前言

要提高听力,必须培养准确感知英语语音、语调的能力,熟练掌握系统的英语基础知识,了解和熟悉相关的文化背景知识。提高听力绝无捷径可走,最根本的方法就是多听多练,只有多听多练才能变"听不懂"为"听得懂",变"被动"为"主动"。但如何提高听力训练的效率,较快地提高听力水平,则有科学讲究,有规律遵循。

《新编商务英语(第二版)听力教程》旨在通过由浅入深、由易至难渐进式的、科学的听力技能训练,逐步提高学生"听"的能力。

《新编商务英语听力》在多年的实际教学使用中受到了广泛好评。借这次改版的机会,《新编商务英语(第二版)听力教程》在充分总结多年教学实践经验的基础上对原教材作了进一步完善,使之编排更科学,特点更鲜明,内容更精炼,梯度更合理,形式更生动活泼,以期达到更好的教学效果。

本教材虽然是为商务英语专业的学生而设计和编写的,但也可用作非商务英语专业学生的教材和英语爱好者的自学课本。本书共计4册,总教学课时为240学时,每册60学时。第一、二册以训练学生的基本听力技能为主,为提高其商务英语的听力水平奠定扎实的基础;第三、四册注重提高学生商务英语的实际应用能力。

本书为《新编商务英语(第二版)听力教程》第四册,共15个单元及期中、期末两篇测试题。每单元由4个部分组成:前3个部分的内容涉及求职、合同、合作、信息、金融、企业文化、经营与管理、市场与营销等各类商务活动,其中第一、第二部分拟用于课堂教学,第三部分可用作课外练习,教师和学生可根据教学实际灵活使用。第四部分为幽默故事,旨在活跃教学气氛、增强趣味性的同时,帮助学生增强语感,提高听力。

本书是配套第四册的教学参考书。

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Contents

Unit 1	
Part I	
A. Brokers	2
B. A Product Manager	3
Part II	
A. Relationships with Different Kinds of People	5
B. Relationships Between the Employees	
Part III	
A. Accountant	. 7
B. How to Be a Successful Businessman	
Part IV The World of Humor	
Unit 2	
Part I	. ~
A. Contract Law and Warranty	
B. Trademark, Patent and Agency Law	۔ ۔
Part II	
A. Oral Contracts	
B. How to Write Effective Business Contracts	1 (
Part III	_
A. Talking About the Contract	
B. Hire a Personal Lawyer	
Part IV The World of Humor	<u>ر</u>
Unit 3	
Part I	
A. Partnership	22
B. Corporate Chains	23
Part II	
A. Join the NW Business Partnership	24
B. Creating a Winning Business Partnership	25
Part III	
A. Health Partnership	26
B. Joint Venture	28
Part IV The World of Humor	3(
Unit 4	
Part I	
	۲
B. The Modern Corporation 3	33

Part II	
A. Types of Business Organizations (I)	34
B. Types of Business Organizations ([[])	35
Part III	
A. Tips to Make an Organization	36
B. Transnational Corporations	38
Part IV The World of Humor	40
Unit 5	
Part I	
A. Management	42
B. Business Administration	
Part II	
A. Business Practice	45
B. Which One Is More Profitable?	
Part III	
A. The Need for a Strategic Plan	47
B. Workers' Role	
Part IV The World of Humor	
Unit 6	
Part I	
A. Information Technology (I)	52
B. Information Technology (II)	
Part II	
A. Information Security	54
B. Different Types of IT Industry Jobs	
Part III	٠.
A. The E-marketing	56
B. Information Needs	
Part IV The World of Humor	
	0)
Unit 7	
Part I	
A. Marketing	61
B. Customer Service	62
Part II	02
A. Marketing Approaches (I)	63
B. Marketing Approaches (II)	64
Part III	J- T
A. Elements of the Marketplace	66
71. Elements of the Marketplace	00

B. Cross-cultural Marketing Part IV The World of Humor	
Unit 8	
Part I	
A. Supply and Demand	72
B. Competition	73
Part II	
A. Business Competition (I)	
B. Business Competition (II)	75
Part III	
A. What Is an Internal Company Analysis?	76
B. Internal Business Analysis	
Part IV The World of Humor	78
Test One	
Part I	
Part II	
Part III	
Part IV	84
Unit 9 Part I	0.7
A. Other Financial Institutions	
B. What Is a Central Bank?	88
Part II	00
A. Standard Chartered Bank	
B. Banking Support for Small Business	90
Part III A. J.P. Morgan	01
B. Finalizing a Plan.	91
	92
Part IV The World of Humor	93
Unit 10	
Part I	
A. Seven Management Principles of an Industrialist Group	96
B. Roles of General Managers	98
Part II	
A. Business Management	99
	100

Part III	
A. Green Cars	102
B. Environmental Protection	103
Part IV The World of Humor	104
Unit 11	
Part I	
A. Understanding Cultural Differences	107
B. Business Culture	108
Part II	
A. The Globalization Paradox	109
B. Japanese Communication Styles	111
Part III	
A. Customs, Etiquette and Protocol	
B. Global Business and Local Cultures	114
Part IV The World of Humor	116
Unit 12	
Part I	
A. Dell Computer Turns Customer Satisfaction into Profits (I)	118
B. Dell Computer Turns Customer Satisfaction into Profits (${ m I\hspace{1em}I}$)	119
Part II	
A. Swatch — A Successful Story	
B. Personal Life Style and the Purchasing Process	122
Part III	
A. Ice Cream Profits Melt Away	
B. Domestic DVD Makers Urged to Pay Fees	
Part IV The World of Humor	126
Unit 13	
Part I	
A. Job Hunting	
· · · · · · · · · · · · · · · · · · ·	130
Part II	101
E	131
	133
Part III	10.4
B. How Can Graduates Get Jobs	135
Part IV The World of Humor	136
	•

Unit 14	
Part I	100
A. Trade Policy	
B. Balance of Trade	140
Part II	1.41
A. Trade Protectionism in U.S. Takes on New Features	
B. Chinese Minister Calls for Fight Against Trade Protectionism	142
Part III	1.42
A. Japan Trade Talks Are Under Way	
B. Art Paper May Cost More	
Part IV The World of Humor	143
Unit 15	
Part I	
A. Brakes on Fakes (I)	
B. Brakes on Fakes (II)	149
Part II	
A. Pawnshop Trade Boosted	
B. Arabian Matchmakers: Flourishing Business	151
Part III	
A. World's Top Chefs Cook up Culinary Summit	
B. Nuclear Plant Gone to Weeds	
Part IV The World of Humor	156
Test Two	4.50
Part I	158
Part II Part III	159
Part IV	
	101





Part I



Brokers

Fill in the blanks with the information you hear.

A broker is an independent agent-wholesaling middleman that brings buyers and sellers together and provides market information to either party. Most brokers work for sellers, although a small percentage represents buyers.

Brokers have no authority to set prices. They simply negotiate a sale and leave it up to the seller to accept or reject the buyer's offer. They also furnish considerable market information regarding prices, products, and general market conditions.

Brokers are used in selling real estate and securities, but they are most prevalent in the food field. For example, a seafood broker handles the output from a salmon cannery, which operates only about 3 months each year. The cannery employs a broker to find buyers among retail stores, wholesalers, and other outlets. When the entire output has been sold, the agent-principal relationship is discontinued although it may be renewed the next year.

Because of the limited services provided, brokers receive relatively small commissions 5 percent or less. Therefore, brokers need to operate on a low-cost basis.

Food brokers introduce buyers and sellers of food and related general-merchandise items to one another and bring them together to complete a sale. They are well-informed about market conditions, terms of sale, sources of credit, price setting, potential buyers and the art of negotiating. They do not actually provide credit but sometimes store and deliver goods. Brokers also do not take title to goods and usually are not allowed to complete a transaction without formal approval. Like other brokers, food brokers generally represent the seller, who pays their commission.

Food brokers, like manufacturers' agents, operate in specific geographic locations and work for a limited number of food producers within these areas. The sales force calls on chainstore buyers, store managers, and institutional purchasing agents. Brokers work closely with advertising agencies. The average commission for food brokers is 5% of sales.

Keys

- A broker is an independent agent-wholesaling middleman.
- His job is to bring <u>buyers</u> and <u>sellers</u> together and provides <u>market information</u> regarding prices, products, and general market conditions to either party.
- Brokers are used in <u>selling real estate</u> and <u>securities</u>, but they are most prevalent in <u>the food</u> field.
- When brokers complete their sale, the agent-principal relationship is discontinued although it may be renewed the next year.
- Brokers receive small commissions 5% or less.
- They are well-informed about <u>market conditions</u>, <u>terms of sale</u>, <u>sources of credit</u>, <u>price</u> setting, potential buyers and the art of negotiating.
- Brokers generally represent the seller, who pays their commission.
- Brokers work closely with advertising agencies.



Fill in the blanks with the information you hear.

In many companies, a product manager is responsible for planning related to new products as well as to established ones. A large company may have many product managers who report to higher marketing executives.

In many large firms, the product manager's job is quite broad. This executive is charged with planning the complete marketing program for a brand or group of products. Responsibilities may include developing new products along with improving established products. Setting marketing goals, preparing budgets, and developing plans for advertising and field selling activities are some of the product manager's tasks. At the other extreme, some companies limit product managers' activities essentially to the areas of selling and sales promotion.

Probably the biggest problem in the product-manager system is that a company will saddle these executives with great responsibility, yet it may not give them the corresponding authority. They must develop the field selling plan, but they have no authority over the sales force. Product managers do not select advertising agencies, yet they are responsible for developing advertising plans. They have a profit responsibility for their brands, yet they are often denied any control

over product costs, prices, or advertising budgets. Their effectiveness depends largely on their ability to influence other executives to cooperate with their plans.

Most firms that achieve success in product innovation seem to use one of these four organizational structures for new-product development: product-planning committee, newproduct department, venture team, or product-manager system.

Keys

- The product manager's job is quite broad. He is responsible for:
 - planning related to the complete marketing program for a brand or group of products;
 - 2. developing new products along with improving established products;
 - 3. setting marketing goals;
 - 4. preparing budgets;
 - developing plans for advertising and field selling activities.
- The biggest problem in the product-manager system is that the executives are given great responsibility, but not corresponding authority.
 - They must develop the field selling plan, but they have no authority over the sales force.
 - 2. They do not select advertising agencies, yet they are responsible for developing advertising plans.
 - They have a profit responsibility for their brands, yet they are often denied any control over product costs, prices, or advertising budgets.
- There are four organizational structures for new product development:
 - product-planning committee; 1.
 - 2. new-product department;
 - 3. venture team;
 - product-managers system.



Part II



Relationships with Different Kinds of People

Mark the following box before each statement with "T" for true or "F" for false.

Some people believe that you have to be a special kind of person to sell a product. Although it is clear that a successful salesman does need special talents and an open personality, many of the skills he uses are used by us all.

We build and keep relationships with different kinds of people; we listen to and take note of what they tell us and don't just enjoy the sound of our own voices, and we explain things to them or discuss ideas with them.

In the same way any company needs to establish a personal relationship with its major clients and potential customers. It is often said that "people do business with people": a firm doesn't just deal impersonally with another firm. A person in the buying department regularly receives personal visits from people representing the firm's suppliers. A team of buyers may travel around visiting their suppliers

Keeping sales people on the road is much more expensive than employing them to work in the office. Much of the sales people's time is spent unproductively travelling. Telephone selling may use this time more productively, but a face-to-face meeting and discussion is much more effective. Companies involved in the export trade often have a separate export sales force. Its travel and accommodation expenses may be very high. As a result, servicing overseas customers may often be done by phone, telex or letter, and personal visits may be less often. Many firms appoint an overseas agent or distributor whose own sales force takes over responsibility for selling their products in another country.

Keys

1 F

2 T

3 T

4 -

5 F



Relationships Between the Employees

Answer the questions according to what you hear.

Most Japanese firms encourage close cooperation and friendship between their employees. They encourage senior and more experienced employees to help and guide their younger coworkers in performing a particular task. A mutual respect soon develops and the senior and the junior employees generally become firm friends. In this way, the younger employees can acquire all the necessary skills and know-how from the experienced colleagues. At the same time the latter can gain job satisfaction and take pride in carrying out the responsibility which they have been given. Aware that their expertise and experience are appreciated by their company and fellow-workers, they are able to identify even more closely with the company.

Whereas a number of European and American companies may ask their employees to write down their suggestions on a piece of paper in order to find out their views and ideas, in Japan the management is more interested in ideas which have not been written down in any formal way. For example, a worker may bring a particular type of screwdriver to work and use it while he or she thinks the supervisor is not looking. The company is aware that the worker does this for a very good reason and notes it. Thus, when the particular employee retires, his or her successor will find a screwdriver nearby to use for a similar purpose. In this way, Japanese firms can change staff without any apparent change in their working methods.

Keys

- They are encouraged to have close cooperation and friendship with their colleagues. 1.
- They can acquire all the necessary skills and know-how from their experienced colleagues. 2.
- 3. They can gain job satisfaction.
- They are able to identify even more closely with the company. 4.
- then They may ask their employees to write down their suggestions on a piece of paper. 5.





Fill in the blanks with the information you hear.

Accounting is a system for measuring the result of business activities and communicating those measurements to interested users. The field of accounting is divided into three broad divisions: public, private, and governmental. A certified public accountant, or CPA, as the term is usually abbreviated, must pass a series of examinations, after which he or she receives a certificate. In the United States, the certification examinations are prepared and administered by the American Institute of Certified Public Accountants. The various states or other major governmental jurisdictions set additional qualifications for residence, experience, and so on. The British equivalent of a CPA is called a chartered accountant.

Public accounting consists largely of auditing and tax services. An audit is a review of the financial records of an organization. It is usually performed at a fixed interval of time perhaps quarterly, semiannually, or annually. And as the tax laws have grown increasingly complex, not only corporations but also individuals have had to utilize the services of accountants in preparing their tax forms and calculating their tax liability. Business enterprises, government agencies, and non-profit organizations all employ public accountants either regularly or on a part-time basis.

Many accountants work in government offices or for non-profit organizations. These two areas are often jointed together under the term governmental and institutional accounting. The two areas are similar because of legal restrictions in the way in which they receive and spend funds. Therefore, a legal background is sometimes necessary for this type of accounting practice.

Private accountants, also called executive or administrative accountants, handle the financial records of a business. Like those who work for the government or non-profit organizations, they are salaried rather than paid a fee. Those who work for manufacturing concerns are sometimes

called industrial accountants. Some large corporations employ hundreds of employees in their accounting offices.

Keys

- 1. The field of accounting is divided into three broad divisions: <u>public</u>, <u>private</u>, and governmental.
- 2. A certified public accountant must <u>pass a series of examinations</u>, after which he or she receives a certificate.
- 3. Public accounting consists largely of <u>auditing</u> and <u>tax services</u>. An audit is a review of the <u>financial records</u> of an organization. It is usually performed at a fixed interval of time, perhaps quarterly, semiannually, or annually.
- 4. <u>A legal background</u> is sometimes necessary for this type of accounting practice because many accountants work in government offices or for non-profit organizations.
- 5. Private accountants or administrative accountants <u>handle the financial records of a business</u>. They are salaried rather than <u>paid a fee</u>. Those who work for manufacturing concerns are sometimes called industrial accountants.

В

How to Be a Successful Businessman

Make the right choice according to the information you hear.

Blake Bergman is a marketing representative of Mobil Oil Corporation. He was invited to give an address to the students of Business Department of Domingo's College. Here is his lecture:

Three years ago, I was sitting exactly where you are sitting now, in Business Department at Domingo's College.

Today I have an exciting marketing position with Mobil Oil Corporation. So as one Domingo's business student to another, I'd like to pass along something important I've learned.

Nothing in business determines how fast or how far you will advance more than your ability to write clear and effective messages.

This is true whether you're in accounting, computers, finance, marketing, management, or any other area. Don't kid yourself that you won't have to write, or that your secretary will do all the writing for you. If your secretary can write better than you, the day will come when he or she will be your boss. I am shocked at the amount of writing required in business. Even accountants

are expected routinely to produce reports.

Your employer, of course, will expect you to know the technical side of business. You learn that in the School of Management. But if you cannot communicate in writing, your knowledge will do you little good. And you learn communication in your classes.

While you have the opportunity, learn every skill you can in Business Department. Before long you'll discover that in business the ladders are all made of paper. You can write yourself into a vice-presidency or out of a job. Thank you.





The World of Humor

Answer the question according to what you hear.

Two White Mice

The manager of a small building company was very surprised to get a bill for two white mice which one of his workmen had bought. He sent for the workman and asked him why he had had the bill sent to the company.

"Well," the workman answered, "you remember the house we were repairing in Newbridge last week, don't you? One of the things we had to do there was to put in some new electric wiring. Well, in one place we had to pass some wires through a pipe thirty feet long and about an inch across, which was built into solid stone and had four big bends in it. None of us could figure out how to do this until I had a good idea. I went to a shop and bought two white mice, one of them male and the other female. Then I tied a thread to the body of the male mouse and put him into the pipe at one end, while Bill held the female mouse at the other end and pressed her gently to make her squeak. When the male mouse heard the female mouse's

squeaks, he rushed along the pipe to help her. I suppose he was a gentleman even though he was only a mouse. Anyway, as he ran through the pipe, he pulled the thread behind him. It was then quite easy for us to tie one end of the thread to the electric wires and pull them through the pipe."







Part I



Contract Law and Warranty

Fill in the blanks with the information you hear.

Before making a contract it is imperative for you to understand the contract law. A contract is a legally enforceable agreement between two or more parties. There should be five elements in a contract. First of all, it should comply with laws and regulations at all levels. Secondly, parties to a contract must be legally competent and can be held fully liable for their conduct. Those who are under a certain age or legally incompetent at the time of contracting have limited contractual liability. For example, a contract signed by a child, a drunk or a mental deficient person is not enforceable. A contract must also be based on voluntary agreement. If anyone of the parties signed the contract under threat, the contract can be canceled. Another element required of a legally valid contract is consideration. Considerations can be money, products or anything of value. Finally, a contract must be in a proper form. It may be written or oral. In certain situations, however, a written contract is the only legally proper form. It is wise to have all important contracts in written form.

Warranty is a contract, to some extent. When you buy something, especially something valuable, you should remember to get and keep a warranty. A warranty represents a promise by the manufacturer or seller that the product will work reasonably well within some time. A warranty can be written or implied. Written warranties are also called expressed warranties because the features of the warranty are spelled out in writing. Implied warranties, on the other hand, are unwritten guarantees that automatically become effective at the time of the sale. The most common implied warranty is the warranty of merchantability. For example, a clock must tell the time, and a car must drive. If they don't, according to warranty of merchantability, the buyer is entitled to a refund or other forms of compensation.

Keys

- 1. The five elements in a contract are:
 - It should be lawful. It should comply with laws and regulations at all levels.
 - Parties to a contract must be <u>legally competent</u>. They can be <u>held fully liable</u> for their conduct.
 - It should be based on <u>voluntary agreement</u>. Any contract <u>signed under threat</u> can be canceled.
 - There should be considerations. They can be money, products or anything of value.
 - It should be in a proper form. It is wise to have all important contracts in written form.
- 2. A warranty represents a promise by the manufacturer or seller that the product will work reasonably well within some time.
- **3.** Written warranties are also called <u>expressed warranties</u> because the features of the warranty are spelled out in writing.
- 4. Implied warranties, on the other hand, are <u>unwritten guarantees</u> that automatically become effective at the time of the sale.
- 5. If a clock can't tell the time, and a car can't drive, according to <u>warranty of merchantability</u>, the buyer is entitled to a refund or other forms of compensation.

В

Trademark, Patent and Agency Law

Fill in the blanks with the information you hear.

A brand is a name, term, symbol, or special design that is intended to identify the goods or services of one seller or group of sellers. A brand differentiates one seller's products from those of competitors. A trademark is a brand that is given legal protection, because under the law, it has been appropriated by one seller. Thus trademark is essentially a legal term. All trademarks are brands and thus include the words, letters, or numbers that can be pronounced. They may also include a pictorial design.

A patent is an exclusive legal right granted by government to the inventor of a new product, a new process or a new idea. Over a period of time, the patent holders own their inventions and can sue any person or company that duplicates the inventions without their permission. In return for a fee and specific royalty payments, however, patent holders often license others to use their patents.

Companies or firms usually authorize people to act on their behalf to buy or sell things. The

companies and firms are called principals and the authorized people are known as agents. The law governing such relationships is called agency law. The appointment of an agent can be made verbally or in writing. The most formal appointment may spell out the powers and duties of the agent as well as the responsibilities of the principal in a written contract. For example, manufacturers' agents have a formal agreement with each manufacturer covering prices, territories, order-handling procedures, delivery and warranties, and commission rates. The principals must give their agents equitable compensation, bear related business expenses, and inform the agents of the risks involved in the business. Principals are also responsible for the actions of their agents if they act within their terms of reference.

Keys

- 1. A brand is a name, term, symbol, or special design that is intended to identify the goods or services of one seller or group of sellers.
- 2. A trademark is a brand that has been appropriated by one seller. It includes the words, letters, numbers or a pictorial design.
- 3. A patent is an exclusive legal right granted by government to the inventor of a new product, a new process or a new idea.
- 4. No one can use the patent without the patent holder's permission.
- The law governing the relationships between companies or firms with their agents is called 5. agency law.
- 6. The agency law may spell out the powers and duties of the agent as well as the responsibilities of the principal.
- 7. A formal agreement between manufacturers and their agents will cover prices, territories, order-handling procedures, delivery and warranties, and commission rates.
- 8. The principals should give their agents equitable compensation, bear related business expenses, and inform the agents of the risks involved in the business. They are also responsible for the actions of their agents if they act within their terms of reference. rtt.



Part II



Oral Contracts

Mark the following box before each statement with "T" for true or "F" for false.

An oral contract is a verbal agreement made between two or more people about an exchange of goods or services, or a guarantee on the quality of a product. The concept of the oral contract may seem straightforward at first, but there are issues that need to be considered before entering into one.

Often parties enter into agreements that are partially oral and partially written, based on a handshake and a few letters or memos that may indicate some of the aspects of the agreement without actually being contracts themselves. In this case, the "agreement" is contained partly in the oral agreement and partly in the letters and memos. Put all the information relating to your agreement in one place— a single, clear and complete written contract.

Some oral contracts are legally unenforceable. These four types of contracts, which involve a high risk of fraud, typically must be in writing by law. They are:

- 1. Contracts for the sale or purchase of land
- **2.** Contracts for the sale or purchase of goods priced at \$500 or more (with a few significant exceptions)
- 3. Marital settlement or prenuptial contracts
- **4**. Contracts that cannot be performed within one year of the time the contract is made. There are instances when an oral contract is not legally binding:
- 1. If the agreement made regards something that is illegal in nature and that violates a local, state, or federal law, then the contract is considered void. For example you can not enforce a verbal contract that was for an exchange of stolen goods.
- 2. If the verbal contract is vague and does not tie down specifics, then the contract doesn't exist. For example if you were talking with a friend and said you would like to buy a part of their record collection sometime, then there was no oral contract made. This is due to the

- fact that your statement of interest did not include a purchase price, exactly which records you intended to buy, or an intended date of purchase. Therefore your friend could not sue you to buy the records because no contract was made.
- 3. If both parties involved in the oral contract transition had a misunderstanding about the main context of the contract, then the oral contract does not exist. For example, if the oral agreement was to buy a doghouse and a purchase price was agreed on, but the exact model of the doghouse was not clarified and each party thought the contract was for a different model, then the agreement is void. Because the exact item in question was not specified and both of the contracting parties had a different product in mind, no oral contract was formed. Both parties need to be on the same page in order for the contract to be formed. Again specifics need to be detailed to make sure both parties understand exactly what is being sold for exactly how much.



1 F 2 T 3 F 4 T 5 T 6 T 7 F 8 F



How to Write Effective Business Contracts

Complete the following statements with the information you hear.

A good contract can increase your business, earn you respect, and make you money. A bad contract, on the other hand, can be disastrous. These nine tips will give you a head start.

- 1. Describe all obligations they are expected to fulfill.
- 2. Describe all obligations they expect the other party or parties to fulfill.
- 3. Limit any liabilities.
- 4. Set parameters, such as a time frame, in which the terms of the contract will be met.
- **5**. Set terms of a sale, lease, or rental.
- **6**. Establish payment terms.
- 7. Clearly establish all of the risks and responsibilities of the parties.
- 8. Write clearly. Ambiguous language in a contract can lead to misunderstandings, delays, frustration even litigation. Make sure that both parties' responsibilities are clearly outlined.
- **9.** Draft complete contracts. Many contracts fail or create confusion because they are incomplete. The omission of important terms or expectations can lead parties to assume —

incorrectly — that the terms are understood or implied. Make sure that all key statements or representations from both parties — are spelled out clearly.

The best way to begin drafting a contract is to look at several sample forms that are similar to the document that you want to create. Sample forms can alert you to issues you might not have considered, and they can provide strong, standard language for your contract.

Don't rely on a standard form or sample contract. standard forms may or may not be applicable to your situation — and they might have been drafted for the benefit of the wrong side. Most forms are simply a starting point and must be customized for your particular transaction.





Talking About the Contract

Make the right choice according to the information you hear.

Li: Good morning, Mr. Brown. Have you read the contract?

Brown: Yes. I made a very close study of the draft contract last night.

Li: Do you have any different ideas about the clauses and wording?

Brown: Yes, there are a few points I think we have to discuss again before we sign the

contract.

Li: What are they?

Brown: First, about packing. The packing material should protect against vibration, shock or

rough handling.

Li: We'll use a whole array of packaging materials in order for the product to reach the end

consumer in a consumable state.

Brown: We have to state this in the contract.

Li: I agree.

Brown: Second, about the time of shipment. What if you fail to meet our delivery dates?

Li: If we deliver the goods according to the time we've agreed upon, but they don't arrive

on time because of unforeseen reasons, it is not our responsibility.

Brown: Well, that sounds reasonable. But we'll need your guarantee of a timely delivery.

Li: You know we want to get paid as soon as possible. So there's no reason for us to delay the delivery.

Brown: Now about the terms of payment. We prefer payment by sight L/C.

Li: The value involved in the transaction is so large that the great interest and bank charge for L/C will increase the cost of the project. How about the terms of payment by installments?

Brown: Well, in order to promote future business, we accept your proposal for payment by installments. However, we must make it clear that a Bank of China will give us a written letter to guarantee the payment.

Li: There is no doubt about that.

Brown: All right, I agree. Now let's deal with the details of payment by installments.

Questions:

- 1. What are the two speakers talking about?
- 2. What kind of material does Mr. Brown want?
- 3. Read the following sentences and decide which one is NOT true.
- 4. Read the following sentences and decide which one is NOT true.

Keys

1 B 2 C 3 D 4 D



Answer the following questions according to what you hear.

More than one-third of the city residents who took part in a recent poll say they plan to hire a personal lawyer in the next five years.

While only 15% of the city's residents now use an attorney, the apparent inclination to use lawyers could be seen as another indicator of the city's economic progress.

As more people earn more, have bigger homes and expand their investment portfolios, they are taking new steps to protect their growing assets, which include cars.

The poll was conducted over the past two months. It attempted to identify the demand for

legal service by ordinary Chinese people.

Nearly half of the companies interviewed employ staff legal counsel. The private individuals who do so are in higher-income brackets and include owners of private companies and successful stock traders.

The poll found that most people want lawyers to provide professional consultation on three kinds of problems: home purchases, labor disputes and injury cases. A quarter of those surveyed say they would use their attorney primarily to settle real estate disputes.

Keys

- 1. More than 1/3 of the city residents.
- **2**. 15%.
- 3. Because they earn more, have bigger homes and cars, and are expanding their investment portfolios.
- **4**. The private individuals in higher-income brackets, owners of private companies and successful stock traders.
- 5. Consultation on home purchases, labor disputes, injury cases and real estate disputes.



The World of Humor

Answer the question according to what you hear.

Where Is the Missing Dollar?

Mr. Knight was the manager of a hotel in Springfield. One weekend all of the hotels were full because of a large business meeting being held in the city. On Sunday night, three men came into Mr. Knight's hotel and asked for rooms. Mr. Knight told them that there were no rooms available. The men did not know what to do because they had no place to stay in.

Mr. Knight wanted to help them. He remembered that Room 418 was empty. It was a very small room, but he asked the three men if they would all stay in the same room. They said they

would.

Mr. Knight told them that the room would be \$30, \$10 for each man. Each man gave him \$10, and then they went up to the room.

Mr. Knight soon began to think, "Thirty dollars is too much for that small room." He called his assistant over and said, "Here is \$5. Give it to the men in Room 418, They paid me too much for that room."

The assistant took the money. While he was on his way to Room 418, he thought, "How can three men divide \$5? I'll give each of them only \$1, and I will keep \$2. The men will be happy to get something back. I will make a little money, and Mr. Knight will never know." So, the assistant returned \$1 to each of the three men.

Each man had first paid \$10. After receiving \$1 from the assistant, each man had actually paid only \$9. There were three men.

 $9\times 3=27$. The assistant kept 2. 27+2=29.







Part I



Partnership

Make the right choice according to the information you hear.

A partnership is an extended form of the proprietorship. It has two or more co-owners. These partners share the financing of capital investments and the profits. Jointly they perform the managerial function within the firm, organizing team production and monitoring one another's behavior to control shirking.

The partnership also has certain limitations. Individual partners cannot sell their share of the partnership without the approval of the other partners. The partnership ends each time a partner dies or sells out. It has to reorganize and reorganization is costly. And each partner is considered legally liable for all the debts of the partnership up to the full extent of the individual partner's wealth. Because of these limitations, partnerships are usually small and are found in businesses where monitoring of production by a manager is difficult.

Partnerships constitute a small percentage of firms and business revenues in the US economy. One should not underestimate the significance of partnership firms, however, since many important services, such as those provided in law, accounting, medicine, and architecture, are organized as partnerships.

Keys

1 B

2 C

3 A

Corporate Chains

Make the right choice according to the information you hear.

The major forms of ownership in retailing are corporate chain, independent, and vertical marketing system (VMS). Within the VMS category are several types of organizations: wholesaler-sponsored voluntary chains, retailer-owned cooperatives, and franchise systems.

A corporate chain, sometimes called a chain-store system, is an organization of two or more centrally owned and managed stores that generally handle the same lines of products. Three factors differentiate a chain from an independent store and contractual vertical marketing system.

Technically, two or more units constitute a chain. Many small merchants that have opened several units in shopping centers and newly populated areas do not think of themselves as chains, however. Consequently, it might be more meaningful to consider a larger number of units as a reasonable minimum when categorizing a retailer as a chain. The Bureau of the Census considers 11 units to be the minimum size for a chain.

Central ownership distinguishes corporate chains from contractual vertical marketing systems. Due to centralized management, individual units in a chain typically have little autonomy. Strategic decisions are made at headquarters, and there is considerable standardization of operating.

Corporate chains continue to increase their share of total retail trade. The predominance of chains varies considerably, however, depending on the kind of business. Chains dominate in the department store business but are not very significant among auto and home supply stores. In the grocery field there are several giant firms, yet chains account for less than 60% of sales made by grocery stores. Essentially chains are large-scale retailing institutions. As such, they possess the comparative strengths and weaknesses.

4 C Keys 1 B 2 A



Part II



Join the NW Business Partnership

Mark the following box before each statement with "T" for true or "F" for false.

The NW Business Partnership puts you at the heart of the North West business market, the 5th richest in the nation.

We're a nonprofit economic development and transportation management association comprised of more than 180 members with employment sites in the NW District.

The Business Partnership has an extensive database of business for sale throughout the country. You can view our business for sale, request a business valuation or contact a regional office to help with the purchase or sale of a business.

The Business Partnership provides a national service as the nation's leading business transfer agent, successfully brokering deals between sellers and buyers throughout the country and beyond. Our success is due to the quality and business experience of our partners, together with our attention to detail and a fundamental understanding of the need for confidentiality.

Our members count on us to help them grow and stay competitive in this dynamic and fast-paced area. We're a major voice in attracting new business here, and we're a key source for the latest market analyses and demographics. We represent our members' interests in every important arena, and we work hard to ensure that the media rely on us as a source of credible information. Our staff members know the pulse of our region. We have the latest information on permitting, site selection, legislation and regulations. Our innovative transportation programs help member employers and their employees excel. And our high-profile Spirits of Success breakfast regularly put our partners in touch with business and government leaders. We help your business fly.

Join us at our next Business Breakfast, Nov. 29 with Secretary Robert Brown at the Hilton Hotel. To learn more contact us via e-mail or call 8477–1807.

Keys
1 F 2 F 3 F 4 T 5 T 6 F 7 F 8 T 9 F 10 F



Creating a Winning Business Partnership

Fill in the blanks with the information you hear.

Small business owners often choose a sole proprietor business structure when starting up. The road to entrepreneurship can be lonely. Greater rewards may result from forming a business partnership. Partnerships offer more freedom for business owners with shared business tasks and the potential to earn greater profits.

A partnership business can be a relationship disaster or a positive experience. Before you form a business partnership consider the following:

Creating a winning business partnership

- Have the same vision: For a partnership to be successful, all parties involved must agree on the same strategic direction of the company. If one partner wants to build a national chain of retail outlets and the other would just like to earn a decent living, the business will fail in no time. Set a clear agreed course for the business that meets the needs of both partners.
- Define business roles: A winning business partnership capitalizes on the strengths and skills of each partner. Divide business roles according to each individual's strengths. For example, one partner may be strong in marketing, operations and finance, the other sales, human resources and leadership.
- Avoid 50-50 split: It may seem logical and fair to split the share of ownership into an equal 50%. However, this ownership structure can impair decision making in the future. Instead of having decisions stalemated consider a 49% to 51% split. If this is not possible, an outside board for bigger issue disagreements can help your company from being deadlocked on decisions.
- Hold a monthly partner meeting: A strong business partnership is built on an open communicating relationship. Meet on a monthly basis to share grievances, review roles and provide constructive criticism.
- Create a partnership agreement: It is simple to set up a partnership because no legal documents are needed. Partnerships are often an oral agreement between two or more parties. Potential problems can be averted down the road by drawing up a legal partnership agreement.

Keys

Before you form a business partnership consider the following:

- 1. <u>Have the same vision</u>: All parties involved must agree on the same strategic direction of the company.
- 2. Define business roles: Divide business roles according to each individuals strengths.
- 3. Avoid 50–50 split: This ownership structure can impair decision making in the future. Consider a 49% to 51% split. If this is not possible, an outside board for bigger issue disagreements can help the company from being deadlocked on decisions.
- 4. <u>Hold a monthly partner meeting</u>: A strong business partnership is built on <u>an open</u> communicating relationship.
- **5**. Create a partnership agreement: <u>Potential problems can be averted</u> down the road by drawing up a legal partnership agreement.





Health Partnership

Answer the following questions according to the information you hear.

Partnerships are not appropriate for every business situation. The first rule of partnering — don't partner unless there are good reasons to do so. A common misconception by newbies is that a partnership will lighten the workload and put them on easy street. Fact is, with more mouths to feed you might have to work even harder to meet any increased financial obligations.

In spite of the risks, here are a few good reasons why you might want to get into a partnership.

- To share the workload.
- To attract someone with skills or knowledge you don't already have.
- To bring more money to the table.
- To handle a job or business that is too large for you to manage alone.

- To keep up with a rapidly growing business.
- To keep a great person on your team by sharing responsibilities and profits.

Here are nine rules of the road to keep in mind when initiating any business partnership:

- 1. Partner with people who have different skills than you, and clarify your respective roles.
- 2. Define your business vision together and as you grow, discuss and make any changes to that vision as a team.
- 3. Discuss your expectations of each other and the business, and particularly ensure the business can meet all partners' financial, career and lifestyle requirements.
- 4. Assume nothing communicate often, honestly and openly.
- 5. Before getting into business together, get to know potential partners well enough to know whether you have compatible values.
- 6. Research your potential partner's work and financial history to get familiar with his or her track record. If a number of his or her previous engagements have ended in a cloud of law suits and conflict, you can be fairly certain that your planned partnership will too.
- 7. Negotiate and sign a partnership agreement use the services of a lawyer to do this.
- **8**. Prior to signing a partnership agreement, ensure that you and any potential partners can effectively resolve conflicts.
- **9**. Be sure to include a shotgun or exit clause in your partnership agreement. Breakup of a partnership can cause disruption or even destroy a business. A shotgun clause can provide a process for a partner to exit in a way that is fair to all parties.

In summary, respect your business and all those involved by having a foolproof partnership agreement. Be honest and open with your partner, communicate often, keep your expectations realistic, and be loyal to each other. These things will go a long way toward building a successful and profitable business partnership.

Keys

- 1. A partnership will lighten the workload and put them on easy street.
- 2. 1) Those who can share the workload.
 - 2) Those who have skills or knowledge you don't already have.
 - 3) Those who can bring more money to the table.
 - 4) Those who can handle a job or business that is too large for you to manage alone.
 - 5) Those who can keep up with a rapidly growing business.
 - 6) Those who can keep a great person on your team by sharing responsibilities and profits.
- 3. 1) Your partners have different skills than you, and clarify your respective roles.
 - 2) Define your business vision together and as you grow, discuss and make <u>any changes to that vision</u> as a team.

- 3) Discuss your expectations of <u>each other and the business</u>, and particularly ensure the business can meet all partners' <u>financial</u>, <u>career and lifestyle requirements</u>.
- 4) Assume nothing communicate often, honestly and openly.
- 5) Before getting into business together, get to know <u>potential partners</u> well enough to know whether you have compatible values.
- 6) Research your potential partner's work and <u>financial history</u> to get familiar with her <u>track</u> <u>record</u>. If a number of <u>her previous engagements</u> have ended in a cloud of law suits and conflict, you can be fairly certain that your planned partnership will too.
- 7) Negotiate and sign a partnership agreement use the services of a lawyer to do this.
- 8) Prior to signing a partnership agreement, ensure that you and any potential partners can effectively resolve conflicts.
- 9) Be sure to include a shotgun or exit clause in your partnership agreement. Breakup of a partnership can cause <u>disruption</u> or even <u>destroy a business</u>. A shotgun clause can provide a process for a partner to exit in a way that is fair to all parties.



Joint Venture

Answer the questions according to what you hear.

Smith: Mr. Li, I'm glad to see that we've attained a satisfactory result since we established business relations. With broad prospects before us, I have to discuss with you the question of joint venture this time.

Li: Maybe it's time now to talk a little about the future. What suggestions do you have?

Smith: I'm thinking of a clothing factory as a joint venture in your city to produce the finest clothes for you.

Li: How interesting! We are also considering a joint venture with you. Please take a seat.

Let's discuss this project more in detail.

Smith: Mr. Li, first of all, I'd like to have some information about the current investment environment of this city.

Li: Well, we have tried our best to create a more favorable environment for foreign investors. Our new policy of opening to the outside world presents unrivalled opportunities for investment and trading. To meet the needs of foreign investors, the city government has issued a series of regulations and measures favouring foreign investors.

Smith: Really? I hope the new regulations and measures will benefit both of us.

Li: I think the new regulations and measures will primarily benefit the investors. For example, a joint venture will be allowed a certain reduction or even exemption from income tax in the first five profit-making years.

Smith: What are profit-making years? You mean the year of production?

Li: No, I mean the first five years in which the venture succeeds in producing a profit.

Smith: I see.

Li: What's more, all lawful rights and interests of foreign investors are protected by the Chinese law.

Smith: That's good.

Li: And net profit can be remitted abroad.

Smith: This has been a problem in some other countries. What about the risk?

Li: Whenever and wherever you invest, it would involve risk. Mr. Smith, if you are not to take risks, how can we venture jointly? What's more, the chance of success in China is very high. This is because our government presents an excellent environment for investment and also because China has a large population, and our resources are rich and wages are low.

Smith: You are right. I'm convinced.

Keys

- 1. He wants to discuss the question of joint venture (this time).
- He is thinking of a clothing factory as a joint venture in the city.
- 3. It will be allowed a certain reduction or even exemption from income tax in the first five profit-making years. All lawful rights and interests of foreign investors are protected by the Chinese law. And net profit can be remitted abroad.
- 4. Because the government presents an excellent environment for investment and also anc because China has a large population and the resources are rich and wages are low.



The World of Humor

Answer the question according to what you hear.

A Fair Deal

One day a middle-aged woman telephoned her doctor.

"Doctor," she said, "I'm having a lot of trouble with my shoulder. It hurts all the time and I can't sleep at night."

"Come in this afternoon," said the doctor, "and I'll have a look at it."

That afternoon the woman went to the doctor's office. He gave her a very thorough examination, asked a lot of questions, and listened carefully to her answers.

"Well, my dear," he said, "It looks like you have arthritis."

"Arthritis?" she said. "Oh, no! What am I going to do?"

"Don't worry," he answered, "I'll give you a prescription and the pain will go away." Then the doctor took out his pen, wrote a prescription, and handed her his bill for fifty dollars. The woman opened her pocketbook, wrote out a fifty-dollar check, said goodbye, and left.

The doctor mailed the check to his bank, but a week later he was surprised to find that the check was returned to him, marked "Insufficient Funds." He telephoned the woman immediately.

"I'm very sorry to have to tell you this," he began, "but your check came back this week."

"Oh, really?" said the woman, "That's quite a coincidence."

"What do you mean?" asked the doctor.

.al. "Well," said the woman, "so did my arthritis. That's a fair deal.





Part I



Corporations

Mark the following box before each statement with "T" for true or "F" for false.

A corporation is a firm owned by one or more individuals who own shares of stock that define ownership and rights to profits. Liability is limited to the value of corporation assets. Although corporations constitute the smallest category of business organization in the United States, they conduct most of the business. Last year, corporations accounted for just 19% of the total number of firms in the economy but 90% of total business revenues. From these numbers we can infer that many large firms are corporations and that this form of business organization possesses certain advantages over the proprietorship and the partnership in conducting large-scale production and marketing.

In a corporation, ownership is divided into equal parts called shares of stock. Shares are the equal portions into which ownership of a corporation is divided. If any stockholder dies or sells out to a new owner, the existence of the business organization is not terminated or endangered as it is in a proprietorship or partnership. For this reason the corporation is said to possess the feature of continuity.

Another feature that makes the corporation radically different from other forms of business organization is share transferability—the right of owners to transfer their shares by sale or gift without having to obtain the permission of other shareholders. For many large organizations, shares of stock are traded on a stock marker such as the New York Stock Exchange. Other corporations, however, are smaller, and their shares are traded so seldom that they are not even listed on formal stock exchanges. The shares of these firms are traded by independent stockbrokers on the over-the-counter market.

Still another feature of the corporation is limited liability. Corporate share-holders are responsible for the debts or liabilities of the corporation only to the extent that they have invested in it. Many investors prefer investments in which their risk of personal loss is strictly

limited; the amount of direct investment in corporations is therefore increased as a result of the limited liability involved.

Keys 1 T 2 T 3 F 4 F 5 T 6 F

The Modern Corporation

Mark the following box before each statement with "T" for true or "F" for false.

The modern concept of corporate power holds that the rights of the participants as well as the conduct of the enterprise must be the subject of managerial discretion. The characteristic of the modern corporation is the separation of management from ownership.

The large business corporation is typically controlled by a small minority of the stockholders. There are several methods employed by small groups of stockholders to gain control of large corporations. These include pooling of the majority of stock in the hands of trustees having the power to vote and the use of proxies. Proxies are generally successfully used because stockholders rarely attend meetings.

A more recent type of corporation is the holding company, organized to buy a controlling interest in other corporations; this type of corporation typically possesses no physical assets. The amount of cash needed to control a concern is lessened by pyramiding holding companies. This is done by creating a company to hold a voting control of one or more operating companies. A third company is created to hold a controlling interest in the second, and so on. The control of the last holding company is sufficient to control all; and such control, because of the scattering of stock among many small holders, may need the ownership of only 10% or 20% of the stock available.

T T Keys 1 F 2 F



Part II



Types of Business Organizations ([)

Answer the questions according to what you hear.

There are 9 common forms of business organizations. But the big four of business structures are sole proprietorship, general partnership, limited liability company (LLC) and corporation.

We'll group sole proprietorships and general partnerships together. They share important liability and tax characteristics. Let's begin with legal liability. As a sole proprietor, you bear the full legal liability for business debts and for any legal judgments against your business. Similarly, in a general partnership, each partner is personally liable for all monetary obligations.

Suppose you form a general partnership with two other people. What if one of your partners fires an employee who then sues the partnership for wrongful discharge? And what if the jury returns a verdict for \$100,000 for the employee? You and your two partners will each be personally responsible for paying the full \$100,000.

To satisfy the six-figure verdict, the fired employee can go after your personal assets as well as partnership assets. Your home, your personal bank accounts and your car are all at risk. As we'll see, by doing business through a corporation or limited liability company (LLC), you can reduce this risk.

There's another characteristic shared by sole proprietorships and general partnerships: The profits from the business are reported on your personal tax return if you're a sole proprietor. With a partnership, you report your share of the partnership profits on your own tax return. In each case, your business doesn't pay income tax on the profits but you do.

For some businesses — especially for some small businesses just starting out — being exposed to unlimited personal liability and being responsible for taxes is no big deal. Maybe you have no employees, don't anticipate any business debts and feel you can handle all the risks of lawsuits by buying liability insurance. A sole proprietorship or general partnership may work for you.

Keys

- 1. 9.
- 2. They are sole proprietorship, general partnership, limited liability company (LLC) and corporation.
- 3. Because they share important liability and tax characteristics.
- 4. You and your partners.
- 5. The profits from the business are reported on your personal tax return.

В

Types of Business Organizations (${ m I\hspace{-.1em}I}$)

Answer the questions according to what you hear.

We'll pair LLCs with corporations since they share important liability and tax characteristics.

Again, let's begin with liability. For liability purposes, the law treats an LLC or a corporation as separate from the owners. (In an LLC, an owner is called a member. In a corporation, an owner is called a shareholder.) For the most part, an owner stands to lose only what he or she has invested in the business. An owner normally isn't liable for debts of an LLC or a corporation. This means a creditor or judgment-holder can't seize an owner's personal assets.

Let's return to the earlier example, but with an important variation. Suppose you and two other people form an LLC rather than a partnership. Now let's assume that one of the other owners fires an employee who then sues the LLC for wrongful discharge. This time, if the jury returns a verdict for \$100,000 for the employee, you won't be personally liable for paying the money.

Be aware, however, that the owner who fired the employee will be personally liable — along with the LLC — if the fired employee gets a verdict against the owner as well as the business.

On the tax side, by forming either an LLC or a corporation, you gain tax flexibility. You can choose to have pass-through taxation for your business like a sole proprietorship or general partnership has. On the other hand, you can decide to have the business taxed as a separate entity. Because an LLC or a corporation may be in a lower tax bracket than you are, you may prefer this separate taxation if you're going to leave profits in the business.

All right — we've narrowed down the choices for most businesses to an LLC and a corporation. How do you choose between them? In most cases, an LLC has a slight edge. It usually involves less paperwork than a corporation to set up and maintain. In addition, the set-

up and maintenance costs are usually a bit less.

An LLC gives you maximum flexibility in how you structure your business. For example, you don't need a board of directors or traditional corporate officers like a president and secretary — although you can have them if you want to.

In a few situations, however, a corporation may have an edge over an LLC. This might be the case if you have outside investors who'd like to have corporate stock certificates to show for their investments. Or if you're planning to offer ownership options to employees, the availability of corporate stock certificates may make the process easier.

Keys

- 1. The law will treat a corporation as separate from the owners.
- 2. The owner who fired the employee in the LLC will pay.
- 3. Because he may be in a lower tax bracket.
- 4. It usually involves less paperwork. The set-up and maintenance costs are usually a bit less. And it gives you maximum flexibility in how you structure your business.
- 5. When the outside investors like to have corporate stock certificates to show for their investments or when you're planning to offer ownership options to employees.





Tips to Make an Organization

Make the right choice according to the information you get from the tape.

There are many important elements to running and managing an organization. No matter what size an organization is, leaders have many roles to play in ensuring things run smoothly and that everyone does their job. Managing your staff effectively can be the key to success not just of your department, but of the company as a whole. Fortunately, by following some simple tips on how to manage an organization, you can learn to lead and motivate your employees to succeed.

1 Vision and Planning

Your organization must have a clear vision, knowing what it wants to do. Without any vision, you remain stagnant; without directions, it's like going on a road trip without a map. You must design a clear map that will guide all members to your destination. The old axiom is still true: "Failing to plan is planning to fail." Thus, create a well—organized and structured business plan and communicate it to all staff. Once you have established your vision or goal, follow it up with planning decisions. For example, if your goal is to increase sales, create a concrete plan — such as imposing quotas or creating an incentive system — in order to achieve that plan. Ensure your company is unified in its approach on how to achieve your goals.

2 Tap Available Resources

While you are putting together your organization's set of strategies, every member must be encouraged to make the most effective and efficient use of their resources and to do all they can contribute to the company. Be active in searching for and tapping any hidden resources you can use. For example, ask your existing staff if they have any special skills that they aren't currently using in their jobs that might be able to be an asset to the company. Your graphic designer may be skilled at web design, for example. Your sales manager may have bookkeeping experience that you can also put to use. Be active in searching for and tapping any hidden resources you can use. In addition, efficiency must be encouraged and accountability standards upheld for your employees in all areas in order to ensure you are using your human resources to the fullest extent possible. Always focus on getting results. All members should actively participate in terms of making the most out of skills, talents, and teamwork. Be positive and always project your enthusiasm for work. Positivism and motivation play important roles in employee productivity.

3 Encourage Self-reliance

Encourage self-reliance in your organization. Teamwork is obviously valuable, but individual productivity is just as important. Each staff member within your organization should contribute a special skill or ability that helps your overall organization to succeed. You should look for people who can accomplish all the tasks your organization needs so you don't have to turn to outside help. For example, instead of just hiring a salesperson, hire a salesperson with management experience who can train other sales staff. He can then help you to build a good solid base of salespeople, without having to bring in an outside sales trainer. Instead of just hiring an IT person, hire an IT person who can also teach software and computer skills to the staff who needs it so you don't have to bring in outside trainers. Instead of hiring a customer service persons who turns to his manager to handle every question or complaint, hire someone who can be self-reliant and find a solution to the customers problem himself. Encourage this self-reliance through rewarding staff innovation and praising efforts to improve and contribute more.

Keys

1 B 2 C 3 A 4 A

A 5 D



Transnational Corporations

Fill in the blanks with the information you hear.

Our city has become a heated destination of investment for transnational corporations. According to the city's Statistical Bureau, 190 major transnational corporations have invested in our city, with total investment soaring to US \$1.98 billion.

The transnational corporations rank among the world's top 500. They provide services and financial assistance for the enterprises with their strong technological force and abundant funding.

While transnational corporations account for only 1.8% of the total number of foreign-funded enterprises in our city, their investment accounts for 9.9% of the total foreign investment. Their investments in individual projects amount to US \$20 million. The major portion of investment goes to the electronics, telecommunications equipment, machine-building and chemical sectors.

Why do so many business owners choose to incorporate in our city?

Here are the benefits of incorporating in this city.

- 1. Speed A corporation can be formed in 24 hours by phone or Internet. For an extra fee, our city has a 1-hour and a 2-hour incorporation option.
- 2. Privacy The stockholders of a corporation in this city are not in the public records.
- 3. Tax-savings A corporation that operates in this city may have all of the following tax benefits:

Corporate Income Tax Free

Capital Stock Tax Free

Inventory Tax Free

Stock Transfer Fee or Tax Free

Inheritance Tax Free

- 4. Flexible Ownership You do not have to be a resident of this city to own and operate a corporation.
- 5. Low-startup cost The costs for forming a corporation here are among the lowest in the country.

- **6**. Can do business in any place of this country.
- 7. Business friendly laws — The corporate code of this city provides substantial protection for officers, directors and shareholders of a corporation here.
- 8. Low annual cost The annual filing fee requirement on a corporation here is one of the lowest in the country.

Keys

- 1. According to the city's Statistical Bureau, 190 major transnational corporations have invested in the city, with total investment soaring to US \$1.98 billion. The major portion of investment goes to the electronics, telecommunications equipment, machine-building and chemical sectors.
- 2. The transnational corporations rank among the world's top 500. They provide service and financial assistance for the enterprises with their strong technological force and abundant funding.
- 3. While transnational corporations account for only 1.8% of the total number of foreignfunded enterprises in the city, their investment accounts for 9.9% of the total foreign investment. Their investments in individual projects amount to US \$20 million.
- **4**. The benefits of incorporating in this city:
 - Speed A corporation can be formed in 24 hours by phone or Internet. For an extra fee, our city has a 1-hour and a 2-hour incorporation option.
 - 2) Privacy The stockholders of a corporation in this city are not in the public records.
 - 3) Tax-savings A corporation operates in this city may have all of the following tax benefits: Corporate Income Tax free, Capital Stock Tax Free, Inventory Tax Free, Stock Transfer Fee or Tax Free and Inheritance Tax Free.
 - 4) Flexible Ownership You do not have to be a resident of this city to own and operate a corporation.
 - 5) Low-startup cost The costs for forming a corporation here are among the lowest in the country.
 - 6) Can do business in any place of this country.
 - 7) Business friendly laws The corporate code of this city provides substantial protection for officers, directors and shareholders of a corporation here.
 - <u>irem.</u> 8) Low annual cost — The annual filing fee requirement on a corporation here is one of the lowest in the country.



The World of Humor

Answer the question according to what you hear.

Three Letters

A new manager spends a week at his new office with the manager he is replacing. On the last day the departing manager tells him, "I have left three numbered envelopes in the desk drawer. Open an envelope if you encounter a crisis you can't solve."

Three months down the track there is a major drama, everything goes wrong ... the usual stuff ... and the manager feels very threatened by it all. He remembers the parting words of his predecessor and opens the first envelope. The message inside says "Blame your predecessor!" He does this and gets off the hook.

About half a year later, the company is experiencing a dip in sales, combined with serious product problems. The manager quickly opens the second envelope. The message read, "Reorganize!" This he does, and the company quickly rebounds.

risis, he Three months later, at his next crisis, he opens the third envelope. The message inside says "Prepare three envelopes".





Part I



Management

Fill in the following table with the information you hear.

Management is the process of coordinating human, material, financial and informational resources to achieve an organization's objectives. An organization is a group of two or more people working together in a predetermined fashion to achieve a common set of goals. A business organization may be a large aircraft manufacturer or an accounting firm. Both sell products, but the former tangible products and the latter intangible products. The objective of most business organizations is to increase profits, or sales volume; to gain customers; or to minimize costs.

Management and managers may be found wherever people are working together to achieve some common goals. Managers are the employees responsible for the coordination. In general, there are three levels of management — top, middle, and first-line. At the top of the pyramid is top management. They are the relatively small group of managers who establish overall strategy and long-range goals, formulate and approve basic policies of operation, and represent the organization to other organizations. Below top management is a large number of middle managers who are concerned with implementing the plans and policies of top managers. The base of the pyramid is made up of an even larger number of first-line managers who are responsible for managing operation employees.

A manager's typical workday involves solving problems, making decisions, and communicating those decisions to others. Of course, many problems are routine and can be dealt with according to established procedure; while some problems are unforeseen and require the manager to be aware of them, clarify them and outline possible solutions.

Many of the daily activities of managers are composed of the managerial functions of planning, organizing, leading and controlling. Setting objectives and designing the strategies, policies, and methods necessary for achieving them is planning. More exactly, planning is

deciding in advance what needs to be done and how, when, and by whom it will be done. Organizing is the process of arranging the structures and relationships of human and material resources to carry out an organization's plans. Its purpose is to coordinate and integrate the efforts of all parts of a company to achieve the company's goals. Leading is motivating, influencing and directing employees to attain specific objectives. Once the needed employees have been hired, management must provide guidance. Controlling is the process that ensures the organization is being kept on course. Controlling involves establishing performance standards, measuring performance and taking corrective action when necessary.

Keys

Nature of Management	Management is the process of coordinating <u>human</u> , <u>material</u> , <u>financial and informational resources</u> to achieve an organization's objectives. Management and managers may be found wherever <u>people are working together to achieve some common goals</u> .
Levels of Management	 Top managers establish overall strategy and longrange goals, formulate and approve basic policies of operation, and represent the organization to other organizations. Middle managers are concerned with implementing the plans and policies of top managers. First-line managers are responsible for managing operation employees.
Functions of Management	 Planning is setting objectives and designing the strategies, policies, and methods necessary for achieving them. Organizing is the process of arranging the structures and relationships of human and material resources to carry out an organization's plans. Leading is motivating, influencing and directing employees to attain specific objectives. Controlling is the process that ensures the organization being kept on course. It involves establishing performance standards, measuring performance and taking corrective action when necessary.
	43



Business Administration

Answer the following questions according to the information you hear.

Business administration is the process of managing every aspect of a business in order for it to maintain its growth or stability, depending on the overall goal of the owner or owners. Most companies have a dedicated group of administrators who work to ensure this takes place. Most also work to get to this point by setting up a hierarchy. This starts with lower management, and works its way through middle management to upper management.

The head of overall operations in business administration is usually referred to as the chief executive officer (CEO) or president. In some companies, these two individuals are separate, each with their own separate duties and spheres of influence. However, it is likely that one does answer to the other, but this could be different from company to company. In a very few cases, these two individuals may operate as equals, though still work closely together.

The CEO, depending on the size of the company, may have several vice presidents under him, each in charge of a different area. For example, there could be a vice president of existing operations, vice president of expansion, and vice president of research and development. While each operates independently of one another, they all receive direction from the CEO and, perhaps, the board of directors.

For those interested in a business career, many schools offer business administration as a degree option. In fact, it is even possible to attend school for business administration online. In those classes, the student will learn the basic operations of running a business. There will be classes on customer service, human resources, business finance, marketing, and other similar fields related to business.

Keys

- 1. It's the process of managing every aspect of a business in order for it to maintain its growth or stability.
- 2. Lower management, middle management and upper management.
- **3**. The chief executive officer (CEO) or president.
- 4. A vice president of existing operations, vice president of expansion, and vice president of research and development.
- 5. Classes on customer service, human resources, business finance, marketing, and other similar fields related to business.



Part II



Business Practice

Make the right choice according to the information you hear.

Business practices vary from company to company, but even more so when they are on an international level. Not only is it good manners to be aware of the cultural practices of people from another country, but also it can help you to avoid making a social error which could cost you valuable time and money.

Keep the following few tips in mind and you will be way ahead of your competitor in getting that contract or business deal you are competing for.

Western culture has trained its executives to think of time as money; therefore, meetings and appointments will generally be prompt and to the point. To avoid offending international visitors, American executives should remember their guests are particularly attuned to formality and pleasantries before business.

In most countries other than the United States, gifts are normally exchanged at the beginning of a business meeting. This is especially true of the Chinese or Japanese, while Saudi Arabians will expect a gift without giving one in return. Since Americans do not exchange gifts at business meetings, the American executive should offer his gift at the end of the meeting, so it will not be misunderstood as an attempt to influence the transaction.

If you are a business traveler, it is important to realize that most European and Eastern countries view informality as a lack of upbringing, and therefore you must choose your manner and attire accordingly. Executives who want to put their best foot forward should never ignore age, rank, titles or degree. In the orient, for example, the eldest is often the ranking member.

When planning a meeting with a visitor from another country, it is advisable to check with the consulate of the visitor's country for full details on social etiquette. It can give your company a competitive advantage. Keys

1 A 2 C 3 C

4 B

5 C



Which One Is More Profitable?

Make the right choice according to the information you hear.

- **A:** Hi, Mr. Wang. I have been thinking about something lately and I'd like to share with you my thoughts.
- **B:** I'd like to hear them. And I'll be very happy if I can help you with anything.
- **A:** In the West everybody is talking about going to the East and making an investment. Apparently a growing number of foreign firms have been pouring into China, and Shanghai is among the best choices of their investment destinations.
- **B:** Many institutional and individual investors overseas find it more profitable to invest directly in China than just to do trade with Chinese companies.
- **A:** You're right. Do you have any idea of the best place in which to invest?
- **B:** Personally, I like you to invest in the Pudong New Area of Shanghai.
- **A:** My next question concerns the forms of investment that are allowed in China currently.
- **B:** Among others you can invest in a joint venture with a Chinese partner, or establish a business independently, that is, set up a company solely funded and owned by a foreign investor.
- **A:** What are the differences?
- **B:** With a joint venture, a foreign partner usually brings into the enterprise or business capital funds, machinery, advanced technology and management, while the Chinese partner supplies land, labor and a portion of the funds for the infrastructure. The business is then jointly run by both parties. As for the solely foreign-funded business, you provide all the funds and take all the benefits as well as risks. You can run the company in whatever way you prefer, within the boundary of Chinese laws, of course.
- A: I see. Thank you very much.
- **B:** You are welcome.

Keys

1 B

2 C

3 A

4 C





The Need for a Strategic Plan

Fill in the following table with the information you hear.

Planning plays an important role in any business venture. It can make the difference between the success or failure of your business. You should plan carefully before investing your time and, especially, your money in any business venture. The need for a plan is best illustrated by the following example — "A Tale of Two Businesses".

Two franchises (A and B) were started by individuals who had worked in management in much larger companies. While Franchise A provided a product and Franchise B a service, the output of both franchise systems had been sold exclusively in the United States before the current owners became involved. The output of both was readily available in other developed countries as well. The franchises opened at about the same time and neither franchisee had a strong market presence, nor do they at present. Today Franchise B is bankrupt. By contrast, Franchise A runs successfully.

What was the deciding difference in the two franchises? You probably expect it to be that one had developed a strategic plan and the other hadn't; however, it isn't this simple. Many factors can influence the outcome of a business venture. There were many similarities between the franchises, but there also were many differences. Most obviously, Franchise A sold a product and Franchise B a service. Another difference was that Franchise A had a carefully thought-out plan. The investors knew that they wanted to find a product that could satisfy international markets and a franchisor who would support that kind of sales effort. These investors were based in the Midwest, but negotiated for exclusive rights to export the franchisor's product. Once they had obtained the franchise, and as they began to establish their business domestically, they also began to contact government experts, as well as educators and local managers with international experience. Clear plans were developed outlining how they would position, market and distribute the product and which foreign markets would be targeted first. Even as they were

building sales in one European market, they were attending trade shows and planning entry strategies in others.

By contrast, Franchiser B started his business strictly because he wanted to leave a former employer. Of course many small businesses get started this way; however, in this case no investigation of franchising alternatives was done. The business was located in an area that, as it turned out, contained virtually no consumers for the kind of service being offered. When this mistake was realized, it was too late to move — the investor simply did not have the money or the desire to risk starting again.

Keys

- 1 Planning plays an important role in any business venture. It can make the difference between the success or failure of your business. You should plan carefully before investing your time and, especially, your money in any business venture.
- 2 Many factors can influence the outcome of a business venture.

Similarities:

- 1. Two franchises (A and B) were started by individuals who had worked in management in much larger companies.
- 2 The output of both franchise systems had been sold exclusively in the United States and was readily available in other developed countries as well.
- 3 The franchises opened at about the same time and neither franchisee had a strong market presence.

Differences:

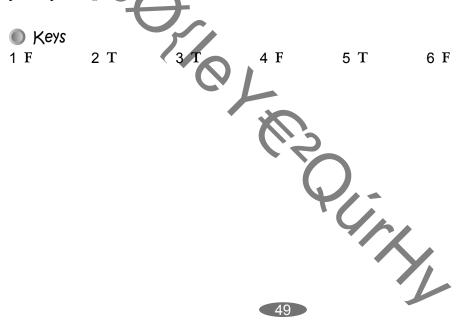
Franchise A	Franchise B
sold a product.	provided <u>a service</u> .
had a carefully thought-out plan.	no investigation <u>of franchising alternatives</u> was done.
developed clear plans, outlining how they would position, market and distribute the product and which foreign markets would be targeted first.	was located in an area that, as it turned out, contained virtually <u>no consumers for the kind of service being offered</u> .
is selling products in the Midwestern United States and in Europe.	is <u>bankrupt</u> .
	48

B Workers' Role

Mark the following box before each statement with "T" for true or "F" for false.

Traditionally, it has been the workers' role to work and management's role to manage. Managers have planned and directed the firm's operations with little thought of consulting the labor force. Managers have rarely felt compelled to obtain the workers' opinions or to explain their decisions to their employees. At most, companies have provided "suggestion boxes" in which workers could place ideas for improving procedures. In recent years, however, many management specialists have been arguing that workers are more than sellers of labor — they have a vital stake in the company and may be able to make significant contributions to its management. Furthermore, major company decisions profoundly affect workers and their dependents. This is particularly true of plant closings, which may put thousands on the unemployment lines. Should workers, then, play a stronger role in management?

Workers should have a role in management. At the very least, the labor force should be informed of major policy decisions. A common complaint among rank and file workers is the lack of information about company policies and actions. Many workers were the victims of plant closings and permanent layoffs, often with no warning. At least 90 days' notice ought to be given in such instances so that workers have time to adjust. Management should consult workers before closing a plant, because the workers might be able to suggest ways of improving productivity and reducing costs and might be willing to make concessions that will help keep the plant operating.





The World of Humor

Answer the question according to what you hear.

A Better Proof

When one takes shoes to a shop to be mended, one is given a ticket with a number on it. Then, when one's shoes are ready, one goes back to the shop, gives the ticket to the shoemaker, gets one's shoes and pays for them.

One day, Mrs. Smith gave her husband a pair of her shoes which needed mending and asked him to take them to the shop. Mr. Smith did so, and put the ticket in his pocket.

He went back four days later to get the shoes, but when he went into the shop, he was not able to find his ticket again, and the shoemaker did not want to give him the shoes until he got the ticket.

"How do I know that the shoes are yours unless you give me the ticket?" he said. "If I give them to you now, somebody else may come into my shop with the ticket tomorrow, and then I shall not be able to give him the shoes."

Mrs. Smith needed the shoes urgently, so her husband thought for a moment and then went out to his taxi, which was at the side of the road outside the shop. He opened the door, and whistled to his wife's small dog, which was sitting on the back seat. Then he went back into the shop with it and said to it. "Get the shoes!" The dog began to smell around the shop, and soon it recognized Mrs. Smith's shoes and brought them to Mr. Smith one after the other.

The shoemaker laughed. "It certainly does! That is a better proof than the ticket," he Ar. S. answered as he wrapped the shoes up and gave them to Mr. Smith.





Part I



Information Technology (I)

Mark the following box before each statement with "T" for true or "F" for false.

What exactly is Information Technology? 85% of people polled recently had not a clue what it meant, although 53% of those polled said they thought it sounded pretty important. They were right. It is. So what is it? Well, put simply, it is the "marrying-up" of products from several key industries: computers, telephones, television, satellites. It means using micro-electronics, telecommunication networks, and fibre optics to help produce, store, obtain and send information by way of words, numbers, pictures and sound more quickly and efficiently than ever before.

The impact IT is having and is going to have on our lives and work is tremendous. It is already linking the skills of the space industry with those of cable television, so programmes can be beamed directly into our homes from all over the world. Television are used to enable customers to shop from their homes by simply ordering via the TV screen. Payment are made by direct debit of their credit cards. Home banking and the automatic booking of tickets are done through the television screen. Armies of "steel collar" workers, the robots, will soon be working in factories doing the boring, complex and unpleasant jobs which are at present still done by man. In some areas such as the car industry this has already started. Cable television which in many countries now gives a choice of dozens of channels will soon be used to protect our homes by operating burglar and fire alarms linked to police and fire stations. Computers will run our homes, controlling the heating, air conditioning and cooking systems while robots will cope with the housework. The friendly postman will be a thing of the past as the postal service and letters disappear with the electronic mail received via viewdata screens.

All these things are coming very fast and their effects will be as farreaching as those of the industrial revolution. IT is part of the technological revolution and that is with us now.

Keys 1 F 2 T 3 F 4 T 5 T 6 T

Information Technology (II)

Make the right choice according to the information you hear.

We use the term information technology or IT to refer to an entire industry. In fact, information technology is the use of computers and software to manage information. In some companies, this is referred to as Management Information Services or MIS, or simply as Information Services or IS. The information technology department of a large company would be responsible for storing information, protecting information, processing the information, transmitting the information as necessary, and later retrieving information as necessary.

In order to perform the complex functions required of information technology departments today, the modern Information Technology Department would use computers, servers, database management systems, and cryptography. The department would be made up of several System Administrators, Database Administrators and at least one Information Technology Manager. The group usually reports to the Chief Information Officer or CIO.

A database is a collection of records or data that is stored in a computer system. The structure of a database is dependent on how the data is organized, according to a particular database model. Today we commonly use a relational database model. Other models include a hierarchical model and a network model.

A computer database relies on software to organize the data and how it is stored and retrieved. The type of software used for this is called a database management system or DBMS.

System Administrators are responsible for maintaining the computer systems of a company. Server management is a primary responsibility, and a System Administrator would be responsible for installing, maintaining and upgrading servers. They are also responsible for ensuring the servers are backed up, and that the server data is secure from unauthorized access.

The Chief Information Officer, or CIO, is a job title for the head of information technology ner 5 B within an organization. The CIO typically reports to either the chief financial officer or, in ITcentered organizations, to the chief executive officer.

Keys 1 B 2 D 3 A 4 D



Part II



Information Security

Fill in the blanks with the words you hear.

Information security refers to protecting information and information systems from unauthorized access, use, disclosure, modification, or destruction. The <u>goals</u> of information security include protecting the confidentiality, integrity and availability of information.

All <u>organizations</u>, including governments, military, financial institutions, <u>hospitals</u>, and private businesses, gather and store a great <u>deal</u> of confidential information about their <u>employees</u>, customers, products, research, and <u>financial</u> operations. Most of this information is collected, <u>processed</u> and stored on electronically and transmitted across <u>networks</u> to other computers. Protecting confidential information is a business <u>requirement</u>, and in many cases also an ethical and legal requirement. For the <u>individual</u>, information security has a significant <u>effect</u> on privacy and identity theft.

The field of information security has grown significantly in recent years. There are many areas for specialization <u>including</u> Information Systems Auditing, Business Continuity Planning, for <u>example</u>. There are also specific information security technical certifications that can assist getting started in this field.



Different Types of IT Industry Jobs

Make the right choice according to the questions you hear.

Jobs in the information technology sector of the economy cover the area from theoretical research to hardware installation and technical support. Some IT industry jobs focus mainly

on research and development. A second category focuses on the practical application of existing technologies, through programming and engineering work. Other IT industry jobs concentrate on the creation, maintenance, and defense of computer networks and systems. Still other workers in the IT field provide direct support and, in the form of sales or technical support.

A large number of IT industry jobs focus on solving corporate or client problems using existing technologies. Computer programmers and engineers write the code to support new industry initiatives, and optimize the capabilities of hardware systems. These professionals also work to keep existing hardware and software up to date.

Electronic entertainment is tremendously popular, and a good many IT industry jobs focus mainly on the development and support of electronic gaming. Programmers, game designers, and game artists write the code behind video games, build their plots, and craft their visual and auditory elements.

Other IT industry jobs are mainly concerned with building and maintaining computer networks. Networks are the backbone of modern economies and are planned with care by system analysts. System administrators and database administrators monitor the health and functioning of networks, ensuring that hardware and software meet client needs, and working with specialists in computer security to protect against cybercrime.

A final segment of IT industry jobs involves directly supporting customers and users. Computer support specialists provide technical support, either through a remote connection or in person, to assist users with computer problems. They may clean viruses, update software and hardware, or perform other routine but technical tasks. Skilled sales staff who can aid customers in making appropriate computer purchasing decisions fulfill somewhat similar functions.

Questions

- Which of the following refers to the practical application of existing technologies? 1.
- 2. Who works to keep existing hardware and software up to date?
- Which of the following is one of the jobs done by game designers? 3.
- Which of the following is NOT true? 4.
- 5. In what way do computer support specialists help users with computer problems?

Keys

4B 5 C 1 B 2 C 3 A





The E-marketing

Make the right choice according to the questions you hear.

E-mail marketing is one of the most effective ways to keep in touch with customers. It is generally cost-effective, and if done properly, can help build brand awareness and loyalty. At a typical cost of only a few cents per message, it's a bargain compared with traditional direct mail at \$1 or more per piece. In addition, response rates on e-mail marketing are strong, ranging from 5% to 35% depending on the industry and format. Response rates for traditional mail average in the 1%-3% range.

One of the benefits of e-mail marketing is the demographic information that customers provide when signing up for your e-mail newsletter. Discovering who your customers really are — age, gender, income and special interests, for example — can help you target your products and services to their needs.

Even if you choose not to sell your goods or services online, a business web site can be a virtual marketing brochure that you can update on demand with little or no cost. Your presence on the Internet can be a useful marketing tool by providing richer pre-sale information or post-sale support and service. This might temporarily differentiate your product or service from your competitors'. E-marketing has lessened the disadvantage that small businesses have faced for years when competing with larger businesses.

E-commerce has redefined the marketplace, altered business strategies, and allowed global competition between local businesses. The term "electronic commerce" has evolved from meaning simply electronic shopping to representing all aspects of business and market processes enabled by the Internet and other digital technologies.

Today's business emphasis is on e-commerce — rapid electronic interactions enabled by the Internet and other connected computer and telephone networks. Rapidly business transactions and unparallelled access to information is changing consumer behavior and expectations.

The US Small Business Administration (SBA) is reshaping its programs to better serve small businesses that take advantage of the Internet and other emerging technologies.

Questions

- 1. What is one of the most effective ways to keep in touch with your customers?
- 2. What can help you to target your products and services to the customers' needs in e-mail marketing?
- 3. What can a business web site be regarded as?
- 4. Why is it thought that e-marketing is more beneficial to small businesses?
- 5. What does the term "electronic commerce" mean nowadays?





Fill in the blanks with the information you hear.

The most important consideration in developing an effective approach to planning is the development of your information system. In the world of personal computers, you may equate information systems with microchips and programming, but the concept is much broader. It refers to the way you gather, screen, analyze and use information that may affect your business.

Setting up an effective information system is closely related to your mission and goals and to the specific environmental factors. Collect enough information, but don't collect too much. Or it will lead to information overload and decision makers are so swamped that they become incapable of using it to make good decisions.

Developing a good system is a dynamic process. It is easy to determine what information you need to collect and how to obtain it. However, as the environment and your situation change, the information you need also changes. Items that were once important now are not. Other considerations, impossible to anticipate at the time you developed your system, have become critical.

Employees should be involved in determining what information is needed and where to obtain it. They are often the first line for data collection. They can provide insights that you may

not have considered.

In any information system, a variety of sources should always be used. You already collect much information in the documents you used to conduct everyday business. Other sources may include periodicals, newspapers, books and experts in areas of concern.

Once you have collected the data, you will need to condense and analyze it. This is the information reporting system. Finally, information should be stored for easy retrieval to accommodate new situations that may require different analyses. This system of storage is referred to as the company's data base.

Keys

- 1. The most important consideration in developing an effective approach to planning is the development of your information system.
- 2. Setting up an effective information system is closely related to your mission and goals and to the specific environmental factors.
- 3. Developing a good system is a dynamic process. It is easy to determine what information you need to collect and how to obtain it. However, as the environment and your situation change, the information you need also changes.
- 4. Employees should be involved in determining what information is needed and where to obtain it.
- 5. In any information system, a variety of sources should always be used.
- 6. Once you have collected the data, you will need to condense and analyze it. This is the dations t. information reporting system. Finally, information should be stored for easy retrieval to accommodate new situations that may require different analyses.



The World of Humor

Answer the question according to what you hear.

He Is the Boss

A man goes into a pet shop to buy a parrot. The shop owner points to three identical looking parrots on a perch and says, "the parrot on the left costs 500 dollars".

"Why does the parrot cost so much," asks the man.

The shop owner says, "well, the parrot knows how to use a computer".

The man then asks about the next parrot to be told that this one costs 1,000 dollars because it can do everything the other parrot can do plus it knows how to use the UNIX operating system.

Naturally, the increasingly startled man asks about the third parrot to be told that it costs 2,000 dollars. Needless to say this begs the question, "What can it do?"

th. areplies, To which the shop owner replies, "to be honest I have never seen it do a thing, but the other two call him boss!"





Part I



Marketing

Mark the following box before each statement with "T" for true or "F" for false.

In modern marketing system people have formed associations and eliminated various middlemen in order to achieve more efficient marketing. Manufacturers often maintain their own wholesale departments and deal directly with retailers. Independent stores may operate their own wholesale agencies to supply them with goods. Wholesale houses operate outlets for their wares, and farmers sell their products through their own wholesale cooperatives. Recent years have seen the development of wholesale clubs, which sell retail items to consumers who purchase memberships that give them the privilege of shopping at wholesale prices. Commodity exchanges, such as those of grain and cotton, enable businesses to buy and sell commodities for both immediate and future delivery.

Methods of merchandising have also been changed to attract customers. Advertising has created an international market for many items, especially trademarked and labeled goods. The number of customers, especially for durable goods, has been greatly increased by the practice of extending credit, particularly in the form of installment buying and selling. Customers also buy through mail-order catalogs, by placing orders to specialized home-shopping television channels, and through on-line transactions on the Internet.

Services are marketed in much the same manner as goods and commodities. Sometimes a service, like that of a repair person, is marketed through the same act that produces it. Personal services may also be brokered by employment agencies, booking agents for concert, travel agents, and the like. Methods of marketing now include market research, motivational research, and other means of determining consumer acceptability of a product before the producer decides to manufacture and market it on a large scale. Market research, often conducted by means of telephone interviews with consumers, is a major industry in itself.

Keys

2 T 1 F 3 T 4 F 5 T 6 F 7 T 8 T

Customer Service

Fill in the blanks according to the information you hear.

If service superiority is to be maintained, companies must have a clear, measurable picture of how their customers perceive them. One mistake can cost a major customer. Top-quality service needs to be sustained and reinforced, never allowed to slip; this is a continuing, never-ending process. All supervisors, all managers, and all employees at every level are continually reminded of the organization's customer-oriented values.

This process must reach every single employee, and it must start at the top. Management actions set the example. The role of the chief executive officer is to personally provide the overall service direction, actually write the organization's service policy, define the customer service objectives, and direct the overall integration of the organization's service efforts.

The following are some of the ways to keep excellent customer service:

- 1. **Preventing service problems** Service problems are primarily caused by carelessness, lack of concern, imprecise service standards. These things can be prevented, but it takes time and attention of top management.
- 2. Monitoring service measurements The simplest way to find out service-related problems is through firsthand observation. Another way is to ask — telephone, mail, survey, direct interviews, in-store surveys, etc.
- 3. Changing the culture If service-related problems continue to be a major source of concern, if survey results are disappointing at best, and customers are slipping out the back door, never to return, a company may need to change its culture, to eliminate the causes that produce nonconforming products or services.
- 4. Setting a higher standard To avoid slippage and the necessity for subsequent culture change, companies must continually test, refine, and improve their existing standards of service superiority. They must reward lavishly those who meet and then exceed their 1/1/2 standards for quality service.

Keys

- If service superiority is to be maintained, <u>companies must have a clear, measurable picture</u> of how their customers perceive them.
- Top-quality service needs to be sustained and reinforced, never allowed to slip.
- All supervisors, all managers, and all employees at every level are <u>continually reminded of</u> the organization's customer-oriented values.

The following are some of the ways to keep excellent customer service:

- 1. Service problems which are primarily caused by <u>carelessness</u>, <u>lack of concern</u>, <u>imprecise</u> service standards should be prevented.
- 2. In order to monitor service measurements, a company has to find out service—related problems through firsthand observation and by asking.
- 3. To eliminate the causes that produce nonconforming products or services, a company may need to change its culture.
- 4. Companies must reward lavishly those who meet and then exceed their standards for quality service.





Marketing Approaches (I)

Make the right choice to each question you hear.

In order to adapt your marketing and advertising strategies to the tastes and interests of your market, you must first identify your customer. To do this, it is necessary to conduct a thorough research of the consumer marketplace. Keep in mind: the more information you have about your target market, the better able you will be to develop a successful marketing plan.

A market profile typically uses primary and secondary sources to answer key questions about a potential market. A profile is a picture or an outline. Information that makes up the social profiles of the people in your target market includes: age, sex, marriage status, location of household, family size and description, income, especially disposable income, education level, occupation, interests, purchasing profile, cultural, ethnic, racial background.

A clothing manufacturer may consider a number of possible target markets — toddlers, athletes, grandparents (for grandchildren), teenagers, and tourists. A general profile of each of these possible markets will reveal which ones are more realistic, and which are more likely to show a profit. A test market survey of the most likely market groups, or those who buy for them, such as parents for babies and toddlers, can help you separate real target markets from unlikely possibilities.

When you find your potential customers, you may ask yourself: what are your customers' needs? what do they expect to get when they buy your product or use your service? The right product is the one that best fits their requirements. If you have identified your customer and listed their expectations, you can design your product or service around their requirements.

The more you fulfil your customer's expectations, the better the quality of your product. Think of your product or service as more than just what the customers pays for. When you are planning your business consider how the whole transaction meets the customer's needs.

Questions

- 1. What should you do first in order for your marketing plan to meet the needs of your market?
- 2. What can you know from a market profile?
- **3**. What is the right product?
- 4. What is the talk about?



Answer the following questions according to the information you hear.

The importance of pricing can't be underestimated. Incorrect pricing can often result in the failure of a business. New businesses often make the mistake of either charging too little or too much for their product or service. The following are some of the guiding principles of price determination.

Price is a key part of marketing. Setting prices is called pricing.

Prices for products and services can be set by pricing to the market, pricing to your costs, and rule of thumb pricing. New business people with little experience may set an initial price based

on the market, and then as experience grows, re-set prices according to costs. These two aspects of pricing — what is acceptable to the market, and what costs are — must both be considered. In addition, effective pricing depends on the business goals of your company: do you want to maximize profits or are you aiming for high growth in sales? The choices that a business finally makes about its markets and sales make a big difference in pricing.

For example, a business may make an early choice about where to position themselves in the market — the "good value", which is low end of the market, or the "quality conscious", which is upscale market. In pricing, as in everything else in business, the customer is the reference point.

Compare prices with your competitors for similar products and services. Set the price range that customers will expect. You can use that market price range — what is acceptable to the market — as a guide to set your prices. Businesses or people to whom you sell may also price to the market by telling you what they will pay for your product or service.

Be careful about underpricing in order to compete or make sales. Use competitor's prices to establish the price range for similar products or services but don't underprice; if your true costs are higher, your final prices will have to be higher.

Price must cover all costs of goods or services sold, including production costs of supplies, materials, fixed overhead, and time or labor, plus a profit. Costs should include costs of production, labor and non-labor, including overhead or fixed costs as well as supplies and materials.

Keys

- 1. The failure of a business.
- 2. Either charging too little or too much for their product or service.
- 3. By pricing to the market, pricing to your costs, and rule of thumb pricing.
- 4. What is acceptable to the market and what costs are.
- **5**. The customer.
- **6**. Underpricing.
- 7. All costs of goods or services sold.





Elements of the Marketplace

Fill in the following table according to the information you hear.

Few companies enter the international marketplace directly. For the most part, they move from domestic markets into exports and then into a full-fledged international presence. This applies to both goods and services. It may take decades to reach the international scene or it may be a matter of months. Today, any company that markets itself via the Internet achieves almost instant global access. The process of "testing the waters" locally before jumping into international seas is the same for a small manufacturer as it is for a financial consultancy or even a high-tech "hyper company". Following is a list of the major elements of marketing.

1. Market assessment

This is the part of the process where opportunities are initially assessed. It can be as simple as observing that groggy commuters have no place to buy coffee before boarding the morning train or as complex as recognizing the potential demand for satellite TV dishes in remote farming communities.

2. Market orientation

After the initial assessment, a company must set its basic objectives by deciding which products to bring to market at what price and which customers to pursue. At this stage, the company should also consider how much of the market they wish to control and over what period of time. Researching and objectively analyzing the competition is a major part of this process.

3. Strategy development

Once objectives are set, a strategy must be developed to achieve them by the most cost effective means available. Strategy has three sub-processes that must be dealt with.

A. Segmentation

Segmentation is the targeting of specific groups with specific products. A marketeer

realizes that different people and groups of people will require different products or modifications to products. Recognizing the extent of these requirements will determine the level of success and longevity available to a company. No matter how good your coffee is, it will not satisfy someone looking for a cup of tea.

B. Penetration

Penetration is the part of planning that deals with a company's ability to get access to consumers. Just because you see a market doesn't mean that you'll be permitted entry. Penetration requires not only willingness but also resources.

C. Positioning

Positioning is the way customers perceive a company's product in relation to those of its competitors. It may be based on quality, size, price, brand recognition and packaging. Positioning will determine a company's share of the market. A shop offering the best cup of coffee in town could charge a premium price and maintain a small customer base, or it might offer a wide-range of beverages at lower prices hoping to get as big a share as possible. The local cafe and Starbucks both must consider positioning or the consumer will do it for them.

4. Implementation

Once the strategizing has stopped, the hard task of plan implementation begins. Here the tactics of packaging, pricing, promotion, sales, advertising, and distribution must all be activated.

5. Control

Many products have reached market, chalked up a few years of sales growth, and then nosedived into the dustbin of marketing failures. The inability to maintain continuous control of product quality, modification, distribution, and image is the leading factor for such failure. Controls and the ability to monitor performance must be planned as thoroughly as strategy and, like implementation of plans, be in place before the product is brought to market. Remember, you can't build a levee in the middle of a flood.

6. Strategy analysis

As feedback in the form of customer satisfaction, profit tallying, brand recognition, and market share statistics pour into a company's data collection apparatus, proper analysis must be ta made. Look behind, plan ahead!

Keys

Market assessment	It is a part of the process in which opportunities are initially assessed.		
Market orientation	A company must set its basic <u>objectives</u> in the process of market orientation. <u>Researching</u> and objectively <u>analyzing</u> the competition is of great importance.		
Strategy development	 A strategy must be developed to achieve the determined objectives. Strategy has three sub-processes that must be dealt with. Recognizing the extent of the requirements of specific groups will determine the level of success and longevity available to a company. Penetration is the part of planning that deals with a company's ability to get access to consumers. Positioning is based on quality, size, price, brand recognition, and packaging; it will determine a company's share of the market. 		
Implementation	In the process of implementation, the tactics of <u>packaging</u> , <u>pricing</u> , <u>promotion</u> , <u>sales</u> , <u>advertising</u> , and <u>distribution</u> must all be activated.		
Control	The inability to maintain continuous control of <u>product quality</u> , <u>modification</u> , <u>distribution</u> and <u>image</u> is the leading factor for marketing failures.		
Strategy analysis	Proper analysis of feedback in the form of <u>customer satisfaction</u> , <u>profit</u> tallying, <u>brand recognition</u> and <u>market share</u> statistics should be collected.		

В

Cross-cultural Marketing

Mark the following box before each statement with "T" for true or "F" for false.

There is no doubt that the era of global marketing has arrived. The percentage of the US GDP coming from international trade has increased from 5 percent to 20 percent in the last 25 years. In the United States alone, the number of companies seeking market research information on a global basis has skyrocketed. Among the top-50 firms of the US, 41 percent of revenues came from subsidiaries and projects outside the United States.

Cross-culture marketing is really, first and foremost, about cross-cultural communication. Improvements in communications technology, from global satellites to fax machines to the Internet, have made it a lot easier to closely manage a global operation than ever before. Distance, once the biggest obstacle to overseas expansion, is no longer as relevant as it once was.

In essence, if you are a Paris-based company, managing and communicating with a business in Beijing is probably no more problematic than managing and communicating with a business in Lyon.

It is clear that communication is the fundamental root of modern marketing. Every year more than 40,000 products are introduced into the global marketplace. But, as a matter of fact, about 85 percent of these products fail. Most of them failed because of cross-cultural communication misunderstandings or breakdown. Here is just a short list of marketing and communication blunders.

- Electrolux, a Scandinavian vacuum cleaner maker, thought nothing of using the same advertising tagline in the United States that met with great success in Britain. Unfortunately, "Nothing sucks like an Electrolux" had a very different meaning in America than it did in Britain. In America, the word "suck" is slang for lousy.
- When General Motors introduced the Chevy Nova in South America, it was apparently unaware that "no-va" means "it won't go" in Spanish. After the company figured out why it wasn't selling any cars, it renamed the car in its Spanish market to the Caribbean.
- A translation error in Italy left the British company Schweppes highly embarrassed. An ad campaign for its Tonic Water was somehow translated into Schweppes Toilet Water.
- When Pepsi started marketing its products in Taiwan, the slogan, "Pepsi Brings You Back to Life" literally translated into "Pepsi Brings Your Ancestors Back from the Grave" — obviously a marketing project that could not be carried out.

These communication breakdowns are good reminders to any company doing business in another country — the devil is often in the cultural details. They can make or break you. Failure in cross-cultural communication can ruin deal and can even be the relationship killer.

When introducing a product, do a thorough country-by-country testing before a full launch. This can identify potential problems concerning language and packaging and provide information on potential market sizes and responses. It will allow you to tinker with details to get the main launch correct.

Keys 1 F 2 T 3 T 6 T



The World of Humor

Answer the question according to what you hear.

The Smell of Fried Fish

A poor traveler stopped under a tree to eat the boiled rice and vegetables he had brought with him. A few yards away, there was a vendor's stand by the side of the road where a woman was frying fish and selling it to travelers who were able to afford to pay for it. This woman watched the poor traveler carefully, and when he finished his food and began to go, she shouted rudely, "You have not paid me for the fried fish!"

"But I have not had any fried fish," he said.

"But everyone can see that you enjoyed the smell of my fried fish with your rice and vegetables," argued the woman, "If you had not smelled the fish, your meal would not have been so pleasant!"

Soon a crowd collected, although they supported the poor traveler, they had to admit that the wind was blowing from the stand to the place where he had eaten, and that it had carried the smell of the fried fish to him.

Finally, the woman took the poor traveler to a judge, who said, "Woman says that the traveler ate his meal with the smell of her fried fish. The traveler agrees that the wind was blowing from the woman's stand to the place where he are his rice and vegetables and that it carried the smell of her fried fish to his nose while he was eating, so he must pay for it. What does your fried fish cost?" he asked the woman.

"Twenty-five cents a plate," she answered, delighted.

"Then go outside together," said the judge. "There the traveler must hold up a twenty-fivecent piece so that its shadow falls on the woman's hand. The price of the smell of a plate of fried 1/1/2 fish is the shadow of twenty-five cents."







Supply and Demand

Combine items in column I with those in column II to make complete sentences according to what you hear.

Supply and demand, in classical economics, are factors that are said to determine price. Supply does not mean the existing stock of a commodity or service. It refers to the amounts of a commodity that producers will supply at different prices; in general, a higher price yields a greater supply. Demand does not simply measure the strength of people's desires. The desire to possess a commodity will have no effect on the price of that commodity. Demand refers to the quantity of a commodity that is demanded by consumers at any given price. According to the law of demand, demand decreases as the price rises.

The amounts offered for sale will depend upon the prices consumers are prepared to pay. The higher the price that prevails in the market, the greater the quantity of a commodity that will be supplied. In the short run many things are in fixed supply. The amount of a commodity that will be supplied at a price depends on its cost of production, or more precisely, its marginal cost. If the market price is high, firms with higher cost will come into production. The higher price will also encourage low-cost firms to expand their output. A fall in the demand for a product leads to a fall in market price so that production becomes less profitable. The quantity supplied will fall as firm cuts back on production. The fall in price may also drive some of the less efficient firms 6 c - 7 g out of business.

Keys

2 f 1 d 3 a

Competition

Mark the following box before each statement with "T" for true or "F" for false.

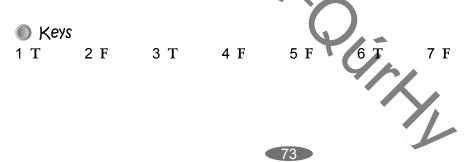
Competition, in economics, is rivalry in supplying or acquiring an economic service or commodity. Sellers compete with other sellers, and buyers with other buyers. In its perfect form, there is competition among many small buyers and sellers, none of whom is too large to affect the market as a whole. In practice, competition is often reduced by a great variety of limitations, including copyrights, patents, and governmental regulation, such as fair-trade laws, minimum wage laws, and wage and price controls.

Competition among merchants in foreign trade was common in ancient times, and it has been a characteristic of mercantile and industrial expansion since the Middle Ages. By the 19th century, classical economic theorists had come to regard competition as a natural outgrowth of the operation of supply and demand within a free market economy.

Early capitalist economists argued that supply-and-demand pricing worked better without any regulation or control. Their model of perfect competition was marked by absolute freedom of trade, widespread knowledge of market conditions, easy access of buyers to sellers, and the absence of all action restraining trade by agencies of the state. Under such conditions no single buyer or seller could materially affect the market price of an item. After 1850, practical limitations to competition became evident as industrial and commercial combinations and trade unions arose to hamper it.

A major theme in the history of competition has been the monopoly, which represents a business interest which is so large that it has the ability to control prices in a given industry. Some governments attempted to impose competition through legislation, which made many monopolistic practices illegal,

Until the mid-20th century, Covernments had accepted the existence of what were considered "practical monopolies", particularly in the field of public utilities. In the 1990s, state regulators began to allow competition among some utilities in order to bring prices down. This was also a trend in some European countries.





Part II



Business Competition (I)

Mark the following box before each statement with "T" for true or "F" for false.

It is rare for a small business to have no competition. From local to global business competition, you must study the competitors in order to be able to place yourself in a position to take them on.

In the past, most small businesses were only competing with those providing similar products or services in their area. This is no longer the case.

Technology has made it possible to search for products and services worldwide. That means that you now have a lot more competition in business to deal with than in the past.

It also means that, in some cases, it will be impossible for you to beat the prices of some of your global competitors.

That doesn't mean that you can't compete with those businesses, it just means you'll have to find creative ways to compete.

Here are some areas to consider when dealing with your business competitors.

Price

Many business owners make the mistake of thinking that competition begins and ends with who has the lowest price. This isn't the case because other factors, such as those discussed below, are just as important to many people.

Still, price is important. There are some customers that will base their choice solely on price, so it is important to be as competitive with your pricing as possible. That doesn't mean, however, that you should sell yourself short.

As mentioned above, if you are in a business in which there is global business competition, you probably will not be able to be the lowest bidder.

All that you can do is be sure to set your prices fairly and then find other areas in which you can excel.

(to be continued)

Keys
1 F 2 T 3 F 4 F 5 T 6 F

Business Competition (||)

Answer the following questions according to the information you hear.

Customer Service

This is where every business owner has the chance to outshine their business competitors. Your customer service policies can make or break you.

You can be one of the most expensive providers around, but if you have outstanding customer service you will have business. Again, not all potential clients are going to choose service over price, but many will.

By excelling in this area, you have the chance to win business away from those who are not providing such excellent service. Your customer service actions will depend on the type of business, but some examples include calling to check on your customers on a regular basis.

If it's appropriate, visit them instead of just calling. If they mention a problem, rush into action to fix it before the customer has a chance to ask you. Always return calls in a timely manner and never make the customer feel that you are in a hurry to get off the phone.

Yes, these actions will take extra time, but that is what it takes to excel in the area of customer service.

Availability

While it's true that some of your business competition may be able to beat you in price, you can beat them by increasing your availability.

Put a couple of employees on call so that you can tell your customers that you will be available to them 24 hours a day and 7 days a week. Of course, this isn't appropriate for every type of business, but for some this one action could be what causes a customer to choose you over your business competitors.

Just be sure that if you promise availability at certain times that you follow through.

Overall Value

Find ways to increase the value of your product or service over your business competition. For example, if you have an HVAC company offer 2-3 years of free annual maintenance with the installation of a new system.

If your business is the type for which customers must return, such as a barber shop or dog

groomer, consider offering some type of "Buy 5, Get 1 Free" card. Do something to add value to the customer's dollar.

For some, competition in business is tougher than ever before, but you CAN find ways to rise above the competition.

Keys

- 1. They can make or beat it.
- 2. Rush into action to fix it before he asks you.
- 3. You can beat them by increasing your availability.
- 4. Just follow through.
- 5. Offer 2-3 years of free maintenance with the installation of a new system.
- 6. Offer them a "Buy 5, Get 1 Free" card.





What Is an Internal Company Analysis?

Answer the following questions according to the information you hear.

An internal company analysis is a business term strongly associated with a "SWOT" (strengths, weaknesses, opportunities, threats) analysis. An internal company analysis is an evaluation of a company's current position from the combined perspectives of marketing, operations, and finance for strategic use.

Purpose

The ultimate purpose of an internal analysis is to use the information for strategic planning, meaning the company's plan for furthering growth, success, and leadership in the marketplace. Determining the business's strengths and weaknesses translates into the steps necessary for achieving goals.

Source and Content

This analysis is for internal management use only (not for shareholders), and is comprised

of assessments made by heads of finance, operations, and marketing, based on data provided by these departments.

Core Competencies

Core competencies are a company's strengths within their market. The strengths could be of any or all of the following: products and services offered, customer relationship management, product development and technological innovation, or financial position and pricing, among others. These strengths are the business muscles that keep the company in the game with competition.

Weaknesses

Effective strategic management requires the identification of weaknesses, which could range from product pricing to human resource issues. For the internal analysis, it is important to approach the business's weaknesses from both the internal perspective (those that come from within the organization) and from the perspective of the marketplace as a whole.

Keys

- 1. "SWOT" means strengths, weaknesses, opportunities and threats.
- 2. To use the information for strategic planning.
- 3. The heads of finance, operations and marketing.
- 4. The company's strengths within the market.
- 5. From both the internal perspective and the perspective of the marketplace as a whole.

B Internal Business Analysis

Fill in the blanks according to the information you hear.

Once you have begun to collect the necessary information about your external environment, you will be able to consider how to best fit your business into the situations. To do this you must clearly understand the strengths and weaknesses of your firm. For a long time, people assumed that small businesses were always at a disadvantage because they were small. Today, there are few commercial areas that don't have room for smaller competitors if they are focused and efficient.

The primary task in the business analysis phase is to identify those factors that may give you a competitive advantage. If you hold a patent or an exclusive license on a particular product or service, you enjoy a competitive advantage. Flexibility is a major advantage that small businesses

often enjoy over larger rivals. You may be able to respond more quickly to the changes in the market. Also, small businesses can often move into new product or service lines more quickly than larger firms.

Once you are clear about the areas in which you are ahead, assess your weaknesses. Having done this, you can develop a strategy that has the best chance of succeeding.

Keys

- 1. Once you have begun to <u>collect the necessary information</u> about your external environment, you will be able to consider how to best fit your business into the situations.
- 2. You must clearly understand the strengths and weaknesses of your firm.
- 3. The primary task in the business analysis phase is to identify those factors that may give you a competitive advantage. A patent or an exclusive license on a particular product or service and flexibility are competitive advantages of those small businesses.
- 4. Once you are clear about the areas in which you are ahead, <u>assess your weaknesses</u>. Having done this, you can develop a strategy that has the best chance of succeeding.



The World of Humor

Answer the question according to what you hear.

A Wise Businessman

A businessman walked into a New York City bank and asked for the loan officer. He said he was going to Europe on business for two weeks and needed to borrow \$5,000. The loan officer said the bank would need some security for such a loan.

The businessman then handed over the keys to a Rolls Royce that was parked on the street in front of the bank. Everything checked out and the loan officer accepted the car as collateral for the loan. An employee then drove the Rolls into the bank's underground garage and parked it there.

Two weeks later the businessman returned, repaid the \$5,000 and the interest which came to \$15.41.

The loan officer said, "We do appreciate your business and this transaction has worked out very nicely, but we are a bit puzzled. While you were away we checked and found that you are a multimillionaire. What puzzles us is why you would bother to borrow \$5,000?"

The business man replied: "Where else in New York City can I park my car for two weeks for fifteen bucks?"







Part I

Listen to the passage and make the right choice according to the information you hear. (20%)

Starting and managing a business takes motivation and talent. It also takes research and planning. Although initial mistakes are not always fatal, it takes extra skill, discipline, and hard work to regain the advantage. Take time beforehand to explore and evaluate your business and personal goals, then use this information to build a comprehensive and thoughtful business plan that will help you reach these goals.

Developing a business plan will force you to think through some important issues that you may not otherwise consider. Your plan will become a valuable tool as you set out to raise money for your business, and it will provide milestones to gauge your success.

You'd better get started by doing the following:

- 1. List your reasons for wanting to go into business. Some of the most common reasons for starting a business are: self-management, financial independence, creative freedom, full use of personal skills and knowledge.
- 2. Next, determine what business is right for you. Ask yourself some questions: What do I like to do with my time? What technical skills have I learned or developed? What do others say I am good at? How much time do I have to run a successful business?
- 3. Identify your business niche. Research and answer such questions: What business am I interested in starting? What services or products will I sell? Is my idea practical, and will it fill a need? What is my business' advantage over existing firms? Can I deliver a better quality service?
- 4. The final step before developing your plan is the pre-business checklist. What skills and experience do I bring to the business? How will my company's business records be maintained? What insurance coverage will be needed? What equipment or supplies will I need? What financing will I need? Where will my business be located? What will I name my business?

Your answers will help you create a focused, well-researched business plan that will serve as a blueprint for business operations, management, and capitalization.

Keys

1 C 2 C 3 A 4 B 5 A



Fill in the blanks with the information you hear. (30%)

Many employees have to deal with bad bosses at one time or another during the course of their careers. Bad bosses may behave like bullies, yell at or insult employees, provide incomplete or confusing instructions to employees, fail to train employees properly or otherwise make it difficult for employees to perform their jobs well. Bad bosses can make work unpleasant and lead to excessive job stress. Managing a bad boss properly can minimize conflict and job stress.

Fortunately, there are techniques that can help you outsmart a dismissive boss.

Instructions

- 1. Bad bosses sometimes provide unclear instructions and then get angry if employees don't do things correctly. Ask for clarification whenever needed. If you don't know how to perform a task correctly, ask for instructions. Ask for additional training if needed.
- 2. Bad bosses sometimes give employees more tasks than they can reasonably complete within a given time period, or ask employees to begin new tasks before they've had time to complete previously assigned tasks. Make sure you understand which tasks your boss considers most important.
- 3. Talk about difficult issues with your boss when he is calm. If your boss gets angry, yells or acts like a bully, wait until he calms down to discuss the matter.
- 4. Set appropriate limits with your boss. For instance, if your boss seems to expect you to work overtime frequently without pay, politely let your boss know that you need to leave work on time but will deal with whatever tasks he wants done first thing in the morning.

Keys

Bad boss's behavior and employees' techniques to outsmart them.

1 He may provide <u>unclear instructions</u> and then get angry if employees <u>don't</u> do things correctly.

- Techniques: Ask for clarification whenever needed.
- 2 He may give employees <u>more tasks than they can reasonably complete</u> within a given time period, or ask employees to <u>begin new tasks</u> before they've had time to <u>complete previously</u> assigned tasks.

Techniques: Make sure you understand which tasks your boss considers most important.

- 3 He may be angry, yell at or insult employees.
 - Techniques: Wait until he calms down to discuss the matter.
- 4 He may expect employees to <u>work overtime frequently without pay</u>. Techniques: Set appropriate limits with your boss.



Listen to the passage and fill in the blanks with the information you hear. (22%)

Products may be described in terms of their features and benefits. Features are product characteristics; benefits are customer needs served by those features. Some examples of features are size, color, horsepower, functionality, design, hours of business, and fabric content. Benefits are less tangible but always answer the customer's question: What's in it for me?

While product features are usually easy to define, product benefits can be trickier because they exist in the customer's mind. The most compelling product benefits are those that provide emotional or financial rewards. It's not the brighter smile that the toothpaste offers that is its benefit; it's what the smile might bring you (a good-looking mate, a better job, etc.).

Emotional rewards run the whole range of human emotions, but basically allow the buyer to feel better in some way. For example, sending flowers to a friend or family member allows the buyer to feel supportive or loving. Buying products made from recycled materials offers the buyer the chance to feel environmentally responsible.

Products that deliver financial rewards allow the buyer to save money (e.g., a discount long-distance phone plan) or make money (e.g., computer software for managing a home-based business).

To identify your product's benefits, you must consider your customers' needs. Imagine yourself in your customers' shoes, talk to them directly, or conduct surveys asking about their needs and

perceptions.

Keys

- 1 Products may be described in terms of <u>their features and benefits</u>. Features are <u>product</u> characteristics; benefits are customer needs served by those features.
- While product features are usually <u>easy to define</u>, product benefits can be trickier because <u>they exist in the customer's mind</u>. The most compelling product benefits are those that provide emotional or financial rewards.
- 3 Emotional rewards run the whole range of human emotions, but basically <u>allow the buyer to</u> feel better in some way.
- 4 Products that deliver financial rewards allow the buyer to save money or make money.
- To identify your product's benefits, you must <u>consider your customers' needs</u>. Imagine yourself <u>in your customers' shoes</u>, talk to them directly, or conduct surveys <u>asking about</u> their needs and perceptions.



Mark the following box before each statement with "T" for true or "F" for false. (28%)

There's something you can never afford to forget when you are running a business out of your home — cash is king!

In today's uncertain economy with ever rising interest rates, many small businesses with limited financial training are having problems staying alive, let alone prospering. In fact, 63% of new businesses don't survive six years — and most work-at-home people fail within 6 months! The primary reason is bad cash management. Too many self-employed people neglect their cash flow until it is too late to recover.

So the big question is: How will you manage your cash flow effectively? If you are not sure, then you are on shaky ground. If you need help in managing your cash flow, here is a guide in handling and managing your cash more effectively.

Fast Collection

In your business, you should collect money as fast as you can. To do so, try these four things:

- 1. Try to speed up customer orders by having them fax their orders to you.
- 2. Send out your invoices the same day goods are shipped, not a week or two later.
- 3. Indicate on your invoice when payment is due, and specify the penalty interest for late payment.
- 4. Consider using a bank lock box (post office box strategically located near customers to reduce mail time) to collect your mailed checks from customers across the country.

Deposit Checks Fast!

This seems only obvious, but it's extremely important. Always deposit checks the same day they are received. Don't hold checks until the next day because you lose one day's float. Key point: you can lose three days of float by not depositing Friday's checks until Monday.

Ask your bank about its deadline for receiving availability on deposited checks. Some banks may require a deposit of an encoded check by 2 p.m., even though the bank is open to 5 p.m. Make sure you make this deadline, otherwise you lose one day's float.

Keys						
1 T	2 F	3 T	4 F	5 T	6 T	7 F









Other Financial Institutions

Match the items in column [with those in column [according to what you hear.

Some types of financial institutions have not traditionally been subject to the supervision of state or federal banking authorities. But they perform one or more of the traditional banking functions. They are savings and loan associations, mortgage companies, finance companies, insurance companies, credit agencies owned in whole or in part by the federal government, credit unions, brokers and dealers in securities, and investment bankers.

Savings and loan associations, which are state institutions, provide homebuilding loans to their members out of funds obtained from savings deposits and from the sale of shares to members.

Finance companies make small loans with funds obtained from invested capital, surplus, and borrowings.

Credit unions, which are institutions owned cooperatively by groups of persons having a common business, fraternal, or other interest, make small loans to their members out of funds derived from the sale of shares to members.

The primary functions of investment bankers are to act as advisers to governments and corporations seeking to raise funds, and to act as intermediaries between these issuers of securities, on the one hand, and institutional and individual investors, on the other. 4/b

Keys

2 a

3 d

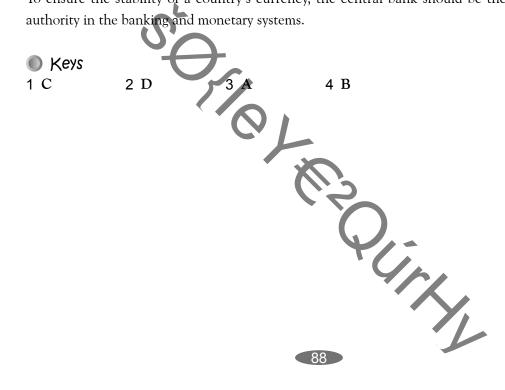


What Is a Central Bank?

Make the right choice according to the information you get from the tape.

The central bank has been described as "the lender of last resort", which means that it is responsible for providing its economy with funds when commercial banks cannot cover a supply shortage. In other words, the central bank prevents the country's banking system from failing. However, the primary goal of central banks is to provide their countries' currencies with price stability by controlling inflation. A central bank also acts as the regulatory authority of a country's monetary policy and is the only provider and printer of notes and coins in circulation. Time has proved that the central bank can best function in these capacities by remaining independent from government fiscal policy and therefore uninfluenced by the political concerns of any government. The central bank should also be completely divested of any commercial banking interests.

Today the central bank is government owned but separate from the country's ministry of finance. Although the central bank is frequently termed the "government's bank" because it handles the buying and selling of government bonds, political decisions should not influence central bank operations. Of course, the nature of the relationship between the central bank and the ruling government varies from country to country and continues to evolve with time. To ensure the stability of a country's currency, the central bank should be the regulator and authority in the banking and monetary systems.







Standard Chartered Bank

Make the right choice according to the information you hear.

Standard Chartered Bank was formed through the merger of two separate banks, the Standard Bank of British South Africa and the Chartered Bank of India, Australia and China.

These banks had capitalised on the expansion of trade between Europe, Asia and Africa.

The Chartered Bank was founded by James Wilson in 1853. The bank opened in Mumbai, Kolkata and Shanghai, followed by Hong Kong and Singapore.

The traditional trade was in cotton from Mumbai, tea from Kolkata, rice from Burma, sugar from Java, tobacco from Sumatra and silk from Yokohama.

The bank played a major role in the development of trade with the East following the opening of the Suez Canal in 1869 and the extension of the telegraph to China in 1871.

The Standard Bank was founded in the Cape Province of South Africa in 1862 by John Paterson, and started business in Port Elizabeth in the following year.

The bank was prominent in financing the development of the diamond fields of Kimberley from 1867. It later extended its network further north to the new town of Johannesburg when gold was discovered there in 1885.

The bank expanded in Southern, Central and Eastern Africa and had 600 offices by 1953.

In 1965, it merged with the Bank of West Africa, expanding its operations into Cameroon, Gambia, Ghana, Nigeria and Sierra Leone.

Standard Chartered Bank aims to be the world's best international bank, leading the way in Asia, Africa and the Middle East. It focuses on building deep and long-standing relationships with its clients and customers and constantly looks to improve the quality of its products and services.

Keys

2 A 3 C 5 A 6 C 1 B 4 D

Banking Support for Small Business

Answer the following questions according to the information you hear.

China's top banking regulator Monday requested financial institutions put in place the differentiated credit policy to encourage cash-strapped small businesses.

The China Banking Regulatory Commission or CBRC will set up more small-scale financial institutions to serve more micro-sized companies, said CBRC Chairman at a meeting.

He reiterated efforts must be made to ensure that the growth rate of the credit for the small business should not drop lower than that of the bank's average level.

CBRC made known the two targets to encourage banks to increase support to the fundthirsty small enterprises, despite the central bank's order to tighten lending to other types of business to fight against inflation in the following years.

The outstanding loans to small companies totaled 10.8 trillion yuan by the end of last year, or one-fifth of the total, as CBRC's targets were met in the following three years.

Also by the end of last year, the non-performing loan stood at 2.11 trillion yuan, 435 million yuan less than that of the beginning of last year. The non-performing ratio was 2.02 percent, 0.95 percentage points lower than the year beginning.

Keys

- To encourage cash-strapped small businesses.
- Set up more small-scale financial institutions.
- It should not drop lower than that of the bank's average level. 3.
- To fight against inflation.
- 5. 2.11 trillion yuan.





J.P. Morgan

Fill in the table with the information you get from the tape.

J.P. Morgan is a leader in financial services, offering solutions to clients in more than 100 countries with one of the most comprehensive global product platforms available. It has been helping its clients to do business and manage their wealth for more than 200 years. Its business has been built upon the core principle of putting clients' interests first.

J.P. Morgan's core businesses include: asset management, investment bank, private banking, securities services, treasury services and commercial banking.

I.P. Morgan is devoted to meeting the growing investment banking needs of its clients. The firm provides clients with first-class strategic advice, lends money, raises capital, helps manage risk, makes markets and extends liquidity. One of the most important functions the firm serves is extending credit to companies to help them grow.

J.P. Morgan understands the complex challenges and opportunities that individuals and families of wealth face. In its advisory capacity, J.P. Morgan helps its clients to protect and grow their wealth across generations, creating the potential for them to achieve the vision they seek for themselves, their families, their businesses and their legacies.

Treasury Services provide amovative payment, collection, liquidity and investment management, trade finance, commercial card and information solutions to the world's leading companies, governments, regional banks and global financial institutions.

Commercial Banking provides lending, treasury services, investment banking and investment management services to more than 30,000 clients including corporations, financial institutions and not-for-profit entities with annual revenues ranging from \$10 million to \$2 billion.

Keys

J.P. Morgan	a leader in financial services	
How long	for more than 200 years	
Core principle	putting clients' interests first	
Core businesses	asset management, investment bank, private banking, securities services, treasury services and commercial banking	
Investment banking	provides clients with <u>first-class strategic advice</u> , <u>lends money</u> , <u>raises capital</u> , helps manage risk, makes markets and extends liquidity	
Private banking	helps its clients to protect and grow their wealth across generations, creating the potential for them to achieve the vision they seek for themselves, their families, their businesses and their legacies	
Treasury services	provides innovative payment, <u>collection</u> , liquidity and <u>investment</u> <u>management</u> , trade finance, <u>commercial card</u> and information solutions	
Commercial banking	provides <u>lending</u> , treasury services, <u>investment banking</u> and investment management services to <u>more than 30,000 clients</u> with annual revenue ranging from \$10 million to \$2 billion	

B Finalizing a Plan

Fill in the blanks with the information you hear.

When you have a clear grasp of the <u>competitors</u>, <u>customers</u>, <u>suppliers and situations</u> you face, and you combine this with a realistic understanding of your own <u>strengths and weaknesses</u>, you can develop a strategic plan with <u>a strong chance of success</u>. You may decide that you have the strengths to <u>compete with other businesses</u> head-on-head in their best markets. You may choose to <u>target a market</u> that has not been touched by your competitors. You may see <u>opportunities to influence</u> local or state legislation in a way favorable to your needs. Or you may <u>realize</u> that you are constrained by a combination of circumstances that severely <u>restrict</u> your opportunities and

leave you only limited chances for success. You should, however, under any of these scenarios, <u>be</u> able to make better choices.

Before you develop a detailed plan to implement, attempt to <u>identify several possible</u> <u>alternative approaches</u>. Frequently, when an individual or organization faces a problem or opportunity, <u>solutions</u> will appear to pop up. While your first idea may, in fact, work, the odds are that it won't be as effective as other possibilities. The reason that this obvious choice <u>may not be</u> <u>the best option</u> is that it is usually based on <u>experiences</u> that, while appearing similar, are actually very different. You may <u>struggle a bit</u> to identify other possible approaches. No alternative will be <u>perfect</u>. But once you have considered several and <u>listed the advantages</u>, <u>disadvantages</u> and overall chances of success for each alternative, you will be <u>in a better position</u> to settle on a plan with greater potential.



The World of Humor

Answer the question according to what you hear.

What Was His Job?

Dick was a clever boy, but his parents were poor, so he had to work in his spare time and during his holidays to pay for his education. Because of this, he managed to get to the university. But it was so expensive to study there that during the holidays he had to get two jobs at the same time so as to earn enough money for his studies.

One summer he managed to get a job in a butcher's shop during the daytime, and another in a hospital at night. In the shop, he learnt to cut meat up quite nicely. So the butcher often let him do all the serving. In the hospital, on the other hand, he was, of course, allowed to do only the simplest jobs, like helping to lift people and to carry them from one part of the hospital to another. Both at the butcher's shop and at the hospital Dick had to wear white clothes.

One evening at the hospital, Dick had to help to carry a woman from her bed to the operating room. The woman happened to be one of his customers. She was already feeling

frightened at the thought of the operation before he came to get her. But when she saw Dick, that almost finished her.

"No! No!" she cried. "Not the butcher! I won't be operated by the butcher!" Then she fainted away.





Part I



Seven Management Principles of an Industrial Group

Fill in the blanks according to the information you hear.

Recognizing our responsibilities as industrialists, we will devote ourselves to the progress and development of society and the well-being of people through our business activities, thereby enhancing the quality of life throughout the world. Here are our seven management principles:

- 1. Contribution to society
 - We will conduct ourselves at all times, faithfully fulfilling our responsibilities as industrialists to the communities in which we operate.
- 2. Fairness and honesty
 - We will be fair and honest in all our business dealings and personal conduct. No matter how talented and knowledgeable we may be, without personal integrity, we can neither earn the respect of others, nor enhance our own self-respect.
- 3. Cooperation and team spirit
 - We will pool our abilities to accomplish our shared goals. No matter how talented we are as individuals, without cooperation and team spirit, we will be a company in name only.
- 4. Untiring effort for improvement
 - We will strive constantly to improve our ability to contribute to society through our business activities. Only through this untiring effort can we fulfill our objectives and help to realize lasting peace and prosperity.
- **5**. Courtesy and humility
 - We will always be cordial and modest, respecting the rights and needs of others' in order to strengthen healthy social relationships and improve the quality of life in our communities.
- 6. Adaptability
 - We will continually adapt our thinking and behavior to meet the ever-changing conditions

around us, taking care to act in harmony with nature to ensure progress and success in our endeavors.

7. Gratitude

We will act out of a sense of gratitude for all benefits we have received, confident that this attitude will be a source of unbounded joy and vitality, enabling us to overcome obstacles we encounter.

Keys

1 Contribution to society	We will conduct ourselves at all times, <u>faithfully fulfilling our responsibilities</u> as industrialists to the communities in which we operate.
2 Fairness and honesty	We will be fair and honest in all our <u>business dealings and</u> <u>personal conduct</u> . No matter how talented and knowledgeable we may be, without personal integrity, we can neither earn the <u>respect</u> of others, nor enhance our own <u>self-respect</u> .
3 <u>Cooperation</u> and team spirit	We will pool our abilities to accomplish our shared goals. No matter how talented we are as individuals, without cooperation and team spirit, we will be a company in name only.
4 Untiring effort for improvement	We will strive constantly to improve our ability to contribute to society through our business activities. Only through this untiring effort can we <u>fulfill our objectives</u> and help to realize <u>lasting peace and prosperity</u> .
5 Courtesy and humility	We will always be <u>modest</u> , respecting the <u>rights and needs</u> of others' in order to strengthen healthy social <u>relationships</u> and improve the <u>quality of life</u> in our communities.
6 Adaptability	We will continually <u>adapt our thinking and behavior</u> to meet the ever-changing conditions around us, <u>taking care to act in harmony</u> with nature to ensure progress and success in our endeavors.
7 <u>Gratitude</u>	We will act out of a sense of gratitude for all benefits we have received, confident that this attitude will be a source of unbounded joy and vitality, enabling us to overcome obstacles we encounter.



Roles of General Managers

Make the right choice according to the information you hear.

General managers are a part of middle management and play a key role in organizations. Depending on the size of the organization, a general manager can be, for example, a senior manager responsible for a division or a subsidiary company between top management and junior managers. Top management make policy decisions and junior managers carry out these policies. Top management work through general managers and they can make the difference between good and bad policies and a motivated or demotivated workforce. The relationships general managers have with their bosses, subordinates and each other are very important for the success or failure of an organization. General managers within the same organization need to have good working relationships with each other in order to apply policies in the same way throughout the organization. At the same time, general managers are also required to make broad policies into plans that their particular divisions or departments should carry out.

In a company, conflicts between the activities of various departments will inevitably arise, and it is the job of the general manager to act as a link between the departments. Research has shown that the personality of a general manager is very important in helping to resolve these departmental problems. The research has also shown that, as far as the personalities of general managers are concerned, they are ambitious people who have balanced temperaments and are good with people. In addition, good general managers combine these personality traits with a detailed knowledge of their particular organization. It has also been demonstrated that high performing general managers have three sets of skills.

First, they need agenda-setting skills so that they can identify and convince others of the most important objectives of a project. Second, general managers need to develop networking skills. Good general managers deliberately attempt to develop contacts within and outside the organization. Such a network of contacts means that the general manager is aware of issues and can act on them quickly. To develop agenda-setting and networking skills, it is essential for a general manager to be skillful in dealing with people. This is particularly important as they spend such a large amount of time working with employees at all levels of a company.

In terms of work, tasks and attitude, the research has shown that managerial work is done in short bursts, with managers working on many simultaneous projects, which can sometimes have conflicting aims. General managers discuss a wide range of subjects in an unconnected way and tend to ask questions rather than give orders. They require large amounts of information

which they pass on to top management to help them to make decisions. In order to collect this information, they must learn to work in uncertain and changing environments. Consequently, both the approach and style of a general manager change to the setting to which they are operating. They must be flexible to be successful.

KeysB

2 A

3 C

4 B

5 C



Part II



Business Management

Give answers to the questions you hear.

Good business management requires flexibility as it is a fluid activity rather than a fixed one.

Unlikely as it may seem, trial and error is effective as a means of business management training. In fact, you have to be prepared to get it wrong. Business managers with long records of high achievement, like Steve Jobs of Apple and Pixar and Nike co-founder Phil Knight, have made mistakes that they have been forced to correct. They have had to change their strategy and adjust to new circumstances on more than one occasion. In fact, Jobs was even thrown out of his own company for a while.

Thomas Watson, founder of IBM, once observed that success is found on the far side of failure. This represents a double lesson in business management. First: you have to persevere through every setback; secondly, learn from all the mistakes you make.

You have to endeavour to find out what works. You can learn from successful management models used by others but also develop your own by experimenting and carefully judging the actions and the results.

Questions

1. What is the requirement for good business management?

- 2. What is an effective means of business management training?
- 3. What do business managers like Steve Jobs do when he has made mistakes?
- 4. What is a double lesson in business management?
- 5. How can you develop your own management model?

Keys

- 1. Flexibility.
- 2. Trial and error.
- 3. Change his strategy and adjust to new circumstances.
- 4. Persevering through every setback and learning from all the mistakes you make.
- **5**. By experimenting and carefully judging the actions and the results.

B

Taking Responsibility During the Recession

Fill in the blanks with the information you hear.

When a company announces closures and lay-offs in the second worst of all modern economic disasters, much of the blame attaches to the downturn. But there is always a fairly large amount of blame attached to management itself.

Human nature, as usual in mismanagement, is the seat of the trouble. The urge to make much more money is very strong and quite common — and not easily satisfied. Having taken a wrong decision to invest, either as an investor or as a manager, there is a further human fault to overcome — delay and denial.

Nobody likes to admit that they have taken and executed a very poor decision. If the prize is large enough, managers will deceive themselves into ignoring the fault. Convenient scapegoats always exist — with finance directors the nearest to hand when it comes to the CEO blame game.

But it's the manager's job to see that the finance function is indeed functioning.

Do you monitor expected cash inflows and outflows? Is there a weekly or monthly rolling cash report? Do you pool cash across units?

Without these simple checks, you can't be sure of making sense of financial fundamentals. The checks both avoid traps and provide profit opportunities.

Managers should face themselves with some hard questions. Why did we ignore defects and defective attitudes in the past? What can we do to ensure that proper management policies are

pursued, whatever the economic weather?

How can values and habits be changed so that the company as a whole aims to eliminate waste and maximize all efficiencies all the time?

In an article in Business Week, Emily Thornton points out, wisely enough, that "In times of turmoil, opportunities abound. But taking advantage of them will require fast reflexes, an aggressive attitude, and serious changes to the status quo."

Keys

- 1. When a company announces closures and layoffs in economic disasters, the blame usually goes to the downturn and management itself.
- 2. In mismanagement, human nature is the root of trouble. It involves human being's strong urge to make much more money and delay and denial.
- 3. When a poor decision results in a disaster, finance directors are easy to be scapegoats.
- 4. In fact, it's the manager's job to see that the finance function is indeed functioning. He should monitor cash inflows and outflows so that traps can be avoided and profit opportunities won't be wasted.
- 5. Managers should ask themselves some hard questions:
 - Why did we ignore defects and defective attitudes in the past?
 - What can we do to ensure that proper management policies are pursued, whatever the economic weather?
 - How can values and habits be changed so that the company as a whole aims to eliminate waste and maximize all efficiencies all the time?
- 6. Emily Thornton in an article in Business Week points out that "In times of turmoil, a.

 Jut tak.

 Aanges to ti. opportunities abound. But taking advantage of them will require fast reflexes, an aggressive attitude, and serious changes to the status quo."





Green Cars

Make the right choice according to the information you hear.

From Japan to Detroit, automobile manufacturers have been busy creating the green car, a vehicle which promises to be one of the cleanest technologies on earth. To create the green car of the future, say designers, they will replace dangerous substances with safe ones, recycle car components from antifreeze to old tires and develop alternative fuels.

To meet high environmental standards, automakers began renovating their practices at the manufacturing process.

In order to clean up our smog-shrouded cities, car manufacturers are also turning to a variety of cleaner fuels. At Mazda, the fuel of the future is hydrogen.

At General Motors a two-seat electric car named the Impact emits no pollutants and can travel 110 to 160 kilometers on a single charge, depending on driving habits and conditions. General Motors will begin consumer-testing the Impact this year, cooperating with local electric utilities which will provide service and infrastructure. About a thousand people have been selected to drive the vehicle for two-and-four-week periods.

Meanwhile, another alternative to standard gasoline-powered cars is Volkswagen's Golf Ecomatic, recently introduced in Europe and powered by a diesel engine that shuts down automatically whenever the car doesn't require propulsion — while waiting at traffic lights, slowing to a standstill in heavy traffic or driving downhill. In city traffic alone, Volkswagen engineers estimate that 60 percent of the trip is spent either coasting or waiting. And the overall carbon dioxide emission produced by the Ecomatic is 22 percent less than that of a standard diesel-powered automobile.

Manufacturers building the green car of the future are also re-examining the final phase of the process: disassembling the 10,000 intermingled parts and components of an automobile and then finding new applications for the used material. Mazda's HR-X2, for example, represents

what engineers hope will be a 100 percent recyclable vehicle. The structural design of the HR-X2 incorporates the possible use of an easy-to-recycle structural material for the cabin, fenders, hood, trunk lid, doors and center console of the car.

In the end, the green car will be good not only for the environment but also for business. In the long run environmental success is essential to business success, and many companies have recognized this reality, as a growing number of people want to purchase products from environmentally responsible firms.

Keys
1 B 2 C 3 B 4 A 5 C 6 A 7 B 8 B

B Environmental Protection

Make the right choice according to the information you hear.

Two years ago during United Nations Conference on Environment and Development, public interest in environmental protection seemed to be growing. Years of persistent work to lift environmental concerns higher up on the global political agenda seemed to have been successful.

In many countries today, that has changed. Interest in environmental issues seems to have stagnated in the face of the many regional cries around the world. Jobs, not the environment, are the head of most domestic political debates.

Ten years ago, many developing countries felt they had to postpone dealing with environmental protection in order to focus on economic and social development. Reports such as "Our Common Future", issued by the World Commission on Environment and Development, emphasized how environmental protection could be reconciled with economic development. Today it seems that many industrialized countries are adopting the "wait" attitude that had previously been so prevalent among developing countries.

More than 34 million people are out of work in the industrialized nations. Perhaps that is why job security and social security seem to overshadow the need for environmental security. But it's important to emphasize the clear link between the three, Growth and investment often lead to layoffs rather than new jobs. And the environmental bills we pass on to the next generation will be intolerably high if we reduce our ambition now.

Economic growth has historically meant the production of more and more goods using

more and more natural resources, placing increasing stress on an already fragile environment. However, growth does not have to transform into more goods: it may also mean better goods. Prosperity and welfare should be seen not only as growth in material welfare but also as a wider social concept covering employment, environment, gender equality and a meaningful life.

Some hold this view that the decline in the standard of living in the industrialized world is a necessary correction, which will bring total global consumption to a sustainable level. But in fact, such change requires prosperous economies, large-scale investment and technological innovation. Neither environmental improvement nor full employment will come about as a result of reduced economic activity.

Even after economic problems have receded and growth continues swiftly, we must continue to focus on the environment. Major environmental improvements have already been made in a number of fields. For that reason, the damage we set out to rectify will be less visible to the public, whose opinion we rely on to support change. Support for change in complex societies requires an informed public opinion.

Increasingly, we must focus on knowledge as the ultimate resource, an engine of economic growth and important environmental change.

Keys

1 C 2 B 3 B 4 C 5 C 6 C 7 B 8 C



The World of Humor

Answer the question according to what you hear

Passage 1

Who will Become Managers?

The world is divided into two groups. There are those who know, and those who don't know. Those who know are no problem. Those who don't know are also in two groups. One is those

who don't know and know they don't know. Well, they can learn! But then, there are those who don't know, and don't know they don't know. And they become unit managers!

Passage 2

Bosses vs. Workers

When I take a long time, I am slow. When my boss takes a long time, he is thorough. When I don't do it, I am lazy. When my boss doesn't do it, he's too busy. When I do it without being told, I'm trying to be smart. When my boss does the same, that is initiative. When I please my boss, that's brown-nosing. When my boss pleases his boss, that's co-operating. When I do good, my boss never remembers. When I do wrong, he never forgets.







Part I



Understanding Cultural Differences

Make the right choice according to the information you hear.

Anyone who has done business internationally knows that dreadful feeling brought on by the blank stares, the forced half-smiles, the murmured comments in a language that seems indecipherable — when what you say doesn't connect, and when something seems missing. The paranoia is inescapable. You had your checklist of cultural do's and don'ts and followed them religiously. You broke no taboos, committed no cultural faux pas, and insulted no one — yet you failed to break through. Why?

Distance and time were once the biggest obstacles to doing business internationally. They are now among the least of concerns for any organization that has decided to go global. Today, international businessmen and businesswomen increasingly find themselves working in multicultural environments, dealing with real differences in everything from communication styles to social etiquette to core values. While many savvy international business travelers may not be able to give textbook definition of what constitutes culture, they know it when they see it. And they also know they had better be prepared to deal with it beyond a superficial level. After all, winning acceptance from foreign colleagues and turning cultural differences into a competitive advantage means more than making sure you know how to properly accept the business card of a Japanese colleague or avoid serving cocktails to a Moslem banker. People from different cultures process information in different ways, value different traits and measure the concepts of time and space in dramatically different fashions.

Why is cross-cultural knowledge and understanding so important? The American statesman and inventor Benjamin Franklin wrote that time is money. Globe trotting businesspeople would add that being aware of cultural differences and sensitivities is money, too. Failing to grasp the subtitles that lie beyond such public cultural displays like greeting rituals and seating arrangements can make the difference between a truly successful international business

transaction and one that fails to connect. Culture affects the most basic forms of personal and business interaction from decision making to management style. National culture, in turn, determines corporate culture, affecting a firm's internal structure, its marketing behavior and its view of foreign business partners and contracts.

The business world is littered with "international" projects that failed to overcome cultural barriers. If you have doubts that cultural insensitivity can translate into business problems, consider the case of the Disney Corp's French adventure — EuroDisney.





Mark the following box before each statement with "T" for true or "F" for false.

Different culture world views cause a great deal of frustration and distrust between the individuals attempting to work together. Two examples are listed below.

- A businessman went to Taiwan to close a deal with the president of a large paper company. Since they were meeting for the first time, they started out with the normal pleasantries such as "How was your trip?" etc. It turned out the businessman happened to be from Columbus, Ohio, the home of Ohio State University. When the president of the Taiwanese company mentioned that his son was going to this school, the business person then said, "Yes, it's a very good school, let's talk business."
- A dotcom company had sent its business development person to meet with Singaporean counterparts. Meeting followed meeting and at the end of the week things looked very promising. Both sides were very pleased at the progress and the potential. Then, two weeks after coming back to the U.S., the contact person was promoted to a VP position and a new person took over.

If you missed the point of these stories, one probably doesn't understand certain culture values such as mianzi and guanxi.

Americans quickly establish business relationships, but their relationships are generally shallow and not particularly long lasting. Throughout the Orient, it takes time to develop the relationship, but once it's developed, it tends to last for a very long time. This simple observation means that Americans and some Europeans tend to lose out on business deals.

It is also a fairly common practice for multinational corporations to rotate people through a country every two or three years. Of course, once that expat leaves, they take with them relationships it took months and years to cultivate.

To make matters worse, many companies choose employees who are experts in technical or management matters as their overseas managers. However, a recent study finds other skills vital for success.

Prudential Insurance asked 72 personnel managers working for multinationals to name the traits required for overseas success. Nearly 35% said culture adaptability, patience, flexibility and tolerance for others' beliefs. Only 22% of them listed technical and management skills.

Keys
1 T 2 T 3 F 4 T 5 T 6 F 7 F 8 T





The Globalization Paradox

Answer the following questions according to the information you hear.

The whole concept of effective globalization of a company presents a paradox: the more global a company becomes, the more reliant it must become on local resources, such as people, management and marketing talent, to distribute its products or services to new markets.

The nationality of companies is becoming less important. British Airways is one of the first major global companies to recognize this trend. The airline has removed the British national flag from its aircraft livery and instead is using designs and art forms from across the world. The tailpieces of British Airways jets are now adorned with artistic renditions of everything from Chinese calligraphy to Bushman paintings from the Kalahari Desert. And the Ford Motor Company's high-end Crown Victoria is actually an import from Canada.

Successful companies, both large and small, are dealing with the globalization paradox by

learning to think globally and act locally and by encouraging a diversity of management and giving subsidiary operations in different countries a higher degree of autonomy than ever before.

Few products can boast of beating the globalization paradox. Coca-Cola is one. Its formula, its logo and its packaging are the same virtually all over the world. It is one of the few exceptions to the prevailing rule of catering to local preferences. However, when it comes to soft drinks other than Coke, the company indeed manufactures to local preferences. Fanta, which most Europeans know as an orange-flavored drink, is peach-flavored in Botswana, passion fruitflavored in France, and flower-favored in Japan.

But at least in one instance, even the giant Atlanta, Georgia-based company has been forced to bow to local taste preferences when it comes to its flagship cola. In India, Coke pushes a rival brand its owners called Thums Up over its own cola. Thums Up outsells Coke by a fourto-one margin. In no other country in the world does the company sell a rival to its own Coke. India did not like Coke's corporate culture. Thums Up was part of a compromise for Coca-Cola company to enter the enormous and thirsty Indian market. So successful has Thums Up been compared to Coke that the company has no plans to alter the marketing pattern. Coke will play second fiddle to Thums Up so long as Indians prefer the local brand. The more a company expands into the global marketplace, the more it relies on local resources and caters to local preferences.

- 1. It means that the more global a company becomes, the more reliant it must become on local resources (such as people, management and marketing talent, to distribute its products or services to new markets).
- 2. Artistic renditions of everything from Chinese calligraphy to Bushman paintings from the Kalahari Desert.
- In its formula, its logo, its packaging and in the flavor of its Coke.
- The originally orange-flavored Fanta is changed into peach-flavored in Botswana, passion fruit-flavored in France, and flower-favored in Japan.
- Because of local taste preferences.
- The more a company expands into the global marketplace, the more it relies on local resources and caters to local preferences.

В

Japanese Communication Styles

Make the right choice according to the questions you hear.

Of all the aspects of dealing with the Japanese, the ones which probably cause the biggest dilemmas concern communication difficulties. The typical feature of Japanese communications is subtlety and nuance. How one appears and what one publicly states and what one really thinks are often poles apart. There is often a huge distance between the expressed and the felt — they can often even be contradictory.

The development of relationships in Japan is often dependent on people's ability to read the underlying truth. It can, of course, be very difficult for the non-Japanese to find the right way to deal with these very confusing paradoxes. It is probably best to say that everything should be questioned in order to ensure that clear understanding has been achieved. Check back several times for clarification of anything that remains unclear.

Communication difficulties are further worsened by the fact that few foreigners speak good Japanese and that levels of English in Japan are at best very patchy. Much of what is said by English speaking businessmen in cross-national meetings is simply not understood — or more worryingly misunderstood. There is a great need for the clear and precise use of language in such situations. The combination of Japanese vagueness and lack of comprehension leads to enormous problems which make problem-solving and decision-making very complicated.

In times of stress or difficulty during a meeting, the Japanese will often resort to silence in order to release the tension in the room and allow people to move away from the area of difficulty. Unfortunately many westerners are extremely uncomfortable with silence in meetings and feel the need to fill the silence with more discussion over the issue the Japanese would rather avoid.

In addition, Japanese body language is very minimal, making it difficult for the untrained observer to read. The Japanese seem to be very still in meetings, sitting in a formal upright posture. It is rare for any reaction or emotion to be visible.

Questions

- 1. What is the biggest problem when dealing with the Japanese?
- 2. Which of the following words can be used to describe the usual relationship between what a Japanese says and what he really thinks?
- 3. What is important for the development of relationships in Japan?
- 4. What usually happens in some cross-national meetings in Japan?

- 5. How do the Japanese feel about silence in meetings?
- 6. Why is it difficult for an untrained foreigner to learn something from Japanese body language?

6 C

Keys

1 D 2 A 3 C 4 B 5 A





Customs Etiquette and Protocol

Answer the following questions according to the information you hear.

In an era of globalization, understanding the basics of etiquette and protocol, that is, the type of behavior that others expect of you in both informal and formal settings, is an important skill. Without an understanding of the basics of etiquette and protocol, you may even put your company's image at risk, you may risk potential failure in the formation of key business relationships that are vital to global success. A sensible appreciation of local customs, etiquette and protocol can make you stand out as a world-savvy individual in a competitive global market. The world may indeed be your oyster today.

Many experienced international businesspersons will advise you that "when in Rome do as the Romans do." In most cases, nevertheless, it is far easier said than done. Proper etiquette in today's business world goes well beyond basic or common courtesies. Take colors for example. If you assume that a dark conservative suit has the least chance to offend, you are probably right. But danger lurks in the accessories — the ties or scarves that men and women can choose. Color counts a lot here.

The color of your accessories can actually insult a foreign host or, if done correctly, can add to a positive impression. For instance, in China the color red is the traditional color for weddings and is considered good luck, so a red tie is a positive omen. However, a woman wearing a white scarf might earn sympathetic looks. The color white is the traditional Chinese color symbolizing mourning.

A businessman visiting Saudi Arabia recalls how his choice of a bright green tie drew favorable remarks from several local colleagues. Green is the color of Islam. However, the visitor had no intent to honor that religion, rather he had chosen a green tie because it was St. Patrick's Day and he wished to show off his Irish roots. Initially, he simply couldn't figure out why Saudi Arabians would care so much about an Irish holiday. Only after he became more familiar with the region did he discover the real reason his green tie earned him compliments. It's probably a good thing the businessman did not wear his green tie in Czechoslovakia where green is the symbol for poison and toxic materials.

Consider another case of General Motors Corp., which was involved in a titanic struggle with several other major auto manufacturers to secure a partnership with Shanghai Automotive Industrial to make cars in China. GM spared no expense, hiring local consultants and Chinesespeaking American employees to make sure the company did "everything right" to impress the Chinese with their cultural sensitivity and understanding of Chinese business customs. When General Motors gave Chinese officials expensive gifts from the New York jewelers, Tiffany's, the company replaced their signature white ribbons with red ones. The reason is that in China red means good luck and white signifies sorrow or death. The Chinese were obviously impressed not only by the cultural sensitivity of GM, but by the company's final business proposal as well. Still, showing its awareness of Chinese traditions didn't hurt. Through the thoughtfulness of the ribbon switch, GM presented itself as an internationally savvy company prepared to work in the framework of local cultural and business sensitivities. It came across as a class act and maybe white ribbons would have been a deal killer.

- A sensible appreciation of local customs, etiquette and protocol.
- Because color is loaded with meaning and the same color may convey different meanings in different cultures.
- The colors red and white respectively symbolize good luck and mourning in traditional Chinese culture.
- 4. Because the color green represents very different things in the two countries. The color green is worshiped as the color of Islam in Saudi Arabia but is the symbol of poison and toxic materials in Czechoslovakia.
- sigm. The case of General Motors indicates the significance of cultural sensitivity and understanding of local business customs.



Global Business and Local Cultures

Fill in the blanks with the information you hear.

Globalization of national economies and business has had a great impact on capital, technology and trade flows. But it has also had a major impact on national values, thought processes and the actions of people, organizations and institutions. The American fast food giant, McDonald's, is a dramatic example of how a company that does business around the globe can have an impact on local cultural traditions that seem totally unrelated to their main product — fast food. The company is also a prime example of how a company can think globally and act locally. In many countries — at least among the younger generations — McDonald's is considered a local company. In these countries, McDonald's has been absorbed into the local communities and become assimilated. It is no longer thought of as a foreign restaurant — and in many ways it no longer functions as one. The company is about more than the globalization of hamburgers — it is about altering culture.

McDonald's opened its first restaurant in Illinois in 1955. Today, the company operates more than 23,000 restaurants in 120 countries on six continents. McDonald's first began to expand internationally in 1967 with the opening of restaurants in Canada and Puerto Rico.

Now the sun never sets on the Golden Arches. The northern-most McDonald's is at the Arctic Circle in Finland, and the southern-most McDonald's is in New Zealand.

McDonald's first restaurant in Russia opened in 1990. But the company's contribution is much deeper than bringing the hamburger to Moscow. For most Russians, McDonald's was their first encounter with two basic consumer concepts — that the customer is king and that uniform quality can be guaranteed across a range of products and a range of stores.

Because of chronic shortages of consumer goods, it was the retail clerk, not the consumer, that was king. There was no certainty that if you bought a pair of shoes or a bottle of vodka from a retail store more than once that the quality would be uniform. Consistent quality and good service have finally come to Russia in the form of McDonald's.

The company introduced the concept of quality and reversed what had been the traditional relationship between buyer and seller on a retail level in Russia. Soon McDonald's quality and service were the standard by which every Russian retailer was being judged. It was a cultural breakthrough.

The company also set the standard for cleanliness in a country where customers had grown accustomed to the most abysmal conditions in public kitchens and toilets, even in better

restaurants. Following its global guidelines for hygiene and cleanliness, the toilets at McDonald's were spotless. The kitchens, in full view of the consumer, were clean and efficient. Previously, most Russians felt they were better off not knowing how their food was prepared. If they were allowed a peek, they might never eat out again. Now, Russian consumers have come to expect a higher level of hygiene in all public establishments. McDonald's triggered a cleanliness revolution of sorts in public establishments. Now, partially thanks to McDonald's imported standards, a lot of restaurants have really made improvements.

- Globalization of national economies and business has had a great impact not only on capital, technology and trade flows but also on national values, thought processes and the actions of people, organizations and institutions.
- McDonald's is a perfect example of how a company can think globally and act locally.
- In some countries, McDonald's has been absorbed into the local communities and become assimilated.
- 4. McDonald's expanded its overseas market in 1967 in Canada and Puerto Rico.
- The logo of McDonald's is the Golden Arches.
- 6. The southern-most and northern-most of McDonald's are respectively in New Zealand and in Finland at the Arctic Circle.
- The contribution of McDonald's is the introduction of two basic consumer concepts. One is that the customer is king; the other is that uniform quality can be guaranteed across a range of products.
- 8. Russian retailers were judged by McDonald's standard of consistent quality and good service.
- adduced its 9. McDonald's also introduced its global guidelines for hygiene and cleanliness in public establishments.



The World of Humor

Answer the question according to what you hear.

Very Fast

There was a Japanese man who went to America for sightseeing. On the last day, he hailed a cab and told the driver to drive to the airport. During the journey, a Honda drove past the taxi. Thereupon, the man leaned out of the window excitedly and yelled, "Honda, very fast! Made in Japan!"

After a while, a Toyota sped past the taxi. Again, the Japanese man leaned out of the window and yelled, "Toyota, very fast! Made in Japan!"

And then a Mitsubishi sped past the taxi. For the third time, the Japanese leaned out of the window and yelled, "Mitsubishi, very fast! Made in Japan!"

The driver was a little angry, but he kept quiet. And this went on for quite a number of cars. Finally, the taxi came to the airport. The fare was US \$300.

The Japanese exclaimed, "Wah ... so expensive!"

Thereupon, the driver yelled back, "Meter, very fast! Made in Japan!" VC





Part I



Dell Computer Turns Customer Satisfaction into Profits (${ m I}$)

Mark the following box before each statement with "T" for true or "F" for false.

Imagine the following scene: Michael Dell, chairman and CEO of Dell Computer Corporation, enters a hotel ballroom. He is there to address stockholders at the firm's annual meeting. He walks up to the podium and lowers his head for a moment while a slide is displayed on a huge screen behind him. On the screen is a chart that compares the price increase of Dell's stock with those of 6 other Wall Street sweethearts: Coca-Cola, Intel, Microsoft, Gillette, Cisco Systems, and Compaq Computer. The line for Dell's stock is easily twice as steep as the lines representing the stock values of the other firms. Michel Dell looks over the people in the audience — people who have benefited enormously from the firm's dramatic increase in stock value — and grins.

Does this scenario sound too far-fetched to be true? Not at all. Although Dell is ranked number three in personal computer sales, lagging just behind Compaq and IBM, it's the hottest manufacturer in the computer industry. As evidence of its ability to compete in a very competitive industry, consider that Dell's sales increased \$2.6 billion in just one year; moreover, the dollar value of a share of its stock rose more than 1,000 percent. As a final piece of evidence, consider that a \$10,000 investment in Dell's initial public stock is now worth over \$1 million.

For Michael Dell, this success story started in high school when he became a computer whiz kid. Later, while attending the University of Texas in the early 1980s, he began buying personal computers from local retailers who had excess inventory. He supercharged them with new disk drives, enlarged their memories, and improved their monitors. Then he sold them at a discount through ads in local newspapers and computer magazines. Dell's souped-up computers handled more data faster than machines manufactured by the leaders in the computer industry. During its first nine months of operation, Dell Computer generated \$6 million in revenues — a staggering amount for a firm that began single-handed on a part-time basis operating out of a

room in a college dorm.

Keys
1 F 2 F 3 F 4 T 5 T 6 F

B Dell Computer Turns Customer Satisfaction into Profits (||)

Make the right choice according to the information you hear.

Early success enabled Dell Computer to concentrate on its direct sales approach: selling computers over the telephone. According to Michael Dell, "Customers tell us what they want and we build computers to meet their needs and ship them out, usually within 36 hours."

By selling directly to customers, customers can purchase Dell's "customized" computers for 15 to 25 percent less than the brands sold in stores. In addition to lowering prices, direct selling has enabled Dell to reduce inventory costs and to stay in touch with its customers.

By constantly talking with customers over toll-free phone lines, Dell Computer finds out what customers like and dislike. As a result, the company has incorporated into its new product lines numerous small improvements that give it an edge on its competitors.

Despite its relative youth, Dell Computer now looks like a strong contender for the number one spot in personal computer sales. At least Compaq and IBM apparently think so, because both companies are trying to develop a direct sales approach that imitates Dell's. As for Michael Dell, not yet thirty-five, his net worth is already estimated to be in excess of \$5 billion. Not bad for a young man who started out selling computers from his college dorm.

According to management experts, a business must do two things to be successful. First, it must put the customer first — by listening, understanding, and providing customer service. Second, a company — both its managers and employees — must act with speed and flexibility. Dell Computer scores A⁺ on both counts. In just fourteen years, Dell has made its mark in the computer industry because of its ability to grasp an opportunity which larger competitors like Compaq and IBM ignored. Now both Compaq and IBM are trying to imitate Dell's direct sales approach. Maybe imitation is the sincerest form of flattery.

Keys1 C2 B3 B4 A5 C6 C



Part II



Swatch — A Successful Story

Fill in the blanks according to the information you hear.

For three centuries the Swiss were the watch-making experts of the world. In 1950, 80% of the watches were made in Switzerland. But by 1980 this market share had dropped to 20% and by 1985 the figure was less than 5%. Only the luxury watch manufacturers were still making money. The Swiss watch industry was in a big trouble, and they were aware of that. Two factors, technology and price, had led to this. In 1970s, because of super-efficient mass-production techniques, most of the electronic digital watches were made in Japan by Citizen and Seiko but not in Switzerland although this kind of watches were invented by Swiss.

The digital watches were much cheaper and soon they promptly dominated the global market. However, as the previous market leader, the Swiss watch industry was not willing to lag behind. An old watch-making company in Switzerland, ETA, developed a technology to make quartz watches with hands, which moved around a face. But to make such watches at a competitive price would require huge investment in computerized production line and this was at a time when the market was all but saturated with cheap digital watches.

So ETA took the risk of developing an unrepairable watch, which was welded into a plastic case that would only cost 15 Swiss Francs to manufacture, but retailed for considerably more. Their innovative idea was that the new watch would be a fashion item, not an upmarket timepiece like Omega that rich people bought to last them a lifetime. The design of the face of the watch and the strap were what would make fashionable, trendy and sporty young people want to buy what they called a Swatch to wear.

The new Swatches wouldn't compete with cheap digital watches on price. No, they would be more expensive but much more attractive. It was such a novel product that ETA knew they needed to spend huge amounts on promotion and advertising. In 1985 they spent 30 million Swiss Francs in the USA alone on advertising to create a fresh, young and sporty image for the

product. They spent millions on sponsoring athletes and sports events. Even Princess Diana wore Swatches. They constantly produced new designs, including Swatches smelling of mint, strawberry and banana.

In this way ETA made sure that the watches were not discounted by any distributor, and to maintain a demand for Swatches, they restricted their production so that each design was a "Special Edition" which might hopefully become a collectable, not just a mass-produced object. The quality was excellent because the watches didn't go wrong; therefore they needn't to be repaired. Each new design was both original and fashionable.

That was how the Swatch earned its place and reputation in marketing history, and how the Swiss watch-industry was rescued by courageous investment, Swiss efficiency and innovation.

- The Swiss used to be experts of the world in the watch industry.
- 2. In the middle of 1980s, only the luxury watch manufacturers were still making money.
- 3. The Swiss watch industry was in a big trouble because of two factors — technology and price.
- 4. Electronic digital watches were invented in Switzerland, but first made in Japan by Citizen and Seiko.
- ETA, an old Swiss watch-making company, developed a technology to make quartz 5. watches.
- 6. Swatches would be fashion items, not upmarket timepieces like Omega.
- 7. Swatches were popular with fashionable, trendy and sporty young people.
- ETA knew they needed to spend huge amounts on promotion and advertising. 8.
- In 1985 ETA spent 30 million Swiss Francs in the USA alone on advertising to create a fresh, young and sporty image for the product.
- ETA also promoted by sponsoring athletes and sports events. 10.
- ETA constantly produced new designs, including Swatches smelling of mint, strawberry 11. and banana.
- ETA made sure that the quality was excellent and each new design was both original and fashionable.
- Fest In this way, the Swiss watch-industry was rescued by courageous investment, Swiss 13. efficiency and innovation.



Personal Life Style and the Purchasing Process

Make the right choice according to a conversation between a sociologist and a retailer.

Retailer: A person's life style has a significant effect on the purchasing process. So how do I

determine and understand the life style of my target market?

Sociologist: The consumer's activities, interests and opinions, also called AIO, can be used

to analyze life styles and their impact on purchase behavior. Activities, interests, and opinions are especially useful when they can be related to demographic data. Grouping people according to these three criteria will reveal substantial differences in product usage; time spent shopping, enjoyment of shopping experience, and location of the store, and so on. A typical consumer AIO survey would include questions on membership, hobbies, travel, shopping, work, and entertainment activities, involvement in the home, the family, and community interests and feelings about economics, politics, and advertising. The use of the AIO measurement has also been called psychographics; it is in the early stages of

development.

Retailer: So the AIO survey of consumers is not enough. What else should I pay attention

to?

Sociologist: Culture, social class, reference groups and class-consciousness are social

dimensions of life style that have an impact on purchasing behavior. A person's culture affects the importance of family, religion, education and other concerns. North Americans act differently than South Americans or Europeans because of their cultural heritage. For example, in the United States, purchasing decisions are more decentralized; religion has a declining impact on behavior. From a retailing perspective, the standards of behavior that are influenced by culture are most

important. Culture has an impact on all aspects of the purchasing process.

Retailer: How does social classes influence a person's purchasing behavior?

Sociologist: Lower-class consumers have limited information sources and they tend to seek

local, friendly retailers. Middle class consumers utilize media information and extensive search. They are willing to shop out of their neighborhoods. Upper-class

consumers use media information and shop at prestige stores.

Retailer: Don't you think motives are very important in purchasing behavior?

Sociologist: Yes. Personality, motives, and performance are individual dimensions of life style

that have an impact on purchasing behavior. A consumer's personality traits affect the purchase process. For an impatient person, the process is short. For someone with little self-confidence, the process is long. Consumers have different motives when they buy products. Motives are critical when the consumer ranks alternatives and makes a final decision. Motives do change in different situations. A person's performance in various roles determines his or her social acceptance and influences the purchasing process.

Retailer: Thank you very much. I think I've learned about the importance of life style.

Keys

1 B 2 A 3 C 4 B 5 C 6 B 7 A



Part III



Ice Cream Profits Melt Away

Answer the questions according to the information you hear.

Declining margins in the city's ice cream industry are forcing foreign and domestic producers to retool their marketing strategies in order to survive. The increased production costs coupled with lower product prices add to the industry problems.

Last year, an unseasonal frost spoiled the supply of sugar cane in some regions. Wholesale prices of sugar, a raw material for ice cream production, rose 40 percent a ton. In addition, the national price of milk powder increased by 20 percent since the beginning of this year.

These conditions are forcing ice cream manufacturers without exception to lose money. More than 60 percent of the city's annual ice cream sales are low-end products priced below 2 yuan.

Seasonal factors and people's declining interest in sweet food also affected sales of ice cream. In addition, fierce competition has knocked 70 percent of local ice cream producers out of the market. Survivors are competing over prices and distribution networks.

Wall's, an international brand marketed by Unilever NV, cut the price of its upscale Cornetto by 37 percent and slashed the size and price of its Magnum brand.

Last year, Wall's led the local market with 20 percent of the city's annual sales. Its market share has increased to 30 percent this year.

Questions

- 1. What are the factors that add to ice cream industry problems?
- 2. What caused the rise of sugar price?
- 3. How many local ice cream producers have been knocked out of the market by fierce competition?
- 4. How much is Wall's market share of the city's annual sales this year?

Keys

- 1. Increased production costs coupled with lower product prices.
- 2. An unseasonal frost.
- **3**. 70 percent of local ice cream producers.
- 4. 30 percent.



Domestic DVD Makers Urged to Pay Fees

Answer the following questions according to the information you hear.

An increasing number of international electronics manufacturers are paying royalties on the patents that power digital video-disc players, but negotiations between the two sides might not end any time soon.

Sony, Philips and Pioneer, three major DVD technology developers in the world known as "3C", recently began urging domestic DVD manufacturers to solve the patent problem. The group says that most Chinese manufacturers of DVD machines don't pay any copyright or licensing fees for the technology they are using. The group is in talks with Chinese DVD producers to require them to begin paying royalties on their DVD technologies.

There is still no time frame for when local manufacturers will begin paying licensing fees. More than 80 domestic DVD manufacturers have entrusted the China Acoustic Equipment Association to negotiate with the three foreign electronics giants.

"The talks between 3C and us is an arduous task," said an official of the association. "It still

needs a long time to solve the patent problem because we should check whether domestic DVD producers have used their technologies and whether the 3C's DVD patent rights have been registered in China."

The two sides are also haggling over the issue of how high the fees should be.

The action by 3C follows similar steps by a group of six global electronic giants — Hitachi, Matsushita, Mitsubishi, Time Warner, Toshiba and Japan's Victor Co. — known as the "6C" group. That group says China's electronics makers should start paying fees ranging from 1 yuan to 30 yuan on the whole gamut of DVD products, from discs to players. If these fees were paid, local consumers could expect the price of domestically made DVD machines to jump by a little less than 100 yuan.

Negotiations with 6C, which have been going on for about a year, have yet to produce any tangible results. No domestic DVD maker has ever paid royalties. The key element of the dispute is the fees required by 6C. Most domestic DVD makers have agreed to pay royalties, but only if the fees can be lowered.

The 6C group insists that all DVD makers should pay licensing fees before production, and companies failing to forward the fees should be charged with an additional 2 percent interest per month. In addition, 6C will ask its retailers worldwide not to import DVD products from Chinese companies that fail to pay the fees.

China is the world's largest producer of DVD players with an annual output of 10 million machines. About 4 million players a year are exported to other countries where they compete with machines made by 6C and 3C companies and other producers who pay licensing fees.

- To pay licensing fees for the technology they are using.
- Because they have to check whether domestic DVD producers have used 3C's technologies and whether the 3C's DVD patent rights have been registered in China.
- 3. How high the fees should be.
- If the fees were paid, the price of DVDs will increase by a little less than 100 yuan. 4.
- They have agreed to pay royalties only if the fees can be lowered. 5.
- 6. No results.
- It insists that Chinese DVD makers pay licensing fees before production and that if they fail to do so, they'll be charged with an additional 2 percent interest per month.
- 6C will ask its retailers worldwide not to import DVD products from Chinese companies 1/1/2 that fail to pay the fees.



The World of Humor

Answer the question according to what you hear.

What Didn't the Minister Have?

Long, long ago, a minister asked his men, saying, "Who can collect debts for me in the villages far away?" A servant of his said he was willing to do it. The master agreed and then added, "When you come back, buy something that I don't have."

The servant went to the villages one after another. He called together all the debtors and brought out their IOUs. He said, "My master has said that you shall not pay the debts any more." He burnt all the IOUs before them. They all shouted, "Long live the minister!"

The servant returned soon. His master was surprised to see the man had brought nothing back, so he asked, "Have you collected all the debts, man?"

"Yes, Master. Didn't you say, 'Buy what I don't have'? I know you have lots of gold, jewels and servants. I think you don't have the love for the people. Now I've come back with it."

"What do you mean by the love for the people?"

"The villagers are very poor, too poor to pay off the debts. You have not shown them your love for them. But I did this for you by burning all their IOUs."

Hearing this the minister became very angry.

Two years later, when the minister was removed from office, he went to the country. The people there, old and young, all came out to welcome him. He said to the servant, "Today, I've come to know what the love for the people really means





Part I



Job Hunting

Fill in the blanks according to the information you hear.

While you are going to leave college and begin your job research, you need to identify resources that can help you pinpoint which companies or organizations have entry-level opportunities. The following resources may be of much help to you.

1. Career Placement Office

Visit frequently the career placement office at your college. Learn what information is available to you and how to obtain and use it. Recruiters from different companies come to scout for good employment candidates. Even if you are unsure about particular jobs or companies, try to get interviews with recruiters. Interviews will give you valuable information that can help you identify areas where you can create value for employers, as well as practice in communicating with potential employers.

2. Employment Agencies

Employment agencies, or "headhunters", can help you focus your search, providing you with an introduction to a company, and arranging interviews for you. But remember when you phone an agency to ask about employment opportunities, ask whether the agency handles recent graduates.

Want Ads

The competition for jobs listed in the newspaper or magazine wants ads is usually fierce, but don't hesitate to respond. These ads not only offer job opportunities, but also give you an idea of what types of entry-level positions are currently available, as well as what income you can expect to earn.

4. The Internet

A variety of job listings posted by businesses and the government are available on the Internet career services, which provide a place for job hunters to post their resumes and submit applications. IBM, for example, lists all of its job openings — over 20,000 a year — on the US

Labor Department's Internet job bank.

Another way to use the Internet to look for work opportunities is to visit the web sites of organizations that interest you. Some web sites provide an up-to-date source of information about the organization's activities, history, and even its organizational culture. The information can help you decide which potential employers look like a good match for you.

5. Personal Contacts

Friends, relatives, and acquaintances may be your most valuable resources as you look for a job. A personal introduction to a recruiter by one of its employees helps distinguish you from other applicants. Don't be shy about contacting people you know, even if it's just to ask for information about a certain field in business. Most people who are established in their careers are happy to help students by answering questions and passing a resume to the proper department, even if a specific job is not readily available. If you present yourself in a professional manner and convey your genuine interest in the person's field or organization, chances that you'll at least get a friendly reply or you'll even get an opportunity for an interview perhaps are available.

- 1. As a recent college graduate, you should frequently visit the career placement office because recruiters from different organizations or companies are searching for good employment candidates.
- 2. Employment agencies, also called "headhunters", can provide you with an introduction to a company and arrange interviews for you.
- 3. Want ads in the newspaper or magazines can not only offer job opportunities, but also inform you what types of entry-level positions are currently available.
- 4. Web sites provide an up-to-date source of information about the organization's activities, history, and even its organizational culture.
- 5. A personal introduction to a recruiter is also very important. Your friends, relatives, acquaintances may be the most valuable sources when you are searching for a job.
- 6. Don't be shy about contacting people you know. You should present yourself in a professional manner and convey your genuine interest in the person's field or organization. <u>ce.</u>



Successful Job Interview

Make the right choice according to the information you hear.

You may be granted an informational interview or an interview for a specific job. An informational interview is just what it sounds like — it provides you with a chance to learn more about the company and the types of positions that may be available. Although it is not an interview for specific job opening, it is just as important, for it gives you the opportunity to create a favorable impression with a potential employer. So treat the informational interview and the specific job interview as equally important.

When you've been granted an interview, write down the date, time, address, and name of the person to whom you are to report. Ask for directions to the company if necessary. Some organizations conduct an initial selection interview over the phone, perhaps using a computer system to conduct that interview. Don't be intimidated; these systems can avoid some of the personal biases of screening candidates in person. If your initial interview will be by phone, make sure you are clear about who will make the phone call. If you are to do so, write down the correct number and time to call.

Then do your homework, find out as much about the organization in advance as possible. This indicates to the interviewer your genuine interest in the firm as well as your self-motivation. If you know someone who works at the company, call and ask about the company's best-selling goods or services, as well as qualities the company considers important in its employees. Ask the person to send you a copy of the firms annual report or other pertinent written material, if possible. You can also request these from the personnel department. Search the Internet for information about the firm; perhaps the organization has its own Web site.

Next, prepare yourself for the interview. Review in your mind your strengths, weakness, and relevant experiences. Think through carefully and clearly why you would want to work for the organization, and why you would want a particular job. Ask yourself what you expect to learn from the job and what you think you can contribute. Ask yourself what your general and specific career goals are. Many interviewers will ask you these questions.

On the day of the interview, arrive 10 to 15 minutes before the time scheduled for your appointment. Wear simple, appropriate business clothes. Pay attention to good grooming. During the interview, be alert but try to relax; most interviewers want to learn about you, not trip you up. Listen to the questions you are asked, and answer honestly, maintaining a positive attitude. Don't be afraid to ask questions of the interviewer, about the company, the position, the working

environment, expectation of employees, and the like.

Even if the interview seems to go well, it's unlikely you will be offered the position after the initial interview. But if you are, be prepared to accept if you know you want the job. If you truly feel you need time to consider the offer, ask for a day or two. Regardless of how the interview went, thank the person as you leave. Within a day or so, follow up with a thank-you note to the interviewer and anyone else within the company with whom you had significant contact, such as someone who referred you to the firm. The thank-you note not only establishes you as someone who is professional and courteous, it marks you as someone who follows through to the end.

If you don't get the job, don't be discouraged. Most people experience some rejections during their job searches. Review what you learned from the job application process and use that knowledge to improve your job-hunting skills. Move on to the next application and interview with enthusiasm. If you persist, your job search will pay off. If you are offered a job, congratulations! You are on your way to a career in business.

Keys
1 B 2 C 3 C 4 B 5 C 6 B 7 A 8 C 9 C





Writing Your Resume

Fill in the blanks according to the information you hear.

One of the most important aspects of your job search is writing your resume. A resume is a kind of marketing communications; it communicates to your potential employer what strengths you would bring to the organization and how you can create value.

Your resume should present your qualifications clearly in a well-organized format. There are three resume formats:

1) the chronological format, which presents your work experience and education in the

sequence in which they occurred;

- 2) the functional format, which groups your experiences according to relevant skills;
- 3) the targeted format, which emphasizes skills that apply to specific jobs.

The chronological and functional formats are often most useful for recent graduates, who are still in the process of targeting their careers.

Whichever format you choose, your resume should contain the following information:

- 1) Full name, address, and telephone number. If you have a school address and home address where you can be reached, include both.
- 2) Your highest and next-highest level of education, including relevant courses you have taken.
- 3) Your work experience, including summer jobs and campus jobs, focusing on any experience related to aspects of business.
- 4) Extracurricular activities and interests, including any awards or honors you have earned.

While your resume should present your strengths and qualifications to their best advantage, it should not misrepresent them. In other words, don't claim experience you don't have, job titles you haven't earned, skills you haven't mastered, or courses you haven't taken. Doing so is not only unethical, it will catch up with you, and perhaps costing you a job you wanted badly. Instead, emphasize your existing experience and your willingness to learn. No one expects recent college graduates to know everything about business.

When you submit a resume, it should be accompanied by a cover letter, which introduces you to a potential employer. In your cover letter, state your purpose (enquiring about employment), list two or three of your main qualifications, and refer to the enclosed resume. If someone you know referred you to the organization, mention the person's name and the nature of your relationship (friend, relative, etc.). Close the letter by politely requesting an interview and thanking the reader for his or her consideration.

Don't be tempted to be cute or outrageous in your cover letter in an effort to gain attention. Your effort will certainly attract attention, but it will probably land your letter and resume in the wastebasket. Instead, adopt a professional, courteous tone, and keep the letter brief.

- 1. A resume can inform the employer what <u>strengths</u> you would bring to the <u>company</u> and how you can create value.
- 2. Your qualifications should be clearly presented in a well-organized format.
- **3**. The <u>chronological</u> and <u>functional</u> formats of resume are especially useful for a recent graduate.
- 4. Your highest and next-highest level of education should also be included in the resume

- apart from your full name, address, and telephone number.
- Your work experience related to aspects of business, your extracurricular activities and interests, including any awards or honors you have earned.
- 6. In the resume, you shouldn't misrepresent your experience or qualifications but emphasize your existing experience.
- 7. You can politely request an interview when closing the letter.
- The cover letter should be written briefly in a professional and courteous tone.



Improving Your Communicating Skills

Mark the following box before each statement with "T" for true or "F" for false.

Most of us recognize the importance of communication skills to our success at work, but we spend little time consciously developing the art. Is communication an innate ability? Some people are naturals, others are not. People who make a profession of observing great communicators know that they possess common skills that can be learned and practiced.

In general, great communicators work at it. They have many strengths, for example, they know what they want to communicate, they learn how to communicate to different people in different circumstances, they have a system for measuring their progress and they develop the flexibility to change strategies when they need.

Since studies show that you will spend approximately 75 percent of your work time communicating, you need to know what is involved in communication. Webster defines the term "communication" as follows: an act or instance of transmitting; a verbal or written message; and exchange of information; a system (as telephone) for communicating; and a process by which meanings are exchanged between individuals through a common system of symbols.

Business communication encompasses all the definitions provided by Webster. Letters, memos, e-mails, reports and presentations are the practical forms of transmitting business communication.

What are some of the competencies you need to be an effective business communicator? Here are some of the more basic one.

1. Ability to express yourself.

2. Ability to use analytical skills.

3. Ability to exercise some creativity in writing and speaking.

- **5**. Ability to impress people.
- 6. Ability to use a global language, say, English.

You have already mastered some of these skills, but you should also refine your present skills and develop additional expertise in writing and speaking. The focus is on business-related applications. Your future success in business is dependent upon these basic competencies.

Keys

1 F

2 T

3 T

4 F

5 T



Part III



Finding a Job Abroad

Answer the following questions according to the information you hear.

People like adventure or perhaps a change of scenery and start to dream of a far away place. Traveling abroad is very appealing to a growing number of people. Quite a few finish school and their thoughts turn to traveling abroad or looking for jobs abroad. Have you ever wondered how people pull up roots and decide to plant themselves deeply in the foreign culture of another country? It takes a certain type of person who is adventurous and interested in people and other lands.

The most common way to find jobs abroad is to ask friends, family, even neighbors. Often, they might be the link to a great job waiting in a foreign country. Others find some limited success checking through advertisements in community papers or national papers. One thing to remember is that when you look in these advertisements you are competing with thousands of other applicants. Consequently, the odds of obtaining jobs abroad through advertisements are low. Those who are still attending high school or college might wish to check with counselors about working abroad and the opportunities that might be available.

Perhaps many picture themselves in a sunny location enjoying the warmth and culture. In

order to take that first step to finding that dream job abroad be honest about your skills and limitations. The skills required to succeed in many jobs abroad are the same skills that you need to succeed in this country. Choose your destination carefully. Make sure that it is a country that welcomes foreign workers. And finally make sure that your skills are up to date and competitive before you start applying for jobs abroad.

Keys

- 1. It is growing.
- 2. How they pull up roots and decide to plant themselves deeply abroad.
- 3. Ask friends, family or neighbors.
- 4. Check through advertisements in papers.
- **5.** Check with counselors.
- 6. Be honest about your skills and limitations, choose your destination carefully, make sure the country welcome foreign workers and your skills are up to date and competitive.

В

How Can Graduates Get Jobs

Mark the following box before each statement with "T" for true or "F" for false.

Developments in the job market, which is peaking across the country, show that graduates with special skills are becoming increasingly popular with employers.

That fresh college graduates are finding it increasingly difficult to get a job has become common knowledge. There are three factors that have led to the situation.

First, college diplomas have lost their value to a certain extent because of the rising number of college graduates over the years. Second, not all courses taught in universities meet the demands of enterprises. And third, most fresh graduates lack the necessary skills, training and practical knowledge needed to get a job because very few of them participate in social practices.

There are more college graduates than the job market can absorb and the employment market suffers from serious structural contradictions. But there is a shortage of skilled workers, that is, craftsmen. Given the situation, graduates should undergo proper skill training to land a nice job.

But how will graduates learn the skills that are in demand? First, vocational education should be reformed. Universities, too, need to deepen their educational reform and set courses in accordance with enterprises' need. Also, college students should visit workshops to gain practical knowledge and even master skills.

Second, students should be encouraged to broadly engage in different social practices such as serving as volunteers, so that they can develop their organizing capacity, speechmaking ability and operational skills to create a deeper impression on interviewers.

And finally, local authorities should allocate more funds to support training programs for graduates and to help graduates start their own business.

Keys

1 T 2 T

3 F

4 F

5 T

6 F



The World of Humor

Answer the question according to what you hear.

An Interview

The local sheriff was looking for a deputy, so Gomer went in to try out for the job.

"Okay," the sheriff drawled, "Gomer, what is 1 and 1?"

"11" he replied.

The sheriff thought to himself, "That's not what I meant, but he's right."

"What two days of the week start with the letter 'T"?"

"Today and tomorrow."

The sheriff was again surprised that Gomer supplied a correct answer that he had never thought of himself.

"Now Gomer, listen carefully: Who killed Abraham Lincoln?"

Gomer looked a little surprised himself, then thought really hard for a minute and finally admitted, "I don't know."

"Well, why don't you go home and work on the one for a while?"

So, Gomer wandered over to the barbershop where his pals were waiting to hear the results of the interview. Gomer was exultant. "It went great! First day on the job and I'm already working on a murder case!"







Part I



Trade Policy

Make the right choice according to the information you hear.

Trade policy is a collection of rules and regulations which apply to trade. Every nation has some form of trade policy in place. Public officials formulate the policy which they think would be most appropriate for their country. The purpose of trade policy is to help a nation's international trade run more smoothly, by setting clear standards and goals which can be understood by potential trading partners. In many regions, groups of nations work together to create mutually beneficial trade policies.

Things like import and export taxes, tariffs, inspection regulations, and quotas can all be part of a nation's trade policy. Some nations attempt to protect their local industries with trade policies. They place a heavy burden on importers, allowing domestic producers of goods and services to get ahead in the market with lower prices or more availability. Others reject trade barriers. They promote free trade, in which domestic producers are given no special treatment, and international producers are free to bring in their products.

Safety is sometimes an issue in trade policy. Different nations have different regulations about product safety. When goods are imported into a country with stiff standards, representatives of that nation may demand the right to inspect the goods, to confirm that they meet the product safety standards which have been laid out. Security is also an issue, with nations wanting to protect themselves from potential threats while maintaining good foreign relations with frequent trading partners.

When nations trade with each other regularly, they often establish trade agreements. Trade agreements smooth the way for trading, stating clearly the desires of both sides to create a stronger, more effective trading relationship. Regular meetings may also be held to discuss changes in the financial climate, and to make adjustments to trade policy accordingly.

Keys

2 D 3 B 1 C 4 A 5 A

Balance of Trade

Mark the following box before each statement with "T" for true or "F" for false.

A balance of trade, also known as a trade balance, is a term that is used to describe the relationship between the import of goods into a given nation and the products that the nation exports to other countries. The idea with a balance of trade is to reach a point where the difference between those exports and imports is at a level that is considered desirable in terms of the national economy. A balance of trade does not have to be in the form of an equal amount of exports when compared to imports. More often, the ideal economic condition for a given nation will require that one figure be slightly higher than the other.

It is important to note that the balance of trade is typically a major component in a nation's overall balance of payments. This means that all sorts of transactions go into the assessment of that balance. A typical trade balance will allow for such debt items as the amount of domestic investments that are trading offshore, the amount of domestic spending that is taking place outside the nation, any foreign aid that is being provided to other countries, and all imported goods. The figure will also account for credit items such as foreign spending that is taking place within the nation, investments by foreign interests in domestic entities, financial aid received from other nations, and all exported goods.

When the balance of trade indicates that a nation is importing more goods than it is exporting, this is usually known as a trade deficit, since more is coming in than going out. Situations in which a nation is exporting more goods than it is buying from other nations are known as a trade surplus. Depending on what is happening within the national economy, a surplus or a deficit may be desirable for the short term.

5 F 1 T 3 T 4 T 10 F 9 T



Part II



Trade Protectionism in U.S. Takes on New Features

Answer the following questions according to the information you hear.

The United States is imposing new punitive duties on several Chinese products including solar panels, claiming they are unfairly subsidized by the government.

The U.S. Commerce Department on Tuesday made preliminary affirmative determination, suggesting Chinese manufacturers of solar panels have received government subsidies of 2.9 percent to 4.73 percent and therefore the tariffs on the products should be raised accordingly.

The final decision on whether Chinese companies are dumping their solar panels will be announced on May 17.

Tuesday's announcement followed a verdict against steel wheels made in China on Monday.

The United States, together with the European Union and Japan, has also brought complaints with the World Trade Organization concerning Chinese restrictions on rare earth exports.

Analysts said the recent trade cases against China, combined with other aggressive moves, showed that trade protectionism in the United States is taking on new features.

It is quite rare to see America take so many protective measures in such a short period of time.

The first feature is the employment of both defensive and offensive tactics. On the one hand, America resorts to trade investigations and mechanisms to put goods produced on its own soil under better protection. On the other hand, it steps up efforts to clear the way for U.S. companies and products to expand presence into overseas markets.

The second one involves more diversified tools. To damage China's exports, the United States starts to use patent protection as a cover for its act of protectionism, cracking down on Chinese products.

In addition, it moves to ally with other developed countries to pile up pressure on China.

Keys

- 1. They claim they are unfairly subsidized by the government.
- 2. On Tuesday.
- 3. The final decision on whether Chinese companies are dumping their solar panels.
- 4. The US, the European Union and Japan.
- 5. The US trade protectionism is taking on new features.
- 6. The employment of both defensive and offensive tactics, more diversified tools involved, and allying with other developed countries.
- 7. It resorts to trade investigations and mechanisms.
- 8. Use patent protection (as a cover).

В

Chinese Minister Calls for Fight Against Trade Protectionism

Fill in the table according to the information you hear.

The world should be alert to new signs of trade protectionism and continue to fight it, Chinese Commerce Minister said on Thursday.

Although protectionism has not prevailed thanks to concerted efforts of various countries and organizations like the World Trade Organization, there has been a rising trend of its comeback.

"The world should be alert and continue to fight trade protectionism unequivocally," he said.

The Doha Round trade talks should be pushed forward with force and the multilateral trade mechanisms should be firmly safeguarded.

He asked G20 members to overcome difficulties and to return to the negotiating table as soon as possible in order to push for comprehensive and balanced results of the Doha Round talks.

He also stressed the role of international trade in supporting economic development and in creating jobs. He asked G20 countries to re-align their policies to help trade, and to strive for the liberalization of trade and investment.

The G20 countries should also support enterprises, particularly small and medium-sized ones, in financing for trade so as to reverse the slide in trade.

G20 economy and trade ministers were meeting for the first time in Mexico's Pacific coastal city of Puerto Vallarta to discuss measures to promote trade and investment. The meeting was held ahead of a G20 summit in Los Cabos in June.

Keys

Who	Chinese Commerce Minister
When	on Thursday
What	call for fight against trade protectionism
His views	 There has been a rising trend of the comeback of trade protectionism. The Doha Round trade talks should be pushed forward with force and the multilateral trade mechanisms should be firmly safeguarded. He asked G20 members to overcome difficulties and to return to the negotiating table as soon as possible. He asked G20 countries to re-align their policies to help trade, and to strive for the liberalization of trade and investment. The G20 countries should also support enterprises, particularly small and medium-sized ones, in financing for trade so as to reverse the slide in trade.





Japan Trade Talks Are Under Way

Answer the following questions according to the information you hear.

Chinese and Japanese trade officials began talks in Beijing yesterday to resolve the growing trade dispute between Asia's two biggest economies. The talks will conclude today, and any outcome from the closed-door negotiations should be known today.

The spat between the two nations began when Japan imposed temporary emergency curbs on three farm products — green Chinese onions, fresh mushrooms and tatami rushes — in an apparent move to protect its farmers. Last month, China responded by imposing 100 percent punitive tariffs on imports of Japanese vehicles, mobile phones and air conditioners. The row escalated further when Japan's top five automakers announced that they would halt car exports to China. The cost of the dispute is not yet known, but it is estimated that Japanese exporters

may lose as much as 67 million yen in sales.

The Chinese delegation is led by a senior official with the Ministry of Foreign Trade and Economic Cooperation. The Japanese delegation is led by the director-general of the Economic Affairs Bureau of the Ministry of Foreign Affairs.

Analysts are not optimistic of immediate results from the talks. A quick solution is relatively inconceivable as the seeds of conflict are too deep for any possible compromise. There is no sign that the Japanese are willing to compromise just yet. But both Japan and China wouldn't want the dispute to go on as it has harmed the interests of both sides. China has brought Tokyo to the bargaining table and a compromise has to be made to settle the issue.

Keys

- 1. 2 days.
- 2. Green Chinese onions, fresh mushrooms and tatami rushes.
- 3. Japanese vehicles, mobile phones and air conditioners.
- 4. Because Japanese top five automakers announced they would halt car exports to China.
- **5**. Because the seeds of conflict are too deep.

Art Paper May Cost More

Mark the following box before each statement with "T" for true or "F" for false.

China's art paper manufacturers are expected to mark up their prices next month, following an agreement reached with their South Korean counterparts charged with dumping the product into the Chinese market.

During a Sino-Korean industry gathering held earlier this month, four South Korean art paper giants agreed to increase export prices and cut their exports to China. The move follows their talks with four major Chinese art makers on the Chinese mainland. One of the four Chinese art paper companies has threatened to take a concerted countermeasure against the South Korean companies. The two sides are scheduled to hold another round of talks to discuss details next month.

The price hike is expected to help domestic art paper makers climb out of their plight, though it may increase production costs of magazine publishers and packaging companies.

Industry officials blamed the dumping of the South Korean paper, for the price fall. South Korea is the largest exporter of art paper to China. Due to a rising number of Chinese art paper

makers offering cheaper products, the South Korean exporters began to cut prices to keep their dominant status. Chinese art paper makers have suffered losses in the past years due to price cuts.

Last month, five Chinese art paper makers, whose combined production accounts for about 80 percent of the domestic output, held their first industry meeting to map out a untied countermeasure against what they called the intensified South Korean dumping. They didn't decide to take any specific action, but the South Korean art paper makers reacted promptly and initiated the negotiations. The Chinese victory in the talks showed that the domestic art paper industry has strengthened and developed dynamically. The Chinese art paper makers won't fix a uniform price and haven't decided what the new prices will be.

Keys
1 F 2 T 3 F 4 T 5 F 6 F 7 F 8 T



The World of Humor

Answer the question according to what you hear.

A Good Lesson

One day a rich lady invited a well-known artist to her house. The name of the artist was Corney. She asked him to sing to her guests. But she did not invite him to dinner with them; she ordered dinner for him downstairs together with her servants. The artist did not object. He dined well. After dinner he rose and addressed the company:

"Well, now, my good friends," he said, "I want to sing to you."

The servants were, of course, very glad. And so he sang to them. There was no piano. But he sang to his audience for half an hour even without it.

At ten o'clock the lady asked the artist to come up to the drawing-room. Corney went there. All the guests were already sitting in the drawing-room waiting.

- "We are ready, Mr. Corney," said the hostess.
- "Ready for what?" asked Corney.
- "For your songs," answered the hostess.
- "But I have sung already," answered Corney, "and I can not sing twice in an evening."
- "You have sung already tonight! But when did you sing and where?"
- "An hour ago, downstairs."
- "But this is impossible!" cried the hostess.
- "I thought it was a little strange you were not there," said Corney, "but, you know, I always dine with the company to which I sing."

And with these words he left the drawing-room.







Part I



Brakes on Fakes (I)

Make the right choice according to the information you hear.

Zhang Guidong sold fake LV and Gucci bags for eight years in Beijing, until he decided it was time to go legit. Since 2005, the 43-year-old has instead run an authorized Hello Kitty store in the Silk Market, a shopping compound that lures foreign tourists with silk and foreign brand knockoffs.

His 13-square-meters pink shop is packed with bags, wallets and children's clothing, all of which sport Hello Kitty's face. The shop has recently been refurbished, as the Silk Market is undergoing a yearlong renovation.

The number of stalls will be cut in half by the project's end. Only vendors who sell authorized goods can bid for new stalls. The kids' wear section was renovated last month. The new neighbor of the Japanese cat that occupies Zhang's shop is a British bear — specifically, Winnie the Pooh.

Zhang has managed to secure good profits by buying off-season items from suppliers at a 70-percent discount. They sell well here because customers are from over the world and visit in all seasons. The price is negotiable. He will sell, as long as his customers provide him a 10-percent profit. Often, his profits are much higher.

Zhang came to Beijing from a village in Anhui province in 1997 and started selling fake LV bags at the Silk Market that year. Every stall then carried virtually the same products — fake designer bags from such brands as Gucci, LV and Prada. Business was good. Zhang and his wife bought their first apartment in Beijing in 2002. The couple, who had a son, decided to have another child. Their daughter was born the following year.

But their business was interrupted in early 2005, when the market moved from an outdoor street to an actual building.

"The government suddenly got tough on knockoffs," Zhang recalls. His stall was raided twice in the following months. He was fined 10,000 yuan the first time and 30,000 yuan the

second time. After the second raid, more than 10 vendors with larger stalls were evicted. "We were playing a cat-and-mouse game with the government every day," Zhang recalls. "I gradually realized I couldn't count on selling fake brands for a living. I had to find something else."

Zhang knew little about retailing anything other than fake designer bags. But he became intrigued after hearing so much about Hello Kitty.

(To be continued)



Brakes on Fakes (||)

Mark the following box before each statement with "T" for true or "F" for false.

Zhang tested the waters by buying some knockoff Hello Kitty merchandise. Sales were OK. But he got the cold shoulder when he visited the brand's regional office in Beijing. The office told Zhang there was no point in speaking with him, because their products are meant for highend shopping malls — not markets crammed with fake products.

Zhang wasn't discouraged. He told them that if they didn't give him the products, he would keep selling knockoffs. Zhang persuaded the Hello kitty regional manager to visit the Silk Market to meet with the market's general manager. It took a few months before he finally won their trust and obtained authorization to sell Hello Kitty products.

Zhang ditched his knockoffs and opened his Hello Kitty store. The silk Market's managers gave him a 50-percent rent discount, as promised. But Zhang found selling real merchandise to be more difficult than anticipated. He was bringing in only 100 *yuan* in profit a day, compared to the 1,000 to 2,000 *yuan* he was making with the knockoffs.

The idea of turning back haunted him often. But His wife was hesitant to go back. She was worried about getting in bigger trouble. The couple heard about two people who had received three-year prison sentences for supplying fake LV bags to Silk Market vendors. They want a business that could last long and pass it down to their children.

Fortunately, their business gradually got better. Foreigners aren't too price-sensitive, and they love high quality products, He opened a second shop, which his son runs, in the Silk Market just one year after opening his first.

Zhang doesn't make as much as he did selling counterfeits. But he says he's satisfied with what he has — a 140-sq-m apartment, a Toyota SUV, a good wife ad two lovely kids. He says when he looks back at the days he spent growing crops and breeding fish in a small village 15 years ago, he feels lucky with what he has now.

He pauses and jokes: "I started out breeding fish. Now I sell cats."

Keys

1 F 2 F

3 T

4 F

5 T



Part II



Pawnshop Trade Boosted

Fill in the blanks according to the information you hear.

Newly implemented regulations will spur the growth of the pawnshop trade by allowing customers to use real estate as security and by easing restrictions on source of capital.

The major innovations are that real property can now be used and that pawnshops can obtain loans from banks to expand their business scope. The new measures, issued by the State Economic and Trade Commission early this month, also do away with restrictions on the number and type of investors needed to open a pawnshop. The new regulations don't have such exacting requirements on capital sources as in the past, so more investment from the state and private enterprises and individuals can flow into the business. Minimum registered capital required for a pawnshop has dropped from 5 million *yuan* to 3 million *yuan*, giving smaller enterprises and individuals easier access to the market.

These are only guidelines, and different regions will work out their own details. In any event, these new regulations will push the pawnbroking business onto a healthy and thriving track.

Going back at least 3,000 years in China, pawnbroking has long been an important source of capital for people in times of need as well as a means of financing business ventures. It's a high-profit, high-risk industry.

Today, pawnshops mainly handle jewelry, upmarket watches and household appliances. Pawnbrokers grant loans up to 70 percent of the market value of the goods, holding the property for a specified period. Interest rates are the same as those paid by banks, but a maximum service charge of about a half-percent is applied. If pawned goods aren't redeemed within that time, they are usually consigned to auction houses.

Pawnshop owners are casting a close eye on the potential for real estate deals. The market could be tremendous, and they are poised to become a specialist in property pawning. They believe real estate will provide a "new growth engine".

Even with such expansion, banking officials don't see pawnshops as a major competitor in the loan business.

Keys

- 1. The new regulation will boost the pawnshop trade by allowing customers to use real estate as security and by easing restrictions on sources of capital.
- 2. If you want to open a pawnshop, you are required to have the minimum registered capital of 3 million *yuan*.
- 3. The main functions of pawnbroking are:
 - a. providing capital for people.
 - b. financing business ventures.
- 4. Today, pawnshops mainly handle jewelry, upmarket watches and household appliances.
- 5. People get loans from pawnshops as well as from banks. The difference is pawnshops required a maximum service charge of about a half percent.
- 6. Pawnshop owners are now expecting expanding business in property pawning.

В

Arabian Matchmakers: Flourishing Business

Answer the following questions according to the information you hear.

A woman walks into the tiny, shabby apartment, eyes downcast, a rosy blush coloring her cheeks. "I have come to you because I'd like to settle down," said the 36-year-old saleswoman. "I'm not looking for a handsome man. I just want a decent husband who would take care of me."

Bahija Al-Rayi nods as she listens to the request, which she has heard hundreds of times in 41 years as a matchmaker. Some Lebanese still pay match makers to help them find a spouse —

the old-fashioned way in a country where people have discovered computer dating, and where the sexes mix freely at school and at work.

Al-Rayi and other matchmakers say men and women may not pay much attention to the background of the people they date, but when it comes to tying the knot, marrying into a "good family", one with money is still a major consideration. Also, almost all the men who seek wives ask matchmakers for a woman "whose mouth has only been kissed by her mother", a common Lebanese expression that means a virgin.

Despite Lebanon's western veneer, its men remain traditional and only about 10 percent of them marry a woman they dated. The Lebanese are still very Arab. They're still very traditional. That's why matchmakers are still in business. The practice exists in other parts of the Arab world as well.

Matchmakers would drop by a prospective bride's home to inspect the woman, sometimes humiliating her by pulling her hair or grabbing her breasts to make sure they were no fake.

Al-Rayi, an illiterate woman who relies on a 12-year-old neighbor to dial phone numbers for her, says, "It's true I'm illiterate, but I'm well organized and honest and have good intuition." She charges a minimum of USD 200 each from the bride and groom, with the fee escalating to whatever she thinks a family can afford. She is paid only if a client ends up becoming engaged to one of her choices. Al-Rayi has devised ways to test men to make sure they're not stingy. One day she was driving home with a man after introducing him to a woman she had chosen. She asked the man to buy her a cake at an upscale patisserie. Instead of buying her a box, he got her the tiniest piece he could find. Al-Rayi told him she didn't want to see him again. "I don't want to ruin a woman's life by marrying her to a tightwad," she said.

Keys

- A decent man who would take care of her.
- 2. No. Matchmaking is very old-fashioned but in Lebanon today the sexes mix freely at school and at work.
- Because the people there are still very traditional. 3.
- They drop by a prospective bride's home to inspect her, devise ways to test men to make sure they're not stingy.
- When her client gets engaged to one of her choices



Part III



World's Top Chefs Cook up Culinary Summit

Answer the questions according to the information you hear.

They cook for state leaders and royal households, serving up a vital ingredient at international banquets. They belong to the Club of the Chefs — an over 35-year-old society comprising the personal chefs of royalty, heads of state and heads of government. The chefs, who cook for royalty, presidents and governments from countries including Canada, China, France, the United States and Russia, meet once a year in what some refer to as a sort of G20 culinary summit. Members of the club spend one week each year at the event, and, each year, a different country hosts them.

While cooking is not on their agenda, these veterans share their experience with other aspiring young chefs. And although they have taken a break from the kitchen, they continue to talk food.

Mark Flanagan, the club's vice-president and also head chef to Queen Elizabeth II, says he will advise young chefs not to overcomplicate their cooking so they do not "lose the essence of the food." That is one of the principles he sticks to when cooking for the Queen, who prefers simple food. While the chefs use their annual gatherings to swap ideas and make new friends, they must be extraordinary discreet about the people they serve, so few secrets leak out.

"One of the most frequent questions I am asked is 'What's Queen Elizabeth's favorite food?', but this is really hard to answer. Because as soon as I say something, the poor Queen is going to have the same dish (offered) all around the world in each country she visits. Let us just keep it as a secret as she is someone who would love to try different kinds of local foods."

Bernard Vaussion, who has served four French presidents and spent 37 years in the Elysee Palace, says he knows exactly who wants what.

The club was created on a whim by Gilles Bragard, chief executive of Bragard, a couturier for chefs and kitchen staff, in 1977, when he brought together Henry Haller, chef to former

President Jimmy Carter, and Marcelle Servot, chef to former President Valery Giscard d'Estaing over dinner. Bragard says: "I had clients that are top chefs cooking for chiefs across the world, so I asked myself, 'Why don't I introduce them to each other?' and that was how the club was born." "The mission of the club is not only to develop friendship between chefs in different countries, but also to promote different national cuisines."

Questions

- 1. How often dies the club of the world's top chefs meet?
- 2. What principle does the head chef of Queen Elizabeth II stick to?
- 3. What's Queen Elizebath's favorite food?
- 4. When was the club founded?
- **5**. What's the mission of the club?

Keys

- 1. Once a year.
- 2. Not to overcomplicate the cooking to lose the essence of food.
- 3. It's a secret.
- 4. 1977.
- 5. Develop friendship between chefs in different countries and promote different national cuisines.



Nuclear Plant Gone to Weeds

Fill in the blanks according to the information you hear.

Crumbling factory walls sprawl amid the sand, weeds and grazing sheep at Xining, a desolate spot on the Tibet-Qinghai Plateau, giving the country's first nuclear weapons research center the look of an ancient ruin.

The No. 221 Plant of the China Nuclear Industry Corporation is 101 kilometers from Xining, capital of the northwest province of Qinghai, and 3,200 meters above sea level.

When it opened in 1958, the plant was regarded as a mysterious and forbidden zone, covering 1,170 square kilometers.

To the outside world, it was known as the Qinghai Mine. Now the local government has erected billboards near the site to attract tourists.

A geometrically shaped building is surrounded by reinforced cement structure. Dotting one wall of the building are the holes researchers peered through to observe nuclear test explosions. The site was the former No. 6 Factory of the base, called the "shooting range". Some hundred yards away is the famous "No. 1 Pit in Asia", where nuclear waste is buried.

The ruined factories are now open to sightseers, who know little about how such places operate. The No. 4 Factory is totally covered by weeds. Nearby, sheep nose about for food. Another site looks like a telecommunications and command center. Only farmers collecting grass to feed their pigs can be seen.

Through the bleak scene winds a rusted railway, on which a special train once carried China's first atom bomb to its test field in a remote desert.

The No. 18 A zone was the assembling plant of nuclear weapons. Now it is a hog farm, where hogs and dogs howl at the sight of strangers intruding on their domain. In the center of the zone is a red-brick, six-story building, the "generals' tower", where the "fathers" of the nuclear industry, Wang Ganchang, Zhu Guangya, Deng Jiaxian and Zhou Guangzhao, put their imaginations to reality.

Not far from there stands a tall granite monument, on top of which is a model atom bomb made of steel. An inscription on the monument says that over the past 30 years China successfully launched 16 nuclear tests there, and developed a number of types of strategic nuclear weapons.

In 1996, China announced a temporary suspension of nuclear testing. Since then, the nuclear test center has received many tourists.

Keys

- 1. China's first nuclear weapons research center now looks like an ancient ruin.
- The No. 221 Plant was once regarded as a mysterious and forbidden zone and was known as the Qinghai Mine to the outside. It's now a tourist site.
- 3. "No. 1 Pit in Asia" is the place where nuclear waste is buried.
- In No. 4 Factory, there's a rusted railway on which a special train once carried China's first atom bomb to its test field.
- 5. No. 18 A Zone was the assembling plant of nuclear weapons. In the center of the zone, there is a red-brick, six-story building - the "generals' tower". There also stands a tall granite monument with a model atom bomb made of steel and an inscription saying China has successfully launched 16 nuclear tests there and developed a number of types of THE strategic nuclear weapons.



The World of Humor

Answer the question according to what you hear.

The bank manager was in the final stages of hiring a cashier and was down to the final two applicants. The first one he interviewed was from a small college in upstate New York. He was a nice young man, but a bit timid. The second applicant, Jim Johnson, was a burly young man who seemed quite sure of himself. "He looks like he can take care of any situation," thought the manager, and decided on the spot to hire him.

He told the first applicant that he could go and that they would let him know. Turning to Johnson, he said, "Jim, I like the way you carry yourself. That's an important asset for the job of cashier. However, you must be precise. I notice you didn't fill out the part on the application where we asked for your formal education."

Jim looked a little confused, so the manager said, "Where did you get your financial education?"

"Oh," replied Jim. "Yale.

"That's excellent!" exclaimed the manager. "You're hired!"

"Now that you're working for us, what do you prefer to be called?" asked the boss.

"I don't care," replied the new cashier. "Yim, or Mr. Yohnson." T.





Part I

Make the right choice according to the information you hear. (20%)

Not everyone is cut out to be an entrepreneur. It takes a special talent. Some owners of small businesses have it and some don't. Before you invest time, energy, money and a piece of your heart, it's important to do some serious self-analysis. To answer such questions as: Am I prepared to work hard and make sacrifices? Am I self-disciplined? Do I have management ability? Am I experienced enough in this field? What do I want out of life? Are my goals realistic and attainable?

Studies have shown that entrepreneurs are persevering and not easily defeated. They thrive in a challenging environment and have a tremendous need to be in control. They turn diversity into opportunity. They are risk takers. They welcome responsibility, and they are willing and able to make decisions.

Moreover, successful entrepreneurs are patient and able to wait out the sometimes slow beginnings of a business. They also are able to learn from their mistakes, trust their own judgment and have an optimistic outlook.

Take a good look. Do those traits describe you? "Know yourself and be willing to work 60 hours a week. Starting a business is one of life's biggest commitments."

Small business owner Nancy Wansick of Wansick Graphics, echoes those sentiments: "My business has become my whole life. Day becomes night and work has become play."

It's obvious: you have to love your work. And if you choose a business that agrees with your personality, those extra hours spent won't be as difficult. The key is to identify what you enjoy doing the most and then find a business opportunity that makes use of your skills and interests.

Keys

1 A

2 C

3 C

4 C

5 B



Part II

Mark the following box before each statement with "T" for true or "F" for false. (30%)

It doesn't matter what industry you're in. This is the one thing all successful people know how to do well.

I asked about 20 business owners and CEOs to name the one skill they feel contributes the most to their success. What did every one of them say? Sales skills. Without solid sales skills they all felt success is almost impossible — in any field.

There are a lot of different ways to approach sales, but they all tend to rely on the same skill set. Anyone can learn to be an effective salesperson, and good salespeople can become great ones by having the following sales skills.

Maintaining Self-Confidence

This is the absolutely most important skill a salesperson can cultivate. Why? Because all the other skills are based on persistence. If you have every other sales skill listed below but you give up at the first hint of a "no," then you'll never have a chance to use those skills. The first time you speak to a prospect, they might not want to talk to you because they're having a bad day ... but if you call back a week later they'll be eager to buy.

Good Listening

Most salespeople are natural talkers. Unfortunately even a great speaker will only get so far without a little listening. Taking the time to ask your prospect questions and really listen to the answers shows respect for them, and gives you a clearer idea of what they want.

Persuasiveness

Emotion plays a major role in sales. There's an old saying that "features tell, benefits sell." Features are the facts about your product or service; benefits are their emotional connotations. Persuasiveness is the skill that allows you to convey these emotions to the customer. If you can make your prospect feel how great it will be to own your product and how much their life will be improved when they have it, you can sell it to them.

Building Strong Relationships

This sales skill is just as important to a salesperson's business life as it is to their personal

life. Building and maintaining healthy relationships is the key to developing a strong network. And networking will allow you to reach far, far more prospects than you could manage on your own.

Keys

1 T 2 T

3 F

4 F

5 T

6 F



Answer the questions according to the information you hear. (20%)

Business analysts report that poor management is the main reason for business failure. Poor cash management is probably the most frequent stumbling block for entrepreneurs. Understanding the basic concepts of cash flow will help you plan for the unforeseen possibilities that nearly every business faces.

Cash is ready money in the bank or in the business. It is not inventory, it is not accounts receivable, and it is not property. These can potentially be converted to cash, but can't be used to pay suppliers, rent, or employees.

Profit growth does not necessarily mean more cash on hand. Profit is the amount of money you expect to make over a given period of time. Cash is what you must have on hand to keep your business running. Over time, a company's profits are of little value if they are not accompanied by positive net cash flow. You can't spend profit; you can only spend cash.

Cash flow refers to the movement of cash into and out of a business. Watching the cash inflows and outflows is one of the most pressing management tasks for any business. The outflow of cash includes those checks you write each month to pay salaries, suppliers, and creditors. The inflow includes the cash you receive from customers, lenders, and investors.

If its cash inflow exceeds the outflow, a company has a positive cash flow. A positive cash flow is a good sign of financial health, but by no means the only one.

If its cash outflow exceeds the inflow, a company has a negative cash flow. Reasons for negative cash flow include too much or obsolete inventory and poor collections on accounts receivable (what your customers owe you). If the company can't borrow additional cash at this

point, it may be in serious trouble.

Keys

- 1. Poor management.
- 2. Cash.
- 3. Only when they are accompanied by positive net cash flow.
- 4. It refers to the movement of cash into and out of a business.
- 5. If a company's cash inflow exceeds the outflow, it has a positive cash flow while if its cash outflow exceeds the inflow, it has a negative cash flow.



Fill in the blanks with the information you hear. (30%)

The Art of Business Negotiation

Negotiation is something we do in our daily lives, and is not just a business skill. It is needed in many aspects of day—to—day living. We negotiate at home, in school, in the office and with our friends. You are negotiating when asking your kids to be home by 10, and they try to negotiate with you for a longer time.

Listening for Clues

One of the qualities of a good negotiator is to be able to listen: and not only to listen, but let the other person know that you are listening. Any course of communication will stress the importance of response; even a simple nod of the head is better than no response at all when somebody is trying to communicate with you.

Not Arguing

It is important to understand that negotiation is not argument. Instead it is to understand the viewpoint of the other party, before you strike a favorable bargain. If you fail to see things their way, then you will have difficulty in negotiating an outcome acceptable to both of you. Negotiation is not the same as arbitration, where the arbitrator takes a neutral viewpoint.

A good negotiator will first listen to the other party, and hear their viewpoint. If you are looking for certain price for a job, for example, don't make your demands immediately, but wait

until the customer gives an indication of what they expect to pay. A customer might begin by stressing that they are on a tight budget and so on, and then offer more than you were going to ask. People have different conceptions of value, and what is lot of money to you might not be much to another.

Bide Your Time

By jumping in too quickly, you could lose out. So good negotiators always take their time, and wait to find out what transpires before making their move.

Most business people do not make their final offer immediately. Only the most naive would offer their lowest price, or highest bid, without leaving room open to negotiate for better terms. In the same way, you shouldn't expect your customer to accept your first offer. Your customer would expect you to make the first offer, leaving them room to negotiate for something lower. This is the principle behind all forms of negotiation. Find out what the other party wants, listen to their position ("where they are coming from"), and then come to an agreement, preferably in which you get closer to your needs than the other party.

Keys

The Art of Business Negotiation

- Listening and response: One of the qualities of a good negotiator is to be able to listen and let
 the other person listen to you. While listening you should remember
 the importance of response; even a simple nod of the head is better
 than no response at all when somebody is trying to communicate
 with you.
- 2. Not Arguing: Negotiation is not argument. It is to understand the viewpoint of the other party, before you strike a favorable bargain. If you fail to see things their way, then you will have difficulty in negotiating an outcome acceptable to both of you.
- 3. Bide Your Time:
 - 1) Good negotiators always take their time, and wait to find out what transpires before making their move.
 - 2) Most business people do not <u>make their final offer</u> immediately. They would <u>leave room</u> open to negotiate for better terms.
 - 3) You shouldn't expect your customer to accept your first offer. Your customer would expect you to make the first offer, leaving them room to negotiate for something lower.
 - 4) Find out what the other party wants, <u>listen to their position</u> and then come to an agreement, preferably in which you get closer to your needs than the other party.

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