

STEPS IN MASTERING ECONOMICS

(INTERMEDIATE)



МИНИСТЕРСТВО ОБРАЗОВАНИЯ И НАУКИ РОССИЙСКОЙ ФЕДЕРАЦИИ
САНКТ-ПЕТЕРБУРГСКИЙ НАЦИОНАЛЬНЫЙ ИССЛЕДОВАТЕЛЬСКИЙ
УНИВЕРСИТЕТ ИНФОРМАЦИОННЫХ ТЕХНОЛОГИЙ, МЕХАНИКИ И ОПТИКИ

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Steps in mastering Economics **(intermediate)**

Изучаем экономику шаг за шагом
(продвинутый уровень)

Учебное пособие по английскому языку для студентов
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В данном пособии представлены оригинальные тексты по специальности, знакомящие студентов с основными экономическими законами, правилами международной торговли, квотами, тарифами, субсидиями и т.д.

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Contents

Unit I	4
Unit II	13
Unit III	23
Unit IV	32
Unit V	43
Unit VI	54
Unit VII	64
Unit VIII	74
Unit IX	82
Unit X	94
Unit XI	111
Unit XII	124
Unit XIII	155
Unit XIV	176
Unit XV	193
Unit XVI	209
Unit XVII	227
Unit XVIII	245
APPENDIX I	262
APPENDIX II	268
Literature	272

Unit I

Economics as a Science. History of Economic Thought.

LEAD-IN

Task 1. Discuss the following with your partner.

1. What is the difference between economics and economy?
2. Do you agree that economy may be defined as follows: “the study of how society chooses to allocate its scarce resources to the production of goods and services to satisfy unlimited wants”?
3. Hold a discussion with your partner and comment on the quote by T. Sowell “The first lesson of economics is scarcity: there is never enough of anything to fully satisfy all those who want it. The first lesson of politics is to disregard the first lesson of economics.”

Task 2. Study the following terms and expressions. Match them to correct definitions.

1. budget	a) institution performing the administration of a state
2. business	b) information
3. convenience	c) a company that sells goods or services
4. data	d) easiness
5. demand	e) the amount of money you have for something
6. government	f) the amount of a commodity that consumers are willing to buy
7. inflation	g) the percentage or number of people who involuntarily have no job
8. resources	h) a source of economic wealth, especially of a country (mineral, land, labour, etc.)
9. unemployment	i) rising prices
	j) giving away something in exchange for something

READING I

Summarize your knowledge on economics as a science. Read the text and do the following tasks.

What does economics study?

What do you think of when you hear the word «economics»? Certainly, and perhaps more complicated things like business, inflation and unemployment. The science of economics studies all of these, but many more things as well. Perhaps you think that economics is all about the decisions that governments and business managers take. In fact, economists study the decisions that we all take every day.

Very simply, economics studies the way people deal with a fact of life: resources are limited, but our demand for them certainly is not. Resources may be material things such as food, housing and heating. There are some resources, though, that we cannot touch. Time, space and convenience, for example, are also resources. Think of a day. There are only 24 hours in one. And we have to choose the best way to use them. Our everyday lives are full of decisions like these. Every decision we make is a *trade-off*. If you spend more time working, you make more money. However, you will have less time to relax. Economists study the trade-offs people make. They study the reasons for their decisions. They look at the effects those decisions have on our lives and our society.

What are microeconomics and macroeconomics ?

Economists talk about *microeconomics* and *macroeconomics*. Microeconomics deals with people, like you and me, and private businesses. It looks at the economic decisions people make every day. It examines how families manage their household budgets. Microeconomics also deals with companies - small or large - and how they run their business. Macroeconomics, on the other hand, looks at the economy of a country - and of the whole world. Any economist will tell you, though, that microeconomics and macroeconomics are closely related. All of our daily microeconomic decisions have an effect on the wider world around us.

Another way to look at the science of economics is to ask, ‘what's it good for?’ Economists don't all agree on the answer to this question. Some practise *positive* economics. They study economic data and try to explain the behaviour of the economy. They also try to guess economic changes before they happen. Others practise *normative* economics. They suggest how to improve the economy. Positive economists say, «this is how it is». Normative economists say, «we should ...».

So what do economists do? Mainly, they do three things: collect data, create economic models and formulate theories. Data collection can include facts and figures about almost anything, from birth rates to coffee production. Economic models show relationships between these different data. For example, the relationship between the money people earn and unemployment. From this information, economists try to make theories which explain why the economy

works the way it does.

COMPREHEHENSION CHECK

Task 3. Find suitable heading for each paragraph of the text.

1. How economists work
2. Making deals every day
3. Various ideas about economics
4. Two areas of economics
5. Two types of economist

Task 4. Explain in your own words:

1. What does economics study?
2. What is a trade-off? Illustrate your answer with an example.
3. What is the difference between micro- and macroeconomics?
4. Explain the difference in positive and normative economics practices.

READING II

Read the text and do the following tasks.

History of Economic Thought

Economic thoughts goes thousands of years. The ancient Greek, Xenophon, used the word *oikonomikos* (from “oikos”, meanmg family, household, estate and “nomos” for use and law). *He* was talking about skilful or clever ways to manage land and households. We could call many of Aristotle's political writings economics although he did not *use* the word. The English word economics first appears in the 19th century – two and a half thousand years after Xenophon.

Early economic thought was all about the meaning of wealth or being rich. Early thinkers asked, «what makes a state or economy wealthy?». For nearly 2,000 years, the answer was very simple - gold. A country or nation's wealth depended on its owning precious metals. This simple view of the economy remained until medieval times.

During medieval times - roughly the period between 1100 and 1500 AD, trading between nations grew, and a new social class appeared. These were merchants, people who made their money through the buying and selling of goods, and they began to write their own thoughts on the economy. They saw the economy as a way to make a state strong. For them, a nation's wealth depended on stocks of gold and on the size of the population. More people meant bigger armies and a stronger state.

These were still simple ideas. However, daily experience had also taught people many basic economic concepts. For example, they understood the importance of trade with other states. They realised that scarcity makes things more expensive and abundance makes them cheaper.

Modern economics was really born in the 19th century. At this time, thinkers like Adam Smith wrote down ideas that are still important today. Adam Smith is often called *the Father of Modern Economics*, although the science was called *political economy* then. Smith realised that a nation's wealth depended on its ability to produce goods. The value of these goods depended on the cost of production. The cost of production depended on the cost of workers, raw materials and land. This was really the first example of macroeconomics.

Smith and other classical economists were writing at a time of great change. The industrial revolution had begun. Paper money began to replace precious metals. The middle classes were growing stronger. Economists' theories echoed these changes. They wrote about the division of labour (each worker taking their part in the production process). They discussed the problems of population growth. They influenced thinking about social classes.

For classical economists, the value of goods depends on the cost of production. However, the price of goods is not always the same as their real cost. Later economists developed new theories to explain this *weakness* in classical economies. These are known as the *neoclassical* economists and they were writing at the end of the 19th and early 20th centuries.

In neoclassical economies, supply and demand make the economy work. In other words, the price of goods depends on how much people want them and how easily they can be found. Consumers want satisfaction from their resources (time and money). Firms want profit. In neoclassical economics, this is the basic relationship in the economy. These ideas are still the basis of economic thinking today.

VOCABULARY & COMPREHENSION CHECK

Task 5. Read the following statements. Some of them are incorrect. Correct these.

1. Aristotle did not use the word *economics*, but he did write about economic ideas.
2. Early economists thought that a nation without gold was poor.
3. People in medieval times didn't understand anything about economics.
4. In classical economics, the value of something was measured in gold.
5. Later economists found a problem with the *classical* model.
6. In neoclassical economics, supply and demand control the price of goods.

Task 6. Complete each sentence with a word or phrase from the box.

*Abundance / concept / consumer / firm / Industrial Revolution / population
precious metal / production process / profit / raw materials / satisfaction scarcity*

1. The _____ began in the late 18th century when machines started to replace human workers.
2. Sand and limestone are the _____ needed to make glass.

3. The _____ of making a car involves many people and machines.
4. The extra money a company makes is called _____.
5. People want _____ from the products they buy.
6. _____ is *when* there is a limited amount of something.
7. On the contrary, _____ means plenty of something.
8. Gold and silver are examples of _____.
9. Another word for “idea” is _____.
10. The _____ is the number of people inhabiting a country, city, or other specified place.
11. A business or a company is sometimes called a _____.
12. When you buy things or use services you are a _____.

FLUENCY WORK

Task 7. *In this unit you learnt about Adam Smith, a famous thinker from Scotland. What other influential economists can you name? Discuss it with a partner. Make two top-three lists of the most influential Russian and foreign economists.*

Task 8. *Prepare a report about a famous economic thinker. Use the following guide to organize your speech:*

1. Who is the thinker and what is he best known for?
2. Biographical information, important points of life.
3. What is his or her message? What do the most influential thoughts consist in?
4. Your attitude to this figure.

GRAMMAR CHECK

General Overview of English Grammar Tenses

In English, tenses are formed by conjugating an auxiliary verb plus a standard form of the principal verb (the base form, the present participle form, or the past participle form). It is important to focus on the variations in the auxiliary verb to use English tenses properly.

Time can be split into three periods the Present, the Past and the Future. The tenses we use to show what time we are talking about are split into the Simple, Continuous and Perfect.

Simple Tenses

The simple tenses are used to show permanent characteristics of people and events or what happens regularly, habitually or in a single completed action.

Continuous Tenses

The continuous tenses are used when talking about a particular point in time.

Perfect Tenses

Sometimes you need to give just a little bit more information about an action or state...and that is where the perfect tenses come in.

The perfect tenses are used when an action or situation in the present is linked to a moment in the past. It is often used to show things that have happened up to now but aren't finished yet or to emphasize that something happened but is not true anymore. When they end determines which of them you use.

Perfect tenses are never used when we say when something happened i.e. yesterday, last year etc. but can be used when discussing the duration of something i.e. often, for, always, since etc..

		TIMELINE		
SIMPLE ACTIVE	SIMPLE PASSIVE		CONTINUOUS ACTIVE	CONTINUOUS PASSIVE
She had already eaten when I arrived. <i>Had+V3/Ved</i>	The painting had been sold twice before it was destroyed. <i>Had+been+V3/Ved</i>	↓ PAST PERFECT	I had been waiting for four hours when he finally arrived. <i>Had+been+Ving</i>	Not used
I bought a new car last week. <i>V2/Ved</i>	The book was written in 1876 by Mark Garland. <i>Was/were+V3/Ved</i>	↓ PAST	I was watching TV when she arrived. <i>Was/were+Ving</i>	The problem was being solved when I arrived late for class. <i>Was+being+V3/Ved</i>
She has lived in Somerset for many years. <i>Have/has+V3/Ved</i>	The company has been managed by Neil Haines for the last two years. <i>Have/has+been+V3/Ved</i>	↓ PRESENT PERFECT	She has been working at Countdown for six months. <i>Have/has+been+Ving</i>	Not used
He works five days a week. <i>V/Vs</i>	Those shoes are made in Poland. <i>Am/is/are+V3/Ved</i>	↓ PRESENT	I am working at the moment. <i>Am/is/are+Ving</i>	The work is being done by John. <i>Am/is/are+being+V3/Ved</i>
I will have completed the course by the end of next week. <i>Will+have+V3/Ved</i>	The translation will have been finished by tomorrow afternoon. <i>Will have been+V3/Ved</i>	↓ FUTURE PERFECT	She will have been working here for two years by the end of next month. <i>Will have been+Ving</i>	Not used
The sun will shine tomorrow. <i>Will/shall+V</i>	The food will be brought later. <i>Will be+V3/Ved</i>	↓ FUTURE SIMPLE	He will be teaching tomorrow at six o'clock <i>Will be+Ving</i>	Not used

Active Voice

Task 9. Put the verbs in the appropriate form.

1. You look really great! (you, train) _____ at the fitness center recently?
2. A: What (you, do) _____ when the accident occurred?
3. B: I (try) _____ to change a light bulb that had burnt out.
4. I (have) _____ the same car for more than ten years. I'm thinking about buying a new one.
5. A: What do you call people in charge of or assisting in a library?
6. B: They (call) _____ librarians.
7. I came to England six months ago. I started my economics course three months ago. When I return to Australia, I (study) _____ for nine months and I (be) _____ in England for exactly one year.
8. Sam (arrive) _____ in San Diego a week ago.
9. Samantha (live) _____ in Berlin for more than twenty years. In fact, she (live) _____ there when the Berlin wall came down.
10. The Maya established a very advanced civilization in the jungles of the Yucatan; however, their culture (disappear, virtually) _____ by the time Europeans first (arrive) _____ in the New World.
11. Shhhhh! Be quiet! John (sleep) _____.
12. It (rain) _____ all week. I hope it stops by Saturday.
13. I have not traveled much yet; however, I (visit) _____ the Grand Canyon and San Francisco by the time I leave the United States.
14. I (see) _____ many pictures of the pyramids before I went to Egypt. Pictures of the monuments are very misleading. The pyramids are actually quite small.
15. In the last hundred years, traveling (become) _____ much easier and very comfortable. In the 19th century, it (take) _____ two or three months to cross North America by covered wagon. The trip (be) _____ very rough and often dangerous. Things (change) _____ a great deal in the last hundred and fifty years. Now the flight from New York to Los Angeles is a matter of hours.
16. When I (arrive) _____ home last night, I discovered that Jane (prepare) _____ a beautiful candlelight dinner.

Task 10. Match the phrase with the use of Present Perfect Tense.

- | | |
|---|---|
| 1. But as the crisis has deepened so the risks have expanded. | a) Experience |
| 2. According to the survey, companies' willingness to tolerate risk has been reduced as cash-flows have become more precarious. | b) Change over time |
| 3. You have grown professionally since I saw you last time. | c) An uncompleted action (continuing situation) |
| | d) Past action that has a result in present. |

4. I have been to London once.
5. The government has become more interested in arts education.
6. Chinese has become one of the most popular courses at the university since the Asian studies program was established.
7. I have attended this seminar before.
8. The CEO hasn't finished his report yet.
9. I have worked for the company since June.
10. I have lost my wallet

Passive Voice

Task 11. Use the required tense of the Passive Voice instead of the infinitives in brackets.

1. Each candidate (to question) in turn by two separate interviewers.
2. He insisted on seeing the job advertisement before it (to publish).
3. My question about the balance sheet (not to answer) properly yet.
4. Her brother (to elect) president of the new concern last year.
5. The report (to receive) via e-mail and now (to print).
6. The delivery (to make) only after the advance payment.
7. The letter said that for his thesis in Marketing Andrew (to award) his M.D.

Task 12. Find the Passive Voice constructions and translate the sentences.

1. Fees are charged at an hourly rate.
2. The MBA programmes are intended for those who already have management experience and who are seeking to develop their careers.
3. He said that his laptop had been stolen and added that he would never buy such an expensive one again.
4. The bursaries are financed by donations from staff and students of the University and the campus union.
5. A general graduate seminar in Economics is held regularly on Monday afternoons in the term time.
6. Research was focused on the four major laws of Marketing.

Task 13. Translate the following text into English.

Экономику можно определить как общественную науку, изучающую выбор, который люди совершают, используя ограниченные ресурсы для удовлетворения своих желаний и потребностей.

Как становится ясно из определения, предметом экономической теории является не деньги или богатство, а люди. Еще одна причина, по которой экономику можно считать наукой о людях, состоит в том, что выбор, который она изучает, совершенствуется в социальном контексте. Поэтому

экономика считается общественной наукой.

Одним из основоположников экономической теории был Давид Рикардо, чья книга «Принципы политической экономии и налогообложения» содержит все достижения экономической теории, сложившейся на тот момент, от теории стоимости до теории экономического роста. Рикардо считал, что экономическая движется в сторону «устойчивого состояния». На этом этапе экономический рост должен остановиться, а рост зарплаты понизиться до минимального уровня, достаточного для проживания. Эта мрачная точка зрения дала политической экономии репутацию пессимистической науки. Книга Рикардо оказало огромное влияние на современников. В течение более чем полувека после публикации этой книги большинство экономических трудов в Англии, состояло из объяснений и комментариев к работе Рикардо.

Unit II

Monetarism and Fiscal Policy.

LEAD-IN

Task 1. *Some people argue that too much regulation is bad for business, and the governments interfere with “market forces”.*

Discuss with a partner whether any of the following activities could not be undertaken or regulated by the government, but left to the private sector and the market system of your country.

1. education
2. healthcare
3. defense (army, navy, air force)
4. police, justice system, prisons
5. public transportation
6. working conditions (working hours, child labour, minimum wages)
7. traffic regulations (driving tests, speed limits, alcohol limit, seat belts)
8. sale of alcohol, guns

Now classify the tasks you consider to be governmental responsibilities in order of importance.

Task 2. *For each phrase choose the correct variant a), b) or c).*

1. The _____ department looks after roads, railways and airports.
2. Government hopes its _____ will help reduce unemployment.
3. The parts something is made of are sometimes called _____.
4. _____ employment is when everyone who can work has a job.
5. The money that you have after you have paid taxes is called _____ income.
6. The government plans many new _____ projects such as building new hospitals and schools.
7. An amount or a quantity in excess of what is needed may be called _____.
8. When the economy is working at full _____, it is using all its resources for production.
9. A _____ is a large, fast road that connects cities.
10. A _____ is a plan for achieving something.
11. In a _____ tax system, people who earn more pay more taxes than those who earn less.

- | | | | |
|----|---------------|---------------|-------------|
| 1. | a) transport | b) education | c) defense |
| 2. | a) components | b) allowance | c) policy |
| 3. | a) income | b) components | c) capacity |

- | | | | |
|-----|---------------|----------------|---------------|
| 4. | a) absolute | b) complete | c) full |
| 5. | a) full | b) disposable | c) spending |
| 6. | a) personal | b) public | c) disposable |
| 7. | a) surplus | b) shortage | c) allowance |
| 8. | a) employment | b) income | c) capacity |
| 9. | a) path | b) motorway | c) railway |
| 10. | a) component | b) project | c) scheme |
| 11. | a) surplus | b) progressive | c) public |

READING

The American economist Milton Friedman was well-known for his views on government. Read the extracts from “Free to Choose” by M. Friedman and say what his opinion of the activities of the US government?

Milton Friedman was the twentieth century’s most prominent advocate of free markets. In 1976 he was awarded the Nobel Prize in economics for “his achievements in the field of consumption analysis, monetary history and theory, and for his demonstration of the complexity of stabilization policy.” he argued that state licensing procedures limited entry into the medical profession, thereby allowing doctors to charge higher fees than they would be able to do if competition were more open. Among other things he suggested among other things, a volunteer army, freely floating exchange rates, abolition of licensing of doctors, a negative income tax, and education vouchers.

The Role of Government

Though the United States has not adopted central economic planning, we have gone very far in the past 50 years in expanding the role of government in the economy. That intervention has been costly in economic terms. The limitations imposed on our economic freedom threaten to bring two centuries of economic progress to an end. Intervention has also been costly in political terms. It has greatly limited our human freedom.

An essential part of economic freedom is freedom to choose how to use our income: how much to spend on ourselves and on what items; how much to save and in what form; how much to give away and to whom. Currently, more than 40% of our income is disposed of on our behalf by government at federal, state and local levels combined.

As consumers, we are not even free to choose how to spend that part of our income that is left after taxes. Our physician is not free to prescribe many drugs for us that he may regard as the most effective for our ailments, even though the drugs may be widely available abroad. We are not free to buy an automobile without seat belts.

Another essential part of economic freedom is freedom to use the resources we possess in accordance with our own values — freedom to enter any occupation,

engage in any business enterprise, buy from or sell to anyone else, so long as we do so on a strictly voluntary basis and do not resort to force in order to coerce others.

Today you are not free to offer your services as a lawyer, a physician, a dentist, a plumber, a barber, a mortician, or engage in a host of other occupations, without first getting a permit or licence from a government official. You are not free to work overtime at terms mutually agreeable to you and your employer, unless the terms conform to rules and regulations laid down by a government official.

You are not free to set up a bank, go into the taxicab business, or the business of selling electricity or telephone service, or running a railroad, busline, or airline, without first receiving permission from a government official.

Although these examples only scratch the surface, they illustrate the fundamental proposition that freedom is one whole, that anything that reduces freedom in one part of our lives is likely to affect freedom in the other parts.

Freedom cannot be absolute. We do live in an interdependent society. Some restrictions on our freedom are necessary to avoid other, still worse, restrictions. However, we have gone far beyond that point. The urgent need today is to eliminate restrictions, not add to them.

COMPREHENSION CHECK

Task 3. Answer the following questions according to the text.

1. What does Friedman think are the consequences of increased government intervention in the economy?
2. In which paragraph does he criticize taxation?
3. What does he say about medical and road safety legislation?
4. What is the only restriction he believes to be necessary regarding professional occupations, business and trade?
5. What is his objection to the law regarding labour contracts?

Task 4. Find a word or phrase in the text that has a similar meaning.

1. to be or to create an obstacle;
2. to establish or apply as compulsory;
3. to force to act or think in a certain way by use of pressure, threats, or intimidation;
4. of high price or value;
5. to investigate or treat something superficially;
6. a person who repairs sewage;
7. on the part of

DISCUSSION

Task 5. *Comment on the following questions in pairs or small groups.*

1. How far do you agree with Friedman concerning any of the specific examples given in the text?
2. Which different taxes can you name?
3. Is there a flat rate of income tax (the same for everybody) or is it progressive? Which system do you prefer?
4. Do you prefer direct or indirect taxes?

Task 6. *Read the following statement. Which of them are in favour of taxation and government spending, and which against? Which of them do you find the most convincing and why?*

<p>1. All businesses require public transport to allow staff, supplies and customers to get to them</p>	<p>2. A wealth tax taxes money that has already been taxed before, perhaps many times, and is therefore unethical.</p>	<p>3. As Adam Smith wrote: “The subjects of every state ought to contribute toward the support of the government in proportion to their respective abilities; that is in proportion to the revenue which they respectively enjoy under the protection of the state”.</p>	<p>4. The money people earn is their money, the result of hard work.</p>
<p>5. Society creates the conditions under which financial success is possible, and it therefore has a rightful claim to a share of that success, in the form of taxes.</p>	<p>6. Taxing savings and capital gains encourages consumption and reduces capital accumulation and therefore reduces everyone’s future prosperity.</p>	<p>7. Unequal income distribution and poverty always lead to crime.</p>	<p>8. How would companies get qualified staff without the public education system?</p>

VOCABULARY

Task 7. Match the terms with their definitions

- 1.inflation a) The percentage increase per annum in the

- | | |
|--------------------------|---|
| 2.fiscal policy | average price of goods and services. |
| 3.Gross National Product | b) A sequence of economic activity typically characterized by recession, fiscal recovery, growth, and fiscal decline. |
| 4.equilibrium price | c) Point at which quantity supply and quantity demand are balanced. |
| 5.business cycle | d) Use of government revenue collection and spending to influence the business cycle. |
| 6.tax cut | e) The total market value of all the goods and services produced by a nation during a specified period. |
| | f) Reductions in tax rates; they may be either cuts in direct or indirect taxes. |

Task 8. Which terms are defined below?

1. The tax people pay on their wages and salaries is called
a) capital transfer tax b) income tax c) wealth tax

- 2.A tax on wages and salaries or on company profits is a
a) direct tax b) indirect tax c) value-added tax

3. A tax levied at a higher rate on higher incomes is a called a
a) flat tax b) progressive tax c) regressive tax

- 4.A tax paid on property, sales transactions, imports, and so on is a/an
a) direct tax b) indirect tax c) value-added tax

5. A tax collected at each stage of production, excluding the already-taxed costs from previous stages, is called a/an
a) added-value tax b) sales tax c) value-added tax

6. Profits made by selling assets are generally liable to a
a) capital gains tax b) capital transfer tax c) wealth tax

- 7.Gifts to family members over a certain value are often liable to a/an... .
a) capital gains tax b) inheritance tax c) value-added tax

8. The annual tax imposed on people's fortunes (in some countries) is a ...
a) added-value tax b) capital gains tax c) wealth tax

- 9.Making false declarations to the tax authorities is called ...
a) fiscal policy b) tax avoidance c) tax evasion

- 10.Reducing the amount of tax you pay to a legal minimum is called

- a) creative accounting b) tax avoidance c) tax evasion

11. Countries where taxes are low, where multinational companies often set up their head offices, are known as

- a) money launderers b) tax harbours c) tax havens

12. A small mistake or exception in a tax law, which allows you to avoid paying something, is called

- a) an escape b) an excuse c) a loophole .

Task 9. Use the terms below to complete these sentences.

Aggregate / assets / fluctuations / income / interest / investment / macroeconomics
/ national income / rate / tax revenue

1. When increases, a country is considered to be improving its economic status.
2. The money supply has declined by 18%.
3. The business has totalling £5.1 million.
4. The study of the economy as totals, rather than individual units, is
5. The unemployment is forecast to rise to 6.1% over the next 12 months.
6. The company has increased its in research.
7. I've borrowed the money with a 7% rate.
8. in the demand of goods or services cause prices to change.
9. How much of your do you pay in taxes?
10. If the government spends more than it collects in, it will have a deficit.

GRAMMAR CHECK

Sequence of Tenses

The term "sequence of tenses" refers to the choice of the verb tense in the subordinate clause depending on the tense of the verb in the main clause. In the English language the verb of subordinate clause must correspond with the verb of the main clause if it is in the Past.

If the verb in the principal clause is in the present or the future tense, the verb in subordinate clause may be in any tense, depending upon the sense to be expressed.

He says that he is fine.

He says that he was fine.

When the principal (main) clause is in the past tense, the verb in the subordinate clause also should be in the past tense. Several variants are possible:

• In case when actions in main and subordinate clauses are simultaneous, we should use the Past Simple/Continuous tense in subordinate clause.

*She **said** she **was preparing** for a report.*

• If subordinate clause contains a preceding action, we should use the Past Perfect Simple/Continuous.

*He **realized** that Christine **had already read** the paper.*

• If the action in the subordinate clause refers to the future, we are to use Future in the Past.

• *Mendeleyev **predicted** that the vacant places in his table **would be filled** by yet unknown elements.*

NOTE:

1. Subordinate clauses that express a universal fact do not use this rule.

2. *People of the Middl ages **did not know** that the Earth **is** round.*

3. If the principal clause is in the future tense, we do not use future tense in subordinating clauses beginning with **when, until, before, after** etc.

*I **will call** you when dinner **is** ready.*

Use the same rule for the reported speech. Remember to change pronouns and adverbs of time. Don't forget that questions in reported speech have direct word order.

- *"Why don't you speak English?"*

- *He asked me why I didn't speak English.*

Task 10. Fill the gaps with the correct tenses (active or passive voice).

Hadrian's Wall

1. In the year 122 AD, the Roman Emperor Hadrian _____(visit) his provinces in Britain.

2. On his visit, the Roman soldiers _____ (tell) him that Pictish tribes from Britain's north _____(attack) them.

3. So Hadrian _____(give) the order to build a protective wall across one of the narrowest parts of the country.

4. After 6 years of hard work, the Wall _____(finish) in 128.

5. It _____(be) 117 kilometres long and about 4 metres high.

6. The Wall _____(guard) by 15,000 Roman soldiers.

7. Every 8 kilometres there _____ (be) a large fort in which up to 1,000 soldiers _____(find) shelter.

8. The soldiers _____(watch) over the frontier to the north and _____(check) the people who _____(want) to enter or leave Roman Britain.

9. In order to pass through the Wall, people _____(must go) to one of the small forts that _____ (serve) as gateways.

10. Those forts _____(call) milecastles because the distance from one fort to another _____ (be) one Roman mile (about 1,500 metres).

11. Between the milecastles there _____(be) two turrets from which the

soldiers _____(guard) the Wall.

12.If the Wall (attack) by enemies, the soldiers at the turrets _____(run) to the nearest milecastle for help or _____ (light) a fire that _____(can / see) by the soldiers in the milecastle.

13.In 383 Hadrian's Wall _____(abandon).

14.Today Hadrian's Wall (be)_____ the most popular tourist attraction in northern England.

15.In 1987, it _____ (become) a UNESCO World Heritage Site.

Task 11. Translate the following text into English.

Кейнсианцы в Белом Доме

Отвечая на вопрос репортера о том, почему он отстаивал сокращение налогов, президент Дж. Кеннеди ответил: «Чтобы стимулировать экономику. Разве вы не помните текст на странице 101 учебника по экономике?» Политика Дж. Кеннеди была основана на анализе налогов, который мы изложили в этой главе. Своей задачей он видел увеличение совокупного спроса с целью стимулирования производства и занятости. Дж. Кеннеди полагался на команду экономических советников, в которую входили такие видные ученые, как Джеймс То-бин и Роберт Солоу, впоследствии удостоенные Нобелевской премии за вклад в экономическую науку. Будучи студентами, в 1940-е гг. они изучали «Общую теорию» Дж. Кейнса, которая вышла в свет несколькими годами ранее. Предлагая президенту сократить налоги, экономические советники претворяли в жизнь идеи Дж. Кейнса. Хотя изменения в налогообложении могут оказывать мощное воздействие на совокупный спрос, они сопровождаются побочными эффектами. В частности, изменяя стимулы, налоги влияют на совокупное предложение товаров и услуг. Так, Дж. Кеннеди предлагал ввести инвестиционные налоговые льготы для фирм, осуществляющих новые капиталовложения. Высокий уровень инвестиций не только немедленно стимулировал бы совокупный спрос, но через некоторое время привел бы к увеличению производительности экономики. И действительно, когда предложенное Дж. Кеннеди сокращение налогов приобрело в 1964 г. законную силу, США вступили в период устойчивого экономического роста.

Многие американские государственные деятели время от времени предлагают использовать финансово-бюджетную политику как инструмент управления совокупным спросом. В свое время президент Дж. Буш попытался ускорить выход экономики из спада путем снижения налоговых удержаний. Аналогично одним из первых предложений президента У. Клинтона оказался «стимулирующий пакет» увеличения правительственных расходов, который позволил бы экономике восстановиться после рецессии. Однако его планам не суждено было сбыться, так как многие члены Конгресса (и многие экономисты) полагали, что президент У. Клинтон выступил со своим предложением слишком поздно. Кроме того,

конгрессмены пришли к выводу, что сокращение бюджетного дефицита с целью стимулирования долгосрочного экономического роста задача более важная, нежели краткосрочное увеличение совокупного спроса.

FLUENCY WORK

Task 12. Find out which of the following central banks are independent and which are run by government.

- the Bank of England
- Federal Reserve Board (USA)
- the Bundesbank (Germany)
- the Japanese Central Bank
- the Chinese Central Bank

Do you know whether the central bank of your country is independent?

Task 13. Discussion.

1. Does (or would) the government in your country exploit a “political business cycle by increasing money supply or government spending, or lowering taxes in order to increase economic activity in the months before an election, despite the long-term inflationary consequences?
2. Do you agree that central banks should be controlled by (unelected) bankers rather than by elected governments – which will always do everything possible to get reelected?
3. Do you agree that price stability (i.e. keeping inflation low) is more important than other economic aims, such as attempting to reduce unemployment?

Task 14. Who said this? Decide with a partner who do these quotes belong to? One person may be the author of more than one quote.

1. "In the long run we are all dead."	a) M. Friedman
2. "No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable."	b) D. Ricardo
3. "We want to achieve a new and better order of society: in this new and better society there must be neither rich nor poor; all will have to work. Not a handful of rich people, but all the working people must enjoy the fruits of their common labour."	c) Keynes
4. We have a system that increasingly taxes work and subsidizes nonwork."	d) K. Marx
5. "The produce of the earth - all that is derived from its surface by the united application of labour, machinery, and capital, is divided among three	e) V. Lenin

classes of the community, namely, the proprietor of the land, the owner of the stock or capital necessary for its cultivation, and the labourers by whose industry it is cultivated.”	
6. “Surely, nothing can be more plain or even more trite common sense that the proposition that innovation, as conceived by us, is at the center of practically all the phenomena, difficulties, and problems of economic life in capitalist society.”	f) A. Smith
7. "The proletarians of the world have nothing to lose but their chains. They have a world to win. Workers of all countries: Unite!"	g) J. Shumpeter
8. “Labour was the first price, the original purchase - money that was paid for all things. It was not by gold or by silver, but by labour, that all wealth of the world was originally purchased.”	
9. In bourgeois society capital is independent and has individuality, while the living person is dependent and has no individuality.	

Unit III

Economic Sustainability.

LEAD-IN

Task 1. Discuss the following questions with a partner.

1. Are you concerned with environmental pollution, or in other words, how green are you?
2. Are you prepared to pay higher price for products that are not dangerous for the environment?
3. Do you think the environmental restrictions on industries should be relaxed or abolished in case it leads to the creation of jobs / do these restrictions should be strengthen even if it leads to unemployment?
4. Do you make an effort to use as little water and energy as possible?

Task 2. Match the words with their definitions, then complete the sentences below.

Sustainable Development	Wise use of natural resources and protection of the environment
Environment Sustainability / Preservation	Calls for improving the quality of life for the entire world's people without increasing the use of our natural resources.
Economic Prosperity / Growth	Social progress which meets the needs of everyone
Social Equality / Justice	Having balanced economic growth and employment

1.represents a process in which economics, finance, trade, energy, agriculture, industry, and all other policies are implemented in a way to bring about development that is economically, socially and environmentally sustainable.
2. The integration of social equality, environment sustainability and are essential to achieving sustainable development.
3. The interdependence of the economic, environmental and elements of our world require new ways of thinking action that will truly create a future where human society and nature co-exist with mutual benefits
4.must be each and everyone's concern; otherwise, the way we live today will not be sustained in future.

READING

Task 3. Enhance your reading skills. Scan the text and

- a) define the concepts of economic growth and sustainable development;**
- b) list renewable and non-renewable resources.**

Economic Growth and Sustainable Development

Many millions of people enjoy a quality of life today that previous generations could not have dreamed of. Home ownership, private cars and holidays are now standard for most families in industrialized countries. An economy is growing when the gross national product is increasing year after year. When economists calculate economic growth, though, they must take into account the effects of inflation. Most economists agree that three things are essential for economic growth to occur: capital growth, savings and technological progress.

Capital refers to the factories and machinery that the labour force uses to turn raw materials into products. More workers and more raw materials will only lead to a certain amount of growth. Eventually, the economy needs more capital for the labour to use. Capital growth can also include training and education for the labour force. This makes the workforce more efficient, creative and productive.

Of course, someone has to pay for the new machines and training. In other words, capital growth needs investment. Money for investment needs to be borrowed from banks. Banks can only lend if customers make savings. This is why savings are so important for growth. However, the economy will not grow if everyone is saving and no one is spending. Getting the right balance between consumption and saving is another part of the challenge of economic growth.

But above all, technology is the real miracle worker of economic growth. An advance in technology can increase productivity from the same amount of capital and resources.

The other thing to remember about economic growth is that not all growth is good. Governments want steady, sustainable growth. Sudden, sharp increases in growth - a boom - can cause the economy to overheat and fall into recession. It has been only a few decades when there has been much public recognition of the implications of continued population growth and economic growth on the environment.

Environment needs to be regarded as providing not only our economic base in its natural resources but even our very life support system. Now we talk about the problems of pollution and depletion of non-renewable resources such as oil, coal, natural gas and renewable resources such as rain forests as problems that must be faced, since the human race has expanded to the point where it has very significant environmental impacts at a macro level and not only in some local areas.

Therefore, it should be obvious that eventually recycling materials will necessarily become the rule wherever possible as well as energy conservation. Even though our current world is petroleum driven, the oil age will end which calls for utilization of renewable resources like solar energy, wind energy, biological

energy, geothermal energy and others.

So, economic growth in its current form puts pressure on our planet if the latter is viewed in terms of not just economic system but also socio-ecological system. This pressure is being recognized by current economists through the concept of sustainable development. In its most general form, the concept of sustainable development is about balanced economic growth. Balanced means that economic, social and environmental dimensions of growth should be taken into account simultaneously.

A definition of the term that is commonly accepted and used is as follows: Sustainable development is development that meets the needs of present generation without compromising the ability of future generations to meet their own needs. From this definition we can see that unlike the concept of economic growth discussed earlier, sustainable development has three dimensions – economic, social, environmental.

Economic dimension is associated with economic stability, growth and efficiency. Social dimension includes problems of poverty, education, unemployment, medical care as intra-generational problems or problems that should be taken into account by current and future generations. Finally, environmental dimension is associated with biodiversity, environmental protection and wise management of renewable and non-renewable resources again given in an intra-generational context.

Of course if, for example, population growth exceeds economic growth then such a growth is not sustainable. However, a practice shows that higher educated countries can achieve both, higher growth rates and lower birth rates. Hence it is necessary to help developing countries to achieve higher level of education. Higher level of education leads to a higher technological progress which results in higher productivity. Therefore, the concept of sustainable development justifies financial aid to the developing countries by the World Bank and IMF.

COMPREHENSION CHECK

Task 4. Answer the following questions.

1. What are the three things that stipulate economic growth?
2. Are economic growth and GDP the same thing?
3. According to the text what is the obvious future way of treatment of natural resources?
4. How do you understand the statement that “our world nowadays is petroleum driven”?
5. What are the three dimensions of sustainable development?

Task 5. Find words or expressions in the text that mean the following:

1. opposite to economic growth
2. buying or using products
3. the use or consumption of a resource, especially a natural resource, faster than it

is replenished.

4. happening, existing, or done at the same time.

5. the variability among living organisms on the earth.

Task 6. Group the phrases according to the suggested headings:

balanced social conditions / financial system / trade / democracy / peace
 /poverty reduction / biodiversity / climate change / forest preservation / recycling
 waste / energy preservation / money investment /equity / dignity / true
 governance / gender equality / civil society /human rights / accurate decision-
 making / basic needs

<i>Economic development</i>	<i>Political development</i>	<i>Social development</i>	<i>Ecological development</i>
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VOCABULARY

Task 7. Make suitable collocations with the followings:

ozone / basic / natural / economic / global / decision / poverty / renewable /
 human / environmental / urban / civil / non governmental / gender

- | | |
|----------------------|-----------------------|
| 1. _____ layer | 8. _____ warming |
| 2. _____ energies | 9. _____ organization |
| 3. _____ elimination | 10. _____ society |
| 4. _____ making | 11. _____ needs |
| 5. _____ resources | 12. _____ areas |
| 6. _____ resources | 13. _____ equality |
| 7. _____ growth | 14. _____ rights |

Task 8. Complete the sentences with a collocation in exercise above:

1. Some African countries have planned to achieve _____ and

they are working very hard on it by creating jobs and helping the needy.

2. For a better management of resources, governments should concentrate on

3. Even if our planet has been suffering from _____ for more than ten years now, nothing has been done.

4. Good standards of living necessitate a strong economy which relies on

5. One way to sustain development is to link _____ with rural ones.

6. _____ prevents harmful ultraviolet light from the sun from reaching the Earth.

7. We need to take a lot of factors into account in our _____.

8. Education is one of the basic _____ written into the United Nations Charter.

9. Water, gas and electricity are _____ for humanity.

10. In a speech to captains of industry, she predicted _____ of 3.5% next year.

11. Some _____, such as natural gas and fossil fuel, cannot be replace.

12. _____ is concerned with society's needs and well being in the short, medium and long term.

13. Greenpeace is a _____ which works to promote awareness of the dangers that threaten our planet today.

14. _____ that all males and females are equal regardless of their physical, social or racial condition.

Task 9. Useful vocabulary to discuss environmental policy. Match up the words and expressions with the definitions.

- | | |
|-------------------------------|---|
| 1. albeit | a) although it is |
| 2. at threat | b) the result or an effect of an action or a situation |
| 3. decouple | c) at the same level as something else |
| 4. desertification | d) likely to become endangered in the future |
| 5. hindrance | e) repetitive or recurrent |
| 6. inertia | f) something which makes it more difficult for something to happen |
| 7. iterative | g) strong government intentions |
| 8. on a par with | h) the period during which something is projected to take place |
| 9. political will | i) the physical force that keeps something moving in the same direction |
| 10. reticence | j) the process by which land becomes dry and vegetation is destroyed |
| 11. timeframe | k) to disconnect or separate |
| 12. outcome | l) unwillingness to do something |
| 13. allocation (of resources) | |

m) distribution according to a plan

Task 10. Make your own sentences with words and expressions from the previous task.

Task 11. Insert the necessary preposition. Use on, with, of, for.

1. Future generations depend ____ ecological responsibility of today's generations.
2. People would like to have a structured and consistent program to rely ____.
3. The idea is to replace the present obsolete concept ____ a newly developed one.
4. We strongly insist on the fact that present generation is in need ____ a better policy.
5. The consumers are not capable ____ decreasing their desire to keep buying.
6. This organization has applied ____ the design of a new ecological concept.

GRAMMAR CHECK

Conditional sentences

Conditional Sentences are also known as Conditional Clauses or If Clauses. They are used to express that the action in the main clause (without *if*) can only take place if a certain condition (in the clause with *if*) is fulfilled. There are three types of Conditional Sentences.

*If a certain condition is true, **then** a particular result happens.*

	If clause	Main Clause	Use
Type I (real present)	If + Present form	Future / Imperative, can/must/should + bare inf., Present Simple	Situation likely to happen in present or future
<i>If the weather is good, we can go for a walk.</i> <i>If you have finished, we can go home.</i>			
Type II (unreal present)	If + Past Simple / Past Continuous	Would/could/might + bare infinitive	Situation unlikely to happen in present or future + used to give advice
<i>If I saw a ghost, I would run away.</i> <i>If I were you, I wouldn't pay him.</i>			

Type III unreal past	If + Past Perfect / Past Perfect Continuous	Would/could/might + past participle	Unreal situation in the past + used to give regrets and criticism
If he had behaved well , the teacher wouldn't have punished him.			

Remember:

- When the if-clause is before the main clause, we separate two clauses with a comma.
- We do not normally use “will” in the if-clause.
- After if we can use “were” instead of “was” for all persons.

*If I **were** you, I would definitely accept that.*

- Unless = if not
- As long as, providing, provided that may be used instead of if.

Different types of conditionals can be mixed:

*If he **knew** her (he would have spoken to her. (II type + III type)*

*If he **had found** a job, he **wouldn't be searching** for one now. (III type = II type)*

Task 12. Complete the conditional sentences.

Conditional Sentences Type I

- I _____ (earn) a lot of money if I _____ (get) that job.
- If she _____ (hurry / not), we _____ (miss) the press-conference with the president and chief executive officer of General Electric Appliances & Lighting James Campbell.
- If you _____ (be) a serious businessman, then you _____ (have) experience of being inspected or audited by a business agent.

Conditional Sentences Type II

- If he _____ (try) harder, he _____ (reach) his goals in sales.
- The chief of the department _____ (buy) iPads for employees, if they _____ (ask).
- It _____ (surprise / not) me if our company _____ (be / not) in a better position.

Conditional Sentences Type III

- If we _____ (listen) to his speech, we _____ (hear) the news about the growth of industry.
 - There _____ (be) no time to redesign and relaunch the campaign if the messages _____ (get/not) through to the general public.
- If a bond yield _____ (move) from 5.25% to 5.45%, it _____ (rise) by 20 basis points.

Task 13. Translate Into English.

1. Что бы вы сказали, если бы я предложил вам занять эту должность?
2. Какую программу Вы бы рекомендовали, если бы нас заинтересовал вопрос инвестирования компании?
3. Если бы я умела так хорошо говорить на английском, я бы не воспользовалась услугами переводчика на форуме.
4. Если бы вы регулярно выплачивали налоги, которые обязаны оплатить, вы бы не имели столько серьезных проблем.
5. Если бы наше предприятие начинало работать рано утром, мы бы уже давно были более успешными на рынке продаж.
6. Если бы ты воспользовался услугой American Express –дорожными чеками, в путешествии тебе было бы проще.
7. Если бы счета оплачивались своевременно, вы бы не несли ответственности за долги.
8. Я бы давно это сделала, если бы знала, что это так важно.
9. Если ты последуешь моему совету, у тебя все будет в порядке.
10. На вашем месте я бы не брал у него денег в займы.

Task 14. Complete the conditional sentences.

1. If it were not so difficult
2. If it were the end of the term
3. If you invited him
4. If I were you
5. 5.If you were the Ministry of Economics
6. What would you do if... ?
7. If there were too much unemployment in the country...
8. If you are working in corporate finance...

Task 15. Complete each sentence with either if or unless.

1. _____you don't have persistence, you can't be a good salesman.
2. We don't employ people _____they're flexible and keen to work hard.
3. _____you do business abroad, it's a good idea to learn about the local culture.
4. _____you encounter any problems with your mobile phone, we will provide a complete repair service.
5. _____you call to tell me you're not coming, I'll see you tomorrow afternoon.
6. Don't promise anything _____you're completely sure,
7. Your presentation will be better _____you make good eye contact with the audience.
8. _____you increase sales by over 20%, the company will pay you a performance bonus.

Task 16. *Read the following story and indicate how you would have reacted if you had been in John Dee's or Mrs Han's position.*

John Dee imports microwave ovens from Korea and has been working satisfactorily with the same supplier for five years. Recently he travelled to Korea to meet the supplier and negotiate a reimbursement for a shipment of appliances that John's customers had sent back because of a serious manufacturing defect.

He met the Korean company's representative Mrs Han who insisted she could not compensate John financially but would replace the defective appliances. John refused this offer, saying that this gesture would not in itself be sufficient to restore his reputation with his customers.

John was booked on a plane leaving that afternoon and could see little point in continuing the discussion. He was getting more impatient with the apparent lack of progress and stood up angrily and walked out of the discussion. Mrs Han was embarrassed and did not wish to lose face by asking him to return to the room.

John Dee now buys his microwaves from Taiwan at a higher unit price.

FLUENCY WORK

Task 17. *Prepare a two-minute report on one of the following topics:*

1. Graduate programs in sustainable development in leading European, American and Russian universities. Characterize the range of topics, skills and problems taught, overview courses' structure.
2. The UK Sustainable Development Program (for information visit the internet site defra.gov.uk)
3. Attitude and activities of your country towards the idea of Sustainable Development. Highlight the institutional forms of sustainable development promotion.

Unit IV

M. Keynes and The Business Cycle.

LEAD-IN

Task 1. Discuss the following questions with a partner.

1. How well is the global economy doing now?
2. When was the last significant change to the economy, and what was the most probable cause?
3. When do you expect the economic situation to change, and why?
4. What are the main causes of the alternate periods of growth and contraction of the business cycle?

Task 2. Before reading about the business cycle, match up the words and definitions below.

balance of payments / consumption / demand / downturn / expectations / gross domestic product (GDP) / save, supply / upturn

1. a decline in economic activity
2. an increase in economic activity
3. beliefs about what will happen in the future
4. purchasing and using goods and services
5. the difference between the funds a country receives and those it pays for all international transactions
6. the total market value of all goods and services produced in a country during a given period
7. the willingness and ability of consumers to purchase goods and services
8. the willingness and ability of businesses to offer goods or services for sale
9. to put money aside to spend in the future

READING I

Task 3. Read the following text and fill the gaps with words from the previous exercise.

The business cycle or a trade cycle is a permanent feature of market economies: _____(1) alternately grows and contracts. During an _____(2), parts of the economy expand to the point where they are working at full capacity, so that production, employment, business investments, profits, prices and interest rates all tend to rise. A long period of expansion is called a boom. But at some point there will inevitably be a _____(3). The economy will hit a peak and

start to contract again, the demand for goods and services will decline and the economy will begin to work at below its potential. Investment, output, employment, profits commodity and share prices, and interest rates will generally fall. A downturn that lasts more than six months is called a recession; one that lasts for a year or two is generally called a depression or a slump. Eventually the economy will bottom out, and there will be a recovery or an upturn.

The most probable cause of the business cycle is people's spending or _____(4) decisions, which in turn are based on _____(5). A country's output, investment, unemployment, _____(6), and so on, all depend on millions of decisions by consumers and businesses on whether to spend, borrow or _____(7).

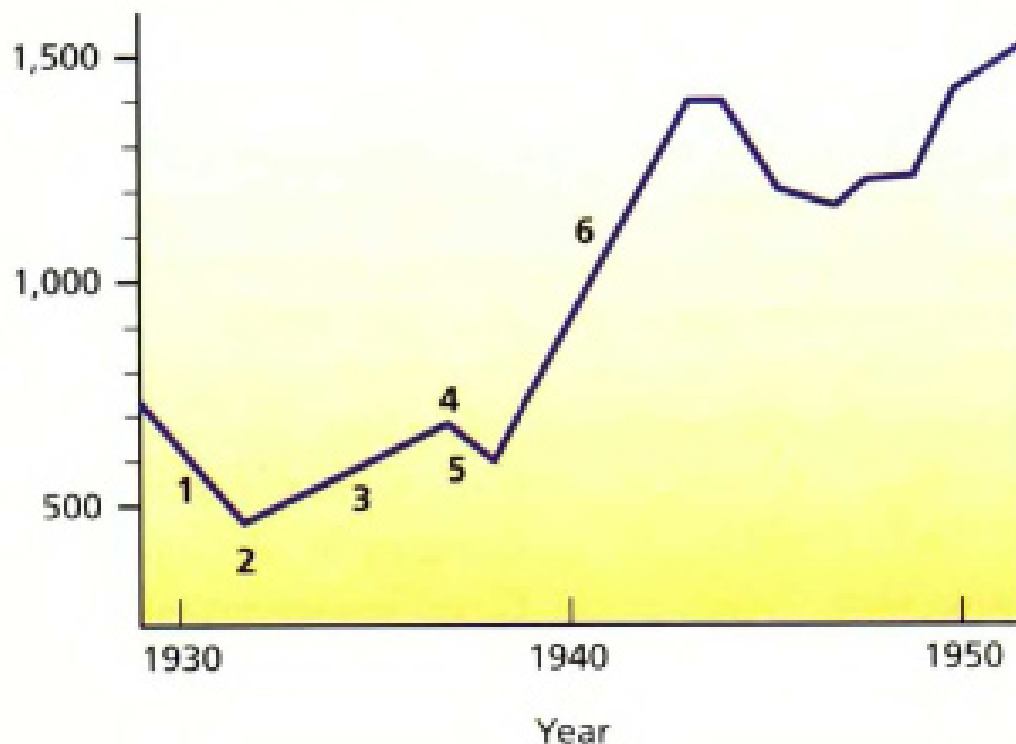
When economic times are good or when people feel confident about the future, they spend, and run up debts. At a certain point, spending has to slow-down and debts have to be paid, if interest rates unexpectedly rise, a lot of people find themselves paying more than they anticipated on their mortgage or rent, and so have to consume less. Similarly, if people are worried about the possibility of losing their jobs in the near future they tend to start saving money and consuming less, which leads to a fall in _____(8), and consequently a fall in production and employment. Investment is closely linked to consumption, and only takes place when demand is growing. As soon as demand stops growing, investments in new factories, machines, etc. falls, which contributes to the downturn. But if _____(9) exceeds demand, prices should fall, and encourage people to start buying again. Eventually the economy will reach a trough or bottom out, and there will be a recovery or an upturn.

This is the internal (or endogenous) theory of the business cycle; there are also external (or exogenous) theories, which look for causes outside economic activity, such as scientific advances, natural disasters, elections or political shocks, demographic changes, and so on. The economist Joseph Schumpeter believed that the business cycle is caused by major technological inventions (e.g. the steam engine, railways, automobiles, electricity, microchips), which lead to periods of “creative destruction” during which radical innovations destroy established companies or industries.

COMPREHENSION CHECK

Task 4. *Match the words from the box with the following numbers on the graph, which shows US real gross national product from 1929 to 1952.*

boom / depression / peak / recession / contraction / downturn / , trough / , upturn /
expansion / recovery



Task 5. Complete the following sentences.

1. A downturn begins when ...
2. People spend and borrow money when ...
3. People tend to spend less when ...
4. When interest rates rise ...
5. Companies only invest while ...
6. Creative destruction means that...

Task 6. Prepare the answers to the following questions. Discuss them with a partner.

1. What examples can you give of “creative destruction” occurring at the moment?
2. During a downturn, to what extent should the government intervene in the economy by creating demand or jobs? How could it do this?
3. What are the economic arguments against such governmental spending?

VOCABULARY

Task 7. Match up the following words and definitions.

- | | |
|--------------------|--|
| 1. equilibrium | a) a sudden increase in amount |
| 2. deficit | b) an amount of money that is smaller than is needed |
| 3. surplus | (e.g. when spending exceeds revenue) |
| 4. fiscal policy | c) an excess; a quantity that is larger than is needed |
| 5. monetary policy | d) a state of balance, for example when supply is the |
| 6. money supply | same as demand |

7. surge
- e) government or central bank actions concerning the rate of growth of the money circulation
 - f) government actions concerning taxation and public expenditure
 - g) the total amount of money available in an economy at particular time

Task 8. Identify the parts of speech of the following words , then match up the words into pairs with similar meanings.

Boost / decrease / depression / excess / expand /, expenditure / grow, / output / production / recovery / reduce / slump / spending / stimulate / surplus / upturn

Task 9. Identify the parts of speech of the following words , then match up the words into pairs with opposite meanings.

Boom / contract / demand, / depression / endogenous / expand / exogenous / peak / save / spend / supply / trough

Task 10. Translate the following sentences into Russian, paying attention to the active vocabulary.

1. Will it be quietly forgotten in the next **boom** period (whenever that might be)?
2. These factors, possibly, result in the oil market amplifying the **business cycle** in the international economy.
3. There were some large groups of Americans who were unable to join the consumer **boom**.
4. German unity also seems to have disrupted the **business cycle**, and may limit the benefits that Europe can expect to get from **recovery** elsewhere.
5. This could explain the surprising (given the stage of the **economic cycle** we are in) recent **surge** in **consumer durables** (including cars).
6. The three big economies are at different stages of the **economic cycle**: while America is struggling with **recession**, Japan and Germany are still fighting **inflation**, giving rise to differences in **interest-rate** policies and attitudes towards the risk of **inflation**.
7. While the **recession** has reduced many families' **incomes**, school fees have continued to rise at about twice the **rate of inflation**.
8. From January through June, the **GNP** grew at an annual rate of only 1.1 percent, far below the 6.8 percent **growth** recorded for the year.
9. But private analysts cautioned that much of the economy's strength was derived from a temporary **surge** in **sales** of new cars as **consumers** responded to attractive financing incentives.
10. When the UK economy began to turn down last summer, the Treasury relied on the technical definition that there was not a **recession** until there had been two successive quarters of **negative growth**.

READING II

Task 11. *Read the following text and decide which paragraphs could be given these headings:*

- a) Countercyclical policies don't work until too late
- b) Keynesianism returns
- c) The Keynesian argument
- d) The lesson of the 1930s
- e) The monetarist argument

Keynesianism and Monetarism

1. The great depression of the 1930s demonstrated that, at least in the short term, the market system does not automatically lead to full employment. John Maynard Keynes argued that market forces could produce a durable equilibrium with high unemployment, fewer goods being produced, fewer people employed, and reduced rates of income and investment. Classical economic theory stated that in the long run, excess savings would cause interest rates to fall and investment to increase again; Keynes famously riposted that “in the long run we are all dead”.

2. He therefore recommended governmental intervention in the economy, to counteract the business cycle. During an inflationary boom, governments could decrease their spending and increase taxation. During a recession, on the contrary, they could increase their expenditure, or decrease taxation, or increase the money supply and reduce interest rates, so as to boost the economy and increase output, investment, consumption and employment.

3. In the 1950s and 1960s monetarist economies, most notably Milton Friedman, began to argue that Keynesian fiscal policy had negative effects in the long term. They insisted that money is neutral, meaning that in the long run, increasing (or inflating) the money supply will only change the price level (lead to inflation) and have no effect on output and employment. They argued that governments should abandon the attempt to manage the level of demand in the economy. On the contrary they should try to make sure that there is constant and non-inflationary growth in the money supply.

4. Monetarists and believers in free markets argue that since governments are not able to foresee a coming recession any more quickly than the companies that make up the economy, their fiscal measure usually only begin to take effect when the economy is already recovering, and simply make the next swing in the business cycle even greater.

5. By the beginning of the 21st century the argument that free market and competition are efficient and should be allowed to operate with a minimum of governmental intervention, seemed to be dominant. But when the subprime crisis occurred in 2008, and financial institutions and large automobile companies began to go bankrupt, Keynesianism suddenly came back into fashion. Governments around the world poured huge amounts of money into the economy. Monetarists

were outnumbered, but continued to argue that it would be inevitably lead to massive inflation in the future.

COMPREHENSION CHECK

Task 12. Match up the following half-sentences.

- | | |
|---|---|
| 1. Keynes argued that left to itself, the free market system | a) cause interest rates to fall and investment to increase again. |
| 2. In classical theory, if consumption and investment fall, excess savings should | b) decrease their spending or increase taxation. |
| 3. Keynesians argue that during an inflationary boom governments should | c) does not guarantee full employment. |
| 4. Keynesians argue that during an economic downturn governments should | d) in 2008, when major financial institutions began to go bankrupt. |
| 5. Monetarists argue that in the long run, | e) increase their spending or the money supply. |
| 6. Monetarists also believe that Keynesian fiscal measures | f) increasing their money supply merely leads to inflation. |
| 7. There was a revival in Keynesian policies and government intervention | g) only begin to take effect too late, when an upturn is already beginning. |

Task 13. *Michael Kitson, an assistant director of the Centre for Business Research is talking about Keynesianism. We have eliminated some words from the speech. Fill the gaps with the words from the box. Note that you will not use all the words from the box.*

recession / manipulate / long-turn / depending / short-term / peak
--

We still have business cycle, we can still have the possible problems of a downturn, which makes the argument for what I think is standard Keynesianism, the way you _____ budget balances or budget deficits _____ on whether the economy's booming or is in the _____. And the government golden rule in the UK is consistent with that, in general. If the economy's turning down it may make sense for governments to have budget deficits, and to keep expenditure in the economy. That's the Keynesian argument about ironing out the business cycle, which I think is important because recessions can have _____ harmful effects.

GRAMMAR CHECK

Conditionals (continuation)

In the previous unit we learnt about various types of conditional sentences. Here we will continue studying this topic.

Mixed conditionals

Not all the sentences containing “if” follow the same pattern as presented in the table. The sequence of tenses depends on the content to be conveyed. Different types of conditionals can be mixed. Study the following examples:

If he knew her (he would have spoken to her. (II type + III type)

If he had found a job, he wouldn't be searching for one now. (III type = II type)

Task 14. Look at the following pairs of sentences and answer the questions about each one.

1. If he hadn't bought a second home in the country, he wouldn't be so short of money now.
2. If he had bought a second home in the country, he would be short of money now.
 - a) Did he buy a second home?
 - b) Is he short of money?
3. If she weren't so busy, she would have given you a hand.
4. If she had been busy, she wouldn't have given you a hand.
 - a) Is she busy?
 - b) Did she help?

Task 15. Rewrite the story making conditional sentences.

One night Paul was bored so he decided to go to the cinema. But the cinema was full because the film was very popular. Paul's friend lives near the cinema so he went to visit him. When he arrived, he heard his friend shouting for help. The door was open so Paul was able to get into the house. His friend had been painting and had fallen from the steps. His leg was broken so he couldn't move. It was lucky that the cinema was full and Paul called round on him.

Equivalents of “if”. Remember that *as long as, providing, provided that* may be used instead of “if”. These expressions mean **but only if** (в том случае, если). Expressions *providing, provided that* have a more formal meaning.
Unless = if not

Task 16. Choose the right word.

1. You can borrow my car (unless/as long as) you promise not to drive too fast.
2. I'm playing tennis tomorrow (unless/providing) it rains.
3. I'm playing tennis tomorrow (unless/providing) it doesn't rain.

4. I don't mind if you come home late (unless/as long as) you come in quietly.
5. I'm going now (unless/provided) you want me to stay.
6. I don't watch TV (unless/as long as) I've got nothing else to do.
7. Children are allowed to use the swimming pool (unless/provided) they are with an adult.
8. (Unless/Provided) they are with an adult, children are not allowed to use the swimming pool.
9. You won't pass the exam (unless - as long as) you try a bit harder

Task 17. Fill the gaps with as long as providing and unless.

1. She's a sweet person _____ that you don't contradict her.
2. You can't borrow my camera _____ you're prepared to buy me a new one if you break it.
3. You can borrow my camera _____ that you buy me a new one if you break it.
4. Camping is fun _____ as you don't forget the torch and the can-opener.
5. Don't use ESL websites _____ they are free.
6. Only use ESL websites _____ as they are free.
7. I refuse to go _____ you come with me.
8. _____ that the weather is good, we'll spend the day in the mountains.
9. I refuse to watch Channel Two, _____ they show less adverts.
10. _____ I can find a cheaper one, I'll have to buy that monitor.
11. _____ as you wear a bullet-proof jacket, being a president is a safe job.
12. _____ you're prepared to work very hard, you'll never be a doctor.

Grammar Inversion. To express the condition we may omit “if” and its equivalents and use grammar inversion instead. Study the examples:

I type. (always with <i>should</i>)	<i>Should you not wish to sign the contract, you must let me know before the end of June.</i>
II type	<i>Were I you, I wouldn't do that.</i>
III type	<i>Had I known the answer, I would have told you.</i>

Task 18. Make sentences with grammar inversion. Use the words given.

1. (the books/be) _____ cheaper, I would have bought them all.
2. (the Prime Minister/fail) _____ to get the necessary support, he would be forced to call a snap election.
3. (the evidence/not be destroyed) _____, the accused would have been found guilty.
4. (you/need) _____ any further assistance, do not hesitate to contact us.

5. (the ship/ not capsize) _____, there would have been more survivors.
6. (I/win) _____ the prize, I wouldn't spend it on things I don't need.
7. (the storm/be) _____ at night, the rescue team wouldn't have found the lost boy scouts.
7. (he/decide) _____ to come, please let me know as soon as possible.
8. (I/ be offered) _____ the job, I would have to think about it.
9. (you/have) _____ any further questions, please ask to see the manager.

FLUENCY WORK

Task 19. *Discuss the following questions in small groups.*

1. Which of the theories of business cycles mentioned in the last text do you find the most convincing and why?
2. What is the current economic situation in your country? Why?
3. Are most of the people you know optimistic or pessimistic about the future? Would you say that they are saving money for bad times ahead, or spending and borrowing without worrying too much about the future? Either way, do you see anything coming that might cause them to change their behavior?

Task 20. *Prepare short reports on the most famous financial crises in world economic history. You may speak of Tulip Mania (The Netherlands, 1637), Wall Street Crash of 1929, Russian Financial Crisis (1998). In your speech cover the history of the event, its reasons, its consequences, its reflection in culture, literature, cinema.*

BUSINESS IDIOMS

Money

Task 21. *Look at the following statements about money. Decide who is speaking: a rich woman, a self-made woman, a bankrupt businessman, an unemployed person. Try to understand the meaning of multi-word verbs in italics from the context.*

1. I come from a very poor background. My parents never had money so we literally lived from hand to mouth. That's probably why I set out to become rich before I was thirty. I found a job in a company, and when I'd saved up enough money I started up my own business. What do I put my success down to? Hard work. You have to work hard for what you want in this life.
2. I'm fortunate because I came into a lot of money when my aunt died and left me everything. I invested this money and now I live off the interest. I suppose I'm

what you would call well-off – but money isn't everything. Sometimes it creates more problems than it solves.

3. At one time I was extremely well-off, but then came the stock market crash and I lost everything. I had no money to pay off my debts and I was declared bankrupt. What did I learn from this experience? Firstly, money doesn't grow on trees, and, secondly, when you lose everything you find out who your real friends are – they are the ones who stay with you when you come down in the world.

4. The last job I had was badly paid that I couldn't make ends meet on my salary, and as a result I was always getting into debt. Everything was becoming more expensive all the time, but my salary stayed the same, so I couldn't keep up with the cost of living. My bank account was in the red and I had no savings to fall back on. And then I lost my job. Now things are really hard and I have to get by on less than 50\$ a week. I know they say money can't buy happiness, but I'd rather be rich and unhappy than poor and unhappy.

Task 22. Match the following multiword verbs about money spending with their definitions. If necessary refer to the statements in the previous exercise.

1. to set out to do something	a) to save something so you can use it later
2. to put something down to something	b) to depend on someone/something as a source of money
3. to come into something	c) to manage to survive (on something) despite difficulties
4. to live off someone/something	d) to inherit something (especially money)
5. to pay something off	e) to consider something to be result of something else
6. to keep up with someone/something	f) to begin with the intention of achieving something
7. to fall back on someone/something	g) to return to someone/something for support, when other things have failed
8. to get by (on something)	h) to progress or rise at the same rate as someone/something else
9. to put something by	i) to repay a debt

Task 23. Rewrite the following sentences using multi-word verbs. Make any necessary changes.

1. Many pensioners have to survive on very little money.
2. He calculated it would take three years to clear all his debts.
3. She accumulated a great deal of money by saving a little every week.
4. His uncle died and left him a fortune. She decided she wanted to start her own business.
5. If I ever get into financial difficulties, I know I can always rely on brother for

help.

6. She supports herself from the money she gets from selling her books.
7. The cost of living goes up all the time, but my salary doesn't.

Unit V

Financial Frauds

LEAD-IN

Task 1. Match the verbs with their definitions.

1.bribe	a) to make an illegal copy of something, especially a document or something in writing or a painting
2.embezzle	b) to get money illegally from a person or an organization by tricking them (more formal)
3.forge	c) to make a nearly exact copy of something valuable, so that people will think they are getting the real thing.
4.defraud	d) to make something false appear to be genuine, or a false situation appear to be real.
5.fake	e) to cheat somebody so as to get money or something valuable from them (more informal)
6.counterfeit	f) to steal money from your employer or money that you are responsible for
7.swindle	g) to give somebody money or something valuable in order to persuade them to help you, especially by doing something dishonest

Task 2. Work with a dictionary. Make words meaning “false” by adding the missing vowels.

(f _ k _)

(b _ g _ s)

(sh _ m)

(ph _ n _)

(sp _ r _ _ _ s)

(ps _ _ d _)

VOCABULARY REFERENCE

Read the explanations of words and expressions, then study the examples in italics.

Bribery and corruption - These two words are often used together - *"Bribery and corruption are rife in this country"*

- corruption - dishonest or illegal behaviour, especially involving people in authority
- bribery - abstract noun for the activity of giving bribes

- bribe (n) - an amount of money or a gift given on a specific occasion to buy favour
- bribe (v) - to give an amount of money or a gift to buy favour

Fake, forgery and counterfeit - These words have very similar meanings

- fake - used to describe something or a situation which is not genuine or real (acts as an adjective, noun or verb)

She was wearing a fake fur coat

He faked his own death

He knew that at £25 it was obviously a fake Rollex

Do you think he's really ill, or just faking

- forge - relates especially to the copying of things which are printed or in writing - documents, passports, signatures etc.
- counterfeit - used especially for money and branded goods

Whistleblower, to blow the whistle

A whistleblower is somebody who tells people in authority or the public that the company or organization they work for is doing something immoral, dishonest or illegal.

While in the past whistleblowers have often been badly treated by their employers, organizations are increasingly seeing their value, and many have set up internal whistle-blowing procedures.

Scam and Fraud

Both words refer to an illegal and dishonest scheme to get money. In general parlance, scam is done against a particular system while fraud is done against an individual.

Task 3. Fill the gaps using the words in the box.

cowboy / cures / dating / donations / draw / pyramid / racket / ripped / , sums / vulnerable

1. A scam or ____ is a plan for fraudulently getting money from people.
2. A ____ outfit is a company that overcharges for work that is not up to normal professional standards, or one that "takes the money and runs".
3. If you get ____ off, you are cheated or made to pay too much for something.
4. In psychic or clairvoyant scams, the victims are often ____ because they have recently lost a loved one.
5. Lottery and prize ____ scams tell you that you have won a prize – but first you must pay an "administration fee".
6. In the so-called Nigerian scam you are often offered huge ____ to help somebody get money out of Africa or set up business in your country.
7. In online ____ scams the person you have struck up a relationship with might

ask you for money to help them come to your country.

8. Health scams include so-called miracle ____ and slimming products.

9. A particularly nasty scam involves asking for ____ to fake disaster relief charities.

10. A ____ scheme is a bit like a chain letter: you send a small amount of money to somebody, and find a number of other people to join who send money to you.

READING

The most famous con men in history

A con* man is a person who intentionally misleads another person, usually for personal financial gain. In recent history there have been a number of con men who have really stood out for either the wealth they amassed, or the ease with which they tricked people. Here you will read about several individuals who brought the act of deceit to art.

Charles Ponzi is such a renowned con man that there's even a deceitful financial scheme named in his honor; the Ponzi scheme. Ponzi or pyramid scheme involves the exchange of money mostly for enrolling other people into the scheme. Such "businesses" seldom involve sales of real products or services to which a monetary value might be easily attached. However, sometimes the "payment" itself may be a non-cash valuable. To enhance credibility, most such scams are well equipped with fake referrals, testimonials, and information. The flaw is that there is no end benefit. The money simply travels up the chain. Only the originator (sometimes called the "pharaoh") and a very few at the top levels of the pyramid make significant amounts of money. The amounts dwindle steeply down the pyramid slopes.

The smartly dressed Italian immigrant's most famous scam is the pyramid investment scheme he started in Boston in the early 1920s. Ponzi enticed investors with promises of massive returns on international reply coupons he had bought cheaply. These coupons could be purchased in one country and then redeemed in another for postage stamps, generating a significant profit on the difference in price between the two countries.

Ponzi quickly became a millionaire, raking in an estimated \$15million in just eight months. His great con grew in size, and he used new investor cash to pay off other previous investors. However, investigators soon became suspicious of this self-made millionaire, and Ponzi eventually surrendered to the authorities – but not before half a dozen banks had crumbled and thousands of investors had lost their money.

In 1925, Ponzi headed for Florida to raise money selling swampland under the name Charpon Land Syndicate. Re-arrested, he posted bail and headed to Tampa before finally being captured in New Orleans. He was released from prison in 1934

and ended up back in Italy. Later, he worked for an Italian airline in Brazil and as a translator.

Victor Lustig was renowned as the *Man who Sold the Eiffel Tower*.

In 1925, as France was recovering from the war, the upkeep of the Eiffel tower was an almost unbearable expense for the city of Paris. When Lustig read about this in a paper, he came up with his most brilliant idea. After forging government credentials, he invited six scrap metal dealers to a secret meeting in a hotel. He explained that the City could not afford to keep the tower and that they had to sell it for scrap. He told them the secrecy of the meeting and all future dealings was due to the fact that the public may become distressed at the idea of the removal of the tower.

While it seems implausible, at the time the tower was built it was meant to be temporary and this happened just 18 years after the original date for removal of the tower. Lustig took the dealers in a limousine to tour the tower. One of the dealers, Andre Poisson was convinced that the tale was legitimate and he handed over the money. When he realised he had been conned, he was too embarrassed to tell the police and Lustig escaped with the money. One month later, he returned to Paris to try the whole scam again. This time it was reported to the police but Lustig managed to escape.

At one point, Lustig convinced Al Capone to invest \$50,000 with him. He stored the money in a vault and returned it two months later, stating that the deal had fallen through. Capone, so impressed by Lustig's honesty gave him \$5,000 for his effort. In 1934, Lustig was found guilty of counterfeiting. He pleaded guilty and was sentenced to 20 years in Alcatraz.

Bernard "Bernie" Madoff is among the most recent in the line of con artists who have pulled off the Ponzi scheme. Madoff managed to steal as much as 65 billion dollars from his investors. He did this through his Wall Street firm, Madoff Investment Securities LLC. He reportedly has close to 9,000 victims, some of whom were rendered poor because of Bernard.

He also conned billionaires and celebrities (such as Zsa Zsa Gabor, Kevin Bacon and Steven Spielberg); individual investors, banks and even charities lost money in the scheme.

One reason that Madoff was so successful was that he was a highly respected, well-established and esteemed financial expert. What's more, at the same time he was running his scheme, he was also running a legitimate business.

In 2009, Bernie Madoff was sentenced to 150 years in prison. He was 71-years-old at the time. He will almost certainly die in prison. Interestingly, the bulk of the money he swindled has never been found. Millions went into funding his lifestyle, but a lot is still missing. Rumor has it that he sunk the money into foreign bank accounts. If so, neither he nor his victims are likely to ever see it again.

***con** - confidence trick, scam. Notice the different ways it can be used as a verb:

- To con somebody out of something
He conned her out of her life's savings.
- To con somebody into doing something
She conned me into buying her old car.
- To con your way into something
He conned his way into the job.

It can also be used as a noun and as an adjective

- *It was a con / a con trick.*
- *He's a con man / con artist / con merchant*

COMPREHENSION CHECK

Task 4. Answer the following questions.

1. How does a pyramid scheme work?
2. Why do these schemes collapse?
3. What is a high reward always connected with?
4. How did Ponzi start his own business?
5. Who became the purchaser of the Eiffel Tower?
6. What was relationship between Lustig and Al Capone?
7. Who was included in Madoff's client list?
8. How did Bernie gain trust of the investors?
9. Can you name any famous scams in the history of your country?
10. Can you give any other examples of the national sights "sold" to individuals?

Task 5. Find synonyms for the following nouns.

- | | |
|----------------|----------------|
| 1. deceit | a) profit |
| 2. gain | b) reliability |
| 3. removal | c) negotiation |
| 4. credibility | d) elimination |
| 5. charity | e) guilt |
| 6. expense | f) trick |
| 7. blame | g) payment |
| | h) benefaction |
| | i) merchant |

Task 6. Find synonyms for the following verbs

- | | |
|-----------------|-----------------|
| 1. to redeem | a) to give up |
| 2. to surrender | b) to deceit |
| 3. to forge | c) to fabricate |
| 4. to embarrass | d) to break up |
| 5. to swindle | e) to shame |

- | | |
|---------------|----------------|
| 6. to entice | f) to attract |
| 7. to crumble | g) to pay back |
| | h) to enjoy |
| | i) to save |

VOCABULARY

Task 7. Match the words to create expressions about frauds and scams.

1. creative	a) trick
2. insider	b) and corruption
3. market	c) theft
4. money	d) trading
5. ponzi	e) peddling
6. identity	f) scheme
7. bribery	g) laundering
8. influence	h) fund
9. confidence	i) accounting
10.slush	j) rigging

Task 8. Match the expressions from the previous task with their definitions.

1. Illegally buying and selling a company's shares based on privileged non-public information, for example professional information.
2. Often used to mean a reserve of money kept in a special and possibly secret account for making illegal payments to others, eg government officials
3. When your personal information is stolen and used without your knowledge to commit fraud or other crimes.
4. The illegal practice of using your political influence to obtain favours or preferential treatment for another, usually in return for payment.
5. When competing companies act together and agree prices etc, to their own advantage but against the spirit of competition.
6. A fraudulent operation that pays returns to its investors from their own money or the money paid by subsequent investors, rather than from profit earned by the individual or organization running the operation
7. Illegally giving money or gifts to somebody, often a government official, so that they will act in your favour.
8. An attempt to get money illegally from somebody by gaining their trust and making them think you are genuinely what you say you are.
9. Manipulating financial figures within the letter of the law, but not within the spirit of the law. - Also known as '*cooking the books*'
- 10.Hiding the source of illegally-gained money by, eg, investing it in legitimate businesses.

Task 9. Fill the gaps using the words from the box.

rat / cover-up / dodgy / fiddle / jiggery-pokery / sharp / crooked / books

1. Activity that is possibly dishonest but not necessarily illegal is sometimes called ____ practice.
2. If you ____ the accounts or your taxes, you dishonestly change the details or figures.
3. Changing the accounts for illegal advantage is also known as cooking the ____.
4. Illegal activity is also known as ____ behaviour.
5. The word ____ is used for some unspecified dishonest behaviour.
6. A ____ is when an organization tries to hide illegal activity.
7. If something is ____ or fishy, you suspect it is illegal or risky.
8. Another way of saying something is suspicious is to say that you smell a ____.

Task 10, Complete the story with words from the box

charlatan / duped / fell / gullible / had / led / line / minute / pull / sucker / taken /
candy / talk / took / yesterday

She had always considered herself impossible to fool. If anyone tried to ____ (1) a fast one on her, she'd tell them, "I wasn't born ____ (2) , you know.", and add, "Do you think I'm a complete ____ (3) ?". And she'd think to herself, "Some people are so ____ (4) they'll believe anything they're told. But not me."

Then along came Peter, an investment banker, or at least that's what he had ____ (5) her to believe. She was totally ____ (6) in by his smooth talking and easy charm, and let him ____ (7) her into investing some money in one of his funds. He ____ (8) her into thinking the fund was doing really well, and she ____ (9) for his story, hook, ____ (10) and sinker. She ended up putting all her savings into it.

Peter turned out to be a complete ____ (11) , and ____ (12) her for all she'd got. "I was well and truly ____ (13) ", she said later. "So it's true what they say about fools. There's one born every ____ (14) , and I was one of them.", adding, "It must have been like taking ____ (15) from a baby."

DISCUSSION

Task 11. Discuss the following questions in pairs or small groups.

- Scam products or investments look too good to be true. They usually appear far more lucrative than standard products on the market. Why don't people do research about their investment? What should people do before they invest their money ?
- Most of us, at one time or another, will have had an email offering us huge amounts of money in exchange for some sort of upfront or advance payment. Or

playing on our emotions to try and get us to help somebody in apparently tragic circumstances. Have you ever received such a letter? Has anyone of your friends or relatives ever respond to such messages? What Happened?

- Identity Theft & Credit Card Fraud. Identity theft occurs when someone obtains your personal information, such as your credit card data or Social Security number, to commit fraud or other crimes. This fraud is on the rise, especially with the development of the Internet. How can people protect themselves? What issues should be considered?

GRAMMAR CHECK

Tips to Express Numbers in English

- When pronouncing large numbers *hundred, thousand, million* and *billion* remain *singular* (*6 hundred, 2 million, 5 billion* etc.. not *3 millions* or *8 thousands*);

- We put “and” before tens and ones when pronouncing big numbers;
1,412,605 one million four hundred (and) twelve thousand six hundred (and) five

- In English a full stop (.) is used to separate the main part of a number from the decimal part and a coma (,) in large numbers to separate the hundreds, thousands, and millions

3.062 - three point nought six two

3,062 – three thousand and sixty-two

- Pronouncing years. We normally say a year in two parts. In the case of years ending in "00", we say the second part in "hundred":

There are two ways of saying years ending in "01" to "09" before 2000.

1901 - nineteen oh one or nineteen hundred and one

The year 2000 is read "*two thousand*"

2006 two thousand and six.

- Decimals

16.5 sixteen point five

0.09 nought point zero nine

How to Pronounce “0”

0 = oh	after a decimal point when we are reading out numbers figure by figure	9.02 = "Nine point oh two." Room 101 = "Room one oh one."
	in years	1906 = "Nineteen oh six."
0 =	before a decimal point	0.06 = "Nought point oh six."

nought		
0 = zero	in temperature	-10°C = "10 degrees below zero."
0 = nil	In football	Chelsea 2 Manchester United 0 = "Chelsea two Manchester United nil."

Fractional numbers

1/8	One eighth
1/5	One fifth
1/4	One quarter
3/4	Three quarters
1/3	One third
2/3	Two thirds
1/2	One half

Task 12. Work in pairs. Student A reads the text A to the partner. Student B notes down all the numbers that he or she hears. After checking the numbers swap roles and work with the text B.

A. BUSINESS IN BRIEF

Yahoo has strengthen its European presence with the €375m (\$578m) acquisition of Kelkoo, the French-based on-line shopping service. The European on-line retail market is forecast to grow to €16bn in the next 3 years.

The Nikkei 225 Average climbed 0.7 percent to 10,364.99 while the Topix index rose 1.2 percent to 1,145.90. Banking shares benefited most with Mizhuo jumping 5.7 percent to ¥437,000, SMFG rising 4.7 percent to ¥852,000, MTFG gaining 7.9 percent to close at ¥1,019,000 and UFG up 4.2 percent to ¥656,000.

B. BUSINESS IN BRIEF

Yule Catto, the chemicals group, launched a £240m bid for Holiday Chemical. Yule shares fell 32p (about 10 percent) to 274 in response to the news. Holiday shares dropped 8p to end at 225p.

New car registrations in Western Europe in November rose to 10.4 percent to 991,800 from 898,400 a year ago said the European Manufacturers Association.

The worldwide fall in stock markets last month encouraged Prince Alwaleed bin Talal to invest in media and technology companies. The Saudi prince spent \$400m on a 5.8 percent stake in News Corporation, \$300m on 1.9 percent in Motorola and \$150m on 5.4 percent of Netscape.

Describing Changing Trends

Upward Movement	Downward Movement	Horizontal Movement
To climb To rise To go up To improve To pick up To recover To increase To reach a peak To shoot up To leap To soar	To fall To decline To bottom out To decrease To drop To plummet To deteriorate To hit a low To slip back To do down To plunge To tumble	To even out To level out To remain stable To stabilize

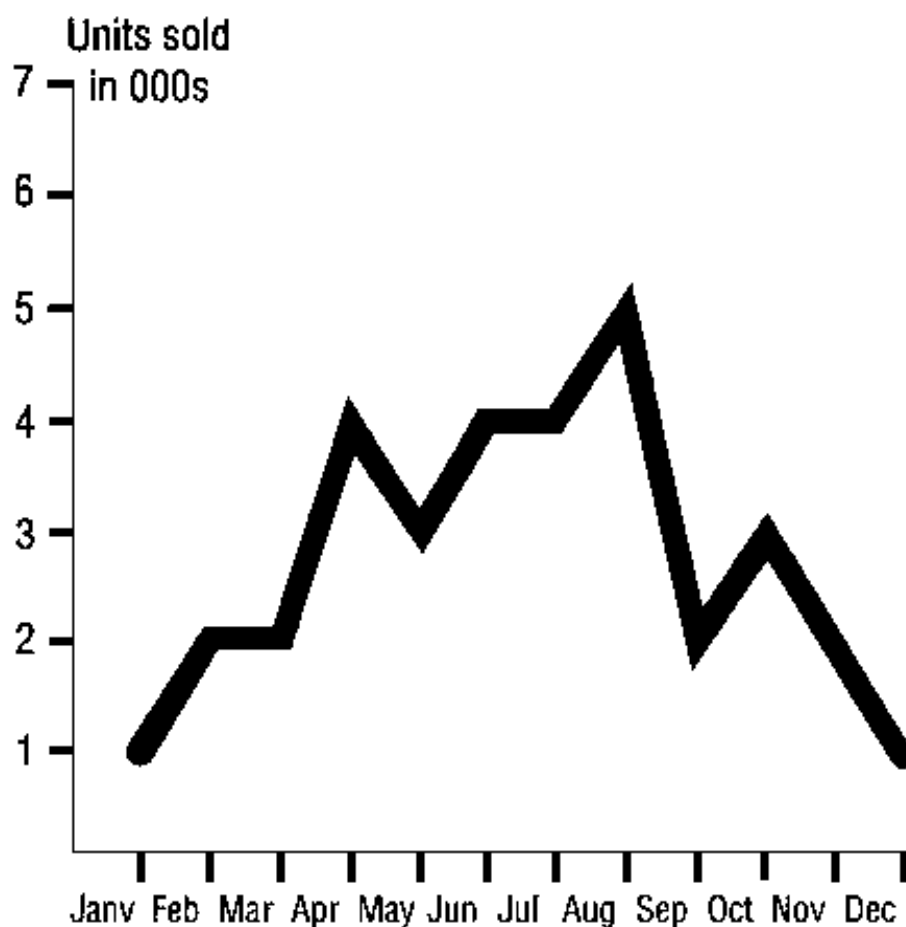
Use nouns with adjectives and verbs with adverbs. Mind the word order!

	Adjective	Noun
a	slight gradual steady sharp dramatic substantial	fall decrease rise increase

Verb	Adverb
fall drop go down decrease rise go up increase	slightly gradually steadily sharply dramatically substantially

Task 13. *Comment on the graph below using the necessary vocabulary. Avoid repetitions, use different patterns.*

Monthly ice-cream sales



Source : Business Contacts, Pergamon Press

Task 14. *Find a graph on the Internet. Prepare a detailed description in writing. Read your description to your partner and ask him or her to draw it while listening to you. Then swap roles.*

Unit VI

Market Structure Competition And Monopoly.

READING 1.

Task 1. *Read the following text and do the tasks below.*

Market Structure. types of Competition

Economic theory identifies four potential market structures:

- Perfect competition
- Monopolistic competition
- Oligopoly
- Monopoly

Perfect competition or *perfectly competitive market* is a benchmark market structure against which all other market structures are compared. A perfectly competitive industry is highly unlikely to exist in its entirety given the strong assumptions made about the operation of the market. All markets are “competitive” to one degree or another, but the vast majority of markets are characterized as “imperfectly competitive”. It is rather an ideal structure that has to satisfy the following four conditions:

1. Many firms sell identical product to many buyers
2. There are no restrictions on entry into (or exit from) the market
3. Established firms have no advantage over new firms
4. Sellers and buyers are well informed about prices

Monopolistic Competition

In monopolistic competition, we still have many sellers (as we had under perfect competition). Now, however, they don’t sell identical products. Instead, they sell *differentiated* products—products that differ somewhat, or are *perceived* to differ, even though they serve a similar purpose. Products can be differentiated in a number of ways, including quality, style, convenience, location, and brand name.

How is product differentiation accomplished? Sometimes, it’s simply geographical; you probably buy gasoline at the station closest to your home regardless of the brand. At other times, perceived differences between products are promoted by advertising designed to convince consumers that one product is different from another—and better than it. Regardless of customer loyalty to a product, however, if its price goes too high, the seller will lose business to a competitor. Under monopolistic competition, therefore, companies have only limited control over price.

Oligopoly

Oligopoly means few sellers. In an oligopolistic market, each seller supplies a large portion of all the products sold in the marketplace. In addition, because the cost of starting a business in an oligopolistic industry is usually high, the number of firms entering it is low.

Companies in oligopolistic industries include such large-scale enterprises as automobile companies and airlines. As large firms supplying a sizable portion of a market, these companies have some control over the prices they charge. But there's a catch: because products are fairly similar, when one company lowers prices, others are often forced to follow suit to remain competitive. You see this practice all the time in the airline industry: When American Airlines announces a fare decrease, Continental, United Airlines, and others do likewise. When one automaker offers a special deal, its competitors usually come up with similar promotions.

Monopoly

Monopoly like perfectly competitive market is another extreme of market structure. Monopoly exists when a specific individual or an enterprise has sufficient control over a particular product or service to determine significantly the terms on which other individuals should access to it. Monopolies are thus characterized by a lack of economic competition for the good or service that they provide and a lack of viable substitute goods. In a monopoly there is one seller of the monopolized good or service that produces all the output. The firm and industry are identical.

COMPREHENSION CHECK

Task 2. Answer the following questions or comment on the statements. Discuss them with a partner.

1. Explain all of the four assumptions characterizing perfect competition in your own words.
2. Give examples of differentiated products offered within monopolistic competition.
3. What can affect companies' pricing policy under oligopoly?
4. Discuss with your partner what type of market structure your country has propensity for.

Task 3. Match the synonyms.

- | | |
|-----------------|-----------------|
| 1. benchmark | a) absoluteness |
| 2. entirety | b) perception |
| 3. assumption | c) premise |
| 4. loyalty | d) criterion |
| 5. fare | e) substance |
| 6. promotion | f) tariff |
| 7. announcement | g) devotedness |
| | h) report |
| | i) campaign |

Task 4. Work with a dictionary. Choose the best alternative for the following sentences.

1. Mark Hennricks in Entrepreneur magazine (December 1999) warns that you should not count on friendly competition; if you do, your rivals might just steal your customers from under your
 - a) feet
 - b) files
 - c) nose
 - d) table

2. Companies that occupy spots on your value chain often understand your business and customers well enough to become rivals.
 - a) patent
 - b) patterned
 - c) positive
 - d) potent

3. Some entrepreneurs think that selling to the widest market is the surest path to success; they are hesitant to go after a market niche because they're afraid that they will lose business by away customers.
 - a) driving
 - b) giving
 - c) sending
 - d) turning

4. Entering a niche means that you will not be competing with many similar companies on price alone, and if you are selling products or services customized to the needs or of a specific group of customers, you can frequently charge more.
 - a) precedents
 - b) preconceptions
 - c) predictions
 - d) predispositions

5. "One of them laid down a briefcase and out popped one of our business plans from a year ago, which they had clearly obtained through we had not intended," recalls Lindau.
 - a) angles
 - b) channels
 - c) doors
 - d) mediums

6. Rural markets form part of a trade network; they are normally arranged on abasis on specific weekdays and are commonly organized at a central place in a village or district centre.

- a) ad hoc
- b) casual
- c) irregular
- d) periodic

7. These factors all need to be taken into in identifying the best approach to market development.

- a) acceptance
- b) account
- c) calculation
- d) considerateness

READING 2.

Task 5. *Read the following text and make up headings for each paragraph.*

Market leaders, challengers and followers.

1.

In most markets there is a definite market leader, the firm with the largest market share. This is often the first company to have entered the field, or at least the first to have succeeded in it. The market leader is frequently able to lead other firms in the introduction of new products, in price changes, in the level or intensity of promotions, and so on.

2.

Market leaders usually want to increase their market share even further, or at least to protect their current market share. One way to do this is to try to find ways to increase the size of the entire market. Contrary to a common belief, wholly dominating a market or having a monopoly, is seldom an advantage: competitors expand markets and find new uses and users for products, which enriches everyone in the field, but the market leader more than its competitors. A market can also be expanded by stimulating more usage: for example, many households no longer have only one radio or cassette player, but perhaps one in each room, one in the car, plus a Walkman or two.

3.

In many markets, there is often also a distinct market challenger, with the second-largest market share. In the car hire business, the challenger actually advertises this fact: for many years Avis used the slogan 'We're number two. We try harder.' Market challengers can either attempt to attack the leader, or to increase their market share by attacking various market followers.

4.

The majority of companies in any industry are merely market followers which present no threat to the leader. Many market followers concentrate on market segmentation: finding a profitable niche in the market that is not satisfied by other goods or services, and that offers growth potential or gives the company a differential advantage because of its specific competencies.

5.

A market follower which does not establish its own niche is in a vulnerable position: if its product does not have a 'unique selling proposition' there is no reason for anyone to buy it. In fact, in most established industries, there is only room for two or three major companies, think of soft drinks, soap and washing powders, jeans, sports shoes, and so on. Although small companies are generally flexible, and can quickly respond to market conditions, their narrow range of customers causes problematic fluctuations in turnover and profit. Furthermore, they are vulnerable in a recession when, largely for psychological reasons, distributors, retailers and customers all prefer to buy from big, well-known suppliers.

COMPREHENSION CHECK

Task 6. *Which of the following three paragraphs most accurately summarizes the text and what is wrong with the others?*

First summary:

In most markets there is a definite market leader, with the largest market share, which frequently helps other firms to introduce new products. In many cases, there is also a market challenger, which wants to replace the leader, and various market followers, which seek out particular niches that do not interest the leader. Other followers merely imitate the products of larger companies, but this is a dangerous strategy during recessions.

Second summary:

In most markets there is a leader that strongly influences other firms in the introduction of new products, price changes, promotions, and so on. There is frequently also a market challenger, with the Second-largest market share, which can attempt to increase its market share by attacking either the leader or some market followers. Market followers often concentrate on profitable niche products that are in some way differentiated from the products of larger companies.

Third summary:

The First company in a particular market nearly always becomes the market leader, a position it will try to keep by regularly attacking distinct market challengers and

followers. Most followers can either concentrate on small market segments or niches, or follow the safer strategy of imitating the leader's products.

VOCABULARY

Task 7. Find words in the text that mean the following:

1. a company's sales expressed as a percentage of the total market
2. short-term tactics designed to stimulate stronger sales of a product
3. the situation in which there is only one seller of a product
4. companies offering similar goods or services to the same set of customers
5. a short and easily memorized phrase used in advertising
6. the division of a market into submarkets according to the need or buying habits of different groups of potential customers
7. a small and specific market segment
8. a factor which makes you superior to competitors in a certain respect
9. a business's total sales revenue
10. a period during which an economy is working below its potential

Task 8 . Match up these words with the definitions below.

barriers to entry / cartel / dominant-firm oligopoly / economies of scale /
monopolistic competition /, monopoly /, monopsony / natural monopoly /
oligopoly / perfect competition

1.exists when products are homogeneous, and there are a great many firms too small to have any influence on the market price, and firms can easily enter and exit the industry.
2. is a situation in which a single company or group owns all or nearly all of the market for a given type of product or service.
3. is a situation in which there is only one buyer.
4. A is an industry in which the efficient existence of more than one producer is impossible; examples include public utilities such as water, gas and electricity, where it would be inefficient to have several competing companies laying their own networks of pipes or cables.
5. exists when many producers of slightly differentiated products are able to sell them at well above their marginal cost.
6. An is a concentrated market dominated by a few large suppliers. This is very frequent in manufacturing because of economies of scale and the cost barriers of entering an industry.
7. are factors which cause the average cost of producing something to fall as output increases.
8. are economic or technical factors that make it difficult or impossible for

firms to enter a market or compete with existing suppliers.

9. A is one which a market leader can indicate its preferred price to smaller competitors.

10. A ... is a group of producers or sellers who fix prices and quantities in order to avoid competition and increase profits. This is illegal in many countries, most notably the USA.

GRAMMAR CHECK

Adjectives and Adverbs. Comparisons

Adjectives describe nouns while adverbs describe verbs, adjectives and other adverbs.

We can make adverbs by adding **-ly** to an adjective, for example:

There are some basic rules about spelling for -ly adverbs. See the table below:

Adjective ending	do this	adjective	adverb
most adjectives	add -ly	quick nice sole careful	quickly nicely solely carefully
-able or -ible	change -e to -y	regrettable horrible	regrettably horribly
-y	change -y to -ily	happy	happily
-ic	change -ic to -ically	economic	economically

But not all words that end in -ly are adverbs.

The words *friendly*, *lovely*, *lonely* and *neighbourly*, for example, are all adjectives.

Note that some pairs of adverbs have different meaning:

Fine and Finely

The adverb *fine* means 'well'.

- 'How are you?' 'I am fine.'

The adverb *finely* is used to talk about small careful adjustments and similar ideas.

- a finely tuned machine

Free and Freely

When used after a verb, the adverb *free* means 'without payment'.

- Buy two shirts and get one free.
- Can I eat free in your restaurant?

Freely means 'without limit or restriction'.

- Speak freely.

Hard and Hardly

The adverb hard means 'heavily', 'severely' or 'with difficulty'.

- You must work hard.

Hardly means 'almost not'.

- I have hardly any money left.

Late and Lately

The adverb late has a similar meaning to the adjective late. Lately means 'a short time ago' and 'recently'.

- We will be late for dinner.
- It is getting late.
- I haven't read anything lately.

Most and Mostly

Most is the superlative of much. It is used to form superlative adjectives and adverbs.

- Those who have the most money are not always the happiest.
- What pleased me most was his helping nature.

In a formal style, most can mean 'very'.

- This is a most (=very) interesting book.

Mostly means 'chiefly', 'generally' or 'in most cases'.

- My friends are mostly non-smokers.

Near and Nearly

Near = close

- I live near the school.

Nearly = almost

- I have nearly finished.

Pretty and Prettily

Pretty = fairly

- I thought the film was pretty awful.

Prettily = in an attractive way

- She smiled prettily.

Short and Shortly

Short = suddenly

- The driver stopped short.

Shortly = soon

- He will be here shortly.

Comparatives and Superlatives

Positive degree of an adjective or an adverb is used to denote a quality of an object or an action; comparative degree is used to express a higher degree of quality; the superlative degree is used to express the highest degree of quality.

Formation of comparative and superlative forms

Adjectives

	Positive degree	Comparative degree	Superlative degree
One-syllable words	long gay big pretty	longer gayer bigger prettier	the longest the gayest the biggest the prettiest
Two-syllable words	useful correct difficult	more useful more correct more difficult	the most useful the most correct the most difficult

Certain adjectives form their comparative and superlative forms in both ways by adding –er/-est or taking more/most. Some of these are: clever, common, cruel, friendly, gentle, narrow, pleasant, polite, quiet, stupid etc.

Adverbs

	Positive degree	Comparative degree	Superlative degree
Adverbs having the same forms as adjectives add –er/-est	fast	faster	fastest
Two syllable or compound adverbs take more/most	often easily	more often more easily	more often most easily

Have a look at the irregular forms

exceptions	good bad many / much little	better worse more less	the best the worst the most the least
------------	--------------------------------------	---------------------------------	--

Task 9. *Underline the correct item.*

1. Students can enter the museum free/freely on Saturdays.
2. He free/freely admitted to being a liar.
3. I like sitting near/nearly the fire.
4. Be careful! You near/nearly crashed into that cyclist!
5. She left too late/lately to catch the train.
6. Have you seen any good film late/lately?
7. The death of his friend affected him deep/deeply.
8. To find water, they had to dig deep/deeply.

9. I think he is a pretty/prettily at the sight of the puppy.
10. He tries very hard/hardly to make her happy.
11. She used to be a great musician, but she hard/hardly plays at all now.
12. Tommy came last/lastly in the 100m sprint.
13. Last/lastly, I would like to thank the caterers for providing such delicious food.
14. Mr Tibbs is not in at the moment, but he will be here short/shortly.
15. The policeman stopped short/shortly when he saw the robber had a gun.
16. The eagle was flying high/highly above the mountains.
17. My father was a high/highly respected surgeon.

Task 10. *Identify correct sentences. Correct those that are wrong.*

1. She likes driving fast cars.
2. I work hardly because I am highly paid.
3. She is a very friendly person.
4. Everything I do recently seems to go wrongly.
5. We need to start earlily.
6. Dealing with this problem was a costly business.
7. Time is running shortly.

Task 11. *Complete the sentences using the superlative form of an adjective given and an appropriate verb in present perfect. Have a look at the example:*

That boy has absolutely no sense of humor.

He's the most serious boy I have ever met. (serious)

1. That wine is disgusting.
It is _____. (bad)
2. I will finish that book in two days.
It's _____. (interesting)
3. There were delays throughout the journey.
It is _____. (long)
4. My new dress was 255\$.
It's _____. (expensive)
5. I switched the laptop off half way through the video conference session.
It's _____. (useless)

Unit VII

Hiring people. Recruitment and selection.

LEAD-IN

Task 1. *Discuss the meaning of this quotation. "No matter how successful you are, your business and its future are in the hands of the people you hire." Akio Morita (1921-1999).*

Task 2. *Answer these questions.*

1. Is it difficult for employers to find good and reliable workers? Why?
2. Why is the process of hiring people extremely important nowadays?
3. What is recruitment from your point of view?
4. Can the size of the organization influence the process of recruitment and selection?
5. Why is the choice of the right person so time-consuming?
6. Is it a problem to get a promotion in a company?

Task 3. *Answer the question.*

Which factors can play an important role when a person is being hired?

- | | | | |
|-----------------|-------------------|-------------------------|----------------|
| a) appearance | d) hobbies | g) health | j) character |
| b) intelligence | e) marital status | h) experience | k) manners |
| c) references | f) age | i) knowledge and skills | l) Zodiac sign |

Task 4. *Match the words and their definitions correctly.*

- | | |
|----------------|---|
| 1. Staff | a) The process of adding new individuals to a company. |
| 2. Recruitment | b) Statement of the qualifications of a person seeking employment or appointment given by someone familiar with the person. |
| 3. Promotion | c) The state of being chosen. |
| 4. References | d) People who are working at the same company together. |
| 5. Employee | e) Some service (as health insurance) or right (as to take vacation time) provided by an employer in addition to wages or salary. |
| 6. Benefits | f) The act or fact of being raised in position or rank. |
| 7. Offer | g) The point or area occupied by a physical object |
| 8. Selection | h) One hired by another usually for wages or salary. |
| | i) An action or movement indicating a purpose or intention. |

j) The state of being vacant.

Task 5. Make the most suitable collocations.

- | | |
|-----------------|------------------------|
| 1. To train | a) the references |
| 2. To apply | b) the interview panel |
| 3. To check | c) the company |
| 4. To assemble | d) a job offer |
| 5. To make | e) new staff |
| 6. To get | f) for a job |
| 7. To advertise | g) post |
| 8. To quit | h) a promotion |
| | i) the previous job |
| | j) recruitment |

READING

Task 6. Read this text and do the tasks given below.

Hiring people. Recruitment and Selection.

Definitions of recruitment and selection. People form an integral part of the organization. The efficiency and quality of its people determines the success of any organization. Hence choice of right people and placing them at right places becomes essential. Hiring is a strategic function for HR department. Recruitment and selection form the process of hiring employees. *Recruitment* is the systematic process of hiring applicants for organizing different work. *Recruitment* is the process of identifying that the organization needs to employ someone up to the point at which application forms for the post have arrived at the organization. *Selection* then consists of the processes involved in choosing from applicants a suitable candidate to fill a post. Employees leave the organization in search of greener pastures- some retire some die in saddle. The most important thing is that enterprise grows, diversifies, and takes over other units-all necessitating hiring of new men and women. In fact recruitment functions stop only when the organization ceases to exist.

The general purpose of recruitment. The process of hiring begins with human resource planning (HRP) which helps to determine the number and type of people on organization needs. The general purpose of recruitment is to provide a pool of potentially qualified job candidates. Specifically, the purposes are to: 1. Determine the present and future requirement of the organization in conjunction with its personnel planning and job analysis activities; 2. Increase the job pool of job candidates at minimum cost; 3. Help increase the success rate of the selection process by reducing the number visibly under qualified or job application; 4. Help reduce the probability that job applicants, once recruited selected, will leave the organization only after a short period of time; 5. Meet the organizations legal and

social obligation regarding the composition of its workforce; 6. Being identifying and preparing potential job applicants who will be appropriate candidates; 7. Increase organization individual effectiveness in the short term and long term; 8. Evaluate the effectiveness of various recruiting technique and sources for all types of job applicants.

Factors affecting the recruitment. There are a number of factors that affect recruitment. These are broadly classified into two categories: *internal factors* and *external factors*. The *internal factors* also called as “endogenous factors” are the factors which are used to affect recruiting personnel in the organization. Some of these include *the size of the organization*. Larger organization finds recruitment less problematic than organization with smaller in size. *Recruiting policy* also affects the process of taking up new candidates. Generally, *recruitment through internal sources* is preferred, because own employees know the organization and they can well fit in to the organization culture. Promotion from among the present employees is advantageous because the employees promoted are well acquainted with the organization policy, they get motivated and it is cheaper also. Promotion from among the person employees also reduces the requirement of job training. *External recruitment* makes it possible to draw upon a wider range of talent, and provides the opportunity to bring new experience and ideas in to the business. Employment agencies, professional associations and just advertisements can help to find new specialists. Disadvantages are that it is more costly and the company may end up with someone who proves to be less effective in practice than they did on paper and in the interview situation.

Image of the organization is another factor having its influence on the recruitment process of the organization. Good image of the organization earned by the number of overt and covert action by management helps attract potential and complete candidates. Managerial actions like good public relations, rendering public service like building roads, public parks, hospitals and schools help earn image or goodwill for organization. That is why chip companies attract the larger numbers of application. Like internal factors, *there are some factors external to organization*, which have their influence on recruitment process. Some of them include *demographic factors*. Demographic factors show the age, sex, literacy, economics status of future candidates. *Labor market condition* includes the demand for specific skills from the candidates. *The rate of unemployment* is yet another external factor its influence on the recruitment process. When the employment rate in an area is high, the recruitment process tends to be simpler. *Labor laws* can also influence the process of recruitment. There are several labor laws and regulations passed by the central and state governments that govern different type of employment. These cover working condition, compensation, retirement benefits, safety and health of employee in industrial undertakings.

The meaning and the role of selection. The process of selection is closely related to the process of recruitment. *Selection* is the process of picking individuals (out of the pool of job applicants) with requisite qualifications and competence to fill jobs in the organization. A formal definition of selection is “the process of

differentiating between applicants in order to identify (and here) those with a greater likelihood of success in a job". Recruitment and selection are the two crucial parts in the HR process and are often used interchangeably. While recruitment refers to the process of identifying and encouraging prospective employees to apply for jobs, selection is concerned with picking the right candidates from the pool of applicants. Recruitment is said to be positive in its approach as it seeks to attract as many candidates as possible. Selection, on the other hand, is negative in its application in as it seeks to eliminate as many unqualified applicants as possible in order to identify the right candidates. The role of selection in an organization's effectiveness is crucial for at least, two reasons; first, work performance depends on individuals. The best way to improve performance is to hire people who have the competence and the willingness to work. Arguing from the employee's viewpoint, poor or inappropriate choice can be demoralizing to the individual concerned (who finds himself or herself in the wrong job) and de-motivating to the rest of the workforce. Effective selection, therefore, assumes greater relevance. Second, cost incurred in recruiting and hiring personnel speaks about volumes of the selection. Costs of wrong selection are very high.

Methods of selection. In some companies, each department screens and promotes their own employees. Many managers insist upon *selecting their own people* because they know them very well and can evaluate their weak and strong points. In some firms *selection is centralized and is handled by the human resources department*. The selection process involves mutual decision-making. The organization decides whether or not to make a job offer and how attractive the offer should be. The candidate decides whether or not the organization and the job offer fit his or her needs and goals. When the job market is extremely tight, several candidates will be applying for a position, and the organization will use a series of screening devices to hire the candidates it feels is most suitable. When there is a shortage of qualified workers, or when the candidate is a highly qualified executive or professional who is being sought after by several organizations, the organizations will have to sweeten its offer and come to a quicker decision. There are other methods of selecting people. They are *participative selection and employee leasing*. *Participative selection* that subordinates participates in the selection of their co-workers and supervisors. The idea is that such participation will improve quality, increase support for the selected supervisors and co-workers, and improve employee morale. *In employee leasing*, the client company leases employees from a third part, not on a temporary basis, but rather as full-time, long-term help. An interesting feature of this method is that the client company does not have to perform such personnel activities as hiring, compensation or record keeping. The advantages of employee leasing are significant. The client is relieved from many administrative burdens, as well as the need to employ specialized personnel employees. Further, employees not recruited by one client are sent to another client company for employment. *The help of job analysts* is used to make the process of selection and recruitment more successful

and optimistic, they give forecasts of the future development of the company and discuss the demands for different candidates. Job analysis is used to choose employers from the employees either from the ranks of your existing staff or from the recruitment of new staff. It provides information which will help in decision making about the type of equipment and materials to be employed with the job. It also provides information which will help to find out the cost of future training.

DISCUSSION

Task 7. *You are given 4 definitions of the recruitment. Which one is the most suitable in your opinion? Give your reasons.*

1. **Recruitment** is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization.
2. **Recruitment** is the process of obtaining the number and quality of the employees that can be selected in order to help the organization to achieve its goals and objectives.
3. **Recruitment** is the management of choosing the right candidate out of the given pool.
4. **Recruitment** is the activity of finding the best candidates for a certain vacancy?

Task 8. *There are 4 main ways of recruiting people. Give your pros and cons.*

1. **Traditional recruitment agencies.** (They are looking for candidates and invite them to have a job interview.).
2. **Online recruitment.** (Companies advertise their jobs on the net.).
3. **Poaching/Raiding.** (People are hired from other companies).
4. **In-house recruitment.** (People are promoted in their own companies).

Task 9. *Make the steps of the recruitment process in the logical order.*

1. Preparing the job description
2. Short listing
3. Finalizing the candidate
4. Arranging the interview
5. Searching for the candidates
6. Salary negotiating
7. Identifying the vacancy
8. Written test

Task 10. *Answer these questions.*

1. What does the efficiency and quality of its people determine?
2. What is considered to be essential concerning the problem of hiring people?
3. When does recruitment take place?
4. Why do employees quit their jobs?
5. What is the general purpose of recruitment?
6. What is selection?

7. What are the differences between recruitment and selection?
8. Which method of selection is more effective from your point of view?
9. Is it necessary to make the job analysis?

Task 11. *Continue these statements concerning the factors of recruitment.*

1. Factors affecting the recruitment are classified into ...
2. The size of organization is important because ...
3. Demographic factors consist of ...
4. Recruiting policy is divided into ..
5. Image of the organization is another factor ...
6. Labor market condition includes ...
7. The rate of unemployment affects the recruitment because ...
8. Labor laws are usually connected with ...

WORD PARTNERSHIPS

Task 12. *Make the following collocations according to the text.*

- | | |
|---------------|----------------|
| 1. To fill | a) a candidate |
| 2. To promote | b) individuals |
| 3. To select | c) a job |
| 4. To provide | d) partnership |
| 5. Pick | e) a post |
| 6. To quit | f) an employee |
| | g) member |
| | h) information |

Task 13. *Match the synonyms.*

- | | |
|----------------|----------------|
| 1. Applicant | a) assortment |
| 2. Selection | b) hiring |
| 3. Job | c) employee |
| 4. Recruitment | d) benefit |
| 5. Condition | e) occupation |
| 6. Purpose | f) vacancy |
| 7. Advantage | g) aim |
| | h) endorsement |
| | i) term |

Task 14. *Fill in the missing prepositions.*

These days many applicants submit the companies they would like to apply
 1).... 2) ...other words, they do not apply for an advertised job but hope the
 employers will be interested enough to keep their CV 3) ... the computer and
 contact them when they have a vacancy. When replying 4)... an advertisement,
 candidates often fill 5)...a form and answer a job questionnaire. The employer

will invite the best candidates to attend a job interview. These days it is normal
6)... successful candidates to work 7)... a company and have a trial period. This is usually three or six months; after that they are offered a permanent post.

Task 15. Match different sources of recruitment and their definitions.

1. Transfers	a) People are transformed from one department to another with more benefits.
2. Promotions	b) The process of leasing a specialist from another company.
3. Advertisements	c) The process of hiring unskilled workers.
4. Employees recommendations	d) Use of some educational institutions.
5. Employment exchanges	e) Giving the information about the vacancy in newspapers, magazines or online.
6. Recruitment at a factory gate.	f) Visiting of well-known companies by future candidates.
	g) People are invited to work from one place to another.
	h) The process of promoting a candidate by some workers of the company.

Task 16. Complete the text with the appropriate phrasal verbs in the correct form.

The world of work.

<p>go on / come up with / speak up / make up turn up / break down / get round to / put up with</p>
--

1) **Your boss is scary, and you don't want a)**... a problem. You are asked for your opinion, but don't want to say what you really think because you don't want to annoy your boss. b) To with your boss is very important, so try to give your opinion politely.

2) **You c) ... something creative and someone else steals it.** You work hard, but a colleague gets all the credit. The best thing to do is make a note of all your ideas, and send them to your boss. Then if someone else says they thought of it first, your boss will know what's really d)

3) **Your colleague always e)... late, and you have to do his work.** Some people never do their share of this work, and when they finally f) ... doing something, it's not usually very good. Try not to let your anger with your colleague and tell him or her calmly that you refuse to do any more of this work.

4) **Your computer g)**

You can't finish your work because a vital piece of equipment isn't working. Take a deep breath, make yourself a cup of coffee and relax. You can h) ... later.

EXTRA ACTIVITY

Task 17. *You are a specialist in the field of recruitment. Prepare a description of the future vacancy for finding volunteers in a written form or make a presentation. The following questions will help you.*

1. What types of people are most apt to have these qualities?
(Age, gender, educational level, experiences, types of people who have previously made the best volunteers in this position.)
2. What are the best sources for finding candidates? (Service clubs, corporations, colleges, youth clubs, etc.)
3. What techniques or methods would be most appropriate to gain access to them?
(Friend or colleague, speak with employment agencies, talk to classes at the local college, PSA on a teen radio station, etc.)
4. What benefits will these volunteers receive by doing this job?
(What exchange are we offering them? Work experience? Networking? Opportunities and Benefits)

Task 18. *Write a recruitment message and study the given examples.*

Writing a Recruitment Message

Examples:

1. Family Recruitment Message

Many elderly in our community live lonely stretches without a warm smile or embrace.

Your family could volunteer to adopt one of these senior residents. The members of your family will experience some rare quality time together while giving someone's grandma or grandpa a real lift.

2. Battered Women's Shelter Recruitment Message

Every 15 seconds a woman is beaten in this country. Every 15 seconds her partner shares in her loss of self-esteem. Their children are learning how to behave in relationships.

You can help stop the cycle of violence and learn valuable communication skills by volunteering with Battered Women's Alternatives. In the next 15 seconds, you can make a difference.

GRAMMAR CHECK

Infinitive after verbs.

- Verbs followed by bare infinitive.

- Make and let (make/let + bare infinitive)

Earlier factory owners **made young children work** twelve hours a day.

Our boss doesn't **let us give** noisy parties at work.

- **Verbs followed by bare infinitive**
- **See, hear, watch, feel, smell**
- **(See, hear, watch, feel, smell + object + bare infinitive)**
- I saw **him stop** the car.
- We **heard them go out** of the office.

- **Verbs followed by to-infinitive**
- **Consider, know, think, suppose, believe**
- **(Consider, know, think, suppose, believe + object+ to-infinitive)**
- We **know them to be** reliable partners.
- I **consider her to be** the best manager.

- **Verbs followed by bare infinitive, or to-infinitive**
- **Help and dare**
- **(help/dare + object + bare infinitive/ to-infinitive)**
- Computers **help to analyze/analyze** a large amount of information
- Nobody **dared to change/change** the final decision.

- **Verbs followed by an object and to infinitive**
- **Advise, allow, encourage, forbid, force, instruct, order, permit, persuade, remind, tell.**
- They **advised me to try** again later.
- We **permit her to leave** the office 1 hour earlier.

Exercise 19. Complete the sentences using bare infinitive or to-infinitive of the verbs in brackets.

1. He saw me (stop) the robber.
2. Many parents are so poor that they don't let their children (go) to school.
3. Our boss usually encourages all the staff (go) skiing.
4. We made her (check) all the receipts once again.
5. They didn't dare (interrupt) my speech.
6. He decided (continue) his education.
7. What makes you (to think) so?
8. He advised me (repeat) all my speech again.
9. They ordered me (leave) the office immediately.
10. We consider this company (be) the most reliable partner.
11. He helped me (analyze) all the given information.
12. I heard the negotiations (stop).
13. He permits us (start) at 11 o'clock.
14. We persuaded him (not leave) the concert till the end.
15. Our reps expect the delegation (arrive) on Monday.
16. My parents didn't let me (stay) there late.
17. We told our secretary (check) the mail in the evening.
18. I heard them (speak) in a loud voice.

19. I believe him (come back) in time.
20. I know our boss (be) extremely punctual.
21. I didn't know them (be) old friends.
22. Let him (go away) after the meeting.
23. He instructed me (not speak) with anybody.
24. I think our top manager (be) a very experienced person.
25. The woman heard them (drive away).

Unit VIII

Job Hunting.

LEAD-IN

So, You Are Looking for a Job What must you begin with?

There are several traditional ways of looking for a job.

A civilized and active means of looking for a job is studying the market of the offered vacancies to get an idea of necessary demands and size up your own chances.

The best way of doing this is to use the help of employment agencies or to independently study the ads of job opportunities being published.

Announcements of job opportunities can be read in different printed publications. But which of them is worth reacting to?

Don't put much trust in ads in the yellow press. Solid companies place ads in prestigious expensive publications with a firm reputation.

The structure of job opportunities ads is usually the same: the name of the vacant position, the list of the candidate's professional, duties, the demands made of the candidate, and the system of compensations and benefits. Ads are often published by employment agencies on behalf of their clients. The address of the office is usually not given — it is suggested that the resume should be sent to a P.O. box or else faxed.



ASTROS shipping agency is
looking for

WAREHOUSE MANAGER EXPORT OPERATIONS MANAGER

Requirements: Interested candidates
English and should please fax
German lang their resume to
Organizational Skills (812)252 7304
Relevant Experience

The American Consulate General
is looking for a full-time

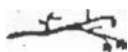
AGRICULTURAL MARKETING ASSISTANT

to serve as office manager for the Foreign
Agricultural Service Office in St
Petersburg

**UNIVERSITY DEGREE, NATIVE
RUSSIAN, FLUENT ENGLISH,
MINIMUM ONE YEAR EXPERIENCE
IN MARKETING-RELATED
ACTIVITIES REQUIRED**

*For more information, please call
275-17-01, ext.226*

SWEDISH



Branch Ltd.

we are leading supplier
of high quality office
furniture and industry
equipment.

Due to expansion we
are looking, for

**SALES
REPRESENTATIVES**
with Sales Manager
potential

Requirements:

- 25-30 years old
- enthusiastic and
social
- personality
- good self-confidence
- service minded
- fluent English

Please send your CV
with hand-written
to: Box #S668,
West Post,
Nevsky 86, fax 275-
0806

Due to planned expansion



is seeking Young and
Energetic
RESTA MANAGERS

We require:

- ✓ Excellent English and
Native Russian
- ✓ Higher Education
Degrees
- ✓ Permanent Residency
in St Petersburg
- ✓ No Prior Restaurant
Experience Necessary

We offer:

- 3 months of all
expenses paid training
abroad.
- Convenient work
schedule
- Growth potential in a
prestigious company

**For an interview please
come to: Pizza Hut, 71/16
Moika
Nab., St Petersburg
Tuesday 21 and
Thursday 23, 5pm-7pm or
call Svetlana at 312-8135
11am-5pm, Mon-Fri**

The St. Petersburg
Times needs a

SECRETARY

Requirements:

- **Native Russian
speaker**
- **Initiative**
- **Computer skills**
- **Able to work
under pressure in a
busy office**

Send resumes to:

Yana, St Petersburg
Times, 5 Razyezhaya
Ulitsa, or by fax to
314-21-20.

No phone inquiries
please.

Resume

An excellent resume may help you get the job of your dreams and a poor resume may mean a lost opportunity.

Since this is the first piece of information a company will receive about you, it is critically important that your resume, be well-written.

It should be presented at the beginning of any interview that you have with a company. Ideally, resume should not be longer than one page. The contents of a resume can be roughly categorized as: 1) PERSONAL INFORMATION (address and telephone number), 2) JOB OBJECTIVE, 3) EDUCATION, 4) EXPERIENCE, 5) SKILLS, 6) EXTRACURRICULAR ACTIVITIES, 7) REFERENCES.

The resume begins with PERSONAL INFORMATION, name, address, telephone number centered at the top page.

After your address, a statement of intent or JOB OBJECTIVE should be written. This objective should be well thought out from the very beginning since it will influence how you will write the rest of the resume.

After the statement of intent, describe your EDUCATION.

List the universities, institutes and colleges you have attended in reverse chronological order.

Any studying you have done abroad should be included and courses that you have taken that are relevant.

Your working EXPERIENCE is the next section. List your experience starting with your most recent place of employment and work backwards.

Spell out the exact dates of employment, your position, and the name of the company you worked for.

Following experience, you should list your special SKILLS.

These include your language skills, computer abilities, and any other talent that relates to your statement of intent.

When describing your language abilities, it is best to be honest about assessing your level, "Fluent English", "native Russian", "intermediate German", and "beginning French" are all ways to describe your language abilities.

EXTRACURRICULAR ACTIVITIES should be included in the next section. Student or professional organizations you belong to, travel, sports and hobbies should be listed here.

The last section of your resume is the REFERENCE section. List at least two people, not related to you, who can describe your qualification for the job.

Their names, titles, places of work, and telephone numbers should be included.

The style and format of a resume are extremely important. Your resume must be typed, preferably on a computer in order to format it most effectively. A neat and well-written resume with no spelling mistakes will give an employer the impression that you are accurate and take care of details.

A resume will not get you a job. An interview with a company will get you a

job. In order to have the opportunity of interviewing with a company you should send your resume with a cover letter.

RESUME

Anna Smirnova

98, Chaikovskogo Street, apt. 85

St Petersburg, 191194, Russia

Phone: +7 812 272 08 95

OBJECTIVE: Obtain employment in the field of public relations that will allow me to use my ability to work with people and take advantage of my knowledge of English.

EDUCATION: St. Petersburg State University
1989-1996 Diploma in English and French.
Qualified as English interpreter.

WORK EXPERIENCE:
April 1996-
till now
January -
March 1993
Assistant, Interpreter of Director General Insurance Co. Rodin a Ros.
Duties: schedules of meetings, appointments and recording of the .personnel, interpreting and translation of documents.
Personal assistant and secretary to Mr. Ron Black at the office of Operation Carelift. Mr. Black, a former member of the Pennsylvania House of Representatives supervised the activities of this NGO in distributing humanitarian assistance in St.Petersburg. Duties: interviewing and screening Russian organization which applied for humanitarian assistance, arranging and .supervising of deliveries of children's shoes and boots in St.Petersburg, scheduling of the drivers and Russian personnel.

LANGUAGES: ENGLISH Fluent reading, writing and speaking ability. Qualified as interpreter and translator,
FRENCH Good reading and translating ability.
GERMAN Rudimentary conversation German acquired during several visits to Germany.

OTHER SKILLS: COMPUTER Microsoft Word and Excel. Typing, fax, Xerox.

HOBBIES: Theatre, music, tourism, sports.

ACTIVITIES: -

REFERENCES:

Mrs. Elena Petrova, Associate
professor St.Petersburg, •
State University 11,
Universitetskaya Nab.
St.Petersburg
Phone: +7 812 218 95 65

Mr.Peter Bright, Manager
Anglo-American School
US Consulat General
St.Petersburg
Phone:+7 812 325 62 47

Write a cover letter as Ann Smirnova did it.

Anna Smirnova
98, Chaikovskogo Street apt 85
St.Petersburg, 191194, Russia
Phone: +7 812 272 08 95
December 2, 1996

US Consulate General
15, Furshtatskaya Street
St.Petersburg.191028
Attn.: Mr. Josh Overcast

Dear Sirs,

By this letter I would like to apply for the FSN personnel clerk position at the US Consulate General.

Thank you for taking time to deal with, my application. Please kindly find my references enclosed.

Faithfully yours,
Anna Smirnova.

How to write a cover letter.

Read the text about a supporting letter which should usually accompany your CV or Resume. Pay attention to the differences in the-content between the first, two documents and the following one.

When you use a resume to apply for a job, you also need a short cover letter. The cover letter should not simply repeat information given in the resume; instead, it should begin by identifying the job for which you are applying and telling how you heard about it. You can then add any other information not included in the resume which might be important-for this particular job. Finally, request an interview; include your phone number, and when you can be reached.

Address the letter, to a specific individual whenever possible.

Develop a bridge between yourself and employer at the very beginning - tell how you learned of the vacancy.

Give a brief statement, emphasizing your qualifications for this position.

Use words directly from the job ad to describe what you. can do.

Emphasize what you can do for an employer rather than what he can do for you.

Show enthusiasm throughout your letter.

Sample Cover Letter

753 Westborn Drive
Ardmore, PA 19361
November 23, 2002

Mr. Arnold Peck
Director of Personnel
Lientz Construction, Inc.
119 Westview Drive
Willoughby, OH 44094

Dear Mr. Peck:

With a civil engineering degree from Eastern-University and practical experience in the field, I believe I could be of value to Lientz Construction. Would you please consider me for the junior civil engineering position described in the November 22 *New York Times*?

Your notice, .calls for a candidate with «business sense». While at Eastern, I took many business, courses, including three advanced seminars. I was intrigued by the sometimes conflicting goals of high profits, and good labour-management relations and did my research on solutions to such problems in the construction industry.

In three summer's work with .two construction firms, I saw the. practical side of this issue. I began as a laborer, experience which will be of great value to me in my career in construction. I have prepared over three dozen bids and estimates for both residential and commercial customers. In addition, I revised the entire drafting of a 700-unit housing complex in southern New Jersey.

The enclosed resume provides an overview of my skills and experience. Could I meet with you at your convenience to discuss my qualifications for the position? You can leave, a message for me any weekday at (215)525-6681.

Very truly yours,

Kenneth Chaing
Enclosure (1)

Calling an Employment Agency

Receptionist: Good morning, Pilot agency.

Applicant: Good-morning, my name is Ivanov, Sergey Ivanov. I'm interested in finding a job in quality control. Is there someone with whom I can speak?

Situation I.

R: I'm sorry, we don't handle jobs of that kind.

App: O.K I'm sorry to bother you, but can you suggest an agency which does deal with such a job.

R: You might try the Greenfield agency.

App: Thank you very much for your help. Have a good day.

R: You too.

Situation II.

R: Yes, Just .a minute, Mr. Robinson will be right with you.

Mr. Robinson: Good morning, Robinson speaking.

App: Good morning, my name is Ivanov, I'm interested in finding a job in quality control. May I come and discuss the possibilities?

Situation I.

Mr. R: What are your qualifications in this field?

App: I have a five year diploma from Baltic State Technical University in certification.

Mr. R: Do you have any work experience?

App: Not in this field, but I have worked as an electrician in St. Petersburg Constructions.

Mr. R: O.K. come and see me at 3 o'clock tomorrow and bring your resume.

App: Thank you. Good bye.

Mr. R: Good bye. See you tomorrow then.

Situation II.

Mr. R: I'm sorry, I have no such listings right now.
App: May I register with you anyway in case something comes in?
Mr. R: Of course, you can. You can come any time during the day. You will be placed in the file.
App: Thank you. Good bye.
Mr. R: Good bye. Have a good day.
App: You too.

Responding to an Ad

Receptionist: Good morning, Manpower agency.
Applicant: I'm calling about your add in "Daily News" for an electronic engineer. I'd like very much to come and talk with someone about the job.

Receptionist: Mr. Robinson is receiving applicants at 3 o'clock every Tuesday and Friday.

App: I'm here to see Mr. Robinson about the electronic engineer position, I've read about in "Daily News" want ads.

R: Have a seat, please. Mr. Robinson will be free in a few minutes. What is your name? I'll tell Mr. Robinson that you're waiting to see him.

App: Thank you. My name is Sergey Ivanov. Here is my resume and application.

(In a few minutes)

Mr. R: Mr. Ivanov, come in, please. I've read your resume and the application. I think, you have a chance at getting this job, so I'm going to send you to see the employer.

DIALOGUES

Your Career Goals

Task 1. *Read the dialogues in pairs:*

1.

- Are you pleased with your new job, Mary?
- Yes, very much. It's just my cup of tea. I work as a translator at the Research Institute.
- And what sort of translation are you engaged in?
- Well, I translate articles on chemistry from different American and English magazines.

2.

- My brother has an awful lot of work. He's so booked up these days.
- Why? Isn't he going to take a leave?
- Oh, no: most of his colleagues are on their vacation and the chief keeps him at work day and night.
- Nothing doing. The coming of the holiday-making season is in the air.

3.

- What are your wages, Bill?
- It depends, you know. I'm on piece-work.
- And how much did you earn last month?
- Well, 500 dollars let alone the bonus.

4.

- Why do you want to change your job, Bill? It's interesting and quite well-paid.
- The one I've found suits me better.
- Really? Are you sure?
- Absolutely, it offers more opportunities and also I'll do the work for which I'm more qualified.

5.

- You know, Richard has come to work though he's on a sick leave.
- Oh, did he? I wonder what for!
- He wants his boss to see what a hard worker he is.

Unit IX

Job Interview.

LEAD-IN

Task 1. Discuss the meaning of these 2 quotations about the job interview.

1. "Never wear a backward baseball cap to an interview unless applying for the job of umpire." (Den Zevin)
2. "So many people out there have no idea what they want to do for a living, but they think that by going on job interviews they'll magically figure it out. If you're not sure, that message comes out loud and clear in the interview." (Todd Bermont)

Task 2. Give answers to the following questions.

1. What is a job interview?
2. How should you prepare for a job interview?
3. When should you come to your job interview?
4. How should you enter the place where you are going to have a job interview?
5. How should you behave during the interview?
6. How should you finish your job interview?

Task 3. Choose three features of character which you think can help you get a vacant position as an economist, top manager, accountant, travel agent and explain why.

- | | | | |
|-----------------|--------------|--------------|----------------|
| a) hard-working | e) attentive | i)critical | m) flexible |
| b) industrious | f) stubborn | j)honest | n) decisive |
| c) social | g) bossy | k) confident | o) independent |
| d) ambitious | h) strict | l)reliable | |

Task 4. Analyze the given working conditions and benefits and decide what you would like to have in future.

1. I work very long hours.
2. My job is well-paid.
3. I get a company car.
4. I get four weeks' paid holiday.
5. They've got a good pension scheme.
6. I'm on a pretty good salary.
7. I hope to get a promotion next year.
8. I have to work overtime.
9. They run a system of flexi-time.

10. I get a regular pay-rise.
11. I get a private health insurance.
12. I have 2 days off every week.
13. They give a bonus every quarter.

Task 5. Make the most suitable collocations.

- | | |
|--------------|--------------|
| 1. Potential | a) interview |
| 2. Interview | b) elements |
| 3. Panel | c) bonus |
| 4. Job | d) applicant |
| 5. Applicant | e) questions |
| 6. Core job | f) job |
| | g) traits |

READING

Task 6. Read this text and do the tasks given below.

Job Interview.

A job interview is a process in which a potential employee is evaluated by an employer for prospective employment in their company, organization, or firm. During this process, the employer hopes to determine whether or not the applicant is suitable for the role. A job interview typically precedes the hiring decision, and is used to evaluate the candidate. The interview is usually preceded by the evaluation of submitted résumés from interested candidates, then selecting a small number of candidates for interviews. Potential job interview opportunities also include networking events and career fairs. The job interview is considered one of the most useful tools for evaluating potential employees. It also demands significant resources from the employer, yet has been demonstrated to be notoriously unreliable in identifying the optimal person for the job. An interview also allows the candidate to assess the corporate culture and demands of the job.

Multiple rounds of job interviews may be used where there are many candidates or the job is particularly challenging or desirable. Earlier rounds may involve fewer staff from the employers and will typically be much shorter and less in-depth. A common initial interview form is the phone interview, a job interview conducted over the telephone. This is especially common when the candidates do not live near the employer and has the advantage of keeping costs low for both sides.

Once all candidates have been interviewed, the employer typically selects the most desirable candidate and begins the negotiation of a job offer. In light of its popularity, a stream of research has attempted to identify the constructs (ideas or concepts) that are measured during the interview to understand why

interviews might help us pick the right people for the job. These constructs can be classified into three categories: job-relevant interview content (constructs interview questions are designed to assess), interviewee performance (applicant behaviors unrelated to the applicant characteristics the interview questions are designed to assess but nevertheless influence interviewer evaluations of interviewee responses), and potentially job-irrelevant interviewer biases (personal and demographic characteristics of applicants that may influence interviewer evaluations of interviewee responses in an illegal, discriminatory way).

Job-relevant interview content

Interview questions are generally designed to tap applicant attributes that are specifically relevant to the job for which the person is applying. The job-relevant applicant attributes that the questions purportedly assess are thought to be necessary for one to successfully perform on the job. The job-relevant constructs that have been assessed in the interview can be classified into three categories: general traits, experiential factors, and core job elements. The first category refers to relatively stable applicant traits. The second category refers to job knowledge that the applicant has acquired over time. The third category refers to the knowledge, skills, and abilities associated with the job.

General traits:

- Mental ability: Applicants' capacity to learn and process information.
- Personality: Conscientiousness, agreeableness, emotional stability, extroversion, openness to new experiences.
- Interest, goals, and values: Applicant motives, goals, and person-organization fit.

Experiential factors:

- Experience: Job-relevant knowledge derived from prior experience.
- Education: Job-relevant knowledge derived from prior education.
- Training: Job-relevant knowledge derived from prior training.

Core job elements:

- Declarative knowledge: Applicants' learned knowledge.
- Procedural skills and abilities: Applicants' ability to complete the tasks required to do the job.
- Motivation: Applicants' willingness to exert the effort required to do the job.

There are different types of job interviews. A *typical job interview* has a single candidate meeting with between one and three persons representing the employer; the potential supervisor of the employee is usually involved in the interview process. A larger *interview panel* will often have a specialized human

resources worker. While the meeting can be over in as little as 15 minutes, job interviews usually last less than two hours. Another type of job interview found throughout the professional and academic ranks is the *panel interview*. In this type of interview the candidate is interviewed by a group of panelists representing the various stakeholders in the hiring process. *Stress interviews* are still in common use. One type of stress interview is where the employer uses a succession of interviewers (one at a time or *en masse*) whose mission is to intimidate the candidate and keep him/her off-balance. The main purpose of this interview is to find out how the candidate handles stress. Stress interviews might involve testing an applicant's behavior in a busy environment. Questions about handling work overload, dealing with multiple projects, and handling conflict are typical. *Technical interviews* are also in use. This kind of interview focuses on problem solving and creativity. The questions aim at the interviewee's problem-solving skills and likely show their ability and creativity. Sometimes these interviews will be on a computer module with multiple-choice questions. *Telephone interviews* take place if a recruiter wishes to reduce the number of prospective candidates before deciding on a shortlist for face-to-face interviews. They also take place if a job applicant is a significant distance away from the premises of the hiring company, such as abroad or in another state or province.

You can have any type of interview and the success of getting a job depends on many factors. But you have to survive an interview and don't get upset if your attempt proves to be unsuccessful from the first time. Be sure your future job is waiting for you next time!

COMPREHENSION CHECK

Task 7. True or False?

1. A job interview is a process in which a potential employer is evaluated by an employee or prospective employment in their company, organization, or firm.
2. A job interview typically follows the hiring process.
3. Multiple rounds of job interviews may be used where there are a lot of candidates.
4. Once all candidates have been interviewed, the employer typically selects the most desirable candidate and begins the negotiation of a job offer.
5. Interview questions are generally designed to tap applicant attributes that are usually inappropriate to the job for which the person is applying for.
6. A typical job interview includes single candidate meeting with between one and three persons representing the employer.
7. During the panel interview the candidate is interviewed by a group of people representing the various stakeholders in the hiring process.
8. The main purpose of stress interviews is to find out how the candidate knows technical equipment.

9. One type of stress interview is where the employer uses a succession of interviewers (one at a time or *en masse*) whose mission is to intimidate the candidate and keep him/her off-balance.

10. Telephone interviews take place if a recruiter wishes to increase the number of prospective candidates before deciding on a shortlist for face-to-face interviews.

Task 8. Choose the correct translation of the given word collocations taken from the text.

1. Job interview

- a) Собеседование при устройстве на работу
- b) Интервью о произошедшем на работе
- b) Интервью потенциального клиента

2. Hiring decision

- a) Решение об увольнении
- b) Решение о повышении
- c) Решение о принятии на работу

3. Career fair

- a) Ярмарка продаж
- b) Ярмарка вакансий
- c) Ярмарка мастеров

4. Performance Interview

- a) Беседа о результатах
- b) Провокационная беседа
- c) Аттестационное собеседование

5. Stress Interview

- a) Интервью без давления
- b) Стрессовое собеседование
- c) Собеседование о результатах деятельности

6. Panel Interview

- a) Коллегиальное собеседование
- b) Собеседование с работодателем напрямую
- c) Телефонный опрос

DISCUSSION

Task 9. *You are given some tips how to survive a job interview. Discuss each one in pairs.*

1. *Don't cross anything!* Keep arms, legs and feet relaxed. People with folded arms look like they are trying to protect themselves from something. An open jacket says "I'm an honest, open person. I have nothing to hide."
2. *Lean forward!* Don't sit back. It makes you look tired or nervous. Sit forward, project yourself into the space. Show by the way you sit that you are ready and eager, that you want to be part of the scene.
3. *Make direct eye contact!* Avoid looking away all the time because it makes you look suspicious. Look directly into the people who are asking you questions or who are you talking to.
4. If you lower your head all the time they won't be able to see the enthusiasm in your eyes.
5. *Mirror their actions!* One of the best ways of getting people's trust and confidence is to move in the same way as they do. Listen to the speed at which they are talking, and watch they sit or move around. Do the same, but do it slowly at first. You don't want them to think they are making fun of them.
6. *Go in confidently!* A lot depends on how you enter the room. If you walk in nervously with your head and shoulders down, the interviews won't think much of you from the outset. Go in with your head held high, a slight smile on your lips. When you shake hands with the interviewers don't be too enthusiastic.
7. *Use your head!* When somebody asks you a question don't just say what comes into your head. Think about your answers. If you don't understand the question, ask the employer to paraphrase it.
8. *Think quickly!* Studies have shown that people in interviews get most nervous when there is a silence. So be prepared to speak quickly and fluently. But use your head.

Task 10. *Circle the best ending to each of the following according to the mentioned tips.*

1. The way you look and the body language you use are ...
 - a) as important as what you say.
 - b) more important than what you say
 - c) not as important as what you say.
2. It is important to ... during the interview.
 - a) to cross your legs
 - b) to uncross your legs
 - c) to look open and relaxed
3. In an interview you should ...

- a) not look at the people asking questions.
 - b) look directly at the people asking questions.
 - c) look away when you are answering.
4. At the beginning of an interview you should ...
- a) show that you are confident.
 - b) behave quietly and modestly.
 - c) smile a lot.
5. When you are asked a question you should ...
- a) say to the interviewer "Why are you asking this question?"
 - b) think carefully and ask quickly.
 - c) give yourself enough time to think carefully before answering.

WORD PARTNERSHIPS

Task 11. Make the following collocations according to the text «Job Interview».

- | | |
|-----------------|----------------|
| 1. Job | a) panel |
| 2. Multiple | b) factor |
| 3. Interview | c) interview |
| 4. Job-relevant | d) performance |
| 5. Experiential | e) rounds |
| 6. Interviewee | f) construct |
| | g) position |
| | h) stress |

Task 12. Match the antonyms.

- | | |
|----------------|-------------------|
| 1. Crossed | a) determined |
| 2. Indecisive | b) open |
| 3. Confident | c) different |
| 4. Creative | d) rigid |
| 5. Similar | e) shy |
| 6. Significant | f) unimportant |
| 7. Common | g) similar |
| | h) unusual |
| | i) discriminatory |

Task 13. Put in the missing prepositions.

- 1. I am looking ... a part-time job.
- 2. He is very punctual. He is never late ... work.
- 3. He hasn't got much self-confidence. He worries ... what people think of

him.

4. She is always ... top of her work. Her desk is always tidy.
5. She is very flexible. She can adapt ... most situations.
6. I'm ambitious. I want to move ... quite quickly.
7. All the staff were really helpful when I joined the firm a couple ... months ago.
8. All the people who work a company are the staff.

Task 14. Choose the right variant using make or do in the correct form.

1. Our company ... a lot of businesses with firm from China.
 - a) makes
 - b) do
 - c) make
 - d) does

2. We should ... some research of customers' needs.
 - a) do
 - b) shall make
 - c) makes
 - d) does

3. I ... an appointment with the boss yesterday.
 - a) make
 - b) do
 - c) did
 - d) made

4. Our manufactures ... us a favour last time. They delivered the goods free of charge.
 - a) do
 - b) does
 - c) did
 - d) make

5. You have to ... compromises if you have negotiations.
 - a) make
 - b) makes
 - c) made
 - d) de

6. I couldn't ... a telephone call to our suppliers.
 - a) made
 - b) do

- c) make
- d) did

7. Did you ... any sightseeing during your last business trips?

- a) make
- b) do
- c) does
- d) made

8. I forgot to ... arrangements with a car company.

- a) makes
- b) make
- c) do
- d) did

EXTRA ACTIVITY

Task 15. *Study the given resume and the cover letter. Write your own resume as if you are going to apply for a position as a manager.*

		Olga Belova 98, Severny Street, apt. 124 194295 Saint-Petersburg Russia Phone: +79217161526 e-mail: primrose45@mail.ru
RESUME		
PERSONAL INFORMATION:		
NAME:	Olga	
FAMILY NAME:	Belova	
AGE:	26 years old	
PLACE OF BIRTH:	Saint-Petersburg	
MARITAL STATUS:	single	
CHILDREN:	no	
OBJECTIVE:	To get a position as a translator or interpreter in your company.	
EDUCATION:	Saint-Petersburg Petersburg State University	
French.	2004-2012 Diploma in English and Qualified as English interpreter.	

WORK EXPERIENCE:

2008 – till now

Assistant, Interpreter of Director General Insurance Co. “Star”

Duties: schedules of meetings, appointments and recording of the personnel, interpreting and translation of documents.

2006 -2007

Secretary

Company “Meridian”

Duties: Preparation of documents and with clients,

work

Translation of technical documentation.

PROFESSIONAL KNOWLEDGE AND SKILLS:

abilities, vocabulary.

Fluent English, excellent speaking good knowledge of technical

user.

Working level of French. A good PC

PERSONAL TRAITS:

Sociable, flexible, creative and

HOBBIES:

Travelling

REFERNCES:

Mrs. Petrova
Saint-Petersburg
State University 11
Saint-Petersburg
Associate Professor
Phone:+7 812 218 95 65

Jeremy Waiden
Anglo-American School
Universitetskaya Emb 27
Saint-Petersburg
Manager
Phone: +7 812 325 62 47

(LETTER)

Olga Belova
98, Severny Street, apt.
124
194295 Saint-Petersburg
Russia
Phone: +79217161526
e-mail:
primrose45@mail.ru

US Consulate General .
15, Furshtatskaya Street.
191028 Saint-.Petersburg.
Attn.: Mr. John Overcast

Dear Sirs,

By this letter I would like to apply for a position as a translator or interpreter at your company.

Thank you in advance for taking my resume into consideration.

Please kindly find my references enclosed. For any further information please contact me at:
+9217161526.

Faithfully yours,
Olga Belova

SPEAKING

Task 16. Read a dialogue “Job Interview” and make up your own.

Interviewer: Good afternoon, please have a seat.

Interviewee: Thank you.

Interviewer: How are you today? Did you have any trouble finding the office?

Interviewee: I'm fine thank you, and I had no trouble at all getting here.

Interviewer: Great. Well let's get started. Could you tell me a little about your educational background?

Interviewee: Yes, I graduated from the State National Research University of Information Technology, Mechanics and Optics in 2008, with a Bachelor degree in Economics. After that I enrolled in Master's program for an accountant, graduating in 2010.

Interviewer: I see. Now, what about your work experience?

Interviewee: After leaving the university I worked as an accountant at the company “Star” for one year.

Interviewer: And after that?

Interviewee: From there I moved to Moscow and was employed by the company “Seaside” specialized in travelling.

Interviewer: According to your resume you left it three months ago. What have you been doing since then?

Interviewee: Mainly taking care of our baby. But now I'm ready to go back to work.

Interviewer: Our company offers good working conditions and a chance to move up a career ladder.

Interviewee: I see. It suits me well because I am full of energy.

Interviewer: Another question. Why did you apply for our company?

Interviewee: I studied the annual profits of your company and I think your company is the most suitable place to do my best and use all my professional knowledge.

Interviewer: Well, thank you for your time. We'll be making a selection in a couple of days and will call you one way or the other.

Interviewee: Thank you for seeing me. Have a nice day.

Unit X

Money.

LEAD-IN

Task 1. Discuss the meaning of these 4 quotations.

1. "Money may not buy happiness, but I'd rather cry in a Jaguar than on a bus." Françoise Sagan.
2. "Every day is a bunk account and time is our currency. No one is rich, no one is poor, we've got 24 hours each." Christofer Rice
3. "One must be poor to know the luxury of giving." George Eliot.
4. "Always borrow money from a pessimist, he never expects to get it back".

Task 2. Answer these questions.

1. What is money?
2. What is your attitude to money?
3. What is your favorite way of spending money?
4. Do you think it is necessary to put money aside?
5. How do you usually pay for things you buy?
6. Can you consider yourself as a big money spender, a successful investor or a person who is careful with money?
7. Would you like to take a credit? Why?
8. Does the lack of money spoil your mood seriously?
9. Do you always know how much money you have got in your pocket?
10. What should people do to be good money spenders?
11. Can the lack of money ruin the family life?
12. What would you do if you won a lot of money?
13. If a man is short of money at the moment, should a woman pay for him?

Task 3. Match the word and its definition.

- | | |
|--------------|---|
| 1. A.T.M. | a) The actual money paid. |
| 2. Banknote | b) A person who deals with transactions in a bank or a shop. |
| 3. Coin | c) A piece of paper money. |
| 4. Inflation | d) Transaction of international monetary business, as between governments or businesses of different countries. |
| 5. Cashier | e) currency that will probably fall in value and is not readily accepted |
| 6. Cash | f) Engagement in risky business transactions on the chance of quick or considerable profit. |
| 7. Loss | g) The activity involving two parties or things that reciprocally affect or influence each other. |
| 8. Dept | h) Money for incidental or minor expenses. |

- | | |
|----------------------|--|
| 9. Transaction | i) A piece of metal money. |
| 10. Speculation | j) Property or another possession acquired for future financial return or benefit. |
| 11. Legal tender | k) The money in general use or circulation in any country |
| 12. Exchange rate | l). Money etc owed by one person to another |
| 13. Foreign exchange | m) A flat pocket-sized folding case, usually made of leather, for holding paper money, cards, or photographs |
| 14. Hard currency | n) The rate at which one currency can be exchanged for another. |
| 15. Investment | o). Fixed compensation for services, paid to a person on a regular basis |
| 16. Soft currency | p). Illegal traffic in officially controlled commodities such as foreign currency |
| 17. Black market | q) The harm or suffering caused by losing or being lost. |
| 18. Wallet | r) A process when the prices go up and people aren't able to do buy anything. |
| 19. Pocket money | s) Currency that will probably not fall in value and is readily accepted. |
| 20. Salary | t)Cash dispenser |

Task 4. Put in the following words or phrases in the sentences below.

- Broke Quid Hire Purchase Make ends meet Legal Tender
Mortgage I.O.U. Cheekfeed Installments Numismatist
- I'm afraid I have no money. I'm completely ...
 - She finds New York very expensive. She says she can't ... on less than \$400 a week.
 - To a multi-millionaire \$200 is ...
 - Can you lend me a couple of ...?
 - I managed to get ... to buy a house. I'll be paying it back for the next 7 years.
 - He lent me the money but he didn't trust me completely and asked me to give him an ...
 - I couldn't really afford the car so I got it on ... and paid monthly ... until it was finally mine.
 - He collects coins and banknotes. He is a ...
 - Don't worry. Scottish banknotes are ... in England too.

Task 5. Read this text and do the tasks given below.

Money

Money is any object or record that is generally accepted as payment for goods and services and repayment of debts in a given socio-economic context or country. Money acts as a standard measure and common denomination of trade. The history of money begins around 2500 years ago with the first minting of coinage in about the seventh to sixth century BC. Since ancient times people have swapped items of value either in the exchange of gifts or else in markets where a commonly shared system of tokens is more convenient. The word "money" is believed to originate from a temple of Hera, located on Capitoline, one of Rome's seven hills. In the ancient world Hera was often associated with money. Money is historically an emergent market phenomenon establishing the commodity money, but nearly all contemporary money systems are based on fiat money. Fiat money derives its value by being declared by a government to be legal tender; that is, it must be accepted as a form of payment within the boundaries of the country, for "all debts, public and private". Fiat money or fiat currency is money whose value is not derived from any intrinsic value or guarantee that it can be converted into a valuable commodity (such as gold). Instead, it has value only by government order (fiat). Usually, the government declares the fiat currency (typically notes and coins from a central bank, such as the Federal Reserve System in the U.S.) to be legal tender, making it unlawful to not accept the fiat currency as a means of repayment for all debts, public and private. The money supply of a country consists of currency (banknotes and coins) and bank money (the balance held in checking accounts and savings accounts). The money supply is the amount of financial instruments within a specific economy available for purchasing goods or services. Since the money supply consists of various financial instruments (usually currency, demand deposits and various other types of deposits), the amount of money in an economy is measured by adding together these financial instruments creating a *monetary aggregate*. Modern monetary theory distinguishes among different ways to measure the money supply, reflected in different types of monetary aggregates, using a categorization system that focuses on the liquidity of the financial instrument used as money. *Market liquidity* describes how easily an item can be traded for another item, or into the common currency within an economy. Money is the most liquid asset because it is universally recognized and accepted as the common currency. In this way, money gives consumers the freedom to trade goods and services easily without having to barter.

Liquid financial instruments are easily tradable and have low transaction costs. There should be no (or minimal) spread between the prices to buy and sell the instrument being used as money.

The main functions of money are distinguished as: a medium of exchange; a unit of account; a store of value; and, occasionally in the past, a standard of deferred payment. Any kind of object or secure verifiable record that fulfills these functions can be considered money.

When money is used to intermediate the exchange of goods and services, it is performing a function as a *medium of exchange*. It thereby avoids the inefficiencies of a barter system, such as the 'double coincidence of wants' problem.

A *unit of account* is a standard numerical unit of measurement of the market value of goods, services, and other transactions. Also known as a "measure" or "standard" of relative worth and deferred payment, a unit of account is a necessary prerequisite for the formulation of commercial agreements that involve debt. To function as a 'unit of account', whatever is being used as money must be:

1) Divisible into smaller units without loss of value; precious metals can be coined from bars, or melted down into bars again.

2) Fungible: that is, one unit or piece must be perceived as equivalent to any other, which is why diamonds, works of art or real estate are not suitable as money.

3) A specific weight, or measure, or size to be verifiably countable. For instance, coins are often milled with a special edge, so that any removal of material from the coin (lowering its commodity value) will be easy to detect.

To act as a *store of value*, money must be able to be reliably saved, stored and retrieved – and be predictably usable as a medium of exchange when it is retrieved. *The value of the money* must also remain stable over time. Some have argued that inflation, by reducing the value of money, diminishes the ability of the money to function as a store of value. Money acts as a standard measure and common denomination of trade. It is thus a basis for quoting and bargaining of prices. It is necessary for developing efficient accounting systems. But its most important usage is as a method for comparing the values of dissimilar objects.

There are several kinds of money varying in liability and strength. The society has modified the money at different times and in this way several types of money are introduced. When there was ample availability of metals, metal money came into existence later it was substituted by the paper money. At different times, several commodities were used as the medium of exchange.

So, it can be said that according to the needs and availability of means, the kinds of money has changed. Some of the major types of money are:

1. Commodity Money:

Whenever any commodity is used for the exchange purpose, the commodity becomes equivalent to the money and is called commodity money. There are certain types of commodity, which are used as the commodity money. Among these, there are several precious metals like gold, silver, copper and

many more. Again, in many parts of the world, seashells (also known as cowrie shells), tobacco and many other items were in use as a type of money & medium of exchange.

2. Fiat Money:

The word fiat means the "command of the sovereign". It is the type of money that is issued by the command of the sovereign. The paper money is generally called as the fiat money. This type of money forms a monetary standard. It has been made mandatory by law to accept the fiat money, as an exchange medium, whenever it is offered to anyone.

3. Fiduciary Money:

Today's monetary system is highly fiduciary. Whenever, any bank assures the customers to pay in different types of money and when the customer can sell the promise or transfer it to somebody else, it is called the fiduciary money. Fiduciary money is generally paid in gold, silver or paper money. There are cheques and bank notes, which are the examples of fiduciary money because both are some kind of token which are used as money and carry the same value.

4. Commercial Bank Money:

Commercial Bank money or demand deposits are claims against financial institutions that can be used for the purchase of goods and services. A demand deposit account is an account from which funds can be withdrawn at any time by cheque or cash withdrawal without giving the bank or financial institution any prior notice. Banks have the legal obligation to return funds held in demand deposits immediately upon demand (or 'at call'). Demand deposit withdrawals can be performed in person, via cheques or bank drafts, using automatic teller machines (ATMs), or through online banking.

COMPREHENSION CHECK

Task 6. Find the correct answer.

1. What is money?
 - a) Money is any object or record that is generally accepted as payment for goods and services and repayment of debts in a virtual reality.
 - b) Money is any object or record that is generally accepted as payment for goods and services and repayment of debts in a given socio-economic context or country.
 - c) Money is any object or record that is generally accepted as payment for goods and services and repayment of debts in the world.
2. When did the history of money begin?
 - a) It began 500 years ago.
 - b) It began in the 17th century.

- c) It began 2500 years ago.
3. What is modern money based on?
 - a) It is based on the money supply.
 - b) It is based on the fiat money.
 - c) It is based on the exchange rate.
 4. Where did the word “money” come from?
 - a) It is believed to originate from a temple of Mars.
 - b) It is believed to originate from a temple of Hera.
 - c) It is believed to originate from a temple of Apollo.
 5. What is special about the liquid financial instruments?
 - a) They are easily tradable and have high transaction costs.
 - b) They are easily tradable and have unbelievable transaction costs.
 - c) They are easily tradable and have low transaction costs.
 6. What is important to take into consideration if money acts a store of value?
 - a) It should be reliably saved, stored and changeable.
 - b) It should be reliably saved, stored and retrieved.
 - c) It should be reliably saved, stored and unreliable.
 7. What is the fiat money?
 - a) These are coins.
 - b) The paper money is generally called as the fiat money.
 - c) These are goods.
 8. What is the second name of the commercial bank money?
 - a) They are called demand deposits.
 - b) They are called deposit copies.
 - c) They are called conditional deposits.

Task7. True or False?

1. A unit of account is a standard numerical unit of measurement of the market value of goods, services, and other transactions.
2. The word fiat means the "second-in-command".
3. Today's monetary system is unpredictable and quite unreliable.
4. Commercial Bank money are claims against financial institutions that can be used for the purchase of goods and services.
5. Banks have the legal obligation to return funds held in demand deposits immediately upon demand.
6. Whenever any commodity is used for the exchange purpose, the commodity becomes equivalent to the money and is called fiat money.

7. The value of the money must also remain unstable over time.
8. Money is historically an emergent market phenomenon establishing the commodity money.
9. In many parts of the world, seashells (also known as cowrie shells), tobacco and many other items were in use as a type of money & medium of exchange.
10. There are several kinds of money varying in liability and length.

Task 8. *Can you describe the main functions of money? Name the main types of money and their role.*

WORD PARTNESHIPS AND VOCABULARY

Task 9. *Fill each space in the sentences below with the correct form of the word.*

1. Pay

- a) To buy this truck I made a monthly ... of 300 for two years.
- b) Please make your cheque ... to Jane Brown.
- c) A person, financial institution or business to whom you make some type of payment to is a ...

2. Receive

- a) She works as ... at a hotel in Wales.
- b) Ask for ... when you buy something.
- c) I made several suggestions but the management was not ...

3. Stable

- a) The exchange rate is going up and down. It is very ... at the moment.
- b) In the beginning of the 21st century the trade was not stable at all. It was a time of great ...
- c) To ... the prices, we used a variety of methods.

4. False

- a) She was accused of ... the financial accounts.
- b) The ... of his arguments was clear to all the cashiers.
- c) It is a ... to say he did it.

5. Manage

- a) Talks between workers and ... have broken down and a strike seems unavoidable.
- b) The client was very rude and they found him ...
- c) To improve his organizing abilities he's taking a course in ... skills.

6. Economy

- a) We're spending too much. We must ...
- b) The car uses a lot of petrol. It's terribly ...
- c) The Minister of Finance is responsible for ...

Task 10. Put in the missing prepositions.

- 1. People worry ... losing their jobs in the nearest future.
- 2. The Central Banks and Finance ministers are trying to decide whether to inject more money .. the financial markets.
- 3. You should be careful when you are getting money ... an ATM, because someone might be behind you planning to rob you.
- 4. Whenever any commodity is used for the exchange purpose, the commodity becomes equivalent ... the money and is called commodity money.
- 5. Some have argued that inflation, ... reducing the value of money, diminishes the ability of the money to function as a store of value.
- 6. Many countries are now ... an economic recession.
- 7. Fiat money derives its value ... being declared by a government to be legal tender.
- 8. Apart from the credit crunch, there are other signs ... a downturn, such as rising inflation and an increased cost of living.
- 9. These job losses / job cuts / redundancies mean that there will be more claimants ... unemployment benefit.
- 10. The word "money" is believed to originate ... a temple of Hera.

Task 11. Match the money collocations with the correct definitions.

1. To earn money	a) To receive money from somebody who has died.
2. To raise money	b) To take money out of a bank account.
3. To donate money	c) To use money on something you don't need.
4. To steal money	d) To buy e.g. shares in a company.
5. To win money	e) To give somebody money that they must return.
6. To find money	f) To get money from people for a purpose.
7. To lose money	g) To give money to an organization.
8. To spend money	h) To keep money for future use.
9. To save money	i) Not to have money anymore.
10. To lend money	j) To give/pay money for something.
11. To borrow money	k) To ask for money from somebody.
12. To withdraw money	l) To have to pay somebody the money they gave you.
13. To waste money	m) To get money by working.
14. To inherit money	n) To take money from somebody without permission.
15. To owe money	o) To get money in the lottery, quiz show etc.

	p) To get money from somebody that you must return.
	q) To discover by chance.

EXTRA ACTIVITY

Task 12. Fill in a gap with the following words.

account / back / banknotes / borrowed / change / coin / currency / earn / lent /
note / salary / spend / sum / wages / waste / win

1. In the USA, "quarters" (25 cents) and "dimes" (10 cents) are types of _____.
2. In the United Kingdom, "a tenner" means a ten pound _____.
3. The US dollar, the Yen and the Euro are types of _____.
4. Hundred dollar bills and twenty pound notes are _____.
5. 2,000,000 Euro is a large _____ of money.
6. I need to _____ some Euros into Australian dollars.
7. My friend _____ a hundred pounds from me.
8. I _____ a hundred pounds to my friend. When she can, she'll pay me _____.
9. I buy a lottery ticket every week, but I never _____ anything.
10. Most dentists _____ at least £30,000 a year.
11. _____ are paid to employees weekly. _____ are paid to employees monthly.
12. In business, you have to _____ money to make money.
13. A: Do you have a bank _____?
B: Yes. I bank with the Bank of Scotland.
14. In my opinion, eating in expensive restaurants is a _____ of money.

Task 13. Choose the correct word.

1. Spain now uses the euro. Pesetas are no longer _____.
a) good money
b) legal money
c) legal tender
2. I bought a TV which doesn't work. I'll take it back to the shop to get _____.
a) my money returned
b) a refund
c) a repayment
3. In a shop, to get a refund, you usually have to show the _____.

- a) receipt
- b) recipe
- c) payment ticket

4. I'm paying for my new car in 36 monthly _____.

- a) installments
- b) pieces
- c) parts

5. I earn a lot of money, but I have a lot of _____.

- a) payouts
- b) expenses
- c) paying

6. Famous paintings are usually sold by _____.

- a) bid
- b) highest price
- c) auction

7. In an auction, the item is sold to the person who makes the highest _____.

- a) bid
- b) price
- c) offer

8. In Japan, the US dollar is _____ .

- a) foreign money
- b) strange money
- c) a foreign currency

9. In Britain, it's not usual to discuss your personal _____

- a) money
- b) finances
- c) money arrangements

10. You can _____ a house and _____ a car.

- a) hire / rent
- b) hire / hire
- c) rent / rent or hire

11. Here's the fifty dollars I _____.

- a) owe you
- b) pay you back

c) must return

12. The best things in life are _____.

a) free

b) not for sale

c) not bought and sold

Task 14. Choose the best alternatives to go into the spaces.

1. Tony doesn't pay tax. He gets paid _____.

a) cash in pocket

b) cash in hand

c) cash in fingers.

2. Anna is a _____ illustrator. She works for many different _____.

a) freelance / customers

b) free / clients

c) freelance / clients

3. Anna is _____.

a) self-employed

b) self-working

c) self-paid

4. Steve works for Burger Planet. He only earns about £6 _____.

a) for an hour

b) an hour

c) the hour

5. Working in a fast-food restaurants is usually a _____ occupation.

a) bad-pay

b) short-pay

c) low-pay

6. Many company executives receive a performance-related _____.

a) bonus

b) gift

c) extra

7. Extra benefits from employers such as free health insurance, free cars and free mobile phones are called _____.

a) presents

b) extras

c) perks

8. Factory workers who get paid for each item they make are _____.

- a) in pieces
- b) on piecework
- c) on pieces

Task 15. Read the text and fill in the gaps with the correct missing words.

Installments	Acquire	Expenses	Outflows	
Healthier	Amount	Organization	Minutes	Suffering

How to Save Money

It is important to 1 the habit of saving because you never know what might happen in the near future. To begin with, it is important to list the basic monthly 2 you have, such as paying rent, utilities, gas, food, mobile bill and credit cards. Once you have worked out the total 3 of expenses you have to pay, you can focus on how much you will have left and how much, therefore, you can save! It is possible that while reading this you are already thinking that your income does not allow you to save, but be sure this is just lack of 4.

Remember that nothing in life lasts forever, and that it is very important to have savings that allow you to live for at least six months without 5, in case you lose your job. To put into practice, here are some tips to help you save:

Eat more at home and less in restaurants, it's not only 6 but will help you save money.

Do not go shopping on an empty stomach, because you will buy more because of the hunger you are experiencing at that time.

Check your cable TV plan, as well as landline and cellular plans. Do you really need so many channels and so many 7? Think about it!

Do not leave appliances connected or the cable to recharge your phone plugged in, all this consumes energy and will increase your expenses.

It is better not to have more than one credit card and only use it in emergencies. You also should try not to defer payments in many 8. Remember that the interests of the cards are very high and gradually you will get into more debt without realizing it.

Create a table in your computer or a notebook, where you can organize your expenses to control additional or different 9. This table may serve to analyze what percentage of your income you can save and determine which things you can cut back on!

Task 16. Look through these financial expressions and idioms and make up your own dialogues.

Finance and economy phrases:

1. weather the storm = survive bad times: "We're trying to weather the storm by lowering our prices."
2. be in good shape (the economy is in good shape) = to be strong: "Fortunately, we're in good shape financially, so we should be able to weather the storm."
3. live beyond your means = not earn enough money, so you need to borrow money: "We have to stop living beyond our means."
4. pay the price = pay for your mistakes: "The country is paying the price for its previous spending policies."
5. foot the bill = pay for someone else: "He took me out for lunch and footed the bill."
6. at rock bottom = to be so low you cannot go any further down: "The economy must be at rock bottom now."
7. in free fall = keep falling without anything stopping the fall: "The economy is in free fall."

Money idioms

1. to break the bank = to cost a lot of money: "I can't afford a skiing holiday this winter – it would break the bank."
2. to cost an arm and a leg = be very expensive: "It costs an arm and a leg to buy all these Christmas presents."
3. to pay through the nose = cost a lot: "They had to pay through the nose to get their son insured to drive."
4. to splash out on something = to pay a lot for an important event: "They're splashing out on their anniversary this year."

Idioms meaning a person is rich

1. to be loaded: "He works in the City and he's loaded!"
2. to be sitting on a small fortune / goldmine: "She will inherit everything. She's sitting on a goldmine!"
3. to have money to burn: "I've just received a bonus and I have money to burn!"

Idioms meaning a person is poor

1. to be as poor as church mice: "His family have always been as poor as church mice."
2. to be skint = British slang that means having no money: "Can you lend me some money until next Friday? I'm skint!"
3. to be broke = have no money (also "flat broke" or "stony broke"): "She's always broke at the end of the month."
4. to scrimp and save = to make as many economies as you can to save money: "His parents scrimped and saved to send him to university."

Idioms to mean you don't want to spend money

1. a scrooge = Scrooge was a Dickens character, famous for being mean: "Why

don't you want to buy her a leaving present? You're such a scrooge."

2. a skinflint = someone who doesn't want to spend money: "She reuses tea bags – she's such a skinflint!"

3. tight-fisted: "One reason he has so much money is that he's so tight-fisted!"

Other money idioms

1. to have more money than sense = to have a lot of money which you waste rather than spend carefully: "He just bought another camera – he has more money than sense."

2. to burn a hole in your pocket = to not be able to stop spending money: "He can't just go out window-shopping. Money burns a hole in his pocket."

3. money for old rope = an easy source of income: "He sells bunches of flowers he has grown himself. It's money for old rope."

4. make a fast buck = to make money quickly and sometimes dishonestly: "He made a fast buck selling those shares. I wonder if he had insider knowledge."

5. Ten a penny = very common: "These scarves are ten a penny in the markets here."

GRAMMAR CHECK

Pronouns

Indefinite pronouns

1. Words like everyone, anyone, etc. are called indefinite pronouns. They refer to people, things or places without saying exactly who, what or where they are.

People: someone/somebody anyone/anybody everyone/everybody no one
/nobody

Things: something anything everything nothing

Places: somewhere anywhere everywhere nowhere

Time: sometime anytime

Indefinite pronouns are followed by a singular verb, but we refer back to them in a sentence with they, them, their.

Someone is waiting for you at the reception. I told **them** you wouldn't be very long.

Well, I suppose that **everybody** is ready for a coffee break.

Nobody came in time due to a huge traffic jam.

2. There is a difference in using indefinite pronouns.

Affirmative sentence

Words with some and any follow

Some is typical for affirmative sentence.

There is **something** strange in this document.

Any is also common, particularly when we want to show there is no limit to possibilities.

You can fly **anywhere** you want from here.

Any is common in sentences with if.

If there is **anything** you would like to have, just ask us.

Questions

Any is also use in questions.

Does **anyone** understand our new marketing strategy?

Some is common for requests and offers.

Can I give you a lift **anywhere**?

Negative sentences

Not ... any- is very common and means the same as no-.

There is **not anybody** here with that name.= There is nobody here with that name.

Not some- is rare and has a different meaning to not ... any-.

He **isn't someone** I feel comfortable talking to. (=He isn't a person I feel comfortable talking to.).

Everyone/no

Words with every- mean all the people, things or places in a group.

A big "thank you" to **everyone**. You all did a wonderful job. We handle **everything** for you, from design to delivery.

Every one (with two words) has a different meaning. It means each single one and it is used to give emphasis.

In pronunciation, both words have equal stress.

Every one of our clients is important, even the smallest companies.

Words with no- mean no people, things or places.

Nobody phoned while you were out.

Double negatives are not used.

There is **nothing** we can do. There is not **anything** we can do.

Reflexive pronouns

The reflexive pronouns are: myself, yourself, himself, herself, itself, ourselves, yourselves, themselves.

We use a reflexive pronoun if the object of the verb is the same as the subject.

I am enjoying **myself**.

Jill introduced **herself** to me.

Some verbs are not usually reflexive in English. Examples include: to change, to complain, to decide, to dress, to feel, to hurry, to meet, to relax, to remember, to rest, to stand up, to wake up, to wash.

When I got home, I **changed** quickly to get out again.

In pronunciation we stress self or selves.

I **myself** haven't seen the new design.

If me mean "without help" or alone, we can use by + reflexive pronoun.

Are you doing all the research **by yourselves**?

I wanted to travel to the conference **by myself**.

Task 17. Complete the sentences with the most appropriate indefinite pronouns.

1. It's just not right. ... worrying me in this report.
2. The office is empty. There is ... except me in the office.
3. I'm sorry. I think there isn'tI can do in this situation.
4. seems to be wrong with the printer. It doesn't work.
5. There is ... to see you. Shall I let them in?
6. I see that has a copy of agenda. Let's begin then.
7. Before moving to the next point of our discussion, is there else left?
8. No, I've decided. you could say would make me change my mind.
9. A big thank you to in our office.

Task18: Underline the correct variant.

1. We can't blame anyone/no one but ourselves for this mistake.
2. There's anything/nothing in the post for you this morning.
3. Anyone/someone called you earlier.
4. Isn't there anywhere/nowhere to go out at this time of night?
5. Can I ask you anything/something?
6. There's anyone/someone on the phone to speak to you.
7. Sorry, I don't know anything/nothing about it.
8. No one/someone knew what to do, so I used my own initiative.

Task 19. Complete the sentences with the correct word from the list below also using a reflexive pronoun.

Blame / enjoy / express / help / hurt / introduce / make / prepareteach

1. I keep *asking myself* what I would do in this situation.
2. It was a great holiday. We really
3. James Spanish by listening to music while driving to work.
4. Be careful. It's heavy. Don't
5. Paula knows German but she can't very well.
6. Ladies and Gentlemen, please with coffee.
7. Mary for a shock. I'm going to resign.
8. Let me My name is George Brown.
9. It wasn't your fault. Don't
10. Ann and Nick. So glad to see you. Come in and at home.

Task 20. Complete the dialogues with the words from the list below.

Anyone / anything / anywhere / everyone / everything / everywhere / someone / something / somewhere
--

I. Mike: I can't find my mobile phone. I've looked 1).... I must have put it down 2).... but I just can't remember where. Oh, how sad! It could be 3).....

Rita: Perhaps 4).... has picked it up by mistake? 5) in the company has the same type of mobile phone.

6) could have picked it up.

II. John: Sales have dropped by 60% in Asia over the last six months.

Magda: There must be 7) we can do to increase the sales.

John: But what? I've tried 8)..... I can't make up 9)..... else we can do to change the situation.

Unit X

Banking.

LEAD-IN

Task 1. Discuss the meaning of these 2 quotations.

1. "A bank is a place where they lend you an umbrella in fair weather and ask for it back when it begins to rain." Robert Frost.
2. "It is well enough that people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning." Henry Ford.

Task 2. Answer these questions.

1. How can you evaluate banks?
2. What is the role of banks in our modern life?
3. How often do you go to banks?
4. What services do banks offer nowadays?
5. How often do you pay by credit cards?
6. Why do so many people take credits offered by different banks?
7. What advantages does online banking give to you?
8. What kind of person should you be if you want to work at the bank?

Task 3. Match the word and its definition.

1. Intermediary	a) One serving as an officer or owner of a bank.
2. Banker	b) To give money to somebody or an organization to get some interest fee.
3. Service	c) One that owes something to another.
4. Lending	d) Work done for others as an occupation or business.
5. Payment	e) The payment of an obligation, as a government's payment of the value of its bonds.
6. Credit	f) A firm or person who acts as a mediator on a link between parties to a business deal, investment decision, negotiation.
7. Redemption	g) The act of paying or the state being paid.
8. Deficit	h) An arrangement for deferred payment of a loan or purchase.
9. Overdraft	i) The amount by which a sum of money falls short of the required or expected amount.
	k) One who is in charge of the business affairs or some kind of entertainment.
	l) Loan arrangement under which banks extend credits.

Task 4. *Make the most suitable word collocations.*

1. Financial

- a) inquiry
- b) institution
- c) vision

2. Exchange

- a) labor
- b) revelation
- c) counter

3. Banking

- a) services
- b) disappointment
- c) supervision

4. Current

- a) account
- b) intrusion
- c) temptation

5. Interbank

- a) place
- b) clearing
- c) marking

6. Installment

- a) cheating
- b) loans
- c) roads

7. Commercial

- a) payments
- b) banks
- c) ways

8. Demand

- a) offer
- b) station
- c) debt

Task 5. Read this text and do the tasks given below.

Banking.

A **bank** is a financial institution and a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly by loaning or indirectly through capital markets. A bank is the connection between customers that have capital deficits and customers with capital surpluses. Due to their influence within a financial system and an economy, banks are generally highly regulated in most countries. Most banks operate under a system known as fractional reserve banking where they hold only a small reserve of the funds deposited and lend out the rest for profit. They are generally subject to minimum capital requirements which are based on an international set of capital standards. The oldest bank still in existence is Monte dei Paschi di Siena, headquartered in Siena, since 1472. The word *bank* was borrowed from Old Italian “*banca*” meaning “bench, counter”. Benches were used as desks or exchange counters during the Renaissance period by bankers, who used to make their transactions atop desks covered by green tablecloths.

The work of bank centers around money and financial services. Virtually any activity involving money or advice about financial matters is undertaken by all the commercial banks. Banks borrow money by accepting funds deposited on current accounts, by accepting term deposit, and by issuing debt securities such as banknotes and bonds. Banks lend money by making advances to customers on current accounts, by making installment loans, and by investing in marketable debt securities and other forms of money lending. In general banks perform the main functions such as:

1. *The issue of money*, in the form of banknotes and current accounts subject to check or payment at the customer's order. These claims on banks can act as money because they are negotiable or repayable on demand, and hence valued at par. They are effectively transferable by mere delivery, in the case of banknotes, or by drawing a check that the payee may bank or cash.

2. *Netting and settlement of payments* – banks act as both collection and paying agents for customers, participating in interbank clearing and settlement systems to collect, present, be presented with, and pay payment instruments. This enables banks to economize on reserves held for settlement of payments, since inward and outward payments offset each other. It also enables the offsetting of payment flows between geographical areas, reducing the cost of settlement between them.

3. *Credit intermediation* – banks borrow and lend back-to-back on their own account as middle men.

4. *Credit quality improvement* – banks lend money to ordinary commercial and personal borrowers (ordinary credit quality), but there are also high quality borrowers. The improvement comes from diversification of the bank's assets and capital which provides a buffer to absorb losses without

defaulting on its obligations. However, banknotes and deposits are generally unsecured; if the bank gets into difficulty and pledges assets as security, to raise the funding it needs to continue to operate, this puts the note holders and depositors in an economically subordinated position.

5. *The asset liability mismatch/maturity transformation* – banks borrow more on demand debt and short term debt, but provide more long term loans. In other words, they borrow short and lend long. With a stronger credit quality than most other borrowers, banks can do this by aggregating issues (e.g. accepting deposits and issuing banknotes) and redemptions (e.g. withdrawals and redemption of banknotes), maintaining reserves of cash, investing in marketable securities that can be readily converted to cash if needed, and raising replacement funding as needed from various sources (e.g. wholesale cash markets and securities markets).

6. *Money creation* – whenever a bank gives out a loan in a fractional-reserve banking system, a new sum of virtual money is created.

There are different types of banks. A lot of people are familiar with *retail banks*. Retail banks usually work with consumers, not businesses. Retail banks allow consumers to purchase homes, cars and consumer products by providing mortgages and loans. In this way, they provide needed liquidity to keep the economy growing. Retail banks provide a safe place for people to deposit their money by offering savings accounts, CDs and other financial products. Retail banks also provide checking accounts commercial bank is a bank that works with businesses. *Commercial banks* handle banking needs for large and small businesses, including the service of basic accounts such as savings, lending money for real and capital purchases, crediting, making payments and transaction processing. Commercial banks often function as retail banks as well, serving individuals along with businesses. *Central banks* are in charge of setting interest rates on loans and short-term bonds. They do this lending money to the vast network of private banks. By doing so, central banks have the power to regulate the growth of the economy. *Investment banks* help organizations use investment markets. When a company wants to raise money by issuing stocks or bonds, an investment bank helps them through the process. Investment banks also consult on mergers and acquisitions, among other things. Investment banks primarily work in the investment markets and do not take customer deposits. However, some large investment banks also serve as commercial banks or retail banks. *Online banks* are banks that you primarily (or exclusively) use on the Internet. Online banks allow people to have more choice and flexibility. People can do things on a computer, and they often get more competitive rates from online banks.

The work of banks is connected with the process of banking. Banking is one of the key drivers of the economy. Banking is the business activity of accepting and safeguarding money owned by other individuals and entities, and then lending out this money in order to earn a profit. Banking provides the

liquidity needed for families and businesses to invest for the future. Bank loans and credit means families don't have to save up before going to college or buying a house, and companies can start hiring immediately to build for future demand and expansion. However, with the passage of time, the activities covered by banking business have widened and now various other services are also offered by banks. The banking services these days include issuance of debit and credit cards, providing safe custody of valuable items, lockers, ATM services and online transfer of funds across the country and many other things. Banking business can change the world economy considerably. The simple looking method of accepting money deposits from savers and then lending the same money to borrowers, banking activity encourages the flow of money to be productive and make investments. This in turn allows the economy to grow. In the absence of banking business, savings would be idle, the entrepreneurs would not be in a position to raise the money, ordinary people dreaming for a new car or house would not be able to purchase cars or houses. Nowadays *on-line banking* has become very popular. It's a system allowing individuals to perform banking activities at home, via the Internet. Some online banks are traditional banks which also offer online banking, while others are online only and have no physical presence. Online banking enables customers to perform all routine transactions, such as account transfer, balance inquiries, bill payments, and stop-payment requests, and some even offer online loan and credit card applications. Account information can be accessed anytime, day or night, and can be done from anywhere. *Mobile banking* is a system that allows customers of a financial institution to conduct a number of financial transactions through a mobile phone or personal digital assistant. The earliest mobile banking services were offered over SMS, a service known as SMS banking. With the introduction of smart phones with WAP support enabling the use of the mobile web in 1999, the first European banks started to offer mobile banking on this platform to their customers. The work of banks is important for any economy.

COMPREHENSION CHECK

Task 6. Complete the following sentences using the text.

1. A bank is the connection between customers that have capital deficits and customers ...
 - a) with capital surpluses.
 - b) with serious illnesses.
 - c) with past-due indebtedness.
2. The work of bank centers around money and
 - a) reasons for immigration.

- b) financial services.
 - c) circulation of newspapers and magazines.
3. Virtually any activity involving money or advice about financial matters is undertaken by ...
- a) all the commercial banks.
 - b) many educational institutions.
 - c) some state banks.
4. Commercial banks often function as retail banks as well, serving individuals along with ...
- a) schools and kindergartens.
 - b) theatres and exhibitions.
 - c) businesses.
5. Online banking enables customers to perform all ...
- a) special functions.
 - b) extra payments.
 - c) routine transactions.
6. The simple looking method of accepting money deposits from savers and then lending the same money to ...
- a) borrowers.
 - b) players.
 - c) investors.
7. Banking is the business activity of accepting and safeguarding money owned by other individuals and ...
- 1. entities.
 - 2. cultural organizations.
 - 3. educational establishments.
8. The banking services these days include issuance of debit and credit ...
- a) policy.
 - b) investments.
 - c) cards.

Task 7. Choose the right definition of the functions performed by the banks.

- 1. *The issue of money* is ...
- a) in the form of banknotes and current accounts subject to check or payment at the customer's order.
- b) in the form of bonds and current accounts subject to check or payment at the customer's order.

c) in the form of shares and current accounts subject to check or payment at the customer's order.

2. *Netting and settlement of payments* take place ...

- a) when banks act as both collection and paying agents for customers.
- b) when banks act as both collection and paying agents for bankers.
- c) when banks act as both collection and paying agents for cashiers.

3. *Credit intermediation* takes place ...

- a) when banks borrow and lend back-to-back on their own account as sponsors.
- b) when banks borrow and lend back-to-back on their own account as investors.
- c) when banks borrow and lend back-to-back on their own account as middle men.

4. *Credit quality improvement* takes place ...

- a) when banks lend money to ordinary commercial and personal borrowers but there are also low quality borrowers.
- b) when banks lend money to ordinary commercial and personal borrowers but there are also high quality borrowers.
- c) when banks lend money to ordinary commercial and personal borrowers but there are private borrowers.

5. *The asset liability mismatch//maturity transformation* takes place ...

- a) when banks borrow more on demand debt and short term debt, but also provide more long term loans.
- b) when banks borrow more on demand debt and short term debt, but also provide more quick loans.
- c) when banks borrow more on demand debt and short term debt, but also provide more high loans.

6. *Money creation* takes place

- a) whenever a bank gives out a loan in a fractional-reserve banking system and the new sum of virtual money is created.
- b) whenever a bank gives out a loan in a fractional-reserve banking system and the new sum of real money is created.
- c) whenever a bank gives out a loan in a fractional-reserve banking system and the new amount of shares is issued.

WORD PARTNESHIPS AND VOCABULARY

Task 8. *Put in the missing prepositions.*

1. Banking provides the liquidity needed ... families and businesses to invest for the future.

- a) on
- b) at
- c) for

2. The banking services these days include issuance ... debit and credit cards and many other operations.

- a) at
- b) with
- c) of

3. Online banks *are* banks that you primarily (or exclusively) use ... the Internet.

- a) in
- b) on
- c) out

4. A lot of people are familiar ... retail banks.

- a) with
- b) in
- c) out

5. Most banks operate under a system known as fractional reserve banking where they hold only a small reserve of the funds deposited and lend out the rest ... profit.

- a) on
- b) for
- c) at

6. The work of banks is connected ... the process of banking.

- a) at
- b) with
- c) in

7. ... the absence of banking business, savings would be idle, the entrepreneurs would not be in a position to raise the money.

- a) in
- b) at

c) with

8. With a stronger credit quality than most other borrowers, banks can do this aggregating issues.

a) in

b) at

c) by

Task 9. Choose the correct word describing terms and conditions offered by one bank.

1. Regular bank statements will be sent to you by post, listing recent

a) celebrations

b) events

c) transactions

2. New current account can borrow up to \$200 in the form of low-interest

a) overdraft

b) overtake

c) overspend

3. While your account is ... credit, there are no charges.

a) under

b) at

c) with

4. If your account is overdrawn, charges may

a) become

b) use

c) occur

5. When you acknowledge ... of your new debit card.

a) receipt

b) the receiving

c) denial

7. Soon you will receive a PIN. (Personal Number)

a) indentifying

b) identification

c) identity

8. You will need to ... your PIN each time you use the card.

a) apply

- b) type
- c) enter

8. Two or more customers may apply for a

- a) one-person account
- b) joint account
- c) together account

9. Current account may apply for our new credit card.

- a) holders
- b) owners
- c) spenders

10. Credit cards will be issued

- a) if you are very poor
- b) if your salary allows to pay the money off
- c) if you are in debt

11. You may ... your account at any time.

- a) close
- b) end
- c) finish

Task 10. Match the formal phrases on the left with the informal phrases on the right.

- | | |
|-------------------------------------|---|
| 1. I deposited some money. | a) The money has been sent. |
| 2. I withdrew some money. | b) I paid in some money. |
| 3. The funds have been transferred. | c) It goes out of my account every month. |
| 4. My account is overdrawn. | d) I went to a cashpoint. |
| 5. My account was debited. | e) I took out some money. |
| 6. I used an ATM. | f) I'm in the red. |
| 7. I made a balance inquiry. | g) I checked my balance. |
| 8. It is paid by standing order. | h) It went into my account. |
| | i) It went out of my account. |
| | j) I'm broke. |

Task 11. Replace the initial predicate with the most suitable phrasal verb.

1. I've arranged a trust fund. - I've up a trust fund.
2. Do you want to cancel the meeting of the bankers? – Do you want to ... off the meeting?
3. We don't have money anymore. – We've ... out of money.
4. We can reduce the price a bit. – We can ... down the price a bit.

5. The bank has been bought by another company. – The bank has been ... over.
6. The company has been sold at the auction. – The company has been up.
7. I will repay the money tomorrow. – I will ... you back tomorrow.
8. The bank has collapsed. – The bank ... under.
9. He rejected my offer. – He ... down my offer.
10. The company was established last year. – The company was ...up last year.

Task 12. Choose the most suitable word to go into spaces.

1. Because Britain is an island, a bank account in another country is known as ...
 a) off-island
 b) off-coast
 c) offshore
2. Transferring money from Britain to another country is sending money ...
 a) overseas
 b) over-water
 c) over-waters
3. A country with low taxes is known as the ...
 a) tax heavens
 b) tax pit
 c) tax paradise
4. The principal aim of offshore banking in tax heavens is to reduce the customer's tax
 a) liabilities
 b) expenses
 c) costs
5. Many people have credit cards which allow them to money.
 a) cancel
 b) withdraw
 c) lose
6. The transfer system is also used by employers to pay directly into employees' accounts.
 a) salaries
 b) fines
 c) taxes
7. If you have enough money on your account, the money requested will be ...

to you according to a daily limit.

- a) spent
- b) debited
- c) wasted

8. If you have several bills to pay, you can do it by

- a) credit money
- b) credit transfer
- c) credit policy

GRAMMAR CHECK

Relative Clauses.

Relative clauses are short phrases beginning from the words **who**, **that** or **which** describing people or things. There are two types of relative clauses.

Defining relative clauses: we use them to describe or identify the exact person or a thing.

The person who we interviewed on Monday was much better than the previous one.

The relative clause is the part of the noun phrase. The information is used to understand the sentence.

Non-defining relative clauses: we use them to add extra information about somebody or something.

Mary, **who was taken up two years ago**, proved to be a very reliable cashier.

The information may be interesting but not always important. Commas are used in this case.

Non-defining clauses are more common in writing. In speech we can use short sentences to express the same.

The salesman, **who was very helpful**, said this model was in stock. (in writing).

The salesman was very helpful. He said that model was in stock. (in speech).

Task 13. Define the type of the relative clause.

1. The man who was in reception has been waiting for 15 minutes.
2. The food, which was very tasty, was served at the bar.
3. The bank which can give you a credit is not far from our house.
4. The train, which leaves in the morning, doesn't stop here.
5. The contract which you showed me before was very profitable.
6. The train, which leaves at 8pm, doesn't usually arrive on time.

RELATIVE PRONOUNS

The words **who**, **which**, **whose**, **that** and **whom** can begin a relative clause. They are called relative pronouns.

If we speak about people we usually use who or that.

The candidate **who** took part in the meeting was the best one.

If we speak about things we usually use which or that.

The product **that** you ordered was extremely expensive.

The relative pronoun whose shows that somebody or something belongs to somebody.

I've invited everyone **whose** work is connected with our new project.

In formal English it is possible to use whom instead of who where whom is the object of the sentence.

The candidate **who/whom** we chose for this position has the MBA in finance.

Task 14. Complete the sentences with whom, whose, that or which.

1. The customer ... company I visited called me yesterday.
2. The manual ... they sent described everything.
3. It is difficult to say ... letter is on the table.
4. The candidates ... CVs I looked through in the morning attracted my attention.
5. I don't remember ... I spoke when I called at 5pm.
6. Your colleague, ... I met after the break, had a different opinion.
7. Toyota is a manufacturer ... reputation is known all over the world.
8. The contact ... you showed me before was different from the first one.
9. I can't remember ... I invited to the meeting.
10. Do you know ... she works for?
11. The consultant, ... seems very young, is speaking to our partner.
12. They promoted a manager ... sales team was the most successful.
13. The book ... you lent to me was out of question.
14. The people ... attended the presentation found it very useful.
15. The meeting room, ... was small and stuffy, got on my nerves.
16. The supplier ... we visited last week sent us his new catalogs.
17. The name ... they chose for the new model was fascinating.
18. He, ... started from nothing, is a successful entrepreneur now.
19. These are the people names appeared in our database.
20. The company ... is our main competitor is "Apollo".

Unit XII

Company Structure.

LEAD-IN

Task 1. *Where do you see yourself in five years' time?*

Are you going to work for a foreign company? Which department would you prefer to work in? What will be your position in the company? What responsibilities will you have?

Here are some useful words that can help you to answer the questions above.

1. Accounts Dept. **n.** department responsible for administering a company's financial affairs
2. A.G.M.^{UK} **abbr.** Annual General Meeting of a company's shareholders
3. board of directors **n.** group of people chosen to establish policy for and control a company
4. chairman^{UK} **n.** person who heads a Board of Directors; head of a company; chairperson
5. director **n.** a member of the board of directors
6. executive officer^{US} **n.** person managing the affairs of a corporation - chief executive officer **n.**
7. headquarters **n.** a company's principal or main office or centre of control
8. manager **n.** person responsible for day-to-day running of a dept.; executive officer^{US}
9. managing director^{UK} **n.** senior director after the chairman responsible for day-to-day direction
10. Marketing Dept. **n.** department that puts goods on market, inc. packaging, advertising etc
11. organisation chart **n.** a table or plan showing a company's structure graphically
12. Personnel Dept. **n.** department responsible for recruitment and welfare of staff or employees
13. president^{US} **n.** the highest executive officer of a company; head of a company
14. Production Dept. **n.** department responsible for physical creation of product
15. Purchasing Dept. **n.** department responsible for finding and buying everything for a company

16.R & D Department	<i>n.</i> department responsible for Research and Development of (new) products
17.reception	<i>n.</i> the place where visitors and clients report on arrival at a company
18.Sales Department	<i>n.</i> department responsible for finding customers and making sales
19.shareholder	<i>n.</i> person who holds or owns shares in or a part of a company or corporation
20.vice president ^{US}	<i>n.</i> any of several executive officers, each responsible for a separate division

READING

Company Types and Structures.

Types of company. There are quite a few ways to start a business in New York. You can start your business as a Sole Proprietor, create a Partnership, or Incorporate. Though some of these options might seem confusing, here is information on the different company structures to help you choose the right one for you.

The type of company structure you will chose for your business depends on factors such as: riskiness of the industry, number of partners, financing requirements, taxation, long term vs. short term and others. It will be useful to study a comparison chart below to illustrate the Pros and Cons of the different structures.

Sole proprietorship. A sole proprietorship is the simplest type of business structure to establish. You are considered a sole proprietor just by doing business without partners. For example, if you do paid carpentry work in your spare time, you are a sole proprietor. You should only consider a sole proprietorship if you want to pay taxes from your business earnings on your personal income tax return and you are not concerned about personal liability. Otherwise, if you are sued or you cannot pay your business debts, your house and wages could be at risk.

As a sole proprietor, you must pay taxes from your company's earnings on your personal income tax return. More importantly, you are personally liable for all business-related obligations, such as debts and court judgments.

Pros: <ul style="list-style-type: none"> • Easy to start and manage • Inexpensive • No separate tax returns, business gains and losses are reported in your personal income tax returns • Flexible to manage, it gives you complete control • Business expenses and losses are tax deductible 	Cons: <ul style="list-style-type: none"> • Unlimited personal liability for business debts and lawsuits • Illness can endanger your business • Difficult to find investors • May be at a disadvantage attracting employers who are looking for ownership in the business
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Forming a Partnership. You form a partnership in New York City when you and another person (or persons) cooperate with time and capital to create a business but do not choose to form a corporation or an LLC. As with a sole proprietorship, you need to consider that you are still personally liable for business expenses. In addition, your partner(s) have "joint authority" in making business decisions. This means that any partner can bind the whole business to a contract with the exception of selling the partnership, which requires approval from all partners. This raises the issue of "joint liability." In other words, any partner will be required to pay the full amount for any business debt.

Pros: <ul style="list-style-type: none"> • Easy to set up • The partners report their business share of gains and losses on their personal tax returns • Partners have full authority of the business • Business losses are tax deductible • Partners can share the workload and contribute different ideas to the business • More financial as well as intellectual resources for the business 	Cons: <ul style="list-style-type: none"> • Unlimited personal liability for general partners • Each partner have full authority to commit the business to a contract (with exceptions) • It's difficult to remove an unproductive partner from the business • Personal assets are at risk if the business goes bankrupt • The partnership ends if a partner leaves, retires, or dies
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Forming the LLC. The Limited Liability Company (LLC) is a business structure that affords the limited liability protection of a corporation and the management flexibility of a sole proprietorship or a partnership. In case of a lawsuit or unpaid debt, only the business assets are at risk.

Pros:

- Affords Limited Liability, The owners can only lose the amount invested in the company
- Is easier to manage than a S-Corporation and a C-corporation
- Formal Structure that is investment friendly
- The organization enjoys pass-through taxation (you pay taxes on your personal income) but you can elect for the LLC to be taxed as a corporation.
- Partners can divide profits not proportional to their investment in the company. Most LLCs choose to divide profits proportionally.

Cons:

- If in a partnership, a partner has the authority to bind the partnership to a contract.
- The LLC dissolves if a partner leaves the organization, retires, or dies.

Corporation Overview. The majority of companies that you see listed in the New York Stock Exchange, NASDAQ, and other exchanges as well as many businesses we encounter in our day-to-day lives are corporations. The corporation is a separate entity from its owners. In tax laws, the corporation is considered a person and pays its own taxes, enters into contracts, and has debt separate from its owners. Contrary to the sole proprietorship and the partnership, incorporating gives the owners liability protection. The corporation as a separate entity shelters the owners from liability for the corporation's business debts or obligations. For example, if the corporation is sued, you only lose what you invested in the corporation.

Pros:

- Owners liability is limited to the investment in the company
- Easier to get investors
- Ownership is transferable
- The organization does not end when a shareholder (owner) dies
- Easier to separate business functions into sub-divisions
- A corporation can deduct cost of benefits provided to employers or owners

Cons:

- Complex to set up, maintain and difficult to dissolve
- C-corporations are subject to double taxation
- Costly to set-up
- Stricter rules for operations than Partnerships and partnerships
- If set up as an S-corporation, your company cannot have subsidiaries
- Not as much control as you would have with a Partnership or partnership

The S-Corporation. Setting up as an S-Corporation allows you to have the limited liability of the regular corporation and the pass-through taxation of a sole proprietorship or a partnership. In other words, you pay taxes from corporate income on your personal income taxes.

<p>Pros:</p> <ul style="list-style-type: none"> • If you plan to sell your S-corporation the taxable gain in the business can be less than if you set up your business as a regular corporation • You can declare business losses in your income taxes with an S-corporation, offsetting your tax liability • You can minimize FICA and self-employment taxes. Shareholder's profits are not taxed in this manner • You can raise capital more easily than a sole proprietorship or partnership • You have the limited liability protection without paying taxes as a corporation 	<p>Cons:</p> <ul style="list-style-type: none"> • S-corporations cannot have more than one hundred shareholders • The company shareholder cannot deduct the cost of fringe benefits provided to employees who own more than 2% of the corporation • A shareowner cannot deduct losses more than the amount invested in the company • Each S-corporation shareholder has to be at least a U.S. Permanent resident • Profits and losses for an S-corporation are proportional to each member's investment into the business • You must receive compensation before earnings are distributed to shareholders (you must pay the employment taxes) important when the shareholder is also the employee.
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Organizational Structure Types in Companies.

Companies utilize organization structure to create their business hierarchies. Each company determines the staffing levels that it needs to operate efficiently, and organization structures play an important role in this determination. In addition to delineating company levels, organizational structures assign clear roles to departments and individuals to provide them with a sense of purpose and responsibility. While organizational structures can be unique to different companies, there are several distinct and commonly used types of organizational structures.

Functional Structure.

Functional structure provides organization according to a job's (or an individual's) purpose within the organization. Functional organizations are most easily recognized by departments that focus on a single function or goal. For instance, an organization with a marketing department, a human resources department, a research and development department and so forth, operates according to functional organization. The functional structure provides employees, as well as their appropriate departments, with a clear objective and purpose for their work. In other words, employees within a marketing department know that their job is marketing and, as a result, those employees can focus on improving their marketing work and even specialize in a specific area of marketing. On the other hand, functional structure can create divisions between departments if a conflict develops between departments.

Divisional Structure.

Divisional structure operates as a more decentralized version of the functional structure, in that the functions still exist within the organization, but the functions have been separated by product or region. In other words, the divisional structure decentralizes the organization into different units, each of which has its own functional department. For example, an organization might be divided into five regions across the United States. Each of those divisions will have its own marketing department, human resources department, and research and development department. Divisional structure can also occur at the product level if a company chooses to divide itself by the types of products in which it specializes or at the market level if a company addresses distinct markets separately.

Matrix Structure.

Matrix structures were developed to create the best of both worlds, so to speak, and combine elements of the functional structure and the divisional structure. The matrix structure creates teams for organizational projects that need to be completed and, in creating teams, draws together the most qualified employees for the project from various areas of the organization. Instead of utilizing only department heads, which would be common in the functional and divisional structures, the matrix structure focuses more on project heads or managers who oversee a diverse group of individuals from different parts of a company. The matrix structure can become confusing, though, due to the greater level of decentralization, because it is not always clear who is in the leadership role in a group. A matrix structure is considered most effective for companies that operate internationally or across a wide range of geographical area.

What Are the Tasks of Organizational Structure? An organizational structure is a formal system of job duties and hierarchy. It defines the responsibilities of each position and the relationships between them. An effective structure controls and coordinates the business' resources and motivates employees to achieve its goals. When developing your structure, consider the five responsibilities of an organizational structure.

- **Distribute Authority.** Organizational structure establishes a chain of command determining each position's responsibilities and relationships to others. Authority can be centralized, where managers or supervisors make the majority of decisions, or decentralized, which includes many positions in the decision-making process.

- **Determine the Span of Control.** How many employees each manager supervises is also part of an organizational structure. The span of control can vary greatly between organizations, even between different levels of the same organization. A narrow span of control means managers only supervise a few employees while those who manage a large number of employees wield a wide span of control.

- **Organizational Height.** An important characteristic of organizational structure is its height, the amount of layers from bottom to top. Tall organizations have many layers, with each working like a cog in a complex machine. They tend to have a narrow span of control. Flat organizations, which usually have a wide span of control, have few layers and are capable of adapting quickly.

- **Line or Staff Structure.** Determining and highlighting line and staff positions is part of an organizational structure. Line positions are those directly involved in the organization's primary purpose. In a manufacturing company, for example, line positions participate in the production of its goods. Staff positions, such as marketing, provide support to the line positions. While some organizations are comprised exclusively of line positions, most use both line and staff positions.

- **Create Departments.** As organizations grow, it becomes necessary to divide tasks and responsibilities. This process, known as departmentalizing, can be carried out in a variety of ways. Departments can be created based on function, product, geographic location, or even by customer. The list of departments below is typical for many businesses – each one corresponds to a business function. Companies also have other departments related to their own particular business activity.

- *Production* might also include *Purchasing* and *Quality Assurance (QA)*.
- *Operations* refer to all the internal processes of a company and might include, for example, *Logistics*.
- *Sales* might also include *Business Development*.
- *Customer Services* might include *Technical Support*.
- *Marketing* might include *Market Research*.
- *Communications* refers to all promotional activities including a strong focus on *Public Relations (PR)*.
- *Finance* has many subdivisions, such as *Financial Control*, *Treasury*, *Accounts* and *Payroll* (= managing salary payments).
- *Human Resources (HR)*.
- *Information Technology (IT)*.
- *Research and Development (R&D)*.
- *Legal*.

Strategy and planning.

Strategy and planning begins with analysis and a well-known tool to do this is a SWOT analysis. Planning itself can be categorized into two main types depending on the time-scale and purpose of the planning.

- Strategic planning is concerned with the longer term and “the big picture”. It is the process of defining the company’s mission, determining the overall goals of the organization and allocating resources to reach those goals. It is done by top and middle managers

- Operational planning is concerned with translating the general, long-term

goals into more specific, concrete objectives. It involves monitoring the day-to-day work of departments. It is done by middle and supervisory managers.

Company culture. The structure of a company is often closely connected to its culture. In a small company it's easier to be dynamic and innovative, whereas in a large company things are often slow-moving and bureaucratic. Similarly, if the company is hierarchical (many levels), then people at the bottom aren't allowed to take initiatives without permission from their seniors; decision-making and communication are top-down. If the structure is flat (few levels), then the flow of information can be more bottom-up. In all cases you hope that the company culture is honest, open and transparent not trying to keep things secret.

Individuals within the structure.

Summing up, having decided on its strategy a business needs to organize itself into a structure that best suits its objectives. This can be done in several ways.

- Organization by function. The company is divided into departments such as production, finance, marketing, human resources.

- Organization by product. The company brings together staff who is involved in the same product line.

- Organization by customer type. The company is organized around different sectors of the market. Large customers are called "key accounts".

- Organization by geographical area. The company is organized according to regions.

A large multinational may use several of the above: for example a functional division initially, then a national structure for each country and within this some level of division according to customer types. The business must also decide on the best way to organize its management hierarchy. The company is run by top managers with job titles such as CEO, C ...O and a series of Vice Presidents or Directors of different departments.

The Chief Executive Officer (CEO) runs the company. The level below CEO is Chief ... Officer, for example

Chief Financial Officer (CFO).

The CFO is part of the senior management team.

The CFO reports to the CEO and has the CEO as their boss.

The CFO is in charge of all the financial side of the business.

The next level down might be country level for a large international organization, or departmental level. A job title here might be Sales Director or Head of Sales or VP (Vice President) Sales.

The Sales Director for Sweden liaises closely with the Chief Marketing Officer at Head Office in the States.

Below this are people with job titles like *Manager, Officer, Coordinator*, etc. The words *Assistant* or *Deputy* may also occur at any level.

I'm the Business Development Officer for Sweden.

My line manager (person directly above me/person who I report to) is the Sales Director.

The Sales Director delegates a lot of the work to me.

*We say ... senior people at a higher level
junior people at a lower level*

Top management set a direction for the organization and aim to inspire employees with their vision for the company's future. This vision is often written down in a mission statement. The next level is middle management where managers are in charge of a department, division, branch, etc. Middle managers develop detailed plans and procedures based on the firm's overall strategy.

Finally there is supervisory management and typical job titles are: Supervisor, Team Leader and Section Chief. Supervisory managers are responsible for assigning non-managerial employees to specific jobs and evaluating their performance. They have to implement plans developed higher up the hierarchy.

In some companies – or for specific projects – there can be a matrix structure with cross-functional teams. Here employees from different parts of the organization work together and bureaucracy is reduced. Above everything there is the Board chaired by a Chairman or President which gets involved in “big picture” strategic planning and meets perhaps once a month. The CEO will be on the Board but most Board members are not involved in running the company – they are elected by and responsible to the shareholders. Their main interest is shareholder value: getting a good return on investment in terms of both dividend payments and a rising share price.

ANSWER THE QUESTIONS.

1. What types of company are there? How do they differ?
2. What are the types of organizational structures?
3. What are responsibilities of an organizational structure?

DISCUSSION.

Task 2. *Here is a list of ten departments that can find in a large company or business. Maybe the place where you work has more, less or even different departments. As English is the language of international business communication, it's useful to understand some basic terms. Do you work in for company? How many departments does it have? Which department do you want to work in?*

Match up the departments to what they do.

a) - Human Resources	Responsible for taking care of customer needs
b) - Marketing	Responsible for selling the product/service
c) - Research and Development	Responsible for making the product
d) - I.T. (Information Technology)	Responsible for how a product/service is advertised and promoted
e) - Maintenancef - Sales	Responsible for hiring new staff
g) - Customer Service	Responsible for the company's computers and network
h) - Finance	Responsible for the office/building
i) - Dispatch Department	Responsible for discovering new knowledge about the product, improving it and creating new products
j) - Production Department	Responsible for payments, bills and expenses:
	Responsible for the delivery of orders

Task 3. *People invest a lot of time in thinking about the most effective structure for their organization. There are many options and the best way to start is to think about your strategy (where you are going) and your resources (how much time, money and people you have to work with).*

There are several types of organizational structures. What do you think about each of them? Which one would you prefer if you started a business?

How is your organization structured? What works and what doesn't work? If the structure doesn't work, how can you change it?

Hierarchical structures.

Many organizations structure themselves in a traditional and recognizable way using a hierarchy. The dictionary definition of hierarchy is a series of ordered groupings of people or things within a system. Hierarchy describes reporting levels and the status of people in the structure.

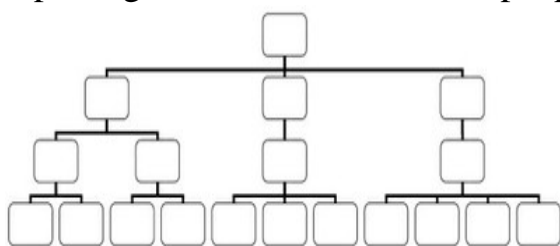


Diagram of hierarchical structures. Description of the diagram.

The hierarchical organization structure is pyramid-shaped. At the top of the structure is a single person, who has a small number of people reporting directly to them. Each of these people has several people reporting into them and the number of people at each level increases as you move down the structure.

Advantages of hierarchical structures

- A hierarchical structure uses clear reporting lines. It is easy to see what each team is called, how many people there are in each team and how they relate to other people in the system.

Disadvantages of hierarchical structures

- People can feel stuck in a 'silo' and miss opportunities for co-operation,

both for themselves and the organization.

Flat structures

Taking out levels of hierarchy creates a flatter organization structure.

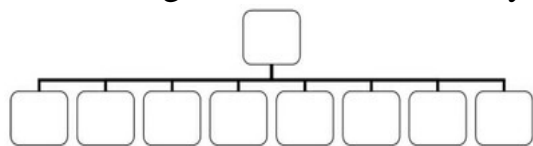


Diagram of flat structures.

Description of the diagram.

There are fewer levels in the flat structure organization. In this example structure, there is one person at the top with everyone else reporting into them on an equal level.

Advantages of flat structures

- people feel more involved and can take on more responsibility
- greater communication
- better team spirit
- less bureaucracy and easier decision making
- lower costs

Disadvantages of flat structures

- Decisions can get stuck as a result of consulting with many people.
- People may have 'matrix management', with more than one manager.
- Limited to smaller organisations.
- The functions of each department get blurred as roles merge.

Informal structures

Many organizations develop informal, sometimes invisible structures. These are based on the reality of day-to-day interactions at work. They are very important, as they can pass on communications (or rumours), they can be friendly and supportive (or form cliques). They can also influence decisions, as there is knowledge and discussion at an informal level. The influence of these networks is significant.

No structure

It is difficult to imagine any organization without a structure. Even groups of young children start to establish a network or informal hierarchy. In the beginnings of a new organization there may be no formal structure but often it changes over time.

LANGUAGE WORK.

Task 4. *Here is some vocabulary we can use when we are talking about working for a company.*

In charge	Being the person who has control of or is responsible for someone or something. "I will be in charge of this department while Mr.Jo is away."
responsible	To have control and authority over something or someone and the duty of taking care of it or them. "This department is responsible for online sales. "

concerned	Involved in something or affected by it. "All their jobs are concerned with computer."
specialize	To spend most of your time doing one type of business. "You should hire a lawyer who specializes in divorce cases."
focus	To concentrate on something and that is important instead of other things. "In today's meeting we will focus on the advertising budget."
take care	To look after someone or something. "Don't worry. I'll take care of the project."
sort out	To find a solution to a problem. "It took a long time for me to sort out these files."
liaise	to speak to people in other organizations in order to exchange information with them. "Our sales team liaises with the suppliers to ensure speedy delivery."
invest	to put money, effort, time etc. into something to make a profit or get an advantage. "We are willing to invest \$10million in this project."
resign	To give up a job or position by telling your employer that you are leaving. "She resigned from the company because she found a better paying job."

Now choose the correct prepositions to complete the sentences.

1. I'm in charge ___ customer accounts.
2. We are responsible ___ invoicing.
3. Her job is concerned ___ marketing.
4. This department specializes ___ the Korean market.
5. The company is focusing ___ international growth.
6. Are you taking care ___ this customer?
7. We need to sort ___ this problem. We must solve this problem.
8. Let's liaise ___ Tim and work together on this project.
9. This is a good time to invest ___ the company.
10. He resigned ___ his position as CEO.

Task 5. Read through this short text about work and see if you can guess which words have been left out.

When she was first employed by the company we were worried that the job was too low 1 for her. She told us not to worry because the position had good 2 like a pension and medical insurance. She also said she would get a great end of year 3 if she did well and there was plenty of opportunity for 4 within the company to a higher position.

She's been at the company for five years now and is very valued by her bosses. She seems to get a pay 5 every year so she now has a high 6 .

The working 7 are great, they really look after their employees. She likes

the 8 working hours because she can come into work late if she has something to do in the morning. She doesn't have to work much 9 (she usually finishes at 5pm) and she hardly ever works on the weekend. They don't pay extra for working late anyway! She's still very ambitious and motivated by money. Her dream is to 10 by the time she is 40 and move to the countryside!

Now decide which ten words are missing:

1.	a) Cashing	b) Wages	c) Money	d) Paying
2.	a) Risks	b) Benefits	c) Offices	d) Duties
3.	a) Prize	b) Assistance	c) Bonus	d) Regard
4.	a) Increase	b) Markets	c) Promotion	d) Level
5.	a) Raise	b) Refund	c) Wage	d) Test
6.	a) Salary	b) Fund	c) Incoming	d) Money
7.	a) Place	b) Public	c) Traditions	d) Conditions
8.	a) Rigid	b) Flexible	c) Soft	d) Manage
9.	a) Opentime	b) Overtime	c) Undertime	d) Extratime
10	a) Require	b) Redundant	c) Retire	d) Reduce

Task 6. Choose the correct word in italics.

1. My brother is a plumber. He's autonomous /self-employed.
2. The people who own a private company might include the founder of the company, some family members, and perhaps a few business associates / companions.
3. In a public company anybody can buy the actions / shares.
4. A public company is listed / posted on a stock exchange.
5. Our railways were recently privatized. I think the service was better before, when they were a public company / state-owned enterprise.
6. The Purchasing Department is responsible for buying parts and raw materials / making the final product.
7. If you have a complaint, please contact Consumer Services / Customer Services.
8. All recruitment and selection is done by our Human Relations / Human Resources Department.
9. Innovation is the key to our success and we have recently expanded the Research and Design / Research and Development Department.
10. In the Legal Department we have three lawyers / advocates trained in commercial law.
11. It's the CEO's job to control / run the company.
12. Our Business Development Officer is responsible for / the responsible for finding new business opportunities.
13. I can't take that decision. It will have to be referred to higher people / more senior people.
14. That decision will have to be taken at a higher level / a more superior level.

15. In the department there are six Sales Representatives and their line director / line manager.
16. The Sales Department has to liaise / liaison closely with Marketing.
17. She is part of / makes part of a team of designers.
18. I am the Financial Controller, and I relate directly / report directly to the Finance Director.
19. The bank lends you / borrows you money.
20. You lend money / borrow money from the bank.
21. So 'lend' is temporary giving / taking.
22. And 'borrow' is temporary giving / taking.
23. The bank gives you a lend / a loan.

Task 7. Complete each sentence with a verb from the list:

answers / arranges / checks / collects / deals / maintains
--

1. The Quality Assurance Section checks that the products have no defects.
2. The Logistics Department the transport of goods and materials.
3. Technical Support specific questions from customers about how to use the product.
4. The Market Research Section and analyzes information about the needs of consumers.
5. The Accounts Department with invoices and payments.
6. The IT Department the computer network.

Task 8. Complete the text about operations with the words and phrases in the list.

back-office functions / behind the scenes / day-to-day basis / liaise closely / makes a profit / meet their needs / recruit / step on anyone's toes

Everyone knows the functions of company departments such as Marketing and Finance. Marketing is about promoting the company, and making sure that customers can find products that (1) . Finance is about controlling the resources of a company to make sure that the business (2).

But what about Operations? The department name is less well-known, yet many large companies are run on a (3) by Operations Managers. Operations is about the internal processes of a company. In a manufacturing company an Operations Manager will make sure the production process is running smoothly. In a hotel they are responsible for bookings, front desk, maintenance, etc. In a bank they look after the administration of accounts and other (4).

Operations Managers have to (5) with people from other

departments. In the factory, it is with Purchasing Managers who buy the raw materials. In the hotel, it is with Human Resources Managers who (6) new staff. In the bank it is with IT Managers who work (7) to keep everything running. So the Operations Manager has to be careful not to (8).

Task 9. Read what Pieter says about company culture at his previous company and his current company. The text has eight wrong words. Find them and correct them.

In my last job I worked for a large telecommunications company. It used to be the estate-owned monopoly, but they privatized it in the nineties. Unfortunately, the cultural there hasn't really changed. Decision-making is very slowmoving and bureaucracy – everything has to be agreed all the way up the chain before action can be taken.

I didn't really like working there, and I moved to a smaller competitor two years ago. It's much better now – I have more responsible because my boss trusts me and he relegates a lot of interesting projects to me. Everybody knows what is going on and can make a contribution – communication works well in both directions, both bottomdown and top-up. It's a dynamic, innovation company and we're growing fast. I hope to continue working here for several more years.

Task 10. Match an item on the left with an item on the right to make phrases. Complete the sentences with the phrases.

- | | |
|-----------------|----------------------------|
| 1. start-up | a) equity |
| 2. exit | b) name |
| 3. brand | c) company |
| 4. a going | d) market |
| 5. private | e) concern |
| 6. a gap in the | f) strategy |
| 7. do | g) a profit |
| 8. employ | h) capital |
| 9. fail | i) staff |
| 10. make | j) some market research |
| 11. raise | k) to get enough customers |
| 12. rent | l) premises |

1. The founder of the company is going to retire next year. I think he'll probably sell the business as _____. But first he needs to _____ to see who might be interested in taking over the business.
2. If the company is going to expand, they will need to _____. They can

either ask the bank, issue new shares, or try to attract _____.

3. She wants to start her own business and she thinks she can see _____.
She has money of her own, so the first steps are to _____ in a suitable location, purchase equipment and employ staff.

Task 11. Complete sentence b) with one word. The meaning must be the same as sentence a).

1. a) How are we going to distribute our product?
b) What distribution _____ are we going to use?
2. a) She was the founder of the business.
b) She set _____ the business.
3. a) The company is growing strongly.
b) The company has strong _____.
4. a) This year the company will make neither a profit nor a loss.
b) This year the company will break _____.
5. a) Who supplies them?
b) Who are their _____?
6. a) A lot of people know their brand name.
b) Their brand name is very well-_____.
7. a) They're an established business and they make a profit.
b) They're an established, _____ business.
8. a) The company is going to be listed on the stock exchange.
b) The company is going to go _____.
9. a) Why did the business fail?
b) Why did they go _____ of business?
10. a) Their customers were late in paying them so they couldn't pay their bills.
b) Their customers were late in paying them so they had cash _____ problems.

BUSINESS IDIOMS.

In Business English we use a number of idioms which are connected to sport. Here are a few of the most common sporting idioms in business. Which sports do you think they are connected to?

To be on the ball - to know what's happening, to be aware.

To stay ahead of the game – to be leaders in the field/business environment.

Plain sailing – an easy or simple situation.

Approaching the finishing line – nearing the end.

A two horse race – a close contest between two groups or companies.

On the ropes - in a very bad situation, close to defeat.

Score an own goal – to make a mistake which has the opposite effect from what was hoped.

A level playing field – a situation which is the same for everyone.

In a league of their own – much better than the rest.

To hit it out of the park – to have great success.

To drop the ball – to make a mistake, to disappoint everyone.

Now choose the idiom which best completes each sentence:

1. The government have _____ by introducing new laws, making it fairer for all businesses.

- a) leveled the playing field
- b) been staying ahead of the game.
- c) dropped the ball

2. No problem. With all your experience, you will find this project to be _____.

- a) a level playing field
- b) on the ropes
- c) plain sailing

3. No one makes better cars than Ferrari. I think they are _____.

- a) a level playing field
- b) in a league of their own
- c) a two horse race

4. Great presentation, Mike. You really _____.

- a) approached the finishing line
- b) hit it out of the park
- c) dropped the ball

5. We are ____ as the project must be finished by next week.

- a) in a league of our own
- b) plain sailing
- c) approaching the finish line

6. Sam _____ when he lost the report.

- a) hit it out of the park
- b) dropped the ball
- c) on the ropes

7. The company is having a terrible year. They are not bankrupt, but they're definitely _____.

- a) on the ropes

- b) in a league of their own
- c) ahead of the game

8. The bank _____ by introducing unpopular charges. They lost a lot of customers.

- a) scored an own goal
- b) were on the ropes
- c) were on the ball

9. Sony _____ by always thinking of new exciting products.

- a) are plain sailing
- b) stay ahead of the game
- c) score an own goal

10. It is a _____ between Microsoft and Mac in the computer world.

- a) hit the ball out of the park
- b) two horse race
- c) approach the finishing line

11. That new guy seems _____, he learns fast.

- a) on the ball
- b) scored an own goal
- c) on the ropes

BUSINESS GRAMMAR.

Word formation.

Most linguists in special chapters and manuals devoted to English word-formation consider as the chief processes of English word-formation affixation, conversion and compounding. Now let us consider the basic ways of forming words in the English language.

Derivation may occur without any change of form, for example *telephone* (noun) and *to telephone*. This is known as conversion.

Compounding occurs when two or more words are joined together to make them one word. The meaning of the compound may be very different from the meanings of its components in isolation like the formation of *earthquake* from *earth* and *quake*.

Affixation is generally defined as the formation of words by adding derivational affixes to different types of bases. In conformity with the division of derivational affixes into suffixes and prefixes affixation is subdivided into suffixation and prefixation.

Prefixation is the formation of words with the help of prefixes.

A prefix (*write* → *re-write*; *lord* → *over-lord*) will rarely change syntactic

category in English. The derivational prefix *un-* applies to adjectives (*healthy* → *unhealthy*), some verbs (*do* → *undo*), but rarely nouns. A few exceptions are the prefixes *en-* and *be-*. *En-* (*em-* before labials) is usually used as a transitive marker on verbs, but can also be applied to adjectives and nouns to form transitive verb: *circle* (verb) → *encircle* (verb); but *rich* (adj) → *enrich* (verb), *large* (adj) → *enlarge* (verb), *rapture* (noun) → *enrapture* (verb), *slave* (noun) → *enslave* (verb). The prefix *be-*, though not as productive as it once was in English, can function in a similar way to *en-* to mark transitivity, but can also be attached to nouns, often in a causative or privative sense: *siege* (noun) → *besiege* (verb), *jewel* (noun) → *bejewel* (verb), *head* (noun) → *behead* (verb).

Suffixation is the formation of words with the help of suffixes. Suffixes usually modify the lexical meaning of the base and transfer words to a different part of speech. There are suffixes however, which do not shift words from one part of speech into another; a suffix of this kind usually transfers a word into a different semantic group, e. g. a concrete noun becomes an abstract one, as is the case with *child*—*childhood*, *friend*—*friendship*, etc.

prefixes	meanings	examples
a-, an-, ab-	without, not	atypical, anhydrous, abnormal
ambi-	both	ambivalent
ante-	before	antedate, anteroom
anti-	against opposite	antislavery, antifascist
auto-	self	automobile
bi-	two	biannual
co-; com-	together with, joint	coexist, co-author
counter-	opposite	counterattack
de-	to reverse an action, to remove, to deprive of	demobilise, decentralise
dis-	not, opposite of	disconnect, disobey
en-	to put into, to make	enlarge, enclose
ex-	previous, former	ex-minister
extra-	outside, beyond	extracurricular
hyper-	overly, excessive	hypertension
in, il, im, ir	not, without, lacking	incomplete, irregular, illegal
infra-	below, beneath	infrastructure
inter-	between, among	international
intra-	within	intravenous
macro-	large	macrocomputer
mal-	bad, wrongful ill	maltreat, malnutrition
micro-	small	microchip
mid-	in the middle of	mid-June

mis-	wrongly, bad, astray	misbehave
mono-	one, single	monorail
multi-	many	multipurpose
neo-	new, recent	neoconservative
non-	not	non-essential
omni-	all	omnipotent
post-	after	post-war
pre-	before	prehistoric
pro-	in favour of	prodemocratic
re-	again, back	re-elect, reopen
retro-	back	retroactive
semi-	partly, half	semicircle
sub-	under, less than normal	subway, subnormal
super-	above, beyond, greater than	supermarket, superman
syn-sym-	together, at the same time	synthesis
trans-	across	transatlantic
ultra-	extremely, beyond	ultramodern
un-	not, opposite	unknown, undisturbed
uni-	one	uniform

Suffixes for nouns

suffixes	meanings	example
-acy -cy	state	candidate - candidacy
-age	result process	drain - drainage
-ance -ence	state quality	guide, exist - guidance, existence
-ant -ent	agent doer	consult, reside - consultant, resident
-action	action	condemn - condemnation
-ition -ion	state result	abolish, fuse - abolition, fusion
-dom	condition state domain	wise, king - wisdom, kingdom
-ee	one receiving action	trust - trustee
-eer	doer, worker	engine - engineer
-er, -or	doer, maker resident	narrate, London - narrator, Londoner
-ful	amount	spoon - spoonful
-hood	state condition	child - childhood
-ism	system	feudal - feudalism
-ity	state, quality	valid - validity
-ive	agent, doer	detect - detective
-ment	action, result	amaze - amazement

-ness	quality, state	vivid - vividness
-(e)ry	people or things as a whole	rob, dentist - robbery, dentistry
-ship	state condition	member - membership
-tude	quality, state	serve - servitude
-ure	result, means	depart - departure
-y	result, action	jealous - jealousy

Suffixes for adjectives

suffixes	meanings	examples
-able -ible	able capable of	reason - reasonable
-at	characteristic of	season - seasonal
-ant -ent	doing, showing	appear, observe - apparent, observant
-ary	tending to	fragment - fragmentary
-ate	Full of, having	affection - affectionate
-en	made of, like	gold - golden
-ful	full of, having	wonder - wonderful
-ic	relating to, characteristic of	German, romance - Germanic, romantic
-ive	given to	attract - attractive
-less	lacking, without	life - lifeless
-like	similar like	ape, bell - apelike, bell-like
-ly	like characteristic of	mother - motherly
-ous	full of marked by	fury - furious
-some	apt to	trouble - troublesome
-ward	in the direction of	west - westward
-y	like, showing	shade - shady

Suffixes for adjectives and nouns

suffi xes	meanings	examples
-an, - ian	belonging	America - American
-ese	smth or smb of a place or a style	Japan - Japanese
-ine	smth or smb characteristic of	Florence - Florentine
-ish	smth characteristic of	Spain - Spanish
-ist	doer, believer, related to	Buddha - Buddhist
-ite	(smth or someone) characteristic of	Israel - Israelite

Suffixes for verbs

suffixes	meanings	examples
-ate	become, form, treat	hyphen - hyphenate
-en	make, cause to be	wide - widen
-fy. -ify	cause, make to be	solid - solidify
-ize	make, cause to be	central- centralise

Task 12. *Complete each sentence with the correct form of the word in capital letters. In some cases you will have to make a negative form by using the prefix in- or un-.*

1. ACCEPT

I'm sorry but this arrangement is totally to us.

I've just received their letter of so we can go ahead.

2. ACT

The unions have threatened to take industrial

It's been a very day on the Stock Exchange.

The R&D department seems full of at the moment.

3. ADD

We'll be bringing out several to our product line.

There's an bonus if I exceed my sales target by more than 10%..

4. ANALYSE

We'll need a detailed cost before giving final approval.

Most think we're in for a difficult time.

5. APPLY

Unfortunately we can't interview every

I sent in my letter of and they phoned me the next day.

The regulations are not when there are fewer than 10 employees.

6. ASSIST

We'll need some financial to enable us to buy more stock.

He was in a meeting so I spoke to the manager.

7. ATTRACT

One of the of the offer is the free training course.

They were offering a very salary so of course I was interested.

8. COMMERCE

There are so many vehicles on the road these days.

I'm afraid the scheme is not viable.

The resort has become so that we are going somewhere else.
As well as newspaper advertising we plan a series of TV

9. CONNECT

My flight didn't leave until 10 o'clock.
We sent them a letter in with their offer of an agency.
She has some useful in the hotel trade.

10. CONTRACT

The has told me the office will be ready by next month.
We are obliged to provide adequate security for the shipment.

11. DIRECT

I enclose a map and to help you to find our office.
The board of will make the final decision about the scheme.
I found the company by looking in the local trade
I always deal with the manufacturer.
There's been another from head office about photocopying.

12. DECIDE

He'll never make a good manager. He's so
A on a new factory is expected soon.

13. DIFFER

Installing air-conditioning has made all the
We've decided to try a supplier this time.
We will have to agree to I still think it would be better to go by road.

14. DISTRIBUTE

He's a sole in this area, so we're forced to buy from him.
The increase in petrol prices will push up our costs.

15. ECONOMY

We must on electricity so switch off those lights.
All those wonderful haven't found a solution to our problems.

Task 13. Complete each sentence with the correct form of the word in capital letters. In some cases you will have to make a negative form by using the prefix il-, mis- or un-.

1. EMPLOY

In the area of high people are desperate to find jobs.
Every of the firm is entitled to a 10% discount

Her gets very angry if she uses the phone too much.
I'm looking for temporary during the summer holidays.

2. ENGAGE

The line is so I'll have to try again later.
Cancel all my for the rest of the day, please.

3. EXPENCE

It's to send the goods by air but they've needed urgently.
They offered her \$15,000 plus
Unfortunately on the project was much more than expected.
His claims are being looked at by the Chief Accountant.

4. EXPLAIN

If you read the leaflet everything should become clear.
We're waiting for an of his behavior in the meeting.

5. EXTEND

We've decided to agree to their request for credit.
Could I speak to Miss Charles, please? I think it's 272.
The factory was damaged in the fire.
To some I agree with her conclusions.

6. FINANCE

Her adviser is convinced the project will be a success.
If the company is sound we might consider taking it over.

7. GROW

There is a awareness of the need to improve productivity.
The government is worried about the in public expenditure.

8. IMPRESS

It's important to create a good when meeting clients.
The results from our new French subsidiary are very I'm afraid she
was by our presentation.

9. INDUSTRY

In this high-tech world, espionage is on the increase.
Mr. Fredericks, a prominent will head the committee of inquiry.
In some of the more countries pollution is a big problem.

10. INFLATE

I've no intention of paying such prices!

At the moment is running at 20%.
The government must take steps to halt the spiral.

11. INFORM

Please let me know if you need any more
I enjoyed her talk. It was very
I'm afraid you've been She no longer works for us.

12. INSTRUCT

The boss has left that she's not to be disturbed.
I can't make head or tail of this manual!

13. INTRODUCE

The chairman made some remarks and then she gave her talk.
I'd like to welcome Jane Phipps, who, I'm sure, needs no

14. INVEST

These shares have given me a good return on my
Small were advised to hold on to their shares.

15. KNOW

We need somebody with a good working of French.
Our company is virtually abroad.
She's obviously very as far as marketing is concerned.

16. LEGAL

It's to sell such goods without a proper permit.
They questioned the of the company's action.

Task 14. Complete each sentence with the correct form of the word in capital letters. In some cases you will have to make a negative form by using the prefix *dis-* or *un-*.

1. MANAGE

Since the buy-out profits have risen sharply.
The Director sent a letter to every member of staff.
It makes sense to break the task up into steps.

2. NEGOTIATE

The salary is so how much do you think I should ask for?
Unfortunately, with the union have broken down.

3. OCCUPY

The block has been since the fire.

Dust is an hazard in this factory.

4. OPERATE

The oil rig should be in by tomorrow morning.

We expect an profit of at least 20 million dollars next year.

The scheme should be fully by this time next year.

The switchboard was unable to find the person I wanted.

5. OPT

Although insurance is, we strongly recommended it.

I want to leave my open, so I haven't given him my answer yet.

6. ORIGIN

We intended to close only three of our branches.

The idea is said to have from the Sales Department.

Her proposal showed a lot of – perhaps too much, in fact.

7. PREFER

We'll obviously give to candidates with previous experience.

They gave her the loan at a rate of interest.

8. PRODUCE

The new model should be in in three months.

The finished must leave the factory in perfect condition.

I'm afraid our talks with the manufacturers have been

Any bonus will be paid every 4 months.

9. PROFIT

Any line which proved was immediately discontinued.

Couldn't some workers be more employed in other departments?

Doubts have been expressed as to the of the business.

10. RESTRICT

They have imposed on the sales of certain electronic goods.

Such trade practices are not in the public interest.

I'm afraid access to this information is

11. SATISFY

What job can anybody get from working on an assembly line?

We hope the discussions with our creditors will have a outcome.

The customer was with the services and complained to the boss.

12. SYSTEM

You need to have a approach in this type of work.
We need to carry this survey

13. SUIT

I'm not sure about the of the site for the new factory.
We now have to find a name for our new chocolate bar.

14. VARY

Our company produces a great of toys.
Remember the interest rate is, so you could have problems.
They put forward suggestions but none was acceptable.

BUSINESS GRAMMAR

Tenses Review.

Task 15. Complete this job advertisement with either the Present Simple or the Present Continuous forms of the verbs from the box.

look / have / offer / employ / be / offer / prepare / consider / need / grow
--

Sales Manager,
We _____ one of the largest mobile phone retailers in Europe. We _____ independent and impartial advice on mobile phones. We _____ more than 800 stores in 10 countries, and we _____ fast. We _____ over 3,000 workers. Currently we _____ the next stage in our development and we _____ for major growth outside Europe. We _____ for people who are reliable, confident and enthusiastic. We _____ experienced people who want to work for an expanding company. We _____ a competitive salary and private health insurance. We are willing to reward staff with attractive performance-based bonuses.

Task 16. Complete this article by putting each of the verbs in brackets into the Past Simple.

Vivendi – 150 years of History

Vivendi, the French utilities and communications group, has a long history going back to 1853. In that year the Government (create) Compagnie Generale des Eaux. The founders (have) two objectives: to irrigate the countryside for farming and to supply water to towns and cities in France. In 1880 a treaty (give) Generale des Eaux the right to supply water to Venice, and then Constantinople and Oporto (come) soon after. By the time of the centenary celebrations in 1953 Generale des Eaux (supply) water to eight million people in France.

In the 1960s and 1970s the company (begin) activities in the area of civil construction and (build) a large tower block in the La Defense

business district of Paris. During the 1980s Generale des Eaux (join) with the Havas media group to create Canal Plus, a pay TV channel. They also (take) a controlling stake in the civil engineering giant, SGE. In the 1990s they 10 (win) major contracts in the Asia Pacific region and in Latin America. In 1996 the company (sell) \$5 billion in assets of American lines and (cut) the workforce by 10%. All this (mean) that an annual loss of \$600 million (turn) into a profit of \$320 million. In 1998 they..... (change) the name of the group to Vivendi and soon after (make) a series of partnerships and acquisitions in the telecommunications industry.

America (grow) very quickly after this and in 2000 Vivendi (buy) Seagram to become a truly international media and communications company.

Task 17. Read the first part of the Max Factor story and choose the correct form of the verbs.

In many parts of the world, Max Factor has become a famous brand of cosmetics. Yet few people know that Max Factor, who was born in Poland in 1877, is also the name of the inventor of those cosmetics. Apparently, it was while Max *worked/ was working* as an apprentice to a pharmacist, mixing all kinds of potions, that he *developed/ was developing* an interest in cosmetics. He *lived/ was living* in Moscow when he *opened/ was opening* his own shop, selling a range of handmade cosmetics.

Complete the second part of the story with the Past Simple or Past Continuous of the verbs given.

The story goes that one day, some members of the Russian nobility _____ (notice) the beautiful make-up worn by some travelling theatre actors who _____ (perform) for them. So they _____ (appoint) Max Factor the cosmetic expert for the royal family. In 1904 Factor _____ (emigrate) to the USA. He _____ (create) a new kind of make-up for cinema actors in Los Angeles, where he _____ (live). By the time he _____ (introduce) his products to the public, all actresses _____ (visit) his salon.

Task 18. Complete the text with the verbs from the list below, using the Present Perfect.

make / fall / launch / be / have / cut / withdrawspendtake / perform
--

The Road to Recovery

Although Ford operating profits of over \$7 billion in its American market this year, the story in Europe very different. Its market share from 12% six years ago to only 9% now. The truth is that rivals like Volkswagen and Renault much better over recent years. They costs and exciting and highly successful new models. In contrast, Ford its large saloon, the Scorpio, which was not selling well. But Ford a lot more success at the higher end of the market. Over the last few years it a lot of

money buying brands such as Jaguar, Aston Martin and Land Rover, and these models have much higher profit margins. It some time to sort out the problems at Jaguar in particular, but it's now a successful part of the business.

Task 19. Complete the following company profile with either the Present Perfect or Past Simple tense of the verbs in brackets. You should pay particular attention to irregular verbs and to the position of adverbs.

William Colgate (found) the Colgate Company in 1806 as a starch, soap and candle business in New York City. For the first one hundred years, the company (do) all its business in the United States. However, in the early 1900s, the company (begin) an aggressive expansion programme that (lead) to the establishment of Colgate operations in countries throughout Europe, Latin America and the Far East. Recently it (set up) operations in Turkey, Pakistan, Saudi Arabia, Eastern Europe and China. Colgate-Palmolive (become) a truly global consumer products company, worth \$6.6 billion and selling in more than 160 countries.

Colgate-Palmolive's five main sectors of business are: Oral Care, Body Care, Household Surface Care, Fabric Care and Pet Nutrition and Health Care. In the area of Oral Care, Colgate-Palmolive is the world leader in toothpaste. Since 1980, the company (increase) its share of this market by more than 12% to over 40% today. Oral care revenues (grow) significantly in recent years and in 1991, they (exceed) \$1.3 billion. As a result of the company's heavy investment in research and technology, it (develop) many successful toothpastes, rinses and toothbrushes. To strengthen its presence in professional products, Colgate-Palmolive (buy) the Ora Pharm Company of Australia and the dental therapeutics business of Scherer Laboratories USA in 1990. For many years, the company (have) a strong dental education programme in schools throughout the world and (maintain) a close partnership with the international dental community. For the last three years, the company (be) a major sponsor of the International Dental Congress, the world's largest and most prestigious dental meeting.

The company always (pay) close attention to the environment. It already (make) great progress in the use of recyclable bottles and packaging materials. In 1990 the American Council on Economic Priorities (choose) Colgate-Palmolive as one of the four most socially responsible companies in the United States.

Task 20. Complete the text by putting the verbs in brackets into the correct form of the Past Simple or Present Perfect.

Market Report — a Rocky Road for Tech Stocks.

European investors (watch) US stock markets nervously over the last few months. The problems with US technology and telecomms stocks (begin) last March, and since then share prices at companies like Intel, Apple

and Dell (crash). Over the summer all these giants (announce) lower than expected profits, and investors fear that demand for PCs in the highly developed US market (peak). Now it's the turn of European stocks. On Monday stocks in companies like Germany's SAP and Finland's Nokia (fall) sharply. SAP(be) down 3% in Frankfurt, and Nokia (drop) 7% in Helsinki.

But there was some good news for investors yesterday. Yahoo!(release) figures which showed that in the last quarter revenues (rise) to \$295 million, up from \$115 million a year earlier. Yahoo! relies on online advertising for most of its income, and this year it..... (gain) significant market share in Europe and (manage) to achieve the position of top Web-navigation company.

Analysts believe that the market (not hit) the bottom yet. Earlier this year investors (buy) any Internet stocks that were available, creating a stock market bubble. Now it's just the opposite. Investors (become) so nervous that they are selling everything, even if the company is sound and the stock looks cheap.

Task 21. Complete the conversation. Put each verb in brackets into the correct form of the past simple, present perfect simple or present perfect continuous.

- Linda, (you/hear) the news?
- What news?
- They (just/promote) Sue to Head of European Sales.
- Sue? You must be joking! She (not/even/work) for the company all that long. When (she/join), about last May? Anyway, who (tell) you about it?
- Maurice. I (see) him yesterday at the International Sales Conference. Yes, apparently Sue (break) all kinds of records since she (look) after the Central European Region.
- But I always (think) Francesco (be) in line for that position.
- Well, it seems Sue (make)..... a huge impression on the Board and they're worried they might lose her. Maurice says that headhunters (already/call) on a pretty regular basis so
- And what about poor Francesco? How (he/take) the news?
- I don't really know. Maurice (not/mention) Francesco at all. But I guess he'll be pretty disappointed. He's certainly made no secret of the fact that he wanted the job.

FLUENCY WORK.

Task 22. Make up a dialogue, a story or a presentation using the following

questions and expressions below.

What company do you work for? What does the company sell or produce?

What do you do? Which department are you in? Who are you responsible to?

What are you responsible for?

Company	Electronic Publishing
Activity	Video games and software
Location	the USA, Europe
Headquarter	New York
Total sale	more than 20 billion dollar
Employee	110.000 people

Location:

The company is based in ...

The head office/headquarters is/are in ...

The subsidiary/factory/office is located in ...

Products and services:

The company specializes in ...

The main products of the company are ...

The company manufactures/produces/makes ...

The company sells...

The company operates in ... target markets.

Size:

The company has annual sales of ...

Its annual turnover is ...

It employs ... people

Structure:

The group consists of ... companies

The subsidiary is made up of ... division

The company is divided into ...

Unit XIII

Presentations.

LEAD-IN

Task 1. Discuss the following with your partner.

- Have you ever given a presentation? What type was it?
- In your experience what makes a good/bad presentation?
- What do Russian people think about humour in presentations?
- How is body language used in presentations in Russia? Which gestures are acceptable and which are not?
- What are the advantages and disadvantages of using different types of equipment? What are some of the potential problems?

Task 2. Here are some examples of different types of presentations. How are people expected to dress for different types of presentations in your country?

Press conference	Two chief executives tell journalists why their companies have merged.
Briefing	A senior officer gives information to other officers about a police operation they are about to undertake.
Demonstration	The head of research and development tells non-technical colleagues about a new machine.
Product launch	A car company announces a new model.
Lecture	A University professor communicates information about economics to 300 students.
Talk	A member of a stamp-collecting club tells other members about 19 th century British stamp.
Seminar	A financial adviser gives advice about investments to eight people.
Workshop	A yoga expert tells people how to improve their breathing techniques and gets them to practise.

READING

Making a presentation.

You probably give more presentations than you realize. Updating your boss on your recent accomplishments, giving a status report during a project meeting, and calling on a new sales prospect are all examples of public speaking opportunities. In the business arena, your ability to clearly communicate to your clients and coworkers will lead people to perceive you as credible and capable, and may even improve other people's evaluation of your skills. Although some presentations are more important than others are, the

better you understand how to prepare for a presentation, the better results you'll get following your presentation. The success of your presentation lies in your ability to reach your audience. Even the most flawless speaker can fail to inspire listeners if the message isn't perceived as significant to their lives or their experience. Most of the presentations you're asked to give in a business setting aim to achieve one of two purposes: to inform and to persuade. In an informative presentation, the audience learns about a new subject or learns something new about a familiar subject. In a persuasive presentation, the speaker attempts to change the audience's attitudes or behaviors.

Opening the presentation.

Most public speaking skills trainers and most professional presenters focus on specific techniques and procedures for presenting. Most presentations start before the formal presentation begins. A bit of time usually elapses while people filter into the room and select their seats. Use this time to your advantage. If this is your first time presenting to the group, use the time to introduce yourself, shake hands, and learn people's names. If you're already familiar with the audience members, then use this time to catch up and ask how things are going. The first part of your presentation is called the opening. You use the opening to get the audience's attention, build rapport with the audience, introduce your topic, and prepare the audience for the rest of your presentation. The opening should take only a fraction of your total presentation time. For example, if you're giving a fifteen-minute presentation, you might dedicate two to three minutes to the opening. Your opening should set the tone for the rest of your presentation. Speakers use a number of different attention getting techniques to set the tone of their presentations.

The introduction.

Make sure everybody knows who you are. This step is especially important if you're presenting to a group for the first time. Whether you introduce yourself or have someone introduce you, the goal is the same. The audience needs to know who you are and why they should listen to you. Present your credentials and let people know why you're an expert on this topic. If someone else will be performing your introduction, it often helps to provide them with a few notes about who you are and why you're the right person to be speaking at this event.

Show what you know.

Once again we return to the idea of building rapport with your audience. Your audience will be much more likely to listen to you if they believe you are an expert on the topic you're discussing. One way to demonstrate your expertise is to open your presentation with data, exact figures, latest developments, and interesting little-known facts.

Invite participation.

Get the group involved from the beginning. One great way to encourage involvement is to take an audience poll:

- How many of you have experience with this?
- How many of you have had problems in finding...?
- Has anyone found a really effective way to...?

By getting a show of hands, you will demonstrate that your topic has relevance to people in the group. In addition, you'll get people thinking about how your topic relates to them personally, and will interest them in hearing your proposed solution. Another way to get the audience involved is by holding a mini-brainstorming session. It's best if you have a white board or flip chart to write down the audience suggestions. Select your brainstorming topic carefully – ask a question that you know will generate answers that you intend to touch on during your presentation.

Dress the part.

It's known that 55 percent of our total message in face-to-face interactions is communicated through body language. A big part of body language is how you dress.

Listeners form an initial impression about you within the first seven seconds of meeting you. They decide whether they like you, trust you, and want to do business with you.

The body of a presentation.

If your purpose is to inform, you'll use the body of your presentation to describe your topic and demonstrate how it relates to your audience. If your goal is to persuade, you'll use the body of the presentation to define the problem and offer your solution. Depending on the time allotted to you, it's best to stick to two to five main points. You need to provide supporting evidence for each main point, so allow enough time to develop each point in adequate detail. If there's a question in your mind about how many points you can reasonably discuss, go with the lower number. Once you've determined the most important issues to illuminate during your speech, the next thing you should plan is the appropriate organizational structure for your speech. Yes, you really do need to plan your presentational structure. There's nothing more frustrating than listening to a speaker who jumps from one topic to another without explaining how the topics are related, repeats herself often, and never seems to get to the point. These are just a few the side effects of poor organizational structure. You should organize the body of our presentation in a manner that makes sense for your subject. In fact, most subjects naturally lend themselves to a particular structure.

The most common organizational patterns are:

Topical - use when several ideas relate to your theme, each distinct idea becomes a main point. This structure is useful for informative speeches.

Chronological - uses time sequence for a framework. This structure is useful for both informative and persuasive speeches, both of which require the presentation of background information

Spatial - organizes material according to physical space. This structure is useful for informative speeches.

Classification - organizes material by putting things into categories. This structure is useful for both informative and persuasive speeches.

Problem/Solution - organizes material by describing a problem and then presenting a solution. This structure is useful for persuasive speeches.

Cause/Effect - organizes material by describing the cause of a problem and then presenting the effects of the problem. This structure is useful for persuasive speeches.

Evidence.

To create a credible presentation, you must provide supporting materials to back up your claims. Evidence is the material that gives your subject life. Use a combination of types of evidence to build a well-supported argument that also interests your listeners. Types of evidence include:

Facts and figures: information that can be verified by an outside source.

Statistics: data explaining something in terms of size or frequency. Statistics are powerful because they sound like facts and figures.

Statements by authority/Testimony: quotes from an expert on your subject. Statements by popular figures like politicians, television or radio personalities may be used as well.

Narratives: examples in the form of a story. Narratives should have a beginning, a middle, and an ending, and should be interesting without including unnecessary details.

Definitions: terms can be defined in one of three ways:

The dictionary definition

The etymological definition that describes how a word derives from the root word of its culture.

The operational definition that describes how the term relates to how it works or how it operates.

Humor: jokes or funny stories relating to the topic. Although humor works well to gain interest and build rapport with your audience, there are some subjects for which humor is not appropriate.

Closing your presentation.

One of the worst mistakes you can make in a presentation is talking too long. Ideally, you'll conclude your presentation before your audience starts to drift. The goal of the conclusion is:

- To inform the audience you're about to close,
- To summarize the main points,
- To leave the audience with something to remember

Presentation techniques.

The difference between a good presenter and a great presenter is often "presentational style." In fact, presentational style is made up of three main elements that everyone can learn to incorporate into their speaking: vocalics, body language, and use of space.

Vocalics, or vocal techniques, are the way you speak your words to create emphasis and set the tone of your presentation. Vocal techniques to consider when practicing your presentation are:

Loudness: the relative amplitude of your voice. Both loudness and quietness can be used to gain attention. First, determine the right level of loudness to use as a baseline.

Rate: the speed with which you speak. Speaking quickly can suggest speed, excitement or energy. Speaking slowly can suggest emotions like boredom, but can be used to emphasize complex ideas or points of special importance.

Body language is another non-verbal technique that can be used to enhance your presentations. By body language, I mean gestures, movements and mannerisms that people use to communicate. Elements of body language to pay attention to as you practice your presentation are:

Eye contact: look your audience in the eyes. The number one reason to use good eye contact is it involves your audience in your presentation. If you look directly at a member of the audience, they are likely to return your gaze, and keep looking at you rather than looking at a paper on the table, staring out the window, or daydreaming.

Gesture: movement of your body or limbs to illuminate and emphasize the meaning of your words. Simple hand movements such as holding up the number one with your fingers when you say "my first point is," are appropriate.

Posture: the bearing of your body, your stance. When speaking to an audience, stand straight with your shoulders back, your head centered above your body and your feet shoulder-width apart. Don't slump. Don't lean against the wall.

Even the best presentation can be destroyed by a bad presenter from the person who mumbles, to the one who talks too fast, to the one who just wasn't prepared. But perhaps nothing is as irritating as the person who misuses and abuses presentation software. In public opinion polls, fear of death is second behind fear of public speaking. It needn't be. With preparation and practice, anyone can give a great presentation.

COMPREHENSION CHECK

1. What can be called a presentation?
2. What is the difference between informative presentation and persuasive presentation?
3. What are the parts of presentation?
4. What presentation techniques are there?

DISCUSSION

Task 3. *Nearly all speakers plan their presentation carefully. Here are three ways of preparing a presentation.*

1. Practice the presentation beforehand and then deliver it without notes.
2. Give the presentation from notes.
3. Write the presentation in full and read it.

I. What are the pros and cons of each approach?

II. Would you prepare a presentation in one of these ways? If not, describe how you would do it.

Task 4. *What presentation mistakes are sure-fire ways to put your audience to sleep or send them running for the doors? Some presentation mistakes are given in the table. Find the best solution for each mistake.*

Presentation Mistake	Solution
1. You Don't Know Your Topic!	a) Good contrast with the background is essential to make your text easy to read. Dark text on a light background is best. Off white or light beige is easier on the eyes than the typical white. Dark backgrounds are very effective, if the text is light for easy reading. Patterned or textured backgrounds make text hard to read. Keep the color scheme consistent.
2. The Slides Are NOT Your Presentation.	b) Ensure your audience stays focused by keeping the number of slides to a minimum. 10 to 12 is plenty. Some concessions can be made for a photo album, since most pictures will be on screen for only a short time. Be kind though. Think how much <i>you</i> enjoy everyone else's vacation pictures!

3. Too Much Information.	c) Know your material <i>so well</i> , that you could easily do the presentation without an electronic enhancement such as PowerPoint. Nothing will ruin your credibility as a presenter faster, than not knowing everything about your topic. Use key words and phrases and include only essential information to keep the audience focused and interested. Be prepared for questions and know the answers .
4. Poorly Chosen Design Template or Design Theme.	d) Check all the equipment and rehearse your presentation, using <i>this</i> projector long before your time to present. Carry an extra projector bulb. If possible, check the lighting in the room you will be presenting in, prior to your time in the limelight. Make sure you know how to dim the lights if the room is too bright.
5. Electrifying Color Choices.	e) Use the principle «Keep It Simple Silly» when designing a presentation. Stick to three, or at the most, four points about your topic and expound on them. The audience will be more likely to retain the information.
6. Poor Font Choices.	f) Always remember that you are the presentation. The slide show should only be used as an <i>accompaniment</i> to your talk. Simplify the content, by using bullet points for key information. Keep the most important points near the top of the slide for easy reading in the back rows. Focus on a single topic area for this presentation and use no more than four bullets per slide. Speak to the audience , not to the screen.
7. Extraneous Photos and Graphs.	g) Stick to easy to read fonts such as Arial or Times New Roman. Avoid script type fonts which are hard to read on screen. Use no more than two different fonts – one for headings, another for content and no less than a 30 pt font so that people at the back of the room can read them easily.
8. Too Many Slides.	h) “Time is Money” is really true in today's world. No one wants to waste their time sitting through a presentation with no substance. Use photos, charts and diagrams <i>only</i> to emphasize key points of your presentation. They add a nice break to the material, and when used correctly, can only enhance your oral presentation. Illustrate, don't decorate.
9. Different Animations on Every Slide.	i) Choose a design that is appropriate for the audience. A clean, straightforward layout is best for business presentations. Young children respond to presentations that are full of color and contain a variety of shapes.

10. Hardware Malfunctions.	j) Animations and sounds, used well, can heighten interest, but don't distract the audience with too much of a good thing. Design your presentation with the "less is more" philosophy. Don't let your audience suffer from animation overload.
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Task 5. Visual aids come in many varieties:

Sketches, Maps, Graphs (pie, bar, line), Charts (Flow, tree, sequence), Photographs and pictures, Posters, Objects or models, Films or video tape, Textual graphics or lists.

Which of them would you choose to help illustrate your ideas? Explain your choice.

LANGUAGE WORK

Task 6. Read the presentation and answer these questions:

Good morning, ladies and gentlemen. I'm here today to tell you about our company's financial position. I've divided my presentation into four parts. Firstly, I want to talk about the current financial situation. Secondly, I'd like to examine our performance over the past year. Thirdly, I'll look at our prospects for the next twelve months. Finally, I'll make some recommendations. I'll be happy to answer questions at the end of my presentation. Right. I'd like you to look at this graph ...

1. What is the purpose of the presentation?
 2. When will the presenter answer the questions?
 3. Which of the phrases below does the presenter use to ...
- a) explain the purpose of the presentation (Why)
 - b) describe the structure of the presentation (What)
 - c) say when he'll answer questions (How)

My main aim today is to tell you about our company's financial position.
I'll be happy to answer questions at the end of the presentation.
There are four parts of today's presentation.
I'm here today to tell you about our company's financial position.
I've divided my presentation into four parts.
I'll take questions at the end.

Task 7. Cross out the verbs which do not fit in the following presentation extracts.

1. Perhaps I should start off by *pointing/stressing/reminding* that this is just a preliminary report. Nothing has been finalized as yet.

2. I'd like to *draw/focus/attract* your attention on the short-term objectives to begin with.
3. Basically, what we're *suggesting/asking/reviewing* is a complete reorganization of staff and plant.
4. I'm sure there's no need to *draw out/spell out/think out* what the main problem is going to be.
5. The basic message I'm by trying to *get through/get across/get to* here is simple. We can't rely on government support for much longer.
6. Disappointing end-of-year figures *underline/undermine/underestimate* the seriousness of the situation.
7. But later on I will, in fact, be *putting over/putting forward/putting out* several detailed proposals.
8. One thing I'll be *dealing with/referring/regarding* is the issue of a minimum wage.
9. And I'll also be *asking/raising/putting* the question of privatization.
10. But we do need to seriously *ask/answer/address* the question of how we are going to overcome it.

Task 8. Rearrange these sentences to make a complete presentation. The first one has been done for you.

1. Now about our overseas stores. We have 4 large stores in France and another 10 in other European countries.
2. And finally I'll mention our future plans. I'll be pleased to answer any questions at the end of my talk.
3. I'm going to talk to you today about our company. First, I'll give you some basic information about Tara Fashions.
4. As far as career opportunities are concerned, we have opportunities in all areas of our business.
5. Then I'll talk about our overseas stores.
6. Let me start with some basic facts about Tara. We sell clothes for men and women. We have 15 stores in Spain. All of the stores are very profitable.
7. Good morning, everyone. Thanks for coming to my presentation. My name's Marta Rodriguez. I'm Personnel Director of Tara Fashions.
8. Next I'll talk about career opportunities with Tara.
9. Finally, a few words about our new project. We are planning to open a new store in New York next year.
10. Well, thanks very much for listening to my talk. Are there any questions?

Task 9. Complete the following introduction with appropriate words from the list.

present/outline; let's; glad/happy/pleased; have; finally; like; First;
 from; know; here/ready; time; take; then/next/after that; from; know;
 here

S: Well, if everyone's 1. 2. start. It's great to have Liu Wei here 3. the office in Beijing. As you 4., he is the Director of Marketing and has achieved excellent results.

L.W.: Good afternoon. Thank you Sam. I'm 5. to be here today. Ok, today. I'd 6. to talk about the developments in the Beijing office. In my presentation this afternoon I'd like to 7. three main points. 8., I'll briefly outline our small beginnings two years ago; 9. I'll explain how we adapted the RB 409 range to suit our local market and 10. I'll show our success. If you have any questions, there'll be 11. at the end. Before I start, I 12. a hand out for you. Would you like to 13. one? Here you are.

Task 10. Match the words and phrases with the different stages of a presentation.

- | | |
|--|-----------------------------|
| 1. If you look at the pie chart ... | a) Greeting the audience |
| 2. Secondly, I'd like to look at... | b) Introducing the subject |
| 3. I'd like now sum up the main points ... | c) Sequencing |
| 4. I'm going to talk about ... | d) Introducing a visual aid |
| 5. Let's now move on to a separate issue which is ... | e) Concluding |
| 6. First of all, let me welcome you to Digital Enterprises ... | f) Digression |

Task 11. Match the different parts of the presentation with the phrases.

- | | |
|---|-----------------------------|
| 1. I'd like to give you an example ... | a) a general idea |
| 2. To move off the point for a moment ... | b) a visual aid |
| 3. Let's have a look at this chart which represents ... | c) a digression |
| 4. What I want to make clear is this ... | d) an example |
| 5. I'd just like to give you an overview of... | e) an important idea |
| 6. What I really want to stress is this ... | f) a point of clarification |

Task 12. Here are four phrases that you can use to link the sections of your presentation together, which phrase would you use ...

- | | |
|--------------------------------|---|
| 1. ...before the summary? | a) Right. Let's recap, then |
| 2. ...before the conclusion? | b) Let's move on, shall we? |
| 3. ...between any two points? | c) I'd like you to have a look at this. |
| 4. ...to introduce visual aid? | d) I'd like to conclude by saying this. |

Task 13. Read the text of the presentation below and predict where the speaker uses the linking words and expressions.

by and large / therefore / although / so / whereas / however / in my opinion

Total Quality Assurance means meeting customer needs without error, on time, every time. Our experience so far has **1.** _____ been good. **2.** _____, the message has not yet reached everybody in the company. **3.** _____ the number of projects and people involved has grown, they have not got as fast as we would like. **4.** _____ one of the key problems is how to express the benefits of this programme in money terms. **5.** _____ this problem is particularly acute when accounting for the less tangible benefits of the programme. At the shop floor level, people will tend to talk the language of things, **6.** _____ at the upper management, people talk the language of money. Middle management, **7.** _____ need to be bilingual to translate between the two.

Task 14. *The following is an extract from a presentation given by the Marketing Director of a company launching a new product. Complete the extract using the following words and expressions:*

furthermore	however	as far as ... is concerned
last but not least	to begin with	for example
apart from this	on the other hand	I'd like to start

1. by outlining some of the advantages of our new product.
2. it is the most advanced product of its type currently on the market.
3. it is equipped with a number of features that are not to be found in similar devices produced by our competitors.
4., it is guaranteed 100% waterproof.
5. Equivalent products produced by our competitors, are water-resistant, not water-proof.
6. obvious advantage, it is also shock-resistant and dust-proof.
7. price, I am sure that our product is the most competitive on the market.
8. It is not only price that makes this product attractive, It is also guaranteed for no less than 20 years.
9. we can offer retailers a substantial discount on bulk orders purchased direct from the factory.

Task 15. *Choose the correct verb from the box below and put it into the sentence. Make sure the verb agrees with the subject.*

leave / see / draw / show / look / represent / find / note / indicate / notice

1. I'll ... the slide up while I talk.
2. If you ... closely at the diagram, you'll see that there are seven switches.
3. You can ... the figures on my next slide.
4. The vertical axis ... sales in Euros.

5. I'd like ... your attention to the second graph.
6. This diagram ... a plan of a new factory.
7. Let me ... the relevant slide.
8. It's interesting that sales have increased dramatically.
9. Each line ... the progress of a different product.
10. As you may ... the sales peaked last month.

Task 16. Fill the gaps in the sentences below with a preposition:

on / at / on / by / for / in / into / through

1. Thank you ... coming.
2. I'd like to start ... outlining the changes.
3. Then I'll go ... to highlight what I see as the main points.
4. I'll start off by filling you ... on the background to
5. I've tried to put our recent difficulties ... some kind of perspective.
6. We can discuss any questions ... the end.
7. I want to focus ... the five year plan.
8. I'll go ... the main points on the handout.

Task 17. Complete the following sentences using an appropriate form of the given verb.

1. Exports ... significantly between 2004-2006 (fall).
2. Since 2007 they ... steadily, however (rise).
3. Overheads ... sharply since last year (rise).
4. There ... a gradual fall in the price of raw material between 2005-2008 (be).
5. Domestic sales ... steadily over the past 4 years (increase).
6. The workforce ... by 10% last year (grow).
7. Salary costs ... sharply over the last few years (go up).
8. The price ... considerably in 2002 (rise).
9. The workforce ... by 25% since 2000 (go down).
10. There ... a slight fall in domestic sales this year (be).

Task 18. Complete the text below using the correct form of the words in brackets.

The effect of tourism

The explosion in the tourist industry can **1.** (*explain*) by more affordable transport and greater wealth among some of the world's population . It is true that tourism sometimes **2.** (*result*) in an improvement in the standard of living of local people, as well as **3.** (*contribute*) to increased understanding of other cultures. However, many of the **4.** (*effect*) of tourism are negative. Atmospheric pollution **5.** (*cause*) by air travel, while the building of hotels **6.** (*lead*) to shortage of resources such as water. So tourism sometimes **7.**

(cause) the destruction of the very places that people want to visit.

Task 19. Complete the following sentences with the correct word.

1. First of all, I'd like to ... the main points of my talk.
a) preview b) overview c) outline
2. So, what we're really ... are likely developments in the structure of the company over the next five to ten years.
a) driving at b) aiming at c) looking at
3. The eighteen-month plan, which by now you should have all had time to look at, ... in detail our main recommendations.
a) outlines b) reviews c) sets out
4. And the main conclusion we've ... is that massive corporate restructuring will be necessary before any privatization can go through.
a) thought b) got to c) come to
5. I'd like to ... your attention to some of the difficulties we're likely to face.
a) turn b) draw c) focus
6. I have the figures for the last three months to ... to you.
a) have b) introduce c) present
7. I've tried to ... our difficulties into some kind of perspective.
a) put b) fill c) bring
8. I'm going to be ... at the arguments against networking.
a) showing b) telling c) looking

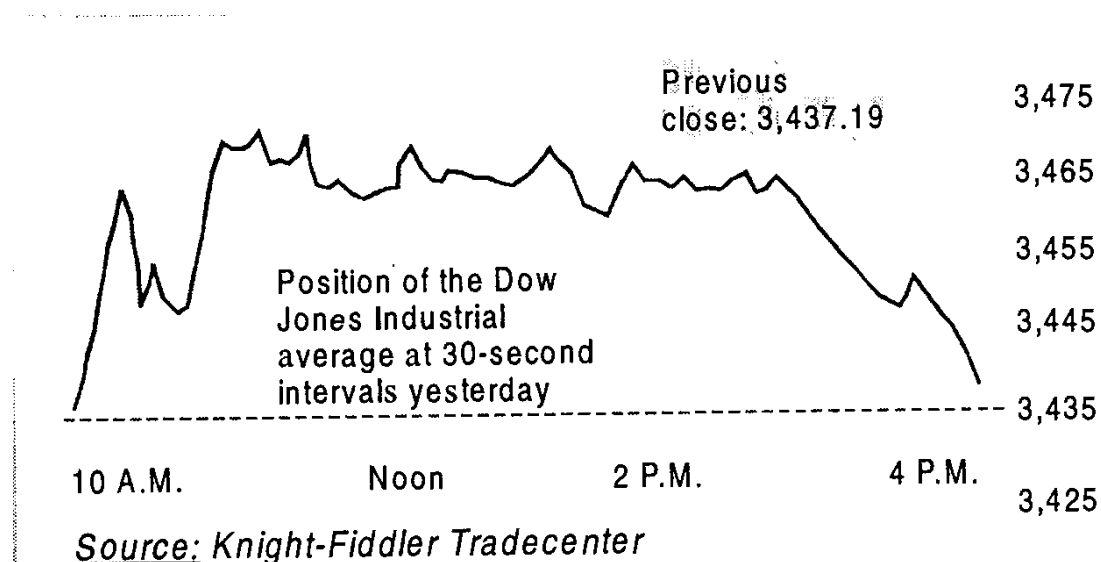
Task 20. Look at this rather long-winded opening address from a company's Annual General Meeting (AGM) and fill in the gaps with words from the box. The first letter of each word is already in the text.

-articipants / -atters / -bjectives / -chedule / -chieve / -ddress / -ecommendations / -elcoming / -elegates / -enue / -eport / -et through / -genda / -hair / -inutes / -iscuss / -larification / -loor / -loses / -mplement / -nterrupt / -oals / -oints / - omplaints / -onference / -ontingency / -ontribute / -otes / -peakers / -pen / -pen-floor / -pinions / -resentations / -ringing up / -riority / -rogress / -ssues / -ttendance / -uestions / -ummarizing / -upporting
--

I'd like to **1. o**_____ this meeting by **2. w**_____ you all. It's good to see so many **3. P**_____ here today - in fact, this is probably the best **4. a**_____ we've had at a meeting for a long time - and I'd like to thank

you all in advance for **5. s** _____ me. Well, we've got a lot on the **6. a** _____ and I want to make as much **7. p** _____ as possible in the next two hours or so. If we stick to the main **8. s** _____, we should **9. g** _____ everything and **10. a** _____ all of our **11. g** _____ and **12. o** _____. I will **13. c** _____ the meeting, as usual, but I really hope that you will all have something to **14. c** _____, and if anything needs **15. c** _____, please don't hesitate to **16. i** _____ me (although not too often, I hope: the more **17. i** _____ we can **18. a** _____ today the better). I'll be **19. b** _____ several important **20. m** _____ during the meeting, beginning with those that I feel should take **21. p** _____, before **22. s** _____ the main **23. p** _____ and making **24. r** _____. This will be followed by an **25. o** _____ session where you can give me your **26. o** _____. And I'm sure you will all be delighted to hear that after the meeting **27. c** _____, there will be drinks and snacks for everyone. Mr Barker will be taking **28. n** _____ and keeping the **29. m** _____ of the meeting, and I will be using these to write my **30. r** _____ afterwards, so if anyone has any **31. c** _____, I suggest you talk to him and not to me! Now, before I get going, are there any **32. q** _____ from the **33. f** _____? No? Good. Right, well I'll begin. The first point I want to **34. d** _____ is next month's **35. c** _____. As you know the **36. v** _____ we have chosen is the Royal Eynsham Hotel in Oxfordshire. We've invited several **37. s** _____ to make **38. p** _____ on various aspects of the trade, and we're expecting over 200 **39. d** _____ from our offices around Europe. Now, of course, there's always the possibility that some major players won't be able to make it, so we need to make a **40. c** _____ plan that we can **41. i** _____ if things go pear-shaped.

Task 21. *The graph below shows the position of the Dow Jones Industrial Average from 9.30 AM to 04.00 PM on May 11, 2003 (Source "Wall Street Journal, May 11, 2003)*



Describe the graph filling in the spaces in the following sentences. Choose between:

- increased sharply (surged dramatically)
- prices fell dramatically
- sharp decline
- remained generally steady (fluctuated slightly)
- they fell and then rebounded
- overall prices increased slightly
- rising sharply and continuing steadily up

- The graph shows a in prices in the last hour of trading.
- From 9.30 to 10.00 prices
- Similarly the hour from 10.00 to 11.00 saw prices
- From noon until 02.00 PM prices
- Between 03.00 and 04.00
- In the last hour of trading
- In general, on May 11th the DJIA

Task 22. Complete the following presentation excerpts with suitable words from the boxes.

Questions 1 to 3

after that / finally / to start with / specifically / outline / bring you up to date / illustrate / purpose / then/ thank / sum up / describe / tell you / concluding

Questions 4 to 9

indicated / talked / you will notice / draw your attention / interrupt / expand / move on / options / priority / referring / in conclusion / on balance / recommend / pointed out

1. Good afternoon, everybody. I'd like to _____ you all for being here.
2. My _____ today is to _____ about our corporate strategy for the next decade, and, more _____, to _____ with our plans for Europe.
3. _____ I'd like to _____ briefly our current marketing policy in the UK. _____ I'll _____ some of the problems we're having over market share. _____ - I'll _____ the opportunities we see for further progress in the 21st century. _____ I'll quickly _____ before _____ with some recommendations.
4. Please feel free to _____ me if you have any questions at any time.
5. Now I'd like to _____ to Chart B showing our sales revenue pre-tax profits over the last ten years. _____ that although turnover has risen, our profits have not increased at the same rate.
6. I've _____ about our current position in the UK and I've _____ some of the problems we are facing. Well, what _____ are open to us now? Where do we go from here?
7. As I have already _____, I think our first _____ must be to build on the excellent results we have achieved in certain European markets. I'm _____, of course, to Italy and Spain. Let me quickly _____ on those successes before we _____.
8. We should not forget the French market. Admittedly our results there have been poor so far, but there are signs the market is changing and we can learn a lot from our mistakes. _____, though, I think we stand to gain most from concentrating on southern Europe and I strongly _____ we put all our efforts into further expansion in Italy, Spain and possibly Greece.
9. _____, may I thank you all for being such an attentive and responsive audience. Thank you also for your pertinent questions. Are there any final questions?

Task 23. Write the letter of the correct match next to each problem.

- | | |
|--------------------------------------|-----------------------------------|
| 1. I'd like to take this opportunity | a) us to demonstrate... |
| 2. My presentation is | b) aware that the product is... |
| 3. You are certainly | c) divided into three sections... |
| 4. I'd like to draw | d) on to the next stage... |
| 5. As you can | e) see, the product is... |
| 6. I'd like to move | f) interpreted? |
| 7. This graph allows today. | g) to thank you for coming |
| 8. It's worth noting since... | h) that sales have increased |
| 9. How should this be | i) to conclude that... |
| 10. It is possible | j) your attention to ... |

GRAMMAR CHECK

Verb + Preposition

Here is the list of verbs and the prepositions normally used with them:

Apply for	Concentrate on	Insist on	Refer to
Approve of	Consist of	Know about	Rely on
Believe in	Cooperate with	Lead to	Specialize in
Belong to	Decide on	Listen to	Suffer from
Benefit from	Depend on	Object to	Sympathize with
Complete against	Focus on	Pay for	Take care of
Comply with	Hope for	Qualify for	Wait for

*I've **applied for** a new job.*

*The economy is **focused on** knowledge and technology.*

In questions the preposition usually goes at the end.

*Who does this **belong to**? What does it **consist of**? Who are you **waiting for**?*

Verb + Object + Preposition

With some verbs the object comes before the preposition. Here are some common examples:

Add something to	Explain something to	Share something with
Ask someone about/for	Inform someone about/of	Spend something on
Blame someone for	Insure something against	Split something into
Borrow something from	Invest something in	Supply someone with
Compare something with/to	Invite someone to	Tell someone about
Congratulate someone on	Protect someone from	Thank someone for
Divide something into	Prevent someone from	Translate something into

*We've **spent** \$2 m **on** advertising this year.*

*Nobody in Russia was prepared to **invest** money **in** production.*

Use of different prepositions

Some prepositions are used to introduce particular kinds of information:

“**About**” often introduces the subject matter. *We are thinking about changing our advertising slogan.*

“**At**” often shows direction. *I’m looking at your order details on the screen right now.*

“**For**” often shows purpose or reason. *I must apologize for being rude.*

“**From**” often shows the origin of something. *I haven’t heard from them for a long time.*

“**On**” often shows confidence or certainty. *Can we agree on a discount of 5 %?*

“**To**” often refers to a person. *Could you explain this clause to me, please.*

Verb + Different Prepositions

Some verbs can go with several different prepositions.

Agree to/with/about	I agree with you about the need for cutting costs.
Apologize to/for	I must apologize to Susan for my behaviour last night.
Ask for/about	Shall we ask for bill?
Complain to/about	I’m going to complain to the manager about the service.
Hear about/from/of	I heard about the news from a colleague of mine.
Learn about/from	We learnt a lot about insurance from my last job.
Look at/for	Can you help me – I’m looking for meeting room 3.
Result from/in	This problem results from bad planning and it will result in chaos.
Talk to/about	I need to talk to you about the new construction project.
Think of/about	What did you think of the meeting?
Write to/about	They’ve written to us to complain about our poor service.

Task 24. Complete the sentences with a verb from list A and a preposition from list B.

A: approve depend know lead believe suffer sympathize wait

B: about for from in of on to with

1. I really Your problem, but there’s not a lot I can do.
2. Positive thinking is so important. You really have to yourself.
3. 3. I’ll you outside.
4. What you’re saying can only one possible conclusion.
5. Of course the size of our order will the price.

6. Your CV is strong in most areas, but what do you marketing?
7. Imports always the effects of a strong dollar.
8. I always have to look smart – my boss doesn't informal clothes.

Task 25. Choose the correct preposition.

1. I think we should ask them for/about/with more information.
2. Can you supply us for/about/with enough parts for 50000 vehicles?
3. You remind me about/of/for someone I know.
4. If I forget, remind me about/of/for it again at the end of the meeting.
5. The management blamed the union against/from/for causing the strike.
6. I'm writing to inform you for/about/on our new range of products.
7. We might have to split the order for/in/into two separate shipments.
8. Can you thank Mr. Mateus about/for/with all his help?
9. I'd like to congratulate Maria on/for/about winning Employee of the Month.
10. This safety feature prevents the operative against/from/with suffering any injury.
11. This year we'll be investing more than \$4m on/in/to plant and new machinery.
12. This year we'll be spending more than \$4m on/in/to plant and new machinery.

6. Complete the sentences with prepositions: about, at, for, from, in, to, of, with.

1. I'm writing ... all our customers ... offers this month on several models.
2. Who was George talking ...? And what exactly was he talking ...?
3. Have you heard anything ... Head Office? They said they'd decide this week.
4. Who is this man? I've never heard ... him.
5. Do you like the new design? What do you think ... it?
6. Do you agree ... me... this?
7. The improved sales figures result ... all the investments we made last year.
8. The investments we're making now should result ... better sales next year.
9. I must apologize ... not contacting you earlier, but I've been very busy.
10. I'd like to complain ... the manager ... the food.
11. Make sure you look ... the small print before you sign anything.
12. Unless their quality improves, we'll have to look ... a new supplier.

BUSINESS IDIOMS

Task 27. Look at these mini-dialogues, and complete each one with an idiomatic expression from the box. You do not need to use all of the expressions.

cherry pick / dead wood / dress-down day / dumbsizing / ear candy /
 exploding bonus / eye service / glad-hand / graveyard shift / helicopter view / kiss
 up to / leaky reply / sweetener / mushroom job / shape up or ship out / marzipan
 employee / three-martini lunch

- 1.- Oh no! Elaine sent me an email complaining about Mr Jones, and I wrote her a reply. I agreed that I thought Mr Jones was stupid and incompetent, and I've

accidentally sent it to him!

- Oh well, don't worry. We all send a _____ now and then.

2. - I've told Tom that unless he improves his performance at work, he'll be fired.

- Good. It's about time somebody told him to _____.

3. - A lot of our factory employees are happy to work at night because the money is good.

- Yes, working the _____ can be a good way of making more money.

4. - The only way to get promoted in this job is to flatter and be very attentive to the senior managers.

- That's terrible! You shouldn't have to _____ people to get ahead in your job.

5. - We need to get rid of some of our older and less productive staff.

- I agree. The _____ has to go as soon as possible.

6. - Ms Rigden met a lot of people at the conference, didn't she?

- She certainly did. I think I saw her _____ almost everyone there.

7. - On Wednesdays, we're allowed to wear informal clothes to work.

- Us too. Our _____ is Friday.

8. - My boss always compliments me and tells me how well I'm doing, but he never offers me a pay rise.

- Well, I suppose a bit of _____ is better than nothing.

9. - A lot of people in our company only do any work when the supervisor is watching them.

- It's the same in our company. In fact, _____ is more common than you think.

10. - We need to reduce the size of the company but we need to make sure it doesn't become unprofitable or inefficient.

- That's true. _____ is something we need to avoid at all costs.

11. - Alan says he's thinking of leaving the company to work for someone else.

- That's not good news. Offer him a _____ and see if he can be persuaded to stay.

12. - Do we need to look at all the problems in detail?

- No, not really. A _____ should be enough for now. We just need the main ideas.

FLUENCY WORK

Task 28. *You have the opportunity to make a short 2-3 minute presentation. The purpose of the presentation is to explain a visual from your field. It can be a simple graph, a chart or a table from your area of studies. Good places to look for visuals are in your economics text-books, magazines or newspapers, e.g. "The Financial Times" or "The Economists". The expressions given below can be very useful while preparing your presentation:*

1. The table/figure/following chart below/above shows/reveals/illustrates

....

2. To reach a peak/a plateau To remain stable To fluctuate (mildly).....
To drop (slightly) To plunge To dip.... To skyrocket..... To nosedive
To decline
3. As seen/shown in figure/table/chart
4. The trend/pattern revealed by this graph suggests that ...
5. If this pattern/trend continues,
6. Looking at this table we can conclude that...
7. The column on the right illustrates The rows/slides show

Task 29. *In small groups or individually prepare a presentation of one of these new products to a group of department store buyers.*

1. A lightweight portable TV and DVD player with 17-inch flexible screen that can be rolled up to fit in a pocket.
2. Furniture which changes colour and temperature depending on the light and ambient temperature.
3. A T-shirt which displays a text message that can be modified from a PC or mobile phone.
4. Your own product idea.

Think about the following questions.

- ✓ What is the most surprising, exciting or unusual aspect of your product?
- ✓ Why are you making the presentation and what do you hope to obtain?
- ✓ How will you organize your presentation and what will happen after the talk?
- ✓ What are the highlights of your talk?
- ✓ How can you avoid an embarrassing silence at the end of your presentation?

Unit XIV

Marketing. Business Philosophies.

LEAD-IN

Task 1. Discuss the following with your partner.

1. Under what circumstances would manufactures either set prices that try to maximize profits or charge a low price?
2. Which products are for you not price sensitive so that you would buy them even if the price increased significantly? Give examples of products for which demand is elastic, and which you would buy if the price went down.
3. When as a consumer, have you benefited from a price war when competitors continually lowered prices, trying to get more business? What kinds of companies win price wars?

Task 2. There are some basic marketing terms. Match up the words to the definitions.

1. Distribution channel	a) Dividing a market into distinct groups of buyers who have different requirements or buying habits.
2. Market segmentation	b) Setting a high price for a new product to make maximum revenue before competing products appear on the market.
3. Product features	c) The strategy of setting a low price to try to sell a large volume and increase market share.
4. Market opportunities	d) The attributes or characteristics of a product such as size, shape, quality, price, reliability, etc.
5. Market penetration	e) All the companies or individuals (middlemen) involved in moving goods or services from producers to consumers.
6. Market skimming	f) Making a product (appear to be) different from similar products offered by other sellers, by product differences, advertising, packaging, etc.
7. Sales representatives	g) The extent to which supply or demand (the quantity produced or bought) of a product responds to changes of price.
8. Price elasticity	h) An intermediary that stocks manufactures' goods or merchandise, and sells it to retailers and professional buyers.
9. Wholesaler	i) Someone who contacts existing and potential customers and tries to persuade them to buy goods or services.

10.Product differentiation	j) Possibilities of filling unsatisfied needs in sectors in which a company can profitably produce goods or services.
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READING

Marketing is the performance of business activities that direct the flow of goods and services from producer to customer. It consists of individual and organizational activities that facilitate and expedite satisfying exchange relationships in a dynamic environment through the creation, servicing, distribution, promotion and pricing of goods, services and ideas. Each our day is filled consuming products made available by an extremely sophisticated and efficient marketing infrastructure. Marketing is everywhere. You see it. You hear it. You wear it. People continuously interact with marketers and even perform the role of marketer at times. You are marketing clothing and shoes for Nike whenever you wear their products flashing the company name. When students enter the job market they must do marketing research to find the best opportunities and the best ways to market themselves to prospective employers. But marketing is not just selling or advertising, but the art of finding out what the other person wants, then manufacturing for them. Marketers are always looking for market opportunities which are generally isolated by market segmentation and undertaking marketing research where they collect and analyze information about the size of the potential market, consumer's reactions to particular product, etc. Sales representatives who talk to customers are another important source of information. Once the basic offer (a product concept) has been established, the company has to think about the marketing mix that is the combination of techniques used to market a brand. The techniques are often called the Ps. Originally there were four Ps:

Product (or service): what you sell, and the variety or range of products you sell. This includes the quality, branding, and reputation (the opinion the consumers have) of the product. For a service, support for the client after the purchase is important. For example, travel insurance is often sold with access to a telephone helpline in case of emergency.

Price: how much the product or service costs.

Place: where you sell the product or service. This means the location of your shop, or outlet, or the accessibility of your service – how easy it is to access.

Promotion: how you tell consumers about the product or service. The promotional mix is a blend of the promotional tools used to communicate about the product or service – for example, TV advertising.

Today some marketers talk about an additional four Ps:

People: how your staff, are different from those in a competitor's organization, and how your clients are different from your competitor's clients.

Physical presence: how your shop or website looks.

Process: how your product is built and delivered, or how your service is sold,

delivered and accessed.

Physical evidence: how your service becomes tangible. For example, tickets, policies and brochures create something the customers can touch and hold.

Before entering the marketplace it is essential to carry out a SWOT analysis. This identifies the strengths and weaknesses of a product, service or company, and the opportunities and threats facing it. Strengths and weaknesses refer to the product itself and are considered as internal factors. The external factors, referring to the marketplace, are opportunities and threats.

A company's marketing strategy describes how it will position itself and the products it sells or the services it provides in the competitive marketplace. The strategy includes a discussion of target markets, product and pricing policies, and proposed marketing and promotional initiatives.

The company's marketing plan is the written document which details the marketing methods selected (advertising, price promotions, etc.) and specific marketing actions or marketing activities (for example, a back-to-school promotional offer). It also examines the resources needed (both financial and human) to achieve specified marketing objectives, such as an increase in sales or a successful product launch, over a given period of time.

Developing the marketing plan

You can develop a marketing plan using the stages known as **AOSTC** (Analysis, Objectives, Strategies, Tactics and Control).

Analysis

Current market situation	Information on the competitors and the marketplace.
Competitor analysis	The competition in the marketplace. You will also need to include information on their positioning – how they control the way the customers see the products or services.
Product / service analysis	What you sell or provide, and your Unique Selling Point (USP) – that is, what distinguishes your product or service from others on the market. Originally USP stood for Unique Selling Proposition, a concept developed by Rosser Reeves in the 1940s.
Target market	Your customer groups or segments – for example, teenagers or business people.

Objective

Marketing goals	What you want to achieve, in terms of image and sales.
Set SMART objectives	Specific – Be precise about what you are going to achieve. Measurable – Quantify your objectives. Achievable – Are you attempting too much? Realistic – Do you have the resources to make the objective happen (manpower, money, machines, materials, minutes)? Timed – When will you achieve the objective? (Within a month? By February 2015?)

Strategy

The approach to meeting the objectives	Which market segment? How will we target the segment? How should we position within the segment?
--	--

Tactics

Convert your strategy into the marketing mix, including the 4 Ps	Product Price Place Promotion
--	--

Control

Tracking	How the success of the marketing plan will be measured. How each marketing activity will be assessed.
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Marketing research

Marketing research is the process of gathering information about a market, analyzing and interpreting it. Although the term market research is often used to mean the same thing, technically it only refers to research into a specific market. Consumer research is used to discover behaviour patterns (how people act) and customer needs. Motivation research investigates the psychological reasons why individuals buy specific types of merchandise, or why they respond to specific advertising appeals. There are two main methods of consumer research:

- desk (desktop) research or secondary research: an analysis of the information you can find easily without leaving your desk. Examples include the internet, books, newspapers, magazines, and government statistics.
- field research or primary research: involves talking to people and finding out what they think about a market, a product, a business sector, etc. It is usually carried out by market research institutes.

Consumer research can be either qualitative or quantitative. In qualitative research, small group discussions or in-depth interviews with consumers are used to understand a problem better. Quantitative research involves gathering large

samples of data (for example, on how many people use different products), followed by statistical analysis – examining, or analyzing, the data. Quantitative research is often used to investigate the findings from qualitative research.

COMPREHENSION CHECK

1. What is marketing?
2. Why do marketers carry out SWOT analysis?
3. What is the purpose of developing marketing plans?
4. What types of market research are there?
5. What does the marketing mix consist of?

DISCUSSION

Task 3. *The extracts below are from a SWOT analysis. Do they describe strengths, weaknesses, opportunities or threats?*

1. Competition is growing in this market, which could lead to a price war. There are now a lot of sites that offer the same service and product categories as Amazon. Amazon is a global brand but in some local markets the main competitor could be stronger and preferred by consumers.
2. Amazon has added a lot of new categories, but this may damage the brand. For example, offering automobiles may be confusing for customers. Due to increased competition, the offer is undifferentiated.
3. In 2004 Amazon moved into the Chinese market. There is huge potential here. In 2005 Amazon launched a new loyalty programme, AmazonPrime, which should maximize purchases from the existing client base.
4. Amazon is a global brand, operating in over ten countries. It was one of the first online retailers and today it has an enormous customer base. It has built on early successes with books, and now has product categories that include jewellery, toys and games, food and more. It has an innovative Customer Relationship Management programme.

Task 4. *Read about the eight types of marketing, illustrate each of them with an example from the second column and match them with marketing actions from the third column. Give your own examples of marketing types.*

1. Conversional marketing is the difficult task of reversing negative demand.
2. Stimulational marketing is necessary where there is no demand.
3. Developmental marketing involves developing a product or service for which there is clearly a latent demand.
4. Remarketing involves revitalizing falling demand.
5. Synchromarketing involves altering the time pattern of irregular demand.
6. Maintenance marketing is a matter of retaining a current level of demand.
7. Demarketing is the attempt by governments rather than private businesses to

reduce overfull demand, permanently or temporarily.

8. Countermarketing is the attempt to destroy unwholesome demand for products that are considered undesirable.

1. Conversional marketing	a) A non-polluting and fuel-efficient car	i) Alter the pattern of demand through flexible pricing, promotion and other incentives.
2. Stimulational marketing	b) Cigarettes, drugs, handguns or extremist political party	j) Connect the benefits of the product with people's needs and interests.
3. Developmental marketing	c) For churches, inner city areas or ageing film stars	k) Find new target markets, change product features, develop more effective communication.
4. Remarketing	d) For some roads and bridges during rush hours	l) Find out why people dislike the product, and redesign it with lower prices, and use more positive promotion.
5. Synchromarketing	e) For public transport between rush hours or for ski resorts in the summer	m) Increase process, reduce availability and make people scared.
6. Maintenance marketing	f) For dental work or hiring disabled people	n) Keep up or improve quality and continually measure consumer satisfaction.
7. Demarketing	g) In the face of competition or changing tastes	o) Measure the size of the potential market and develop the goods and services that will satisfy it.
8. Countermarketing	h) Which often happens with new products or services	p) Raise prices, reduce promotion and the level of services.

LANGUAGE WORK

Task 5. Complete the text using words from the list: advertising, mix, price, products, promotional.

Marie Curie Cancer Care is reviewing its marketing strategy in an attempt to attract a wider audience. It will stop using (1) _____ techniques, such as mailings and events. Television (2) _____ and face-to-face marketing are both being tested in a bid to supplement the charity's typical over-60s donor base with younger supporters. If tests prove successful, they will become part of Marie Curie's marketing (3) _____. In addition, Marie Curie Cancer Care is expanding its

online shop. Stylish handbags at a (4)_____ of J10 are attractive to younger customers. Marie Curie Cancer Care says it is responding to customers' needs and wants by selling elegant fashionwear (5)_____.

Task 6. Replace the underlined words and expressions with alternative words and expressions from the list:

afford / high-quality / revenue objective / convenient / price / socially acceptable / awareness / behaviour / facelift / forecast / identity positioning / slogan / withdraw

1. Mobile phones are fashionable and attractive to the youth market.
2. We have a reputation for providing good standard mobile phones.
3. The cost to user of mobile phones is kept down because they are subsidized by the network providers.
4. This means more people can have the money to buy the product.
5. More and more, customers buy mobile phones online because it is more accessible.
6. Expected earnings from 3G phones were not met when the products were first launched.
7. I think our main competitor has changed their decision about which segments to target in the market.
8. The range of white goods we introduced three years ago is doing well in the market. Maybe we just need to give them a superficial redesign of the exterior to make them look more contemporary.
9. The new advertising campaign isn't designed to produce immediate sales. Instead, we want to increase brand recognition at a more general level.
10. This line is looking old now and sales are very low. I think it's time to remove it from the market completely.
11. It's difficult to predict market trends exactly, but the computer screen might become less important as the mobile phone screen becomes more important.
12. We need to think of a good short phrase that will stick in people's memory to help launch the new brand.
13. We have spent a lot of money developing the brand. Now it has clear image that makes it different from the others.
14. They are just a small company and they only started a few years ago. They can learn a lot by studying their competitors' way of doing things in the market.

Task 7. Read the text and complete the sentences.

A student has made notes while reading a book on marketing research techniques: «Focus groups: small groups from the target group plus one moderator to mediate or run the session. The moderator prepares questions for the session.

Package test: used to test ideas for new packaging; could be in a focus group.

Taste test: used to test what consumers think about new flavours.

Home test: consumers try the products at home, in a real situation.

A self-administered questionnaire is completed (or filled in) by the respondent, and an interviewer-administered questionnaire is filled in on behalf of the respondent by an interviewer.

Telephone surveys are carried out by telephoning the respondent and asking questions.

A mail survey is mailed to the respondent, who completes it and posts it back.

Online surveys are administered on the internet.

Mystery shopping: a person poses as a consumer and checks the level of service and hygiene in a restaurant, hotel or shop.

Omnibus surveys: a market research institute carries out (or conducts) research for several companies at the same time. A long survey is given to respondents; some institutes have a panel of existing respondents who are accustomed to answering the surveys.”

1. A lot of marketing research institutes carry outsurveys. They ring people at home and ask them questions.

2. A is a small discussion group, led by a who asks questions to get detailed and qualitative information.

3. A marketing research institute may prepare a lengthy survey which it posts to consumers at their homes. These surveys have questions from several different companies on them.

4. Some questionnaires are completed by the (self-administered questionnaires) and some are completed by the interviewer (.... - questionnaires).

5. surveys are usually carried out in-store to assess the levels of
i)service quality and cleanliness.

6. A test is designed to find out what consumers think about packaging, and a test is to find out what they think about the flavour of a product.

Task 8. Choose the correct word from the list to complete the text.

passage / advertisements / copy-writer / promotion / copy / designer / trade magazine / exhibitions / set up / market / marketing / media / trade / commerce / price sensitivity / controls / budgets

(1).... and (2).....involve letting potential customers know about a new product both before it is made and after it becomes available for sale. (3)..... in the local and national press and (4) in areas where there is likely to be a good market are among the ways in which this is done; the choice of (5) –magazines, newspapers, radio and TV – for the advertisements and of locations for exhibitions is made as a result of thorough (6) research, so that money (all marketing departments have tightly controlled (7).....) is spent where it is most likely to produce results. The advertising (8)....., usually provided by a specialist (9).....

and set out by a (10) to have the most impact, is probably the most common form of promotion, although the way in which stands are (11)..... at exhibitions is also extremely important. “News” items leaked to (12) are also important and they are free! (13)..... Associations and Chambers of (14) can provide advice about the size of markets, their location, and also such things as (15)..... and import (16) in specific areas.

Task 9. Choose the best word or phrase to fill each gap.

I. Our company makes wooden garden furniture – mainly tables and chairs. Sales are much higher this year because we spent a lot on (1)... . First we did a survey to find out about customer (2) Then we redesigned all our (3) ... to include the special (4) ... that people want. Our (5) ... included a competition in all the major gardening magazines where the prize was a set of our furniture. Most importantly, we’ve made sure all our (6) ... are very competitive because our customers want value for money.

- | | | |
|------------------|-----------------|---------------|
| 1. a) selling | b) distributing | c) marketing |
| 2. a) wants | b) needs | c) users |
| 3. a) products | b) benefits | c) services |
| 4. a) goods | b) profits | c) features |
| 5. a) presenting | b) promotion | c) persuasion |
| 6. a) prices | b) costs | c) charges |

II. “I’m Sue Carter, production manager at F1 Parts PLC. We make engine parts for high performance cars. Here we believe in (1) ... quality management. The (2) ... of each part are given to one-hundredth of a millimeter. At every stage we check that our products (3) ... to the specs. We try to get it right (4) ... time because, if there is a defect, (5) ... is very expensive. We are always looking for ways to improve quality and so our motto is (6) ..., which comes from Japanese.”

- | | | |
|------------------|--------------|---------------|
| 1. a) all | b) full | c) total |
| 2. a) dimensions | b) pieces | c) components |
| 3. a) work | b) conform | c) exact |
| 4. a) one | b) first | c) last |
| 5. a) reworking | b) repairing | c) recalling |
| 6. a) aikido | b) bonsai | c) kaizen |

Task 10. Choose the best word from the brackets to fill the gap.

1. We advertise on TV, but that’s not enough. We need a whole new marketing ... (design/ concept).
2. We need to tell customers about the special ... (benefits/harm) that our service provides.
3. Our company is market - ... (structured /oriented). Everything we do is about giving buyers what they want.
4. The ... (packaging/cover) doesn’t only protect the goods – it advertizes them as

well.

5. I've been a ... (purchaser /marketer) for ten years and I know how to promote any product.

6. People in different parts of the country buy different things, so ... (place/position) is one of the four Ps of marketing.

7. You can't maximize sales unless you get the marketing ... (mix/change) right.

8. Our company is market- ... (promoted/driven) and so we regularly talk to focus group.

9. The new model has lots of new ... (services/features) including air-conditioning.

10.Jim Scott is in charge of ... (promoting/orienting) our new range mobile phones.

11.Our travel service offers customers many ...(characteristics/benefits) including free insurance.

12.If your business is not market- ...(led/fed), you may find that your product doesn't sell.

13.Our ... (clientele/ economy) includes several multinational companies.

14.We wanted to buy the house but the ... (purchaser/vendor) was asking for \$400,000.

15.The government brought in several market ... (reforms/pressures) to strengthen the economy.

16.Until 1998 the government fixed all the prices, but now we have a ... (free/state) market.

17.It's only a small shop, but we serve nearly 200 ... (consumers/customers) a day.

18.Most of our ... (markets/users) are small businesses.

Task 11. Match the definitions with the eight basic marketing functions.

1.Buying function	a) This important function helps reduce risk by providing the marketing manager with intelligence required to make better decisions.
2.Selling function	b) The firm assumes a number of troubles associated with buying, selling, storing and financing products.
3.Transportation	c) Products are sorted into different quality and quantity catagories for more efficient storage and display.
4.Storage	d) Arrangements are made for the firm to pay supplies and for customers to pay the firm for purchased products and services.
5.Grading	e) Products must be in inventory until they are purchased.
6.Financing	f) Products must be delivered from producer to buyer.

7.Risk Taking	g)Searching for and obtaining products that will prove attractive to prospective customers.
8.Developing marketing information	h)Prospective customers must be informed and persuaded to purchase these products.

Task 12. Match each definition with an appropriate term connected with business and marketing.

1. An increase in the attractiveness to customers of a product or service which is achieved by adding something to it.	breakeven
2. A large exhibition and meeting for advertising and selling a specific type of product.	loss leader
3. A long-term customer preference for a particular product or service.	sales forecast
4. A carefully selected representative range of consumers used for the purposes of providing feedback on likes and preferences.	public relations
5. To reach the point at which revenue (the amount of money received for selling something) is equal to the costs of production.	price insensitive
6. A system that gives incentives to customers to continue using the same shop or service (for example, by collecting points that they can redeem on future purchases).	customer care
7. A competition between companies to get a larger market share by cutting prices.	Network marketing
8. Machines which are used in the kitchen, such as washing machines, refrigerators, etc.	white goods
9. An organization that specializes in planning, creating and implementing direct mail campaigns for clients.	market leader
10. A marketing technique that promotes and emphasizes a product's difference from other products of a similar nature.	high pressure
11. The activity of looking after customers so that they do not become dissatisfied.	brand loyalty
12. A telephone call or sales visit where the sales person has no appointment and the client is not an established customer.	brand awareness

13. Actions taken by an organization to protect itself when unexpected events or situations occur that could threaten its success or continued operation (for example, a competitor selling a better product at a lower price).	product differentiation
14. The regular customers of an organization or professional person.	product abandonment
15. The selling of goods or services through a linked group of self-employed agents or representatives.	market driven
16. An item in a shop that is sold below cost price in order to attract customers into the shop.	trade fair
17. A prediction of future sales based mainly on past sales performance.	press release
18. A two-word adjective used to describe a sales technique in which a customer is forced to buy something that he / she does not really want.	corporate image
19. The level of recognition that consumers have of a company name (or its products) and its specific category (for example, most people know that McDonalds® sell fast food, especially burgers).	mailing house
20. The practice of building up and keeping contacts with customers, clients, the general public, etc.	cold call
21. A product or service which sells the most in a market.	reward scheme
22. A sheet giving news about something (for example, a new product) which is sent to newspapers and television and radio stations so that they can use the information.	consumer protection
23. A two-word adjective used to describe a product or service for which sales remain constant no matter what its price because it is essential to buyers.	price leadership
24. The ending of the manufacture and sale of a product.	Focus group
25. The safeguarding of customers' interests in terms of quality, price and safety.	crisis management
26. A group of manufacturers or suppliers who visit another country to increase export business.	own brand
27. An idea which a company would like the public to have of it.	client base
28. The establishment of price levels in a market by a dominant company or brand.	premium offer
29. The people to whom a company is planning to sell its goods or services.	target market

30. A sales promotion technique in which customers are offered a 'free gift'.	trade delegation
31. The name of a store which is used on products which are specially packed (and sometimes produced) for that store.	customer care
32. Using your knowledge of your customers in order to determine the corporate strategy of your company or organization.	price war

PHRASAL VERBS

Task 13. Match the questions on the left with the most appropriate answers on the right. The answers contain a definition or an explanation of the phrasal verbs in bold on the left.

1. Would you advise against moving the head office to Edinburgh?	a) Yes, they thought they might be able to do a bit better as long as we were prepared to work harder.
2. Did you manage to turn the company round ?	b) Possibly. We'll stop using them gradually while we start using other sources.
3. Do you think the staff will walk out when they hear the news?	c) Well, we haven't actually bought it yet, but we've made an offer to buy most of the shares.
4. Did you manage to get through to the complaints department?	d) No, we didn't receive anything in writing.
5. Shall we put back the meeting until everyone can come?	e) Possibly. It won't be the first time they've not done something that they've promised.
6. Were the management willing to improve on their previous offer?	f) Yes, I don't think we should do that for the time being.
7. Would the staff be prepared to hold out for a 10% pay rise?	g) Well, another £60 a week is an improvement, I suppose, but they won't want to wait too long.
8. Will we be able to hold him to the contract?	h) Yes, I've had three phone calls already this afternoon.
9. Can we clock off yet?	i) Fine. Credit us with the outstanding balance on your next statement.
10. Have you taken over the company?	j) Well, there has already been some gradual expansion, but it's going to take time.
11. Are they hoping to build up a profitable business?	k) Of course. We'll be examining it in detail at the next meeting.

12. Did you sort out the accounts problem with the auditor?	l) Well, I certainly think it's a good idea to move it to a later date.
13. Have our reps called in to give us their sales figures.	m) Yes, it was making a loss, but now it's a very profitable organization.
14. Can we pay you half now, and make up the difference next month?	n) I hope so. We've been promised that the terms we've set out will be honoured.
15. Can we get along all right with only half the staff we had before?	o) I don't know, but if they do, that's the third one they'll have shut this year.
16. Do you think the company will close 17. down its branch in Banbury?	p) We should manage, although everyone will have to work a bit harder.
18. Are you worried that our partners will go back on their agreement?	q) Yes, it's time to leave. Let's go home.
19. Did you get my notice? I handed it in on Tuesday.	r) Probably, but we really don't want everyone to stop working and leave in protest.
20. Can you follow up our proposal as soon as possible?	s) Yes. Everything has been put in order at last.
21. Do you think it's time that AZ Products were phased out as a supplier of spare parts?	t) No, they weren't answering the phone.

GRAMMAR CHECK

Adjective + Preposition

Some adjectives can have a preposition after them. Many examples are connected with feelings.

Afraid of	Fed up with	Proud of
Amazed at/of	Fond of	Satisfied with
Bored with	Interested in	Serious about
Disappointed with	Keen on	Shocked at/by
Doubtful about	Nervous of	Surprised at/by
Enthusiastic about	Optimistic about	Suspicious of
Excited about	Pessimistic about	Tired of
Fascinated by	Pleased with	Worried about

For behaviour towards another person we use adjective + to. Examples include *good to*, *kind to*, *nice to*, *polite to*, *rude to*.

Here are some other common examples of adjective + preposition.

Accustomed to	Different from/to	Married to	Safe from
Answerable to	Famous for	Opposed to	The same as
Attached to	Fit for	Popular with	Similar to
Aware of	Full of	Prepared for	Suitable for
Capable of	Guilty of	Ready for	Sure of
Certain about	Important for	Related to	Typical of
Compatible with	Involved in	Relevant to	Used to
Covered in	Late for	Rich in	Useful for
Dependent on	Lacking in	Right about	Wrong about

Some adjectives can be followed by different prepositions with a small difference in meaning. Often one preposition is used for things and another for people.

Angry about	I'm very angry about the delay.
Angry with	I'm very angry with them for causing this delay.
Annoyed about	He was annoyed about what the journalist wrote.
Annoyed with	He was annoyed with the journalist.
Good/bad at (ability)	I've never been very good at dealing with conflict.
Good/bad for	A new person at the top would be good for the company.
Good/bad with	She is very good with difficult customers.
Happy for	Congratulations! I'm very happy for you both.
Happy about/with	Are you happy with my suggestions?
Responsible for	I'm responsible for all the transport and logistics.
Responsible to	The Finance Director is directly responsible to the CEO.
Sorry about	I'm sorry about all the trouble I've caused.
Sorry for (+ing)	I'm sorry for causing so much trouble.
Feel sorry for	I felt sorry for George when he didn't get the promotion.

Task 14. Complete each sentence with an ending.

1. Are you interested	a. at motivating people.
2. This model is different	b. with us for sending the wrong goods.
3. Are you aware	c. for another drink?
4. They were really annoyed	d. of the difficulties you are creating?

5. He's become very keen	e. about this, but I don't think it's going to work.
6. Jane is really good	f. by the number of Internet cafes in this town.
7. I'm so tired. I'm not used	g. in any other items from the catalogue?
8. Are you ready	h. from the old one in some important ways.
9. I was quite surprised	i. to the time difference yet.
10. I could be wrong	j. on keeping fit recently.

Task 15. Complete the sentences with one word from list A and one word from list B.

A: attached tired dependent popular involved safe suitable serious

B: about for from in of on to with

1. This fund is very ... investors looking for long-term growth.
2. The firewall should make the network ... attack from hackers.
3. For further details, see the copy of the contract... this letter.
4. Starting salary ... previous experience.
5. I don't think they're ... this, they haven't been in touch for weeks.
6. We're ... every stage of the process, from design to production.
7. I need a change. I'm ... doing the same thing every day.
8. Hedge funds are very risky. They are not ... the private investor.

Task 16. Choose the correct preposition.

1. I'm really angry about/with them for not letting us know sooner.
2. I've spoken to Robert and I'm reasonably happy with/for all the arrangements.
3. I'm really happy with/for Maggie, she deserved to get promoted.
4. I'm a bit annoyed about/with all this confusion with the wrong invoices.
5. I'm a bit annoyed about/with them for sending the wrong invoices.
6. I'm sorry about/for what happened yesterday.
7. I'm sorry about/for arriving so late – I got delayed in traffic.
8. I feel very sorry about/for Frances. She didn't deserve to be treated like that.
9. Low inflation is good at/for/with every sector of the economy.
10. She'd be excellent in Human Resources, she's really good at/for/with people.
11. Richard, can you help us with this translation? You're good at/for/with French.
12. If you need to refer the decision upwards, who are you responsible for/to?
13. As head of department, how many staff are you responsible for/to?
14. Who is responsible for/to the Scandinavian market?

FLUENCY WORK

Task 17. *Think about the company you work for, or one you would like to work for. Carry out a SWOT analysis of the company. Do the same for a company you would never want to work for.*

Task 18. *Think about how you would carry out market research for a completely new product (for example, a light bulb that works without electricity). What kind of research would you conduct during the development phase of the product, and what kind just before the product launch?*

Unit XV

Advertising.

LEAD-IN

Task 1. *Discuss the following with your partner.*

1. 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?
2. What well-known brand names do you know? What type of product do you associate with them?
3. What are the best and the worst adverts in your country at the moment? Where do you see or hear them?
4. Are there any restraints on claim in advertisements in Russia? What do you think advertisers should or shouldn't do?

Task 2. *Do you know the meanings of these words? Match definitions and their explanations correctly.*

1. Leaflet	a) A sheet of printed matter distributed, usually free, for advertising or information.
2. Commercial	b) An advertisement often shown on different TV channels.
3. Hype	c) Promotion of a product or an idea intensively, often exaggerating its benefits.
4. Billboard (Hoarding)	d) A large board at the side of a road, used for displaying advertising posters and leaflets.
5. Fair	e) An exhibition of goods produced by a particular industry to promote business and advertising campaigns.
6. Promoter	f) A person or thing that encourages the progress or success of business.
7. Slogan	g) A catchword or phrase used in politics or advertising.
8. Advertising campaign	h) A series of coordinated activities designed to achieve a goal in advertising.
9. Brand	i) A particular product or a characteristic that identifies a certain producer.
10. Endorsement	j) g. The approval or support of a famous person used in advertising.
11. Trailers	k) k. Brief excerpts from a film, TV programme, radio programme used to advertise it.
12. Sandwich boards	l) l. Advertising posters hung at the back and front of a person who walks around a busy area.
13. Flyers (handbill)	m) Sheets of printed information advertising smth.

READING

Advertising

The word “advertising” derived from the Latin word “reclamo” – “to shout loudly”. Really, originally this word meant to achieve the desire by “shouting” to attract attention, inform about news and provide the information about sales of some goods.

Advertising is an ancient phenomenon. During the excavation in the territory of the Mediterranean countries archeologists found signboards, inscriptions informing about various events and the offers. Romans informed about gladiator’s fights and Phoenicians praised their gods. One of the wall paintings in Pompeii praised the political figure and called the people to give votes for him.

The first printed advertisement appeared in England in the second half of the 15th century and in 1622 the advertising received powerful stimulus when the first newspaper in English “Weekly News” had been published. A special advertising edition under the name “Tetler” began its issue in England in the beginning of the 18th century. One of the publishers of the newspaper “Yddison” has published the following advice to the composers of the advertising texts: “The Great art of writing the advertisement consists in searching of the correct approach to take reader’s attention without it the message can remain unnoticed or get lost among the bankruptcy notification.”

The advertising has reached the greatest growth since the 18th century in the USA. This was promoted by some factors. First, America industry was leading during mechanization; therefore there was surplus of the goods and necessity of their advertising. Secondly, the construction of the network of perfect roads has created an opportunity for delivery goods to village areas. Thirdly, the high level of literacy of the population promoted the growth of circulation of newspapers and magazines. Further the invention of radio and TV has become the new effective means of distribution of advertising.

Advertising is a form of commercial mass communication designed to promote the sale of a product or service, or a message on behalf of an institution, organization, or candidate for political office. It is distributed in any impersonal form, with the help of any means of information about natural or legal person, goods, ideas and undertaking (advertising information) which is intended for the uncertain or certain circle of persons.

So, it’s impersonal, usually paid communication intended to inform, educate, persuade and remind. The advertising can transmit public, political and charitable ideas and by that to become a part of public life. The value of advertising consists in attracting to themselves of the talented people who convert it into art. Advertising is used to create consumer interest in a product and also to increase the sales of it. It may be described under three headings: descriptive advertising, persuasive advertising and both types together.

Descriptive advertising gives the most important facts about the product. It is the cheapest form of advertising and is used a lot by the small trader selling through the local paper. It usually says what the product is, how much it costs and where it may be obtained. For example, *1972 Ford Escort 500\$, phone NY 1234*.

Persuasive advertising tries to convince people that the product being advertised has a special quality or usefulness which makes it much better than other similar products. It is used a lot in TV advertising where consumers are persuaded to think that if they buy the product they will become very popular or happy. This is a psychological approach and it is hoped by the advertiser that people will be persuaded to buy it. The method uses “association of ideas”, e.g. *1983 Ford Capri 2000\$ - good condition- low mileage, a bargain, first see will buy this car*.

Advertising media

Advertising in the national press is usually much more expensive than advertising in the local press. Both types of advertising are sold by the column centimeter, the half page and the page. A page in the national newspaper may cost many thousands of dollars for one day. This is because national newspapers have very large circulations.

Television is the most expensive kind of advertising and costs thousands of dollars for just a few seconds of television time. Charges are made by the second. If the advertisement is shown at a time when relatively few people are watching, then it will be cheaper. If it is shown at a peak viewing time then the charges are much higher. Television advertising is mostly used by large organizations and the national industries.

Radio advertising is much cheaper than TV ads. It is very popular in the USA. The most popular radio station in Europe is Radio Luxembourg, which carries a lot of commercial advertising. In Great Britain radio advertising is usually carried by local independent radio stations.

Hoarding advertisements are put up in eye-catching positions at the side of the road. The cost of the ad will depend on where it is and how large it is. If it's in a very good position and near the centre of the city where it will be seen by many potential customers, then it'll probably be quite expensive. The sites are rented out to clients on a monthly basis by an advertising agency.

Handbills are quite often used by local traders to advertise their goods and services. They are expensive in labour costs and not very effective. The inside and outside of buses, vans and other kinds of public transport are used in transport advertising. It is difficult to say whether transport advertising is effective.

Neon displays are mostly used by large firms. The signs are usually displayed in city centres.

COMPREHEHENSION CHECK

1. What is advertising?
2. How does descriptive advertising differ from persuasive advertising?
3. How old is advertising? What do you know about its history?
4. What is the best way to advertise a product?

DISCUSSION.

1. What are the purposes of advertising? Formulate your own ideas.

- shaping at the consumer of the certain level of knowledge about the given goods or services
- shaping at the consumer of the certain image of firm
- promoting of the consumer again to address to the given firm
- promoting of the consumer to purchase of the given goods or service at the given firm

2. What are the advantages of advertising? Formulate your own ideas.

- possibility of engaging of a large audience
- low cost of one advertising contact
- possibility to inspect the contents of the message, time of an input
- possibility to change the message depending on a response of target segment
- probability that the buyer will come to a solution about purchasing before contact immediately with the seller

3. What are the defects of advertising? Formulate your own ideas.

- the advertising message is standard, nonflexible; there is no possibility to concentrate on individual needs of the customer
- the advertising message is short
- some kinds of advertising demand the large investments
- in a number of cases it's necessary to wait for accommodation of the advertising message for a long time

4. Think of a well-known market leader. Who is the market leader in your particular industry? To what do you attribute its market leadership? (A better brand-image, superior marketing, superior production methods, technological superiority, innovative research or something else)

5. Here are the extracts from the advertisements of the car makers. What methods of persuasive advertising are used here?

What method of persuasive advertising appeals to you? Why? Think of an example for each type.

a) Information. (If a product is new it's often enough to show it and explain what it does. In that case ads have a central idea suggested in the title or picture which is used to structure the writing. They are organized around an image or a key idea. Such words as "really new" and "sensation" may be of help.)

b) Comparison. (A product is described as better than rival products. The advertising language makes use of comparative and superlative forms of adjectives.)

c) Repetition. (Key words and slogans or the names of the product are repeated many times so that to make you associate a particular product or service with its brand name. Sometimes the name of a product is put into a rhyme and sung repeatedly. It's called a jingle. That helps most people remember it easily.)

d) Scientific backing for the product. (Sometimes the ad shows a person in a white coat, a doctor, a professor, a scientist who tells you about the product and its benefits. More often the ad makes use of statistics, "scientific" words. There are references to how "natural" or "pure" the product is.)

e) Appealing to the emotions. (Advertising appeals to people's feelings and emotions, such as femininity/manliness, mother-love/ father-love, etc. Another common device is to write about the thing you are selling as if it were a person attributing to its feelings and character.)

f) Pure snob appeal. (Ads say the product is exclusive. It's for really stylish, intelligent, outstanding people.)

g) Association of ideas. (Ads show attractive people (friends, members of a family, etc.) using the product in some beautiful situations having a wonderful time. This is especially suitable for the teenage market.)

h) Anti-advertising. (This is a modern version which appeals to the sense of humor. It makes fun of the techniques of advertising.)

i) Endorsement. A well-known person (a singer, an actor or a famous sportsman - popular personality) is invited to advertise a product.

1. ...if anyone is capable of reducing stress, it is this luxurious car in which you can escape in comfort, for a week or a weekend. The car is unique: a vehicle of amazing capacity but with the handling manners of a small sedan. Independent front suspension allows you to feel the road without feeling too much of it.

2. ... the sound system of this car is something you've got to hear with your

own ears. With six speakers surrounding you, be prepared to be transported even before you fire the engine. Its three-litre turbo-diesel delivers more power than anything else in its class. To arrange a test drive or for further information feel free to contact us.

3. ... it is attractive. Who can resist its good looks? Reliable, too. Like any good mate, it's protective. It will get you where you want to go. And stops when you want it to, thanks to servo-assisted brakes. And best of all, it's available. Now. To make a date with the new car, visit your local dealer.

4. ... from the outside, the car gave little away. Inside, it was like stepping into a friend's room. When I took over, I was surprised by the car's intuition. It was as if we were conversing. I felt confident... I didn't realize we were going so fast. Love makes you blind. I was reluctant to hand the car back.

5. The quality of the car and its running quality have been considerably improved. One example of the changes is the differential, which has an entirely new system. The car is equally at home on rough terrain and highways. Look for one, near you, soon.

WORD PARTNERSHIPS

Task 3. Which words are used with the following verbs?

- | | |
|--------------|---------------------------|
| 1. to do | a) job |
| 2. to move | b) product |
| 3. to result | c) in a purchase |
| 4. to keep | d) businesses in business |
| 5. to arouse | e) a consumer's interest |
| 6. to secure | f) a consumer's interest |

Fill in the gaps with the right words.

- Advertising helps (1)... jobs of millions of people and (2)...businesses in business.
- When an ad (3).....a consumer's interest and it (4)...in a purchase, the company(5) ...stronger.
- Good advertising (6)...product. That's the way it (7)...

Task 4. Match these words on the left with the most suitable ones on the right.

- | | |
|----------------|------------|
| 1. special | a) loyalty |
| 2. sponsorship | b) gifts |
| 3. free | c) tour |
| 4. brand | d) offer |
| 5. promotional | e) deal |

Put in the new-made collocations in the following sentences.

1. - You don't normally buy this coffee.
- No, but they had a at the supermarket – two jars for the price of one.
2. - Did you see that Pulp are playing at the Odeon next month?
- Yes, they're on a
3. David Beckham has just signed a new with Adidas. It's worth more than a million pounds a year.
4. The kids always want me to buy this cereal so they can get the inside!
5. Tobacco companies like to catch people young. They know the meaning of !

Task 5. Can you put in either “convince” or “persuade”?

Note:

“To convince” somebody of something means “to make somebody think in a certain way”

“To persuade” somebody to do something means “to make somebody act”

1. Advertising usually tries to people to buy a particular product.
2. Advertising tries to people that they want certain things.
3. Can you your potential customers of the advantages of this brand new orange squeezer?
4. The Marketing Manager The Board of Directors to start looking for foreign markets.
5. I'm going to our M.D. that our company can only expand by selling abroad.
6. The notice “Scientific Scalp Massage” can anyone that his scalp will be massaged by a scientist.

Task 6. Complete the three paragraphs below using the words from the following list.

- | | | | |
|-----------------|----------|-------------|------------|
| a) segmentation | e) costs | i) agencies | n) leaders |
| b) expenditure | f) shown | k) trend | |
| c) mix | g) run | l) campaign | |
| d) slogans | h) drive | m) produce | |

The total marketing (1) includes services or product range, pricing policy, promotional methods and distribution channels, but for “world brands” who aim to be market (2)... , a large part of marketing (3).... goes on TV advertising. When global companies organize a marketing (4) , a concerned effort is made to promote and sell more of their products, and this will often

involve an expensive advertising (5)

Marketers generally tend to divide market up into separate groups according to geographical area, income bracket and so on. This is known as market (6) ..., but a global marketing policy will obviously take much less account of local market (7) ... and concentrate instead on what different markets have in common.

As global commercials are (8) ... on TV in many different countries, the advertising (9) ... tend to be high and obviously only the biggest advertising (10) ... can (11) ... commercials on such a global scale. Fortunately, global commercials like those for Marlboro cigarettes and BA can be (12) ... for many years without looking out of date, and advertising (13) ... , such as “the world’s favourite airline” and “Just do it”, will always be universally recognized.

Task 7. Put each of the following words or phrases in its correct place below.

beneficial	implicit	bombard
misleading	catchy jingles	watchdog
blatant	exploit	subtle
brainwash	ubiquitous	informative

Modern advertisements contain hidden messages. (a)..... in the advertisement showing the pretty girl in the new car or the smiling children round the packet of washing powder is the message that if we buy the product, we also achieve success and happiness. It is a (b) approach since it seeks to (c) our secret dreams, and it is inescapable since advertising is (d) Giant street billboards and (e) on television (f) us from all sides. They (g) us into believing that we can realize our ambitions quickly and easily. On the other hand, defenders of advertising say that is (h) Advertising is (i) Advertisements tell us about useful new products. They brighten our lives with colour and music. They increase demand, stimulate industry and so keep prices down. Whether for or against advertising, most people would agree that some kind of (j) body, appointed by the government or by the advertising industry itself, is necessary to maintain standards of honesty and to discourage the more (k) types of (l) ... advertisements.

Task 8. Put each of the following words in its correct place in the passage.

hoardings	commercials	persuade
classified advertisements	posters	eye-catching
publicize	advertising agencies	

Advertisements are everywhere, from columns of small (a) for houses, jobs, cars, etc. in newspapers to big (b) on walls and enormous advertisements on (c) by the side of the road. The job of the (d)

is to (e) the product of the firms who employ them. They design (f) advertisements and make television (g)to (h)us to buy, buy, buy.

Task 9. Use these words to complete the sentences.

influence	sponsor	logo	selling points
publicity	slogan	competitive prices	
agency	hype	glossy magazines	
brand	competitors	brand names	

1. - Do people really buy things just because they've seen them advertised on TV?
- Of course, they do! Advertising has a huge ... on all the choices we make.
2. Advertisers like to think of a clever to make people remember their product. For example, Coca Cola's is "It's the real thing."
3. Nike are going to the next World Cup. All the players will have to wear the Nike on their shirts.
4. What of cigarettes do you smoke?
5. Most companies spend a lot of money on advertising. It's only the way they can stay ahead of their
6. My sister's just got a job working for an advertising in London.
7. - Did you see Jodie Foster on that chat show last night? She was really good.
- She's been on all the shows this week. It's all just for her new film.
8. - You went to see Spielberg's new film at the weekend, didn't you? What was it like?
- Well, considering all the , I thought it was a bit disappointing.
9. Silk Cut and Johnnie Walker are common that everybody recognizes.
10. - I see that Audi have just launched a new model.
- Yes, they've started a huge advertising campaign. There are ads in all the papers
and - and TV commercials every five moments!
11. We like to think that we offer quality products at
12. The fact that this car is so economical is one of its major

Task 10. Choose the correct ending for each of the following sentences:

1. Oasis are doing a tour to promote ...
2. I think it's a brilliant advert. It really grabs ...
3. Advertisers know that shoppers will always compare...
4. Advertisers are experts at persuading people ...
5. They really want to sell this product. They've just launched ...
6. The tobacco industry has been trying very hard to improve ...
7. At the moment British Airways are advertising ...

8. We're trying to reach ...

- a) to spend their money.
- b) a huge advertising campaign.
- c) the under-18 market.
- d) two flights for the price of one.
- e) their new album.
- f) your attention.
- g) one product with another.
- h) its image.

EXTRA ACTIVITY

Business idioms. Choose the correct idiomatic word or expression for each of these sentences.

1. When a project goes wrong or fails, we can say that it:
(a) puts its foot in it (b) goes belly up (c) sticks its oar in (d) gets its knickers in a twist
2. We sometimes say that people who compete for success in business or in a career are *working*
e) *for the*: (a) horse race (b) dog race (c) rat race (d) camel race
3. The practice of transferring a difficult, incompetent or non-essential employee from one department to another is known informally as a: (a) weasel waltz (b) turkey trot (c) cat calypso (d) rabbit rumba
4. We might refer to a bad employer with a reputation for losing talented staff as:
(b) a people churner (b) a people mixer (c) a people stirrer (d) a people beater
5. A new product (especially a new car) that has some major defects is known as:
(c) an orange (b) a raspberry (c) a melon (d) a lemon
6. If you do a lot of different types of work in an office for very low pay, you could be referred to (unkindly) as: (a) a pig in a poke (b) the cat's whiskers (c) a gift horse (d) a dogsbody
7. When an employee telephones to say that s/he is not coming to work because s/he is ill, but in fact is only *pretending* to be ill, we say that s/he is *throwing*: (a) the book at someone (b) a wobbly (c) a punch (d) a sickie

8. If an employee gets very angry at work because of something bad or unpleasant that happens, we can say that they are experiencing: (a) office anger (b) work rage (c) shopfloor strops (d) workplace wobbles
9. If an employee is deliberately or accidentally excluded from decision-making processes, they might complain that they are being left: (d) out of their mind (b) out of the blue (c) out of their head (d) out of the loop
10. Work that offers the same money for less effort than another similar job is often known as: (a) a cushy number (b) a doddle (c) a pushover (d) child's play
11. When somebody is dismissed from their job, we can say that they have: (a) got the shoe (b) got the sandal (c) got the boot (d) got the slipper
12. If you criticize somebody in writing, we can say that you them. (a) pencil-smack (b) pencil-thrash (c) pencil-punch (d) pencil-whip
13. A general or broad view of a problem as a whole (which does not go into details) is known as: (a) a bird's-eye view (b) a helicopter view (c) a mountaintop view (d) a balloon view
14. The lazy practice of working only when a supervisor is present and able to see you is called: (a) lip service (b) hand service (c) nose service (d) eye service
15. If your job is unpleasant, you might say that you have: (a) a nose job (b) a job lot (c) a jobsworth (d) a mushroom job
16. If you consider your job to be silly, trivial and unimportant, you might describe it as: (a) a Tom and Jerry job (b) a Mickey Mouse job (c) a Homer Simpson job (d) a Donald Duck job
17. A lazy employee who only pretends to work is said to be: (a) swinging the lead (b) swinging a cat (c) swinging the balance (d) swinging both ways

GRAMMAR CHECK

Ing-forms and Infinitives

Infinitives are used:

- after certain verbs (want, hope, need, plan, decide, offer, promise, agree, expect, fail, manage, mean, pretend, would like, etc.)
- after certain verbs + an object (e.g. ask, tell, warn, expect). *Surely management can't expect us to work such long hours.*
- After adjectives (e.g. good, wrong). *It's good to see you again.*

Ing-forms are used:

- As nouns (called gerunds). *Working here has been challenging, to say the least. Finding a replacement for Tim will be hard.*
- After prepositions. *Are you interested in doing some overtime? I'm not good at working to deadlines.*
- After certain verbs (e.g. enjoy, finish, mind/would mind, dislike, keep, suggest, admit, avoid, deny, give up, practice). *I'm going to keep looking for a new job.*

Some verbs can take both infinitives and –ing forms with little difference in meaning (e.g. love, like, hate).

I love travelling. = I love to travel.

However, some verbs (such as remember, forget, stop, regret, try) change their meanings depending on whether they are followed by the –ing form or the infinitive.

I remembered to send the form. (= I remembered to do it, then I sent it.)

I remembered sending the form. (= I remembered the act of sending the form.)

Task 11. Complete the sentences using the correct form (-ing form or infinitive) of the verbs in brackets.

1. I promised _____ (give) my colleague a lift.
2. Don't you mind _____ (chair) meetings?
3. I dislike _____ (have) to work on Saturdays?
4. My boss suggested _____ (hold) the product launch next week.
5. Have you finished _____ (write) your report?
6. (work) _____ at Viacom is great.
7. Are you good at _____ (manage) staff?
8. Are you interested in _____ (attend) the conference?
9. Please concentrate on _____ (write) the e-mail.
10. Let's meet up in the canteen for lunch before _____ (go) to the meeting.

Task 12. Choose the best way to complete each sentence.

1. Maria's car wasn't working. She tried to put/putting oil in it but it didn't help.

2. Our boss tried to find/finding his keys but couldn't see them anywhere.
3. When Sue read the report she remembered to see/seeing a man leaving the office.
4. He remembered to buy/buying his mother a birthday card but then forgot to send/sending it.
5. "Don't forget to call me/calling me!" – "Don't worry. I'll remember to phone/phoning you and I'll e-mail you."
6. I burnt the food because I forgot to turn/turning the cooker off.
7. "My computer isn't working." – "Have you forgotten to switch/switching it on?"
8. I really can't afford to eat/eating in such an expensive restaurant.
9. Do you mind to come/coming back in half an hour?
10. Do you want to come/coming back in half an hour?
11. Kate denied to give/giving the office key to anyone else.
12. He admitted to make/making a serious mistake.
13. Remind/Remember me to call Mr. Robinson this afternoon.
14. We have been trying to enter/entering the Chinese market for some time.
15. I hope to be/being at the next meeting, but I'm not sure if I can make it.
16. I expect to be/being at the next meeting. I think I can make it.
17. If she isn't in the office when you call, keep to try/trying.
18. I considered every possible option. I even imagined to resign/resigning.
19. I refuse to believe/ believing that we can't do it. We have to try harder.
20. I admit to be/being a little careless last time, but I won't do it again.
21. I can't stand people to interrupt/interrupting all the time. It is so rude.
22. Where do you fancy to go/going for lunch today?
23. I've arranged to meet/meeting them at their hotel.
24. We guarantee to deliver/delivering the goods by the end of June.
25. Imagine to win/winning the lottery.
26. The manager refused to see/seeing me.
27. I realized I had forgotten to pack/packing any spare batteries.
28. If I miss my connection, it means to arrive/arriving in Bonn after midnight.
29. I tried to lift/lifting it, but it was too heavy.
30. I enjoy to get away/getting away to the coast at the weekend.
31. I'd love to get away/getting away to the coast at the weekend.
32. The director tried to persuade her, but she refused to listen/listening to him.
33. I really enjoyed to visit/visiting your factory. Thank you very much.
34. They decided to order/ordering 1000 units.
35. He offered to meet/meeting me at the airport.

Task 13. Complete the sentences with a verb from the list below. Choose either the -ing form or to+infinitive.

cause / come / compromise / get / get through / give / make / rise / unpack / wait
--

1. He admitted _____ a mistake on the invoice.
2. Do you fancy _____ with us for a drink?
3. Wages tend _____ faster than inflation.
4. I can't manage _____ when I call. I keep _____ an engaged tone.
5. Do you mind _____ for a couple of minutes while I am writing this mail?
6. They agreed _____ us thirty more days to pay the invoice.
7. The transport company deny _____ the damage.
8. Their negotiating position was very rigid. They refused _____.
9. I saw him _____ the goods, and there was no damage visible.

FLUENCY WORK

Task 14. *Work in groups. You are advertising agencies competing for the Coca-Cola (British Airways, Adidas, etc.) account. Produce a short presentation for the potential client on how you would promote awareness of their company into the second decade of the 21st century.*

Consider:

1. What are the company's core values?
2. What should be the advertising campaign's key message?
3. What new slogan would reflect this key message?
4. What new logo/tailfin design would reinforce brand image?
5. What kind of global TV commercial would be most successful? Describe what it would be like including visuals, background music and voice-over. Draw a simple storyboard if you like to illustrate your pitch.

Give your pitches to the rest of your class (the clients). Decide who gets the account by voting for the best ideas.

Task 15. *Work in pairs. Think of your own dialogue giving your attitude towards advertising. The dialogues below can help you with the task. Try to answer all the italicized questions.*

- Nowadays we can't imagine our life without advertising, can we?
- That's true. Advertising is everywhere. It has an important effect on a country's economy, society, culture, and political system.
- *Do you know how old advertising is?*
- I have no idea. I think this business is quite young.
- Oh, you're making a serious mistake. Evidence of advertising can be found in cultures that existed thousands of years ago. Archaeologists discovered some tracks of advertising dating back to the 3000s B.C., among the Babylonians.
- It's unbelievable. And what were the first known methods of advertising?

- To my mind these were the outdoor displays, usually some eye-catching signs painted on the wall of different buildings.
- *When did advertising business begin to boom?*
- It has reached the greatest growth since the 18th century in the USA. Advertising became a major industry in the 20th century for lots of reasons.
- And what were they?
- The need for advertising developed with the expansion of population and growth of towns with their shops and large stores; mass production in factories; roads and railways to convey goods, invention of TV and circulation of popular newspapers in which to advertise. These are things we are used to having today.
- I see. That's why our life is full of advertising. Oh, those Romans and Babylonians.
- *Why do we need advertising?*
- It isn't possible to live in any modern country and remain unaware of it. The level of artistic and technical skill displayed in advertisements is often very high, so that it has a great impact on our behaviour.
- I agree that advertising can influence people's behaviour, sometimes, as in the case of the anti-smoking campaign with the very positive results. But it affects the consumer in the negative way as well, because of forceful advertising when all possible pressure is put on the consumer to buy the advertised product.
- *What advertisement have your eye caught recently?*
- I'm strongly sure that the most striking commercial on TV today is the one from Nokia, as it grabs attention every time I watch it.
- Why do you consider it to be successful?
- Because it demonstrated the effectiveness of its mobile phones and persuaded me to buy one.
- *What do you think advertising agents should or shouldn't do, I mean, if there are any restraints on claim in advertisements in Russia?*
- Of course, there are. Abusive, unfair and unprincipled advertising is restricted in mass media. The demonstration of smoking and alcohol drinking isn't allowed on TV as well as the use of swear words and hidden ads. Advertising mustn't appeal to violence and crime and can't be placed into school textbooks. In spite of this, advertisers use various gimmicks.
- Oh, I've heard nothing of it, please, describe any good advertising gimmicks you have seen. What sort of impact did they have?
- Although most advertisers use humour or fantasy, others try to shock us so that we remember their message. Some adverts present us with a puzzle; they show us an unusual image which at first doesn't make sense. Other adverts play with words rather than images and when we understand the joke we feel pleased. But some go too far when they are deliberately offensive.
- *What do you personally think about advertising?*
- First of all, it is what irritates me in the evenings while watching evening programmes after hard working day. And without doubt slogans and logos are

everywhere, they fill the newspapers and cover the walls, they are on menu cards and in your daily post. I am sure ads are not as important as they try to convince us.

- What do you mean? What do advertisements convince people of?
- Most people believe that advertising is the art of convincing people of the advantages of the product and of persuading them to prefer the product to any other make. As for me, this is misconception. Advertising is the art of convincing people that they want certain things they don't want at all.
- Don't you agree that it became the essential part of social life? Besides, it informs and educates people.
- Don't be silly. They tell you that if you wash with a certain kind of soap you'll become rich, if you use a certain orange squeezer you'll remain young, if you eat a special kind of tomato ketchup you'll learn foreign languages more easily.
- Of course, people are much too intelligent to believe such silly statements. But after all there may be something in it – why not try?

Unit XVI.

Internet Services. Commerce, Banking, Government.

LEAD-IN

Task 1. Discuss the following with your partner.

- a) How much time do you spend surfing the Internet? Are you a net-head or a web-hater?
- b) Do you ever join online discussion groups or chat rooms?
- c) Do you book things like flights and hotel rooms on the Net? Have you ever bought goods over the Net – books, CDs, software? Would you search for a job on the Internet? Do you bank online? If not, would you?

READING.

Once touted as a disruptive technology, the Internet has been expected to bring about fundamental paradigm changes in the business arena. Recent successes of e-commerce companies such as eBay and Amazon have demonstrated that Internet technology should be viewed as a critical building block and a powerful enabler in developing a flexible and efficient information infrastructure for innovative business strategies. The two unique features of Internet technology, rich information content and global reach, can be cleverly leveraged to develop innovative operations that effectively achieve cost reduction, quality improvement, time compression, and customer service enhancement, all at the same time.

Electronic commerce or e-commerce refers to a wide range of online business activities for products and services. E-commerce is usually associated with buying and selling over the Internet, or conducting any transaction involving the transfer of ownership or rights to use goods or services through a computer-mediated network. The major different types of e-commerce are: business-to-business (B2B); business-to-consumer (B2C); business-to-government (B2G); consumer-to-consumer (C2C); and mobile commerce (m-commerce). B2B e-commerce is simply defined as e-commerce between companies. This is the type of e-commerce that deals with relationships between and among businesses.

B2B. About 80% of e-commerce is of this type, and most experts predict that B2B ecommerce will continue to grow faster than the B2C segment.

B2C. Business-to-consumer e-commerce, or commerce between companies and consumers, involves customers gathering information; purchasing physical goods (i.e., tangibles such as books or consumer products) or information goods (or goods of electronic material or digitized content, such as software, or e-books); and, for information goods, receiving products over an electronic network. The more common applications of this type of e-commerce

are in the areas of purchasing products and information, and personal finance management, which pertains to the management of personal investments and finances with the use of online banking tools. B2C e-commerce reduces transactions costs (particularly search costs) by increasing consumer access to information and allowing consumers to find the most competitive price for a product or service. B2C e-commerce also reduces market entry barriers since the cost of putting up and maintaining a Web site is much cheaper than installing a “brick-and-mortar” structure for a firm. In the case of information goods, B2C e-commerce is even more attractive because it saves firms from factoring in the additional cost of a physical distribution network. Moreover, for countries with a growing and robust Internet population, delivering information goods becomes increasingly feasible.

B2G. Business-to-government e-commerce is generally defined as commerce between companies and the public sector. It refers to the use of the Internet for public procurement, licensing procedures, and other government-related operations. This kind of e-commerce has two features: first, the public sector assumes a pilot/leading role in establishing e-commerce; and second, it is assumed that the public sector has the greatest need for making its procurement system more effective. Web-based purchasing policy increases the transparency of the procurement process and reduces the risk of irregularities. To date, however, the size of the B2G ecommerce market as a component of total e-commerce is insignificant, as government e-procurement systems remain undeveloped.

C2C. Consumer-to-consumer e-commerce is simply commerce between private individuals or consumers. This type of e-commerce is characterized by the growth of electronic marketplaces and online auctions, particularly in vertical industries where firms/businesses can bid for what they want from among multiple suppliers. It perhaps has the greatest potential for developing new markets.

This type of e-commerce comes in at least three forms:

- auctions facilitated at a portal, such as eBay, which allows online real-time bidding on items being sold in the Web;
- peer-to-peer systems, such as the Napster model (a protocol for sharing files between users used by chat forums similar to IRC) and other file exchange and later money exchange models;
- classified ads at portal sites such as Excite Classifieds and eWanted (an interactive online marketplace where buyers and sellers can negotiate and which features “Buyer Leads & Want Ads”).

M-commerce (mobile commerce) is the buying and selling of goods and services through wireless technology-i.e., handheld devices such as cellular

telephones and personal digital assistants (PDAs). Japan is seen as a global leader in m-commerce.

Electronic Payment Methods

- **Innovations affecting consumers**, include credit and debit cards, automated teller machines (ATMs), stored value cards, and e-banking.

- **Innovations enabling online commerce** are e-cash, e-checks, smart cards, and encrypted credit cards. These payment methods are not too popular in developing countries. They are employed by a few large companies in specific secured channels on a transaction basis.

- **Innovations affecting companies** pertain to payment mechanisms that banks provide their clients, including inter-bank transfers through automated clearing houses allowing payment by direct deposit.

An electronic payment system (EPS) is a system of financial exchange between buyers and sellers in the online environment that is facilitated by a digital financial instrument (such as encrypted credit card numbers, electronic checks, or digital cash) backed by a bank, an intermediary, or by legal tender. EPS plays an important role in e-commerce because it closes the e-commerce loop. In developing countries, the underdeveloped electronic payments system is a serious impediment to the growth of e-commerce. In these countries, entrepreneurs are not able to accept credit card payments over the Internet due to legal and business concerns. The primary issue is transaction security. The absence of inadequacy of legal infrastructures governing the operation of e-payments is also a concern. Hence, banks with e-banking operations employ service agreements between themselves and their clients. The relatively undeveloped credit card industry in many developing countries is also a barrier to e-commerce. Only a small segment of the population can buy goods and services over the Internet due to the small credit card market base.

There is also the problem of the requirement of “explicit consent” (i.e., a signature) by a card owner before a transaction is considered valid—a requirement that does not exist in the U.S. and in other developed countries.

Many developing countries are still cash-based economies. Cash is the preferred mode of payment not only on account of security but also because of anonymity, which is useful for tax evasion purposes or keeping secret what one’s money is being spent on. For other countries, security concerns have a lot to do with a lack of a legal framework for adjudicating fraud and the uncertainty of the legal limit on the liability associated with a lost or stolen credit card.

In sum, among the relevant issues that need to be resolved with respect to EPS are: consumer protection from fraud through efficiency in record-keeping; transaction privacy and safety, competitive payment services to ensure equal access to all consumers, and the right to choice of institutions and payment

methods. Legal frameworks in developing countries should also begin to recognize electronic transactions and payment schemes.

E-banking includes familiar and relatively mature electronically-based products in developing markets, such as telephone banking, credit cards, ATMs, and direct deposit. It also includes electronic bill payments and products mostly in the developing stage, including stored-value cards (e.g., smart cards/smart money) and Internet-based stored value products.

Government can use e-commerce in the following ways:

- **E-procurement.** Government agencies should be able to trade electronically with all suppliers using open standards-through ‘agency enablement’ programs, ‘supplier enablement’ programs, and e-procurement information systems.

- **Customs clearance.** With the computerization of customs processes and operations (i.e., electronic submission, processing and electronic payment; and automated systems for data entry to integrate customs tables, codes and pre-assessment), one can expect more predictable and more precise information on clearing time and delivery shipments, and increased legitimate revenues.

- **Tax administration.** This includes a system for electronic processing and transmission of tax return information, online issuances of tax clearances, permits, and licenses, and an electronic process registration of businesses and new taxpayers, among others. More often than not, the e-commerce initiatives of government are a barometer indicating whether or not the infrastructure supports e-commerce use by private firms. This means that if government is unable to engage in e-procurement, secure records online, or have customs fees remitted electronically, then the private sector will also have difficulties in e-commerce uptake. Virtually, the benefits from e-commerce accrue to the government, as the experiences of some countries reflect.

The impact of Internet technology is especially obvious in the banking industry. Being information-intensive in nature, virtually every component of the banking business’ value chain can benefit from innovative utilization of Internet technology. From the bank’s point of view, potential benefits promised by Internet banking include lower operational cost, shorter turnaround time, real-time managerial information, smoother communications within the organization, more convenient interactions with prospective as well as existing customers, and provision of value-added services such as access to professional knowledge in financial management. Recognizing the strategic value of the Internet, all of the 120 largest banks in the U.S. offer their customers the ability to access a variety of banking services. The global banking industry is now facing a fundamental paradigm challenge catalyzed by the advancement of Internet technology.

Despite the abundance of literature in e-business deployment today, doing business on the Internet is still mostly a “domestic phenomenon” of the developed countries and not yet a global phenomenon. As globalization is unavoidable, there is an urgent need to converge e-business development perspectives from developed to developing countries. International franchising has been shown to be an effective strategy to transfer technology and emerging markets from developed into developing countries. Franchising is a business opportunity by which the owner (producer or distributor) of a service or a trademarked product grants exclusive rights to an individual for the local distribution and/or sale of the service or product, and in return receives a payment or royalty and conformance to quality standards. The individual or business granting the business rights is called the franchisor, and the individual or business granted the right to operate in accordance with the chosen method to produce or sell the product or service is called the franchisee.

Netchising, integrating the power of the Internet for global integration and international franchising for local socialization, is a global e-business growth strategy gaining its popularity. New technology companies understand the importance of Netchising as a global e-business growth strategy.

More and more businesses nowadays offer their services via the Internet, either parallel to or instead of traditional physical channels. Airlines sell more and more tickets online instead of through traditional travel agencies; check-in is performed online rather than at the check-in counter in the airport. Companies such as DHL and FedEx allow customers to follow their shipments through a so-called track-and-trace system. Governments are considering online voting. These are all examples showing the dominant and growing role and importance of e-services in a variety of industries.

Security and privacy issues are considered the two most important issues in modern use of computers. The security issue is often regarded as a technical issue to be solved by off-the-shelf solutions such as virus checkers or firewalls. The privacy problem, however, has received little attention and is likely to get worse without proactive measures. The use of the Internet for online purchasing, home banking, and information search on a daily basis has increased the amount of information exchange and threatens information privacy, as users are expected to share personal information without knowing the consequences. Internationally, national security laws increasing data retention augment the threats of data exposure.

Protection of Context Content

The aim of the security context is twofold. The first aim is to announce the security mechanisms, which guarantee the necessary protection of U/W/R-contexts in terms of authentication, message safety, and data integrity. A non-authorized access to a context could result in an inaccurate assessment of multiple elements like location of user, execution status of a Web service, or

capacity of a resource. The second aim is to keep track at the level of the security context of all the operations that users initiate over the content of their respective contexts. By tracking these operations, it would be possible to know what happened, what is happening, and what would happen to the content of a context.

ANSWER THE QUESTIONS.

1. What are the advantages of e-commerce?
2. What are the types of e-commerce?
3. What methods of e-payment are there?
4. What are the main shortcomings of EPS?
5. How can e-commerce be used by government?

DISCUSSION.

Task 2. *Agree or disagree. Explain your choice.*

1. Business people don't understand IT, and IT people don't understand business.
2. E-commerce is a wonderful thing until you want to speak to anyone about anything.
3. In five years' time the biggest change in our lives from information and communication technology will be the lack of interpersonal communication.
4. Teleworking is a way to go. Who needs an office when everyone is networked?

Task 3. *Below are some common criticisms of corporate Web sites. Which things mentioned annoy you most when you click on a Web site? What are your favourite and least favourite Web sites?*

1. The home page is just so cluttered and it takes me ages to find what I want.
2. Half of the links are dead.
3. There's nothing new or exciting there – it's basically just the company brochure online.
4. The audio and video files never work properly.
5. They don't seem to update their information very often – I go back a month later and it's all the same stuff.
6. E-mail enquiries are seldom answered unless I'm actually buying something.
7. I keep getting a million pop-up advertisements for products and services I'm not interested in.

8. The graphics take forever to upload.
9. I've never got the right plug-in to view the whole site.

Task 4. *As more and more business is done electronically, security risks inevitably increase. Read the story of how hackers gained access to confidential files at one of the world's most successful companies and answer the questions:*

1. Do you think big companies are more or less vulnerable to this kind of attack?
2. Are you surprised the hackers were able to remain undetected for so long?
3. Do you know of any similar incidents where organizations were actually blackmailed by hackers?
4. How would you deal with the crisis like this if you were the head of the company?
5. After the World Trade Center attack on September 11th 2001, some American politicians pressed for sentences of life imprisonment for all acts of terrorism, including corporate terrorism like computer hacking. Do you think such measures are justified?

Microsoft under attack

Microsoft, if not the world's biggest company, is probably the one with the highest market evaluation. At its height, before the slump in PC sales in the first years of the 21st century, Microsoft was worth more than 300 nation states! At such a powerful and cutting-edge company one would have expected the security to be airtight. And it was – almost.

But in September 2000 hackers successfully managed to break into the Microsoft system and remain undetected for an amazing five weeks. Fortunately for Microsoft, the hackers didn't corrupt the files they opened, but they did gain access to the "source code" for a new computer program which was then still in development and top secret.

Similar incidents have sometimes resulted in companies being blackmailed into paying money to prevent information about their software being published on the Internet, but in this case that didn't happen. The FBI was called in to investigate, but ironically the technology simply didn't exist to track down the hackers. Nor was there provision in the law to prosecute them unless they actually interfered with the files they hacked into.

The likelihood is that the security breach was just a publicity stunt aimed at embarrassing Microsoft. The company is not popular with those who see its activities as monopolistic. But it remains popular with the nine out of ten PC users who buy its software, earning Microsoft Chairmen somewhere in the region of a million dollars an hour.

LANGUAGE WORK.

Task 5. *Are these items similar or different?*

1. the Internet/the web
2. a browser/a search engine
3. your favorites/your bookmarks
4. a link/an item
5. sign in to a site/log in to a site
6. copy text/paste text
7. download a program/install a program
8. reply to an email/forward an email
9. a file/a folder

Task 6. *Complete the sentences using the pairs of words in the list.*

accessibility/intranet	aggregate/portal	enable/devices
ensure/secure	measure/efficiency	retrieve/trends
stability/downtime	translate/solution	

1. Perhaps the most important task for an IT manager is to increase the ... of the system to reduce
2. IT managers also have to ... that information is ... and backed-up.
3. It can be difficult to .. business requirements into an IT
4. It can also be difficult to ... the ... of IT spending.
5. Managers across the company use “datamining” to ... data from the data warehouse and turn it into useful information by identifying patterns and
6. An extranet provides outsiders with various levels of ... to the company’s own
7. Bluetooth is a way to ... short-range connection between wireless
8. Mobile phone companies charge for downloading content which they ... on their own

Task 7. *Choose the best word to fill each gap from the alternatives given in the list below. There are some words that you don’t have to use.*

hits / cart / page / engine / securely / e-tailing / surfing / clicks / bricks / first/ last / commerce / procurement / users
--

The internet and e-commerce.

I’m Justin and I run a chain of bookshops specializing in old and rare books. Last year we started an e-(1) ... operation. It’s been very successful. We have about 4,000 unique (2) ... and last month our home page had over 15,000 (3) Visitors use the site’s search (4) ... to look for book titles or authors. They add items to their shopping (5) ... and when they’re finished they pay (6)

... using a credit card. We send the books out by post so we don't have any (7) ... mile problems like some companies. Since we started (8) ... we've had more customers in our traditional (9) ... -and-mortar shops. People see our site while they are (10) ... the web and that persuades them to come along.

Task 8. Match the two parts of the sentences.

1. B2B e-commerce can cut firms' costs because	a) the low prices they promised consumers meant that the scale of their business had to be enormous.
2. The company operates four e-commerce sites,	b) but I felt more comfortable investing in a fund whose core holdings are large multinationals.
3. There was a huge temptation for me to follow the Dotcom frenzy.	c) it reduces procurement costs, both by making it easier to find the cheapest supplier and through efficiency gains.
4. Management theorists agreed that old-fashioned command-and-control management styles would not work	d) selling books, CDs, DVDs and computer games.
5. There has been a trend for investors to shift funds out of the technology, media and telecom sectors	e) in the new economy where creativity and innovation are everything.
6. As the early web firms were addressing the business-to-consumer market,	f) back into old economy companies such as oil and car producers.

Task 9. Complete the sentences with appropriate forms of expressions from the list:

e-marketplace / reverse auction / bricks-and-mortar / outlets / trading platform / pure e-tailing / infrastructure / e-fulfillment / clicks-and-mortar / private exchange / public exchange / trading hub

1. Retailer A sells clothes in shops and also over the Internet: it has ... -...-... outlets.
2. Retailer B sells books and CDs on the Internet and has no shops : it has no ...-...-..., so it's involved in
3. Retailer B has built massive warehouse and developed sophisticated computer system: it has invested in the ... necessary for ...-... .
4. Household goods manufacture C has set up a where it asks for bids from suppliers.

5. Defence companies D, E, F and G have got together to form a in order to get competitive bids from a range of suppliers.
6. Suppliers to D, E, F and G submit prices for particular projects in a and the supplier offering the lowest price wins the contract.
7. Manufacturer C and Companies D, E, F and G run different kinds of (three possible expressions).

Task 10. Match an item on the left with an item on the right to make phrases and complete the sentences with the whole phrase.

1. search	a) setting
2. default	b) networking
3. video	c) clip
4. drop-down	d) engine
5. social	e) menu

1. Google is the most popular
2. Facebook and Twitter are ... sites.
3. Move your mouse over the headings at the top of the page and you will see a
4. You can use my laptop but please don't change any of the

1.browsing	a) mailing
2.smart phone	b) history
3. draft	c) line
4. mass	d) folder
5. subject	e) app

5. Wait a moment while I look for the e-mail I was writing earlier - OK, here it is in my
6. I have dozens of e-mail from you – what was the ... of the one you are talking about?
7. I think we should do a ... to all our customers about the special promotion next month.
8. I think Apple has always had the coolest ... and that's why the iPhone is doing well.

Task 11. Complete the sentences using the prepositions in the list:

In (3)	out (2)	up (2)	on (2)	through (2)	to	for	between
--------	---------	--------	--------	-------------	----	-----	---------

1. This company was predicted to wipe ... three-quarters of the world's computers.
2. Computer programmers were called ... to debug mainframe computers.
3. Young entrepreneurs could get access ... unlimited venture capital.

4. Popular domain names were snapped ... for millions of dollars.
5. Most e-business just burned ... capital.
6. Letsbuyit.com got ... over three million dollars a month.
7. Hungry ... further capital, some dotcoms issued shares.
8. The dramatic fall ... share prices reflected an unstable market.
9. E-business whose success was built ... technological superiority have survived.
10. Brazilian banco I.net opened banks in the high-street ... response to customer demand.
11. A tiny fraction of total consumer sales are conducted ... the Internet.
12. Only 7% of small and medium-sized companies carry ... online transactions.
13. Business-to-business trading ... firms is forecast to grow exponentially.
14. At dotcomfailures.com you could buy dotcoms ... the verge of bankruptcy.

Task 12. Complete the following using the verbs and verb phrases in the list: ensures, is linked, monitors, is able to receive, recognizes and welcomes, is registered, manages, is managed.

A good e-business Web site:

1. ... with the major search engines like Google, Yahoo and HotBot.
2. ... to other sites of interest.
3. ... on a 24-hour basis.
4. ... orders and payments online.
5. ... digital security for payments.
6. ... the number of hits the Web site receives.
7. ... registered visitors who return to the site.
8. ... stock control electronically.

BUSINESS IDIOMS.

Task 13. "COLOUR IDIOMS". Complete each sentence with the correct colour.

1. His supervisor gave him a ... look when he turned up late for the third time this week.
2. I must be on some kind of ... list because I have a lot of difficulty getting credit.
3. We're waiting for the ... light from head office to launch our publicity campaign.
4. Local residents protested when they heard a factory was going to be built in a ... belt area.
5. I won't believe we've got the contract until I see it down in ... and
6. Among the ... goods washing machines are our best sellers.
7. There were several ... faces when these so-called financial experts found that they had been tricked!

8. We need to cut through all the ... tape and speed up the decision-making process.
9. That's a bit of a ... area. It's difficult to say who exactly has responsibility for recruitment.
10. The company found itself several thousand pounds in the ... after spending so much on improving its production line.
11. We lose millions in tax revenue every year because of the ... economy.
12. They are looking for a ... knight to help them fight the takeover bid.
13. Then, out of the ... , she offered me a job managing her new restaurant. You can imagine my surprise.
14. We have to roll out the ... carpet for him as he's one of our best customers.
15. The ... revolution has meant that food exports have increased dramatically in the past few years.
16. The Government intends to allocate more money to unemployment ... spots.

Task 14. IDIOMS WITH MONEY. *Read the dialogues and match the idioms with their explanations.*

1. to waste money
2. to make a lot of money easily
3. money that is easily earned
4. living on a very little money
5. to have not enough money
6. person who earns the money the family needs
7. being sold very cheaply
8. to have lots of money
9. to get as much money as possible
10. to do anything to get money
11. to make a profit
12. to earn the money the family lives on

People's financial circumstances

1. – If this business idea is as successful as we think it'll be, we'll **be quids** in for a change.
 – Yes, we'll be **laughing all the way to the bank**
 – And it will be so easy too – it really will **be money for old rope**.
2. – I'd love to get a job with a decent salary. I'm tired of **living on a shoestring**.
 – Me too. It would be great **to be rolling in it**, wouldn't it?
3. – Since my husband lost his job I'm **the breadwinner** in my family.
 – Really? Well I guess I **bring home the bacon** in my family too.
4. – Could you lend me twenty pounds?
 – Sorry, mate, I'm a bit **strapped for cash** at the moment.
5. – That singer's ex-wife, you know the one I mean, she **took him to the**

cleaner's when they got divorced. He's ruined!

– I know she's so greedy, isn't she? She would **sell her own grandmother**.

6. – I can't believe you've bought a new car! We can't afford to **throw money down the drain**.

– It's OK. **It was going for a song** – I only paid a few hundred pounds.

Task 15. IDIOMS WITH MONEY. *Read the advertisement and match the idioms with their explanations.*

- a) from poverty to wealth
- b) cheap but good and enjoyable
- c) excess money
- d) living very economically
- e) spending as little money as possible
- f) luxury (a lot of money is spent to make it good)
- g) have just enough money to pay for the things you need
- h) don't cost a lot
- i) paying more than something is worth

How people use money

“Enter our **rags to riches** competition!

Are you tired of **scrimping and saving** in order to **make ends meet**?

Fed up with **paying over the odds** for things and **penny-pinching** all the time?

Are you always on the lookout for **cheap and cheerful** things that **won't break the bank**?

Would you like to feel you had **money to burn**? Then enter our competition for a chance to win 10,000\$ and a **no-expense-spared** weekend in Paris. All you have to do is”

Task 16. Complete each “money idiom”.

1. Working as a security guard is money ... , unless someone actually tries to break in.
2. He went from ... , but he was always afraid he'd end up poor again.
3. A lot of students find it difficult to ... and end up borrowing money from the bank or from their parents.
4. When I was a student I was always ... cash, so I had to get part-time jobs.
5. He's completely immoral about financial matters. He would
6. He sued the newspaper for libel, won his case and took them
7. They set up one of those social networking websites. It was an instant success and now they're laughing
8. Why do I work so hard and such long hours? Well, someone has to bring ...!
9. Jessie paid me for that job I did last week, so I'm We can have a nice meal out tonight!

10. I bought a new guitar at the weekend. It was going for a ... at only 30\$.

Task 17. Correct the mistakes in these idioms.

1. In the current financial crisis people are finding it harder to make ends match.
2. I'm tired of living on a shoelace. I need to earn more money.
3. You should buy this old house – it's going for a tune.
4. Spending money on ready-made meals is just throwing money down the hole.
5. Did you know he took his girlfriend to the Caribbean for a luxury holiday? He must be absolutely running in it.
6. We had lunch in a cheap and cheesy restaurant.
7. I know you love that dress but it's so expensive. There's no point in paying over the odds for it – it's just not worth it.
8. Why don't you buy her a bunch of flowers? It won't break the wallet.
9. Kim is the main breadwinner in our family.
10. I wish we had more money. I hate being so penny-picking all the time.

Task 18. Rewrite each sentence using the word in the brackets.

1. The prize is a luxury weekend in a London hotel. (spare)
2. Ivana is always going shopping. She must have a huge amount of money. (burn)
3. Kim has never had much money. She has always had to live economically. (scrimp)
4. If you like children, babysitting is a very easy way to earn money. (rope)
5. Everyone has to go to work in order to earn enough to live on. (bacon)
6. You sold the car for 2000\$ more than you paid for it, so you've made a good profit. (quid)
7. Sue has no principles when it comes to making money. (grandmother)
8. I don't make much money, so I find it almost impossible to live on what I earn. (meet)

GRAMMAR CHECK

Tenses Review

Task 19. Complete the sentences by putting each verb into a form of the present simple or present continuous. In each sentence the verb may be in the same or different tenses.

1. Every time inflation ... (go up) people(demand) higher wages.
2. Inflation ... (fall) quite quickly which ... (mean) that the government can keep interest rates low.
3. ... (you/wait) for Victoria Chambers? I ... (not/think) she'll be long.

4. What exactly ... (our customers/want)? Nobody around here ... (seem) to know.
5. Carlo doesn't have much experience of this situation. I ... (hope) he ... (know) what he ... (do).
6. What exactly ... (you/mean)? I (not/understand).
7. What exactly ... (you/say)? ... (you/want) to negotiate the whole contract?
8. ... (your chicken/taste) OK? The food here is usually very good, but of course it all ... (depend) on which particular chef ... (work) in the kitchen on that day.

Task 20. Choose the correct grammar tense.

1. When I got/was getting home I heard/was hearing your phone message.
2. When I was at Norcom I used to claim/was claiming all my travel expenses.
3. When the computer crashed/was crashing I printed out/was printing out last month's figures.
4. While the plane took off/was taking off I started/was starting to feel unwell.
5. We wanted/were wanting a reliable firm so we chose/were choosing Philips.
6. We used to have/were having an office in Latvia and Lithuania but then we combined/were combining all our Baltic operations at our Estonia office.
7. When I arrived/was arriving at the office Jan waited/was waiting for me.
8. The door was open so I knocked/was knocking and came/was coming in.
9. They argued/were arguing about the merger when he suddenly lost/was losing his temper.
10. When I was/used to be in London last summer I visited/was visiting a different museum every day.

Task 21. Complete the second sentence so it has a similar meaning to the first sentence and contains the word in brackets. This exercise practises the past perfect and used to.

Michael made some notes and started writing. (had) – After Michael had made some notes he started writing.

The Internet connection is slower than before. (didn't)	The Internet connection ... to be so slow.
I was sure the disk was in this box! (forgotten)	I was sure ... the disk!
In the past the factory produced 4,000 units every month. (used)	The factory 4,000 units every month.
I thought the article seemed familiar. (had)	I thought ... the article before.
Franz left before my arrival. (already)	By the time I arrived Franz
When I was younger I went skiing a lot.	I ... a lot when I was younger.

(used)	
The meeting finished late so we went straight back to the hotel. (had)	We went straight back to the hotel because ... late.

Task 22. Complete each sentence with a suitable time expression from the list: at, on, in, when, while/when.

1. The computer crashed ... I was loading up the new software.
2. ... did you first notice the fault?
3. We sent you the invoice ... the end of last month.
4. Central Europe was changing very rapidly ... the nineties.
5. We sent the goods ... the fifteenth. Haven't you received them?
6. ... they raised interest rates the euro recovered against the dollar.
7. ... she was checking the invoice she noticed a small mistake.
8. The two companies merged ... 1998.
9. We met ... eight for a business breakfast.
10. What were you doing ... I called you this morning?
11. We changed our advertising campaign ... the beginning of the year.
12. I'll check my files and call you ... the morning.

Task 23. Complete the sentences by putting one verb in the past simple and one in the past perfect.

1. When the film started I ... (realize) I ... (see) it before.
2. By the time I ... (get) to the phone it ... (stop) ringing.
3. How ... (you/find out) that you ... (get) the job.
4. Before I ... (join) ABN I ... (work) as an investment analyst.
5. I ... (send) her an email just to see how things ... (go). Meanwhile my boss ... (already/speak) to her boss.
6. I ... (always/suspect) that the contract ... (not/be) legal.

Task 24. Complete the sentences by putting the verb in brackets into either the past perfect or past perfect continuous.

1. By last Christmas I ... (decide) it was time to change my job.
2. I ... (think) about changing my job for some time before I finally decided.
3. I ... (wait) for over an hour by the time he arrived.
4. Actually I ... (already hear) the news before she told me.
5. Their share price ... (rise) steadily before the merger was announced.
6. I couldn't give them a lift because I ... (not finish) work.
7. They got on very well but they ... (never meet) until this year.
8. My eyes were hurting because I ... (look) at the screen all day.
9. After I ... (see) the new design I realized it was going to be a great success.
10. They closed down the factory because it ... (lose) money for years.

Task 25. Complete the second sentence so it has a similar meaning to the first

sentence. You may need a new verb or a time expression. Use contractions where possible.

*Jane doesn't work at this company now. Jane **has left** this company.*

1. This is the first time I've been to the United States. I to the United States before.
2. That's strange! My wallet isn't here. That's strange!disappeared.
3. I saw a friend of yours a few moments ago. I a friend of yours.
4. I'm still writing this report. I this report yet.
5. We started working here three years ago. We've beenthis year.
6. Is this your first visit to Latin America? Have you before?
7. It's a long time since I spoke to Giorgio. I to Giorgio for a long time.
8. Is Ann still out of the office? Has back yet?
9. I'm sorry but Rachel Dawson isn't here. I'm sorry but Rachel Dawson has out.
10. I last saw David in 1996. Isince 1996.
11. I came to live here three months ago. I've beenthree months.
12. How stupid of me! My laptop is still in the car. How stupid of me! I My laptop in the car.
13. I'm still reading this report. Ireading this report yet.
14. Paul left the building a moment ago. Paul hasthe building.
15. Have you been to Scandinavia at any time? Have you to Scandinavia?
16. I've had English lessons in my company since January. I've been English since January.
17. It's ages since we last had an order from CWP. We an order from CWP for ages.
18. This is the first time I've eaten snails. I'vesnails before.
19. I started playing tennis about six months ago. I've beenabout six months.
20. I don't remember Helen's phone number. I've Helen's phone number.
21. She has a different opinion now. She her mind.
22. The last time I saw Margaret was Monday. I haven't Monday.

Task 26. Rewrite each sentence with will, shall or going to using the underlined verb.

*Sarah doesn't plan to get involved in any research yet. – Sarah **isn't going to get** involved in any research yet.*

1. How about having a game of tennis at the weekend? a game of tennis at the weekend?
2. I've decided to study Arabic in Cairo. Arabic in

Cairo.

3. I promised to be back before midday. before midday.
4. I have an appointment to see the doctor so I can't come. the doctor so I can't come.
5. I promised not to forget.
6. I plan to do my MBA in France. my MBA in France.
7. Would you like me to help you with those bags? with those bags?
8. It's possible for us to come back later if you like? back later if you like?
9. I intend to ask my boss about opportunities for promotion. my boss about opportunities for promotion.
10. I want to have the salmon. the salmon, please.
11. I've decided to have the salmon. the salmon.

Unit XVII.

Project Management.

LEAD-IN.

Task 1. Discuss the following with your partner.

- a) Would you describe a recent project you were involved in? Was it successful?
- b) What details of schedules and budgets, getting started, progress, team members and deadlines did it include?
- c) What does the success of projects depend on?

Task 2. Match the terms with the definitions.

1. Schedule	a) the activity of working well together
2. Deadline	b) exact measurements or detailed plans
3. Budget	c) time plan
4. Teamwork	d) detailed information separated into different groups
5. Breakdown	e) money available to spend
6. Specifications	f) final date, a time or date by which you have to do smth

READING.

Task 2. Understand what defines a project.

Project management

Succeeding as a project manager requires that you complete your projects on time, finish within budget, and make sure your customers are happy with what you deliver. That sounds simple enough, but how many projects have you heard of or worked on that were completed late, cost too much, or didn't meet the needs of their customers?

A project is a temporary endeavor undertaken to create a unique product or service. Let's walk through this definition to clarify what a project is and is not.

First, a project is temporary. A project's duration might be just one week or it might go on for years, but every project has an end date. You might not know that end date when the project begins, but it's out there somewhere in the future. Projects are not the same as ongoing operations, although the two have a great deal in common. Ongoing operations, as the name suggests, go on indefinitely; you don't establish an end date. Examples include most activities of accounting and human resources departments. People who run ongoing operations might also manage projects; for example, a manager of a human resources department for a large organization might plan a college recruiting fair. Yet, projects are distinguished from ongoing operations by an expected end

date, such as the date of the recruiting fair.

Next, a project is an endeavor. Resources, such as people and equipment, need to do work. The endeavor is undertaken by a team or an organization, and therefore projects have a sense of being intentional, planned events. Successful projects do not happen spontaneously; some amount of preparation and planning happens first.

Finally, every project creates a unique product or service. This is the deliverable for the project and the reason that the project was undertaken. A refinery that produces gasoline does not produce a unique product. The whole idea, in this case, is to produce a standardized commodity; you typically don't want to buy gas from one station that is significantly different from gas at another station. On the other hand, commercial airplanes are unique products. Although all Boeing 777 airplanes might look the same to most of us, each is, in fact, highly customized for the needs of its purchaser.

By now, you may realize that much of the work that goes on in the world is project work. If you schedule, track, or manage any of this work, then congratulations are in order: you are already doing some project management work!

Project management has been a recognized profession since about the 1950s, but project management work in some form has been occurring for as long as people have been doing complex work. When the Great Pyramids at Giza in Egypt were built, somebody somewhere was tracking resources, schedules, and specifications in some fashion.

The project triangle: view projects in terms of time, cost, and scope.

You can visualize project work in many ways, but our favorite method is what is sometimes called the project triangle or triangle of triple constraints.



Project triangle

This theme has many variations, but the basic concept is that every project has some element of a time constraint, has some type of budget, and requires some amount of work to complete. Let's consider these

constraints one at a time.

Time

Have you ever worked on a project that had a deadline? Limited time is the one constraint of any project with which we are all probably most familiar. If you're working on a project right now, ask your team members to name the date of the project deadline. They might not know the project budget or the scope of work in great detail, but chances are they all know the project deadline.

The following are examples of time constraints:

- 1. You are building a house and must finish the roof before the rainy season arrives.*
- 2. You are assembling a large display booth for a trade show that starts in two*

months.

3. *You are developing a new inventory-tracking system that must be tested and running by the start of the next fiscal year.*

Since we were children, we have been trained to understand time. We carry wristwatches, paper and electronic organizers, and other tools to help us manage time. For many projects that create a product or event, time is the most important constraint to manage.

Cost

You might think of cost simply in monetary terms, but project cost has a broader meaning: costs include all of the resources required to carry out the project. Costs include the people and equipment that do the work, the materials they use, and all of the other events and issues that require money or someone's attention in a project. For virtually all projects, cost is ultimately a limiting constraint; few projects could go over budget without eventually requiring corrective action.

Scope

You should consider two aspects of scope: product scope and project scope. Every successful project produces a unique product: a tangible item or service. Customers usually have some expectations about the features and functions of products they consider purchasing. Product scope describes the intended quality, features, and functions of the product — often in minute detail. Documents that outline this information are sometimes called product specifications. A service or event usually has some expected features as well. We all have expectations about what we'll do or see at a party, concert, or sporting event.

Project scope, on the other hand, describes the work required to deliver a product or service with the intended product scope. Project scope is usually measured in tasks and phases.

The following are examples of scope constraints:

2. *Your organization won a contract to develop an automotive product that has exact requirements — for example, physical dimensions measured to 0.01 mm. This is a product scope constraint that will influence project scope plans.*

3. *You can use only internal services to develop part of your product, and those services follow a product development methodology that is different from what you had planned.*

Product scope and project scope are closely related. The project manager who manages project scope well must also understand product scope or must know how to communicate with those who do.

Time, cost, and scope: manage project constraints.

Project management gets most interesting when you must balance the time, cost, and scope constraints of your projects. The project triangle illustrates the process of balancing constraints because the three sides of the triangle are connected, and changing one side of a triangle affects at least one other side.

The following are examples of constraint balance:

If the duration of your project schedule decreases, you might need to increase budget because you must hire more resources to do the same work in less time. If you cannot increase the budget, you might need to reduce the scope because the resources you have cannot complete all of the planned work in less time.

Constraint balance in the project triangle if duration decreases

If you must decrease a project's duration, make sure that overall project quality is not unintentionally lowered. For example, testing and quality control often occur last in a software development project; if project duration is decreased late in the project, those tasks might be the ones to suffer with cutbacks. You must weigh the benefits of decreasing the project duration against the potential downside of a deliverable with poorer quality.

If the budget of your project decreases, you might need more time because you cannot pay for as many resources or for resources of the same efficiency. If you cannot increase the time, you might need to reduce project scope because fewer resources cannot complete all of the planned work in the time remaining.

Constraint balance in the project triangle if budget decreases

If you must decrease a project's budget, you could look at the grades of material resources for which you had budgeted. For example, did you plan to shoot a film in 35 mm when cheaper digital video would do? A lower-grade material is not necessarily a lower-quality material. As long as the grade of material is appropriate for its intended use, it might still be of high quality. As another example, fast food and gourmet are two grades of restaurant food, but you may find high-quality and low-quality examples of each.

You should also look at the costs of the human and equipment resources you have planned to use. Can you hire less experienced people for less money to carry out simpler tasks? Reducing project costs can lead to a poorer-quality deliverable, however. As a project manager, you must consider or, more likely, communicate to the decision makers the benefits versus the risks of reducing costs.

Constraint balance in the project triangle with reduced costs

If your project scope increases, you might need more time or resources to complete the additional work. When project scope increases after the project has started, it's called scope creep. Changing project scope midway through a project is not necessarily a bad thing; for example, the environment in which your project deliverable will operate may have changed or become clearer since beginning the project. Changing project scope is a bad thing only if the project manager doesn't recognize and plan for the new requirements — that is, when other constraints (cost, time) are not correspondingly examined and, if necessary, adjusted.

Time, cost, and scope are the three essential elements of any project. To succeed as a project manager, you should know quite a bit about how all three

of these constraints apply to your projects.

Here is our final word about the project triangle model. Like all simple models of complex subjects, this model is a useful learning tool but not always a reflection of the real world. If real projects always performed as the project triangle suggests they should, you might see projects delivered late but at planned cost or with expected scope. Or, projects might be completed on time and with expected scope but at higher cost. In other words, you'd expect to see at least one element of the project triangle come in as planned. But the sad truth is that many projects, even with rigorous project management oversight, are delivered late, over budget, and with far less than expected scope of functionality. You've probably participated in a few such projects yourself. As you well know, project management is just plain difficult. Success in project management requires a rare mix of skills and knowledge about schedule practices and tools, as well as skill in the domain or industry in which a project is executed.

The best project management tool in the world can never replace your good judgment. However, the right tool can and should help you accomplish the following:

- 1. Track all of the information you gather about the work, duration, and resource requirements for your project.*
- 2. Visualize your project plan in standard, well-defined formats.*
- 3. Schedule tasks and resources consistently and effectively.*
- 4. Exchange project information with stakeholders over networks and the Internet using standard file formats.*
- 5. Communicate with resources and other stakeholders while leaving ultimate control in the hands of the project manager.*

Project Management Tools.

Tools are the means that help managers and the team members successfully plan, manage and execute the different tasks involved in each project. Given the wide range of project management tools available, the key to selecting the right one is understanding that different tools are needed along the different stages of a project life cycle. During all phases of the project, Milestones Reviews and Business Plans take a leading role, whereas in the Initiation phase, Project Charter, Business Plan, Project Framework (or Overview), and Business Case Justification are essential. In the Execution and Control phases, an update of Risk Analysis and Score Cards prevails. During Closure, no special tool is needed.

Kick-Off Meeting.

Kick-Off Meeting is a meeting at the beginning of the project or at the beginning of a major phase of the project to align peoples' understanding of project objectives, procedures and plans, and to begin the team-building process. A kick-off meeting is typically a workshop type meeting and it may last from 1 to 3 days depending on the scope and characteristics of each project.

It generally includes several activities such as a project charter, a business plan review, team building exercises, a team charter, risk analysis.

How to conduct a kick-off meeting?

A typical project planning kick-off meeting agenda covers the following aspects of a project:

- Build a project framework: What are the project objectives? Who are the stakeholders? What are the criteria for successful completion? What are the business objectives?
- Update the business plan or business case.
- Organize the project governance: Who does what? What are the responsibilities of each member? What are the reporting procedures?
- Build or revise the master planning (key milestones, sequence of activities, dependencies...)
- Initiate the risk analysis.
- Team building activities.
- Define the quality management plan, and in particular the change control procedures

Who should attend the kick-off meeting? Well, at least the 'core team' should be present, but quite often it also involves most of the team. Generally speaking, this is a gathering of the project team, executive management, stakeholders, and other parties who need to officially recognize the commencement of the project. Project managers know that the kick-off meeting can be understood as a perfect ice-breaker situation where all attendees also gain a common understanding of the project's objectives and priorities.

ANSWER THE QUESTIONS.

1. What is a project? What characteristics does it have?
2. What is the most popular method of visualizing projects?
3. What constraints are there in a project triangle?
4. How can we manage project constraints?
5. What does success in project management require?

DISCUSSION.

Task 4. What is a kick-off meeting? Choose the right definition.

1. A meeting to discuss who should leave a company.
2. The first official meeting of a group of people who will be working together on a project.
3. The last meeting at the end of a long-term project.

Task 5. Brainstorming. *Before you read the ten tips for effective kick-off meetings, take a few minutes to think about and discuss the following questions. Later, you can compare your answers with those offered in the article.*

- ✓ How can you help to choose the right people for a project?
- ✓ How useful is an external facilitator?
- ✓ How can you build relationships within the team?
- ✓ How can you clarify expectations within the team?
- ✓ How should you follow up a kick-off meeting?

Task 6. Skim-read the article and write the following subtitles above each section.

1. Use an external facilitator
2. Clarify expectations
3. Allow time at the end
4. Make people feel important
5. Pick up the phone
6. Specify different types of goals
7. Manage your sponsor
8. Spend time together
9. Choose the right people
10. Train people to communicate

MAKING A START

Most people are involved in some kind of project at work – for example, for product development, organizational change or marketing strategies. Successful projects can be a vital mechanism for reaching corporate goals. In this article, we examine one important aspect of projects –the organization and running of a two-day kick-off meeting.

We will consider the case of an international project team made up of a project leader, sub-project leaders, and project team members who come from different national business units. We assume senior management has already agreed to the project and that a high-level sponsor has been specified.

(1)

Project success depends on having the right people, with the necessary experience, expertise and personalities. To get the right people, project leaders need to speak with the individuals nominated and the nominating managers, together and separately. These discussions should clarify expectations about goals, roles, expertise, levels of participation and lines of reporting.

This is an opportunity to check the mindset and level of engagement of the person nominated. It is also a chance to get commitment to the project from the

business-unit manager, and to confirm that the team members who have been nominated have the competence for the job and will be given the necessary time away from their normal responsibilities.

(2)

One key decision is whether to involve an external facilitator, both in the planning of the agenda and at the kick-off meeting itself. Effective international facilitators or project coaches can easily pay for themselves by focusing team efforts and reducing inefficiency.

Using an external facilitator can have the following advantages:

It frees up the project leader to take part more easily in the meeting. It brings external expertise into the project at an early stage – for example, intercultural team-building skills or project-management expertise. It can increase the energy and output of the meeting.

(3)

Building relationships and developing trust is a long process. But the kick-off meeting is a good place to start the process. It may be a short person-by-person introduction of job functions and project expectations. Alternatively, much more time can be spent discovering each person's experience and expertise, mindset and working style, and learning about the daily life and culture in their business unit. Too often, this process is given insufficient time. As a result, there is no common understanding. A good way to start the process of building relationships is to organize a get-together and dinner on the evening before the first day of the kick-off. You should encourage conversation by asking people to mix and find out about each other's job, hobbies and business culture. At the end of the first day, include a fun input from an expert on international teamworking, with tips on how to collaborate effectively. And then, in the evening, you could organize an event that is fun and involves collaboration.

(4)

After the fun "get-to-knows", the next stage is usually the more serious business of explaining what the project is all about. What is the "high-level vision"? This often takes the form of a presentation from the sponsor, who then leaves the project head to work on the details of project structure and milestones. Sponsors need to inspire team members to become project ambassadors who will communicate the project vision in their organization. Project teams could work in smaller groups to draft mission statements and slogans for the project. This allows for time to discuss the vision, and can also create a greater sense of ownership of the process, and thus increase commitment.

(5)

After the sponsor has left, the project leader will often make a presentation to clarify specific goals. It is important to focus the team early in the project on delivering financial targets. Secondly, it is vital to integrate the perspectives of

the customers and other stakeholders into the project's targets. Thirdly, project leaders must discuss the possibility that the project's goals may change during its lifetime as new information arises. Teams have to balance the controlling and delivering of defined targets with an ability to think flexibly and to create new targets – within budget, of course.

(6)

After looking at the vision and goals, it is necessary to go into more detail by looking at the project structure, the organization into sub-projects (or “workstreams”) and the main tasks of each sub-project. This gives team members a holistic view of the project and enables them to think about deadlines, dependencies and risks.

Team members need to know exactly who will do what and who expects what from whom. So spend time defining roles explicitly. Otherwise, people may fail to take responsibility or they may blame others, which leads to conflict and inefficiency.

(7)

International projects often face both cost constraints (budget estimates are too low) and human-resource problems (there are not enough people). At the kick-off meeting, it is important to discuss openly the resources that are needed and available. In projects with too few resources, team members will often have huge and very frustrating workloads. This may lead to them wanting to leave the project, which creates the problem of finding replacements and bringing them up to speed. Intelligent project leaders form very close relationships with the senior sponsors, who are the keys to unlocking budgets and providing more staff.

(8)

Towards the end of the kick-off, the meeting should take a look at communication. Communication planning is an important part of project management, and there are two dimensions to a kick-off: internal team communication and marketing to externals.

If you ask a project manager where things went wrong on a project, the question of communication is likely to be mentioned: “We used email too much”; “Meetings were not focused enough”; “The business didn't understand the project”.

Take time to do training on how to speak, listen and write effectively across different cultures, whether national, corporate or departmental. This training can act as a platform for the project team to create communication rules for their work.

(9)

It is essential that people know what they have to do and by when. They also have to be motivated to do so. If not, the meeting has failed. Plan at least 90 minutes at the end of the kick-off to work through all the agreed actions, to specify what has to be done by when, and to deal with any open questions.

(10)

Don't overestimate the success of a kick-off. The real work starts when the kick-off ends. Project leaders and members should look for every opportunity to communicate by phone (if not personally) in the following weeks. This may be to update each other on the project's progress or just to pass on the details of a recipe discussed over dinner at the kick-off. Establish the habit of communicating often, about work and non-work matters – and not just by e-mail.

Project kick-off meetings need to balance the technical and human aspects of project management. Most projects underestimate the human element. Camillo Mazolla, an Italian businessman, has worked as an international project manager for many years. He says: "Social relationships are vital for reaching a result. So if you have everything but not the relationships, you will not obtain results. You are not in the army, where you have to do things, full stop. Bad relationships can compromise a good technical job. So, during the kickoff phase there's always a kind of socializing part, a dinner, an event. The more developed it is, the better it is."

Task 7. *The building blocks of a kick-off meeting. Match the building blocks with the accompanying questions to give a short summary of the main points of any kick-off meeting.*

1. Getting to know everyone:
 2. Clarifying the vision:
 3. Communicating the goals and benefits:
 4. Organizing the team and its tasks:
 5. Confirming budgets and resources:
 6. Beginning a communication plan:
 7. Specifying the next steps:
-
- a) What do we need to say, to whom, by when and how?
 - b) What is the big picture and what are we trying to do?
 - c) Who are we and how can we create a great team?
 - d) How is the project structured and who does what?
 - e) What should we do in the coming weeks to move the project forward?
 - f) What, specifically, do we need to achieve?
 - g) How much can we spend and how many people do we have?

LANGUAGE WORK.

Task 8. *Match each word with an appropriate definition or explanation.*

1. Budget	a) a time when a piece of work must be finished or something must be achieved
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2. Duration	b) an active disagreement between people with opposing opinions or principles
3. Facilitator	c) a particular way of considering something
4. Milestone	d) the length of time that something lasts
5. Target	e) someone who helps a person or organization do something more easily or find the answer to a problem, by discussing things and suggesting ways of doing things
6. Perspective	f) a person or group of people who own a share in a business
7. Stake-holder	g) the department of an organization that deals with finding new employees, keeping records about all the organization's employees, and helping them with any problems
8. Conflict	h) a plan to show how much money a person or organization will earn and how much they will need or be able to spend
9. Human Resources	i) a result, level, or situation that an organization or group wants or plans to achieve
10.to focus	j) to accept something to be true without question or proof
11.to specify	k) to give part of your work to someone else
12.to allocate	l) to work with someone else for a special purpose
13.to delegate	m) to try to look directly at an object so that you can see it more clearly
14.to assume	n) to explain or describe something clearly and exactly
15.to nominate	o) to decide to use money, time, etc. for a particular purpose
16.to collaborate	p) to officially suggest someone for an election, job, position or honour

Task 9. Match an item on the left with an item on the right to make phrases and complete sentences with a whole phrase.

1. be the team	a) estimate
2. be back on	b) resources
3. allocate	c) a start date
4. set	d) leader
5. make a rough	e) track

1. Juliana has little experience in this area. Is she ready to ... ?
2. It's difficult to give a detailed breakdown of the costs, but I think we can
3. We've had a few problems but we should ... in a day or two.
4. We should know our budget next week. The senior management team is having a meeting on Monday to ... for all the planned projects. for all the planned projects.

1. be kept in	a) tasks
2. fall behind	b) within the budget

3. finish ahead	c) of schedule
4. delegate	d) schedule
5. keep	e) the loop

5. Phase 2 of the project is taking much longer than we thought. We're definitely going to

6. I won't be involved in the project on a day-to-day basis, but I would still like to

7. It's not vital that we stick exactly to the time plan – what really matters is the money side of things. We really have to

8. Everything's moving very quickly. Believe it or not I think we might even

1. find common	a) a proposal
2. brief (v.)	b) ground
3. draw up	c) with our work
4. put work out	d) team members
5. get on	e) to tender

9. I'm sure we can with our competitors on the issue of internet privacy. We need to work together to do something about it.

10. Great! Contract is signed and the budget is in place. Now we can finally

11. We can't just offer this job to our usual subcontractor. EU legislation requires that we ...

12. On Monday morning there's a kick-off meeting to on the new project.

Task 10. Complete the sentences with the prepositions below:

Back	between	on (twice)	to (twice)	up (three times)
------	---------	------------	------------	------------------

1. Nicole is going to head the Paris team.

2. Henry, I'd like you to team with Maxime.

3. There is a lot of common ground us. I think we can reach an agreement.

4. Welcome ... the team. It's great to have you board.

5. We've fallen a little behind schedule – but no problem, I'm sure we can catch

6. We're ... schedule to finish the project at the end of May, just as we promised.

7. We can't change the plans. We've agreed the schedule with the client and now we should stick it.

8. There's been an unexpected problem. We're going to have to push the start date by a week.

Task 11. Choose the best alternative to complete each sentence.

1. You must keep staff, especially when things are difficult.
a) generated b) motivated c) frustrated d) electrified
2. Weigh up the of each alternative before deciding.
a) checks and balances b) assets c) pros and cons d) profits
4. A good manager must be able to handle situations.
a) sensible b) impressive c) touching d) touchy
4. He decided to let things, so he dropped the subject until late.
a) freeze b) ice over c) cool down d) flare up
5. She creating a better atmosphere among the staff.
a) set about b) set off c) set out d) set down
6. We need to have arrangements in case things don't work out.
a) container b) contingency c) consolidated d) consecutive
7. In a meeting you must stop people talking at purposes.
a) opposite b) angry c) cross d) opposing
8. Why doesn't he stick to the point? He's always going off
a) at an angle b) at a tangent c) by the way d) on the side.
9. It's always difficult when a team is working a deadline.
a) in b) at c) to d) opposite
10. Try to ensure that each employee's is not too great.
a) workload b) working c) work-to-rule d) working practice
11. Those who can't manage their time efficiently always have high stress
a) grades b) standards c) performances d) levels
12. The more responsibilities she, the more mistakes she made.
a) took off b) took on c) took down d) took out
13. I hope the project continues to run as as it has so far.
a) calmly b) confidently c) smoothly d) wisely
14. After many unforeseen obstacles they just managed to meet their deadline.
a) overtaking b) overcoming c) overwhelming d) overriding
15. What can we do to improve in this department?
a) morale b) mortality c) moral d) temperament

BUSINESS IDIOMS.

Task 12. Complete each of the sentences by using the past form of one of the verbs on the left and combining it with one of the words on the right. Use each verb once only. Some words on the left are used more than once.

break	find	keep	shut	back	off	through
build	get	put	take	down	on	up
cut	go	read	think	forward	out	with
deal	hear	sell	ring	from	over	

1. By accident the switchboard operator her in the middle of our conversation.
2. After testing everything they finally what was wrong with the machine.
3. They cost by using less expensive material.
4. The Finance Department the query about discounts.
5. He the figures to her so that she could be sure that he had the quantities exactly right.
6. She an interesting proposal at the meeting.
7. They the offer for a week before making a decision.
8. After ringing up three times I finally to head office.
9. She her business from one small shop to a chain of department stores.
10. The packing equipment and production was halted for an hour.
11. The new range was so popular that the shop in 2 days.
12. Last year they the factory for three weeks and everybody had to leave their holiday at the same time.
13. She working even though the others had stopped.
14. I immediately saying I was interested in their offer.
15. My plane four hours late because of fog.
16. I finally our agent in Turkey. He phoned last week.

Task 13. Complete each of the sentences by using the past form of one of the verbs on the left and combining it with one of the words on the right. Use each verb once only. Some words on the right are used more than once.

bring	give	rely	stick	back	off	over
carry	lay	run	stop	forward	on	to
come		leave	set	in	out	up
draw		pay	stand			

1. We of computer paper and we had to order some more.
2. They a survey on biological detergents.
3. He was bankrupt but he a company in his wife's name.
4. I for Claire while she was away at the conference.
5. The workers on strike when the management refused to increase their offer.
6. On the way to Australia I in Bangkok for two days.
7. They an agreement which satisfied both sides.
8. They the meeting from Friday 7th to Monday 3rd.
9. Unfortunately we a supplier who was not able to supply us with the components he had promised.
10. They to consumer pressure and redesigned the packet.

11. In his speech he the most important detail. How much is it all going to cost?
12. Last year Firmin's half their workforce because of a lack of orders.
13. He his original demand. We couldn't get him to change his mind.
14. They the money they had borrowed only after we had threatened to take them to court.

GRAMMAR CHECK.

Task 14. *Change these active sentences to the passive to avoid mentioning the agent.*

1. Your company sometimes releases illegal levels of nitrates into the river.
2. Your department is making too many mistakes at the moment.
3. Unfortunately, you made a poor decision in hiring unqualified staff.
4. Our sub-contractors were employing children to make T-shirts in Asia.
5. Several anonymous journalists have accused us of industrial espionage.
6. My boss and several other managers had warned the company about the risks.
7. We can avoid conflict with the unions by making small concessions.
8. The authorities might ask you some delicate questions.
9. The Board, the Plant Manager and the trade unions all agreed that production staff should work a four-day week.
10. Head Office have decided that they're going to make 300 employees redundant.

Task 15. *In this exercise you have to complete each sentence by using the correct form of one of the following verbs. Use each verb once only.*

build	make	send	take over
hold	overcome	set up	tell
know	say	spend	underwrite
lose	sell	steal	win

1. More than 6 million tins of beans are every week.
2. They were by an American company last week.
3. No attempt was to explain the inconsistency in the figures.
4. Kent Industries are to be thinking of expanding overseas.
5. Once initial problems had been the reorganization went like clockwork.
6. Their new factory will be on the outskirts of town.
7. The contract was in the face of strong competition .
8. Over 3\$ million was on advertising last year.

9. A prospectus will be to all potential investors.
10. Why weren't clients in advance about this increase in fees?
11. A product can be by different names in different countries.
12. An extraordinary general meeting will be next Wednesday.
13. The share offer will be by a leading merchant bank.
14. 110 workers days have been so far this year as a result of industrial unrest.
15. A network of service centers will be to take care of installation and maintenance.
16. They claim that plans for the new aircraft were by a competitor.

Task 16. Complete the extracts from a report of a public meeting about a pollution problem.

1. 'Nitrate levels in the local water supply are slightly higher than normal.' CEO Ben Straw announced that ...
2. 'It is possible that the factory is responsible.' Mr Straw admitted
3. 'There was a small chemical leak last Friday.' Plant Manager Jane Lee explained
4. 'We have taken measures to ensure that this situation cannot reoccur.' Mrs Lee reassured the meeting that
5. 'We are negotiating a settlement with the town council.' Mr Straw said
6. 'We will announce full details in a press statement in a few days' time.' He promised the meeting that
7. 'Has there ever been a problem like this before?' Mrs Green, a local resident, asked if
8. 'No, I cannot remember any other leaks in 30 years at the factory.' Mrs Lee replied that
9. 'When do you plan to re-open the factory?' Pat Holz, a union representative, enquired when
10. 'As soon as possible, but some staff may be laid off for a few days.' Mr Straw warned that

Task 17. Read the following extracts from an interview with the CEO of a multinational oil company. Report the phrases in bold using the verbs in brackets, as in the example.

I repeat what I said a few moments ago: **my company does everything it can to limit the impact of our activities on the environment.** (emphasize) *The CEO emphasized that the company did everything it could to limit the impact of its activities on the environment.*

1. 'I really can't accept that. You need to understand that **developing countries**

- are extremely grateful for the investment and the jobs that we bring.'**
(argue)
2. 'I think there's a slight misunderstanding here. Yes, **we do make fair profits and pay good dividends, but we've never exploited our employees.'**
(explain)
3. 'Yes, that's a fair point: **we can, and we will, do more to develop sources of alternative energy** such as wind, wave and solar power.' (accept)
4. 'Well, we have little or no influence on government policy on taxation, but no, **I do not feel that higher petrol prices will reduce traffic and pollution.'**
(comment)

Task 18. Complete each sentence with the correct form of "make" and "do".

1. There's a rumour going round that Pelly's are going to a bid for Squash International.
2. Please your best to get these typed before 5 o'clock.
3. Who shall I the cheque out to?
4. If we don't get some orders soon we'll have to some of our workers redundant.
5. I'm afraid you'll have to without the other photocopier until we can get the part we need from the suppliers.
6. We've been business with them for over thirty years now.
7. Considerable progress has been and we hope to put some concrete proposals to our members tomorrow afternoon.
8. The bank has decided to extra provision against bad debts this year.
9. They've been a roaring trade since they decided to advertise on local television.
10. We have a considerable profit on the sale of that land.
11. I've got all these invoices to before I can go home.
12. The business was so run down when she took it over that nobody expected her to such a success of it.
13. Something as simple as changing the size of the lettering on the packet can . . . all the differences to your sales.
14. Increasing production will even more demands on machinery which is already breaking down at an alarming rate.
15. They could with some computer paper in the wages office.
16. We've away with the old system of clocking in.
17. A customer has a complaint about one of our salespeople.
18. In fact Graves have us a favour by launching their product first. We can learn from their mistake.

FLUENCY WORK.

Task 19. *You have been asked to plan a kick-off meeting for a new project. The meeting, which will take place in a conference hotel, is scheduled to start on Friday evening and end by early Sunday afternoon. Plan an agenda for the meeting and send the agenda, as part of an email, to all the participants.*

Task 20. *You should find more detailed information on some of the latest and most commonly used project management tools, choose the one you like and prepare a report. These project management tools are:*

1. Business Plan
2. Milestones Check-list Scheduling Tools and Methodologies
3. Gantt • Pert • MS Project
4. Business Case Justification
5. Project Charter
6. Project Framework or Overview
7. Risk Analysis
8. Score Cards
9. Team Building
10. Project Communication Plan
11. Project Management Templates
12. Project Management Software Packages

Unit XVIII

Business Across Culture. Ethics.

LEAD-IN

Task 1. *Discuss the following with your partner.*

1. What are some ways people greet each other in formal and informal situations?
2. What are some things foreigners might accidentally do that are offensive in your culture?
3. What are the advantages and disadvantages of a multinational company adapting its management methods to the local culture in each country in which it operates?
4. To what extent is the culture of your country similar enough to those of neighbouring countries to have the same management techniques? Or do they have very different attitudes to work, hierarchy, organisation and so on? If so, what are these differences?

Task 2. *Match the words with the definitions.*

1. collectivist	a) an invented word combining worldwide and regional concerns
2. improvise	b) thought based on reason and judgement rather than feeling and emotions
3. compromise	c) a face-to-face disagreement or argument
4. interrupt	d) reducing demands or changing opinions in order to agree
5. confrontation	e) understanding or knowing without consciously using reason
6. intuition	f) people of influence or importance with whom you are associated
7. logic	g) to do something when necessary without having already planned it
8. connections	h) respect, prestige or importance given to someone
9. lose face	i) believing that the group is more important than the individual
10. eye contact	j) to be humiliated or disrespected in public
11. status	k) to cut into someone else's turn to speak
12. globalization	l) looking directly at the people you are talking or listening to

READING

Communication Skills for Business Across Cultures

If your company deals with international clients communication skills are invaluable to avoid translation or cultural differences. A gesture or phrase that is fairly common or positive for us could be seen as rude or impolite to other cultures; this is why it's important to improve on communication skills.

Disagreement Requires Tact

For example, in western culture a respectful disagreement with a manager or boss is for the most part encouraged or welcome if you can back it up with a valid point however in other cultures an outright disagreement is considered inappropriate and rude. Which is why it's doubly important to have good communication skills when expressing disagreement since it will take subtle tact and suggestion in order to effectively communicate; some western cultures will not even pick up on a disagreement expressed if they don't understand it's considered impolite to disagree outright in other cultures.

When Business Links Aren't Enough

When it comes to western culture business relationships are merely business, it's important to them to keep them professional. However, in other cultures it is expected that business and personal relationships are intertwined. Communication skills and techniques go far beyond the bounds of simple business; it's often considered impolite to immediately begin work without inquiring about health or family for many cultures. We may think we're professional, but for many cultures business etiquette is not enough.

Addressing Authority

Key communication skills level the playing field when it comes to the all-important addressing of authority. In western culture we may be comfortable calling our boss by their first name if we have a good repertoire with them, but this is not true for all cultures. When in doubt always properly address a client or potential partner formally. Keep in mind that while most western cultures have someone's first name first and surname second, other cultures prefer to do this in reverse. Also nicknames may be common in the immediate workplace but it's expected that formal addressing continues much longer than in other cultures than in western cultures.

Nonverbal Communication

Finally, skills for effective communication are not limited to verbal speech alone; there are many nonverbal gestures that need to be mastered before we attempt them. For example, our "thumbs up" is a positive sign of agreement or confidence, but it would be considered incredibly offensive to certain cultures. While we all know it's important to maintain eye contact, depending on the situation this could be incredibly offensive. Standing close to someone, sitting down first at a meeting, reading a business card in front of the person presenting it and even using your left hand to give something is all gestures that are could

be construed as negative so keep this in mind.

All is not lost however; researchers have found that a genuine smile is universally understood to be positive; one does not need communication skills to show a good old fashioned free smile.

Business Across Cultures: Etiquette at Work

The unspoken but assumed behavior that conveys politeness is strongly based on culture. One of the easiest ways to inadvertently cause offense is either to violate a cultural taboo or to fail to follow one of society's rules of polite behavior.

Whether for Indonesian business men travelling in the West or for foreign professionals working in Indonesia, it is important that you take the time to learn about and follow the assumed rules of politeness. Many foreign professionals in cross cultural training programs comment that they thought that politeness was universal. Meaning that, if you act politely based on your own understanding of what is polite, people in other cultures will understand the attempt. Generally the foreign professional should also take the time to learn about the specific cultural ideas of politeness that do vary between cultures. In Indonesian business, there are a few specific rules that foreign professionals should be sure to know about and follow. Perhaps the most important of these is the giving of refreshments in meetings.

Taken as an example, Indonesian society considers the giving of refreshments to guests as a very important display of respect and politeness. If you are the host of a meeting with a Bapak, you should make sure that some refreshment is offered. If you are the guest you will most probably be offered tea or coffee. It is normally advisable to accept even if you are not thirsty. A guest should wait for the host to indicate that it is permissible to drink. Quite often there may be a delay between being served and being asked to drink. Being invited to drink can even indicate that the business portion of the meeting is over. Be patient and follow your host's lead. If you really are thirsty, ask permission to start drinking. This custom is modified during the fasting month of Ramadan.

Most foreign professionals already know that the left hand is considered unclean in many countries. That is also true in Indonesia. Never hand anything to another person using your left hand. If this makes the action somewhat cumbersome by having to change hands, take the time to do it anyway. Dress in the office should be formal. There can be problems in multicultural offices because the foreign professionals wore blue jeans and T-shirts. The Indonesian co-workers perceived this as informal and disrespectful on the part of the expatriate. How, they asked, can the foreign professionals expect respect when they look like tourists?

The giving of gifts is quite common in Indonesian society as it reflects the communal nature of traditional life. Souvenirs or small food items are usually given to co-workers when a manager returns from a long trip. This also

translates to bringing small gifts when visiting someone's house and even giving mementos of special training or business trips.

There are a few differences in the use of hands and feet for indicating actions or getting attention. The proper way to call someone is to use one of the Indonesian words Pak, Mas, Bu, Mbak and make a scooping motion toward you with your hand, fingers facing down. Crooking the index finger as is common in the West is not polite here. Also, be observant of where you position your feet. Exposing the sole of your shoe can be impolite as is pointing with your foot to indicate an object. Shoes should be removed when entering mosques or, usually, when entering someone's home. If you are unsure, ask.

Lastly, foreign professionals should keep in mind the importance of status in Indonesian society. In Indonesia everyone has status, but that status is situational. A low-level employee in your office may have very high status in his home community either through leadership ability or religious training. Try to understand the different situations that arise in day to day office activity and modify your personal behavior to meet those situations appropriately.

Across Cultures Communicating Business Globally

Global business benefits may include allowing firms to increase their profitability in ways not available to purely domestic enterprises. Firms operating internationally are able to realize location economies. Location economies are value creation activity in the optimal location, using lower-cost locations reduces overall costs and product differentiation for super pricing and creating a Global web for value creation. Why does the Le Mans car continue to be sold even though it was considered in the U.S. as a low rating vehicle? Because of location economies and cost the car was a great production for GM. In Germany the car was made cheap but the gain for GM was great. If we look at Hyundai cars we use to say it was a piece of junk but the company use of location economies created a continuous gain. In Korea the Hyundai factory made outstanding cars but for the U.S. they were made with just enough quality to create a gain and start a name. Longtime goal had to be the focus of Hyundai for the U.S. market in which they have succeeded. Global business also benefits the use of cheap labor. We all wonder why a business moves to overseas and the answer is “cheap labor” which is part of product and skills localization. Because of low employment rates and lack of trades a country like Mexico has skilled workers that will work twice as hard and half the pay of Americans. A globalized business will relocate or expand to reap the benefits to maximize productivity. Large businesses normally get a big tax break from the country it setups in. Can we call this type of business strategy a greedy business? No, it's just business. Global business refers to the exploit of other country resources to include labor rate, tax cuts and etc. Whereas international business is to expand your product to other countries they can use your product over their own. Where there are advantages there are also disadvantages. The following are

some advantage and disadvantage with global business strategies:

- Advantages

- a) Facilitate entry into foreign markets.
- b) Enable partners to share fixed costs and risks associated with new products and processes.
- c) Facilitate transfer of complementary skills between companies.
- d) Help establish technological standards.

- Disadvantages

- a) Risk of giving away technological know-how.
- b) Risk of opening local market access to foreign alliance partner.
- c) Risk of not getting anything in return

When dealing in the realms of global and international business communicating across cultures will place a major role. Cross culture communication simply deal with getting to know the culture of the country you will be dealing with. The first step in a successful cross culture communication is to familiarize yourself with that culture work norms, address terms and attitudes toward time. Most countries have different culture background therefore it is best to study ones culture. Though it is impossible to fully understand all the intricacies of other societies, it is worth learning at least the basics - how to greet and address others, how to dress, how to handle business cards, personal space, eye contact, and punctuality to name a few. First impressions are always important so showing cultural respect when greeting others is essential. In many western countries a handshake is the preferred greeting, but even differences exist there. In Germany a firm, brief handshake with good eye contact is expected at introductions and departures while in Italy handshakes can be warm and spirited in business meetings. And in both countries it is customary to shake hands with everyone in the group upon entering and leaving, avoiding general group salutations. Some cultures, such as the French, may kiss one another when greeting at work, but it is best to refrain from the behavior unless they initialize it, extending your hand instead. The Japanese often shake hands with westerners as a sign of respect and appreciate when westerners bow out of respect to their culture. Chinese may bow or shake hands. In respect to the different cultures that you may face it is operative that we master this communication barrier and overcome it.

ANSWER THE QUESTIONS.

1. What are the main rules of doing business across cultures?
2. Why is it important to follow these rules?
3. What are the benefits of global business?
4. What risks are considered to be the disadvantages of global business?

DISCUSSION.

Task 3. *Talk about your experience of working in cross-cultural teams. Was it easy? What was the most difficult thing? “When in Rome, do as the Romans do”. But is it possible to change your behavior or personality?*

Task 4. *Do you take part in meeting in English with native speakers? Do you find the native speakers tend to dominate or do they make allowances for the fact that some participants are speaking a foreign language?*

Task 5. *What nationalities do you tend to associate with the following characteristics?*

1. They insist on sticking to a strict agenda.
2. They can't see any further than next month's sales figures.
3. They like to get to know you before they do business with you.
4. They're generally pretty disorganized.
5. They avoid confrontation at all costs.
6. It takes a while to win them over.
7. They keep changing their minds.
8. They say what they mean and they mean what they say.
9. They seem to argue for the sake of arguing.
10. They tend to dominate the meeting.
11. They see meetings as an opportunity to exchange information and share ideas.
12. They see meetings as an opportunity to get things moving.

How dangerous is it to stereotype people in this way? Compare your opinions with those in the article below.

BOARDROOM CULTURE CLASH

An Unpredictable Affair. Try to put pressure on a Japanese in a negotiation and you will meet 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 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 necessary 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 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.

Succeed With The Germans. Don't be surprised if the German 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 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, German 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 you are culturally conditioned? For in business as in life, "All humans beings are captives of their culture."

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 humor.
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.

LANGUAGE WORK.

Task 6. *Obviously in a delicate negotiation you do not always say exactly what you think. You need to be able to express yourself diplomatically to make your point firmly but politely. Match what you think with what you say.*

WHAT YOU THINK	WHAT YOU SAY
1. We are unhappy with this offer.	a) Unfortunately we would be unable to accept that.
2. We are dissatisfied.	b) With respect that's not quite correct.
3. We can't accept it.	c) I'm sure we don't need to remind you of your contractual obligations.
4. You said there would be a discount.	d) We're rather surprised that you expect us to cover the costs.
5. Don't forget your obligations.	e) We would find this somewhat difficult to agree to.
6. We want a guarantee.	f) We were rather hoping to finalize the deal today.
7. We won't agree to this.	g) I'm sorry but we're not very happy with this offer.
8. We are shocked that you expect us to cover the costs.	h) Actually we were hoping for a slightly more substantial rebate.
9. That's wrong.	i) I'm afraid you don't seem to understand.
10. We want a bigger rebate.	j) We understood there would be a discount.
11. We must finalize the deal today.	k) We would need some sort of guarantee.
12. You obviously don't understand.	l) We're not completely satisfied.

Now change the following rather direct remarks into ones which are more diplomatic. The words in brackets will help you.

1. You said the goods were on their way. (understood)
2. We're unhappy about it. (sorry but/ not very)
3. That's a bad idea. (might/ not very)
4. This is most inconvenient. (afraid/ might/ not very)
5. We can't accept your offer. (unfortunately/ unable)
6. We want a bigger discount. (hoping/ slightly)
7. Your products are very expensive. (seem/ rather)
8. We must reach agreement today. (actually/ rather hoping)
9. It'll be unmarketable. (unfortunately/ would/ not very)
10. There will be a delay. (afraid/ might/ slight)
11. You must give us more time. (actually/ appreciate/ a little more)
12. You don't understand how important this is. (respect/ don't seem/ quite how)
13. Don't forget the terms of the contract! (sure/ don't need/ remind)
14. We're getting nowhere! (afraid/ don't seem/ very far)

Task 7. Choose the right words in italics in the sentences.

1. Tyr to have good working *relations/relationships* with people from other cultures.
2. My name is Aga. It's *pleasant/a pleasure* to meet you.
3. Bjorn, I'd like to *introduce/present* you to Sergey.
4. My name is Josephine, but please *call me/say* Jo.
5. Avoid making people *lose face/lose their face*.
6. It's not very nice to be in a situation where you *are embarrassed/have shame* in public.
7. It's OK to *speak/talk* business at a working lunch.
8. Laughing at yourself can *put the other person at ease/make the other person easy*.
9. Irony is often *mistaken/misunderstood*.
10. Some people judge you by how firmly you *shake hands/shake the hands*.

Task 8. Match the cultural issues with the comments.

1. eye contact	a) "A business contact in Japan took me out to dinner in Tokyo. I asked the waiter about the dish of the day. The waiter told me, and I said, "No, I don't like that." My Japanese host looked horrified.
2. humour	b) "We just grabbed a few sandwiches from a place round the corner and went back to the office."
3. maintaining harmony	c) "When I worked in London I found that people used to make jokes in the middle of a business meeting – that just doesn't happen in my country."
4. punctuality	d) "We were supposed to start at 9 am, and I got there ten minutes early. They were only just opening the building – the

	lights weren't even on."
5. titles	e) "He leant forward and stared at me in silence for several seconds, like he was looking into my soul or something. I felt very uncomfortable."
6. working lunch	f) "A German colleague once told me that over there a senior male university teacher with two PhDs could receive emails that begin "Herr Professor Dr Dr Schmidt". I wonder if it is true?"

Task 9. Complete the text with the following words: ethical investment, environmental (green) issues, environmentally damaging, green activists, reputation.

Steve Nygren is CEO of the Scandinavian Investment Bank.

"Investors are more and more concerned about where their money is invested. We take very seriously. We don't invest, for example, in arms companies or tobacco firms. are also very important. Recently we were involved in a project to build a large dam in the Asian country. We discovered that large numbers of farming people would be forced to leave the area flooded by the dam, and that the dam would also be , reducing water supplies to neighbouring countries. It was ... from the environmental organization Green Awareness who told us this. We withdrew from the project and tried to persuade other organizations not to invest in it. We didn't want to damage our ... for ethical investment."

**Task 10. Complete the sentences below using words from the list
marker 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 ...-centered 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.

Task 11. Choose the best word to fill each gap from the alternatives given below.

"My name is Daniel Bertolino and I'm a software developer. In our department we dress (1) We can't wear shorts or dirty T-shirts so I suppose it's "(2) casual". People in Sales have to dress (3) The

men wear dark business (4) and so do the women. They all look the same. It's like a (5) really. At the end of each month we have a (6) Friday. It's strange to see the CEO without a tie on."

- | | | |
|------------------|---------------|-------------|
| 1. a) casualty | b) causally | c) casually |
| 2. a) smart | b) straight | c) special |
| 3. a) obligatory | b) remotely | c) formally |
| 4. a) shirts | b) suits | c) suites |
| 5. a) uniform | b) portfolio | c) logo |
| 6. a) dress-up | b) dress-down | c) dress-in |

Task 12. Match the word on the left to a word on the right to make a word pair. There is one extra word that you don't have to use. Then use your word pairs to complete the sentences below.

working	break
corporate	holiday
lunch	lunch
public	breakfast
eye	hospitality
contract	

1. Make with customers so that they know you are listening.
2. I usually go shopping during my
3. Tomorrow is a so the office will be closed.
4. Let's discuss this over a tomorrow morning.
5. We spent over \$40,000 last year on

Task 13. Choose the best word to fill each gap from the alternatives given below. There is one extra word that you don't have to use.

presenteeism / punctuality / humour / business / absenteeism / gestures / entertainment

1. Our overseas clients expect when they visit so I take them out every evening.
2. He is very keen on, so get there early.
3. I don't like lunches because they go on for too long.
4. There was a culture of with people at their desks even at the weekend.
5. You can learn a lot from watching the that people make when they are talking.
6. An important business meeting is not the place for It can go horribly wrong.

GRAMMAR CHECK.

Noun + Preposition

Here is a list of nouns and the prepositions normally used with them:

ability in	advantage of	advice on	alternative to
benefit of/from	cause of	cost of	difficulty with
example of	hope of	experience of/in	knowledge of
lack of	matter with	method of	opinion of
price of	reason for	reply to	solution to
substitute for	success in/at	tax on	trouble with

Many of the verbs have related nouns with the same prepositions. Here are some examples:

agreement with/about	approval of	belief in	comparison with
complain about	decision about/on	division into	focus on
information about	insistence on	insurance against	investment in
invitation to	knowledge about	objection to	payment for
protection from	reference to	responsibility for	wait for

Many of the adjectives have related nouns with the same preposition. Here are some examples:

awareness of	certainty about	disappointment with	doubt about
excitement about	fear of	interest in	involvement in
opposition to	optimism about	pessimism about	preparation for
satisfaction with	similarity to	suitability for	worry about

“Rise, fall + of/in”

Words referring to increases and decreases (like rise, fall, etc.) can be followed by “of” or “in”. “Of” refers to an amount. “In” refers to the thing that has increased or decreased.

*There has been an increase/rise/reduction/fall **in** operating profit **of** 3 %.*

“Connection, relationship + with/between”

One thing has a **link** with another.

There is a link **between** two things.

Words that can be followed by either preposition include: *connection, link, relationship, contrast, difference.*

*There is a connection/relationship/contrast **with** what happened last year.*

*There is a connection/relationship/contrast **between** last year and this year.*

“Need, wish, request + for”

Nouns meaning “need” or “request” have **for** after them. Examples include: *application for, demand for, need for, order for, preference for, request for.*

Prepositional Phrases

Here is a list of common prepositional phrases (preposition + noun phrase):

- at short notice, at cost price, at a good price, at a profit/loss, at first sight

*I've had to call this meeting **at short notice** because of the urgency of the situation.*

*It's difficult to sell **at a reasonable profit** when labour costs are so high.*

- by accident, by car/bus/taxi, by chance, by credit card, by hand, by law, by mistake, by post/courier, by return (of post)

*We met in the street **by chance**. It was quite unexpected.*

*Please let us know your decision **by return** as further delay will result in higher costs.*

- for a change, for lunch, for pleasure, for sale

*Would you like to join us **for lunch**?*

*We always eat pizza. Tonight let's go to a Thai restaurant **for a change**.*

- in advance, in bulk, in cash, in charge of, in connection with, in debt, in the end, in favour of, in general, in a hurry, in the market (companies), in my opinion, in stock, in financial terms, in the pipeline, in touch, in trouble, in other words, in writing

*We need 25% of the total price **in advance**, with the balance on receipt of the goods*

*I'm sorry we don't have this model **in stock**. We're expecting some more next week.*

*Investors just bought whatever stocks were available in the belief that more positive news was **in the pipeline**.*

- on the basis of, on business, on foot, on hand, on hold, on holiday, on the Internet, on the other line, on loan, on the market (products), on order, on the phone, on purpose, on sale, on strike, on television, on track, on a trip, on the whole

*I think we can move forward **on the basis of** what we've discussed.*

*We don't have any in stock right now, but there are 20 items **on order**.*

- out of date, out of order, out of business

*Sorry, the lift is **out of order**. You'll have to use the stairs.*

- up to date, up to you

*I use version 8 of this software – it's the most **up to date**.*

*I don't mind which restaurant we go to. It's **up to you**.*

Task 14. Complete the sentences with a preposition from the list below.

between / between / for / for / in / in / of / of / to / to / with / with

1. Have you received a reply the email you sent yesterday?
2. The demand microchips is very cyclical.
3. The results this year are in strong contrast those of the year before.
4. There is a strong contrast these results and those of the year before.

5. What's the matter your PC? Has it crashed?
6. Last year there was a fall unemployment 0.5%.
7. Is there any difference these two boxes. They both look the same.
8. At the moment I can't think of any solution the problem.
9. The increase profits was disappointing. There was a rise only 4 %.
10. I'd like to place an order forty cases of single malt whisky.

Task 15. Complete the sentences with a word from list A and a word from list B.

A: advantage focus involvment objection payment price
 suitability trouble

B: of of for for in on to with

1. We are going to change suppliers. We have so much them.
2. The oil has gone down by \$2 a barrel since January.
3. The using a small company is that they're usually cheaper.
4. We're wasting time, we need to the main issue.
5. We haven't received the last invoice yet.
6. Does anyone have any that proposal? OK, it's agreed.
7. There are rumours of their illegal arms deals.
8. It's a violent film. I'm not sure about its a young audience.

Task 16. Choose the correct words.

1. At/In first sight it looks like a good deal, but we need more details at/in a hurry.
2. - Shall we try using a different supplier by/for a change?
 - It's up/out to you.
3. Are you paying by/in cash or by/in credit card?
4. The house next door is for/at sale. It's been on/in the market for ages.
5. Very few Board members are at/in favour of the merger. In/On the whole they think it will create more problems than it solves.
6. We need to keep in/on touch with the situation as it develops.
7. Are you here on/for business or on/for pleasure.
8. - Did you do it by/on purpose?
 - No, of course not, I did it by/on mistake.
9. By/in financial terms they're not doing well. They're \$10m in/out of debt.
10. - Partick, it's Paul Brock from Tyco at/on the phone.
 - Can you put him at/on hold while I look for his file? OK, I've found it. I'll take it at/on the other line.

Task 17. Study the underlined prepositional phrases. Match the sentence letter a)-l) containing each phrase next to a similar phrase 1-12 below.

- a) I'm sorry, I think we were talking at cross purposes. Let me make myself

clear.

- b) For the time being I think we should wait. We can make a decision later.
- c) It's to our advantage to work together on this. We're all in the same boat.
- d) It was fantastic news. And it came completely out of the blue.
- e) There's two new products in the pipeline. They'll be launched later this year.
- f) You have to be really on the ball. This situation changes all the time.
- g) I'm speaking off the record of course, but the company is close to bankruptcy.
- h) As you can see it's quite complicated. But in a nutshell we must act soon.
- i) We are on thin ice here. If they take us to court we'll probably lose.
- j) I'm afraid the new CEO is out of his depth with this latest crisis.
- k) Sorry, it's out of the question. We could never agree to that.
- l) In the long run shares are a better investment than bonds.

- 1. about different things without realising
- 2. quick-thinking and quick-acting
- 3. to say it briefly and clearly
- 4. in the same unpleasant situation
- 5. in a situation that is too difficult for him
- 6. in a situation that might cause trouble
- 7. unexpectedly
- 8. being planned and prepared
- 9. over a long time period
- 10. for a short period of time
- 11. not possible
- 12. unofficially

BUSINESS IDIOMS.

Task 18. *Complete each of the sentences with one of the words or phrases below. Use each item once only.*

carry the can / on the grapevine / thorny problem / a dawn raid / ride rough-shod / type-cast / fall by the wayside / ride the storm / undermine / hefty knock / rubber-stamp / woo / wiped off / nose-dive / teething problems

- 1. They attempt to the housewife with special offers.
- 2. Despite in the first few months, the new system has proved to be a great success.
- 3. He then turned to the of appraisal interviews, a topic which he knew would be unpopular.
- 4. If you over your opponents you should not be surprised if they take every opportunity to get their revenge.
- 5. She accuses some of the directors of trying to her position in the

company.

6. They had heard that he was thinking of leaving.
7. They were left to after the firm collapsed.
8. Luckily we were able to until things had calmed down.
9. The pound took a yesterday when the trade figures turned out to be much worse than anyone had expected.
10. Over \$17 million was . . . the value of the company after it was announced that they had made a substantial loss.
11. She's been as a risk-taker but in fact she's usually a very cautious person.
12. The committee did little more than the new policy.
13. Inevitably many new products in the rush for profits.
14. They gained control of the company after that caught the directors and the stock market completely by surprise.
15. The bad news caused the shares to 65p to 85p.

Task 19. Complete each sentence with the correct form of “take” and a word from the list below. Use each word once only.

call / down / on / seriously / chair / further / risk / out / steps / charge / home / over / up / consideration / off

1. You should an additional policy covering you against accidental damage.
2. We had to extra staff during the holiday season.
3. When all the transport costs have been into , we have in fact made a loss.
4. Sales really after the product had been mentioned on television.
5. A good sales rep can over \$500 a week.
6. If my phone rings could you the . . . for me?
7. We must to see that we don't lose our market share as a result of this increased competition.
8. If the boss is ill, who'll the at the meeting?
9. He didn't seem to the threat of redundancy very
10. Don't this , Angela. I'm just thinking aloud.
11. In 2009 we were by a large multinational company.
12. If the account is not settled within seven days, we shall be obliged to the matter
13. Mrs Jenkins has been appointed to of our Canterbury branch.
14. I'm not sure if there is a market for this kind of product but you don't get anywhere without a now and again.
15. They decided not to the option, so we had to look around for other potential purchasers.

FLUENCY WORK.

Task 20. “Role Play”. *You work in a multinational organization. You have been given the responsibility of mentoring two American colleagues who are coming to work in your office. You have been asked to help them settle in to their new workplace by preparing a short document outlining the general practices they can expect to find when they are living and working in your country. The document could include information about working practices in your office as well as practical information about your city including advice about transport and conventions such as tipping in taxis and restaurants. Present your ideas to the rest of the class.*

APPENDIX I

1. US department stores launch counter-attack.

As consumers demand better value and a more interesting and stimulating experience while shopping, department stores face a clear choice: adapt or die.

This may help to explain why four times as many households visit discount stores as department stores.

Department stores face mounting competition from speciality retailers discounters. Their steady loss of market share may be partly because the concept was born in a different era, a time when, for families, a trip to the stores combined shopping with entertainment.

What is needed is a new approach. A typical example of this approach working is seen at Selfridges. This UK group has recast itself from a “sleepy 1970s-style department stores” into a retailing experience fit for the 21st century.

One of the main changes is that more floor space is rented to vendors, in what is sometimes referred to as the showcase business model: vendors design their own booths and are encouraged to be creative.

The Selfridges model is about creating an experience that is new, interesting and different where it is not just the product that is different. The problem with US department stores is that they all look the same.

Selfridges could be a prototype for failing US department stores: it has brought back excitement and novelty and is really seducing customers by devise, developing the right merchandise, in the right quantities at the right time.

Forty-two stores are being upgraded with the latest components of its “reinvent” strategy, including enhanced fitting rooms, convenient price-check devices, comfortable lounge areas, computer kiosk and shopping carts.

The challenge department stores face is how to develop into a sector that is, essentially, not growing. But if they adapt, many industry observers believe they will survive.

Comprehension questions and points for discussion.

1. Why do US department stores lose their market share?
2. What is Selfridges? Find information if necessary.
3. What does the new approach adopted by Selfridges involve?
4. How do they seduce customers?
5. Which retail groups functioning in Russia do you know? Are their strategies up-to-date?

2. Motivating high-calibre staff.

An organization's capacity to identify, attract and retain high-quality, high-performing people who can develop winning strategies has become decisive in ensuring competitive advantage.

High performers are 10 times easier to define than to find. They are people with apparently limitless energy and enthusiasm, qualities that shine through even on their bad days. They are full of ideas and get the things done quickly and effectively. They inspire others not just by pep talks but also through the sheer force of their example. Such people can push their organizations to greater and greater heights.

The problem is that people of this quality are very attractive to rival companies and are likely to be headhunted. The financial impact of such people leaving is great and includes the costs of expensive training and lost productivity and inspiration.

However, not all high performers are stolen, some are lost. High performers generally leave because organizations do not know how to keep them. Too many employers are blind or indifferent to the agenda of would be high performers, especially those who are young.

Organizations should consider how such people are likely to regard important motivating factors.

Money remains an important motivator but organizations should not imagine that it is the only one that matters. In practice, high performers tend to take for granted that they will get a good financial package. They seek motivation from other sources.

Empowerment is a particularly important motivating force for new talent. A high performer will seek to feel that he or she 'owns' a project in a creative sense. Wise employers offer this opportunity.

The challenge of the job is another essential motivator for high performers. Such people easily become demotivated if they sense that their organization has little or no real sense of where it is going.

A platform for self-development should be provided. High performers are very keen to develop their skills and their curriculum vitae. Offering time for regeneration is another crucial way for organizations to retain high performers. Work needs to be varied and time should be available for creative thinking and mastering new skills. The provision of a coach or mentor signals that the organization has a commitment to fast-tracking an individual's development.

Comprehension questions and points for discussion.

1. Which qualities of high performers make them so attractive to both: their organizations and rival companies?
2. What are the two basic reasons for their leaving the current job?
3. Which motivators for high performers are mentioned in the text?

4. Which of them could be motivating forces for you? Make up a list of your possible motivators. Begin with the most essential ones.
5. Do you think you are going to become a high performer? Why? (Why not?)

3. No hiding place for the irresponsible business

The food industry is blamed for obesity. Mobile phone operators are challenged to protect teenagers from online pornography. Record companies are attacked when they sue music-lovers for sharing illegal files on the Internet.

Big business is being asked to explain its approach to a growing number of social, ethical and environmental concerns.

Industries that until now had avoided the spotlight are finding attention is now focusing in them. Campaigners are beginning to show interest in working conditions in factories in the developing world that make equipment for computer and telecommunications companies.

The financial sector has come under pressure over lending to controversial projects in the developing world.

Oil and mining groups have come under strong pressure from a coalition of investors, activists and the UK government to make public their payments to developing countries in an effort to fight corruption.

Some of the world's biggest footwear and clothing brands have meanwhile taken voluntary measures through the US Fair Labor Association to increase the transparency of their supply chain. They published on the Internet the first independent audits of their supplier factories, along with the steps taken to improve often terrible labour standards.

Companies usually take action when they face a real or potential threat to their reputation.

A few companies are, however, taking a lead because they believe it will give them a competitive edge. For search for competitive advantage is one factor creating interest in corporate responsibility among companies in countries such as Russia, Poland, Turkey and South Africa.

In the UK, the trend is also reflected in the sharp rise in social and environmental reporting over the past two years. More than half the FTSE250 companies now produce annual reports, according to Directions and Context, two well-known UK consultancies.

Points for discussion.

1. Can you say that there is no hiding place for the irresponsible business in Russia? Find some information and give examples.
2. Which measures should be taken to stimulate business and industries to become more socially and environmentally concerned?
3. Can you list some responsible brands or mining groups functioning in Russia? Comment on the facts.

4. UK develops taste for fair trade

The UK has a taste for guilt-free food – sales are growing by 100% a year. Along with tens of thousands of other banana growers in the Windward Islands, Denise Sutherland faces ruin. The World Trade Organization (WTO) has forced the European Union to phase out its old quota system that guaranteed West Indian growers market access, and there's no way she can match the prices of the giant US corporations that dominate the market for the world's favourite fruit.

In Costa Rica, Juan Valverde Sanchez, a sugar cane grower who sells to a local farmers' association, is unsure if he or his colleagues will survive another year. Most of the world's sugar producers cannot break onto the European or US markets because of high tariffs and the heavy subsidies that western farmers enjoy.

But there is now hope for Denise and Juan – they are selling some of all their produce to the growing 'fair trade' market that protects them from depressed world commodity markets and the price wars between giant multinationals.

For its supporters, fair trade is an example of how world trade can and should be run to tackle poverty. Producers are all small scale and must be part of a cooperative or democratically-run association of workers who observe high social and environmental standards.

Their groups deal directly with first-world companies that pay well over the world market price. They also get an added premium, which goes directly to the group of farmers to be shared out in any way they choose.

The price difference can be as much as 100% and can save a farmer from bankruptcy or mean a family has the money to send their children to school.

At the end of the chain, the first-world consumer pays about a penny extra a cup of coffee or teaspoon of sugar, or a few pence more for a banana.

Fair-trade food is booming. What started as a way for Dutch consumers to support Nicaraguan farmers in the 60s has grown into a \$500m a year global niche market with more than 400 northern companies now importing fruit, coffee, tea, bananas, nuts, orange, juice and other foods.

Around 500,000 small-scale farmers and their families are thought to be benefiting in 36 of the world's poorest countries, and the latest figures suggest it is worth \$40m extra to producers. Meanwhile, demand for other 'fairly-traded' but unlabeled non-food goods, such as handicrafts and textiles, is also growing.

Comprehension questions and points for discussion.

1. Why have West India growers lost their access onto the European and US markets?
2. Why is the harmful effect of the measures taken by WTO on sugar cane

growers? How can this problem be solved?

3. What is guilt-free food? Find information if necessary. Share the results.

4. Is Russian agricultural community going to face similar problems in the near future? Why? (Why not?).

5. What are the pros and cons of membership in the WTO for the Russian Federation?

5. Miele focuses on old-fashioned quality

At a time when life has rarely been tougher for manufactures in the developed world, Miele's strategy for survival is to break almost all the rules. The German company, a global leader in high-quality domestic appliances such as washing machines and vacuum cleaners, is renowned for its high manufacturing standards and its refusal to move down-market and compete on price.

Miele bases nearly all its manufacturing in high-cost Germany and is self-sufficient to a high degree. Rather than outsource to low-cost suppliers, it makes million electric motors a year (enough for all its products) in its own plant near Cologne. Keeping the manufacturing base in the company's own plant is, Miele believes, essential to maintaining its quality standards. Sales last year were \$2.2billion (\$1.5billion).

The company sells appliances ranging from dishwashers to coffee machines, at a price premium of up to 70 percent, over their competitor's products. It spends 12 percent of its revenue on product development – far more than the industry norm. Miele's attention to detail is legendary. Ovens are tested using machines that open and shut their doors 60,000 times to stimulate the use they will have in their owners' kitchens.

Even though Miele's manufacturing costs are higher than those of its competitors, the company says these are justified by its ability to produce appliances that – despite their high prices – people want to buy. Roughly 50 percent of Miele's manufacturing costs come from components it makes itself compared with about 30 percent for equivalent companies. But, the company says, most Miele's appliances will work for 20 years, which is longer than comparable products. This, it says, is linked to the reliability of individual parts.

Miele faces a tough few years as it strives not just to keep ahead of competitors at the top end of the white goods market but also to interest new generations of increasingly cost-conscious consumers in buying machines that – in terms of kitchens – are the equivalent of luxury Swiss watches.

Comprehension questions and points for discussion.

1. What does Miele Company produce?

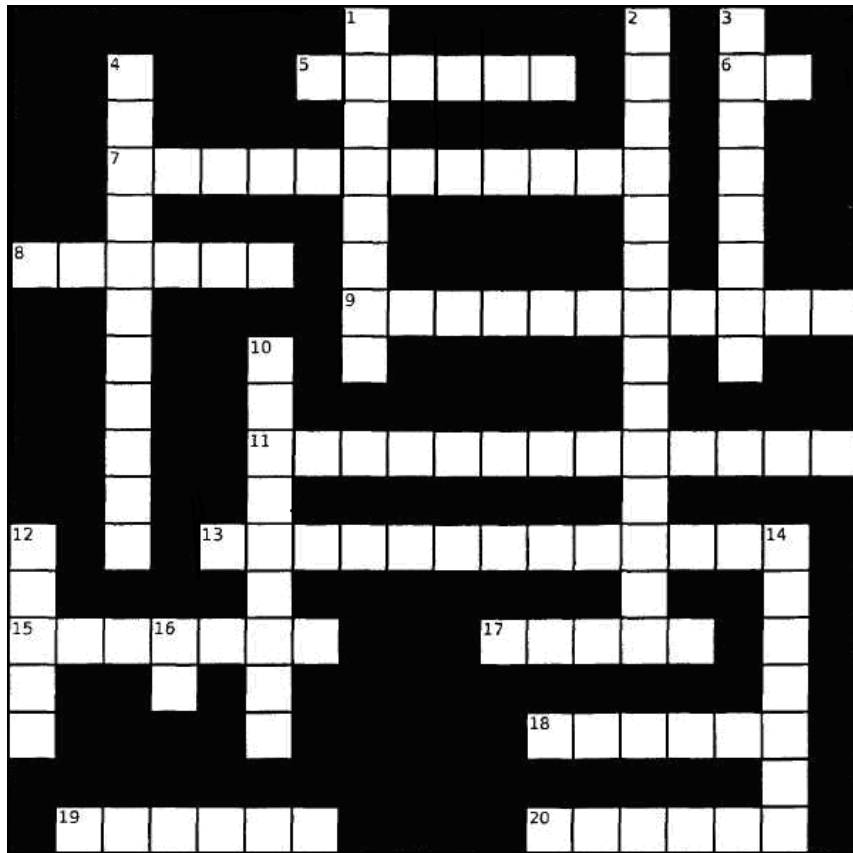
2. Which rules does Miele break sticking to its strategy? Give examples.

3. Is high quality luxury? Put forward your point of view.

4. Would you like to buy some Miele appliance? Why? (Why not?)
5. Do you know any other companies manufacturing high-quality products?
Find facts and share your conclusions.

APPENDIX II

1. Business Across Cultures



Across

5. Accounting report that shows revenues minus expenses and the balance: _____ statement.
6. Abbreviation for "Accounts Receivable"
7. A word that describes activities related to farming.
8. CV
9. Excellent (CLUE: word used in hiring process)
11. The skills that help you to relate, successfully, to people or organizations in other countries (ONE WORD WITH TWO PARTS NO HYPHEN).
13. Skills that enable you to

Down

1. If a business is "in the red" a loss has been _____ .
2. Your KSAs + your personal attributes (characteristics).
3. The simplest format used by a business to keep track of their money (ONE WORD WITH TWO PARTS: NO HYPHEN)
4. The name for a type of business activity that includes when things are bought, sold, money is borrowed, money is paid back, etc.
10. Skills that be measured and that are usually learned in school or training that you receive on the job.
12. Takes away money from an

work easily with other people:
_____skills.

15. Accounting report that show assets, liabilities and equity balance ____ .

17. A real estate contract.

18. An accountant would say that the computers at Embassy are these.

19. Adds money to an account.

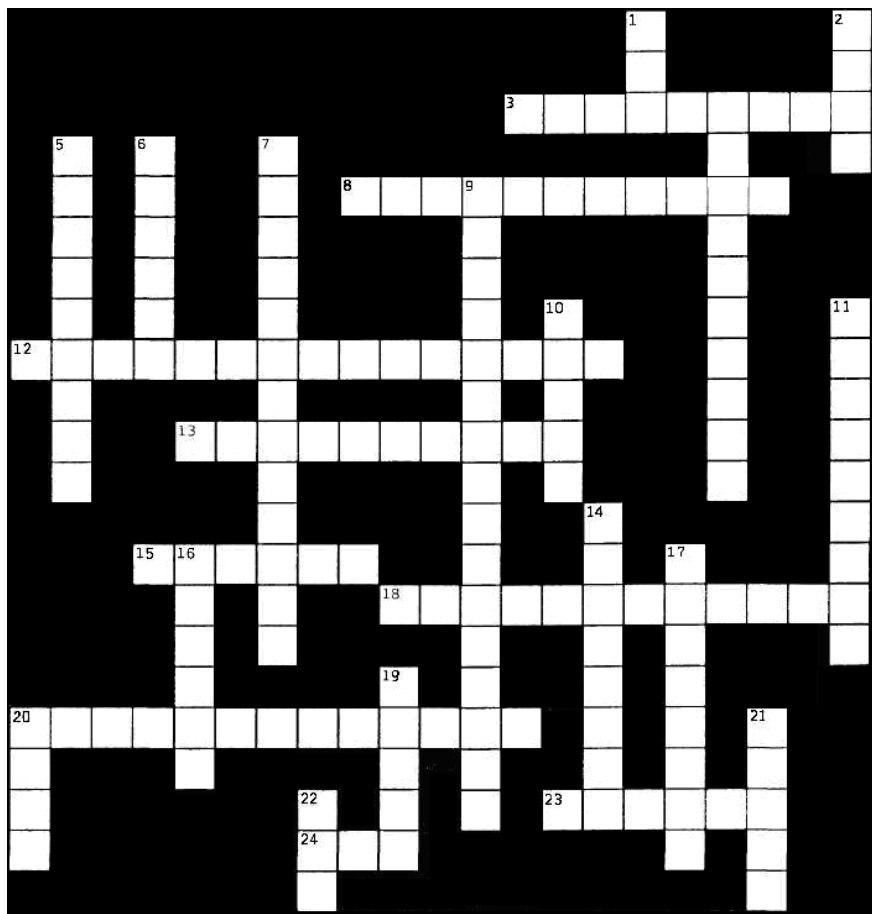
20. A choice that is written into a contract.

account.

14. A person who connects a company to the outside world.

16. Abbreviation for "Accounts Payable".

2. Famous Advertising Slogans



Across

3. M'm M'm Good.

8. I can't believe I ate the whole thing!

12. The Greatest Show on Earth.

Down

1. The un-Cola.

2. It's Everywhere you want to be.

4. It keeps going and going and going.

13. So Creamy it's almost fattening.

15. Reach out and touch someone.

18. Good to the last drop.

20. They're GREAT!

23. Diamonds are forever.

24. The Ultimate driving machine.

5. You deserve a break today.

6. Ancient Chinese Secret Huh?

7. You'll love the way we fly!

9. Don't leave home without it.

10. When there's no tomorrow.

11. Head for the mountain.

14. The best a man can get.

16. Oh What a feeling!

17. Breakfast of Champions.

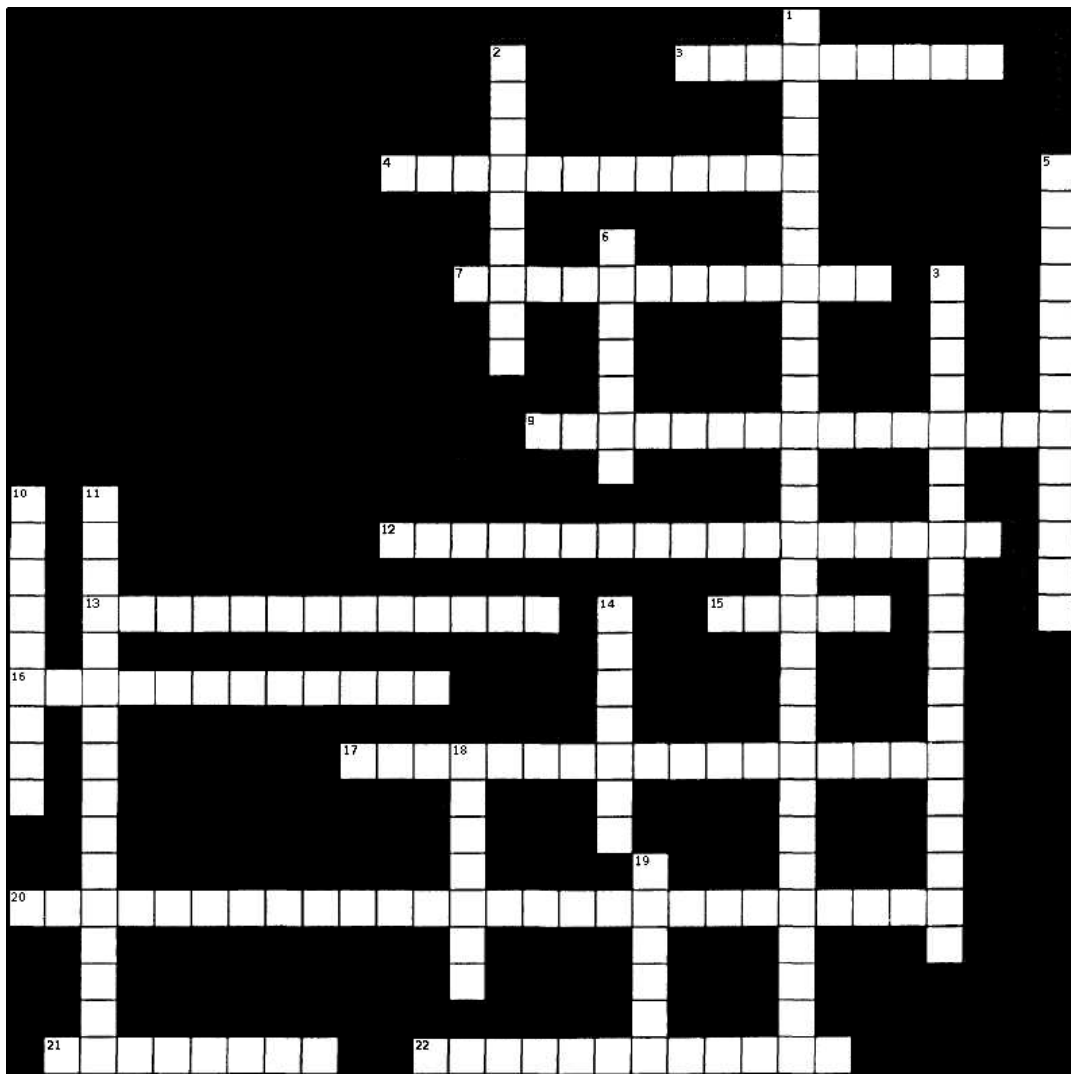
19. That frosty mug sensation.

20. Quality is job 1!

21. The Document Company.

22. Solutions for a small planet.

3. Marketing Terms



<p>Across</p> <p>3. Getting the money necessary to pay for setting up and running a business.</p> <p>4. Percentage of total sales volume generated by all companies that compete in a given market.</p> <p>7. How to get goods into the customers' hands.</p> <p>9. Consists of consumers who purchase goods and services for personal use.</p> <p>12. How you come into possession of the items you want.</p> <p>13. A group that is identified for a specific marketing program.</p> <p>15. Tangible items that have monetary value.</p> <p>16. Having a product available at a certain time of the year or a convenient time of the day.</p> <p>17. Business to business purchases that are used in their operations.</p> <p>20. Obtaining, developing, maintaining, and improving a product.</p> <p>21. Intangible items that have monetary value.</p> <p>22. Changing raw material or putting parts together to make them more useful.</p>	<p>Down</p> <p>1. Gathers information about customers trends and competing products.</p> <p>2. Planning, pricing, promoting, selling and distributing ideas, goods and services to create exchanges.</p> <p>5. Having a product where customers can buy it.</p> <p>6. Dictates how much to charge for goods and services in order to make a profit.</p> <p>8. Communication with the customer.</p> <p>10. Effort to inform, persuade, or remind potential customers about a business's products or services.</p> <p>11. Lists information about Target market.</p> <p>14. Provides customers with the goods and services need.</p> <p>18. Attributes of a product or service that make it capable of satisfying a consumer's needs or wants.</p> <p>19. People who share similar needs and wants and who have the ability to purchase a given product or service.</p>
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В 2009 году Университет стал победителем многоэтапного конкурса, в результате которого определены 12 ведущих университетов России, которым присвоена категория «Национальный исследовательский университет». Министерством образования и науки Российской Федерации была утверждена Программа развития государственного образовательного учреждения высшего профессионального образования «Санкт-Петербургский государственный университет информационных технологий, механики и оптики» на 2009–2018 годы.

The Department of Foreign Languages

The department of foreign languages was established on 20 September 1931. At that time the first new structural subdivision was singled out and the first head of the department, the associate –professor Falk K.I. (1931-1941) was assigned.

13 teachers worked at the department, namely, 7 teachers of English and 6 teachers of German.

The department of foreign languages was headed by:

1941-1951 senior teacher Mitskevich Z.P.

1953-1973 senior teacher Lisikhina B.L.

1973-1993 senior teacher Dygina M.S.

1993-2012 professor Markushevskaya L.P.

Assistant professor Protsuto M.V. has headed the department since 2012.

At present the department consists of four sections: English, French, Russian and German, 30 teachers working in the staff.

More than 75 manuals were published at the department. The electronic versions of English Grammar, Computer in Use, Studying Optics have been produced. It helps students to improve their knowledge working on computers.

Much attention is given to working out different tests for distance education and special courses.

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