MARKET LEADER ANSWER KEYS

UNIT 1

Warmer

<table>
<thead>
<tr>
<th>Drums</th>
<th>Paintings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pigeon post</td>
<td>Sculpture</td>
</tr>
<tr>
<td>Smoke signals</td>
<td>Music</td>
</tr>
<tr>
<td>Semaphore</td>
<td></td>
</tr>
<tr>
<td>Morse code</td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td></td>
</tr>
<tr>
<td>Newspapers</td>
<td>Language sign language</td>
</tr>
<tr>
<td>Radio</td>
<td>Body language</td>
</tr>
<tr>
<td>Television</td>
<td>Dance</td>
</tr>
<tr>
<td>Internet</td>
<td></td>
</tr>
<tr>
<td>Interactive television</td>
<td></td>
</tr>
</tbody>
</table>

Vocabulary: Good communicators

A
- Good communicators: articulate, coherent, eloquent, fluent, focussed, extrovert, persuasive, responsive, sensitive, succinct.
- Bad communicators: hesitant, inhibited, rambling, reserved.

B
1. focussed, succinct.
2. hesitant, inhibited, reserved
3. rambling
4. fluent, eloquent, sensitive
5. articulate, coherent
6. persuasive
7. extrovert
8. responsive

Reading: internal communication

A
1. Senior managers hide behind their computers.
2. Staff use voice mail to screen calls.
3. employees sitting next to each other send e-mails rather than speak to each other.

B
1. They had language and geographical difficulties, huge amounts of paperwork and great difficulty tracking and monitoring jobs.
2. They installed an automated system so that data was only entered once but could be accessed by everyone in the company.
3. Theobold recommends checking e-mail only three times a day and allocating a set time t deal with it.
4. People use the “reply all” button so e-mail goes to all people who don’t need it as well as those who do.
5. both departments felt their job security was threatened so they didn’t communicate with their rivals.
6. It is a waste of time unless you also sort out the group dynamics of the company.

C
1. information
2. trouble
3. time
4. factories
5. experience
6. truth
7. support
8. ideas
9. e-mails

Language review: Idioms
A
a) nutshell f) wavelength
b) point g) tail
c) grapevine h) purpose
d) picture i) brush
e) stick j) wines

B
1. g 5. i
2. f 6. d
3. a 7. b
4. jhe 8. c

C
1. b 6. c
2. f 7. a
3. d 8. e
4. h 9. g
5. i 10. j

Case study
1
<table>
<thead>
<tr>
<th>Company</th>
<th>HCPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
<td>Private health care</td>
</tr>
<tr>
<td>Based in</td>
<td>Geneva, Switzerland</td>
</tr>
</tbody>
</table>

Changes in structure since the takeover
- More centralised. More decisions made by top management at head office

Gloria Richter’s e-mail to Gunther Schmidt
- Staff receiving too many e-mails, many of which don’t need to be sent. Checking and sorting these is preventing them from getting on with their real work
- Staff lounge has been taken away and her staff doesn’t have the opportunity to meet people from other departments anymore.

Key points of Ursula Krieger’s e-mail to Gunther Schmidt
- Middle managers confused about who to report to
- Planned reorganisation hasn’t happened yet so no one knows what’s going on
- No one will take responsibility for authorising financial payments – departments heads unhappy that they can’t get a quick answer when they need to spend money

<table>
<thead>
<tr>
<th>Type of problem</th>
<th>Description of problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation</td>
<td>Staff concern about forming new teams</td>
</tr>
<tr>
<td>Documents</td>
<td>Are too many reports required? Are the contrasts with customers too complicated?</td>
</tr>
<tr>
<td>Location of premises</td>
<td>The distance between buildings is creating communication problems.</td>
</tr>
<tr>
<td>Customer relations</td>
<td>Communication problems caused a loss of an important customer. Staff dealing with customer relations want more money for more responsibility/duties.</td>
</tr>
<tr>
<td>Other problems</td>
<td>Lack of trust in management. Flexitime unpopular with one member of staff.</td>
</tr>
</tbody>
</table>

Possible answers
1. Staff should check e-mails at fixed times throughout the day, e.g. early morning and late afternoon only.
2. ‘Get together’ meetings and social events should be held so that staff from the two side of the organisation (HCP and Sanicorp) can get to know each other better.
3. the management should consider giving more authority and decision-making power to middle managers, i.e. decentralise the management route.
4. HCPS could produce a new, revised organigram/organisation chart so that reporting producers are clear.
5. the management could consider setting up a staff or consider other ways of developing informal communication, e.g. staff outing, encouraging managers to meet staff after work, etc.
6. the management could review their policy concerning flexitime, following a survey of staff attitudes.

UNIT 2

Starting up
A
Examples include:
- Food: Nestlé, Danone
- Drink: Coca-Cola, Starbucks
- Electrical equipment: Sony, Zanussi
- Clothing: Gap, Benetton, Zara
- Construction: Bechtel, Halliburton, ABB

B
1. Advantages include being able to buy raw materials in large quantities at lower prices, and being able to spread administrative and other costs over a larger number of products sold.
2. problems may include not understanding local tastes and habits, and not understanding the structure of local distribution networks.
3. for methods of entering overseas markets see business brief on page 17.

**Vocabulary: collocation**

A
1. monetary regulation
2. government bureaucracy
3. political stability
4. buying habits
5. economic situation
6. income distribution

C
1. d  5. b
2. c  6. a
3. b  7. d
4. c

2. examples might include top-of –the range cars, life-coaching, etc.
3. domestic
4. withdraw
5. slogan
6. a retailer sells to general public, a wholesaler sells to a retailer, usually in large quantities.

**Reading: coffee culture**

B
1. Chile
2. Chile
3. brazil
4. the US
5. Argentina, Peru

C
2. a) 3,907  b) 437
3. a) 1,378  b) 1,180
4. Japan
5. airline offices, sports stadiums, hotels, bookshops
6. Home market saturation, bad experience in Japan, security problems in Israel, opposition from anti-globalisation movement.

D
a) 2, 6, 8, 10, 11, 12
b) 1, 3, 4, 5, 7, 9

E
a) 2, 4, 5, 6, 9, 10, 11
b) 1, 3, 5, 7, 8, 12
Skills: brainstorming

A
1. yes, but sometimes it is good to be vague about the purpose of the meeting, so that participants don’t look immediately at the specific solution. This will keep the discussion more open-ended and throw up ideas that otherwise might not have occurred.
2. theoretically, no. the idea is to get everyone involved as equal. But people in some cultures would always expect the most senior to speak first, whatever the type of meeting.
3. probably a good idea.
4. this should be one of the main features of brainstorming, but sessions where this actually happens must be rare.
5. in theory, yes, but extremely bizarre suggestions would probably be seen as such.
6. easier said than done, but it’s probably more acceptable to interrupt in brainstorming than other type of session.
7. theoretically, the speculation should be as wide-ranging as possible, but most participants would probably set limits as to what is relevant.
8. probably a good idea. Details can come later in developing particular ideas.

D

<table>
<thead>
<tr>
<th>Starting objectives</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The purpose of the meeting this morning is…</td>
<td>T/N</td>
</tr>
<tr>
<td>What we need to achieve today is…</td>
<td>S</td>
</tr>
<tr>
<td>Our objective here is to..</td>
<td>T/N</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Encouraging contributions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Don’t hold back…</td>
<td>S</td>
</tr>
<tr>
<td>‘fire away’</td>
<td>S</td>
</tr>
<tr>
<td>Say whatever comes to mind.</td>
<td>T/N</td>
</tr>
<tr>
<td>Any other ideas?</td>
<td>T/N</td>
</tr>
<tr>
<td>Would it be worth sponsoring some kind of events?</td>
<td>T/N</td>
</tr>
<tr>
<td>What about that?</td>
<td>T/N</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expressing enthusiasm</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>That’s great!</td>
<td>S</td>
</tr>
<tr>
<td>That’s the best idea I’ve heard for long time,</td>
<td>S</td>
</tr>
<tr>
<td>That’s an excellent suggestion.</td>
<td>S</td>
</tr>
<tr>
<td>Excellent!</td>
<td>S</td>
</tr>
<tr>
<td>We should definitely do some of that.</td>
<td>S</td>
</tr>
<tr>
<td>Absolutely!</td>
<td>S</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Making suggestions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>I think we could…</td>
<td>T/N</td>
</tr>
<tr>
<td>I suggest we…</td>
<td>T/N</td>
</tr>
<tr>
<td>One thing we could do is…</td>
<td>T/N</td>
</tr>
<tr>
<td>I think we’d reach a great audience…</td>
<td>T/N</td>
</tr>
<tr>
<td>What about press advertising?</td>
<td>T/N</td>
</tr>
<tr>
<td>Would it be worth sponsoring some kind of events?</td>
<td>T/N</td>
</tr>
<tr>
<td>It would be great to do a presentation…</td>
<td>S</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Agreeing</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, that’s a good idea because.</td>
<td>S</td>
</tr>
</tbody>
</table>
Exactly because...
You’re absolutely right because...
Excellent!
We should definitely do some of that.
Absolutely!
That might be one way…

Case study
Zumo – creating a global brand

A

<table>
<thead>
<tr>
<th>Company</th>
<th>Zumospa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
<td>Food and drink</td>
</tr>
<tr>
<td>Based in</td>
<td>Valencia, Spain</td>
</tr>
<tr>
<td>History</td>
<td>Developed nationally, then globally, with acquisitions worldwide</td>
</tr>
<tr>
<td>Methods</td>
<td>Innovative advertising and marketing; careful selection of products; marketing round the world through regional offices</td>
</tr>
<tr>
<td>Products</td>
<td>Many food and drink products, household names</td>
</tr>
</tbody>
</table>

Sales € 30million, 20% of Zumospa’s total sales
Profit € 4.5 million
Position Zumospa’s product portfolio Cash cow
Ambitions To make Zumo a global brand

UNIT 3

Vocabulary: describing relations

A

<table>
<thead>
<tr>
<th>Positive meaning</th>
<th>Negative meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Build up relations</td>
<td>Break off relations</td>
</tr>
<tr>
<td>Cement</td>
<td>Cut off</td>
</tr>
<tr>
<td>Foster</td>
<td>Disrupt</td>
</tr>
<tr>
<td>Develop</td>
<td>Endanger</td>
</tr>
<tr>
<td>Encourage</td>
<td>Jeopardise</td>
</tr>
<tr>
<td>Establish</td>
<td>Damage</td>
</tr>
<tr>
<td>Improve</td>
<td>Sour</td>
</tr>
<tr>
<td>Maintain</td>
<td>undermine</td>
</tr>
<tr>
<td>Strengthen</td>
<td></td>
</tr>
<tr>
<td>Promote</td>
<td></td>
</tr>
<tr>
<td>Restore</td>
<td></td>
</tr>
<tr>
<td>Resume</td>
<td></td>
</tr>
</tbody>
</table>

B
1. damage
2. establish
3. strengthened
4. undermined
5. improving
6. disrupted
7. broke off
8. jeopardise
9. building up
10. fostered
Reading: AIG knows everyone
A
b) insurance

B
166:AIG’s capitalisation in billion dollars
1992: the year that AIG became the first foreign insurer to be allowed into China.
1919: the year that AIG was founded.
80,000: the number of people employed by AIG
130: the number of countries in which AIG has affiliated agents

C
Maurice Greenberg: the Chairman of AIG
Cornelius Vander Strann: an American entrepreneur, the founder of AIG
Edmund Tse: the man who runs AIG’s Asian operations and life insurance worldwide.

D
The company’s long-standing presence in the area
Maurice Greenberg’s constant focus on the region and persistent lobbying on behalf of the company in China.
The company’s constant pursuit of close relationships with Asian governments, regulators and powerful businessmen

E
1. AIG’s objective is to get unrestricted access to China’s vast insurance market.
2. he sees his role as forging relationships with government and influential people by representing the company in high-level discussions
3. Asia is a growth area for insurance and if the company is to continue to grow, it needs to maintain its strength is Asia and increase it by expanding into China.

F
Pursue relationships (lines 49-50)
Build relationships (line 56)
Forge relationships (lines 82-83)

G
1. untapped potential
2. long-standing presence
3. unrestricted access
4. affiliated agents
5. emerging markets
6. high-level discussions
7. leading nations
Language review; multi-word verbs

B
1. Get on really well
2. count on
3. build up
4. hold on to
5. put it off
6. Sounded out
7. Let (us) down
8. Set up
9. Draw up
10. call (it) off

C
1. we’ll have to call the meeting off tomorrow. / We’ll have to call off the meeting tomorrow.
2. let’s put off the presentation until next Sunday. / let’s put the presentation off until next week.
3. we know our suppliers will never let us down.. / we can count on our suppliers to meet the deadlines.
4. We have now set up a first class distribution network in Europe.
5. Could you please draw up a contract as soon as possible. / Could you please draw a contract up as soon as possible.
6. could you set up a meeting with them for the next week. / Could you set a meeting up with them for the next week.
7. we’ve held on the same market share that we had last year.
8. the new sales manager gets on really well with this team.

Skills: networking

D
A. Haven’t we met somewhere before?
B. Yes, it was at the group sales conference in Portugal last year.
A. Oh yes. Very good conference, wasn’t it?
B. We both went to that presentation on networking skills.
A. That’s right! It was one of the most interesting at the conference.

Case study – getting to know you

Background
Company: Kimsoong
Activity: Car manufacturer
Based in: Korea, European HQ near Paris
Structure: Retail franchises in most European countries; also tyre and exhaust-fitting services

Special features of the company
- Reliability at low prices
- Basic models include many features that are usually options
- Environmentally aware
- Social conscience
- makes donations to environmental groups
- eco-car under development

Actions
- Look after existing costumers well. Develop better understanding of customers through accurate customer profile.
- Customer loyalty programme (cost shared

Hoped-for benefits
To build up long-term relationships – customers may buy 3 or 4 cars over 10-year period thereby increasing profits.
50/50 with franchises).
- To encourage staff to be more active in building up good customer relations.

UNIT 5

Vocabulary: synonyms and word building
A
1 g  2 e  3 f  4 b  5 a  6 c  7 d

B
1. autonomy  5. perks
2. bureaucracy 6. golden handshake
3. burnout  7. appraisal
4. pay

C
1. a) satisfied b) dissatisfied c) satisfaction
2. a) motivating b) demotivated c) motivation
3. a) frustration b) frustrating c) frustrated

Reading: perks that work
B
1. lines 88 to 93
2. lines 94 to 107
3. lines 36 to 55
4. lines 58 to 83
5. lines 24 to 32
6. lines 9 to 14

C
1. personal problems (line 13)
2. financial planning (line 14)
3. top performers (line 26)
4. general manager (lines 63-64)
5. common sense (line 69)
6. social responsibility (line 75)
7. corporate culture (line 84)
8. employee loyalty (line 98)

D
1. personal problems 5. social responsibility
2. employee loyalty 6. top performers
3. general manager 7. common sense
4. corporate culture
Language review: passives

A
1 c 2 e 3 h 4 d 5 d 6 g 7 a 8 f

B
1. have been conducted 5. were paid
2. be perceived 6. were paid
3. are entered 7. is reduced
4. were given

C

Procedure
Questionnaires were distributed to all departments.
All managers were interviewed.
A sample of workers was canvassed.

Present problems
Staff are not being consulted.
Flexitime is not being allowed.

Measures to improve job satisfaction since March
Staff have been consulted properly.
Research into flexitime has been carried out.

Incentive recommendations
A new scheme should be introduced from 1 Nov.
A system of team bonuses should be adopted.
Further research should be carried out into a share option scheme.

Skills: handling difficult situations

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

D
1. that’s really bad luck. I know how you must feel.
2. I don’t know how to tell you this but..
3. I was thinking that it would be good to have a chance to talk about the contract over dinner.
4. I hope you don’t mind me saying this, but actually it’s not very comfortable. Would it be possible to move?

Case study – office attraction

1
Working atmosphere preferred by Karl Jansen, MD
Relaxed

Staff rule book
Slim
Company culture
Casual, maybe too casual
Working hours
Long
Competition with other companies ad its effects
Fierce, causing stress among employees
Close relationships between members of staff
Increasingly common
Subject: Policy on office relationships  
Main point: KJ’s concern about relationships between members of staff  
Result of three recent relationships: Damaged performance of those concerned as well as that of colleagues  
Names of those involved and nature of problems:  
- Tania Lordan-appointment  
- John Goodman- re-assignment  
- Derek Hartman- complaints

UNIT 7

Warmer
2. e-mail  
3. e-business  
4. e-economy  
5. e-tailing  
6. e-fulfilment

Vocabulary: Internet terms
A
Browse: to look through a series of web pages, perhaps those of a particular site, or ones found by a search engine relating to a particular topic.
Directories: lists of sites of similar organisations, or of sites with information on relative topics.
Hits: the number of visits that a particular site receives or the site found by a search engine that contain the key word you entered.
Key word: a word that you enter into a search engine in order to find sites with web pages that contain this word.
Locate: find information, a site, etc. that you’re looking for.
Net: another word for Internet.
Online: used as an adjective or adverb to talk about activities related to the Internet.
Search: to look for particular information or a particular site, or the act of looking for it.
Search engines: sites like Google, Yahoo, AltaVista, etc. that allow you to find other sites with the information you are looking for by entering keywords or expressions.
Site: a series of related screens with information about a subject, organisation, etc.
Surfers: people who go and look at different sites, perhaps in a random way with no particular purpose in mind.
Traffic: the number of people looking at a site in a particular period.

B
1. Net  
2. Search engines  
3. traffic  
4. site  
5. search  
6. key word  
7. hits  
8. surfers  
9. online  
10. directories  
11. browse  
12. locate
Reading: Internet shopping

A
A ‘bricks and mortar retailer’ is a traditional business with a shop (perhaps on the high street or in a shopping centre) which customer can visit in person in order to choose and buy the goods they want. Examples would include any high-street store, which doesn’t sell online.

An ‘online retailer’ sells goods through a website on the Internet. Increasingly many businesses have both high-street shops and websites through which they sell their goods. However, Amazon and Dell are examples of pure online retailers, which have no shops.

C
1. Paragraph 3
2. Paragraph 1
3. Paragraph 6
4. Paragraph 2
5. Paragraph 5
6. Paragraph 4

D
1. Online selling requires heavy investments. Choices need to be made about whether to run the operations themselves or whether to outsource them. They need to decide whether to use the same sourcing model from the same factories and whether to have different distribution centres.
2. Tesco’s online grocery business is the biggest in the world and it has helped another supermarket chain to set up an Internet operation. Rakuten is the biggest e-commerce site in Japan. The number of its shops has increased from 13 to over 10,000. Its share of the e-commerce market is three times bigger than that of its nearest rival.
3. they need to get the technology and the orders right, but also have to provide fun and entertainment, making shopping online a nice experience for the customer. They always have to be doing something interesting and something different to attract customers.

E
1. distribution centre (lines 106 to 107) 5. supermarket chains (line 123)
2. online retailing (lines 2 to 3) 6. shopping mall (lines 112 to 113)
3. designer labels (line 142) 7. auction houses (lines 15 to 16)
4. delivery charge (lines 78 to 79) 8. mail-order catalogue (lines 31 to 32)

F
1. delivery charge 5. supermarket chains
2. auction houses 6. designer labels
3. shopping mall 7. distribution centre
4. online retailing 8. mail-order catalogue

Language review: Conditionals
If you (or we) lose that password, we’ll never be able to access that file again
If you tell us what you need to get the job done, you’ll have it.
If you need any further information, please contact our helpline.
If the market conditions had been better, the share offer would have been a success.
If we are given time, our factory can meet all those orders.
A
1. reflecting on the past  7. speculating about the future
2. advice  8. invitation/request
3. promise  9. promise/bargaining
4. speculating about the future  10. advice/warning/threat
5. bargaining  11. reflecting on the past
6. promise  12. request

C
If they’d set up the site properly, they wouldn’t have had so many complaints.
If they’d planned more carefully, they wouldn’t have had so many problems
If they’d used an expert, their site would have been better.
If they hadn’t tried to cut corners, they wouldn’t have ended up in this situation.
If they’d allocated a bigger budget, they would have saved money in the end.
If they’d recognised the problems earlier, they would have been able to correct them.
If they’d listened to customer feedback, they would have some customers left today.
If they’d done more research, they wouldn’t have made all these mistakes.

Skills: presentation
E
1. involving the audience
2. emphasising
3. commenting
4. changing subject
5. referring to visuals

Case study: KGV Europe

<table>
<thead>
<tr>
<th>Company type</th>
<th>High-street music retailer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores</td>
<td>12 in the Netherlands, of which 3 are megastores; 65 in Europe, of which 8 are megastores.</td>
</tr>
<tr>
<td>Profits</td>
<td>Down 35% in three years</td>
</tr>
<tr>
<td>Megastore sales</td>
<td>Up 8% (heavy expenditure on advertising): 55% of total turnover</td>
</tr>
<tr>
<td>Problems/weakness</td>
<td>Fierce competition, narrow product range, lack of innovation, not exploiting Internet opportunities</td>
</tr>
</tbody>
</table>

UNIT 8

Vocabulary: prefixes
A
1. b  6. b
2. b  7. c
3. c  8. a
4. a  9. b
5. c  10. b

B
1. mismanaged
2. post-merger
3. pro-European
4. ex-boss
5. dishonest
6. irresponsible
7. hypercritical
8. reconsider

**Reading: they key to successful team building**

B
1. in the past individual attribute such as intelligence and toughness were the key to success and employees worked in competition with each other. Now personal strengths are less important than a person’s ability to work in a team and share knowledge and skills with colleagues so they can work together in competition with other companies.
2. competition today should be against commercial competitors rather than between colleagues.
3. you need to be able to compromise your own views for the good of the team. You need to have a belief in the way the team works and in its strength. You need to recognised your own strengths and contribution fit in with team. You have to be honest with yourself and with the rest of the team. You have to be able to control the conflict within the team. You have to care about the development of your team mates.
4. effective teams are able to solve problems more easily then one person can. All teams must be managed well by a capable facilitator with an understanding of the way teams develop and change. Teams grow and develop and are more productive and efficient at some stages of their development then at others.
5. according to the writer, they should have attitudes a), b) and c).
6. because essentially, whatever their nationality, most members of the team have the same basic objectives in life.
7. Thai team members place greater emphasis on personal relationships whereas Western team members place greater value on personal achievement.

D
1. patience
2. foresight
3. creativity
4. organisation
5. intuition
6. toughness
7. stamina
8. diplomacy
9. honesty

**Language review: modal perfect**

A
1. no
2. yes
3. yes
4. no
5. no
6. not sure
7. not sure
8. no

B
1. should (But you didn’t and now it’s late.)
2. might or could (But it isn’t)
3. correct.
4. must (We don’t know for sure, but we this is the case.)
5. correct. (We don’t know for sure what the reason was. ‘He must have been delayed’ would show more certainty).
6. correct (You couldn’t have seen him a) even if you had wanted to see him, or b) even if you thought to see him, mistaking someone else for Mr. Lebeau.)
7. must (We’re assuming he had a bad flight. ‘He might have had a bad flight’ would mean we are less sure about that.)
8. should (But we didn’t. ‘We could have…’ or ‘We might have made him leader’ implies that this was possible to do, but lacks the idea that it would have been the right thing to do.)

C
Expressing your feelings
I’m really fed up with her.
Making suggestions
Maybe you should..
Why don’t we..
Expressing satisfaction
All right, we’ll see if that works. Thanks for listening.
Expressing dissatisfaction
How would that help?
Showing sympathy
I understand your feelings.
Identifying the real problem
What you’re saying is…
Resolving the conflict
I’ll have a quite word in her ear.
Reviewing the situation
Let’s talk about this in a few week’s time.

UNIT 9

Vocabulary: idioms
A
1. rope
2. trees
3. muck
4. licence
5. fool
6. object

B
a) 2
b) 1 and 4
c) 3
d) 5
e) 6

C
1. As they say, ‘A fool and his money are soon parted’.
2. Money is not object to her, then.
3. Well, they do say that where there’s muck, there’s money.
4. Oh, I know. Children think that money grows on trees, don’t they?

Reading: raising finance

A
1. a
2. b
3. b
4. c
5. a
6. c

B
1. Few growing companies are able to finance expansion from cash flow alone. They need to raise finance from external sources.
2. It is really important to strike a balance between equity and debt.
3. With debt, the bank giving the loan requires interest payments and capital repayments and the business assets or personal assets of the shareholders and directors can be at risk if these are not met. The bank can put the business into administration or bankruptcy if it defaults on the loan or if business is not going well. With equity, the institution lending the money has a stake in the business and, therefore, a greater incentive to see the business succeed as it takes the risk of failure along with all the other shareholders. If the company is successful, the lender benefits and makes profits on the eventual sale of the equity stake.
4. The main aim is to keep the financial risk of the company at an optimal level so that it isn’t exposed to excessively high borrowings, but neither is the share capital diluted unnecessarily.

C
1. c
2. g
3. a
4. b
5. f
6. e
7. d

D
1. lease
2. grant
3. invoice discounting
4. venture capital

Language review: dependent prepositions

A
1. consideration in, balance between
2. defaults on
3. risk of, benefit from

B
1. f 3. d
2. g 4. h
Skills: negotiating

A
1. May depend on the complexity of the negotiation. Above all, you must listen carefully to the answer.
2. Presumably there will be a point where the other side becomes irritated if they are interrupted too much.
3. This one is in a lot of text books on negotiating. Some people think that giving something away can produce a good atmosphere. Others say that shows weakness.
4. This is really two separate points. Simple language is probably a good idea, but some might say that it’s important to underplay one’s high priority objectives and over-emphasise low-priority ones.
5. Again, there will come a point where too much of this becomes irritating.
6. On the whole, negotiators probably do not do this enough, so it’s worth emphasising.
7. Some might argue that this is true in an ideal world, but in practice assertiveness (rather than aggressiveness) can have its place.
8. Some people will be more comfortable with this than others. Some negotiators are good at exploiting the feelings of the other side. Showing emotions is more acceptable in some cultures than others.

B
1. d
2. e
3. b
4. a
5. c

Case study: vision film company

<table>
<thead>
<tr>
<th>Activity</th>
<th>Film making</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based</td>
<td>Krakow, Poland</td>
</tr>
<tr>
<td>Founded</td>
<td>15 years ago</td>
</tr>
<tr>
<td>Output so far</td>
<td>Commercials and documentaries, some award-winning</td>
</tr>
<tr>
<td>Personnel</td>
<td>Production staff plus freelancers</td>
</tr>
<tr>
<td>Current project</td>
<td>Feature film set in post-war Europe</td>
</tr>
<tr>
<td>Finance source</td>
<td>European Finance Associates</td>
</tr>
<tr>
<td>Provisional finance package</td>
<td>$ 10 million</td>
</tr>
<tr>
<td>Stage in negotiations</td>
<td>Second meeting next month to finalise</td>
</tr>
<tr>
<td>Usual investment return</td>
<td>Sum invested + interest + share of profits</td>
</tr>
</tbody>
</table>

UNIT 12

Vocabulary: management qualities

A

<table>
<thead>
<tr>
<th>1 Adjective</th>
<th>2 Opposite adjective</th>
<th>3 Noun form</th>
</tr>
</thead>
<tbody>
<tr>
<td>Considerate</td>
<td>Inconsiderate</td>
<td>Consideration/ considerateness</td>
</tr>
<tr>
<td>Creative</td>
<td>Uncreative</td>
<td>Creativity/ creativeness</td>
</tr>
</tbody>
</table>
Decisive     Indecisive     Decisiveness
Diplomatic   Undiplomatic   Diplomacy
Efficient    Inefficient    Efficiency
Flexible     Inflexible     Flexibility
Inspiring    Uninspiring    Inspiration
Interested   Disinterested/ uninterested  Interest
Logical      Illogical      Logic/ logicality
Organised    Disorganised   Organisation
Rational     Irrational     Rationality
Responsible  Irresponsible   Responsibility
Sociable     Unsociable     Sociability
Supportive   Unsupportive   Support

D
1. d
2. d
3. a
4. b
5. f
6. e

Reading: management style
B
1. Delegating
2. Directing
3. Discussing
4. Discussing
5. Discussing
6. Directing
7. Delegation
8. Directing
9. Delegation

C
Group 1
1. establish goals (directing lines 21 to 22; discussing lines 31 to 32; delegating lines 26 to 27)
2. monitor performances (directing lines 40 to 41; discussing line 47; delegating line 49)
3. provide feedback (directing lines 44 to 45; discussing lines 6 to 7; delegating line 50)
4. set standards (directing lines 5 to 6)
5. make decisions (directing line 34; discussing line 42 and 46; delegating line 38)

Group 2
1. present ideas (discussing line 5)
2. achieve goals (discussing lines 35 to 36)
3. direct employees (directing lines 34 to 35)
4. take action (directing lines 35 to 36; delegating lines 42 to 43)
5. improve performance (directing lines 46 to 47)

F
1. look
2. make
Language review; text reference

A
1. a) managers  b) discussing  c) managers  d) employees’
   e) monitoring performance and discussing what actions need to be taken
2. It’s important to make sure ideas are fully discussed and debated

B
1. I (lines 1, 10, 14, 15, 20, 27, 28, 34, 36), me (lines 6, 10, 26, 36), my (lines 20, 31)
2. one (line 5), she (lines 6, 10)
3. the other person (line 12), his(line 15, 38), he (lines 18, 24, 39, 32), him (lines 21, 28, 30)
4. it’s important to pay attention (lines 39 to 40)

E
1. c
2. e
3. a
4. b
5. d

Case study: Zenova

<table>
<thead>
<tr>
<th>Activity of company</th>
<th>Multinational health and beauty products manufacturer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project team working on</td>
<td>Major survey of job satisfaction in all subsidiaries</td>
</tr>
<tr>
<td>Current approach</td>
<td>Project team – 16 members from different subsidiaries in Europe, America, Asia and the Middle East – working on interviewing staff, administering surveys, analysing results, producing report</td>
</tr>
<tr>
<td>Structure of team</td>
<td>16 members managed by Ryan Douglas</td>
</tr>
<tr>
<td>Current problems caused by</td>
<td>Bad management</td>
</tr>
<tr>
<td>State of staff</td>
<td>Unhappy; low moral</td>
</tr>
<tr>
<td>Risk</td>
<td>Project won’t be completed on time</td>
</tr>
<tr>
<td>Current solution</td>
<td>Replace Ryan Douglas</td>
</tr>
</tbody>
</table>

UNIT 14

Warmer
Possible answers
Mobile
Crowded
Knowledge
Healthy
Efficient
Our children
Going to be more like in the past than we think
Vocabulary: describing the future

A
1. up to date
2. a thing of the past
3. ahead of its time
4. old-fashioned
5. state-of-the-art
6. the way forward
7. out of date
8. up to the minute
9. at the cutting edge
10. behind the times

C

<table>
<thead>
<tr>
<th>Very bad</th>
<th>Bad</th>
<th>Good</th>
<th>Very good</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bleak</td>
<td>Depressing</td>
<td>Bright</td>
<td>Brilliant</td>
</tr>
<tr>
<td>Dire</td>
<td>Doubtful</td>
<td>Promising</td>
<td>Great</td>
</tr>
<tr>
<td>Dreadful</td>
<td>Uncertain</td>
<td>Prosperous</td>
<td>Magnificent</td>
</tr>
<tr>
<td>Terrible</td>
<td>Worrying</td>
<td>Rosy</td>
<td>Marvellous</td>
</tr>
</tbody>
</table>

Reading: new working model

B
1. countries such as India and China with huge population are playing a fuller part in the world economy. Changes in technology are having an enormous impact on business.
2. the predictions are often wrong. For examples, there were forecasts of large-scale unemployment in Europe and prediction that European workers would have more leisure time but these have not come true and French and German companies are trying to get their staff to work longer hours.
3. it has given countries like India and China opportunities to develop their people’s skills. It has given companies around the world huge cost-saving opportunities and, at least in the short term, the chance to gain a competitive advantage.
4. capital is expensive and labour cheap in countries like India and China. It is the other way round in more developed countries.
5. an airline that found it uneconomic to chase debts of under $200 dollars now used Indian accountants and can chase of even as little as $50.

D
1. excessive labour market regulation (lines 16 to17)
2. world economic leadership (lines 30 to 31)
3. in-house economic think-tank (lines 82 to 83)
4. potentially huge markets (lines 111 to 112)
5. lower vehicle development costs (lines 112 to 113)
6. new niche market (lines 117 to 118)
7. world-class research centre (lines 182 to 183)

E
1. increasingly difficult market conditions
2. exceptionally gifted university researchers
3. increasingly high unemployment rate
4. rapidly developing information technology

Language review prediction and probability

A
1. impossible
2. certain
3. unlikely 7. possible
4. probable 8. probable
5. impossible 9. probable
6. possible 10. certain

**Case study: Yedo department store**

<table>
<thead>
<tr>
<th>Activity of company</th>
<th>Department store: six in Japan, once each in London and New York</th>
</tr>
</thead>
<tbody>
<tr>
<td>Image</td>
<td>Prestigious, high quality</td>
</tr>
<tr>
<td>Strategy</td>
<td>Wide range of products, personalised service</td>
</tr>
<tr>
<td>Problems</td>
<td>Falling profits, same situation elsewhere</td>
</tr>
</tbody>
</table>