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Introduction

Nowadays, English is considered to be the “language of communication” even English as an international language. Business English is one of the examples of the English for a Specific Purpose. It refers to the teaching and learning of English as a second or foreign language where the goal of learners is to use English in a particular domain.

Business English is the study of the language fundamentals needed to communicate effectively in today’s workplace, it aims to achieve a high standard of English communication skills at business. Choosing a Business English ensures the language focus is relevant and that the topics and tasks prepare professional people for the specific situations they will encounter in their working lives, while making the most of their limited time.

A Business English Course provide students with numerous opportunities for discussion and cover a wide range of subjects, including various topics related to business such as banking, insurance, stock markets, marketing and information technology.

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BUSINESS CONCEPTS AND ACTIVITIES

BUSINESS FIELD AND CAREERS

Business is a word which is commonly used in many different language. But exactly what does it mean? Think of your own definition of business. Write it down in your note-book. The concept and activities of business have increased in modern times. Traditionally, business simply meant exchange or trade for things people wanted or needed. Today it has a more technical definition. One definition of business is the production, distribution and sale of goods and services for a profit. To examine this definition, we will look at its various parts.

First, production is the creation of services or the changing of materials into products. One example is conversion of iron ore into metal car parts. Next these products need to be moved from the factory to the market place. This is known as distribution. A car might be moved from a factory in Detroit to a car dealership in Miami.

Third is the sale of goods and services. Sale is the exchange of a product or service for money. Goods are products which people either need or want; for example, cars can be classified as goods. Service, on the other hand, are activities which a person or group performs for another person or organizations. For instance, an auto mechanic performs a service when he repairs a car. A doctor also performs a service by taking care of people when they are sick.

Business, then, is a combination of all these activities: production, distribution and sale. However, there is another important factor. This factor is creation of profit or economic surplus. A major goal in the functioning of a business company is a making a profit. Profit is the money that remains after all the expenses are paid. Creating an economic surplus or profit is, therefore, a primary goal of business activity.

Business Field and Careers

Business is an increasingly important activity throughout the world today. Consequently, the opportunities for a business careers have grown in variety and number. There are now five broad fields or areas of business that offer exciting careers: management, marketing, accounting, finance, and data processing. Within each of these fields are specific jobs in which you can specialize. For example, within the field of marketing you can specialize in market research, advertising, distribution, buying or selling. General careers opportunities that are available in the various field of business are as follows:

1. **Management:** General Manger; Personal Manger; Production Manager
2. **Marketing:** Researcher; Advertiser; Buyer; Seller; Distributor

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3. **Accounting:** Bookkeeper; Private Accountant; Public Accountant; Government Accountant
4. **Finance:** Banker; Financial Analyst; Stockbroker
5. **Data Processing:** Computer Operator; computer Programmer; System Analyst.

Activity 01:

Answer the following questions about the meaning of business

1. What is the modern definition of business?
2. How does this modern meaning of business differ from the traditional one? What factors have brought about this changes?
3. What does production involve?
4. What example of distribution is given in the text?
5. How do goods differ from services? In addition to production, distribution and sale what other factor is important in defining business?
6. What is profit? In general, what do companies do with their profits?

Activity 02:

In choosing a business career, there are several questions you may want to ask.

For instance: Does the work interest you? Are there any areas of business for which you have an aptitude or special capability? What are the opportunities involved, such as demand (or need) for the job, salary, and chance for advancement?¹

¹ Svetlana Pilucka, **Business English**, Daugavpils Pedagogiska University, 1998, P 133-134. available at: <https://de.du.lv>.

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The business cycle

The business cycle or trade cycle is a permanent feature of market economies: gross domestic product (GDP) fluctuates as booms and recessions succeed each other. During a boom, an economy (or at least parts of it) expands to the point where it is working full capacity, so that production, employment, prices, profits, investment and interest rates all tend to rise. During a recession, the demand for goods and services declines and the economy begins to work at below its potential. Investment, output, employment, profits, commodity and share prices, and interest rates generally fall. A serious, long lasting recession is called a depression or a slump.

The highest point on the business cycle is called a peak, which is followed by a downturn or downswing or a period of contraction. The lowest point on the business cycle is called a trough, which is followed by a recovery or an upturn or upswing or a period of expansion. Economists sometimes describe contraction as “negative growth”.

There are various theories as to the cause of the business cycle. Internal (or endogenous) theories consider it to be self-generating, regular, and indefinitely repeating. A peak is reached when (or just before) people begin to consume less, for whatever reason. As far back as the mid- nineteenth century, it was suggested that the business cycle results from people infecting one another with optimistic or pessimistic expectations. When economic times are good or when people feel good about the future, they spend, and run up debts. If interest rates rise too high, a lot of people find themselves paying more than they anticipated on their mortgage or rent, and so have to consume less. If people are worried about the possibility of losing their jobs in the near future they tend to save more. A country’s output, investment, unemployment, balance of payments, and so on, all depend on millions of decisions by consumers and industrialists on whether to spend, borrow or save.

Investment is closely linked to consumption, and only takes place when demand and output are growing. Consequently, as soon as demand stops growing out the same rate, even at a very high level, investment will drop, probably leading to a downturn. Another theory is that sooner or later during every period of economic growth - when demand is strong, and prices can easily be put up, and profits are increasing - employees will begin to demand higher wages or salaries. As a result, employers will either reduce investment, or start to lay off workers, and a downswing will begin.

External (or exogenous) theories, on the contrary, look for causes outside economic activity: scientific advances, natural disasters, elections or political shocks, demographic changes, and so on. The business cycle is caused by major technological inventions (the steam engine, railways, automobiles, electricity, microchips, and so on), which lead to periods of “creative destruction”.

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Activity 01: Find the words in the text in which mean the following.

1. Beliefs about what will happen in the future.
2. Money borrowed in order to buy a house or flat (GB) or apartment (US).
3. Money paid for the use of a house or flat owned by somebody else.
4. Spending on goods and services.
5. Spending on new machines, factories, and so on.
6. Owners or managers of manufacturing companies 7 spending on goods and services.
7. To dismiss employees.¹

¹ Nabila EL-MOFFOUCK, **English for economic and business use**, coursebook, faculty of economics, commercial and management sciences, university of Algiers 3, 2021, P26.

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Starting a Business

Starting a business takes talent, determination, hard work, and persistence. It also requires a lot of research and planning. Before starting your business, you should appraise your strengths and weaknesses and assess your personal goals to determine whether business ownership is for you.

Questions to ask before you start a business

If you're interested in starting a business, you need to make decisions even before you bring your talent, determination, hard work, and persistence to bear on your project.

Here are the basic questions you'll need to address:

- What, exactly, is my business idea? Is it feasible?
- What industry do I want to enter?
- What will be my competitive advantage?
- Do I want to start a new business, buy an existing one, or buy a franchise?
- What form of business organization do I want?

After making these decisions, you'll be ready to take the most important step in the entire process of starting a business: you must describe your future business in the form of a **business plan** - a document that identifies the goals of your proposed business and explains how these goals will be achieved. Think of a business plan as a blueprint for a proposed company: it shows how you intend to build the company and how you intend to make sure that it's sturdy. You must also take a second crucial step before you actually start up your business: You need to get **financing** - the money that you'll need to get your business off the ground.

The Business Idea

For some people, coming up with a great **business idea** is gratifying adventure. For most, however, it's a daunting task. The key to coming with a business idea is identifying something that customers want - or, perhaps more importantly, filling an **unmet need**. Your business will probably survive only if its purpose is to satisfy its customers – the ultimate users of its goods or services. In coming up with business idea, don't ask, "What do we want to sell?" but rather, "What does the customer want to buy?"

To come up with innovative business idea, you need to be creative. The idea itself can come from various sources. Prior **experience** accounts for the bulk of new business idea and also increases your chances of success. Take Sam Walton, the late founder Wal-Mart. He began his retailing career JCPenney and then became successful franchiser of a Ben Franklin five-and-dime store. In 1962, he came up with the idea of opening large stores in rural areas, with low costs and heavy discounts. He founded his

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first Wal-Mart store in 1962, and when he died thirty years later, his family's net worth was \$ 25 billion.

Ownership Options

as we've already seen, you can become a small business owner in one of three ways - by starting a new business, buying an existing one, or obtaining a franchise.

Starting from Scratch

The most common -and the riskiest- option is **starting from scratch**. This approach lets you start with a clean slate and allows you to build the business the way you want. You select the goods or services that you're going to offer, secure your location, and hire your employees, and then it's up to you to develop your customer base and build your reputation. This was the path taken by Andres Mason who figured out how to inject hysteria into the process of bargain hunting on the Web. The result is an overnight success story called 28 Groupon. Here is how Groupon (a blend of the words "group" and "coupon") works: A daily email is sent to 6.5 million people in 70 cities across the United States offering a deeply discounted deal to buy something or to do something in their city. If the person receiving the email likes the deal, he or she commits to buying it. But, here's the catch, if not enough people sign up for the deal, it is cancelled. Groupon makes money by keeping half of the revenue from the deal. The company offering the product or service gets exposure. But stay tuned: the "daily deals website isn't just unprofitable - it's bleeding hundreds of millions of dollars." As with all start-ups cash is always a challenge.

Buying an Existing Business

If you decide to **buy an existing business**, some things will be easier. You'll already have a proven product, current customers, active suppliers, a known location, and trained employees. You'll also find it much easier to predict the business's future success.

There are, of course, a few bumps in this road to business ownership. First, it's hard to determine how much you should pay for a business. You can easily determine how much things like buildings and equipment are worth, but how much should you pay for the fact that the business already has steady customers?

In addition, a business, like a used car, might have performance problems that you can't detect without a test drive (an option, unfortunately, that you don't get when you're buying a business). Perhaps the current owners have disappointed customers; maybe the location isn't as good as it used to be. You might inherit employees that you wouldn't

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have hired yourself. Careful study called due diligence is necessary before going down this road.¹

Activity 01:

Read and discuss the subject of starting business.

¹ Stephen J. Skipark, **Entrepreneurship : starting a business**, available at: <https://vtechworks.lib.vt.edu>.

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New Business

1. To start a new business you need to consider numerous factors: inflation rate, government bureaucracy of your state, availability of labour force and unemployment rate in the chosen business industry.
2. The advantages are: tax incentives, a strong currency, cheap rents, government grants, forming the stable economy.
3. The disadvantages include the lack of management skills, business knowledge in book-keeping, marketing and human issues in the area of potential business.
4. A myriad of independent consultants advise an entrepreneur in law, accountancy, and banking, that's why the picture is fragmented and complicated, so the people become confused.
5. You need to explore the potential profitable areas of business from delivery to making some new boxes.
6. Then you need to perform a SWOT analysis to evaluate your strengths and weaknesses, and know about your opportunities and threats.
7. In order to succeed you not only need to have a great business, but also to form a good team of people.
8. The right team of professionals is essential to get the business running.
9. Firstly, the team needs the ability to sell, in other words to persuade other people to buy what you are selling.
10. Also, the team needs the ability to count: to understand the accountant's books to drive the business.
11. Moreover, the team needs different types of experience: customer experience, product experience and start-up experience.
12. Furthermore, the team needs to have professional contacts to help your business succeed.
13. Finally, the team must be aware of future sacrifices of time and money.
14. Of course there is no magic formula to start a business, but the team is an extremely important factor.
15. By following these steps you will succeed in your new business.¹

Activity 01:

Read the text and retell it.

¹ Business English : supplementary exercises (Pre-intermediate), 2018, P163.

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The 4 Best Business Ideas

Creating the company of your dreams often begins with learning more about something completely new to you

Here are 4 new-age business ideas to get you started.

1. Healthy fast food.

Don't be mistaken - - fast food is thriving today just as much as it ever has. But today people seek out healthy alternatives to the greasy meals that make up much of fast food fare. Taco trucks, burger joints and ice cream stands just aren't doing it anymore.

Restaurants who offer acai bowls, quinoa-kale salads and whole-grain wraps are in.

One great little niche is the healthy fast food truck. If mobile fast food isn't really your thing, don't worry - - restaurants like Green Tomato and Zoe's Kitchen do just as well.

2. Delivery services for just about anything.

It seems that, given the opportunity, people will pay to have just about anything done for them. They already pay Postmates and Uber Eats to deliver food to their homes and workplaces. Booster Fuels will fill up their cars wherever they are. And with the rise of services like Amazon Prime Now, people can have everything from groceries to electronics delivered to their doorstep in under two hours. The concept has already proven itself - - all you have to do is figure out what you'd like to deliver.

3. Virtual reality (and its accessories).

Virtual reality (VR) is an impressive facet of modern technology. With a pair of goggles and the right computer hardware, you can immerse yourself in a variety of fascinating worlds using VR.

If you aren't the most computer savvy person you know, never fear - - you don't have to be a programming genius to create a VR-centered business. In fact, most VR-related business ideas have nothing to do with the technology itself. Rather, you can start your own VR industry update website, where you write about new tech, games, software and more.

4. Subscription boxes.

You see them all the time on Facebook, Instagram and Pinterest: subscription boxes. Now, you can receive a monthly box of just about anything: international snacks, high-end makeup, stickers and even craft beer. There's a subscription box for almost every hobby and personality... but not quite all. But what's even better than shipping out

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subscription boxes? “Unboxing” them. If building and shipping subscription boxes isn't quite your thing, then perhaps sharing boxes online is.

With these 4 new-age business ideas, it's more possible than ever to create the modern company you've been dreaming of. How will you modify these ideas?.¹

Activity 01:

Read and discuss the text

¹ Business English : supplementary exercises (Pre-intermediate), 2018, P164.

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What is management?

Management is important. The success or failure of companies, public sector institutions and services, not-for-profit organizations, sports teams, and so on, often depends on the quality of their managers. But what do managers do? One well-known classification of the tasks of a manager comes from Peter Drucker. Drucker was an American business professor and consultant who often called things like “The Father of Modern Management”

Drucker suggested that the of a manager can be divided into five tasks: planning (setting objectives), organizing, integrating (motivating and communicating), measuring performance, and developing people.

- First of all, senior managers and directors set objectives, and decide how their organization can achieve or accomplish them. This involves developing strategies, plans and precise tactics, and allocating resources of people and money.
- Secondly, managers organize. They analyse and classify the activities of the organization and the relations among them. They divide the work into manageable activities and then into individual tasks. They select people to perform these tasks.
- Thirdly, managers practise the social skills motivation and communication. They also have to communicate objectives to the people responsible for attaining them. They have to make the people who are responsible for performing individual tasks form teams. They make decisions about pay and promotion. As well as organizing and supervising the work of their subordinates, they have to work with people in other areas and functions.
- Fourthly, managers have to measure the performance of their staff, to see whether the objectives or targets set for the organization as a whole and for each individual member of it are being achieved.
- Lastly, managers develop people - both their subordinates and themselves.

A company's top managers also have to consider the future, and modify or change the organization's objectives when necessary, and introduce the innovations that will allow the business to continue. Top managers also have to manage a business's relations with customers, suppliers, distributors, bankers, investors, neighbouring communities, public authorities, and so on, as well as deal with any crisis that arises.

Although the tasks of a manager can be analysed and classified in this fashion, management is not entirely scientific. There are management skills that have to be learnt, but management is also a human skill. Some people are good at it, and others are not. Some people will be unable to put management techniques into practice. Others will have lots of technique, but few good ideas. Excellent managers are quite rare.

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Activity 01:

Read and discuss the text

Activity 02:

Match up the following words and definitions.¹

1	Consultant	A	a plan for achieving success
2	Crisis	B	a new idea or method
3	innovation	C	a person with a less important position in an organization
4	Objective (noun)	D	a person who provides expert advice to a company
5	promotion	E	a situation of danger or difficulty
6	Public sector	F	something you plan to do or achieve
7	strategy	G	the section of the economy under government control
8	subordinate	H	when someone is raised to a higher or more important position

¹ Lan Mackenzie, **English for business studies**, a course for business studies and economics students, third edition, Cambridge university press, 2010, P10.

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Managing across cultures

Managing a global multinational company would obviously be much simpler if it required only one set of corporate objectives, goals, policies, practices, products and services. But local differences - cultural habits, beliefs and principles specific to each country or market - often make this impossible. The conflict between globalization and localization has led to the invention of the word “glocalization”. Companies that want to be successful in foreign markets have to be aware of the local cultural characteristics that affect the way business is done.

Richard Lewis has classified different cultures according to three “poles” representing different types of behaviour. Businesspeople in “linear-active” cultures such as Britain, the USA and Germany are generally organized and rational, try to act logically rather than emotionally, plan in advance, and like to do one thing at a time. They believe in respecting rules, regulations and contracts, and so are what the Dutch theorist Fons Trompenaars calls “universalists” - they think rules apply to everybody. They are not afraid of confrontation but will compromise when necessary to achieve a deal. They are essentially individualist.

“Multi-active cultures” in Southern Europe, Latin America and Africa attach more importance to feelings, emotions and intuition, and relationships and connections. People like to do many things at the same time; they are flexible, good at changing plans and happy to improvise. They believe in social or company hierarchy, and respect status. They are essentially collectivist, and also what Trompenaars calls “particularist” – they believe that personal relationships and friendships should take precedence over rules and regulations.

People in “reactive cultures” in Asia prefer to listen to and establish the other’s position, and then react to it. They try to avoid confrontation, and don’t want to “lose face” or cause someone else to. They rarely interrupt speakers and often avoid eye contact. They try to formulate approaches which suit both parties.

Other countries have cultures which show combined characteristics of two of these poles, and can be represented along the sides of triangle.¹

¹ Lan Mackenzie, **English for business studies**, a course for business studies and economics students, third edition, Cambridge university press, 2010, PP26-27.

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Figure 01: Cultural Types: The Lewis Model



Source: from Lan Mackenzie, **English for business studies**, a course for business studies and economics students, third edition, Cambridge university press, 2010, P27.

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Activity 01:

Richard Lewis is well known in the field of cross-cultural communication and the author of When Cultures Collide: Managing Successfully Across Cultures and The Cultural Imperative: Global Trends in the 21st Century.

Read about his model of three types of cultures, and answer the questions.

1. Why is important for companies to be aware of local cultures?
2. What are the differences between individualists and collectivists?
3. Who is more likely to say, about other people: "They can't be trusted because they will always help their friends or family" – universalists or particularists?

Activity 02:

Match the word in the box with the definitions below.

Collectivist – compromise – confrontation – connections – eye contact

Glocalization – improvise – interrupt – intuition – logic – lose face – status

1. An invented word combining worldwide and regional concerns.
2. Thought based on reason and judgement rather than feelings and emotions.
3. A face-to-face disagreement or argument.
4. Reducing demands or changing opinions in order to agree.
5. Understanding or knowing without consciously using reason.
6. People of influence or importance with whom you are associated.
7. To do something when necessary without having already planned it.
8. Respect, prestige or importance given to someone.
9. Believing that the group is more important than the individual.
10. To be humiliated or disrespected in public.
11. To cut into someone else's turn to speak.
12. Looking directly at the people you are talking or listening to.

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Insurance

What is insurance?

Insurance is a way to manage your risk. When you buy insurance, you purchase protection against unexpected financial losses. The insurance company pays you or someone you choose if something bad happens to you.

If you have no insurance and an accident happens, you may be responsible for all related costs. Having the right insurance for the risks you may face can make a big difference in your life.

People get insurance not only to help with risks from unexpected events but also to help pay for routine things, such as annual medical checkups and dental visits. In addition, insurance companies negotiate discounts with health care providers, so their customers pay those discounted rates.

An insurance policy is a written contract between the policyholder (the person or company that gets the policy) and the insurer (the insurance company).

The policyholder is not necessarily the insured. An individual or company may get an insurance policy (making them the policyholder) that protects another person or entity (who is the insured). For example, when a company buys life insurance for an employee, the employee is the insured, and the company is the policyholder.

How does insurance reduce your financial risk?

Imagine you're driving your car and you hit a deer, which damages your car. If you have the right kind of auto insurance policy, the insurance company will pay the costs of the car repairs (minus the deductible — the portion you have to pay).

Now, imagine a water pipe bursts in your bathroom, ruining everything in that room and in the bedroom next to it. Typically, if you have homeowner's or renter's insurance, the insurance company will pay to replace some or all of the damaged property, once you pay your deductible. Insurance policies will only pay for things that are described in the policy. So it's important to read a policy carefully before you buy it so you'll know exactly what's covered.

How does an insurance policy work?

Insurance policies are often in place for a specific period of time. This can be referred to as the policy term. At the end of that term, you need to renew the policy or buy a new one. With some types of insurance, you choose a beneficiary, the person you want to receive the policy's benefits or payments.

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When you buy an insurance policy, part of your responsibility includes paying a fee called a premium. Some premiums are paid monthly, like health insurance. Others may be paid once or twice a year, like auto or homeowner's insurance. The cost of your premium generally depends on how much of a risk you are to the insurance company.

In addition to the premiums, most insurance policies include a deductible. That's the amount you have to pay first, before the insurance company pays their share. For example, if you have a \$500 deductible on your homeowner's policy and a storm causes \$3,000 in damage, you will pay \$500 and your insurance company will pay \$2,500. With some policies, you can choose your deductible. Usually, a higher deductible means a lower insurance premium.

TIP: A good rule to live by is to try to have an emergency savings fund to cover the cost of a deductible should an accident occur.

What are common types of insurance?

There are many types of insurance, but some common types are described here:

- **Health insurance:** Helps you pay for doctor fees and sometimes prescription drugs. Once you buy health insurance coverage, you and your health insurer each agree to pay a part of your medical expenses — usually a certain dollar amount or percentage of the expenses.
- **Life insurance:** Pays a beneficiary you select a set amount of money if or when you die. The money from your life insurance policy can help your family pay bills and cover living expenses. There are different types of life insurance. One is term life insurance, which pays a benefit only if the insured person dies during the term of the policy (usually from one to 30 years). Another is whole life insurance, which pays a benefit whenever the insured person dies.
- **Disability insurance:** Protects individuals and their families from financial hardship when illness or injury prevents them from earning a living. Many employers offer some form of disability coverage to employees, or you can buy an individual disability insurance policy.
- **Auto insurance:** Protects you from paying the full cost for vehicle repairs and medical expenses due to a collision. In most states, the law requires you to have auto insurance when operating a motor vehicle.
- **Homeowner's or renter's insurance:** Covers your home and the personal belongings inside in the event of loss or theft; helps pay for repairs and replacement. If you have a mortgage on your property, most lenders require you to have

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homeowner's insurance. If you're renting, the landlord might require you to have renter's insurance.

What should you consider when buying an insurance policy?

A useful rule to live by is to do your homework before you buy insurance. Research any insurance company you're thinking about buying from to be sure that the company is financially sound and provides good service. Also find out what factors matter so that you can get the coverage you need at the best price.¹

Activity 01:

Read and discuss the concept of insurance and its types?

¹ <https://files.consumerfinance.gov>

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Banks

For most of us, the important and best-known financial institution is our local bank. Probably our bank is a commercial bank, meaning that the bank is involved in trade, and what it trades in is money and other financial services. It carries out this trade for a profit, just as any business does.

Banks carry out a variety of functions. For its customers it operates saving and checking accounts; it offers loans; it changes money. With the familiar savings account, the customer can save money and earn interest. The customer deposits and withdraws money, and his deposits and withdrawals along with his interest earnings and the balance (the total of deposits minus withdrawals) are recorded in a passbook.

A checking account is a service that usually makes our lives a little easier. The bank holds our money and we pay our bills with our checks by drawing on our accounts. The checks come back to our bank through a clearinghouse and our accounts are charged for the checks we have written. At the end of each month we receive a statement which summarizes our transactions. Although checking accounts are very helpful, we can sometimes make problems for ourselves by bouncing a check. The check bounces back to us like a ball (a check that bounces is called a rubber check). It is marked insufficient funds, meaning we do not have enough money in our account to cover the check; we have overdrawn our account.

Banks usually have a service charge for maintaining our checking accounts, although some bank do not charge us if we keep a minimum balance in our account. So for example, if the minimum is 500 \$ and our balance never goes below 500 \$, we do not pay a service charge.

In addition to operating accounts, banks also loan money and charge interest on the loans. Although banks always try to keep a certain amount of money in reserve to cover withdrawals, they invest a large part of the money they are holding to earn more money. They also offer other services for a fee, such as storing valuables for people in safe deposit boxes inside the bank's vault and changing currencies.

In short, banks provide services and use our money to make money.¹

¹ Svetlana Pilucka, **Business Enaglish**, Daugavpils Pedagogiska University, 1998, P156. available at: . available at:<https://de.du.lv>

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Activity 01:

Answer the following questions.

1. In what way is a bank a commercial institution?
2. What does a bank trade in?
3. What are the functions of a bank?
4. What operations with money does a customer perform in a bank?
5. What does the word » balance« mean in the language of banks?
6. What operations does a bank perform with money?

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Means of payment

Payment systems are systems that facilitate businesses and consumers to transfer funds to one another. While cash is an important payment instrument that people use in their daily lives to purchase goods and services, other payment instruments are also available and widely used.

A payment system consists of a set of instruments, banking procedures and, typically, interbank funds transfer systems that ensure the circulation of money.¹

Types of Payment Systems and Instruments

1. Traditional Methods

Traditional payment methods include cash, checks, credit and debit cards.

- **Cash:** is the preferred method for small payments because it involves no credit and therefore no promises. With cash, you can usually purchase goods and services easily as it widely accepted. Carrying too much cash is risky as it can lead to theft and other problems. However, people still carry cash for its convenience and flexibility. From the payee's point of view, transactions are completed immediately and this cash can be re-used for other transactions.
- **Cheques:** a cheque is an order to transfer funds from the payer's bank to the account of the payee. Cheques are generally valid for six months after the date of issue. Despite the development of other payment instruments, cheques remain an important form of payment. A cheque is effectively a future promise to pay the amount stated on it and needs to be presented to a bank in order to obtain the payment. Cheque clearance usually takes 3 - 4 working days.
- **Debit Card:** is a payment card where the transaction amount is deducted directly from the card holder's bank account upon authorization.
- **Credit Card:** enables its holder to buy goods and services with a credit line given by credit card issuer. Funds are settled at a later date. Card holders are billed on a monthly basis and bear financial charges (interest) on outstanding amounts if payments are not made by the due date. Credit cards are issued through commercial banks and/or other issuers.²

¹Committee on payment and settlement systems, **A glossary of terms used in payments and settlement systems**, banks for international settlements, March, 2003, P38.

² <https://www.rbf.gov.fj>

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These methods have several shortcomings

- Checks and cash cannot be exchanged in real time
- Credit and debit card info exchanged over the phone or by email entails security risks
- Credit/debit cards do not support individual-to-individual payment transactions
- Some individuals do not have access to credit cards or checking accounts because of credit history
- The overhead of all but cash do not support low value transactions (micropayments).

2. Electronic Payments

E-commerce requires payment methods that are:

- Widely used by consumers and accepted by merchants and banks.
- Real time, i.e. transactions are completed when consumer hits the pay button
- Provide support for micropayments.¹

Electronic methods of payment have been defined as a method of transferring money according to electronic technology, thereby facilitating the exchange in a safe and fast manner at the lowest possible cost.

Types and tools of electronic payment methods

- **Bank cards:** Are small personal cards, It can be issued by a loan organization, a financial institution or an authorized service, which may place and issue the card, such as banks, the public treasury, and the postal service.²
- **Electronic check:** Is the electronic equivalent of the traditional paper checks that we used to deal with, and the electronic check is a documented and insured letter sent by the source of the check to the recipient of the check (holder), To be approved and submitted to the bank, which operates through the Internet to transfer the value of the financial check to the account holder check, The check will then be returned electronically to the check recipient (holder) to be proof that the check has been disbursed. The check recipient can electronically verify that the money has already been transferred to his account.³
- **Electronic money:** Electronic money is defined as a set of digital protocols and signatures that allow an electronic message to effectively replace traditional

¹ Michael, **Electronic Payment Systems**, PP2-5.available at: <http://WWW.sis.pitt.edu/-spring/>

² Belaa Djaouida, **The reality and challenges of modern payment methods in Algeria**, scientific review of economic future, Vol 10, N°1, December 2022, PP 410 - 411.

³ Salaheddine Cheriet, Hadjira Ghanem, **The role of electronic payment systems in the development of the Algeian banking system**, Roa iktissadia Review, Vol 08, N°02, University of Eloued, Algeria, 2018, P216.

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currency exchanges. It is an encoded string of digits, can be carried on a smart-card, or stored on a computer disk. ¹

Activity 01:

Answer the following questions.

1. What is payment system?
2. What are the different types of payment systems ?
3. What is meant by electronic payment systems ?
4. What are the advantages of traditional payment systems?

¹Belaa Djaouida, **The reality and challenges of modern payment methods in Algeria**, scientific review of economic future, Vol 10, N°1, December 2022, P 411.

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The stock exchange

Concept: Bourses and Exchanges

The idea and the origins of stock exchange law are a matter of definition: their understanding depends on the marketplaces that people consider to be ‘bourses’ or ‘exchanges’ (A.) and on the rules that they regard as ‘stock exchange law’ (B.).

A. ‘Bourses’ and ‘Exchanges’

The terminology of ‘bourses’ and ‘exchanges,’ respectively, may be explained in different ways: The *linguistic roots* of the word ‘bourse’ lead back to the first financial centers in medieval continental Europe. To understand the exchanges’ underlying idea, one has to focus on their *functions* in society. A *legal definition* should distinguish exchanges that require state supervision from unregulated venues, but legislators so far have failed to accomplish this task.

1. Linguistic Roots

Linguistically, there are two plausible explanations for the term *bourse* (French) or *Börse* (German), as exchanges are called in many languages: First, the expression could be a direct derivation from the Medieval Latin word *bursa*, a name for, among other things, purses or wallets (from Ancient Greek βύρσα: coat, skin). Second, the term could trace back to a merchant family of Bruges, whose name *van der Burse* in turn derives from the Latin word. Both explanations shed an interesting light on the exchanges’ very beginning, and do not exclude each another.

2. Functional Meaning

Exchanges are marketplaces where traders buy and sell negotiable items with a high degree of standardization. This definition highlights two features: the negotiability of the items that are traded (such as shares, bonds, derivatives or -most recently- emission permits) and the standardization of the trading process with ongoing price fixing (only certain items are admitted to trading, interested parties need permission to trade, and all contracts are concluded under the same provisions). Aside from offering standardized trading, exchanges also serve a number of other purposes: exchanges produce and disseminate market data, exchanges regulate the marketplace that they establish, exchanges set minimum standards for the companies whose shares or bonds are listed at the exchange, and—this is the most recent function— exchange operators have evolved from not-for-profit entities into listed companies that seek to make money.

From an overall economic point of view, exchanges promote one of the key features of large business enterprises: short-term investments in longterm projects. How does it work? Large business enterprises are typically capital-intensive long-term projects that

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only capital associations such as stock corporations can finance. One of the preconditions to accomplish this goal is that those institutions preclude their shareholders from withdrawing the capital that they have contributed. It is crucial, then, that capital associations instead allow their members to sell their share to third parties, because few investors would be willing to provide capital if they could never recall it. Exchanges support this transformative function by establishing a marketplace where providers of capital and those seeking it can come together at low transaction costs. The more liquid the market is, the more attractive capital commitments become for both sides: investors may sell their shares or bonds at any time and thereby recover the current value of their investment in the short term; as a result, listed companies can exclude the redemption temporarily (for bonds) or indefinitely (for equity) and gain planning dependability for the long term. ¹

1. Overview of the modern-day stock exchange

A stock exchange is an organised marketplace, licensed by a relevant regulatory body, where ownership stakes (shares) in companies are listed and traded. Listing happens in the so-called 'primary market', where a portion of a company's shares are made available to the public. The company often uses the listing to raise funds through issuing new equity shares (an initial public offering or IPO). Investors can then buy and sell these listed shares in the so-called 'secondary market'. While listing in the primary market may result in a flow of funds from investors to the firm, the trading between investors in the secondary market does not.

The activity in both the primary and secondary market occurs within a framework of laws, rules and regulations, aimed at ensuring the existence of fair, transparent and orderly markets. To achieve these objectives, these rules and regulations will typically provide for the protection of investor assets, the process for transferring ownership of shares, the requirements with which companies that are listed on markets must comply, and processes for ensuring settlement of disputes. Exchanges also ensure that trading occurs according to predefined, public rules and that information about the prices at which investors are willing to buy and sell, and the prices at which instruments have sold (pre- and post-trade transparency) are publicly available.

Exchanges are supervised by a securities market regulator. Different jurisdictions have different models of who is responsible for what element of market regulation. All markets with an exchange will stipulate:

¹ Andreas M, Fleckner, Klaus J. Hopt, **Stock Exchange Law: Concepts, History, Challenges**, Virginia law & business review, Volume 07, N° 03, Max planck Institute for comparative and international private law, 2013, PP 515-516.

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- The listings requirements (the requirements that companies wishing to list on the exchange must meet initially and on an ongoing basis, and the information they are required to disclose to the public);
- The membership requirements (the financial, educational, conduct and other requirements that the entities who trade on the exchange on behalf of investors must meet);
- The trading rules (the rules according to which, for example, buy-and-sell orders are matched, the price determination process, what happens in the event of errors, the moment at which a binding transaction is concluded); and
- The process for clearing and settlement of transactions (e.g. how the transfer of ownership of shares and cash is effected, over what time period, and how defaults are managed).

Regardless of the specific regulatory structure, all exchanges will have some responsibility for ensuring compliance with these aspects of market regulation and engaging in some level of market surveillance.¹

2. Fonctions of Stock Exchanges

- Facilitate liquidity and marketability of outstanding debt and equity instruments.
- Contribute to economic growth through allocation/mobilization of funds to the most efficient channel through disinvestments and reinvestment.
- To provide instant valuation of securities caused by changes in internal environment.
- Facilitate measurement of cost of capital and rate of returns of economic entities at micro level.
- To ensure a measure of safety and fair dealing to protect investors interest.
- To induce companies to improve performance since market price at stock exchanges reflects the performance. So, companies/ corporates strive to improve their performance.²

Activity 01:

Read and discuss the concept of the Stock Exchange, and its functions?

¹ United Nations, **The role of stock exchanges in fostering economic growth and sustainable development**, P6, available at: www.unctad.org.

² Centre for distance education, **Basic business finance : stock exchange**, Acharya Nagarjuna university, PP1-2, available at: <http://anucde.info>.

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International Stock Markets

Newspaper and media headlines are full of news about international stock markets. As they say: the world has become globalized where the news is spread between its parties easily and simply. The most important news to be published about these markets is the performance indexes which we will define its concept then review some of the international and regional indexes as the following:

1. Stock Market Index

A number that summarizes the price movement of all stocks listed in a market and usually represents the average of those prices. Stocks are not equal in their percentage representation of the index. Representing a company's stock depends on its weight in the market measured by the market value of the company divided by the market value of all listed companies in the market. Stock prices rise and fall due to supply and demand. When the demand for some corporate stock exceeds the supply, the price of this stock rises and subsequently the market index increases with the percentage represented by this stock in the index.

2. The Importance of the Index

The stock market index reflects the condition of the national economy in general and the economic performance of listed companies in the market in particular. If the demand for the companies' production increased due to the economic boost, then the sales and earnings of these companies are expected to increase as well as their dividends to shareholders, which in turn pushes the prices of their stocks up and the whole market index. In this case, the market index turns green. However, if the performance in the market declines, the indicator changes its color to red.

3. Some of the Global Indexes

Global financial markets have two types of indexes: General indexes that measure the market situation in general, and sector indexes that measure the market situation according to a particular sector such as banking, industrial, agricultural, communications and other sectors. In the following points we address the most important international and regional indexes.

3.1 U.S. Market Indexes:

- **DOW Jones:** is a major index that consists of four sub-indexes and the most famous of which is the Dow Jones Industrial Average. The value of the index is calculated based on the stocks of the thirty largest industrial companies in the United States of America.

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- **Standard and Poor's 500 (S&P 500):** It comprises the stocks of the leading five hundred companies in several areas, including: manufacturing, transportation, utilities, money, banking, insurance, technology and services. These companies represent approximately 80% of the market value of shares traded on the New York Stock Exchange.
- **NASDAQ:** is the largest among all U.S. indexes. It contains the stocks of 3,200 companies, mostly technological.

3.2 European Market Indexes :

United Kingdom :

- **Financial Times 100:** (FT-100) this index includes the 100 most important UK companies' stocks in the London market, representing 70% of the total capital of registered companies.

France

- **CAC 40:** this index includes the stocks of the forty most important French companies in Paris market.
- Germany
- **DAX:** this index contains the stocks of the 30 most significant companies, representing 70% of the market value of the companies registered in Frankfurt market.

3.3 Asian Market Indexes :

Japan

- **Nikkei Index:** contains the stocks of 225 companies, representing about 70% of the market value of the companies registered in the Tokyo Stock Exchange.
- **Other Asian Indexes:**
 - South Korea: KCS Index
 - Hong Kong: HANG SENG Index
 - Malaysia: KLSE Index
 - China: Shanghai Index

3.4 Asian Market Indexes :

Arab stock market are emerging markets due to the greater potential of economic growth in Arab countries. The Saudi stock exchange is considered the most significant market in all Arab countries. It represents about one third of the capital value of all Arab markets combined. In addition to Saudi Arabia, there is a number of other important Arab financial markets such as:

- The United Arab Emirates: (Dubai and Abu Dhabi markets)

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- Oman: MSM
- Egypt: CMA
- Morocco: MASI
- Kuwait : KSE
- Bahrain: BSE
- Qatar: CBQ.¹

Activity 01:

Read and discuss the subject of global stock market indexes.

¹ Capital Market Authority, **Financial Investments and stock markets**, Kingdom of Saudi Arabia, PP9-11. available at: www.cma.org.sa

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Takeovers, mergers and buyouts

Successful companies have to find ways of using their profits. Sometimes they develop new products or services, perhaps to diversify and enter new markets, but sometimes it is easier to take over other companies with existing products and customers. Acquiring a competitor in the same field of activity (horizontal integration) gives a company a larger market share and reduces competition. If a company is too big to buy. It may be possible to merger with it: to combine the two companies to form a single new one. Companies can also acquire businesses involved in other parts of their supply chain (vertical integration), generally to achieve cost savings. Backward integration involves acquiring suppliers of raw materials or components; forward integration is buying distributors or retail outlets.

One way to acquire part-ownership of a company is a raid, which simply involves buying as many of a company's stocks as possible on the stock market. Because this increases demand, the stock price will immediately rise. A raid is unlikely to result in the acquisition of a controlling interest. More often, a company will launch a takeover bid: a public offer to a company's stockholders to buy their stocks at a certain price (above the current market price) during a limited period of time. If all the stockholders accept the bid, the buyer has to purchase 100 % of the company's stocks, even though they only need 50 % plus one (or in practice, perhaps much less) to gain control of a company. If the board of directors of a company that is subject to a bid agrees to a takeover, it is a friendly bid (and if the stockholders sell, it becomes a friendly takeover); if the company does not want to be taken over, it is hostile bid (or hostile takeover).

Companies are frequently encouraged to take over other companies by investment banks, which generally have large mergers and acquisitions departments with lots of researchers analysing the value of listed companies. Banks also advise companies involved in mergers and takeovers, earning high fees in the process.

Takeovers can lead to the information of large conglomerates, which in turn can lead to a contrary phenomenon: leveraged buyouts or LBOs. Buyouts occur when financiers (corporate raiders or private equity funds) consider that a conglomerate resulting from a series of takeovers has not achieved synergy but instead has become inefficient, and so is undervalued on the stock market. In other words, the conglomerate's market capitalization is lower than the value of its total assets, including land , buildings, pension funds, etc. Raiders can borrow money, usually by issuing bonds (leveraged means largely financed by borrowed capital), and buy the company's. They then either sell off the subsidiaries, or close them and sell the assets, which is known as asset-stripping. The raiders then pay back the bonds while making a large profit. Until the law was changed, raiders were also able to buy companies and take possession of their pension funds.

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Activity 01:

Find the words in the text that mean the following:

1. To become more varied or different (e.g. by selling different products).
2. Places where goods are sold (shops, stores, kiosks, markets, etc).
3. A sufficient number of stocks in a company to be able to decide what to do (at Annual General Meeting).
4. Public companies whose stocks are traded on a stock exchange.
5. Amounts of money paid for services.
6. Companies that own or control several smaller businesses selling very different products or services.
7. The combined power or value of a group of things working together which is greater than the total power or value achieved when each is working separately.
8. The total value of a company on the stock exchange (the price of all its stocks).
9. Companies that are owned by a larger parent company.
10. A sum of money reserved to pay a company's retired employees.

Activity 02:

Explain the following in your own words:

1. The difference between horizontal and vertical integration.
2. The difference between backward and forward integration.
3. The difference between a raid and a takeover bid
4. The difference between a friendly and hostile bid.
5. Asset-stripping.¹

¹ Ian Mackenzie, **English for business studies**, a course for business studies and economics students, third edition, Cambridge university press, 2010, PP105-106

Concepts: Merges and takeovers

1. What is Merger?

Strategic tools in the hands of management to achieve greater efficiency by exploiting synergies.

Arrangement where by two or more existing companies combine in to one company.

Shareholders of the transferor company receive shares in the merged company in exchange for the shares held by them in the transferor company as per the agreed exchange ratio.

2. Different Types of Mergers:

A horizontal merger: This kind of merger exists between two companies who compete in the same industry segment.

A vertical merger: Vertical merger is a kind in which two or more companies in the same industry but in different fields combine together in business.

Co-generic mergers: Co-generic merger is a kind in which two or more companies in association are some way or the other related to the production processes, business markets, or basic required technologies.

Conglomerate Mergers: Conglomerate merger is a kind of venture in which two or more companies belonging to different industrial sectors combine their operations.

3. Advantages of Merger:

- Does not require cash
- Accomplished tax-free for both parties.
- Lets the target realize the appreciation potential of the merged entity, instead of being limited to sales proceeds.
- Allows shareholders of smaller entities to own a smaller piece of a larger pie, increasing their overall net worth.
- Merger of a privately held company into a publicly held company allows the target company shareholders to receive a public company's stock.
- Allows the acquirer to avoid many of the costly and time- consuming aspects of asset purchases, such as the assignment of leases and bulk-sales notification

4. What is Acquisition?

Acquisition essentially means 'to acquire' or 'to takeover'. Here a bigger company will take over the shares and assets of the smaller company.

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5. Different Types of acquisitions

Friendly acquisition: Both the companies approve of the acquisition under friendly terms.

Reverse acquisition: A private company takes over a public company.

Back flip acquisition: A very rare case of acquisition in which, the purchasing company becomes a subsidiary of the purchased company.

Hostile acquisition: Here, as the name suggests, the entire process is done by force.

6. Reason for Acquisition

- **Industry Consolidation:** tactical move that enables a company to reposition itself (with a merger partner) into a stronger operational and competitive industry position.
- **Improve Competitive Position:** reduces competition, and allows the combined firm to use its resources more effectively.
- **Defensive Move:** attractive tactical move in any economic environment - particularly in a cyclical down-turn where a merger can be a strong defensive move.
- **Synergies:** allowing two companies to work more efficiently together than either would separately.
- **Market / Business / Product Line Issues:** whether the market is a new product, a business line, or a geographical region, market entry or expansion is a powerful reason for a merger.
- **Acquire Resources and Skills:** to obtain access to the resources of another company or to combine the resources of the two companies. ¹

¹ Mergers and acquisitions, Available at:<https://iica.nic.in>.

Business English 1.2

INTERNATIONAL TRADE. MULTINATIONAL CORPORATIONS

International Trade and Its Benefits

The sale of goods and services is not restricted to local, regional, or national markets; it often takes place on an international basis. Nations import goods that they lack or cannot produce as efficiently as other nations, and they export goods that they can produce more efficiently.

This exchange of goods and services in the world, or global market is known as international trade. There are three main benefits to be gained from this type of exchange.

First, international trade makes scarce goods available to nations that need or desire them. When a nation lacks the resources needed to produce goods domestically, it may import them from another country. For example, Saudi Arabia imports automobiles; the United States, bananas; and Japan, oil.

Second, international trade allows a nation to specialize in production of those goods for which it is particularly suited. This often results in increased output, decreased costs, and a higher national standard of living.

Natural, human, and technical resources help determine which products a nation will specialize in. Saudi Arabia is able to specialize in petroleum because it has the necessary natural resource; Japan is able to specialize in production of televisions because it has the human resources required to assemble the numerous components by hand; and the United States is able to specialize in the computer industry because it has the technical expertise necessary for design and production.

There are two economic principles that help explain how and when specialization is advantageous. According to the theory of absolute advantage, a nation ought to specialize in the goods that it can produce more cheaply than its competitors or in the goods that no other nation is able to produce. According to the theory of comparative advantage, a nation ought to concentrate on the products that it can produce most efficiently and profitably. For example, a nation might produce both grain and wine cheaply, but it specializes in the one which will be more profitable.

The third benefit of international trade is its political effects. Nations that trade together develop common interests which may help them overcome political differences. Economic cooperation has been the foundation for many political alliances, such as the European Economic Community (Common Market) founded in 1957.

International trade has done much to improve global conditions. It enables countries to import goods they lack or cannot produce domestically. It allows countries to

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specialize in certain goods with increased production and decreased prices. Finally, it opens the channels of communication between nations.

Multinational Corporations

A company often becomes involved in international trade by exchanging goods or services with another country – importing raw materials it may need for production or exporting finished products to a foreign market. Establishing these trade relationships is the first step in the development of a multinational business. At this stage, however, the corporation's emphasis is still on the domestic market. As trade expands, the corporation's dealings with companies or people outside the "home country" of that corporation increase.

The corporation then begins to view the whole world as a base for production and marketing operations. The next step in the development of a multinational business is focusing on the world market. The company may establish a foreign assembly plant, engage in contract manufacturing, or build a foreign manufacturing company or subsidiary. Therefore, a multinational corporation is a company that is primarily based in one country and has production and marketing activities in foreign countries.

Since World War II, multinational corporations have grown rapidly. The names and products of many of the multinationals have become well-known in the world marketplace: International Business Machines (IBM), Royal Dutch Shell, Panasonic, Pepsi, and Volkswagen. Pepsi, for example, now has operations in more than one hundred countries.

A multinational corporation operates in a complex business environment. Cultural, social, economic, political and technological systems vary from country to country. In order to operate successfully, a multinational company needs a basic understanding and appreciation of the foreign business environment.

Activity 01:

Answer the following questions on international trade.

1. What are the various markets in which the sale of goods and services takes place?
2. What is international trade?
3. What is the first benefit of international trade?
4. What resources help determine which products a nation will specialize in?
5. According to the theory of comparative advantage, what should a nation do?
6. What is the third benefit of international trade?

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Activity 02:

Answer the following questions on multinationals.

1. What is the first in the development of multinational business?
2. What is the company's emphasis laid on when it is simply trading with other countries?
3. What market does a multinational corporation focus on?
4. A company may establish its manufacturing operations in foreign countries. What are the three forms that these operations may assume?
5. What is a multinational corporation?
6. What are the products that are produced by the following multinational corporations: IBM, Pepsi, Panasonic, Shell, and Volkswagen?.¹

¹ Svetlana Pilucka, **Business English**, Daugavpils Pedagogiska University, 1998, P 159-160. available at: . available at:<https://de.du.lv>

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Globalization

Globalization is an ongoing process driven by a combination of political, economic, technological, and sociocultural forces. The process of globalization since World War II has been driven by the planning of politicians to break down borders hampering trade so as to increase prosperity and interdependence and to decrease the chance of future war. The process of globalization has been further accelerated by the global expansion of multinational corporations and the worldwide exchange of new developments in science, technology and in product manufacturing and design. Hence, the term “globalization” is often used to refer to economic globalization, that is, the integration of national economies into the international economy through trade, direct foreign investment, capital flows, migration, and the spread of technology. However, sometimes the term “globalization” is also used to refer to cultural globalization because many people believe that globalization is driven by the worldwide export of western culture through the new mass media: film, radio, television and recorded music. The development of international transport and telecommunication is another driving force which speeds up the process of globalization.

Globalization has various aspects which affect the world in several different ways. These aspects include:

- **Industrial globalization** : development of worldwide production markets and broader access to a range of foreign products for consumers and companies involving particularly movement of material and goods between and within national boundaries.
- **Financial globalization** : development of worldwide financial markets and better access to external financing for borrowers.
- **Economic globalization** : establishment of a global common market, based on the freedom of exchange of goods and capital.
- **Political globalization** : creation of international organizations to regulate the relationships among governments and to guarantee the rights arising from social and economic globalization.
- **Informational globalization** : increase in information flows between geographically remote locations. (This can also be seen as a technological change related to the advent of fibre optic communications, satellites, and increased availability of telephone and Internet.).
- **Cultural globalization** : sharing of ideas, attitudes and values across national borders. This sharing generally leads to an interconnectedness and interaction between peoples of diverse cultures and ways of life. Mass media and communication technologies are the primary instruments for cultural globalization.

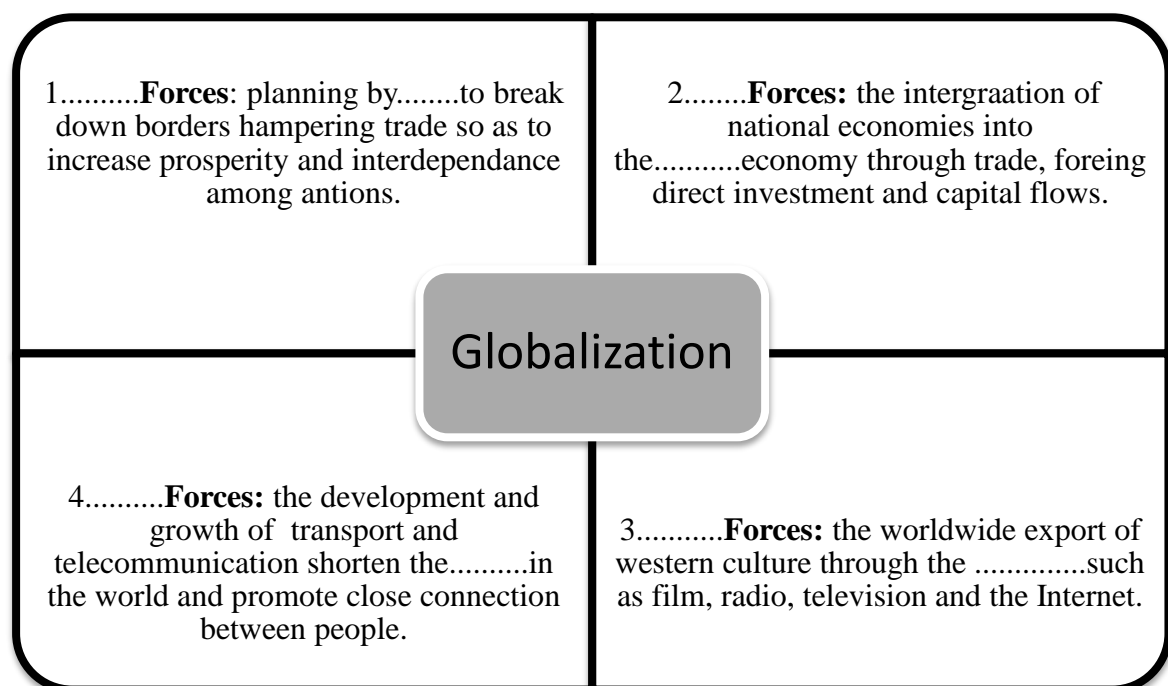
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Activity 01:

1. Read and discuss the text
2. What are the driving forces behind the process of globalization?

mass media international economic technological sociocultural political politicians distances
--

The driving forces behind the process of globalization :¹



¹ **Introduction to globalization**, PP 4-5. available at: [available at: https://www.edu.gov.hk](https://www.edu.gov.hk).

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Glocalization

Thinking globally, acting locally

A/ Glocalization (local +globalization) is a new word. It describes the strategy of being global and being responsive to local conditions at the same time. It occurs, for example, when global corporations customize their global products to suit the local culture. While globalization has been criticized for causing problems, glocalization seeks to improve relations between the big International companies and their local customers.

B/ The American fast-food chain McDonald's is often the target of the anti-globalization movement. However, it is trying to be more sensitive to local needs. The French attacked McDonald's for its Americanization of French culture. So McDonald's got rid of its American mascot Ronald McDonald, and adopted Asterix, a French cartoon hero, as its local company mascot. It also serves French-style coffee in its restaurants. To avoid offence in Hindu or Muslim countries, McDonald's does not serve beef or pork – the Big Mac has become the vegetarian Maharaja Mac.

C/ Coca-Cola also creates products suited to local markets by producing local versions of the drink. Even Yahoo, the Web portal, uses local teams of people to analyse the content in each of its international sites.

D/ If a company wishes to be internationally successful it has to market its products in different ways for each country. Revlon, the cosmetics company, used Cindy Crawford to advertise its products in Asia, while L'Oreal used a local Chinese star-Revlon lost sales to its rival. The modern globalized world is often de-personalized, and a business that can communicate better will increase its market share.

E/ Large charities, such as Oxfam, also create local solutions for individual countries Instead of simply handing out money. So glocalization is not just about big business-it is a concept that can help the fight against poverty and inequality around the world.

Activity 01: discuss the question.

- How do celebrities or cartoon characters help to sell a product in your country?

Activity 02: read the article and answer the questions.

1. What did McDonald's do in France to improve its image?
2. How do McDonald's products in Hindu and Muslim countries differ from their global products?
3. What does Coca-Cola do to its product at a local level?
4. What does Yahoo do locally?
5. Why did Revlon lose sales to L'Oreal in Asia?
6. What positive results can come from glocalization?

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Activity 03: complete the paragraph with the following words.

Communication – improve – create – advantages – increase – sensitive – market

The article speaks about some**1** of glocalization. It suggest various ways in which international companies can**2** relations with their local markets. Firstly they need to be**3** to local needs. Then they need to**4** products suited to local markets. Finally they must**5** their products appropriately. In these ways they can improve**6** with their markets and**7**market share.¹

¹ Martyn Hobbs, Julia Star Keddle, **Commerce1**, Oxford universiry press, P38, available at: <https://englishonlineclub.com>.

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MARKETS

What is a Market?

To develop the mechanics of supply and demand, we must narrow our vision to study of how a single market works. In each market, buyers and sellers are guided by the price system in their buying and selling decisions.

Types of Markets

A retail store, a gas station, a farmers' market, real estate firms, the New York Stock Exchange (where stocks are bought and sold), Chicago commodity markets (where livestock, grains, and metals are traded), auctions of works of art, gold markets in London, Frankfurt, and Zurich, labor exchanges, university placement offices, and hundreds of other specialized arrangements are all markets. Markets are arrangements for bringing together buyers and sellers of a particular good or service. The New York Stock Exchange brings together by means of modern telecommunications the buyers and sellers of corporate stock. Sothebys auction in London brings together the sellers and buyers of rare works of art. The Rotterdam oil market brings together buyers and sellers of crude oil not under long-term contracts. The university placement office brings university graduates together with potential employers. The gas station brings together the buyers and sellers of gasoline. In some markets, the buyers and sellers confront each other face-to-face (roadside farm markets). In other markets, the buyer never sees the seller (the Chicago commodity).

Determinants of the Form of the Market

The actual form a particular market takes depends on the type of good or service being sold and the costs of transporting the good from the point of production to the point of sale. Some markets are local (bringing together the buyers and sellers in all parts of the nation), others are international (bringing together the buyers and sellers in all parts of the world). Real estate is traded in local markets; houses and buildings cannot be shipped from one place to another (except at great expense). College textbooks are usually exchanged in a national market. The New York Stock Exchange, the various gold exchange, and the Chicago commodity exchange are markets in which buyers and sellers from around the world participate.

The study of marketing arrangement is a subject area in which economics and business administration overlap. Both disciplines presume the markets develop in an orderly fashion and teach that the market form that eventually evolves may be the one that keeps the cost of delivery (or marketing cost) to a minimum.

Business English 1.2

Perfect Markets

The real world consists of an almost infinite variety of markets. We are going to focus our attention on a very special type of market, called a perfect (or perfectly competitive) market.

The principle characteristic of a perfectly competitive market is that buyers and sellers face so much competition that no person or group has any control over the price.

The markets where most people buy and sell goods are not perfect. Buyers and sellers may not be perfectly informed about prices and qualities. Two homemakers pay different prices in adjacent grocery stores for the same national brand of cookies. Houses that are virtually identical sell at different prices. Italy and West Germany pay different prices for the same grade of imported crude oil. Two secretaries with the same qualifications, responsibilities, and disposition in the same company earn different wages. AT&T, General Motors, and Saudi Arabia exercise some control over the prices they charge. Large buyers exercise some control over the prices they charge. Large buyers exercise some control over the prices they pay.

Many products, however, are exchanged in perfect markets. Stocks and bonds and commodities such as wheat, silver copper, gold, foreign currencies, oats, pork bellies, soybeans, lumber, cotton, orange juice, cattle, cocoa, and platinum are bought and sold in perfect markets. Private investors, mutual funds, commercial banks, industrial buyers of commodities, and agricultural brokers participate in these markets. Although markets like the local grocery store, the dry cleaner, the gas station, the college placement office, or the roadside stand are not perfect, many of them function in a way that approximates perfect markets. In this respect, the behavior of perfect markets serves as a useful guide to the way many real-world markets function, the perfect market is a valuable starting point for examining economic behavior.

Activity 01: answer the following questions.

1. What does the concept of “market” mean?
2. What are different forms of the market?
3. Do buyers and sellers always meet each other in markets?
4. What the terms “a local market”, “a national market”, “an international market” mean?
5. What are the principal characteristics of a perfect market?
6. What products are exchanged in perfect markets?
7. Who are the participants of a perfect market?¹

¹ Svetlana Pilucka, **Business English**, Daugavpils Pedagogiska University, 1998, P147-148. available at: . available at:<https://de.du.lv>.

Business English 1.2

Activity 02:

Find equivalents.

- | | |
|--------------|---|
| 1. Price | a. a place where people buy and sell goods |
| 2. Trade | b. an article of trade |
| 3. Market | c. to put (money) to a particular use |
| 4. Invest | d. a person who buys |
| 5. Buyer | e. an amount of money for which a thing is sold |
| 6. Commodity | f. to buy and sell goods |

Business English 1.2

MARKETING

Buying, selling, market research, transportation, storage, advertising – these are all parts of the complex area of business known as marketing. In simple terms marketing means the movement of goods and services from manufacturer to customer in order to satisfy the customer and to achieve the company's objectives.¹

Activity 01:

“Good companies will meet needs; great companies will create markets.”

Philip Kotler, American marketing author and consultant

Answer the following questions:

1. What images spring to your mind when you hear the word 'marketing'? Make a mind map.



2. What is marketing?
3. What's the best marketing campaign you know of?
4. How would you start marketing a product or idea you had?
5. How has the Internet changed marketing?²

¹ Svetlana Pilucka, **Business English**, Daugavpils Pedagogiska University, 1998, P150. available at: . available at:<https://de.du.lv>

² Business English : supplementary exercises (Pre-intermediate), 2018, P96.

Business English 1.2

Marketing mix

Individuals who are planning to launch a business no matter how big or small should learn about marketing. Marketing is crucial to the success of a business, with its main focus on customer satisfaction, quality, and consumer value.

Marketing Mix is one of the most commonly used strategies. It is also called the 4Ps: **price, place, product** and **promotion**.

The marketing mix is the set of controllable tactical marketing tools - product, price, place, and promotion - that the firm blends to produce the response it wants in the target market.



The concept is simple. Think about another common mix - a cake mix. All cakes contain eggs, milk, flour, and sugar. However, you can alter the final cake by altering the amounts of mix elements contained in it. So for a sweet cake add more sugar!

It is the same with the marketing mix. The offer you make to your customer can be altered by varying the mix elements. So for a high profile brand, increase the focus on promotion and desensitize the weight given to price. Let's look at the elements of the marketing mix in more detail.

1. **Product:** a product is a good or service that a business owner provides for sale to his target market. When it comes to developing a product, the design, quality, packaging, features, after-sales service, and customer service should be

Business English 1.2

considered. If you want to start a business, you need to know what you are going to sell. You may think that you can just sell any product that you think appeals to your target audience. However, you need to research and study the market before you can actually figure out what to sell to meet the demands and needs of your customers. Keep in mind that warranty, service, and support are very important.

2. **Place:** place includes company activities that make the product available to target consumers. Place is also known as channel, distribution, or intermediary. It is the mechanism through which goods and/or services are moved from the manufacturer/ service provider to the user or consumer. The place may include the location of your business, distributors, shop front, possible use of the Internet, and logistics.
3. **Price:** the price is the amount of money that customers have to pay to purchase products or avail of services. There are several factors that you have to consider when it comes to price. These include discounting, price setting, credit collection, and cash and credit purchases. The company's goal in terms of price is to reduce costs through improving manufacturing and efficiency, and the marketer needs to increase the perceived value of the benefits of its products and services to the buyer or consumer.
4. **Promotion:** promotion includes all of the activities marketers undertake to inform consumers about their products and to encourage potential customers to buy these products. It involves the use of different methods, such as direct marketing, sales promotion, advertising, and personal selling to persuade customers to your business. You should motivate your target market. Put yourself in their shoes so you can find out how they view your business. Keep in mind that advertising, publicity, and public relations will keep your service or product out front and ahead of your competition.

These 4 Ps of Marketing are very helpful when it comes to starting a business. You need to have the necessary knowledge and skills in order to be successful in a certain venture. By learning about the 4 Ps of Marketing, you can avoid typical marketing pitfalls and have a successful business.¹²

Activity 01:

Read the text and retell it

¹ Business English : **supplementary exercises (Pre-intermediate)**, 2018, PP 109-110.

Business English 1.2

Marketing Strategies

Marketing Mix and Target Market

The marketing strategies of determining product, price, placement, and promotion are not planned in isolation. Marketing analysts often look at a combination of these four factors. This combination of the four P's is known as the marketing mix. The elements of the marketing mix focus on the consumer. In order to develop a successful marketing mix, researchers first ask two important questions: **Who is going to buy the product? What is the potential to sell this product?**

The group of customers or consumers who will probably buy the product is known as the target market. The company directs its marketing efforts toward this group of potential customers who form the target market. Once market researchers have determined the target market they wish to appeal to, the company can develop an appropriate mix of product, price, placement, and promotion. The company attempts to match consumer needs or mold consumer desires to the product being offered. For example, if the target market is “middle-class teenagers”, the marketing mix might consist of the following:

Product: blue jeans

Price: with the market

Placement: department store

Promotion: advertisements on a “pop music” radio station

A successful marketing mix depends on the knowledge about consumers and their buying habits gained through market research as well as correct identification of the target market. Strategies of product, price, placement, and promotion are blended in order to reach a chosen group of consumers.

Activity 01:

Answer the following questions.

1. Which type of promotion appeals to you most: radio, television, magazine, or newspaper advertising?
2. How are the buying habits of consumers influenced by promotion?¹

¹ Svetlana Pilucka, **Business English**, Daugavpils Pedagogiska University, 1998, P151. available at : . available at:<https://de.du.lv>.

Business English 1.2

Advertising

1. MEANING OF ADVERTISING:

For the common men advertising means television commercials, radio jingles and print advertisements. **Advertising can be defined as a paid dissemination of information through a variety of mass communication media to motivate a desired action.** According the 'concise oxford dictionary' the verb, 'to advertise' means: to make generally or publicly known.¹

One of the earliest definitions of advertising was: '**The dissemination of information concerning an idea, service or product to compel action in accordance with the interest of the advertiser**'.

Advertisement: Any paid form of non- personal presentation and promotion of ideas, goods or services through mass media such as newspapers, magazines, television or radio by an identified sponsor.

Meaning:

Advertising is the action of calling public attention to an idea, good, or service through paid announcements by an identified sponsor.²

Today advertising is a part of our everyday life. It is all around us. We cannot escape looking at it or listening to it. Even if we are not consciously looking at it or listening to it, the message of advertising reaches and influences us. It is often recorded somewhere at the back of our minds and is recalled when we are buying something or looking for a particular service.³

2. OBJECTIVE OF ADVERTISEMENT

- **To increase support:** advertising increases the morale of the sales force and of distributors, wholesalers and retailers.
- **To stimulate** sales amongst present, former and future customers. It involves decision regarding the media.
- **To retain loyalty:** to retain loyalty of present and former consumers.
- **To protect an image:** advertising is used to promote an overall image of respect and trust for an organization.

¹ Bihudatta Mohapatra, **Advertising**, diploma in journalism & mass communication, Odisha State Open University Sambalpur, P8.

² Bharathidasan University, **advertisement- an introduction**, P2.available at : <https://oms.bdu.ac.in>

³ Study materials for students, **Introduction to advertising**, P6. Available at: <https://www.hse.ru>

Business English 1.2

- **To communicate with consumers:** this involves regarding copy.

3. What is included in advertising?

- The information in an advertisement should benefit the buyers. It should give them more satisfactory expenditure of their rupees.
- It should suggest better solutions to their problems.
- The content of the advertisement is within the control of the advertiser, not the medium.
- Advertising without persuasion is ineffective. Advertisement that fails to influence anyone, either immediately or in the future is a waste of money.
- The function of advertising is to increase the profitable sales volume. That is, advertising expenses should not increase disproportionately.

4. Advertising generally includes the following forms of medium:

The messages carried in-

- Newspapers and magazines;
- Radio and television broadcasts;
- Circular of all kinds, (whether distributed by mail, by person, thorough tradesmen, or by inserts in packages);
- Dealer help materials,
- Window display and counter – display materials and efforts;
- Store signs, motion pictures used for advertising,
- Novelties bearing advertising messages and Signature of the advertiser,
- Label stags and other literature accompanying the merchandise. ¹

5. Advertising vs. Marketing

At first glance, marketing and advertising seem to be different terms to describe the same thing -- getting a product or service sold. In fact, although they both contribute to the same end objective, they are distinct from each other and each has its own process. Understanding the difference between marketing and advertising will help you streamline your customer.

¹Bharathidasan University, **advertisement- an introduction**, PP3-5.available at : <https://oms.bdu.ac.in>.

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Marketing refers to the process of preparing your product for the marketplace. It involves understanding who your potential customers are and what they want to get from your product or service. Colors, logo and acquisition strategy.

Other design elements help to align the image of your product with the interests of your target audience. It is marketing that defines your brand and attracts the market share you want. Marketing is all aspects of products or services, such as advertising, customer service, sales and so on. On the other hand, Advertising falls under the promotions category of marketing. It deals with the production of advertising materials such as banners, billboards, magazine ads and social media campaigns. Ads are created to develop brand awareness, sell a product, gain customer loyalty and more. Advertising is part of a marketing plan, not the other way around.

The best way to distinguish between advertising and marketing is to think of marketing as a pie, inside that pie you have slices of advertising, market research, media planning, public relations, product pricing, distribution, customer support, sales strategy, and community involvement.¹

Activity 01:

Answer the following questions.

1. Define Advertising and explain its nature and features?
2. Who are the active participants in advertising?
3. What is the role of advertising in marketing mix?
4. Explain the main objectives of advertising?

¹ Bihudatta Mohapatra, **Advertising**, diploma in journalism & mass communication, Odisha State Open University Sambalpur, P15.

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The Persuaders

We all know that buying a product won't really get us that great job or give us a perfect life. But we are still influenced by advertising. Advertisers use a variety of techniques to persuade us to buy things.

A/ One simple way to advertise is repetition. The name of the product or a slogan is repeated so we end up remembering it. The aim is to get the message into our brains-many radio adverts use this technique.

B/ Adverts use both short phrases and long explanations. In both cases language is extremely important. Hype -or exaggeration- is very common. Vague terms are used, such as “the greatest” or “the most advanced” ,in order to impress us and stop us asking too many questions

C/ Advertisers play on the universal feelings of fear and anxiety to manipulate our feelings. They suggest may not make friends, do enough for our families, or be attractive enough unless we use their products. Think of how many mobile phone adverts link their use to having more friends or a better social life.

D/ scientific “endorsement” is common, particularly for cosmetics, medicine, or toothpaste. A scientist tells us about the product and uses difficult words to impress us. A related strategy is the use of glamorous celebrities - we feel reassured or aspire to be like them.

E/ Think o of summer and you probably think of ice cream and the beach-we often associate ideas together in our minds. Advertisers also want to create associations. For example, technology is often presented in a modern minimalist living space to suggest a rich lifestyle. And although today's driving means traffic jams and parking problems, car adverts link their car to the concept of freedom on deserted roads!

Reading: read the article and match the headings to the paragraphs.

Scientific authority.....

Negative feelings.....

Association of ideas.....

Repetition.....

Hype.....

Business English 1.2

Who's who in advertising?

Account managers

They oversee the advertising process, and liaise between the client and the agency. They keep the project on budget, brief their team, and present the results to the client. Account managers need strong Interpersonal, negotiation, and communication skills.

Creatives

All advertising campaigns start from an idea developed by the “creative”. Art directors come up with the ideas and “look”, copywriters write and edit the words, and graphic designers create the final visual result. Copywriters need good language skills, while designers have strong visual skills.

Media department

They create a media plan for the client, and buy advertising space in magazines, newspapers, the Internet, or on radio and TV. They choose the right medium for the product, and negotiate on behalf of the client. Media people are analytical, logical, and have a strong commercial awareness.

Print production and television /radio production

The print production manager supervises the production of printed materials, the TV producer films commercials and the radio producer records commercials. They ensure that the product is on time, on budget, and that it delivers the original concept.

Activity 01: Look at the article. Discuss with a partner what is happening in the picture, and what you think the article is about?

Activity 02: Read Who's who in advertising and decide if the sentences are true (T) or false (F).

1. Account managers are only responsible for the budget.....
2. Art directors are responsible for creating the basic idea for the advert.....
3. Copywriters work on the visual side of the advertising campaign.....
4. People in the Media department have to negotiate to buy advertising space.....
5. The print production manager is the person who records commercials.....
6. Art directors are responsible for filming TV commercials.....¹

¹ Martyn Hobbs, Julia Star Kedde, **Commerce1**, Oxford university press, PP48-49, available at: <https://englishonlineclub.com>.

Business English 1.2

Project

Work in groups. Imagine you are a creative team working in an advertising agency. The government is worried that not enough young people want to work in sport. It has asked you to create an advert to promote careers in sport.

Business English 1.2

E-commerce

You probably use the Internet to send emails, download music and films, or look for information. But did you know that the Internet is transforming the business world?

Electronic commerce (e-commerce) is the buying and selling of products and services on the Internet instead of using shops, phones, faxes, and letters. It creates opportunities for companies to sell more and to improve customer service it also gives customers greater choice

There are three main types of e-commerce. The first is **Business to Consumer (B2C)** the consumer buys goods or services from a company on the Internet. Many consumers now buy books music, or tickets on the Internet. The second type of e commerce is **Consumer to Consumer (C2C)** - people sell and buy directly on sites such as eBay. The third type is **Business to Business (B2B)** commerce between companies. They use the internet to order goods get services, and manage their business it is fast and efficient

In the past, the car manufacturers Ford ordered Thousands of parts from hundreds of different companies. They told the suppliers which parts they wanted and the supplier sent proposal to supply them. It was a long and expensive process. These days, Ford uses special B2B electronic exchanges to order their parts and then the suppliers put in electronic bids for the job. This process is much quicker and cuts costs. Companies don't need large Purchasing departments and suppliers have to cut their prices to be competitive.

So which parts of the world are most “e-active”? Europe is number one, the US comes second, while Hong Kong is the biggest in Asia-Pacific, particularly in e-business services in fact, in 2006, Europe's three major markets - the UK, Germany, and France - carried out around 25% of their sales online. This figure is increasing from year to year.

Activity 01:

Read the introduction to the article. Then with your partner, discuss how we use the Internet in business.

EXAMPLES: emails, booking flights, advertising

Business English 1.2

Activity 02: read the article and match the definitions to the terms.

1	Order	a	buying
2	Supplier	b	a price that a company offers to do work or supply parts for if it wins the order
3	Bid	c	to request goods from a company
4	Costs	d	a person or organization that provides goods or services
5	purchasing	e	the amount of money spent on running a business

Activity 03: read the article again and decide if the sentences are true (T) or false (F).

1. Electronic commerce uses phones and faxes to do business.....
2. B2C is when a consumer and a company do business together.....
3. B2B is when private individuals sell or buy things on the Internet.....
4. Ford used B2B in the past but didn't get good results.....
5. When a company uses B2B they save money and time.....
6. A quarter of all European business is done online.....

Activity 04: complete the sentences with the words from 1

1. David, the budget is only €12,000 for this project. Please be careful with the.....
2. I'd like to..... fifteen office desks and chairs from the New Dawn range.
3. AGD Construction put in a..... of €120 million to build the stadium.
4. We have found an excellent..... in Spain for our engine parts.
5. Beamish Electronics have appointed a new buyer to their..... department.

Activity 05: discuss the advantages and disadvantages of e-commerce.

EXAMPLES

Advantages: you access thousands of buyers.

Disadvantages: it needs a big IT department.¹

¹ Martyn Hobbs, Julia Star Keddle, **Commerce1**, Oxford university press, P12, available at: <https://englishonlineclub.com>.

Business English 1.2

Information Technology

Information Technology is a terminology which is known to all educated people of the World at present times. Information technology (IT), as defined by the Information Technology Association of America (ITAA), is “the study, design, development, implementation, support or management of computer-based information systems, particularly software applications and computer hardware.” IT deals with the use of electronic computers and computer software to convert, store, protect, process, transmit, and securely retrieve information. When computer and communications technologies are combined, the result is information technology, or “InfoTech.” Information technology is a general term that describes any technology that helps to produce, manipulate, store, communicate, and disseminate information. Presumably, when speaking of Information Technology (IT) as a whole, it is noted that the use of computers and information are associated. Globalization has brought in many changes in the business scenario with the whole world inching towards one big market place. Communication between the buyers and sellers has become critical.

Today, technology is becoming very important in our daily lives. It affects individuals, communities, businesses and the nation highly technological impact in the business world. It has helped in terms of management, manufacturing, marketing of communication products and modular type more easily.

Information technology or IT refers to an entire industry. Information technology is the use of computers and software to manage information. It refers to anything related to computing technology, such as networking, hardware, software, the Internet, or the people that involve these technologies. Nowadays many companies have IT departments for managing the computers, networks, and other technical parts of their businesses, such as storing information, protecting information, processing the information, transmitting the information as necessary, and later retrieving information as necessary. This is referred to as Management Information Services (or MIS) or Information Services (or IS).

Information technology has become very important in the business world. No matter small or big business, IT has helped the organization, manager, and workers in more efficient management, to inquire about a particular problem, conceive its complexity, and generate new products and services; thereby, improving their productivity and output.

Since the computerized system so widely used, it is advantageous to incorporate information technology into the organization. Information technology provides tremendous benefits to the business world such as allowing the organization to work more efficiently and to maximize productivity.

Among the advantages of information technologies in business are:

Business English 1.2

- Storing and Protecting Information
 - Working away
 - Automated Processes
 - Communication.
1. **Storing and Protecting Information:** information technology helps in storage systems of important data or document to protect company's valuable records. Storage systems, such as vaults, it can help via keep information safe by only allowing certain users within your company to access, withdraw, add or change the documents.
 2. **Working Away:** information Technology systems can access the remote network electronics company. It allows one to work from home or anywhere. From this, it will help in increasing productivity even physical work has been done in the office.
 3. **Automated Processes:** each organization to find ways do more work in a short amount of time. Therefore, the efficiency of information technology by developing automated processes to take the burden off your staff.
 4. **Communication:** in the business world, communication plays an important role in maintaining the relationship between employees, suppliers, and customers. Therefore, the use of IT we can simplify the way to communicate through e-mail, video chat rooms or social networking site. It means we can communicate with our employees, supplier and customers anywhere.¹

Activity 01:

Read the text and answer the following questions :

- What is information technology?
- What are the Advantages of information technology in business?

¹ Subramanian, **The role of information technology in business success**, international journal of management, Volume 06, N°01, 2018, PP75-77.

Business English 1.2

Information Technology and Competitive Advantage

Although the objective of any Information IT business unit is the enhancement of modern firm's performance - through the improvement of the quality of managerial decisions - in the absence of an adequate alignment between IT and Business objectives, the attainment of the firm's agility status is jeopardized, and consequently, the chances of achieving the IT-Business competitive advantage are reduced.

The strategic role of information systems involves using information technology to develop products, services, and capabilities that give a company strategic advantages over the competitive forces it faces in the global marketplace. This creates strategic information systems, information systems that support or shape the competitive position and strategies of an enterprise. So a strategic information system can be any kind sentence of information system (TPS, MIS, DSS, etc.) that helps an organization:

- Gain a competitive advantage
- Reduce a competitive disadvantage
- Meet other strategic enterprise objectives

Information technology emerges as an essential asset of modern firms' competitive advantage, because it connects all business functions and supports managerial decision processes - both essential conditions for the attainment of the organization agility level.

In any company, IT has a dominant effect on competitive advantages in either cost or differentiation. The technology also affects value activity themselves or allows companies to gain competitive advantage by utilizing changes in competitive scope. Porter (1996) stated; the IT is affecting competition in three fundamental ways:

- It changes industry structure and, in so doing, alters the rules of competition.
- It creates competitive advantage by giving companies new way to outperform their rivals.
- It spawns whole new business, often from within a company's existing operations.¹

Activity 01:

Read and discuss the text

¹ Krume Nikoloski, **the role of information technology in the business sectors**, international journal of science and research, volume 03, Issue 12, 2014, PP 306-307.

Business English 1.2

Grammar

1. Present simple

We use the present simple:

- 1.1 To give factual information, for example about company activities.

Uniliver **makes** a wide variety of consumer goods.

Does it **market** these goods globally?

It **doesn't sell** in every sector.

- 1.2 To talk about routine activities or habits.

I always **buy** the supermarket's own brand of detergent.

Do you usually **pick up** groceries on the way home?

He **doesn't choose clothes** with designer labels.

- 1.3 For actions and situations which are generally true

Many consumers **prefer** well-known brands.

- 1.4 For timetables and scheduled events.

We **launch** the new range on 15 January.

2. Present continuous

We use the present continuous to:

- 2.1 Talk about ongoing situations and projects.

We're **developing** a completely new image for the brand.

Are you still **working** with those designers?

They **aren't saying** anything to the press thid time.

- 2.2 Describe temporary situations.

We're **testing** a new logo at the moment.

Are they **offering** a good discount during the launch period?

- 2.3 Describe trends.

The number of people shopping online is **growing**.

- 2.4 Talk about personal arrangements and plans.

I'm **meeting** Frau Scharping next week.

Business English 1.2

3. Talking about the future

3.1 we use going to to talk about what we intend to do or what someone else has already decided to do.

I'm **going to** buy a new car.

She's going to tell us about the ideas.

They've come up with for the ad campaign.

Both going to and will are used for predictions.

There's going to be a flight of capital from the West towards India and China.

The Fortune Garment Company will continue to lose market share unless it solves its problems.

3.2 we use 'll to make a spontaneous promise or offer to do something.

I haven't got time to do this myself.

Don't worry. I'll give you a hand.

3.3 we use the present continuous to talk about fixed plans or arrangements.

I'm **meeting** Mrs da Silva next week.

She's **arriving** on Wednesday.

3.4 we use the present simple to talk about a schedule.

The flight **leaves** at 15:30 tomorrow

In time clauses, we use the present simple to refer to future time. It is incorrect to use will in a time clause.

We won't start until every one gets here.

I'm going to go round the world when I **retire**.

As soon as I **have** the results, I'll give you a ring.

Come and see me before you **go**.

4. Past simple

4.1 We use the past simple to refer to events that took place in the past.

A pharmacist called John Pemberton **invented** Coca-Cola.

Did you **go** to Berlin last week?

Yes, and I **met** Herr Gnuchtel.

4.2 We frequently use a time adverb to situate the event in finished past time.

Rolls Royce went bust **in 1973**.

A few year a go, the City Plaza hotel was a leader in its segment of the market.

Many people lost a lot of money on the stock market **during 2008 and 2009**.

Business English 1.2

4.3 We use the past simple in annual reports to describe the company's performance over the last year.

Last year **was** a good year for our group.

Sales **rose** by more than 11%, and we made substantial gains market share in a number of countries.

5. Present perfect

5.1 We use the present perfect to say that a finished past action is relevant now.

They **have developed** a new brand of toothpaste.

The Chairman **has** recently **resigned**.

5.2 We use the present perfect when we are thinking of a period of time continuing up to the present.

For over 50 years, Striling Cars **has developed** classic sports cars.

Calvin Klein **has been** one of the leading fashion designers since the mid-1970s.

5.3 We often use this tense to talk about our life experiences.

She **has had** a number of interesting jobs.

He's worked for a variety of firms.¹

6. The passive

The passive is used when it is not important or relevant to mention who performs/ performed an action. It is often used when we describe procedures.

6.1 Present Passive

Positive

The mail **is taken** to the sorting office twice a day.

= subject + **am / is / are** + past participle

Negative

We are not given a chance to comment on the plans.

= subject + **am / is / Are** + not + past participle

Questions: **is** a reminder **sent** everyone?

Short answers: yes, it is / No, it isn't.

= **Am / Is / Are** + subject + past participle

We often use the Present Passive to talk about systems and processes.

¹David Cotton, David Falvey, Simon Kent, **intermediate Market Leaders: business English Course Book**, third edition, 2010, PP146-147.

Business English 1.2

6.2 Past Passive

Positive

We **were informed** yesterday.

= subject + **was / were** + past participle

Negative

The mail **was not delivered** this morning.

= subject + **was / were** + **not** + past participle

Questions: was email **invented** by a man?

Short answers: yes, it was / No, it wasn't.

= **Was / Were** + subject + past participle.

We use the Past Passive to talk about completed events or about systems and processes in the past.¹

7. Noun combination

7.1 We use 's to express a relationship between a person or organisation and another person or thing.

Mr Blake's secretary

Her husband's car BA's employees

Volvo's reputation

The 's very often means that the relationship can be expressed using have.

Mr Blake **has** a secretary.

Volvo **has** a reputation.

7.2 When two nouns are used together, the first noun functions as an adjective and describes the second noun.

A business card a job description

An office complex a travel agency

Sometimes three or more nouns occur together.

A company credit card (a credit card issued by a company)

A management training programme (a training programme designed for management)

¹ Martyn Hobbs, Julia Star Keddle, **Commerce1**, Oxford university press, P120, available at: <https://englishonlineclub.com>.

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7.3 Two nouns are joined by of when the ideas are more abstract.

The cost **of** living

Independence of mind

The joy of working and lifelong learning

7.4 Some compound nouns are written as one word.

Database answerphone

Letterhead headquarters

7.5 When compound nouns are used with a number in expressions of measurement, the first nouns is singular.

a six-**lane** motorway a four-**day** week.¹

¹ David Cotton, David Falvey, Simon Kent, **intermediate Market Leaders: business English Course Book**, third edition, 2010, P147.

Business English 1.2

A case study 01

The Coca-Cola Company

The Coca-Cola company was founded in the United States in 1886. The company set up bottling plants in Canada in 1906. In 1928, it introduced the soft drink Coca-Cola at the Olympic Games which were held in Amsterdam. In the 1940, the company began to set up bottling plants in countries around the world.

Coca-Cola is popular because it has been advertised as a brand of soft drink connected with fun, friends and good times. Its international image was successfully promoted by a 1971 commercial, where a group of young people from all over the world gathered on a hilltop in Italy to sing « I'd Like to Buy the World a Coke. » In 1978, the Coca-Cola Company was selected as the only non-Chinese company allowed to sell packaged cold drinks in the People's Republic of China.

Today, the company produces nearly 400 brands in over 200 countries. More than 70 percent of the company's income comes from outside the United States. Coca-Cola is an extraordinarily successful example of multinationalization. Its success raises the questions of why and how it has been so successful. The multinationalization of the Coca-Cola company is also often used as an example to illustrate the concept of economic globalization.

Activity 01:

Complete the following exercise by reading the short passage about a brief history of the Coca-Cola Company and fill in the blanks. ¹

1886	The company was founded..... in
1906	It set up bottling plants in
1928	The soft drink Coca-Cola was introduced at the.....
1978	The company was allowed to sell its cold drinks in
Today	It produces nearlybrands of drinks in over.....countries

¹ Introduction to globalization, P 3. available at: <https://www.edu.gov.hk>

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A case study 02

Activity 01:

Look at this article about Michelin, the famous tyre-manufacturing company. Fill in the gaps using words from the box below. The first letter of each verb is given.

Is – has – owns – sells – publishes – supplies – live – sponsors – are – have – plans

Employs – manages – advertises – manufactures

MICHELIN

Michelin is a famous old family company with a dynamic young chairman.

Edouard Michelin **1** the great-grandson of the founder of this company, which is based in Clermont Ferrand in the centre of France.

Michelin.....**2** tyres* and **3** them all over the world. The company**4** about 120,000 people and.....**5** annual sales of over €14 billion. Goodyear and Firestone.....**6** Michelin's main competitors. Edouard Michelin.....**7** the company using modern methods. At the moment, Michelin **8** tyres to the BMW Williams team. The company has two main markets, Europe and the USA, but it.....**9** to develop the Asian market. In the USA it.....**10** the Uniroyal company. It.....**11** a lot on TV and in magazines and.....**12** racing events. It also.....**13** the famous Michelin guidebooks. Edouard Michelin and his wife.....**14** five children and.....**15** just outside Clermont Ferrand.

* UK tyres US tires

Activity 02:

Choose the correct word to complete the sentences below, as in the example.

1. Michelin is a tyre fabric / manufacturer / product.
2. There are over 120,000 employs/employees/employers.
3. It has a profit / loss/ turnover of over €14 billion.
4. The company/society/factory has a young chairman.
5. Michelin is BMW Williams's tyre buyer / retailer / supplier.
6. Michelin gets / owes/ owns Uniroyal.
7. Michelin's head office / head hunter/head room is in Clermont Ferrand.
8. Its main competes / competitors/competitive are Goodyear and Firestone.¹

¹David Grant, Robert McLarty, **Business Basics workbook**, Oxford University, 2018, P6.

Business English 1.2

A case study 03

Read these texts about a German media group and an Italian vehicle manufacturer.

AS	Fiat SpA
AXEL SPRINGER VERLAG	Based: Turin
Axel Springer Verlag is one of Europe's largest media groups. Its most famous product is Bild, the German tabloid newspaper, which has 4.5 million readers. The company is based in Berlin. and employs 12.000 people. It publishes 180 newspapers and magazines in different countries in Europe and has annual sales of €2.8 billion. The founder's family owns just over 50% of the company, and KirchGruppe has about 40%.	Activity: Automobile production. It also manufactures agricultural and commercial vehicles and equipment for the construction industry.
	Other activities: Publishing (La Stampa newspaper)
	Motor racing through its subsidiary Ferrari
	Owner: Gianni Agnelli is the great-grandson of the founder of Fiat. His family now owns about 33% of the company.
	Turnover: €45 billion
	Employees: 220,000
	Subsidiaries: in 61 different countries
The group owns a number of TV stations and production companies. In the future it hopes to expand its Internet activities.	Notes: The company is just over one hundred years old. In the future it plans to expand its telecommunications activities.

Activity 01:

Find the numbers below in the texts, and mark them Axel Springer (AS), or Fiat (F). Then put them in order of size from smallest to biggest.

1. sixty-one.....
2. Forty.....
3. thirty-three.....
4. 100.....
5. four point five million.....

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6. twelve thousand.....
7. forty-five billion.....
8. two point eight billion.....
9. fifty.....
10. two hundred and twenty thousand.....

Activity 02: are the following sentences true (T) or false (F)?

1. Axel Springer Verlag employs 220,000 people. (.....)
2. Ferrari is a subsidiary of Fiat SpA. (.....)
3. The head office of ASV is in Germany. (.....)
4. Fiat manufactures tractors. (.....)
5. KirchGruppe owns ASV. (.....)
6. Fiat and ASV both publish newspapers. (.....)
7. Bild has 2.8 million readers. (.....)
8. Gianni Agnelli is the founder of Fiat. (.....)

Activity 03: make questions for these answers, as in the example.

1. How many people does Axel Springer Verlag employ?
12,000.
2. What.....?
€45 billion.
3. How old.....?
Just over a hundred years.
4. How many.....?
180.
5. Where.....?
Berlin.
6. Which.....?
La Stampa.

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Activity 04: complete the table below.

VERB	PERSON	ACTIVITY
.....1	Employer/ee	Employment
.....2	Manufacturer	Manufacturing
Publish	Publisher3
Own4	Ownership
Found5	Foundation

Activity 05: complete these sentences using words from the table.

1. ASV's main activity is.....
2. Fiat is the..... of La Stampa newspaper.
3. ASV..... 12,000 people.
4. Fiat..... cars and other vehicles
5. The family of the..... owns 50% of ASV.¹

Activity 06: about your company

Complete these sentences about your own company or a company you know well.

1. Its name is.....
2. It's based in.....
3. The company makes/provides.....
4. Its customers are.....
5. It's a.....company
6. It employs.....
7. Its annual turnover.....
8. It advertises.....

¹ David Grant, Robert McLarty, PP 8-10.

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A case study 04

SBS

SBS stands for Siemens Business Services. It is a division of the famous German company Siemens. It is only about five years old but is already responsible for a considerable part of Siemens' turnover. How? Siemens had the idea in 1995. A whole department of Siemens was at the time responsible for the information and communication activities of Siemens. The idea was to offer this service not only inside the company but outside too. SBS is now one of the world's leading providers in the area of electronic business solutions and services.

Friedrich Froeschl is the CEO and SBS is now an independent division with 33.000 employees in 88 countries and turnover of €5.8 billion. One of its largest customers is the British government. SBS organizes and manages the passports and national savings accounts for Britain. In Europe its main competitors are IBM, Cap Gemini, and EDS, with growth in this market of at least 15% the future looks bright for this German service company.

Activity 01: read the text and choose the correct answer to these questions.

1. What is the activity of SBS?

- a. electronic engineering
- b. printing
- c. database management

2. Which company does Friedrich Froeschl manage?

- a. Siemens Business Services
- b. Siemens
- c. IBM

3. One of its largest customers is:

- a. EDS
- b. SBS
- c. the British government

4. €5.8 billion represents:

- a. Siemens turnover
- b. SBS's turnover
- c. SBS's profit

5. SBS manages electronic services for:

- a. IBM
- b. British passports
- c. 88 countries

6. SBS is:

- a. a branch of Siemens
- b. a department of Siemens

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c. a division of Siemens

Activity 02: find words in the Siemens text which match these definitions.

1. A computer application for keeping records.....
2. A list of company employees.....
3. Annual sales.....
4. Clients.....
5. Companies in the same market.....
6. A document for travelling from one country to another.....
7. An increase

Activity 03:(word partners) look at this list of words. Match pairs of words, as in the examples, to make the expressions defined below.

Sales - annual – company – development – office – human – research – marketing – stock – market – resources – managing – head – parent – director – production – site – public – relations - turnover

1. A department in charge of finding new ideas.
Research + development = Research and Development
2. A person in charge of a company.
Managing + director = managing director
3. A firm which owns subsidiaries.
.....
4. A department in charge of finding and increasing the number of customers.
.....
5. A factory or a plant.
.....
6. Department in charge of recruitment, training, and personnel.
.....
7. The administrative and central building of a company.
.....
8. The value of a public company is quoted here
.....
9. The total sales of a company for a year
.....
10. The department of a company which is in charge of external communication.
.....¹

¹ David Grant, Robert McLarty, P26-27.

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A case study 05

Product

Adidas has a wide variety of products that they sell. They sell athletic shoes, casual shoes, Apparel, sports equipment, and have begun to sell body fragrances. Adidas also bought out Reebok (who sells the same types of products) in 2005 for 3.8 billion dollars. Adidas also owns Taylormade and these Adidas Reebok and Taylormade together are called the Adidas group.

Place

You can buy Adidas products in many places such as Target, Walmart, Dicks Sporting Goods, Dunhams and all other sporting goods stores. You can also get Adidas products online at their website, Eastbay and many other sports retailers Adidas headquarters is in Herzogenaurach, which is in Bavaria, Germany. Adidas' production sites are located in Germany, Sweden, Finland, USA, Canada, China, and Japan. Adidas works with more than 1,070 independent factories from around the world who manufacture their products in 67 countries.

Price

Adidas products are generally cheaper than Nike products, however, pricing can be directly proportional to the type of technology used in the product. Although Adidas' pricing is lower than Nike's it is still higher than companies such as Reebok and Under Armour and I would consider them exclusively priced. Adidas does discount as well.

Promotion

Adidas promotes its company in many ways, including advertisements, sponsoring professional athletes and professional sports teams, they also have television commercials Adidas also promotes itself through personal selling by having workers answer questions and explain products in their many stores around the world.¹

Activity 01: Read the text and discuss it.

¹ Business English : supplementary exercises (Pre-intermediate), 2018, P111.

EXERCISES

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Exercise 01: Complete the following abbreviations

- 1- **EU:**_____ Union
- 2- **TQM:** Total_____Management
- 3- **AGM:** Annual General _____
- 4- **PR:** Public_____
- 5- **PEST analysis:** Political, social, economic and _____Analysis
- 6- **MBA:** Master of Business_____
- 7- **MD:** Managing_____
- 8- **ROI:** Return on_____
- 9- **HR:** Human_____
- 10- **OTE:** On-Target_____
- 11- **POS:** Point of _____
- 12- **PAYE:** Pay As You _____
- 13- **VAT:** Value Added _____
- 14- **P&L Statement:** _____ and Loss Statement
- 15- **SWOT analysis:** Strengths, Weaknesses, _____ and threats analysis
- 16- **ASAP:** As Soon As _____
- 17- **CBD:** _____ Business District
- 18- **CEO:** Chief _____ Officer
- 19- **CV:** Curriculum_____
- 20- **COD:** Cash On _____
- 21- **LIFO:** Last In _____ Out
- 22- **CFO:** Chief _____ Officer
- 23- **JIT Production:** Just In _____ Production
- 24- **RPI:** Retail Price _____
- 25- **R&D:** _____ and Development.¹

Exercise 02: How do you say the numbers and symbols in **bold** in these sentences?

- 1- **2006** was the company's most profitable year since **1994**.
- 2- The advantage of internet banking is that you can check your account **24/7**.
- 3- Despite a rigorous advertising campaign, demand has only risen by **8.4%** in the last two months.
- 4- We're meeting in his office at **3.45** this afternoon.
- 5- Your flight for Zurich leaves at **1800** from Gatwick South Terminal.
- 6- I expect to be back in the country on **30 June**.
- 7- Our next range of products will be released on **10/3/07**.
- 8- She completed the test in a record **27½** minutes.
- 9- **¾** of all our employees think the canteen food could be improved.
- 10- The new desk measures exactly **2m × 1m × 1m**.

¹ Rawdon Wyatt, **Business and administration**, 4th edition, A & C Black publishers, P1.

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- 11- Is this printer really only **£100.99**.
- 12- Oh, sorry sir, that's a mistake. The sticker should say **£1120.75**.
- 13- Our new telephone number is **020 7921 3567**.
- 14- The emergency telephone number in the UK is **999**. In the USA it's **911**.
- 15- We have invested over €6M in new technology.
- 16- The Union help a ballot to see if the workers wanted to strike. The result was **2:1** in favour.
- 17- My email address is markbarrington@snailmail.co.uk.
- 18- He drives to work in a big, fuel-guzzling **4×4**.
- 19- This book is © Rawdon wyzt, 2007.
- 20- The 'ultimafone®' has just won a 'Product of the Year' award.¹

Exercise 03: test your knowledge in 'business colours' with this quiz

- 1. Match the examples of different goods in (a) – (e) with the colours in the box that are often used by businesses to 'categorize' them.
 - (a) A pair of trousers, a T-shirt and a cap.
 - (b) A television set, a stereo and a DVD player.
 - (c) A refrigerator, a dishwasher and a washing machine.
 - (d) A car, an air-conditioning unit.
 - (e) A carton of milk, 250 g of cheese and a bottle of tomato ketchup.

White goods _ brown goods _ red goods _ orange goods _ yellow goods

- 2. What is informal expression given to paperwork which takes a long time to complete? Is it:
 - (a) White noise
 - (b) Yellow card
 - (c) Green belt
 - (d) Red tape
 - (e) Blue ribbon
- 3. What is the difference between being in the red and being in the black?
- 4. Complete this sentence with one word: Goods and services which are paid for in cash, and therefore not declared for tax, features of a _____ economy.

¹Rawdon Wyatt, **Business and administration**, 4th edition, A & C Black publishers, P31.

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5. What is the name given to taxes that are levied to discourage behaviour that will damage the environment?

6. True or false: If you make a blue-chip investment, you buy high-risk shares in a company that is not performing very well.

7. Sometimes a company will not deal with a person or company, etc. because they have done something wrong and should be avoided. What is the name for this?

(a) To blackball

(b) To blacklist

(c) To blackhead

(d) To blackmail

(e) To blackleg

8. A company owns some land in the country that has been designated as a greenfield site. Can it build a factory or warehouse on that land?

9. What is the difference between a white-collar worker and a blue-collar worker?

10. Complete this sentence: Embezzlement, computer fraud and insider dealing are examples of _____ crime.

11. What is the name given to the buying and selling of goods or currency in a way which is not allowed by law?

12. The MD of your company often has blue-sky ideas. From a business point of view is this a good thing or a bad thing?

13. Your accountant tells you that the stocks and bonds you have recently bought are blue-sky securities. Would you feel happy or unhappy about this?

14. What is a grey market? Is it:

(a) A market in which goods are sold that have been made abroad and then imported (legally), often as a result of reduced production of / increased demand for those goods in the market country.

(b) An informal expression for the market segment occupied by older members of a population.

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(c) The unofficial trading of securities that have not yet become available for trading on the Stock Exchange.¹

Exercise 04: Look at sentences 1-19. These can either be completed with a word from box **A** or a word with a similar meaning from box **B**. Identify both the words that could be used. In some cases, you will need to add an - s to one or both of the words when you put them into the sentence.

A	B
Acclaim- agenda-appointment- benefit- charisma- choice- cooperation- customer- discipline- discount- drop- fault- liability- opposition- proof- proximity- requirement- staff- work	Advantage- (personal) appeal- client- closeness- collaboration- decline- defect- employment- evidence- meeting- option- order- patron personnel- praise- prerequisite- reduction- resistance- responsibility- schedule

1. We have a very busy _____/_____ today, so I suggest we start as soon as possible.
2. We need to maintain _____/_____ on the factory floor at all times, otherwise there are increased risks of an accident occurring.
3. There has been a sharp _____/_____ in the number of people attending the staff development sessions.
4. The latest computer program has several _____/_____ which need to be sorted out before it can be put onto the market.
5. There has been a lot of _____/_____ to the new compulsory overtime plan.
6. Despite government reassurance, there is no _____/_____ that standards of living have improved.
7. Repeated orders are eligible for a 10% _____/_____ on wholesale prices.
8. The hotel is popular with business people because of its _____/_____ to the central business district.
9. I can't see you this afternoon because I have a/an _____/_____ with the Board of Director.
10. A lot of our regular _____/_____ say that they are unhappy with the speed of our service.
11. When the company begins operations, it hopes to provide _____/_____ for 300 people.
12. There are several _____/_____ to working from home: you save on travel costs, for one thing.

¹ Rawdon Wyatt, **Business and administration**, 4th edition, A & C Black publishers, P8.

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13. If you want the job, a working knowledge of German is one of the main _____/_____.
14. Our latest range of language-learning products has received widespread _____/_____ in the press, and is expected to help us become a market leader.
15. The management accepts no _____/_____ for any damage to vehicles in the car park.
16. There are two _____/_____ available to us: close the company or move to another locality.
17. All _____/_____ are requested to attend tomorrow's meeting, which will begin at 2pm.
18. Thanks to our _____/_____ with several affiliated companies, we have increased our turnover by 37%.
19. We believe that the new manager's lack of _____/_____ will have a negative effect on sales.¹

Exercise 05: Consider the adjectives below. Mark those that are usually positive with a **P** and the negative ones with an **N**.²

adjectives	Positive/ negative
Dynamic	
Passionate	
Obsessive	
Enthusiastic	
Quick-tempered	
Meticulous	
Inspirational	
Diligent	
Energetic	
Apathetic	
Discourteous	
Knowledgeable	

¹ Rawdon Wyatt, **Business and administration**, 4th edition, A & C Black publishers, P49.

² Jean Meakin, **Business English**, mlt Project, 2017, P12.

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Exercise 06: Look at the words below. They are all words which are commonly used in job applications. Underline the correct spellings and then check your answers. Try to learn how to spell any that you get wrong.¹

	Words	
1	Business	buisiness
2	University	univercity
3	Application	aplication
4	Curriculum vitae	curriculum vitae
5	Disertation	dissertation
6	Necenary	necessary
7	Interpersonal	interpersonnel
8	Privilege	privilige
9	Redundant	redundent
10	Oportunity	opportunity
11	Challenge	challange
12	Intrested	interested
13	Recomendation	recommendation
14	achievement	Achevement
15	responsable	Responsible
16	Liaise	liase

¹ Jean Meakin, **Business English**, mlt Project, 2017, P31.

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Exercise 07: Consider the sentences below and see how you can improve them by adding some numbers and statistics. Fill the gaps with suitable information from the box.

1-mile – Threefold - 7am to 9am – double - £10,000- 2-week – 12- 19th

1. I have researched..... century Chinese vases.
2. During my employment as a housing officer, I visited all the council-owned properties within a..... radius of our offices.
3. As an independent jewellery designer, I am able to earn.....
4. Under my leadership, the number of placements increased.....
5. I was able to.....the number of successful applications during my first term.
6. Working in the Human Resources Department. I have been responsible for the welfare for all of theemployees in our organisation.
7. As a young and ambitious actor, I dedicate the hours from daily to learning my lines.
8. I enjoyed organising theinduction course for new recruits, and I was awarded a staff bonus for my part in its success. ¹

Exercise 08: (IT and e-commerce): Test your knowledge with this quiz.

1. What is a JPEG and what would you use it for?
2. In computer terms, what is the difference between a file and a folder?
3. You suspect that spyware is being used on your computer each time you use the Internet. What does this do?
4. What is the difference between the Internet, an intranet and an extranet?
5. A customer using your website to buy something has just checked her shopping basket and is now proceeding to checkout. What is she about to do?
6. What do the letters ISP stand for?
7. Your company does a lot of B2B advertising on the Internet. What does this mean?

¹Jean Meakin, **Business English**, mlt Project, 2017, P13.

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8. What does a computer hacker do?

9. Are you buzzword compliant?.¹

Exercise 09: Study the following sentences and underline the appropriate verb forms. An example has been given.

Example: Having successfully (completion / complete / completed) my probationary year, I am now a fully qualified French teacher.

The correct answer is **completed**

1. If this application (were/is/was) successful. I shall see this as a major step forward in my chosen career as a Social Anthropologist.
2. After (had graduated / graduated / graduating) with a Lower Second Degree in Social History, I decided to embark on a gap year.
3. In order to motivate my team, last year (introduced / have introduced / was introducing) a highly successful weekly snooker competition on Friday lunchtimes.
4. Although the changes (would be made / were made / have been made) at the height of the economic downturn, they were widely acclaimed by the management team
5. Before (to commence / commenced / commencing) my current employment, I researched the industry in depth
6. Since (working/worked/have been working) for the company my interest in translation work has increased.²

Exercise 10

Complete the sentences using the verbs from the box below.

Use each verb once only

Press – try – call – hear – leave – keep – want – say – hold – hang – get

Example: I'm trying to get hold of Peter Ince.

1. Would you like to.....a message?
2. I can'tyou very well. Please speak up.
3. Could youon, please? I won't be long.
4. Sorry toyou waiting.

¹ Rawdon Wyatt, **Business and administration**, 4th edition, A & C Black publishers, P21.

² Jean Meakin, **Business English**, mlt Project, 2017, P114.

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5. Can Iyou later?
6. If youto place on order,.....the star key.
7. I'llsomeone to call you later.
8. He didn'twhen he would be back in the office.
9. Please don'tup. I'll.....the number again.¹

Exercise 11

Complete the sentences with a preposition

Example: I'll call you **in** ten minutes.

1. I'm trying to connect you .Could you hold.....?
2. When are you going.....holiday?
3. I'm callingthe order I placed last week.
4. Could you pass a message for me?
5. I'll write to youtwo weeks' time.
6. Tom is.....paternity leave.

Exercise 12

Complete the sentences with a preposition

Example: you need to take the liftthe third floor.

1. Take the third turningthe left.
2. Parkone of the visitor's spaces.
3. We arefar the largest manufacturer.
4. Onethree of our plants is making a loss.
5. There is no profitit.
6. Tell me about your salesregion.
7. We are very competitive.....terms of price.
8. Are you listed.....the Stock Exchange?
9. What kind of business are you.....?

Exercise 13

Write down a question for the following answers. Refer to the dialogues and notes.

Example: **What kind of business are you in?**

We're in the shipping business.

1. How many.....?

¹ Lan Badger, **Every day Business English** , Longman, 2003, P12.

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- We employ just over 200 people.
2. Are?
No, we're not a partnership – we're limited company.
 3. How long.....?
We have been on this site for three years.
 4. Do?
Yes, I do. The working atmosphere is very good now.
 5. Where.....?
In terms of region, the biggest market is North America.
 6. Who.....?
I suppose our biggest competitors are companies in Thailand and Indonesia.
 7. Can you tell me?
Follow the road to Trieste and you'll see the factory on the right.

Exercise 14

Complete the sentences with a form of the word in brackets.

Example: John is now head of **recruitment** (recruit)

1. Because of the factory closure, 500 people are going to be made.....(redundancy)
2. I'm in charge(develop)
3. The company provide free motor.....(insure)
4. I'm planning tonext year. (retirement)
5. It is a veryplace to work. (stress)
6. Do you know who the newof the company are? (own)
7. We need a manager with excellentskills. (lead)
8. I have goodprospects in my new job. (promote)
9. It's a veryjob.(challenge)
10. It's a job with a wide range of.....(responsible)

Exercise 15

Complete the sentences with one of the alternatives.

Example: I'm phoning to **let** you know what happened (let/explain)

1. Who is going tothe minutes? (make/take)
2. Could youus when you know the answer. (tell/say)
3. I'd like to.....a point. (make/remind)
4. We need to.....a date for the meeting.(take/set)
5. We.....a good case for changing the system. (made/took)
6. Are yousecond thoughts about the proposal? (having/taking)

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7. All of our proposals were.....(disagreed/rejected)

Exercise 16

Match the two parts of sentences

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. I'd like to leave point three 2. The majority feeling 3. You've all heard 4. Very few people 5. Bad news 6. I'll call you tomorrow 7. Could you check the dates 8. If I don't hear from you 9. Any day except Thursday | <ol style="list-style-type: none"> a. Are in favour of the changes b. And we can discuss details then c. Is that people want to work shorter hours d. I'll expect to see you at 2 p.m. e. What Maria has said about this f. Until the next meeting g. Suits me h. I'm afraid i. And get back to me |
|---|---|

Exercise 17

Some of these phrases are used formally and some informally. Tick the correct column.¹

		formal	informal
a	1 Dear John		
	2 Hi John		
b	1 I am writing to inform you that...		
	2 I am writing to let you know that...		
c	1 We're having a get-together.		
	2 We're arranging a meeting.		
d	1 I would like to apologise for		
	2 Sorry about....		
e	1 Let me know if you can make it.		
	2 Let me know if you can attend/		
f	1 I would be very pleased to come.		
	2 I'd love to come		
g	1 This is to let you know about...		
	2 Just to let you know about...		

¹ Lan Badger, **Every day Business English** , Longman, 2003, PP 69-71.

Business English 1.2

Exercise 18

Write the sentences in this letter in the correct order/

Dear Mr Green

- a. Members of our sales team will present the service.
- b. After the presentation
- c. We would like to invite you to the launch of
- d. And there will be an opportunity to ask questions
- e. There will be dinner in the main restaurant.
- f. Our new courier service on 6 March
- g. I very much hope that you can attend
- h. At the Grand Hotel at 6:30 p.m.

Best regards

Peter Pod

Exercise 19

Complete the sentences with verbs in the box. Use each verb once only.

Inform – miss - know – must – hope – pass – join – call – get – thank - write

Example: I'm writing to **inform** you that the conference has been cancelled.

1. Your training manager has asked me toto you.
2. I'llyou at the end of the week.
3. Iyou're feeling better.
4. Youvisit us again soon.
5. I'd like toyou for all your hard work.
6. Please.....us for lunch on 19 November.
7. Can wetogether sometimes next week?
8. I'm sorry Peter has left. We'll allhim.
9. We were very sad to hear about Hubert. Please.....on our condolences.
10. Just a short note to let you.....what's happening.¹

¹ Lan Badger, **Every day Business English**, Longman, 2003, PP 73-74

Business English 1.2

Exercise 20

Here is some advice for giving a presentation. Choose verbs from the box below to fill the gaps, as in the examples. Put the verbs in the negative form where necessary.

Use - look – write – speak – answer – Ask - read – check – pause - prepare

Secrets of a successful presentation

- **Prepare 1** your presentation in advance. **Don't write 2** everything you want to say - just the main points.
- **3** at your audience. **4** your notes all the time.
- **5** visual information to illustrate your presentation, and..... **6** that everybody can read it.
- **7** too quickly. **8** every two minutes to give people time to think about what you're saying.
- **9** your audience to wait until the end to ask questions.
- **10** questions immediately.

Exercise 21

Complete these dialogues with the appropriate form of was / were.

1/ A: Hello, Emil. Where..... **1** you yesterday?

1/ B: I..... **2** at a meeting.

1/ A: **3** it interesting?

1/ B: No, it..... **4**. There **5** many people there.

2/ C: Good morning, Hiromi. How **6** your holiday?

2/ D: I..... **7** on holiday, I **8** sick.

3/ E: There **9** two red files on my desk yesterday. Where are they now?

3/ F: They..... **10** there when I left last night. John..... **11** here. Maybe he took them.¹

¹ David Grant, Robert McLarty, P 22.

Business English 1.2

Exercise 22

Complete these sentences using for, since, ago, or in

1. I've worked for the same company 1998.
2. He's studied English..... six months.
3. She called about half an hour....., but she didn't leave a message.
4. He's been Marketing Manager..... nearly a year.
5. I was really busy.....April, but now things are quieter.
6. The conference finished three days.....
7. The company has been based in Barcelona..... the 1980s.
8. I'm very tired. I've been here..... 7 o'clock this morning.
9. They moved to Paris..... 1997.
10. We've used this supplier..... the last three years.¹

Exercise 23: Present simple

A mission statement talks in general terms about a company's overall policies and objectives. Read the two mission statements below and use the verbs to complete them, paying attention to the verb endings. The first one has been done for you in both cases.

<p>Admit – introduce – lead – welcome – mean – work – depend – improve – stay – come – spend</p>

Restless? Yes. Dissatisfied? True. We cheerfully admit it. We always**1** change and continuous improvement. Today consumers**2** more than \$25 billion a year on our products. We**3** – or**4** a very close second – in all our business segments, which.....**5** that vigorous growth**6** on our own imagination, commitment and skill. So we regularly**7** new products,**8** distribution channels and**9** round the clock to be more efficient. Most of all, we.....**10** absolutely, and unequivocally, 100% geared towards the customer, who's definitely No.

<p>Believe – strive – cultivate – deliver – enable – help – give – endeavour – acknowledge - foster</p>
--

Eastman Kodak Company believe that a diverse group of highly skilled people, in an organisational culture which.....**11** them to apply their collective talents to shared objectives,**12** the greatest value to customers and shareowners alike. The company and its employees.....**13** to support an inclusive Kodac culture that.....**14** unique thinking in the context of teamwork and common business goals. Kodac**15** to provide a flexible, supportive work environment that.....**16** employees as partners in the business and community. To this end, it**17**

¹ David Grant, Robert McLarty, P66.

Business English 1.2

employees access to a multitude of work/life resources and**18** programs that**19** individuals balance their commitment to meeting business needs with their personal, family, and community responsibilities.¹

Exercise 24: Past simple

Complete the extract choosing from these verbs. There are more verbs than necessary.

Delay – choose – improve – give – make – stabilise - hinder

Last year the international situation in the hydrocarbons.....**1**to some extent. However, the volatile foreign exchange.....**2** currency management more difficult and relatively weak demand.....**3** expansion projects. We therefore**4** to focus our efforts on specific opportunities where our know-how.....**5** us a technical advantage over particularly aggressive competition. As a result we propose doubling our dividend.

Exercise 25: Present perfect

Complete these announcements, read out today during a radio programme called *Business in Action*. Complete each one, using these verbs in either the past simple or the present perfect.

Agree – buy – give – issue - slump

In a gigantic deal, **BRITISH AMERICAN TOBACCO**, the world's second-largest international cigarette maker,**1** to take over **ROTHMANS** (the fourth-largest) for \$ 8.7 billion.

Shares in **MARKS AND SPENCER**, Britain's biggest retailer,**2** by more than 10% in the last 24 hours after the firm.....**3** a profits warning.

Europe's postal market is becoming increasingly competitive. Only weeks after the British government.....**4** the state-controlled **POST OFFICE** greater commercial freedom, it**5** Germany's third-largest private carrier. **GERMAN PARCEL** has a big distribution network and a large stake in **GENERAL PARCEL**, which operates Europe-wide.

¹ Peter Strutt, **Business Grammar and Usage**, Longman, PP 6-7.

Business English 1.2

Exercise 26: the future

How could you offer to help in these situations?

1. It's really hot and stuffy in here.
2. I don't understand this English and it needs translating.
3. This desk is too heavy. I can't move it.
4. I've missed the last bus.
5. I don't know how I'm going to find time to prepare any slides.

Exercise 27: the future (if, when, until, as soon as)

Complete these sentences using appropriate verb forms. (There may be more than one possible answer)

1. I (get) in touch when I (return) from the Middle East.
2. If they..... (shut down) the plant, a lot of of people.....(lose) their jobs.
3. We (start) until everyone.....(be) here.
4. He can't make a decision until he(see) the president.
5. A project to create a bacterial cell from inanimate chemicals.....(go ahead) as soon as it (receive) approval from an ethics committee.

Exercise 28: Passives

Make these sentences passive. Only use by if it is necessary to say who did the action.

1. Karl Marx wrote Das Kapital.
2. They are repairing your car now.
3. Steve jobs founded Apple Computers.
4. The board will discuss the proposal.
5. Did anyone inform Mrs Wilson?
6. They make Renault cars in Slovenia.
7. They have transferred him to the New York office.
8. The princess opened the new conference centre.
9. They had made a full investigation.
10. I didn't realise someone was listening to my telephone conversations.¹

¹ Peter Strutt, **Business Grammar and Usage**, Longman, PP 22-24.

ANSWERS

Business English 1.2

A case study 01

Activity 01:

1886	The company was founded the U.S.A in 1886 .
1906	It set up bottling plants in Canada .
1928	The soft drink Coca-Cola was introduced at the Olympic Games held in Amsterdam .
1978	The company was allowed to sell its cold drinks in the People's Republic of China .
Today	It produces nearly 400 brands of drinks in over 200 countries.

A case study 02

Activity 01:

1	is	6	are	11	advertises
2	manufactures	7	manages	12	sponsors
3	sells	8	supplies	13	publishes
4	employs	9	plans	14	have
5	has	10	owns	15	live

Activity 02:

2: employees

3: turnover

4: company

5: supplier

6: owns

7: Head office

8: competitors

Business English 1.2

A case study 03

Activity 01:

1: F / 2: AS / 3: F / 4: F / 5: AS / 6: AS / 7: F / 8: AS / 9: AS / 10: F

The order is:

- Thirty-three
- Forty
- Fifty
- Sixty-one
- 100
- Twelve thousand
- Two hundred and twenty thousand
- Four point five million
- Two point eight billion
- Forty-five billion

Activity 02:

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

Activity 03:

1. What is the turnover of Fiat SpA?
2. How old is Fiat?
3. How many newspapers and magazines does ASV publish?
4. Where is ASV based?
5. Which newspaper does Fiat SpA own?

Activity 04:

1. Employ
2. Manufacture
3. Publishing
4. Owner
5. Founder

Business English 1.2

Activity 05:

- 1: Publishing
- 2: Owner
- 3: Employ
- 4: Manufacture
- 5: Founder

Activity 06:

Student's own answers

A case study 04

Activity 01:

(1: c) / (2: a) / (3: c) / (4: b) / (5: b) / (6: c)

Activity 02:

1. Database
2. Pay roll
3. Turnover
4. Customers
5. Competitors
6. Passport
7. Growth

Activity 03: word partners

(3: Parent Company) / (4: Sales and Marketing) / (5: Production Site) / (6: Human Resources) / (7: Head office) / (8: Stock Market) / (9: Annual Turnover) / (10: Public Relations)

A case study 05

Activity 01:

Student's own answers

Business English 1.2**Exercise 01**

(1: European) / (2: Quality) / (3: Meeting) / (4: Relations) / (5: Technological)/
 (6: Administration) / (7: Director) / (8: Investment) / (9: Resources) / (10: Earnings)
 (11: Sale) / (12: Earn) / (13: Tax)/ (14: Profit) / (15: Opportunities) / (16: Possible)
 (17: Central) / (18: Executive) / (19: Vitae) / (20: Delivery) / (21: First) / (22: Financial)
 (23: Time) / (24: Index) / (25: Research)

Exercise 02

1	Two thousand and six
2	Nineteen ninety for
3	Twenty four seven (= 24 hours a day, 7 days a week)
4	Three forty five (or quarter to four)
5	Eighteen hundred (hours)
6	The thirtieth of June (or June the thirtieth)
7	The tenth of March two thousand and seven (in the UK) or the third of October two thousand and seven (in the USA)
8	Twenty seven and a half
9	Three quarters
10	Two metres by one metre by one metre
11	Ten ponds ninety nine (or ten ponds and ninety nine pence*) *The British currency, called sterling, consists of pounds and pence
12	One hundred pounds ninety nine (or one hundred pounds and ninety nine pence)
13	Oh two oh, seven nine two one, three five six seven
14	Nine nine nine / nine one one
15	Six million dollars
16	Two to one (when talking about odds and ratios)
17	at snailmail dot co dot uk
18	Four by four (a vehicle with four-wheel drive, also called a 4WD)
19	Copyright (the material cannot be copied without permission)
20	Registered (the name is registered, and cannot be used by another company for another product)

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Exercise 03

1.

(a)	Orange goods (= goods that are not bought as often as fast-moving items such as food products, but are replaced from time to time).
(b)	Brown goods (= electrical equipment from time to time).
(c)	White goods (= machines that are used in the kitchen / utility room. White goods can also refer to household linen such as towels and sheet).
(d)	Yellow goods (= high-priced goods which are kept in use for a relatively long time, and so are not replaced very often).
(e)	Red goods (= fast-selling convenience goods, especially food products).

Note that items such as televisions, stereo systems and even clothes could also be classified as yellow goods, especially if they are very expensive.

2. (Red tape)

3. These informal expressions refer to bank accounts. If an account is in the red, it is showing a debit or loss (e.g. less than £0). If an account is in the black, it is showing a profit, or (if used to refer to a company) having more assets than debt).

4. Black (we can also say hidden economy, parallel economy or shadow economy).

5. Green taxes.

6. False (a blue-chip investment is the purchase of low-risk shares in a company which is performing well).

7. (b) to blacklist (this can also be a noun : a blacklist).

8. Yes, provided it has received planning permission to do so. Compare greenfield site (= an area of land- usually in the country that has not been built on before) with brownfield site (= an area of land, especially in an urban area, that had buildings on it in the past, and can be built on again).

9. A white-collar worker is someone who works in an office. A blue-collar worker is someone who works in a factory.

10. White-collar.

Business English 1.2

- 11.** A black market (often used in the expression a black market economy).
- 12.** Probably a bad thing. Blue-sky ideas (also called blue-sky thinking) are extremely idealistic, ambitious, unrealistic and unconventional.
- 13.** Unhappy: this is an informal expression for stock and bonds that have no value
- 14.** All of these

White noise	Meaningless or distracting commotion, hubbub, or chatter Is a random signal with equal intensities at every frequency (signal whose samples are a sequence of unrelated)
Yellow card	Is card given to person who is below the poverty line the poorest of the poor. A warning to someone that they will be punished or be at a disadvantage if they continue to behave in a particular way.
Grey market	An unofficial but not completely illegal system in which products are bought and sold
Green belt	A countryside or area of greenery (greater trees and fields) surrounding a town or city. An area of fields and trees around a town.
Red tape	Official or bureaucratic tasks.
Blue ribbon	To be of superior quality or distinction, the best of a group. Of superior quality or prominence.
Greenfield	Refers to investment when companies set up or expand their business operations abroad creating brand or new job from the ground up.
Blackball	Blackball someone: to exclude or ostracise someone socially, reject them.
Blacklist	A list of disapproved people, targets or suspects. To write someone's name on a list if they break any rules, and ban them from having the opportunity to take part again.
Blackmail	Making a threat to reveal something in order to take advantage of someone (such as demanding money).
Blackleg	This term used to refer to person who acts the interest of trade union Somebody who breaks the rules of a strike.
Blue-sky thinking	Blue-sky thinking approaches are used to attempt to discover new and undiscovered approaches, ideas and system, but some people believe are a waste of time and resources. Blue-sky is also a verb meaning either to have unrealistic, impractical ideas or to think creatively. In the second sense, Blue-skying it can be used as a synonym for thinking outside the box. We were asked to Blue-sky it to come up with some innovative ideas.

Business English 1.2

Exercise 04

1	Agenda / schedule	10	Customers/ clients
2	Discipline/ order	11	Work/ employment
3	Drop/ decline	12	Benefits/ advantages
4	Faults/defects	13	Requirements/ prerequisites
5	Opposition/ resistance	14	Acclaim/ praise
6	Proof/ evidence	15	Liability/ responsibility
7	Discount/ reduction	16	Choices/ options
8	Proximity/ closeness	17	Staff/ personnel
9	Appointment/ meeting	18	Cooperation/ collaboration
19	Charisma/ (personal) appeal		

Exercise 05

adjectives	Positive/ negative
Dynamic	P
Passionate	P
Obsessive	N
Enthusiastic	P
Quick-tempered	N
Meticulous	P
Inspirational	P
Diligent	P
Energetic	P
Apathetic	N
Discourteous	N
Knowledgeable	P

Business English 1.2

Exercise 06

	Words	
1	<u>Business</u>	buisiness
2	<u>University</u>	univercity
3	<u>Application</u>	aplication
4	Curriculum vitae	<u>curriculum vitae</u>
5	Disertation	<u>dissertation</u>
6	Necessary	<u>necessary</u>
7	<u>Interpersonal</u>	interpersonnel
8	<u>Privilege</u>	privilige
9	<u>Redundant</u>	redundent
10	Oportunity	<u>opportunity</u>
11	<u>Challenge</u>	challange
12	Intrested	<u>interested</u>
13	Recomendation	<u>recommendation</u>
14	<u>achievement</u>	Achevement
15	responsable	<u>Responsible</u>
16	<u>Liaise</u>	liase

Exercise 07

(1: 19th) / (2: 1-mile) / (3: £10,000) / (4: Threefold)

(5: Double) / (6: 12) / (7: 7am to 9am) / (8: 2-week)

Business English 1.2

Exercise 08: IT and e-commerce

1. A JPEG is a method of reducing, or compressing, computer files that contain images so that they can be sent quickly by email over the Internet (it is also the name of a file that is produced by this method)
2. A file is a set of information or a document that is stored under a particular name on a computer, a folder is a group of related programs or documents stored together on a computer
3. Spyware is computer software that secretly records the websites you visit on your computer, and this information is then used by companies who try to sell you things.
4. The Internet is a computer system, or network, that allows people in different parts of the world to exchange information (using websites and sending emails, etc). An intranet is a computer network that can only be used within a company or organisation. An extranet is similar to an intranet, but also allows access by others associated with that company or organisation (for example, suppliers, buyers, etc).
5. She has finished shopping and is now going to pay.
6. ISP: Internet Service Provider.
7. B2B: Business to business.
8. A hacker is someone who uses a computer to connect to other people's computers secretly and often illegally, so that they can find or change information. The verb is to hack.
9. You are if you were able to answer most of the questions in this exercise: someone who is buzzword compliant is familiar with the latest computer and IT terms and expressions. It is an informal expression.

Exercise 09

1. If this application (were / **is**/was) successful, I shall see this as a major step forward in my chosen career as a Social Anthropologist.
2. After (had graduated / graduated/**graduating**) with a Lower Second Degree in Social History, I decided to embark on a gap year.

Explanation: When the verb follows immediately after the words before, after or since, the verb ends in-ing. Example: After running for ten miles, we felt very tired.

3. In order to motivate my team, last year (**introduced** / have introduced / was introducing) a highly successful weekly snooker competition on Friday lunchtimes.

Explanation: The verb introduced is in the simple past tense. This is the tense most commonly used to narrate one's past achievements.

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4. Although the changes (would be made / **were made** / have been made) at height of the economic downturn, they were widely acclaimed by the management team.

Explanation: This is the past tense in the passive. The first option, **would be made**, is not possible because it is a conditional form, and clearly the changes have already been made. The third option, **have been made**, is in the present perfect tense (in the passive form), but the present perfect is not usually used in relation definite past time. (There is no link with the present and we know this because the management team's reaction also happened in the past.

5. Before (to commence / commenced / **commencing**) my current employment, I researched the industry in depth.

Explanation: When the verb follows immediately after the words before after or since, the verb ends in -ing. Example: Before starting work. I enjoy a cup of coffee.

6. Since (**working** / worked / have been working) for the company, my interest in translation work has increased.

7. Explanation: When the verb follows immediately after the words before, after or since the verb ends in -ing. This applies when the word 'since' means after. Example Since reading that Book my view has changed.

Exercise 10

(1: Leave) / (2: Hear) / (3: Hold) / (4: Keep) / (5: Call)

(6: Want; Press) / (7 : Get) / (8: Say) / (9: Hang; try)

Exercise 11

(1: on) / (2: on) / (3: about) / (4: on) / (5: in) / (6: on)

Exercise 12

(1: on) / (2: in) / (3: by) / (4: in) / (5: in) / (6: by) / (7: in) / (8: on) / (9: in)

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Exercise 13

Possible answers	
1	<ul style="list-style-type: none"> - How many people do you employ? - How many people work for the company?
2	<ul style="list-style-type: none"> - Are you a partnership?
3	<ul style="list-style-type: none"> - How long have you been on this site? - How long have you been here?
4	<ul style="list-style-type: none"> - Do you like working here? - Do you like the working atmosphere?
5	<ul style="list-style-type: none"> - Where is your biggest market?
6	<ul style="list-style-type: none"> - Who are your biggest/main competitors?
7	<ul style="list-style-type: none"> - Can you tell how to get to the factory?

Exercise 14

(1: redundant) / (2: development) / (3: insurance) /(4: retire) /(5: stressful)

(6: owners) / (7: leadership) / (8: promotion) / (9: challenging) / (10: responsibilities)

Exercise 15

(1: take) / (2: tell) / (3: make) / (4: set) (5: made) / (6: having) / (7: rejected)

Exercise 16

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

Exercise 17

The more formal phrases

(a: 1) / (b: 1) / (c: 2) / (d: 1) / (e: 2) / (f: 1) / (g: 1)

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Exercise 18

(1:c) / (2: f) / (3 :h) /(4 : a) /(5 : d) /(6 :b) /(7 :e) /(8 : g)

Exercise 19

(1: write) / (2: call) / (3: hope) / (4: must) / (5: thank)

(6: join) / (7: get) / (8: miss) / (9: pass) / (10: know)

Exercise 20

(3: look) / (4: Don't read) / (5:Use) / (6: check) / (7: Don't speak)

(8: pause) / (9: Ask) / (10: Don't answer)

Exercise 21

1	1	2	3	4	5
	were	was	was	Wasn't	Weren't
2	6	7	8		
	was	Wasn't	was		
3	9	10	11		
	were	were	was		

Exercise 22

(1 : since) / (2 : for) / (3 : ago) / (4 : for) / (5 : in)

(6 : ago) / (7 : since) / (8 : since) / (9 : in) / (10 : for)

Exercise 23

1: welcome / 2: spend / 3: lead / 4:come / 5: means / 6: depends / 7: introduce /
8: improve / 9: work / 10: stay / 11: enables / 12: delivers / 13: strive / 14: cultivates /
15: endeavours / 16: acknowledges / 17: gives / 18: fosters / 19: help

Exercise 24

1: improved / 2: made / 3:hundred / 4: chose / 5:gave

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Exercise 25

1: has agreed / 2: have slumped / 3: issued / 4:gave / 5: has bought

Exercise 26

1. I'll open a window
2. I'll have a look at it for you
3. I'll give you a hand
4. I'll gie you a lift
5. I'll help you do them if you like

Exercise 27

1. I'll get / I'll be getting in touch when I return from the Middle East.
2. If they shut down the plant, a lot of people will lose / will be losing their jobs.
3. We won't start until everyone is here.
4. He can't make a decision until he sees the president.
5. A project to create a bacterial cell from inanimate chemicals will go / will be going / is to go ahead as soon as it receives / has received approval from an ethics committee.

Exercise 28

1. Das Kapital was written by Karl Marks.
2. You car is being repaired now.
3. Apple Computers was founded by Steve jobs.
4. The proposal will be discussed by the board.
5. Was Mrs Wilson informed?
6. Renault cars are made in Slovenia.
7. He has been transferred to the New York office.
8. The new conference centre was opened by the proncess.
9. A full investigation had been made.
10. I didn't realise ly telephone conversations were being listened to.

Business English 1.2

Glossary

Advertising: The process of drawing the public's attention to business, usually for the purpose of selling products or services, through the use of various forms of media, such as print or broadcast notices.

Brand: Is the combination of elements such as name, slogan, logo, communication and reputation that is identified with a specific product. It is a distinctive and exclusive sign of a company. Brand is fundamental in determining relationship with customers and others stakeholders.

Business model: A business model is a company's plan for making a profit. It identifies the products or services the business will sell, the target market it has identified, and the expenses it anticipates.

Business plan: A business plan is a written document that describes in detail how a business is going to achieve its goals.

Business strategy: The formulation of the objectives that a company aims to achieve, as well as the strategic plans necessary to achieve them.

Business type: It refers to how the business operates. There are many ways to characterize business but a common one is based on type of clients: It can be Business-to-business (B2B), when the main clients are also other businesses or companies or it can be business-to-consumer (B2C) when the main clients are individual consumers.

Business: Organized efforts and activities of individuals or companies to produce and sell goods and services for profit.

Cash : includes all money that is available on demand including bank notes and coins, petty cash, certain cheques, and money in savings or debit accounts.

CEO: The chief executive officer (CEO) is the highest-ranking executive in a company, whose primary responsibilities include making major corporate decisions, managing the overall operations and resources of a company being the public face of the company.

CFO: The chief financial officer (CFO) is the executive in charge of all the financial matters of the company.

Channels: A company can deliver its value proposition to its targeted customers through different channels. Effective channels will distribute a company's value proposition in ways that are fast, efficient and cost-effective. An organization can reach

Business English 1.2

its clients through its own channels (store front), partner channels (major distributors), or a combination of both.

CMO: The chief marketing officer (CMO) is the executive responsible for sales and marketing of the company, including not only the marketing strategy of the company but also customer service, branding, pricing and sales management.

Competitive advantage: Factor/s that allow a company to produce goods or services better or more cheaply than its rivals. These factors allow the productive entity to generate more sales or superior margins compared to its market rivals.

Consumer: A person who buys goods or services for their own use /An individual who buys products or services for personal use and not for manufacture or resale. It is someone who can make the decision whether or not to purchase an item at the shop, and someone who can be influenced by marketing and advertisements.

Credit card: a card indicating that the holder has been granted a line of credit. It enables the holder to make purchases and/or withdraw cash up to a prearranged ceiling; the credit granted can be settled in full by the end of a specified period or can be settled in part, with the balance taken as extended credit. Interest is charged on the amount of any extended credit and the holder is sometimes charged an annual fee.

Debit card: card enabling the holder to have his purchases directly charged to funds on his account at a deposit-taking institution (may sometimes be combined with another function, eg that of a cash card or cheque guarantee card).

Electronic money: value stored electronically in a device such as a chip card or a hard drive in a personal computer.

Market: A market is any place where the sellers of a particular good or service can meet with the buyers of that goods and service where there is a potential for a transaction to take place.

Marketing: The management process through which goods and services move from concept to the customer.

Payment system: a payment system consists of a set of instruments, banking procedures and, typically, interbank funds transfer systems that ensure the circulation of money.

Trade: The action of buying and selling goods, services or information.

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