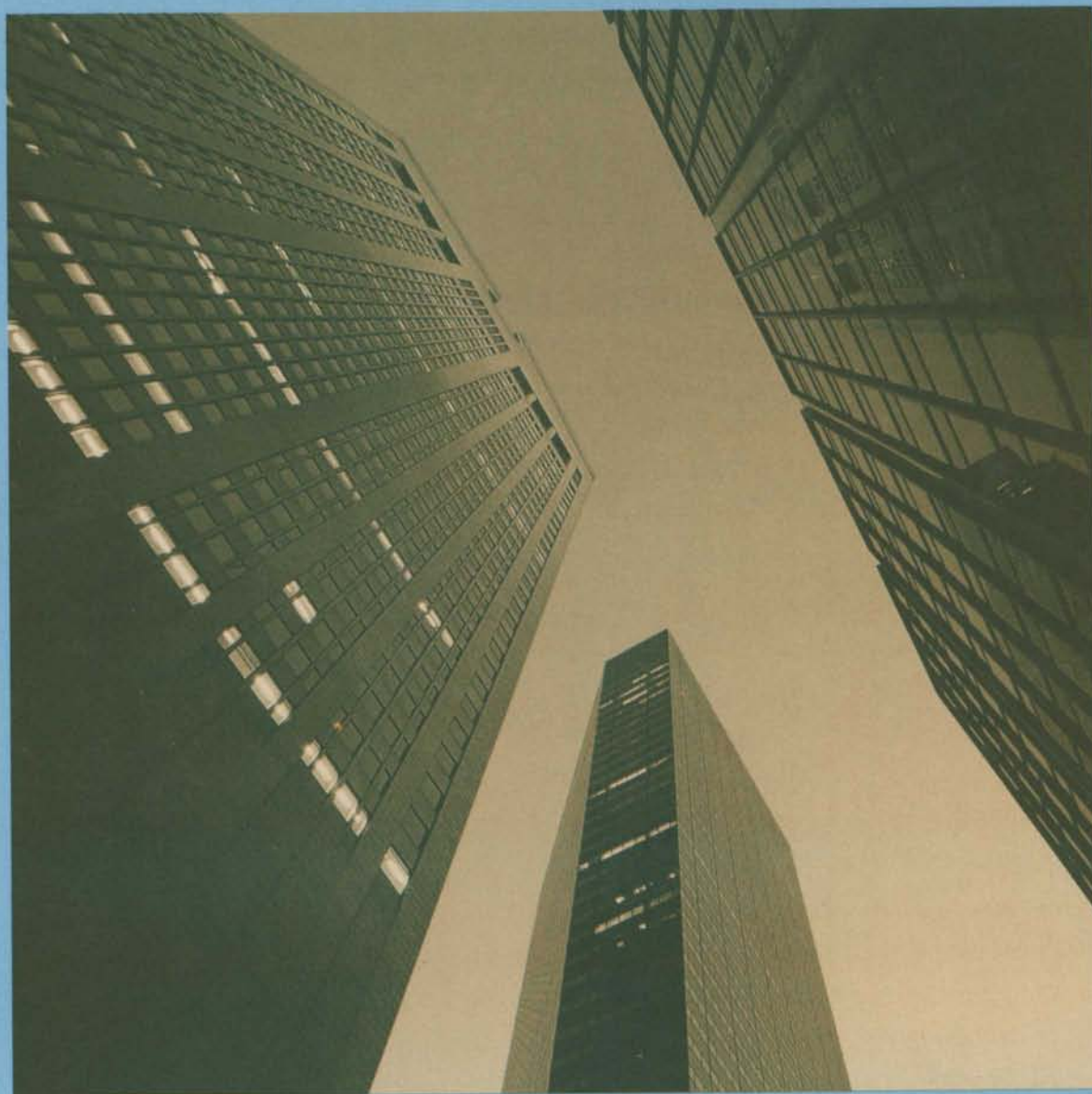


# Powerhouse

An Intermediate Business English Course



David Evans

**Teacher's Book**



**Teacher's Book**

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and Associated Companies throughout the world.

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# Introduction

*Powerhouse* is a language teaching course that offers business English with a definite 'business' flavour. Wherever possible the course teaches authentic business language as it is used in authentic business situations. For this reason, it draws on an extremely wide range of authentic sources. Material has been taken not just from business books, newspapers and magazines, but also from novels, political speeches and even Hollywood movies, in an attempt to bring learners as close as possible to the kind of language that businesspeople really use!

*Powerhouse* has also been designed to offer teachers as much flexibility as possible. It can be followed as a complete course, or you can dip into it wherever you like. Each of the ten modules of the Course Book is based on a business theme and is divided into six double-page spreads; each of these double-page spreads is a complete and free-standing lesson. The map on pages 6 and 7 allows you to find your way round it at a glance, or, if you want to reference the course in more detail, try the indexes at the back of this resource book.

The language level of the course is broadly 'intermediate'. However, early modules of the course include material that allows the teacher to 'pick up' learners from lower-intermediate levels, while material in later modules 'reaches up' to learners at upper-intermediate level.

The course is aimed primarily at in-work professional and businesspeople, but is also appropriate and accessible for learners who have not yet started their careers.

## ***Powerhouse: a flexible, authentic approach to business English teaching***

### **THE STRUCTURE OF THE COURSE**

The ten modules of the Course Book are each themed around a different area of business. Every module contains the following double-page spreads, each of which makes up a free-standing lesson.

#### **Vocabulary**

A double-page spread introduces vocabulary relevant to the subject of the module. A typical spread will introduce language through an authentic text, and then provide activities for development, practice and personalisation.

#### **Grammar review**

The most important grammar points at this level are reviewed in a range of business contexts relevant to the theme of each module. Learners seeking more in-depth explanation and further practice are referred to the Grammar Reference section at the back of the Course Book.

#### **Doing business 1 and 2**

These two double-page spreads in the middle of each module introduce business communication skills. They often begin by analysing an authentic model – for example an extract from a film script – and then go on to provide learners with the language and the contexts in which to develop their skills in each area.

Many of the skills practised – for example presentations, telephoning and meetings – are familiar from the standard business English syllabus. However some, such as writing an e-mail, may be new.



### Focus

An activity – often, but not always, some kind of discussion – based on the theme of the module. This often also involves analysis of authentic ‘case study’ type material.

### Social skills

A systematic look at the social skills that businesspeople need, including practice in areas such as breaking the ice, showing interest and developing conversations. Again, authentic contexts are provided through the use of extracts from films, novels and management texts.

For more detailed reference to the contents of the Course Book, consult the Index of Course Book teaching points.

### The *Powerhouse* Study Book

For learners who want to work by themselves outside the classroom, a *Powerhouse* Study Book with its own cassette accompanies the course. Its contents reflect the themes and format of the *Powerhouse* Course Book module by module, providing revision, practice and extension activities for material introduced in the Course Book.

A *Check Your Progress* section at the end of each module allows learners to monitor their acquisition of the target language and ideas.

### The *Powerhouse* Teacher's Book

As *Powerhouse* has been designed to be a flexible and adaptable course, this resource book does not aim to tell teachers how to ‘use’ the Course Book. Instead, you will find:

- 1 Answers and suggested answers to activities in the Course Book
- 2 Background information on business ideas, personalities and companies mentioned
- 3 Suggestions for further reading
- 4 Occasional notes on teaching the material
- 5 Further activities, mainly presented in the form of photocopiable pages (Copymasters), towards the back of the book
- 6 An index of teaching points in the Course Book
- 7 An index of authentic material, people and companies mentioned in the Course Book.

## Map of the Course Book

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# connections

## *General business* VOCABULARY

### OBJECTIVES

To review/introduce general business vocabulary  
To provide an opportunity for the group to get to know each other

### BACKGROUND

#### Big Night

*Big Night* is a film about two brothers who are struggling to make a profit from their Italian restaurant in a small town outside New York. As a 'favour', a rival restaurateur says that he will arrange for a major recording star and his band to eat at their restaurant one evening. In the hope of gaining much-needed publicity for their restaurant, the brothers spend their little remaining money on lavish preparations for the star's visit. But, as the movie progresses, it becomes clear that the star is not going to turn up and that the 'big night' has been nothing more than a trick to bankrupt them and drive them out of business. Towards the end, the brothers confront their rival and ask him how he could have done such a thing to them; this definition of a businessperson is part of his reply.

*Big Night* (1996) Directed by Stanley Tucci and Campbell Scott.  
Screenplay by Stanley Tucci and Joseph Tropiano.

### ANSWERS

An average worker?

1 union    2 spouse    3 retirement age

## *Grammar review*

### OBJECTIVE

Review of present simple and continuous tenses

### BACKGROUND

#### Apple Computers

Apple Computers was founded by computer enthusiasts Steve Jobs and Steve Wozniak in a suburban garage in California in 1977. Within five years, its annual turnover had grown to more than \$1 billion and it had become a serious competitor to America's top computer companies such as IBM and Hewlett Packard. In 1983, in an attempt to add business and marketing skills to Apple's top management team, Steve Jobs approached John Sculley and asked him to become Apple's Chief Executive Officer. Sculley had a brilliant record as a marketing executive for Pepsi Cola but had virtually no experience of the computer business – as he explains to Jobs in the meeting quoted in the Course Book.

But Sculley did accept the offer to become Apple's CEO, although his subsequent relationship with Steve Jobs was a troubled one and led to Jobs leaving the company little more than a year after the appointment. However, as Apple struggled to survive in an increasingly competitive market place, Sculley was also forced out, while, in another twist to the story, in the mid 1990s, Steve Jobs returned to a seat on the board of the company he had left so unhappily more than ten years before.



*Further reading/listening*

The story of John Sculley and Steve Jobs's business relationship is told in a radio programme contained in the cassette and book package *Make or Break* by David Evans (Pub: BBC English, 1992). The passage quoted in the Course Book comes from John Sculley's autobiography *Odyssey* (Pub: Fontana, 1988).

exp. 6.

**ANSWERS**

Normally or now?

1 b    2 c    3 d    4 a

Two business failures exp 6.

*The office*

- 1 He normally has a meeting.
- 2 His colleagues are having a meeting without him.
- 3 Possible answer: He's been fired!

*The mobile phone*

- 1 He's sitting in his car in a traffic jam.
- 2 Because he's going to be late for his meeting.
- 3 They have a meeting.
- 4 Possible answer: I'm going to start buying from one of your competitors.

Sculley and Jobs exp 7

- 1 Jobs wants Sculley to join Apple.

- 2 For answer, see Check box in the Course Book.

exp. 8.

**Doing business 1 ANSWERING THE PHONE**

**OBJECTIVE**

To practise receiving a phone call

**BACKGROUND**

Edison and Bell

Although Thomas Edison did not invent the telephone (it was invented by the Scotsman Alexander Graham Bell in 1876), he was one of the great inventors of the late nineteenth century, who made major contributions to the development of the light bulb, the record player, motion pictures and the electricity supply network. Both Bell and Edison were also extremely influential as businessmen; in fact, they were responsible for setting up two of America's most important companies. Bell's telephone company was later renamed American Telephone & Telegraph (A.T. & T), while Edison was the founder of General Electric.

*Further reading*

Bill Bryson's book *Made In America* (from which the quote in the Course Book is taken) looks at the history of American English and is particularly interesting on the way that business ideas and new technologies have influenced the language.

Glengarry Glen Ross

*Glengarry Glen Ross* is a movie based on a stage play by one of America's leading playwrights, David Mamet. It tells the story of salesmen working in a Chicago real estate office, who are put under an enormous amount of pressure to sell houses in new developments with names like Glengarry and Glen Ross. The scene quoted in the Course Book comes from near the start of the movie and shows one of the salesmen, Shelley Levene (played by Jack Lemmon), in a frustrated attempt to get through to a potential customer on the telephone.

*Glengarry Glen Ross* (1992) Directed by James Foley. Screenplay by David Mamet.

# TEACHING TIP Phone roles

Probably the best way to simulate telephoning is to seat your learners in separate rooms and to use either an internal phone network or a telephone trainer (a box that will allow you to link phones together without going through the phone network). If you don't have access to either of these, try getting the learners to sit back-to-back, so that they are at least denied eye contact.

## ANSWERS

Ahoy! *exp. 8*

1 Ahoy! Yes! What? Silence

Glengarry Glen Ross *exp. 8*

1 a 6 b 4 c 1 d 9 e 3 f 5 g 7 h 8 i 2

2 1 Could I speak to Dr Lowenstein, please?

2 I'll get back to him.

Phone phrases *exp. 9*

	FROM SCRIPT	OTHER POSSIBLES
Asking to speak to someone	Could I speak to ...?	I'd like to speak to ... , please.
What you hear if the other person is not available	No, I'm sorry he's not here.	I'm afraid, he's in a meeting.
Asking someone to wait	Just a moment, please.	Can you hold?
Asking for the other person's name	Could you tell me your name, please?	Can I ask who's calling?
Saying that you'll phone again later	I'll get back to him.	I'll call back later.

*exp. 10.*

## Doing business 2 GETTING THROUGH

**OBJECTIVE** To practise making a phone call

## ANSWERS

Phone verbs

1 1 b 2 a 3 c 4 e 5 d

2 Other possible phrasal verbs: ring back, call back, pick up (the receiver), look up (a number)

Not getting through!

Conversation	PROBLEM	QUESTION
1	He's on another line.	Can I hold?
2	She speaks too quickly. He's not available.	Could you speak more slowly? Can I leave a message?
3	He can't hear him. It's a bad line.	Can you speak up? Can you call back?
4	It's the wrong number.	None!
5	He's left the company. He doesn't know the name of the new man.	Would you like to speak to the new man? Can you spell that for me?

## *Focus* CULTURE AND COMMUNICATION

**OBJECTIVE** Discussion

**BACKGROUND** Francis Younghusband

Colonel Francis Younghusband (1863–1942) was one of the odder figures in the history of British imperialism. His career started in true *Boy's Own* style: as a young man he distinguished himself as a world record-breaking athlete, a Himalayan mountaineer, an explorer, a soldier and a spy. But, inspired by mystical visions on his travels, he spent his later years writing bizarre spiritual books, presiding over numerous clubs and societies and having love affairs with women many years his junior.

### *Further reading*

*Younghusband* by Patrick French (Pub: Flamingo, 1995) is an award-winning account of the life of this extraordinary character.

### Riding the Waves of Culture

*Riding the Waves of Culture* by Fons Trompenaars (Pub: Nicholas Brealey, 1993) is a guide to understanding cultural diversity in business. Trompenaars is the Managing Director of the Centre for International Business Studies in the Netherlands. His book is based on research involving 15,000 employees in 50 countries. He believes that there are seven main 'dimensions' of cultural difference. Here is a very brief summary of them:

- 1 Universalism versus particularism – are abstract principles (universalism) more important than the practical requirements of individual situations (particularism)?
- 2 Individualism versus collectivism – do you think of yourself primarily as an individual or as part of a group?
- 3 Neutral or emotional – do you appear detached or engaged in your business dealings?
- 4 Specific versus diffuse – is your business life prescribed by the demands of a contract (specific) or does it involve your whole life and personality (diffuse)?
- 5 Achievement versus ascription – does your status depend more on what you've done (achievement) or on who you are (ascription)?
- 6 Attitudes to time – which is more important: the past, the present or the future? Is time linear or circular?
- 7 Attitudes to the environment – which do you believe is more important, nature or nurture?

**ANSWERS** A tale of two cultures

- 1 The Tibetans wanted to show the British displeasure (i.e. that they were not at all welcome in their country).
- 2 The British thought that it was a friendly welcome.

## *Social skills* INTRODUCTIONS

**OBJECTIVE** To practise introducing yourself and others

**BACKGROUND** Glengarry Glen Ross

This extract comes from the stage version of *Glengarry Glen Ross* (it doesn't appear in the movie) and shows real estate salesman Richard Roma trying to start a relationship with a man he's met in a bar – James Lingk. We later learn that, during the course of a drunken conversation, Roma

has managed to persuade Lingk to buy (and even to pay for!) a house – a decision which, of course, Lingk later regrets. (For more background on *Glengarry Glen Ross* see notes on page 9.)

## Wall Street

*Wall Street* is the story of a young Wall Street broker called Bud Fox (Charlie Sheen) whose dream is to work with one of America's most successful and ruthless financial wheeler dealers – Gordon Gekko (Michael Douglas). Bud's father (Martin Sheen) is a union leader for an ailing airline – which gives Bud a source of valuable inside information to trade in return for Gekko's favours.

The scene in the Course Book comes from the second half of the movie. Bud has invited his father and several colleagues from the airline's union to his flat to meet Gordon Gekko.

*Wall Street* (1987). Directed by Oliver Stone. Screenplay by Stanley Weiser and Oliver Stone.

## ANSWERS

### Introducing yourself

	FROM SCRIPT	OTHER POSSIBILITIES
1 to give name	My name is ...	I'm ...
2 to ask for the other's name	What's yours?	I didn't catch your name. And you are called?
3 to greet the other person	I'm glad to meet you.	How do you do?

### Alternative versions

Conversation	Sentence
1	3
2	1

### Greeting phrases

... formal way to introduce yourself	May I introduce myself?	Hello, my name is ...	I'm ...
... answer to 'How do you do?'	How do you do?		
... when you know the name but haven't met before	You must be ...		
... polite way of asking for someone's name	I'm sorry, we haven't been introduced.		

### ... And introducing other people

- 1 Bud Fox introduces four people
  - 2 Dr Wilmer
  - 3 Mr Gekko
- 2 I think you know ...  
And I want you to meet ...
- 3 *Alternatives:* I'd like you to meet ... This is ... I'd like to introduce ...



# 2

## the company

### OBJECTIVE

To introduce and practise vocabulary describing different kinds of company and ways of working

### BACKGROUND

Charles Handy

Charles Handy is a business guru and writer who has published many books on the changing nature of work and organisations. Unlike those business gurus whose main focus is on improving systems or maximising profit, the emphasis in Handy's books is far more on the human, social and even the spiritual side of working life.

#### *Further reading*

Handy's most influential book is probably *The Age of Unreason* (Pub: Random Century, 1989) from which the extract on the shamrock organisation is taken.

#### More on Charles Handy

For more on Charles Handy's ideas, try the activity on Copymaster 1. The answers are at the end of the following answers section.

### ANSWERS

#### Advantages and disadvantages

	ADVANTAGE	DISADVANTAGE
For the company	It saves money and means they are more flexible.	Not much staff loyalty. No pool of expertise to call on in-house in times of difficulty.
For the core workers	High salaries and generous benefits.	Long hours, lots of pressure.
For self-employed	Flexible life-style, chance to be self-employed and work for lots of people.	No steady income. Need to sell their services to lots of companies.
Flexible labour force	Not many!	Low wages. Prospect of frequent periods of unemployment.

#### Word families

(NB The following lists are not intended to be exhaustive!)

#### *employment*

Words on the two pages: employee, self-employed, employs.

Other possible words: unemployment, employer, etc.

#### *special*

Possible words: specialist, specialised, to specialise, etc.

#### *an organiser*

Possible words: to organise, organisation, disorganised, etc.

to manage

Possible words: management, manager, mismanaged, etc.

a representative

Possible words: to represent, representation, unrepresentative, etc.

### Copymaster 1 The Gods of Management

#### *Match the Gods*

- 1 The goddess of wisdom: Athena
- 2 The king of the gods: Zeus
- 3 The god of order: Apollo
- 4 The god of wine and song: Dionysus

#### *The Gods of Management*

- 1 Apollo
- 2 Dionysus
- 3 Zeus
- 4 Athena

## *Grammar review* RESPONSIBILITIES

**OBJECTIVE** Review of 'must' and 'have to'

**ANSWERS** A job description

**3** *What does he have to do?*

recruit new staff, conduct performance appraisals, prepare the budgets, check health and safety procedures

*What doesn't he have to do?*

find new uses for radioactive material, repair the equipment, sell the institute's ideas in foreign markets

#### Safety procedures

- 1 You have to keep the door to the rest area closed.
- 2 You don't have to wear protective clothing or special shoes in the rest area.
- 3 You mustn't bring food or drink into the rest area, or smoke.

#### 'Don't have to' or 'mustn't'?

- 1 a
- 2 b
- 3 You mustn't throw these away.
- 4 You don't have to finish this today.

## Doing business 1 MEETINGS

**OBJECTIVE** To practise starting a meeting

**BACKGROUND** Michael Crichton

Michael Crichton is one of the world's biggest-selling authors, whose novels include *Jurassic Park*, which formed the basis for Steven Spielberg's blockbuster movie of the same name. *Rising Sun* (Pub: Century Arrow, 1992) is a thriller set in the Japanese business community of Los Angeles. It later became a successful Hollywood movie starring Wesley Snipes and Sean Connery.

**ANSWERS** Preparing for a meeting

- 1 Stand up straight, keep your jacket buttoned up and nod your head.
- 2 Avoid being too direct – the Japanese find it too confrontational.
- 3 Control your gestures – avoid big arm movements and keep your hands at your sides.

Kinds of meeting

- 1 a brainstorming    2 a chat    3 a briefing    4 an appraisal    5 a progress review

Formal and informal meetings

- 3 They mention: objective, time limit, minutes. It's a formal meeting.

Meeting phrases

1	To signal the start	Let's get down to business.
	To introduce the objective	We're here today to sort out this mess.
	To ask for questions	Are there any questions?
	To ask for clarification	What do you mean by that?
	To ask for repetition	Can you repeat what you said about the money?
	To interrupt	Can I say something here?

2 Other appropriate phrases

- 1 Let's begin the meeting ...
  - 2 The objective of today's meeting is to ...
  - 3 Does anyone have any queries?
  - 4 Can you explain that, please?
  - 5 Can you go over that again?
  - 6 Can I interrupt for a moment?
- 3
- 1 They have to decide what they're going to do about their travel bookings.
  - 2 2.45
  - 3 \$25,000
  - 4 Mike

## *Doing business 2* DISCUSSION IN MEETINGS

**OBJECTIVE** To ask for and to give opinions

**ANSWERS** A discussion

- 1 1 to have a clear company policy, training courses, to use common sense
- 2 Brian (the second speaker), who suggests employees use their common sense
- 3 I think you should ...

2 *A few possible alternatives:* in my view ..., I think that ..., in my opinion, etc.

Making your point

- 1 This is deliberately not clear-cut. It's a matter of opinion.
- 2 Most people would probably say that the most important thing is the way you choose to say the words and not the words that you choose.

Asking for an opinion

- 1 Has anyone got any ideas?  
What do you think?  
What's your view?

2 *A few possible alternatives:* What's your opinion? What are your thoughts? Would you like to say something here? etc.

## *Focus* HANSON

**OBJECTIVE** Discussion

**BACKGROUND** James Hanson and Gordon White

The Yorkshire businessmen, James Hanson and Gordon White built their global business empire by buying and selling existing companies. Their basic business principle was to put financial considerations before any others. The two men said that their success was the result of the improved efficiency that they brought to the companies which they took over. Their critics claimed that their reluctance to invest in new ideas and their insistence on a quick return for their money led to short-term profits and long-term decline for the companies in their charge.



## TEACHING TIP

Lord Hanson decided to reorganise his empire by dividing the companies according to the kind of business in which they operated – chemicals, energy, tobacco, building materials (see ‘What Lord Hanson did’ in the answers section below).

However, there are a number of other ways in which the companies could have been grouped. If your class is struggling to come up with ideas for ways of grouping them, you could suggest the following three organising principles (although some learners will probably be able to come up with many more!):

- 1 Split UK and US operations (e.g. US Company 1: Peabody & Cornerstone, US Company 2: SCM & Quantum, UK Company 3: ARC & Hanson Brick, UK Company 4: Imperial & Eastern)
- 2 Find companies with similar growth potential (e.g. both Imperial Tobacco and the Eastern Group are currently focused on the UK – do they have similar international potential?)
- 3 Combine companies that work in unstable markets (e.g. Quantum) with those that operate in more predictable markets (e.g. Imperial) in the hope that one will complement the other.

- ANSWERS**
- |                         |                |           |                    |           |
|-------------------------|----------------|-----------|--------------------|-----------|
| 3 1 Eastern Group       | 2 Hanson Brick | 3 SCM     | 4 ARC              | 5 Peabody |
| 6 rock, sand and gravel | 7 Cornerstone  | 8 Quantum | 9 Imperial Tobacco |           |
| 10 Peabody              |                |           |                    |           |

## What Lord Hanson did

Lord Hanson decided to divide his companies up like this:

### 1 Millennium Chemicals

Includes: SCM, Quantum

### 2 Energy

Includes: Peabody, Eastern

### 3 Imperial Tobacco

### 4 New Hanson

Includes: ARC, Cornerstone, Hanson Brick

The principle behind his decision was to ‘clump’ together similar companies.

NB There are no right and wrong answers to this case study. Many people think that these groups will change dramatically over the next few years.

## Social skills VISITORS

### OBJECTIVE

To welcome visitors to your company

### BACKGROUND

Other People's Money

*Other People's Money* is a comedy set in the boardrooms of New England and the finance houses of New York. Danny DeVito plays a brash Wall Street asset stripper called Lawrence Garfield (‘Larry the Liquidator’) who has set his sights on a traditional family company called New England Wire & Cable. Although the company has fallen on hard times recently, Garfield

calculates that he can make a killing by buying it, breaking it up and selling off its profitable parts. The company's president (played by Gregory Peck) attempts to defend his business, with the assistance of his companion, Mrs Sullivan, and her beautiful lawyer daughter, Kate. The scene quoted in the Course Book comes towards the end of the movie, when the dignified Mrs Sullivan visits Garfield's office to plead with him to spare the company and save the jobs that will be lost as a result of his destructive plans.

*Other People's Money* (1991). Directed by Norman Jewison. Screenplay by Alvin Sargent.

## ANSWERS

### Offers and requests

- 1** 1 Do you mind if I smoke?  
2 ... can I have a cup of coffee?  
3 Do you want a cup of coffee?  
Would you care for a doughnut?
- 3** 1 (*Suggested answers*) formal, tense, unfriendly  
2 Would you care for ...?

### 4/5

- 1 Do you mind if I open the window?  
*Three alternatives:* Can I open the window? Is it all right if I open the window? May I open the window?
- 2 Do you want another cup of coffee?  
*Three alternatives:* Would you like another cup of coffee? Can I offer you another cup of coffee? How about another cup of coffee?
- 3 Can I have a glass of water?  
*Three alternatives:* I'd like a glass of water, please. May I have a glass of water? Do you mind if I have a glass of water?

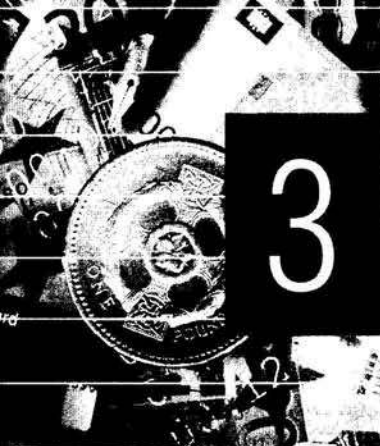
### Being polite

#### *Possible negative version*

- WOMAN No, thank you.  
WOMAN I'd rather you didn't.  
WOMAN No, thanks, I'm not hungry.

#### *Possible positive version*

- WOMAN A cup of coffee, please.  
WOMAN Not at all.  
WOMAN That would be lovely, thank you.



# money

## *Financial* VOCABULARY

### OBJECTIVE

To introduce and practise financial vocabulary

### BACKGROUND

#### Warren Buffet

In 1997 Warren Buffet was the second richest businessman in the USA (after Microsoft boss, Bill Gates). As head of the investment company, Berkshire Hathaway, he is famous not just for his phenomenal success, but also for his folksy wisdom. (One of his sayings is 'It's only when the tide goes out that you learn who's been swimming naked'.) Berkshire's annual general meeting at Omaha, Nebraska – when Buffet talks to his shareholders – attracts so many people that it's been called 'the Woodstock of capitalism'.

#### Sir John Templeton

Sir John Templeton was born in Tennessee, USA but has lived in the Bahamas since the early 1960s and is now a naturalised British citizen. He started his investment business just before World War Two, using money that he had saved while working in the Texas oil industry. Since then he has made hundreds of millions of dollars by following his own investment philosophy. 'If 90% of people are selling something, it is probably undervalued, so you should buy,' he says.

In recent years, he has devoted most of his time to good causes. Since 1973 he has funded the annual £650,000 Templeton Prize for progress in religion. He has also endowed Templeton College, Oxford as the university's first institution dedicated to business management.

#### Sir James Goldsmith

While a schoolboy at Britain's exclusive Eton College, James Goldsmith won £8,000 on a £10 accumulator bet on the horses. It was an event that was typical of his extraordinary career. In the early 1960s, he developed a chain of shops that would later become Mothercare (selling products for babies and young children), before establishing a reputation as one of the most ruthless asset strippers of the decade. Holding both British and French nationalities, he developed business empires on both sides of the English Channel, as well as staging billion-dollar corporate raids in the USA.

In the later years of his life, he became increasingly interested in environmentalism and politics, being elected as a French member of the European parliament as well as founding the Referendum Party in Britain to oppose European integration. He died from a heart attack in July 1997.

## George Soros

George Soros is a financial speculator, a philanthropist and a billionaire – with probably the biggest personal income of any private citizen in the world. In August 1992, he made \$1 billion in a day when he bet that the UK's pound sterling would be forced to leave the European Exchange Rate Mechanism. But there have been bad days too. In February 1994, he lost \$600 million when he bet the wrong way on the movement of the Japanese yen.

In recent years, Soros has become less interested in making money and far more interested in giving it away. He has started a charity called the Soros Foundation which aims to create a free, democratic society in the world's former communist countries. Over the past few years, he has spent hundreds of millions of dollars on programmes in countries such as Russia, Ukraine and Romania.

### Further work

If you'd like to introduce some more financial vocabulary, try Copymaster 2. (The answers are at the end of the following answer section.)

## ANSWERS

### A few definitions

- 1 devalued
- 2 outperformed
- 3 pessimism
- 4 stake
- 5 crash
- 6 asset stripper

### Good times ... Bad times ...

1	SUCCESS	FAILURE
	boom	crash
	expansion	decline
	golden age	slump
	growth	recession
	bull market	bear market

- 3 1 T 2 F 3 T 4 F 5 F 6 F
- 4 2 The expansion of the Japanese economy since World War Two has been extraordinary.
- 4 The oil crisis of the 1970s led to a period of recession/decline for most Western countries.
- 5 The 1987 stock market crash was the worst financial disaster for many years.
- 6 Investment bankers made huge amounts of money during the bull market of the mid 1990s.

### Shares and currencies

- 1 1 currency: exchange rate, EMU, sterling, yen, spot rate  
2 shares: stock market, Nikkei, dividend, FTSE-100, Dow Jones
- 2 **stock market** (also stock exchange) a place where stocks, bonds and shares are bought and sold  
**Nikkei** an index of the prices of some typical shares on the Tokyo Stock Exchange, operated by a Japanese financial newspaper

<i>dividend</i>	that part of the money made by a business which is divided among those who own shares in the business, usually twice a year
<i>FTSE-100</i>	Financial Times Stock Exchange 100 index; the main measure of the amount by which the leading 100 shares sold on the London Stock Exchange have gone up or down in value
<i>Dow Jones</i>	a daily list of the relative prices of shares on the American Stock Exchange, based on the daily average prices of 30 industrial shares
<i>exchange rate</i>	the rate at which the money of one country is exchanged for that of another
<i>EMU</i>	European Monetary Union; the planned system for one economic plan and the same money for all the members of the EC
<i>sterling</i>	the type of money used in Britain, based on the pound
<i>yen</i>	the standard unit of money in Japan
<i>spot rate</i>	the exchange rate for telegraphic transfers
(All the above definitions are taken from <i>Longman Dictionary of Language and Culture</i> , except 'Spot rate' which is from <i>Longman Dictionary of Business English</i> .)	

#### Copymaster 2 Financial vocabulary

##### *The stock market*

- 1 c
- 2 b
- 3 Dax: Germany; Hang Seng: Hong Kong; KOSPI 200: Korea; CAC 40: France; BRSP Bovespa: Brazil

##### *The bond market*

- 1 1 big companies  
2 rate of interest  
3 maturity  
4 market price
- 2 Gilt: A UK government bond; T bond: A US government bond; Junk bond: A very risky bond with a high yield

##### *Four financial verbs*

1 to speculate, 2 to invest, 3 to hedge, 4 to deal

##### *Three financial crimes*

- 1 b (fraud), c (insider dealing) and e (money laundering) are against the law in most countries.
- 2 a fraud, b insider dealing, c money laundering

## **Grammar review TALKING ABOUT THE PAST**

**OBJECTIVE** Review of past simple and continuous tenses

**BACKGROUND** Wall Street

For general background to *Wall Street* see notes on page 12. The scene quoted here comes fairly early in the movie and takes place as Gekko and Bud Fox ride through New York in a taxi.



## ANSWERS

### Gordon Gekko's first deal

- |                                         |                                          |
|-----------------------------------------|------------------------------------------|
| 1 What did he buy?                      | A building.                              |
| 2 When did he buy it?                   | Ten years ago.                           |
| 3 How long did he keep it?              | For two years.                           |
| 4 How much profit did he make?          | \$800,000                                |
| 5 How did he feel about it at the time? | It was better than sex.                  |
| 6 How does he feel about it now?        | It's nothing special – just a day's pay! |

### The Paul Reichmann story

#### 2 and 3

- 1 He worked on religious and educational projects in north Africa.
- 2 Paul Reichmann joined the family business.
- 3 He built the World Financial Center in New York.
- 4 The Reichmanns became the largest owners of property in New York.
- 5 Work began on Canary Wharf in East London.
- 6 His company collapsed with debts of \$20 billion.
- 7 He took control of Canary Wharf again.

- 4**
- 1 They were experiencing a serious slump.
  - 2 He was working on religious and educational projects in Africa.
  - 3 It was trying to develop a large area of derelict land to the east of London.
  - 4 Builders were finishing work on the World Financial Center.

## *Doing business 1* FIGURES

**OBJECTIVE** To practise the use of numbers

### BACKGROUND Accounts

There are three main kinds of financial statement which are used in business: the profit and loss account, the balance sheet and the cash flow statement. The examples of the balance sheet and the profit and loss account in the Course Book are simplified versions of the way these two kinds of statement are presented in the UK.

A balance sheet shows what a company owns (its assets) and what it owes (its liabilities) on a particular day – normally the last day of the financial year.

The profit and loss account shows the success of the normal operating activities of a business over a given period of time – often a year. It does this by comparing revenue over the period with the cost of the goods sold and other expenses. If a company makes money from its non-operating activities (for example, by selling a piece of land), this will appear as an 'extraordinary item'.

#### *Further reading*

A brief, simple introduction to accounts can be found in *The Manager's Handbook* – Ernst & Young (Pub: Sphere, 1992)

## ANSWERS

Dates, odds and pi

1/2

26. 12. 94 (a birthday)  
 1989 (a year)  
 2.75bn (Bill Gates' wealth in dollars)  
 3.14285 (pi)  
 11.50 (the time)  
 6-1 (gambling odds)  
 30-0 (a tennis score)  
 5/16 (a small measurement in inches)

Stress

- 1    <sup>o</sup> <sup>o</sup>        <sup>o</sup> <sup>o</sup>        <sup>o</sup> <sup>o</sup>        <sup>o</sup> <sup>o</sup>  
      thirty    thirteen    forty    fourteen

- 2 40, 13, 30, 50, 70, 17, 18, 19, 18, 90

Some accounting terms

- 1 assets  
 2 turnover  
 3 liabilities  
 4 operating profit  
 5 stock

Accounting roles

### BALANCE SHEET AT MARCH 31

	£
<b>FIXED ASSETS</b>	
Land	30,000...
Buildings	20,000
	<u>50,000</u>
<b>CURRENT ASSETS</b>	35,000...
Stock	10,000...
Debtors	5,000
Cash	<u>50,000</u>
<b>CREDITORS</b> (falling due within 12 months)	90,000...
<b>NET CURRENT LIABILITIES</b>	(40,000)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	10,000...
<b>CAPITAL</b>	10,000...

### PROFIT AND LOSS ACCOUNT FOR THE YEAR TO MARCH 31

	This year	Last year
<b>TURNOVER</b>	200,000	240,000...
Cost of sales	160,000...	180,000
Gross profit	40,000...	60,000
Administration costs	15,000	20,000...
<b>OPERATING PROFIT</b>	25,000...	40,000

**Doing business 2 THE LANGUAGE OF GRAPHS****OBJECTIVE** To describe graphs and trends**BACKGROUND** Black Monday

The stock market crash of Monday 17 October 1987 was the worst day on the international stock markets this century. After a five-year bull market, during which average share prices had risen over three and a half times, prices fell by 10% in London and 22% in New York in a single day. But Black Monday did not have the same devastating effect on the world economy as its predecessor, the Great Crash of October 1929, which led to thousands of business failures, chronic unemployment and rampant inflation throughout the developed world. However, Black Monday was almost certainly a contributory factor to the recession experienced by many countries in the early years of the 1990s.

*Further practice*

Around the tenth anniversary of Black Monday, in October 1997, the world's stock markets were again thrown into turmoil – a crisis triggered by serious economic problems in a number of countries in south-east Asia. Although the turbulence had less serious effects than the events of Black Monday, they nevertheless produced some interesting graphs!

For more practice in describing graphs, get your learners to describe the graphs showing the performance of stock markets during this crisis, reproduced in Copymaster 3.

**ANSWERS** Black Monday

- |                     |        |
|---------------------|--------|
| 1 17th October 1987 | 4 20%  |
| 2 £50 billion       | 5 1929 |
| 3 508 points        | 6 10%  |

## Ups and downs

**1**

UP	DOWN	NO CHANGE
to soar	to dip	to stay the same
to recover	to plunge	to stabilise
to peak	to decrease	
to increase	to fall	
to rise	to hit the bottom	

- |                    |                     |
|--------------------|---------------------|
| <b>2</b> 1 to rise | 6 to stabilise      |
| 2 to stay the same | 7 to fall           |
| 3 to soar          | 8 to plunge         |
| 4 to peak          | 9 to hit the bottom |
| 5 to dip           | 10 to recover       |

- 3** The newsreader uses: fell (*three times*), plunged, soared, stabilise, recover.

## Sound and spelling '-ed'

1

/d/	/t/	/ɪd/
closed	increased	lasted
plunged	crashed	decided
recovered	collapsed	intended
soared	peaked	invested
stabilised	slumped	predicted

## Focus NICK LEESON AND THE COLLAPSE OF BARINGS

### OBJECTIVE

Discussion

### BACKGROUND

Derivatives

It isn't necessary to understand the technical background to this story in order to make sense of the text. However, a brief note on derivatives may be of interest.

In the financial markets, a 'derivative' is a financial contract which derives its value from the value of another asset such as a share, a bond or a commodity. Derivatives are certainly not a new idea. For many years, money itself was a derivative – a bank note derived its value from the value of gold which was held by a country's central bank (although this is not the case today).

Examples of derivatives traded on the international financial markets are: futures, swaps and options. Options – the kind of derivative mentioned in the text – are contracts which give the buyer the right, but not the obligation, to buy or sell an asset at a set price at a set time in the future. These options contracts can normally be bought and sold themselves, at a price which reflects the changing values of the assets from which they are derived.

### Further reading

A number of books have been written about Nick Leeson and the collapse of Barings, including Leeson's own account *Rogue Trader* (Pub: Little Brown, 1996).

## Social skills BREAKING THE ICE

### OBJECTIVE

To start and develop conversations

### BACKGROUND

The Player

In *The Player*, Tim Robbins plays Griffin Mill, a Hollywood film executive who is under pressure to find ideas for new movies that his studio can develop. As part of his job, he listens to thousands of scenarios from aspiring writers, most of which are rejected. When one rejected writer starts sending him threatening messages, Griffin's executive stress is compounded first by paranoia and then by murder; he is soon fighting to save both his reputation and his career.

The scene quoted in the Course Book comes from fairly near the beginning of the movie.

*The Player* (1992) Directed by Robert Altman. Screenplay by Michael Tolkin.

## ANSWERS

Do you come here often?

### 1 *(Possible answers)*

<i>Name</i>	What's your name?	I didn't catch your name.
<i>Home town</i>	Where do you come from?	Where do you live?
<i>Reason for visit</i>	What are you doing here?	Why are you here?
<i>Length of stay</i>	How long are you here for?	How long are you staying?
<i>Interests</i>	What do you do in your spare time?	How do you spend your spare time?

### 2 *Order of subjects:* home town, length of stay, reason for visit, interests, name

## The Player

1 <i>Name</i>	Reg Goldman
<i>Home town</i>	Boston
<i>Reason for visit</i>	business and pleasure
<i>Length of stay</i>	2 weeks
<i>Interests</i>	film production, tennis

- 2
- 1 Business or pleasure?
  - 2 Reg is thinking of getting into production.
  - 3 *(Two possibilities)* the weather, his journey
  - 4 *(Some possibilities)* religion, politics, sex and death





# the **market**

## *Marketing* VOCABULARY

### OBJECTIVE

To introduce and practise marketing vocabulary

### BACKGROUND

#### Marlboro

In the first half of the twentieth century, filtered cigarettes were targeted almost exclusively at women. But in the early 1950s scientists published a study that linked cigarette smoking to lung cancer. Perhaps surprisingly, this created a new marketing opportunity for the tobacco industry. Some male smokers now wanted a 'safer' brand without wanting to be seen smoking 'a woman's cigarette' (remember, this was the 1950s!); for many, the solution was Marlboro.

#### Brands

In the last century, in the USA, a brand was a mark on the side of a cow to identify its owner. Cows without a brand were called 'mavericks' because a man called Samuel A. Maverick never branded his cattle. Today, the most common meanings of the words have changed a little: a maverick is anybody who deliberately acts differently from everyone else, and a good brand is the best way of making millions and millions of dollars!

#### *Further work*

Since 1966, all cigarette packets in America have carried a health warning and over recent years the number of smokers in the USA and Western Europe has been falling steadily. But, according to the World Health Organisation, smoking still kills around 3 million people every year.

If your learners are interested, you could discuss these two points.

- 1 Should cigarette advertising be banned completely?
- 2 Should cigarettes be banned?

#### *Developing the theme*

To develop the theme of marketing, brands and American culture, try Copymaster 4. The answers are at the end of the following answers section.

### ANSWERS

#### Positioning

- 1
  - 1 advertising executive
  - 2 advertising campaign
  - 3 launched
  - 4 target market
  - 5 reposition
  - 6 slogan
- 2
  - 1 women
  - 2 not very successful – it had only 1% of the market

### 3 (Suggested answers)

- 1 In the 1960s, for many people, Japanese cars had a fairly cheap, downmarket image. Today, they make some of the most prestigious, reliable and luxurious cars in the world.
- 2 In the 1970s, most people thought that running shoes were for ... well ... running! They were fairly cheap, simple and functional. Today, many running shoes are sold as expensive, upmarket, glamorous items to be worn at fashionable social events.

### Copymaster 4 Why are the world's top brands American?

#### 1 The world's top 10

BRAND NAME	PRODUCT
1 McDonald's	hamburgers
2 Coca-Cola	soft drinks
3 Disney	films
4 Kodak	cameras and film
5 Sony®	electronic goods
6 Gillette	razors
7 Mercedes-Benz	cars
8 Levi's	jeans
9 Microsoft	computer software
10 Marlboro	cigarettes

- 2 Only Sony® and Mercedes-Benz are not American.

## Grammar review FROM PAST TO PRESENT

**OBJECTIVE** Review of present perfect and past simple tenses

### BACKGROUND 3-M and the Post-It®

3-M (The Minnesota Mining and Manufacturing Company) has always had a reputation as an extremely innovative company – its inventions have included sticky tape, magnetic recording tape and video tape, as well as the Post-It® note.

Although he isn't mentioned in the Course Book text, part of the credit for getting the Post-It® to market should go to Spencer Silver's colleague, Arthur Fry. As well as being a research chemist for 3-M, Fry was also the director of his church choir. During church services he would mark the hymns to be sung by putting little pieces of white paper between the pages of his hymn book. However, he was frequently frustrated when he opened his book and watched his laboriously placed bookmarks fluttering to the floor. One day a solution occurred to him – how about using some of Dr Silver's Post-Its®? It was the Post-It®'s first genuine practical application!

### The seven modern wonders

In the second century BC, Antipater of Sidon made his famous list of the seven wonders of the ancient world: the pyramids at Giza, the hanging gardens of Babylon, the statue of Zeus at Olympia, the temple of Artemis at Ephesus, the Mausoleum of Halicarnassus, the Colossus of Rhodes and the Pharos at Alexandria.

At the end of 1994, Britain's *Economist* magazine tried to do the same thing for the modern world. Here is a little background information on each of its choices.

- \* A microprocessor is the central chip of a computer which controls most of its operations. The first microprocessor was built by Ted Hoff while he was working for the American company Intel in 1971.
- \* The contraceptive pill was developed by Carl Djerassi at Syntex's laboratories in Mexico City in 1951. Basing his work on a molecule taken from the Mexican yam, he created 'norethindone' – a molecule similar to progesterone which inhibited the body's production of eggs.
- \* The telephone was invented by Alexander Graham Bell in 1876 and by the early 1990s was being used by 580 million subscribers.
- \* Since Boeing 747s – or jumbo jets – were introduced in 1968, they have carried around 1.5 billion passengers. The chairman of Pan Am called them a weapon for peace because there is 'no atom bomb more powerful than the air tourist.'
- \* Since the first oil platform was used in the Gulf of Mexico in 1947, oil companies have been able to exploit the world's large offshore reserves. Thanks to their North Sea oil platforms, Britain and Norway can now produce more oil in one day than any other OPEC country except Saudi Arabia.
- \* Since the 1960s, the world's nuclear powers have been producing hydrogen bombs thousands of times more powerful than the bomb which devastated Hiroshima in 1946. At one time, the USA had over 30,000 nuclear weapons in its arsenal, although that figure has fallen since the end of the Cold War.
- \* Tranquillity Base was set up on July 20th 1969 by Neil Armstrong and Buzz Aldrin – the first living creatures to walk on the moon in its 4 billion years of existence.

## ANSWERS

Have you ever ...?

*Not grammatically correct: 1 b, 2 a, 3 b, 4 a*

A launch checklist

1

Launch checklist		
	Done?	When?
Book hotel	✓	Last Thursday
Send out invitations	X	
Make travel arrangements	✓	Last week
Organise audio-visual equipment	X	
Speak to Joan about catering	✓	Yesterday

A product launch ... before and since

- 1 has become
- 2 invented
- 3 showed
- 4 was
- 5 didn't launch
- 6 has been
- 7 has made

## Doing business 1 MAKING A PROPOSAL

### OBJECTIVE

To practise the language of negotiating

### BACKGROUND

The Godfather

Made by Francis Ford Coppola in 1972, and based on a novel by Mario Puzo, *The Godfather* is set in the world of the New York mafia in the late 1940s. Marlon Brando plays Don Corleone, the head of one of the city's main crime families, who has to deal not only with his rivals and enemies, but also with his own sons (Al Pacino and James Caan), who have new and different ideas about the way the family business should be run. There are two sequels to *The Godfather*, which bring the story of the Corleone family up to the early 1980s.

*The Godfather* (1972). Directed by Francis Ford Coppola. Screenplay by Mario Puzo.

### TEACHING TIP Classroom idea using *The Godfather*

If you can obtain the necessary permissions to show *The Godfather* in your classroom, the scene transcribed in the Course Book should make interesting viewing. Try this procedure:

- 1 Explain to your learners that it's not essential for them to understand exactly what is being said in the clip that they're about to see, but ask them to think about this pre-viewing question: what do you think is strange about this business meeting?
- 2 Play the scene in its entirety (i.e. from 'Don Corleone, I need a man ...' through to 'I wish you success in your new business, so long as your interests don't conflict with mine.' – a little beyond the end of the transcription in *Doing Business 2*).
- 3 Discuss what is strange about the meeting.

In fact, there are lots of strange things – everyone's a gangster, they're talking about drugs, they serve alcoholic drinks. But, from a cultural point of view, perhaps the strangest thing is that only two people – Don Corleone and Sollazzo – are supposed to talk, even though the room is full of people. When Don Corleone's son tries to interrupt, he is rebuked ('As you can see, I spoil my children. They speak when they should be silent.')

How does this compare with your learners' experiences or expectations of business meetings? Why do they think the meeting is conducted in this way?

- 4 Having got a feel for the scene overall, follow the procedure in the Course Book (*Doing business 1* and *2*) to analyse the language that is used.
- 5 Give your learners the opportunity to view the scene again.

### Further reading

*The Godfather* by Mario Puzo is available in a version specially adapted for English learners in the Penguin Readers series.

## ANSWERS

A photocopier salesman

- 1 1 A pen
- 2 A top-of-the-range colour photocopier

## The Godfather

WHAT DOES SOLLAZZO WANT?	WHAT IS HE OFFERING?
\$1 million in cash and political influence (plus legal protection according to Don Corleone)	A return of 30%, equivalent to \$3–4 million in the first year.

## Structuring a proposal

- 1 1 Sollazzo says what he wants.
- 2 Don Corleone asks what is in it for him.
- 3 Sollazzo explains what he's offering.
- 4 Don Corleone summarises.

## 2 If you're making an offer ...

HOW TO SAY WHAT YOU WANT	HOW TO SAY WHAT YOU'RE OFFERING
I need ...	I'd like you to consider ...
I'm looking for ...	I'm offering ...

*And if you're listening to an offer ...*

HOW TO ASK ABOUT YOUR INTERESTS	HOW TO SUMMARISE THE DEAL
What is the interest for me?	Let's sum up ...
What's in it for me?	So this is the position ...

## Doing business 2 REFUSING AND ACCEPTING

**OBJECTIVE** To practise the language of negotiating

### TEACHING TIP Lesson planning

This double-page spread is one of the few in the Course Book which is not totally free-standing. It follows on closely both in theme and content from *Doing business 1* and is almost certainly best taught in sequence with it.



## ANSWERS

Saying no

2 I'm sorry but that's out of the question.

3 I need some time to think about that.

A refusal

1 I must say no to you ...

2 *He softens the refusal by:*

- complimenting Sollazzo (a serious man, to be treated with respect)
- giving valid reasons for the refusal (friends in politics, etc.)
- explaining that his business is a little dangerous

Saying yes

2 'OK, it's a deal' is an unconditional acceptance. The others allow space for negotiation.

Four acceptances

	DEFINITE ACCEPTANCE	ROOM TO NEGOTIATE
Acceptance 1	✓	
Acceptance 2		✓
Acceptance 3	✓	
Acceptance 4		✓

## Focus ADVERTISING

### OBJECTIVE

To create an advertisement

### BACKGROUND

Advertising

Most adverts are dreamt up by the creative departments of advertising agencies. These departments are normally made up of several teams of two people – a copywriter, who writes the words, and an art director, who is responsible for the images and design of the ad. There is no standard procedure for putting an advert together; however, the approach suggested in the Course Book uses ideas taken from a number of books on copywriting techniques.

#### *Further reading*

*The Craft of Copywriting* by Alastair Crompton (Pub: Century Business, 1987) is an extremely practical guide to writing adverts, although the examples it uses may now seem rather dated.

#### *Further work*

For more product descriptions that can be used as the basis for activities on the lines of the one in the Course Book, go to Copymaster 5.

## *Social skills* ARRANGEMENTS

**OBJECTIVE** To practise making arrangements

**BACKGROUND** Look at it this Way

*Look at it this Way* by Justin Cartwright (Pub: Macmillan, 1990) is a satirical novel about London life in the late eighties. It is told from the point of view of Timothy Curtiz, an American writer who makes a living from journalism and product endorsements. Through a business connection with an advertising executive called Victoria, Curtiz becomes involved in the bizarre life of Miles Goodall who starts the novel as a successful City dealer and ends it by being eaten by a lion in Regent's Park!

The novel was dramatised and broadcast by the BBC, who supplied the photo for the Course Book.

**ANSWERS** Look at it this way

- 1 He wants to make the arrangements as soon as possible because his daughter is coming to visit.
- 2 A month from now at the earliest.
- 3 No. (Victoria says: 'I'm looking forward to meeting you.')
- 4 Because it sounds as if he's looking forward to meeting himself.
- 5 The credit card company – American Eagle.

Making an arrangement

**1** *Phrases with similar meaning from the text*

- 1 Let's have lunch.
- 2 Could you give me the dates as soon as possible?
- 3 Let's say a month from now.
- 4 I'm looking forward to meeting you.
- 5 I'm afraid I don't know yet.

**2** *Appropriate replacements with possible explanations*

- 1 a (b is too formal)
- 2 b (a is too much of an imperative)
- 3 a (b is too impersonal)
- 4 b (a sounds like a translation)
- 5 a (b is too impersonal)

# 5

# management

## *Management* VOCABULARY

**OBJECTIVE** To introduce and practise management vocabulary

**BACKGROUND** Ford

The Ford 2000 initiative seems to have been inspired partly by recent developments in communications technology. More sophisticated computer networks and video links mean that people all around the world can now work together on the same car. But perhaps an even more important reason for the globalisation strategy is the change taking place in the world car market. While mature car markets such as Europe and the USA are growing by only around 2% per year, the market for cars in Asia is forecast to grow from 6.8 million cars per year in the early 1990s to 19 million in 2004. The Americans believe that their Ford 2000 plan will enable them to compete head-on with Japanese giants like Toyota in their own Asian back yard – the fastest-growing car market in the world.

**ANSWERS** True or false?

1 T    2 F    3 F    4 F

Ford 2000: a summary

1 multinationals    2 merger    3 management structures    4 organisation chart  
5 economies of scale    6 chief executive officer    7 workforce

Management jargon

1 and 2 1 c    2 a    3 b

3 *Suggested answer:* not serious/simplistic

## *Grammar review* TALKING ABOUT THE FUTURE

**OBJECTIVE** Review of future tenses

**ANSWERS** Management plans

we're going to launch ...

we're going to start ...

when are we going to tell ... ?

I'll deal ...

A staff meeting  
redundancies ✓  
a new bonus scheme ✗  
health and safety ✗  
shorter hours ✓

The future of business

1 won't    2 will    3 will    4 will    5 will    6 won't    7 will  
8 won't    9 will    10 will

## *Doing business 1* GETTING INFORMATION

**OBJECTIVE** To practise open and closed questions

**BACKGROUND** The Firm

*The Firm* is a movie based on the John Grisham novel of the same name. Tom Cruise plays Mitchell McDeere, a brilliant young lawyer, who, on leaving law school, receives job offers from most of the big law firms of New York and Chicago. However, a comparatively obscure firm of tax lawyers based in Memphis makes him a salary offer that is too good to refuse (the scene in the Course Book). Before long Mitch finds out why. It turns out that his employer, the firm of Bendini, Lambert and Locke, is owned by the biggest organised crime family in Chicago!

*The Firm* (1993) Directed by Sydney Pollack. Screenplay by David Rabe, Robert Towne and David Rayfiel.

*Further reading*

*The Firm* by John Grisham is available in a version specially adapted for English learners in the Penguin Readers series.

**ANSWERS** The Firm

- 1 Bendini
- 2 In a court of law
- 3 20% higher than the next best offer that McDeere has received

## *Doing business 2* AN INTERVIEW

**OBJECTIVE** To practise interview skills

**ANSWERS** A job advert

- 1 a large international energy company
- 2 Nairobi
- 3 a working knowledge of English, excellent communicative and interpersonal skills

Preparing for an interview

(Suggested answers)

skills: 1, 3

experience: 2, 6

personality: 4, 7

expectations: 5, 8

## *Focus* MANAGEMENT CULTURE

### OBJECTIVE

Discussion

### BACKGROUND

Douglas McGregor

Douglas McGregor (1906–64) was an American social psychologist who specialised in human behaviour within organisations. He proposed Theory X and Theory Y in his book *The Human Side of Enterprise*, which was published in 1960 while he was Professor of Management at the Massachusetts Institute of Technology.

Michael Lewis

The American, Michael Lewis, wrote *Liar's Poker* (Pub: Hodder and Stoughton, 1989) as a humorous account of the years in the mid 1980s that he spent working for Salomon Brothers, one of America's top investment banks. Lewis became one of the star salespeople at Salomon's London office and at the age of 27 earned \$275,000 in a year. But he became disillusioned with the financial world and left Salomon's soon after the 1987 Black Monday crash to start a successful career in writing and journalism.

Stanley Bing

Stanley Bing is the *nom de plume* of a columnist who writes humorous pieces about business life for American magazines (e.g. *Esquire*, *Fortune*). He is also an executive for a top American company which he'd rather not name!

### ANSWERS

Theory X and Theory Y

Theory X was based on traditional carrot and stick thinking ...

More optimistically, Theory Y argued that people wanted and needed work.

## *Social skills* DEVELOPING A CONVERSATION

### OBJECTIVE

To develop good listening strategies

### BACKGROUND

Riding the Waves of Culture

(For a general background note on Fons Trompenaars and *Riding the Waves of Culture*, see the note on page 11.)



This is an extract from Fons Trompenaars' description of the diagram reproduced in the Course Book.

'Western society has a predominantly verbal culture ... We become nervous and uneasy once we stop talking. But we have very different styles of discussion. For the Anglo Saxons, when A stops, B starts. It is not polite to interrupt. The even more verbal Latins integrate slightly more than this; B will frequently interrupt A and vice versa to show how interested each is in what the other is saying. The pattern of silent communication ... for oriental languages frightens the westerner. The moment of silence is interpreted as a failure to communicate. But this is a misunderstanding ... It is a sign of respect for the other person if you take time to process the information without talking yourself.'

### Intonation

Intonation is the linguistic use of pitch – or melody – to express different meanings. Probably the most common example is the use of the difference between rising and falling pitch.

### Further work

Get your learners to listen again to the woman saying 'Really?' Ask them how they would punctuate each one to convey the appropriate emotion on the page. Possibilities could include: 'Really?' 'Really!' 'Really ...' 'Really?!' 'Really??' etc.

There are no absolutely right and wrong answers to this activity, but it could form the basis for an interesting discussion.

## ANSWERS

Some cultural differences

1 F    2 T    3 T    4 F

Really?

2 1 sentence 4

2 sentence 3

3 sentence 1: interest; sentence 2: enthusiasm ; sentence 5: lack of interest

That's interesting

RESPONSE	EMOTION
1 That's interesting.	(interest)
2 That sounds great.	(enthusiasm)
3 How strange.	(surprise)
4 I don't believe you.	(disbelief)
5 Is that right?	(lack of interest)

Finding out more

1 It's nanotechnology.

2 Nanotechnology is the science of very small things.

3 When the man goes into detail about nanotechnology.

4 Sorry to change the subject, but have you seen my newspaper?



# the **customer**

## *Sales* VOCABULARY

### OBJECTIVE

To introduce and practise sales vocabulary

### BACKGROUND

Mark McCormack

Mark McCormack is the world's top agent and events promoter. He pioneered the idea of corporate hospitality at sports events and through his company, IMG, he has handled the careers of many top stars – Jacques Villeneuve, Tiger Woods and Kiri Te Kanawa, to name just three!

#### *Further reading*

Mark H. McCormack (he uses his middle initial as a writer) has written a great many books and articles about business, but his best-known is probably still *What They Don't Teach You At The Harvard Business School* (Pub: Collins, 1984) – a fascinating look at the way to 'read' people and influence them in business life.

#### *Further work*

For more work on sales vocabulary, try Copymaster 6. Answers are at the end of the following answers section.

### ANSWERS

Sponsorship

Wimbledon's four special qualities: elegance, excitement, beauty, charm

From company to customer ...

1 sell, 2 advertise, 3 distribute, 4 sponsor

Copymaster 6 Sales vocabulary

*The cheapest and the best*

1

	THE CHEAPEST	THE BEST QUALITY
in a special limited edition		✓
at an unbelievable discount	✓	
exclusive offer		✓
special offer	✓	
a bargain	✓	
a perfect opportunity		✓
clearance sale	✓	
executive promotion		✓

2

*For a letter that sells on price:*

Dear Customer,

As you know, here at Sheringhams we specialise in providing products at the cheapest possible prices, which is why we're making this special offer to all our regular customers.

As part of our end-of-year clearance sale, we are offering the 'Pretender' wristwatch at an unbelievable discount. The new Pretender wristwatch is a bargain that you cannot afford to miss! To avoid disappointment, call in to any of our 25 department stores today.

*For a letter that sells on quality:*

Dear Customer,

As you know, here at Sheringhams we specialise in providing products of the very highest quality, which is why we're making this exclusive offer to all our regular customers.

As part of our end-of-year executive promotion, we are offering the 'Pretender' wristwatch in a special limited edition.

The new Pretender wristwatch is a perfect opportunity that you cannot afford to miss! To avoid disappointment, call in to any of our 25 department stores today.

*The chain of distribution*

The manufacturer: factory, production

The wholesaler: middle man, warehouse, storage, depot

The retailer: end user, department store, shop, point of sale, display

## *Grammar review*

### **OBJECTIVE**

Review of the first and second conditional tenses

### **ANSWERS**

A loan adviser

#### **LOAN APPLICATION DETAILS**

Amount of loan	£3,000
Period of loan	3 years
Total amount repayable	£3,831
Monthly repayments	£106
Loan protection scheme?	No

First or second conditional?

- 1 For answer, see Check box in the Course Book.
- 2 1 If I borrow £3000, how much will I have to pay back?  
2 If you take a three-year option, that'll be £106 per month.  
3 If you died, would your family be able to pay back this loan?  
4 So if anything happens to you, you won't have to worry about repayments.

### Practice

(Suggested answers – in most cases, choice of first or second conditional will depend on learners' individual circumstances.)

- 1 What will you do if it rains this weekend?
- 2 What would you do if another company offered you a job with a much bigger salary?
- 3 What will you do if your boss asks you to work late tomorrow?
- 4 What would you do if you found a burglar in your house after work this evening?
- 5 What would happen to your company if the price of oil doubled?

### A market dilemma

- 1 If company A cuts prices and company B doesn't, A's profits will rise by 20% and B's profits will fall by 30%.
- 2 If company B cuts prices and company A doesn't, A's profits will fall by 30% and B's profits will rise by 20%.
- 3 If neither company cuts prices, both companies' profits will stay the same.
- 4 If both companies cut prices, both companies' profits will fall by 30%.

## Doing business 1 BARGAINING

### OBJECTIVE

To practise the language of negotiating

#### TEACHING • TIPS Course planning

Although this spread is free-standing and is designed primarily to develop business skills, it can also be used to provide further practice in the use of the conditional sentences that were introduced in the preceding Grammar Review spread.

### BACKGROUND

#### Why negotiate?

Obviously, there is no 'right' answer to this discussion. However, it might be worth bearing in mind Mark McCormack's view of negotiating.

'Somehow, negotiating has become confused with machismo, as though the whole point is to outlast your opponent, to make him back down first. The point of negotiation is to reach an agreement that is mutually advantageous to both parties.'

*What They Don't Teach You At The Harvard Business School*

### Who Dares Sells

*Who Dares Sells* by Patrick Ellis (Pub: Thorsons, 1991) is subtitled *The Ultimate Guide To Selling Anything To Anyone*. It contains a mixture of sales tips, homespun philosophy and communication theory – including descriptions of 63 different kinds of buyer, introductions to neuro-linguistic programming and graphology, a guide to body language and even a selection of poems and songs for the aspiring salesperson!

## ANSWERS

### Handling a difficult customer

#### 2 and 3

If I were in your position, I would also want to get the best possible price. (Hypothetical)

If you meet me half way, I'll work out a nice little deal for you.

If we were criminals, we would try to help each other. (Hypothetical)

If you call correctly, I'll give you the product for £1750.

If you call incorrectly, you'll pay me the full price.

If you make me a reasonable offer, then we can shake hands.

If I accepted anything less, I wouldn't make a profit. (Hypothetical)

If you don't want to pay that much for it, then I won't sell it to you.

### A photocopier salesman

- 1 Belew If you buy this copier from me today, I'll give you a two-year guarantee and 15% off the normal purchase price.
- 2 Jones If I bought a new photocopier now, my bank manager would go crazy.
- 3 Belew What would you say if I offered you six months interest-free credit?
- 4 Jones If you give me a two-year guarantee, 15% off and six months interest-free credit, I'll take one.

## Doing business 2 NEGOTIATING ROLES

### OBJECTIVE

To practise negotiating

#### ● TIP The ski pass negotiation

TEACHING

In this negotiation, learners should first work out how much a ski pass for seven days is worth (\$175). A should be trying to get as close as possible to this figure; B is obviously trying to get as big a discount as possible. It's worth bearing in mind that B will not only benefit from the discount, but will also avoid a long wait in the queue; while A is under pressure to sell because the value of the pass is falling by \$25 a day. The more imaginative negotiators in any group will probably try to go 'off piste' and throw in additional benefits (e.g. I'll throw in a free lesson) or complications (e.g. I only want a pass for five days) to strengthen their cases.

## Focus FOUR NEGOTIATING PROBLEMS

**OBJECTIVE** Discussion

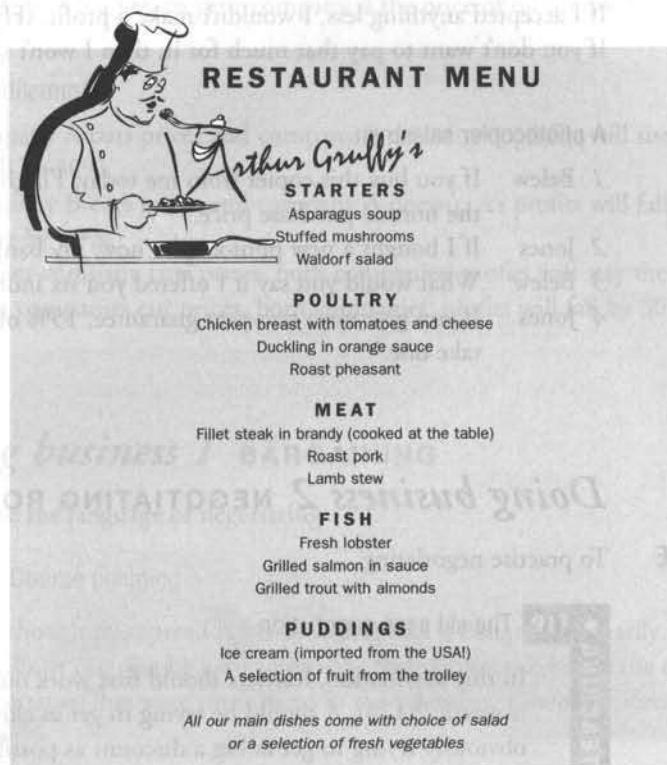
### Further reading

*Everything Is Negotiable* by Gavin Kennedy (Pub: Century Hutchinson, 1989) has many negotiating problems similar to the four in the Course Book. However, most of the book is a guide to the principles of good negotiating and includes a lot of useful material on negotiating in different cultures.

## Social skills RESTAURANTS

**OBJECTIVE** To practise the language of restaurants

**ANSWERS** Menus



A few questions about the menu

- 1 1 'Mixed things'  
trout  
grilled leg of salmon  
2 a slice of pig
- 2 1 Waldorf salad  
2 It's grilled with almonds.  
3 It's off.

Paying

Suggestion: 1 b 2 d 3 e 4 f 5 c 6 a



# 7

# production

## Production VOCABULARY

### OBJECTIVE

To introduce and practise production vocabulary

### ANSWERS

Efficient production

**2** *A few other possible factors:* motivated workers, modern equipment, effective management, training

### The Machine That Changed The World

In the text some differences are stated clearly, while others are implied. This means that there is no definitive answer to this activity. However, a fairly comprehensive list might look like this:

GENERAL MOTORS	TOYOTA
lots of extra space	as little space as possible
room to do repairs	easy face-to-face communication
room to store inventories	little room to store inventories
	less than an hour's inventory next to each worker
	parts go on smoothly
	tasks well balanced
	all workers work at same pace
only senior managers can stop the line	any worker can stop the line
the line stops frequently	the line almost never stops
	no rework area

### A few definitions

<i>assembly line</i>	an arrangement of workers and machines in which each person has a particular job and work is passed, often on a moving band, directly from one worker to the next until the product is complete
<i>work station</i>	an area in which a single person can work
<i>defective</i>	not working properly; faulty
<i>rework area</i>	an area in the factory where faults in the product can be corrected
<i>lean production</i>	a production process in which storage, waste and errors are kept to a bare minimum

(The first three definitions above are taken from the *Longman Dictionary of English Language and Culture*)

## *Grammar review* DESCRIBING A PROCESS

**OBJECTIVE** Review of the passive

**BACKGROUND** Elton Mayo

Elton Mayo was born in Australia in 1880 and trained as a doctor in the UK before pursuing a career as an industrial sociologist at Harvard University in the USA. Today, he is remembered primarily for his work in emphasising the importance of human relations in successful business practice. However, there are a string of other notable achievements attached to his name, including a successful treatment for victims of shell shock after the First World War. Elton Mayo died in 1949.

**ANSWERS** Factory conditions

- 2** ... is being played ...  
... is improved ... ... are made ...  
... is wasted ...  
... should be taken ... ... should not be interrupted ...

The Hawthorne Experiments

- 1** 1 ... were conducted ...  
2 ... were involved ...  
3 ... were improved ...  
4 ... was found ...  
5 ... were made ...  
6 ... were returned ...

A hamburger production process (*A possible answer*)

The meat is grilled and the bun is heated, then they are kept warm on the hot plate. After that, the burger is assembled and wrapped. If necessary, the burger is reheated in the microwave before it is sent to the serving bin.

Comparing processes

**2** (*A possible answer*)

In the process in the recording, the buns aren't heated, so the meat is put straight into a cold bun. A batch of six burgers is made at a time. The burgers are not re-heated in the microwave; they're put into little boxes so that the heat is kept in and then they're slid down a chute into the serving bin.

## *Doing business 1* CAUSES AND EFFECTS

**OBJECTIVE** To practise giving reasons

**BACKGROUND** Daewoo

Daewoo is an example of a Korean *chaebol* – a vast conglomerate of companies. Its activities include electronics, car making, financial services, construction and domestic goods as well as shipbuilding.

**ANSWERS** The Okpo shipyard

- 1 When Kim Woo Chong took over the shipyard, it was only 30% built and close to bankruptcy.
- 2 1986 was a bad year because one of Daewoo's big customers, US Lines, went bankrupt owing Daewoo hundreds of millions of dollars.
- 3 1993 was a great year because it won orders for 54 ships worth \$2.8 billion, the largest number of new orders for any shipyard in the world.

Reasons why

- 1 1 d, 2 c, 3 b, 4 a
- 2 Cause → effect: caused, led to  
Effect → cause: as a result of, due to
- 3 1 The shipyard's workforce increased in the early 80s as a result of/due to the order for 12 ships.  
2 The bankruptcy of US Lines caused/led to the company's crisis in 1986.  
3 Mr Kim's investment and reorganisation caused/led to an improvement in 1991.

## *Doing business 2* PUTTING IT IN WRITING

**OBJECTIVE** To practise formal and informal writing styles

**ANSWERS** Two reports

- 1 There's almost no difference in content. (The only real one is that Alf mentions the fact that the man got his arm caught in the machine – a detail which is omitted by Bob. In the formal report, Bob mentions that he is going to investigate the incident further.)
- 2 The first note is written in a personal informal style, the second report is in an impersonal, formal style.

Comparing styles

- 2 Some other examples of differences in style: the way the two pieces of writing are presented and set out (hand-written v. typed, use of first names v. full names, etc.), use of vocabulary (*lad* v. *man*, *a mess of the machine* v. *the machine was damaged*, etc.)

## *Focus* BUILDING A TEAM

**OBJECTIVE** Discussion

**TEACHING TIP**

None of the seven people matches perfectly with any of the five roles outlined by Stuart Crainer. The objective of the activity is to have a discussion aimed at devising the best possible team from the personalities available – very much as one would do in real business life!

**ANSWERS** Who's who?

1 solver 2 doer 3 checker 4 carer 5 knower

**Social skills** MIXING BUSINESS AND PLEASURE**OBJECTIVE** To practise talking about your interests**BACKGROUND** High and low contexts

The activity about high and low context cultures is based on this passage from Fons Trompenaars' *Riding the Waves of Culture* (see notes on page 11).

'Context has to do with how much you have to know before effective communication can occur ... Cultures with high context like France and Japan believe that strangers must be 'filled in' before business can be properly discussed. Cultures with low context like America or the Netherlands believe that each stranger should share in rule-making and the fewer initial structures there are, the better.'

**ANSWERS** Culture and lunch

1 Polly Platt is talking about France.

Talking about interests

1 1 films

2 f, c, d

2 and 3

INTRODUCTORY QUESTIONS	BEING MORE SPECIFIC	ASKING FOR AN OPINION
f	c	d
e	g	a
b		h



# business and society

## *Economic* VOCABULARY

### OBJECTIVE

To introduce and practise economic vocabulary

### BACKGROUND

The four speeches

The Bill Clinton extract in the Course Book comes from a speech that he made accepting the Democrat party's nomination to run for a second term as president of the USA – an election that he won in November 1996.

Nelson Mandela was sentenced to prison in 1964 for his opposition to South Africa's apartheid regime. He was not released until 1990, at the age of seventy-one. On 11 February, 1990, he walked out of jail, gave the clenched fist salute of the African National Congress and then made a speech to a crowd of 50,000 people under the shadow of Cape Town's Table Mountain. A short extract is reproduced in the Course Book.

In January 1989, Vaclav Havel, the playwright and human rights campaigner was arrested and sent to prison for demonstrating against Czechoslovakia's Communist authorities. By the end of that year he had been elected as his country's president! The extract in the Course Book is taken from his radio and TV address to his people on New Year's Day 1990.

The quotation from the British Prime Minister, Tony Blair, comes from a speech he made to business people in the City of London on 7 April, 1997 – a few weeks before his landslide General Election victory.

### *Further reading*

The Havel and Mandela speeches are reprinted in full in *The Penguin Book of Twentieth Century Speeches*, edited by Brian MacArthur (Pub: Penguin, 1993).

### *Further work*

For more work on vocabulary connected with the economy, try Copymaster 7. The answers are at the end of the following answers section.

### ANSWERS

Who said that?

- 1 Bill Clinton      2 Nelson Mandela      3 Vaclav Havel      4 Tony Blair

## Economic problems

social breakdown	2
inflation	—
unemployment	2
poverty	1, 2
trade deficit	—
inefficiency	3
pollution	1

## Public and private sectors

transport infrastructure	road and railway networks, airports, etc.
utilities	the supply of gas, water, electricity
defence	the army, navy and air force
pensions	payments for people who have retired from work
social security	help for people who are unemployed or very poor

## Copymaster 7 Economic vocabulary

### Economic terms

the budget deficit	the amount by which a government's spending exceeds its income
gross domestic product	the total value of goods and services produced by a country
inflation	the rate at which prices increase
government expenditure	the amount of money that a government spends
the balance of payments	the difference between the value of a country's imports and the value of its exports

### The role of government

GOVERNMENT DEPARTMENT	RESPONSIBLE FOR ...
Treasury	taxation, government expenditure
Ministry of Defence	weapons, military personnel
Department of Health and Social Security	benefits, pensions
Ministry of Education	teachers, training

## Grammar review ANALYSING THE FACTS

**OBJECTIVE** Review of deductive modals

**ANSWERS** UK Deductions

1 Nearly 50% of families ...

A lot of parents must buy computers for their children. (1)

GDP rose between 1981 and 1990 ...

There must have been economic problems in the early 90s. (3)



Nearly 1 million people enter Central London ...	It can't be easy travelling into Central London in the morning. (1)
The number of people in full-time education ...	There can't have been very many college and university students in the early 80s. (4)

**2** For the answer, see the Check box in the Course Book.

#### More UK Facts

- 1 People must be earning more today than in the past.
- 2 There can't be a very high demand for houses in Northern Ireland.
- 3 Industrial relations must have improved since 1984.
- 4 There must have been quite a lot of inflation over that period.

#### Trinidad and Tobago

(Some possible deductions – there are others that learners could also make.)

Trinidad and Tobago is an English-speaking country ...	It must have been a part of the British Empire.
Oil accounts for 23% of GDP ...	Its economy must rely heavily on the oil price.
Between 1985 and 1993, real GDP fell by 1.3% ...	There must have been a recession.
Its murder rate is nearly as high as the USA ...	It must be a very dangerous place.
Its population density is 254 people per square kilometre ...	It must be quite crowded.
There is one TV for every 3 people ...	People must have a fairly good standard of living.
In the early 90s, its foreign debt was \$2.2 billion ...	It must have had a few economic problems at that time.

## Doing business 1 PREPARING A PRESENTATION

**OBJECTIVE** To practise preparing a presentation

**ANSWERS** The mini-course on public speaking

- |                                                                      |   |
|----------------------------------------------------------------------|---|
| <b>1</b> You shouldn't allow the audience to influence what you say. | F |
| You should always use humour in your presentations.                  | F |
| Presentations should be about ideas.                                 | T |
| There should always be lots of facts and figures.                    | F |
| Presentations should inspire people.                                 | T |

#### Planning a presentation

**1** (A few ideas)

- 1 This will look impressive – it should give the sense that you are really talking to your audience. But, there's a high risk that you will forget what you want to say!
- 2 This should allow you to appear spontaneous and to adapt to your audience without worrying about forgetting what you want to say.
- 3 Obviously there's no problem about forgetting what you're going to say, but it may be difficult to appear lively, spontaneous and engaging.

## Preparing visual aids

(Suggested answers)

- 1 Presenters are normally told to make their visual aids as simple as possible. This means that they are quick and easy to read, so that the audience has time to concentrate on what the presenter says. A good visual aid is like a good newspaper headline – it should make people want to find out more!
- 2 (A possible visual aid)

### GIVING A PRESENTATION

1

*Keep things simple*

2

*Talk about ideas not facts*

## Doing business 2 PRESENTATIONS: OPENINGS AND LINKS

**OBJECTIVE** To practise making a presentation

**ANSWERS** Starting a presentation

- 1 The presenter's going to talk about the company's financial position.
- 2 Firstly, I want to talk about the current financial situation. (*b*)  
Secondly, I'd like to examine our performance over the past year. (*d*)  
Thirdly, I'll look at our prospects for the next twelve months. (*c*)  
Finally, I'll make some recommendations. (*a*)
- 3 She'll answer questions at the end of the presentation.
- 4 *a* I'm here today to tell you about our company's financial position.  
*b* I've divided my presentation into four parts.  
*c* I'll be happy to answer questions at the end of the presentation.

Links

1 a    2 d    3 b    4 c

## Focus IS PROFIT THE ONLY GOAL?

**OBJECTIVE** Discussion

**BACKGROUND** Stakeholders

This spread is based on stakeholder analysis – the idea that many different groups of people have a stake in a business, not just its shareholders or owners. According to stakeholder analysis, the

employees and customers of a business are also its stakeholders, as are its suppliers, the communities in which it operates and even future generations! In fact, anyone who is in some way affected by or dependent on the activities of a business can claim to be a stakeholder in it. Stakeholder analysis says that a business should balance the interests of all its stakeholders and not act in the interests of just one group. This principle can be seen in operation when environmental groups put pressure on companies to halt environmentally damaging but profitable projects – so attempting to balance the interests of the community and future generations with the demands of shareholders.

## ANSWERS

What the bosses say

(suggested answers)

1 John Akers: shareholders

Akio Morita: employees

2 John Akers.

Walter Schusser: society

Anita Roddick: the community

## Social skills PARTIES!

### OBJECTIVE

To practise the English of parties and receptions

### BACKGROUND

The Bonfire of the Vanities

*The Bonfire of the Vanities* by Tom Wolfe (Pub: Jonathan Cape, 1988) is a satire on American life in the 1980s. Sherman McCoy is a 'Master of the Universe' – in other words, an extremely rich and successful bond dealer on Wall Street. But his comfortable, extravagant life is shattered one evening when one of his cars – driven by his mistress – knocks down a young black man in a poor area of New York. Before long, Sherman has become the victim of the media and the justice system as his life plunges into a hellish downward spiral.

## ANSWERS

Invitations and replies

1 Mr and Mrs Connor invitation (refusal)

Dear Mr and Mrs Connor,

Thank you very much for your kind invitation to dinner on Friday. I'm afraid that I will be unable to attend. I hope we get the chance to meet again some time soon.

With best wishes,

Hugo/Paulo invitation (acceptance)

*Thanks for the invitation. Dinner on Friday sounds great. I'm looking forward to seeing you again.*

*Sorry, I can't make it on Friday. Maybe another time?*

Martha/Jethro invitation (refusal)

## 2 (Possible rewrites)

Mr and Mrs Connor invitation (acceptance)

Dear Mr and Mrs Connor,

Thank you very much for your kind invitation to dinner on Friday. I will be delighted to attend. I very much look forward to meeting you again.

With best wishes,

Hugo/Paulo invitation (refusal)

*Thanks for the invitation. I'm afraid I can't make dinner on Friday. But it would be nice to see you some other time.*

*Friday would be great!  
See you there!*

Martha/Jethro invitation (acceptance)

Party talk

Can I introduce you to Max Lobb ...?

Pleased to meet you.

How are you finding the job?

Carmel here has just come back ...

That must have been fascinating.

Did you get a chance to travel around the country?

This is Claude. He's just back from honeymoon.

Congratulations!

Where did you go?

Of course, you've met Franco many times before ...

Good to see you again.

How are things?

Can I get you something else to eat?

No, thanks.

But it was delicious.

Bonfire roles

What Sherman actually said (he did the best he could) was: 'Would you do me a great favor?

What is the name of the gentleman to my right, the thin gentleman?'

*The Bonfire of the Vanities, Tom Wolfe*



# business ethics

## *Ethical* VOCABULARY

### OBJECTIVE

To introduce and practise some of the language of ethics

### BACKGROUND

Ethics

Ethics is becoming an increasingly important part of MBA and other management education courses. On these courses, students are normally introduced to subjects like the social responsibilities of business and stakeholder analysis (a framework for understanding which groups of people are affected by a business decision). Both these subjects are touched on in this module of the Course Book.

### Sun Tzu and Management

*Sun Tzu and Management* (Pub: Pelanduk, 1992) was written by the Malaysian businessman and writer Khoo Kheng-Hor. The book takes the principles of the ancient Chinese military strategist, Sun Tzu, and applies them to the business world. The extracts in the Course Book are taken from the chapter on management information systems and were inspired by this saying of Sun Tzu.

'The enlightened ruler and the wise general can subdue the enemy whenever they move and they can achieve superhuman feats because they have foreknowledge. This foreknowledge cannot be obtained from spirits, gods, nor by reasoning over past events, nor by calculations. It can only be obtained by men who know the enemy position.'

### *Further work*

For more on the sayings of Sun Tzu, try the activities on Copymaster 8. Suggested answers are at the end of the following answers section.

### ANSWERS

Law, ethics and common sense

1 legal/illegal, just/unjust, moral/immoral, ethical/unethical, honest/dishonest, fair/unfair

The law

1 bribery C, theft A, fraud D, deception B

The answers to all the other questions on this double-page spread will depend on the learner's point of view.

Copymaster 8 The sayings of Sun Tzu

1 (Possible answers)

public relations	4
office politics	2
information systems	1
flexible thinking	3
meetings	5

## *Grammar review* LEARNING FROM THE PAST

**OBJECTIVE** Review of the third conditional

**BACKGROUND** Hoover®: An expert opinion

There is no 'right answer' to the question about what Hoover® should have done in that situation. However, this is what a marketing expert said about the case:

Peter le Conte, chairman of the Institute of Sales Promotion, says that Hoover® could have done 'a lot more a lot earlier' when it became clear the promotion was going awry.

'Perhaps instead of wriggling, it would have been better to have come clean and try and do something else,' he says. Le Conte suggests, for example, that the company might have been able to fulfil its obligations on flights over a period of years.

*The Financial Times*, 28. 4. 94

### Howe and Singer

When Elias Howe discovered that Singer had stolen his patent, he took him to court and, after a lengthy legal battle, Singer agreed to pay Howe a royalty on every machine that was built.

Strangely, rather than enjoying his new wealth, Elias Howe then went off to enlist in the Union Army as an ordinary foot soldier.

### New Coke

In response to pressure from the Coke-drinking public, less than 90 days after the launch of New Coke, old style Coca-Cola was re-introduced to the market under the name 'Classic Coke'.

### Perrier

Benzene (the substance found in Perrier water in 1990) is an industrial solvent and carcinogen, but the amount detected in Perrier was far too low to be any danger to health. The problem was that workers had failed to replace a filter at Perrier's spring and was soon rectified. However, the company realised that it needed to take dramatic action to safeguard its image, so it ordered the withdrawal of every bottle of Perrier in circulation (all 160 million of them) and simply poured the water away. The total cost to the company was estimated at around \$200 million.

**ANSWERS** Hoover's® reaction

1 Ideas mentioned: 1, 2, 3, 5, 8



## *Doing business 1* USING RHETORIC

**OBJECTIVE** To develop presentation skills

**BACKGROUND** Rhetoric

Rhetoric – or the art of speaking persuasively – was one of the most important subjects on the Western European school curriculum from classical times to around the middle of the nineteenth century. Classical rhetoric covers all aspects of speaking in public – choice and arrangement of material, memory, style and delivery. However, in modern usage, the term has been somewhat trivialised and is now often used simply to describe stylistic devices that public speakers and presenters use. This is the sense in which it is used in the Course Book.

### How To Get Ahead In Advertising

The surrealistic British comedy *How To Get Ahead In Advertising* tells the story of Bagley, an extremely successful advertising executive (Richard E. Grant). While working on a campaign for acne cream, he begins to develop a conscience about the cynical way in which he is manipulating people. Unfortunately, a conscience is not the only thing that he develops. A spot on Bagley's neck grows bigger and bigger until it becomes a second head – which gives voice to everything that is cynical and vile in Bagley's personality. The scene quoted in the Course Book comes from a presentation given by Bagley right at the start of the movie – while he still has just one head!

**ANSWERS** How To Get Ahead In Advertising

- 1 Best Co supermarkets are worried about the fact that the nation is worried about its health.
- 2 Unwholesome, unhealthy food.
- 3 Best Co wants the advertising agency to help them to continue to sell unhealthy food, despite the change in the tastes of the market.
- 4 He thinks it's disgusting; fat-squirting!

### Sighposting

- 1 a point of clarification
- 2 a an example  
b an important opinion  
c a visual aid  
d a digression
- 3 Extract 1: Let's have a look at this. (c)  
Extract 2: I'd like to give you an example. (a)  
Extract 3: What I'm getting at is this. (b)  
Extract 4: To move off the point for a moment ... (d)

### A list of three

- 1 1 They're not concerned about selling wholesome foods or about the nation's health.  
2 They're concerned that the nation is getting worried about its health.  
3 Bagley introduces his point in this way to increase its impact.

## 2

	SPEAKER 1	SPEAKER 2
Not ...	£100	just the cheapest prices
Not ...	£75	just the best quality
But ...	£50	the cheapest prices <i>and</i> the best quality

### 3 (Possible answers)

We don't just need excellent products. We don't just need excellent customer service. We need both excellent products *and* excellent customer service.

We're not offering you a discount of 30%. We're not offering you a discount of 40%. We're offering a discount of 50% off our main product.

### Rhetorical questions

1 Rhetorical question: How can we make sure that we give them what they want?

Question for the audience: Who'll be my first customer?

2 Bagley asks a rhetorical question.

## Doing business 2 DELIVERY

**OBJECTIVE** To develop presentation skills

**BACKGROUND** Greed Is Good

Gordon Gekko makes this speech at a stockholders' meeting of Teldar Paper – a company that he is trying to take over. The speech may have been based on one made by the infamous Wall Street trader, Ivan Boesky, who was at one time imprisoned for insider trading. It is often quoted as a summary of the more extreme economic attitudes prevalent in some areas of finance and business in the second half of the 1980s.

(For more general background on the film *Wall Street*, see the background notes on page 12.)

### Further work

If your learners would like more practice on this point, try returning to the speeches at the start of Module 8. Analyse them in the same way, marking them for pausing and emphasis before taking turns to deliver them to the rest of the group.

**ANSWERS** Repetition

1 Greed

2 Three possibilities (there may be others):

Greed is right.

Greed works.

Greed clarifies, cuts through and captures... for life, for money, for love, for knowledge.

3 There are many possibilities here, but the most obviously repeated sound is the 'g'.

### Emphasis

1 The point is, ladies and gentlemen, that greed, for lack of better word, is good.

Pauses

1 *c*

2 greed/for lack of a better word/is good (*b*)

The voice

2 *c*

## *Focus* LEVI STRAUSS & CO.

**OBJECTIVE** Discussion

**ANSWERS** Levi's and child labour

2 1 Levi's tried to enforce a ban on child labour in Bangladesh.

2 In this case, the children were the only sources of income for their families.

3 What Levi's did:

Levi's worked out a compromise with the contractors. If they continued to pay wages and agreed to hire the children back when they reached 14, Levi's would send them to school and pay the bill for uniforms, books and tuition. The deal sounds expensive all around. But, between the two, Levi's and its contractor have spent just a few thousand dollars.

Levi's and the factory closure

2 1 Levi's closed the factory because it wasn't working efficiently and it was much cheaper to subcontract the work to Costa Rica.

2 Yes, it probably matters that Levi's faced a storm of protest because they had a good image and high aspirations.

3 What Levi's did:

Levi's made generous payments to all the workers at the San Antonio factory, paid for extra education and training and helped them in their search for new jobs. But many former workers still complained that Levi's had not acted responsibly or fairly.

## *Social skills* GIFTS

**OBJECTIVE** To practise the language of giving and receiving gifts

**BACKGROUND** The Lockheed scandal

The American aircraft manufacturer, Lockheed, was at the centre of one of the greatest business scandals of the 1970s. As part of its attempts to sell its planes in overseas markets, it was found to be making multi-million dollar payments to influential people in many countries, including Adnan Khashoggi and even a Dutch prince!

## ANSWERS

### Invitations and offers

INVITATIONS AND OFFERS	ACCEPTANCES	REFUSALS
a	c	e
b		f
d		
g		

### Sounding polite

MAN Can I invite you to dinner this evening? (*Polite*)

WOMAN Thank you. That's very kind of you. (*Polite*)

MAN Thanks very much for everything. I'd like you to have this. (*Polite*)

WOMAN I'm sorry but my company doesn't allow me to accept gifts. (*Rude*)

WOMAN Would you like to go to the concert tonight? (*Rude*)

MAN That's very kind of you, but I must refuse. (*Rude*)

# the digital revolution

## OBJECTIVE

To introduce and practise hi-tech vocabulary

## BACKGROUND

Tom Peters

Tom Peters has built his career as a management guru on the idea that business is all about people; he believes that companies should be customer-focused, responsive and dynamic. He has no time for old-fashioned, hierarchical structures or stuffy bureaucracies. Here is how he justifies his idea of a 'crazy organization'.

'Anyone who has followed my work knows that I'm no fan of organization charts. I think they're a waste of even recycled paper. I recently ran across ... a Jackson Pollock painting which to me looks the way a corporate organization chart should look like. It's a depiction of ... a total intertwining of people without regard to rank or function or location.'

*The Tom Peters Seminar* pp. 182–183 (Macmillan, 1994)

Note: the painting in the Course Book is a work in the style of Jackson Pollock by Stephen Bryant.

### Further reading

Tom Peters has written a number of books including *In Search of Excellence* (with Robert Waterman), published in 1982, which is probably the best-selling business book ever. For a good introduction to his thoughts on business in the 1990s, try *The Tom Peters Seminar*, mentioned above.

### Revolution and language

It's often difficult to explain why particular words have been given new meanings by the computer industry. However, the explanation of 'bug' is quite straightforward. In 1945, a huge US Navy computer broke down. The cause of the problem was found to be a moth which had been squashed by an electric switch!

## ANSWERS

A revolution in language

WORD	ORIGINAL MEANING	NEW MEANING
to boot	to kick	to start a computer
a bug	a small insect	an error in a computer program
to crack	to make something split	to break a computer code
a flame	a red or yellow burning gas	an insulting or unfriendly e-mail
a geek	an entertainer who bites the heads off live chickens	a rich successful person in the computer industry
a pirate	a person who robs ships at sea	a person who illegally copies software
to surf	to ride on a board on the waves of the sea	to move around the Internet

## Technologies and services

2 TECHNOLOGIES	SERVICES
optical fibre	interactive television
mobile radio	the Internet
satellite broadcasting	video-conferencing
cable TV	telephone marketing
digital telephony	
television	

**Grammar review** REPORTED SPEECH**OBJECTIVE**

Review of reported speech

**BACKGROUND**

A bad prediction

Thomas Watson's prediction might sound strange today, but until relatively recently there were very few computers in existence. In 1956, there were probably only around 24 computers in the whole of the USA, while as late as 1976, it is estimated that there were only around 50,000 in the world.

**ANSWERS**

A bad prediction

Correct answer: He said there was a market for about five computers.

## Some more quotations

- 1 Peter Drucker said that the computer industry, as an industry, had never made a dime.
- 2 Steve Jobs said that the Web was not going to/would not change the world, certainly not in the next ten years.
- 3 David Shaw said that finance was a pure information-processing game. He said that a lot of people were doing things that should have been done by computers.
- 4 Steven Holtzmann said that what was really exciting about the digital revolution was that everybody was going to/would have a computer.

## The George Lucas interview

- 1
  - 1 In two or three years.
  - 2 Digital movies will be considerably cheaper.
  - 3 It's a revolution similar to the introduction of sound and colour.
- 2 The interviewer asked him how much the new *Star Wars* movies would cost.  
The interviewer asked him how he was making them so cheaply.  
The interviewer asked him if the approach was revolutionary.
- 3 He said he would make the films for between US\$60 and US\$70 million.  
He said the first film would be a big experiment.  
He said it was the same revolution as adding sound to pictures and colour to pictures.



## Doing business 1 E-MAIL 1

**OBJECTIVE** To consider the effects of e-mail on business life

**BACKGROUND** Microserfs

*Microserfs* (Pub: Harper Collins, 1995) is a novel about a group of young people who leave their well-paid jobs at the giant computer company, Microsoft, and start up their own computer games company. It is written by the Canadian author, Douglas Coupland, who is also famous for inventing the term 'Generation X' to describe a 'lost' generation, born between 1961 and 1971.

**ANSWERS** Microserfs

- 1 Because e-mail is like highways: if you have them, traffic follows.
- 2 You don't have to talk to the other person.
- 3 A maximum of 60% – although it could be less if there are other things going on in his life.

Two views

1 *(Possible answers – the name in brackets indicates probable agreement.)*

E-mail saves time. (Alan Davies)

It wastes time. (Susan Fearn)

E-mail means that people spend more time at their desks. (Susan Fearn)

It allows people to have a more flexible working life. (Alan Davies)

E-mail is now more important than the telephone. (Alan Davies)

It could never be more important than the telephone. (Susan Fearn)

2 ■ When I first started using e-mail back in '86, I really just used it to transmit simple text messages. (Alan Davies)

■ I understand that some organisations are establishing e-mail filters. (Susan Fearn)

■ This product is not just text, it is digital information. (Alan Davies)

■ In my view, e-mail is very definitely a mixed blessing. (Susan Fearn)

■ Probably 75% of the e-mails that I get are not directly relevant. (Susan Fearn)

■ The other thing that is happening now is the mobile office. (Alan Davies)

## Doing business 2 E-MAIL 2

**OBJECTIVE** To practise writing e-mails

**ANSWERS** Effective writing

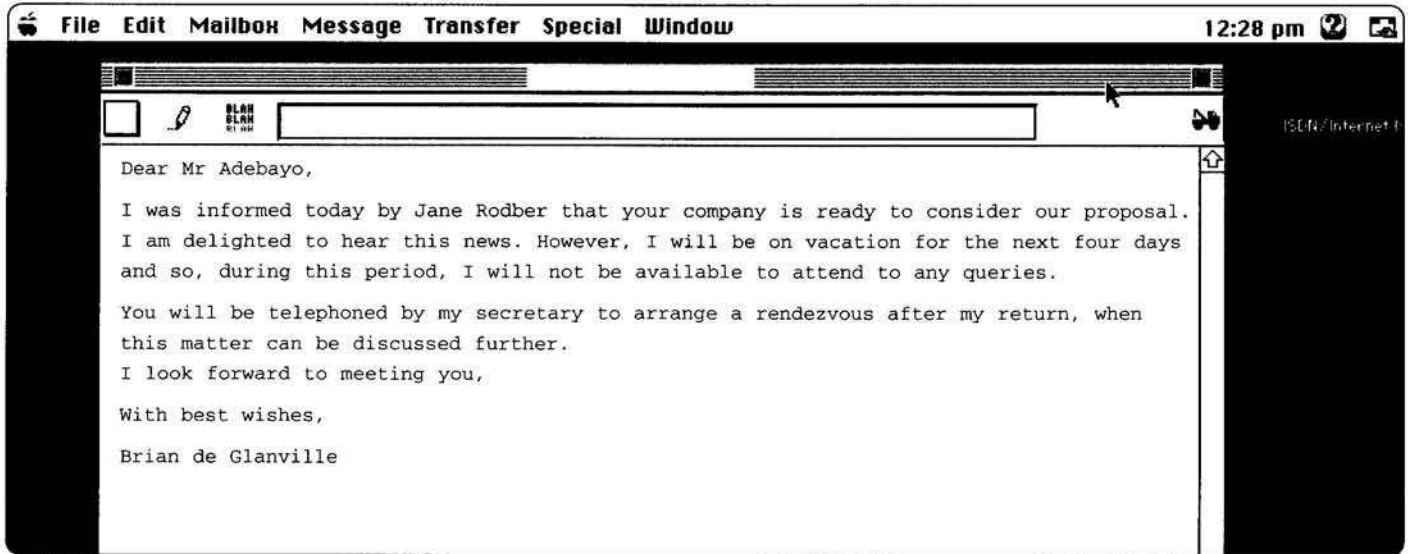
1 1 False    2 True    3 True    4 True    5 False    6 False

2 The first sentence uses too many words. It includes clichés like 'dynamic sales and marketing representatives' as well as the expression 'make your acquaintance' which can easily be replaced by something shorter such as 'call on you' or 'visit you'.  
The second sentence is passive, when it could easily be active.

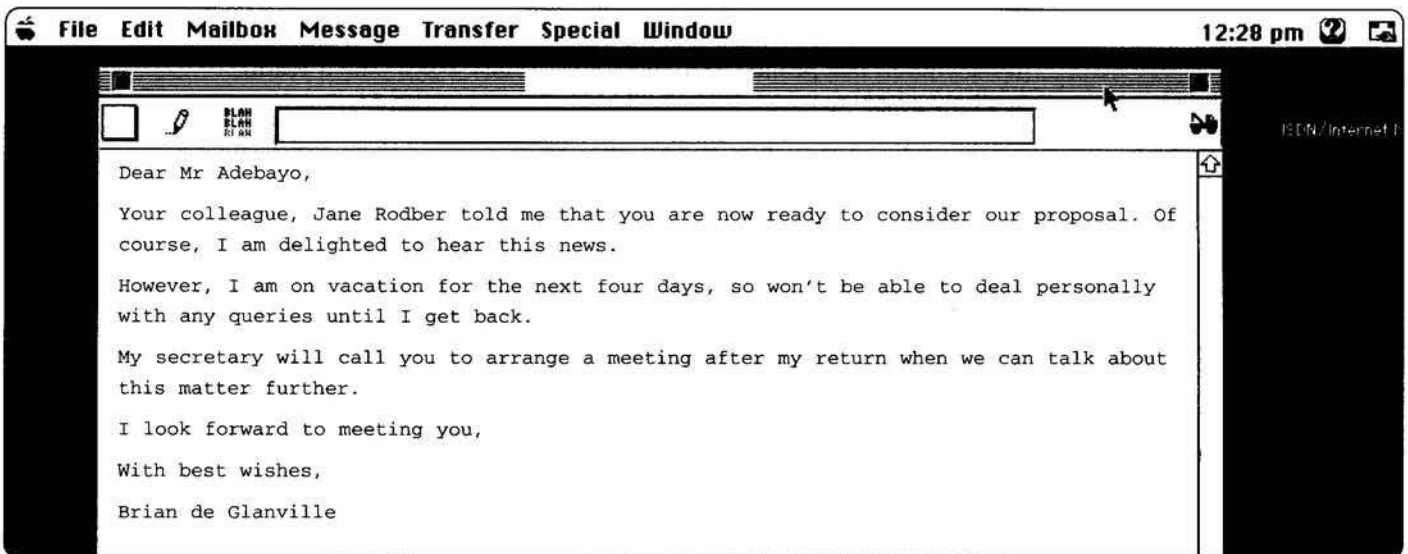
3 Both sentences could be rewritten in the same way:  
One of our salespeople will call on you over the next two weeks.

## Editing activity

### 1 *(Suggested version with unnecessary words deleted)*



### 2 *(Possible rewritten version)*



## *Focus* THE DIGITAL FUTURE

**OBJECTIVE** Discussion

**BACKGROUND** Nicholas Negroponte

Nicholas Negroponte is the Director of the Media Laboratory at the Massachusetts Institute of Technology in the USA. The Media Lab is an academic institution that looks at ways of creating new multimedia products out of the merger of newspapers, TV, entertainment and education with the interactive technologies of the computer industry. Negroponte is also famous as a public speaker, columnist and author as well as a tireless publicist for the digital revolution.

*Further reading*

*Being Digital* – Nicholas Negroponte (Hodder & Stoughton, 1995)

## *Social skills* POLITE EXCUSES

**OBJECTIVE** To practise ending conversations and apologising

**BACKGROUND** *Pretty Woman*

*Pretty Woman* is the story of a wealthy and ruthless asset stripper called Edward Lewis (Richard Gere) who gets lost in a borrowed car on Hollywood Boulevard late one night and asks a prostitute for directions. Before long the prostitute, Vivian Ward (Julia Roberts) and Ed Lewis have fallen in love; she shares his luxury hotel suite and starts accompanying him to his business meetings. In the scene in the Course Book, Vivian and Ed are having dinner in an expensive restaurant with two businesspeople – Jim Morse, the boss of a large American corporation, and his grandson, David.

*Pretty Woman* (1990) Directed by Garry Marshall. Screenplay by J.F. Lawton.

**ANSWERS** *Pretty Woman*

- 1 They finish on bad terms.
- 2 Ironical or humorous.

### Parting shots

- a You two enjoy your dinner.
  - b I've heard enough of this.
  - c Good luck.
  - d I've got to get some air.
  - e It was a great pleasure to meet you.
  - f I'd better join my grandson.
- 'I've heard enough of this' is unfriendly.

### Apologising

- 1 1 c, 2 b, 3 a
- 2 You can say 'Excuse me' or 'I'm sorry' to apologise when you leave a social situation.

### Saying goodbye

- 1 f, 2 a, 3 c, 4 b, 5 d, 6 e

# THE GODS OF MANAGEMENT

In his book, *The Gods of Management*, Charles Handy says there are four different kinds of company. He names them after four of the ancient Greek gods: Zeus, Apollo, Athena and Dionysus.

## MATCH THE GODS

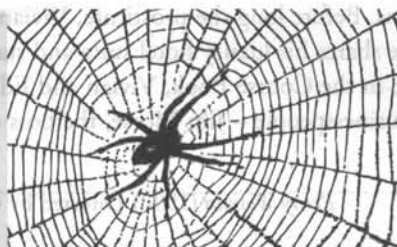
What did the four gods symbolise for the ancient Greeks? Match each of the descriptions below to one of the four gods listed above.

- |                         |                            |
|-------------------------|----------------------------|
| 1 The goddess of wisdom | 3 The god of order         |
| 2 The king of the gods  | 4 The god of wine and song |

## THE GODS OF MANAGEMENT

Read about the four kinds of company and discuss the four questions underneath.

### Zeus



*Zeus does not write, he speaks, eyeball to eyeball if possible; if not, then by telephone.*

This kind of company is dominated by one person: the boss. The boss surrounds him or herself with family and friends. Everything depends on his or her decision.

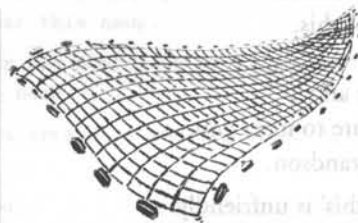
### Apollo



*The Apollo style is excellent when it can be assumed that tomorrow will be like yesterday.*

In an 'Apollo' company everything is organised in a strict and logical way. A person's role in the organisation is more important than their personality.

### Athena



*Management is seen as the continuous and successful solution of problems.*

This kind of company is focused on solving problems and getting results. Your age, your experience and your position in the company are not as important as your skill and talent.

### Dionysus



*The organisation exists to help the individual achieve his purpose.*

In this case, individuals are more important than the company they work for. The Dionysus company is a collection of stars: people like doctors, lawyers or even rock musicians!

- 1 Which kind of company is best in a stable environment?
- 2 Which kind of company gives people the most freedom?
- 3 Which kind of company gives the boss the most power?
- 4 Which kind of company is best at solving problems?

## THE GODS AND YOU

 Now discuss these points.

- 1 Which kind of company do you work for?
- 2 Which kind of company would you like to work for?

## THE STOCK MARKET

- Which of these is the best definition of a share?
  - Part of a company's profits
  - A regular payment received from an investment
  - A share in the ownership of a company
- What do you call the payment that shareholders regularly receive?
  - a perk
  - a dividend
  - a bonus
- The performance of a stock market is measured by an index. Here are five of the world's most important indices. Match them to their stock markets.

## INDEX

Dax  
Hang Seng  
KOSPI 200  
CAC 40  
BRSP Bovespa

## STOCK MARKET

Hong Kong  
Brazil  
Germany  
Korea  
France

## THE BOND MARKET

market price    big companies  
rate of interest    maturity

- Complete the text using the words in the box.  
 Bonds are issued by governments or .....<sup>1</sup> when they need money. If you buy a bond, you receive a fixed .....<sup>2</sup>. You also know that you will get your money back when the bond reaches .....<sup>3</sup> at a fixed date in the future. If you want your money back before that date, you simply sell the bond to someone else for its current .....<sup>4</sup>.
- Here are three kinds of bond. Match them to the definitions.

## BOND

Gilt  
T bond  
Junk bond

## DEFINITION

A UK government bond  
A very risky bond with a high yield  
A US government bond

## FOUR FINANCIAL VERBS

These four verbs describe four common activities on the financial markets. Match them to the four cartoons.

to hedge    to speculate  
to invest    to deal

I like to take big risks in the financial markets, because I want to make a big – and quick – profit.

1

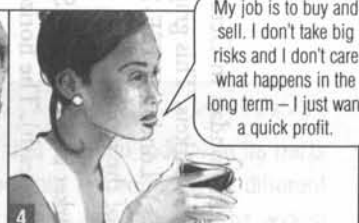
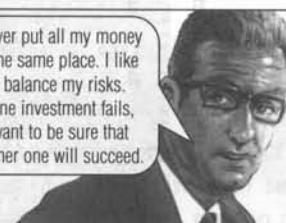


2

I want security. I buy things that will make money over a long period of time.

I never put all my money in the same place. I like to balance my risks. If one investment fails, I want to be sure that another one will succeed.

3



4

My job is to buy and sell. I don't take big risks and I don't care what happens in the long term – I just want a quick profit.

## THREE FINANCIAL CRIMES

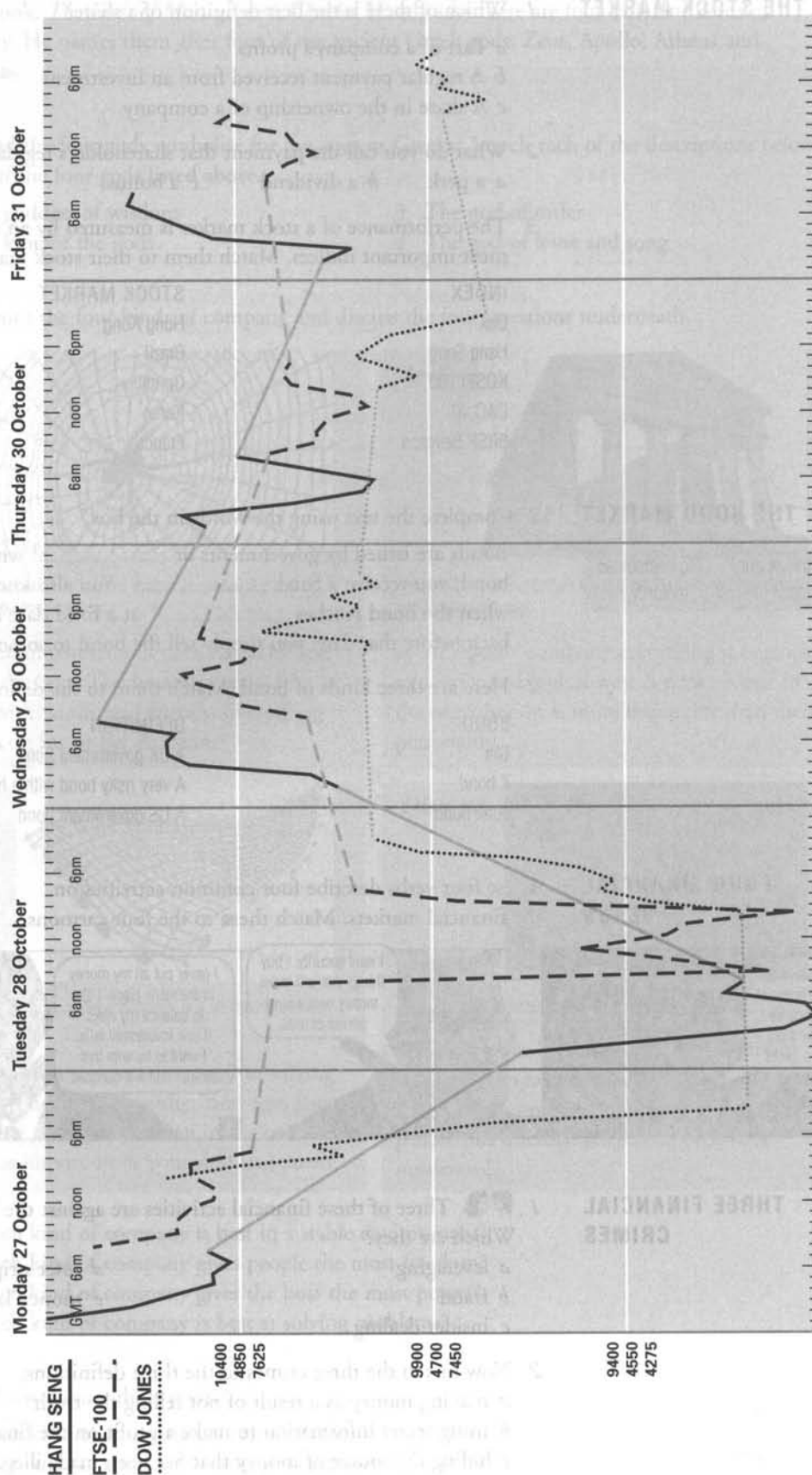
- Three of these financial activities are against the law in most countries. Which are they?
  - leveraging
  - fraud
  - insider dealing
  - asset stripping
  - money laundering
- Now match the three crimes to the three definitions.
  - making money as a result of not telling the truth
  - using secret information to make a profit on the financial markets
  - hiding the source of money that has been made illegally

Around the tenth anniversary of Black Monday, in October 1997, there was another crisis on the world's stock markets. This graph shows what happened in Hong Kong (Hang Seng), London (FTSE-100) and New York (Dow Jones) in the final week of the month.

The vertical axis shows the stock market indices (Hang Seng at the top, FTSE in the middle, Dow Jones underneath). The horizontal axis shows the time.

Reading from left to right, the solid line shows the performance of the Hang Seng (which opens first), the broken line shows the FTSE-100 and the dotted line shows the Dow Jones. (The faint lines show when the markets are closed.)

 Take turns to compare the performances of the three stock exchanges day by day.





# 4

## WHY ARE THE WORLD'S TOP BRANDS AMERICAN?

Here is a chance to think about why American business has been so successful around the world – and to think about the connection between America's success in business and its culture.

### THE WORLD'S TOP 10



A report in 1996 listed the ten most valuable brand names in the world. Look at the list and discuss your answers to these questions.

1 Which product is each of these companies most famous for?

BRAND NAME	PRODUCT
1 McDonald's	
2 Coca-Cola	
3 Disney	
4 Kodak	
5 Sony®	
6 Gillette	
7 Mercedes-Benz	
8 Levi's	
9 Microsoft	
10 Marlboro	

Source: Interbrand (quoted in The Economist 16.11.96 p.113)

2 Only two of these brands are not American. Which are they?

3 Which two adjectives would you use to describe all the American brands above? Choose from this list, or think of other adjectives that you know.

basic	cheap	popular	simple	stupid
luxurious	expensive	exclusive	complex	intelligent

4 Think of four other successful American brands. Can you use the same two adjectives to describe them accurately?

5 Why do you think that American brands are so successful? Think of at least three reasons.

### A UNIVERSAL PRODUCT

Read this explanation of the success of American business.

The American ideal is the Universal Product. It is a product that you can reduce to its parts and reproduce as many times as you like. We can see this in products as different as microprocessors and Coca-Cola. Americans want to make a product with the widest possible product appeal and to use a manufacturing process of simple steps. In this way the parent company can manufacture where costs are lowest and sell to as many people as possible.

The Seven Cultures of Capitalism,  
Fons Trompenaars and Charles  
Hampden-Turner, p.20 (edited)

1 Which of these sentences best summarises Trompenaars and Hampden-Turner's view of the success of American brands?

- a Americans make complex products for professional people.
- b American products are cheap and low quality.
- c Americans make products which are popular and easy to manufacture.

2 Think of the ways that your ideas about the success of American brands are different from theirs.

# WYSTAN 07



**The new Wystan 07**  
weighs less than any other  
mobile phone on the  
market and comes with the  
following special features:

---

Personal phone book – stores  
up to 200 numbers

---

Call timer – tells you how long  
your call lasts ... and how much  
it costs!

---

Silent ringing – user can switch  
off sound and rely on visual  
display

---

'Message waiting' indicator

---

The Wystan 07 comes in a  
choice of 12 colours

**\* Measures 100cm x 200cm x 150cm**

**\* All metal surfaces  
are covered in  
easy-to-clean paint**

**\* Push button ignition**

**\* Available in  
three colours**

**\* Fully controllable  
gas flame**



## The Happy Patio Gas Barbecue

**Assembly instructions included**

# 6

## SALES VOCABULARY

### THE CHEAPEST AND THE BEST

- 1 Look at these pairs of phrases. In each case, which phrase is associated with a product that is sold as 'the cheapest on the market' and which is associated with 'the best quality on the market'?

THE CHEAPEST

THE BEST QUALITY

in a special limited edition

at an unbelievable discount

exclusive offer

special offer

a bargain

a perfect opportunity

clearance sale

executive promotion

- 2 Use the phrases above to fill the gaps in this sales letter. One person should try to write a letter that sells on price, the other should write one that sells on quality. When you've finished, compare your answers.

- 3 What sales strategies can you think of that have been used to sell these products and services?

airline tickets   fruit   bedroom furniture  
a car   health care   language courses

- 4 Describe the strategies that your company uses to sell two of its main products.

*Sheringhams*

Dear Customer,

As you know, here at Sheringhams we specialise in providing products at the cheapest possible prices/of the very highest quality, which is why we're making this ..... offer to all our regular customers.

As part of our end-of-year ..... we are offering the 'Pretender' wristwatch ..... The new Pretender wristwatch is ..... that you cannot afford to miss! To avoid disappointment, call in to any of our 25 department stores today.

*Charles Sheringham*

### THE CHAIN OF DISTRIBUTION

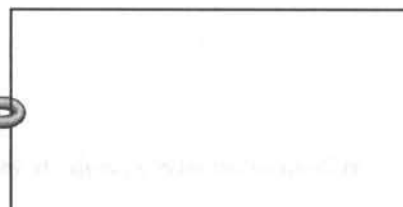
- 1 Put these words into the correct space in the chain of distribution.

factory   middle man   warehouse   production   point of sale  
storage   display   depot   end user   department store   shop

From the manufacturer ...

... through the wholesaler ...

... to the retailer.



- 2 Add any other appropriate words that you know.
- 3 Choose a product that you know well and describe how it gets from the factory to the end user.

# 7 ECONOMIC VOCABULARY

## ECONOMIC TERMS

1 Match the phrases in the column on the left with their definitions on the right.

the budget deficit	the difference between the value of a country's imports and the value of its exports
gross domestic product	the amount of money that a government spends
inflation	the rate at which prices increase
government expenditure	the total value of goods and services produced by a country
the balance of payments	the amount by which a government's spending exceeds its income

2 Which of the above do you think are a problem for the economy of your country/countries? Give your reasons.

## THE ROLE OF GOVERNMENT

1 In the left-hand column of the table below are the names of four British government departments. Which of the following things do you think they are responsible for? (Write your answers in the right-hand column.)

training      military personnel      pensions      teachers  
taxation      weapons      benefits      government expenditure

GOVERNMENT DEPARTMENT	RESPONSIBLE FOR ...
Treasury	
Ministry of Defence	
Department of Health and Social Security	
Ministry of Education	

2 What are the equivalents of these four government departments in your country? Make a list that summarises their responsibilities.

3 Compare your lists with a partner.

# 計 備 識

Sun Tzu was a successful military commander who lived in China around 2,500 years ago. Today, businesspeople still read his book, *The Art of War*, because they believe that it can teach them a lot about modern business. Here are five of Sun Tzu's sayings.

1

*If you know yourself and know your enemy, in a hundred battles you will never fear the result.*

2

*When soldiers are seen whispering in small groups, the general has lost the confidence of his men.*

3

*As water changes its flow according to the ground, so an army wins by relating to the enemy that it faces.*

4

*All warfare is based on deception. When you are capable, pretend to be incapable. When you are active, pretend to be inactive. When you are near, make the enemy believe that you are far away.*

5

*The skilful commander makes the enemy come to him, instead of being brought to the enemy.*



- Which areas of modern business do you think that these sayings could be relevant to? Here are a few ideas:  
 public relations  
 information systems  
 meetings  
 office politics  
 flexible thinking
- In your own words, rewrite Sun Tzu's sayings so that they are directly relevant to modern business life.
- Compare your ideas with those of others in the class.

# KEY IRREGULAR VERBS FOR BUSINESS ENGLISH LEARNERS

INFINITIVE	PAST SIMPLE	PAST PARTICIPLE
be	was/were	been
break	broke	broken
buy	bought	bought
come	came	come
cost	cost	cost
do	did	done
fall	fell	fallen
fly	flew	flown
forget	forgot	forgotten
give	gave	given
go	went	gone
have	had	had
keep	kept	kept
know	knew	known
leave	left	left
lend	lent	lent
lose	lost	lost
make	made	made
meet	met	met
pay	paid	paid
read	read	read
rise	rose	risen
run	ran	run
say	said	said
see	saw	seen
sell	sold	sold
speak	spoke	spoken
spend	spent	spent
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