent of start-ups fold within their first two years, but the failure rate of those run by women is substantially lower than that. It's hardly surprising, therefore, that though male bosses tend to be reluctant to promote women, male bank managers seem only too happy to finance their businesses.

**The Roddick Phenomenon**

Anita Roddick, founder of the Body Shop empire, is the perfect example of the female entrepreneur, with her company growing from zero to £470 million in its first fifteen years. Perhaps the secret of her success was caution. Rather than push ahead with the purchasing of new shops, Roddick got herself into franchising - the cheapest way to expand a business whilst keeping overheads down. Caution, forward planning and tight budgeting seem to be more female characteristics than male. They are also the blueprint for success when launching a new company. The recent internet boom allowed women like Martha Lane Fox to set up the massively successful web travel agency lastminute.com. In cyberspace nobody cares what sex you are.

**More Sensitive**

When women join an existing company, it's a different story. Less ruthlessly individualistic in their approach to business, women are more sensitive to the feelings of the group or team in which they work. They are generally more cooperative than competitive, less assertive, less prepared to lead from the front. Though they usually manage their time better than men and may even work harder, they are much less likely than their male counterparts to take risks. And, above all, it is risk-taking that makes corporate high fliers. As one male director put it: "I'm not paid to make the right decisions. I'm just paid to make decisions."

**Better Communicators**

It's an overgeneralisation, of course, but it remains true that men will more readily take the initiative than women. The female style of management leans towards consensus and conciliation. Women seem to be better communicators than men - both more articulate and better listeners. And perhaps it is women's capacity to listen which makes them particularly effective in people-oriented areas of business. In any mixed group of business people the ones doing most of the talking will almost certainly be the men. But perhaps only the women will really be listening.

**The New Achievers**

It was predominantly men who led the hierarchical corporations of the nineties. But it may be women who achieve the most in the more democratic, people-centred years to come.

**Crosschecking** Which of the following points support the opinions expressed in the article?

1. Women are at least as entrepreneurial as men.
2. Most female managers prefer task-based jobs to people-centred ones.
3. Women tend to be more conscientious than men.
4. Women who do succeed in business have to become even more ruthless than men.
5. Men aren't as financially aware as women.
6. Women are more likely to be the managers of the future than men are.

**Find the Expressions** Look back at the article. Find the expressions which mean:

1. the difficulty women face getting promoted to senior positions (paragraph 2)

2. new businesses fail (paragraph 2)

3. a method of selling by which the brand owner permits another to sell their goods exclusively in return for a fee (paragraph 3)

4. make independent decisions (paragraph 5)

5. agreement among all people involved (paragraph 5)

* 1. the process of ending arguments, bringing the two sides together (paragraph 5)

**Response**

Do you think the article is stereotypical in its view of men and women in management?

Are you typical of the male or female management type described in the article?

What do you think could be done to change the extreme gender imbalance in middle and senior management?

*Exercise 1* Match each of the words in the first column with a word from the second column to make nine word partnerships from the article. There are some alternative partnerships, but there's only one way to match all nine.

|  |  |
| --- | --- |
| senior  career  forward  tight  risk-  high  hierarchical  flexible  communication | 1. budgeting 2. structures 3. taking 4. progress 5. organisations 6. positions 7. skills 8. planning 9. fliers |

*Exercise 2* All the words below form strong word partnerships with the word *company.* But the vowels are missing from each word. How many can you work out? Referring back to the article will help you with some of them. Can you add some more words?

R\_n, l \_ \_ nch, s \_ t \_ p, f \_ rm, j \_ \_ n, l\_ \_v\_, s \_ ll \_ff, w \_ nd \_ p, fl\_ \_t, h \_ ld \_ ng, p \_r \_ nt, s\_bs\_d\_ \_ ry.

*Exercise 3* The adjectives listed below describe some of the positive qualities of good managers. Change each adjective into its opposite by adding: un-, in-, im-, ir- or dis-:

|  |  |  |  |
| --- | --- | --- | --- |
| co-operative  sincere  supportive  skilled  creative  committed | practical  assertive  intelligent  reliable  approachable  responsible | patient  articulate  consistent  honest  competitive  sensitive | loyal  communicative  discreet  rational  decisive |

*Exercise* 4 Find at least one adjective from the list above to describe the following managers.

1. She always means what she says. She's totally ...

2. He always voices his opinions and needs. He's very ...

3. She's very good at expressing herself. She's extremely ...

4. You can depend on him. He's very ...

5. Her door is always open if you've got a problem. She's very ...

6. His job comes first. He's totally ...

7. She is quick to help colleagues and subordinates. She's extremely ...

8. He doesn't go around gossiping behind people's backs. He's very ...

9. She doesn't let her emotions interfere with her work. She's very ...

10. He always works to the same high standard. He's extremely ...

*Exercise 5*  (4.6) Complete the following dialogue by adding the missing prepositions. Then listen and check your answers

|  |  |  |  |
| --- | --- | --- | --- |
| between  with  about | over  round  in | out  of  for | from  to  up on |

**John**: David?

**David:** Yeah?

**John**: I wonder if I could have a word (1) ... you (2) ... that job in R&D?

**David**: Er, sure. What's (3) ... your mind?

**John**: Well, you know that Deborah Norman's applied (4) ... it, I suppose?

**David**: Naturally. I interviewed her. In fact, she and Robert Fry both came (5) ... extremely well, I thought. To tell you the truth, we're going to find it pretty difficult to choose (6) ... them.

**John**: That's what I thought. Only I think I should warn you (7) ... Deborah.

**David**: Oh, really?

**John**: Yeah. I mean, I don't want to interfere (8) ... your selection procedure, or anything. It's (9) ... to you to make (10) ... your own mind (11) ... the sort of person you want for the post.

**David**: John, will you just get (12) ... the point? What's Deborah been (13) ... to?

**John**: Oh, it's nothing like that.

**David**: Because I know she's got a reputation (14) ... being a bit over-assertive at times.

**John**: Yeah, but it's not that I object (15) ... so much. I reckon she believes (16) ... what she's doing - even if nobody else does. No, it's just that I know you want to make our internal training more cost-effective and I really don't think you can rely (17) ... someone like Deborah Norman to carry (18)... your programme of economy measures, that's all.

**David**: I see. And what makes you think that, John?

**John**: Well, for one thing, she's always insisting (19)... bringing (20) ... outsiders to run most of the seminars. You know how expensive that can be. And for another, she's all (21) ... setting (22) ... some joint venture with MP Associates - more outsiders! I've been opposed (23) ... this all along, as you know. And so has Robert. He's quite capable (24) ... running things himself.

**David**: Ah hah. That's what this is all (25) ..., is it? You don't like the idea (26) ... Deborah taking control away (27) ... you and Robert. Well, I'm glad we've had this little chat, John. I'll certainly bear it all (28) ... mind when we make our final decision (29) ... who gets the post.

**John**: Thanks, David. I knew you'd come (30) ... to our way of thinking on this. I mean Deborah's very talented. I'd be the first to admit it. And I'd hate to think anything I'd said had spoilt things (31) ... her.

**David**: Oh, don't worry John. It hasn't. You can bet (32) ... that.

SELF-STUDY ASSIGNMENT 4

*THE FUTURE OF BUSINESS*

*Exercise 1*The business world has changed dramatically in recent times. Which of the following do you think could happen in the next 50 years? Explain why.

1. People will have more leisure time.
2. Few people will have full time jobs.
3. There will be cities of 100 million people.
4. There will be a world stock market.
5. Cash won't be used any more.
6. People will live and work in space.
7. Trade unions will disappear.
8. There will be no retirement age.
9. Countries will be run by big businesses rather than governments.
10. Fresh water will be more valuable than oil.

|  |  |
| --- | --- |
| *Exercise 2* http://classroomclipart.com/images/gallery/Music/Clipart/TN_headphones-04.jpg (4.7) Tamar Kasriel, Head of Knowledge Venturing at the Henley Centre, is talking about business opportunities in the future. Listen to the first part of the interview and complete the chart below. |  |

|  |  |
| --- | --- |
| **The future of business** | **New business opportunities** |
| 1. A development in……… and in……… .  2. Targeting a particular ….. of ……, for example, older people who are going to be an important …….. of the market. | * 1. Areas where companies are very …… …………, for example, the growth of………….in Europe and the United States.   2. Companies where they can ……. a ……….and offer something a bit special. |

 (4.8) Listen to the second part of the interview and answer these questions.

* + 1. What is Tamar Kasriel's opinion about technology and efficiency?
    2. How did companies try to become more efficient in the 1980s?
    3. How will they try to be more efficient in the future?

*Exercise* 3 Complete the expressions below with words from the box.

art *date* (2) edge fashioned time forward minute past times

|  |  |
| --- | --- |
| up-to-***date***  a thing of the ……  ahead of its ………  old- ………………  state-of-the- ……… | the way  out of  up to the  at the cutting  behind the |

*Exercise* 4 What do you think will happen in your country during the next five years with regard to the following?

* population
* unemployment
* inflation
* universities

*Exercise 5* Read and translate the article.

**NEW WORKING MODEL**

By Michael Skapinker

As we embark on this new investigation of the future of work, there are several lessons we can draw by looking back. First, time, and our own adaptability, may solve some of our deepest problems. There are still developed countries worried about large-scale unemployment, France and Germany among them. But their problems are now widely seen as the result of excessive labour market regulation. Far from telling employees to enjoy more leisure, French and German companies are trying to find ways to ensure their staff work more hours. And in the UK, employers and policy-makers now worry about a shortage of workers, not of work.

Second, the countries that seem poised to assume world economic leadership - Japan in the past; India and, especially, China now - may face obstacles that are barely visible today. And third, there is nothing new about our sense that we are at a turning point. People have often felt that work was changing in ways they had not seen before. Is it different this time? Is the way we work really changing fundamentally?

In one sense yes, simply because the countries that are playing a fuller part in the world economy, particularly China and India, have such large populations. 'We simply have not comprehended yet the full impact of people coming into the world economy who were not part of it before,' says Kim Clark, dean of Harvard Business School.

The second change is the technology affecting work today. The internet and broadband connections have made it far easier for companies to distribute their work around the world and to remain open 24 hours a day, seven days a week.

The trend towards both outsourcing and offshoring have offered India and China huge opportunities to develop their people's skills. They have also provided companies around the world with enticements that are difficult to resist. Diana Farrell, director of so the McKinsey Global Institute, the consultancy's in-house economic think- tank, says that 70 per cent of the costs of a typical company in the developed world come from labour and 30 per cent from capital. Capital is expensive and labour is cheap in countries such as India and China. Companies that benefit from the cost savings involved in employing Indian or Chinese labour are at a significant advantage.

The problem is, Ms Farrell says, that competitor companies can achieve the same benefits by moving some of their operations to India or China too. Competitive advantage can only be retained if companies understand that there is more to be gained from India or China than cost- cutting. The two countries are potentially huge markets too. Lower vehicle development costs in India, for example, mean cheap cars can be produced for the local market. New niche markets can be found for these products in developed countries too.

Companies can address business problems in India and China that they could not solve in their home markets. For example, Ms Farrell cites an airline that used to find it uneconomic to chase debts of less than $200. By using Indian accountants, they were able to chase debts of $50. This is good for western companies, but what of western workers?

A common question heard in the US and Western Europe today is: 'What are we all going to do?' Prof Clark says: 'First of all we have to recognise something that's lost in a lot of these conversations: most of us don't work in places that are competing with the Chinese.' Or the Indians.

Technology is likely to continue to allow more jobs to be done remotely, but, Prof Clark argues, there will be an opposing trend too: companies offering a more personal service at close quarters. Ms Farrell argues that demographic changes mean there are going to be fewer Americans and western Europeans to do the jobs available anyway.

Japan and Western Europe are ageing societies. Even the US, still a relatively young country by comparison, will have 5 per cent fewer people of working age by 2015 than it does today.

Faced with these projections, western societies can either export the jobs or import the workers. Will China and India become as dominant as Japan once looked like becoming? Prof Clark says the most significant obstacle they face is the quality of the universities. Few of them show signs of becoming the world-class research centers they need to be if China and India are to become world economic leaders.

From the *Financial Times*

*Exercise 5* Read the article and answer these questions.

According to the writer, what are the two greatest changes in the world affecting business?

According to the writer, what lessons can be learned from previous attempts to predict the future of work?

What have been the effects of outsourcing on global business?

What is the point which the writer makes about capital and labour?

What example of problem-solving does the writer give?

What key point(s) does the writer make about the following countries? (Germany, France, the UK, Japan, India, China, the US)

REFERENCES

* + - * 1. Богацкий И. С., Дюканова Н. М. Бизнес-курс английского языка. Словарь-справочник / под общей ред. Богацкого И. С. – 5-е изд., испр. – Киев: Логос. – 2002. – 351 с.
        2. Сайперс Линда. Практика делового общения: Путеводитель по миру делового английского. – М.: Рольф, 2001. – 336 с.
        3. Cotton D., Falvey D., Kent S. Market Leader: Upper-intermediate Business English coursebook. – Pearson Education Limited. – 2006. – 173 p.
        4. Grant D., McLarty R. Business Basics. – New York: Oxford University Press. – 1995. – 120 p.
        5. Holett V.Business Objectives. – New York: Oxford University Press. – 1998. – 192 p.
        6. Mascull B. Business Vocabulary in Use. – Cambridge University Press. – 2002. – 172 p.
        7. Michael Duckworth. Oxford Business English. Grammar and Practice. – Oxford University Press. – 1995. – 206 с.
        8. Powell M. New Business Matters: coursebook (business English with a lexical approach). – United Kingdom. – Thompson Corporation: Heinle. – 2004. – 175 p.
        9. Trappe T., Tullis G. Intelligent Business: coursebook. – Pearson Education Limited. – 2005. – 176 p.
        10. Viney P., Viney K.Handshake. A course in communication: Student’s Book. – New York: Oxford University Press. – 1996. – 176 p.