Test Your >

Professional English
Management

Simon Sweeney
Series Editor: Nick Brieger

Jan · Feb · Mar · Apr

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Test Your Professional English: Management is one in a series of ten useful *Test Your Professional English* books. It features 60 clear and simple tests for management students and professionals. The book is organized into 8 sections and covers over 500 key words and expressions in areas such as management styles, team-building, organizational culture, managing change, management control and systems management, and international management.

- 60 tests covering over 500 key words and expressions
- Wide variety of tests, including crosswords, cartoons, fill-the-gaps, and many more
- Tips on using English for work
- A-Z word list and full answer key
- Ideal for self-study and classroom use

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Adults	
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Contents

To the student

Do you use English in your work or in your studies? Perhaps you are already working in management. Or maybe you are a student doing a management course or a business studies programme. Perhaps you are planning to study a management degree, even an MBA. If you need to improve your knowledge of management and management terms, this book will help you. You can check your knowledge of basic management concepts, key words and essential expressions so that you can communicate more effectively and confidently in your work and for your studies.

There are eight sections in the book. The first section is a basic introduction to management functions, terms and concepts. The remaining seven sections each cover a different area of management including leadership and organizational culture, managing change and the external environment. You can either work through the book from beginning to end or select chapters according to your interests and needs.

Many tests also have useful tips (advice) on language learning or further professional information. The tips offer important extra help, especially as they introduce some additional key language.

Many different kinds of tests are used, including sentence transformation, gap-filling, word families, multiple choice, crosswords and short reading texts. There is a key at the back of the book so that you can check your answers, and a word list to help you revise key vocabulary.

Your vocabulary is an essential resource for effective communication. The more words you know, the more meanings you can express. This book will help you develop your specialist vocabulary still further. Using the tests you can check what you know and also learn new concepts and new words in a clearly structured framework.

Simon Sweeney

1 Job titles

Match the job title with the best definition on the right.

	Job title		Definition
1	Chief Executive Officer (CEO)	a	Manager responsible for buying.
2	Information Systems Director	b	Person who designs computer networks.
3	Purchasing Director	c	British English term for senior manager of a company.
4	Human Resources Director	d	Manager responsible for the process of creating goods or services for sale to customers.
5	Systems Analyst	e	American English term for the top manager of a company.
6	Managing Director	f	Person responsible for setting up training opportunities for employees.
7	Marketing Director	g	The person responsible for computer operations in a company.
8	Production Director	h	Person responsible for managing product development, promotion, customer service, and selling.
9	Customer Service Manager	i	Person responsible for markets in other countries.
10	Staff Development Officer	j	Manager responsible for personnel issues.
11	Finance Director	k	Person responsible for relationships with customers.
12	Exports Manager	l	Person responsible for presentation and control of profit and loss.

Customer Service Manager is a noun compound. The word *manager* is qualified by *service* and the word *service* is qualified by *customer*. *Customer Service Manager* means a manager of service(s) for customers. Noun compounds (also called compound nouns) are common in English. Look at the other examples above.

The full series consists of:

Test Your Professional English: Accounting — Alison Pohl

Test Your Professional English: Business General — Steve Flinders

Test Your Professional English: Business Intermediate — Steve Flinders

Test Your Professional English: Finance — Simon Sweeney

Test Your Professional English: Hotel and Catering — Alison Pohl

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Test Your Professional English: Management — Simon Sweeney

Test Your Professional English: Marketing — Simon Sweeney

Test Your Professional English: Medical — Alison Pohl

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3 Defining management

Here are some definitions of management and the role of managers. Complete the sentences with words from the box.

assembling   controlling   financial (x2)   goals   human (x2)   information
innovation (x2)   leadership   leading   marketing   material (x2)
organization (x2)   organizing   planning (x2)   process (x2)   resources (x2)

1   Managers are responsible for 'the *process* of p _ _ _ _ _ _ _,
o _ _ _ _ _ _ _ , l _ _ _ _ _ _ and c _ _ _ _ _ _ _ the efforts
of o _ _ _ _ _ _ _ members and of using all organizational
r _ _ _ _ _ _ _ to achieve stated organizational g _ _ _'.
(Mescon, Albert and Khedourie, 1985, quoted in Hannagan, 1998, p.4)

2   '(Management is) getting things done by other people'.
(Mary Parker Follett, 1941, quoted in Hannagan, 1998, p.4)

3   '(Management is) the process of optimizing h _ _ _ _ _,
m _ _ _ _ _ and f _ _ _ _ _ _ _ _ _ contributions for the
achievement of organizational goals'.
(Pearce and Robinson, 1989, quoted in Hannagan, 1998, p.4)

4   A modern view of management, expressed by Sir Roland Smith,
is that 'Management should be based on i _ _ _ _ _ _ _ _ _,
m _ _ _ _ _ _ and risk'.
(quoted in Hannagan 1998, p.5)

5   'All managers may be involved with the operational aspects of
management but as they are promoted and develop, their role
becomes increasingly one of p _ _ _ _ _ _, i _ _ _ _ _ _ _ _
and l _ _ _ _ _ _ _ _ _'.
(Hannagan, 1998, p.5)

6   Management is 'the _ _ _ _ _ of a _ _ _ _ _ _ and using
r _ _ _ _ _ _ _ _, h _ _ _ _, f _ _ _ _ _ and m _ _ _ _ _, and
i _ _ _ _ _ _ _ _ _ in a goal-directed manner to accomplish tasks
in an o _ _ _ _ _ _ _'.
(Black and Porter, 2000, p.19)

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2 The role of managers

The table shows four main roles of managers: planning, organizing, leading and controlling. Below the table is a list of management functions. Write each function under the correct heading.

Planning	Organizing
taking on new staff	

Leading	Controlling

Management functions

communicating with staff   comparing results with targets
deciding strategy   empowering staff to take decisions
identifying change   identifying needs   managing resources
monitoring quality standards   motivation
putting systems in place   setting objectives   ~~taking on new staff~~
team-building supervision   time management

Peters and Waterman (1982) say that planning, organizing, influencing and controlling are critical **management functions** that should be characterized by a bias for action.

4 Characteristics of managers

Match each term in the box with the pictures (1–12).

creative   emotionally strong   flexible   good communicator
knowledgeable   leadership skills   mental skills
sensitive to others   social skills   technically skilled

1 _emotionally strong_

2

3

4

5

6

7

8

9
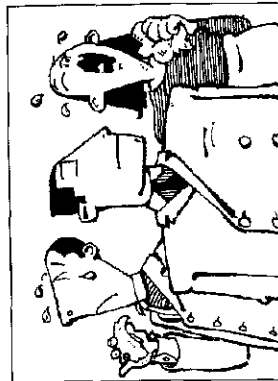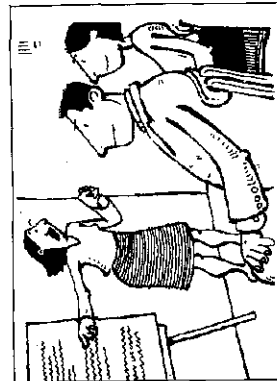
10

Adjectives are often formed with suffixes (endings) added to the root of a word. Look at the endings in the following adjectives from the list above:

creative
flexible
knowledgeable
sensitive
skilled

5 History of management theory

Below is a list of management theories over the last five hundred years. In each pair decide which statement is true.

1 Machiavelli *The Prince* (1513)

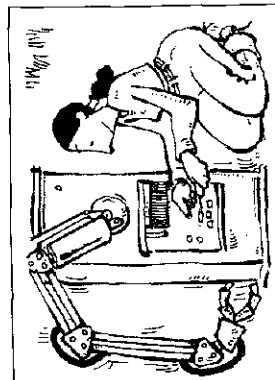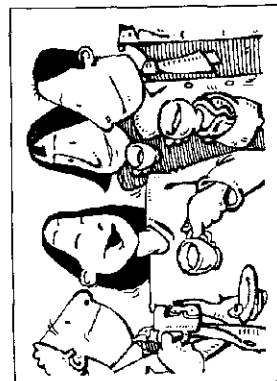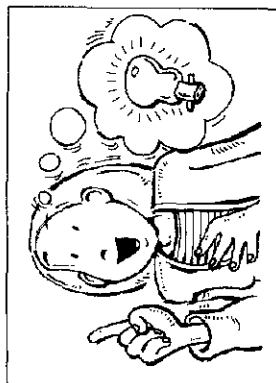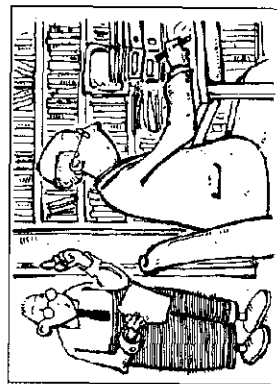   a) You have to be cleverer than your opponent, sometimes using force or trickery.

   b) You have to kill your opponents.

2 Marx and Engels *The Communist Manifesto* (1848)

   a) The Communist Party will dominate the world.

   b) The working class will rise up and take power from the bourgeoisie, creating a utopia of equality and brotherhood.

3 Taylorism (1911)

   a) A 'scientific' approach to management based on measuring time, performance and output and relating these to wages and salaries.

   b) A system of management based on friendly co-operation between managers and workers.

4 Hawthorne studies (1924–32)

   a) Studies showing that factories produce more if workers are put under increased pressure.

   b) Studies showing the relationships between management and workers are very important in getting the best performance.

5 Elton Mayo (1930s)

   a) The idea that social needs and relationships are very important factors in the workplace.

   b) The belief that workers should be able to control the work environment.

6 Maslow's Hierarchy of Needs (1942)

   a) The idea that people have needs which motivate their performance. Once a need is met, it is no longer motivating.

   b) The idea that workers and managers have the same needs and have to co-operate.

7 Systems approach (1950s and 60s)

   a) Belief that organizations consist of many parts and management has to help each part to work both individually and as part of the whole organization.

   b) Belief that a company is a single organization. Managing the single organization from the top brings success.

8 Contingency theory (1980s and after)

   a) Idea that organizations are all similar and have the same objective – profit.

   b) Management must study every situation and design the best response.

6 Marketing

Marketing is in many ways the central activity in business management. In commercial organizations, marketing is 'everybody's business'.

A Complete the definitions of marketing using words from the box.

demand	everything	people	promoting	services	things

1 Selling *things* that don't come back to _____ who do.

2 _____ a company does to influence _____ for its products and services.

3 _____ and selling goods and _____.

• A key concept in marketing is **Unique Selling Proposition (USP)**, the special qualities of a product or service. These qualities make the product different from competitor products and give it special appeal to consumers. Marketers aim to create a USP in their products.

• See also: Test 39 SWOT analysis.

B The Four Ps of marketing are now the Seven Ps, because of the increasing importance of services and customer service. Fill in the spaces below to match the seven Ps to the best definition.

People   Physical evidence   Place   Price

Process   ~~Product~~   Promotion

The traditional Four Ps are:

1 *Product* — The goods or services a company provides.

2 P _____ — Decisions about what customers pay for the product.

3 P _____ — Things concerned with location and distribution.

4 P _____ — Ways to make the company and its products well known and ways to sell products.

And here are three more:

5 P _____ — Everyone involved with the company and its products, especially the customers.

6 P _____ — All the ways in which the company and its customers interact.

7 P _____ — Anything that shows or mentions the name and image of the company and its products.

7 Management style

The table below contrasts *two* styles of behaviour, Culture A and Culture B.
Study the table, then answer the True/False questions below.

Culture A	Managerial activity	Culture B
Plan for every situation. Develop plan *with* boss.	PLANNING	Accept surprises. Develop a plan, then ask boss to agree.
Create a department hierarchy.	ORGANIZING	Organize department into teams.
Communicate frequently face-to-face, rarely by e-mail.		Communicate infrequently face-to-face, often by e-mail.
Inform subordinates of decisions.	LEADING	Involve subordinates in decision-making.
Get involved in disputes between subordinates.		Allow subordinates to solve their own problems.
Monitor activities, guide behaviour. Emphasize financial results in evaluating performance.	CONTROLLING	Evaluate then reward – based on results. Focus on customer satisfaction in evaluation.

(Adapted from Black and Porter, 2000, p.102)

1. Culture A is more modern. True/False

2. Culture A is more flexible. True/False

3. In Culture A, the manager is more 'hands on' and directive. True/False

4. Hierarchical companies have a top-down way of working. True/False

5. Subordinates help in decision-making in less traditional, modern companies. True/False

6. If finance is the main factor in decision-making, staff are happy. True/False

See also: Test 9 Theory X and Theory Y

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8 Modern management theory

Complete the text below with the correct headings from the box.

Corporate downsizing   Empowerment   ~~Just-In-Time~~
Learning organizations   Outsourcing   Re-engineering
Teamworking   Total Quality Management

1 *Just-In-Time*

This system was introduced from Japan in the 1980s. It means ordering components exactly when you need them, and supplying goods exactly when the customer needs them. It eliminates storage time and reduces costs.

2

Many large corporations and multi-nationals had grown too complex by the 1990s. Some sectors of the organization were less profitable. Many of these companies sold off or closed the under-performing sectors.

3

Management increasingly understands the value of sharing power with others throughout the organization. This leads to more participation in decision-making.

4

This is closely related to (3). By encouraging employees to work in very fluid teams, responsibility is shared. Employees and managers at all levels develop a better self-identity and work becomes more interesting. This system is seen as much more efficient than linear or hierarchical structures.

5

This is a total revision and restructuring of an entire company. It involves asking fundamental questions about the objectives of the business and how it operates. It aims to create big improvements in cost, quality, service and product.

6

This management approach focuses on measuring the quality of service in all aspects. The idea is to develop systems that are more efficient and more economical, but which are also more able to meet the needs of customers.

7

This approach recognizes that companies cannot do everything. It can be better to use external suppliers for some specialist operations, or particular components in manufacturing. This decision can create quality improvements and cost savings.

8

Many companies have developed internal training programmes to help with staff development. This is an important investment in the workforce. If not only makes people better at their job, but it also makes them happier. It may also help companies to keep their best managers and staff.

A key management function described by Peters and Waterman (1982) involves going around looking, listening and thinking about what is going on. They call it **Managing By Walking Around (MBWA)**.

9 Theory X and Theory Y

What do managers think of their staff? McGregor (1960) said there were two opposing views, Theory X and Theory Y.

A Read the text below, then answer the True/False questions.

Theory X managers believe that people dislike work. Work is necessary because if you do not work you cannot live. People are naturally lazy. They prefer to be directed. So managers have to tell their subordinates what to do. Managers have to organize the workers and pressure them to do things. The manager's job is to think about the goals of the organization then make workers realize the goals. Subordinates want security. They want managers to organize and control everything. So Theory X managers are authoritarian. Managers are the bosses. They decide the goals and give orders. They direct everything, from the top down.

Theory Y is more or less opposite to Theory X. Theory Y managers believe that people like work. Work is necessary because people want to work to feel happy. People are naturally industrious. They prefer to participate in decision-making. Managers discuss with their subordinates what to do. Managers organize communication channels with the workers and listen to their opinions. The manager's job is to establish the goals of the organization with the workers, so that together they can realize the goals. Subordinates want managers to involve them, to delegate decision-making, to allow them autonomy. Theory Y managers are team-oriented. They trust their subordinates. The organization is less hierarchical and more creative.

1 Theory X and Theory Y are theories of leadership. (True)/False

2 Theory X is a more traditional description of management/worker relations. True/False

3 Theory Y is typical in hierarchical top-down organizations. True/False

4 Theory Y managers tell workers what they want. Workers do it. True/False

5 Theory X managers are authoritarian. True/False

6 Theory Y workers are lazy and don't want to work. True/False

7 For Theory X workers, work is natural. True/False

8 Theory Y working relationships are open, communicative and creative. True/False

B Put the words and phrases below into the correct column.

communication (struck through)   control   co-operation   creativity   direction   modern   orders   participation   security   traditional   work is a necessity   work is natural

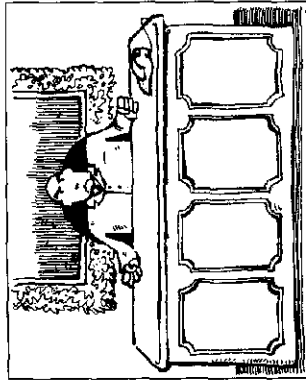| Theory X	Theory Y
	communication

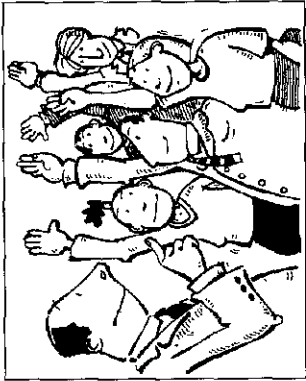• Leadership is one aspect of management. Good managers often have some of the characteristics of good leaders.

• See also: Test 7 Management style

11 Team-building

Look at the diagram below. It shows that an effective team contains different people with different roles and different qualities. Study the diagram, then read the text that follows and fill in the spaces.

Balancing roles in an effective team

Innovator
Creative
Inventive

Mentor
Supportive role

→ Co-operative

Leader
Motivating
Summarizing

Competitive ←→

Producer
Task-oriented
Goal-focused

Monitor
Technically
competent

Controller
Reliable
Co-ordinator

Team-building: getting the balance right

The *whole point* of teamwork is that people work together. The most effective teams contain a balance of different people with different skills. For example, a team needs (1) _innovators_ . These are creative, ideas-oriented people. They look for new solutions and explore alternatives. The team also needs (2) _____, people who get results. These are task-oriented and understand the objectives of the team. Both these types tend to be competitive.

Balancing this are more co-operative individuals. These may include (3) _____, who support team members and make sure good relationships are maintained. Others are (4) _____, with technical expertise and the ability to check progress, measure performance and ensure that things are both possible and desirable.
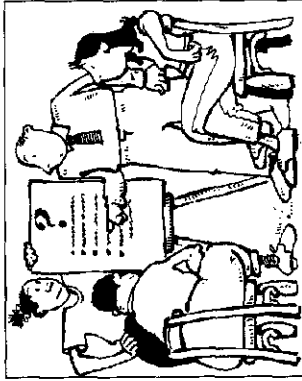
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10 Leadership styles
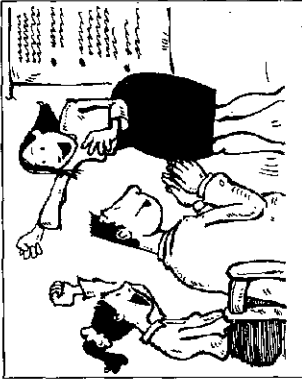

1

2

3

4

Tick the *three* words or phrases that match each style of leadership.

1 **Autocratic leadership**
open   modern   directive ✓   hierarchical ✓   creative   traditional ✓

2 **Democratic leadership**
group-oriented   Communist   team-based   communicative   simple   charismatic

3 **Laissez-faire leadership**
open   non-existent   co-operative   creative   strong   modern

4 **Charismatic leadership**
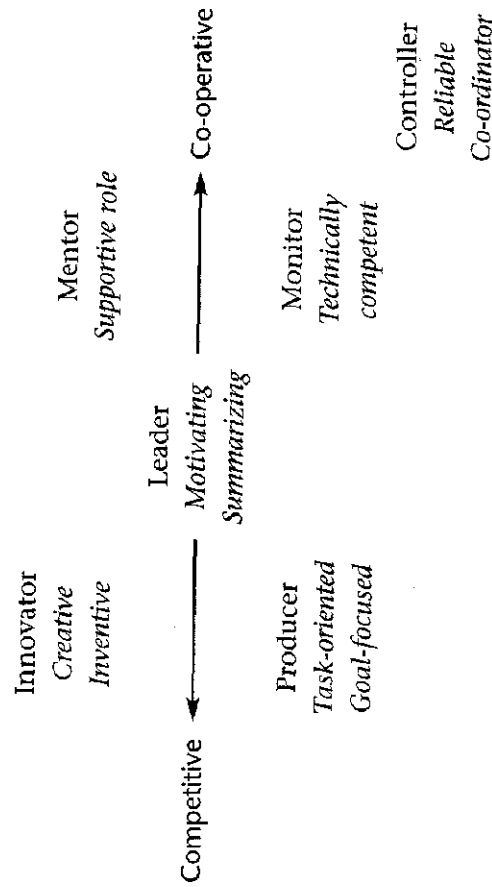political   personality-driven   goal-oriented   inspirational   bureaucratic   reward-based

Notice the terms *group-oriented, team-based, personality-driven, goal-oriented, reward-based*. These mean 'oriented towards the group', 'based on teams', 'driven by personality', 'oriented towards goals' and 'based on rewards'.

12 Conflict management

A Conflict, like change, happens. There are different types of conflict in management contexts. Look at the table below and match the type of conflict (1–5) with the best definition (a–e).

Conflict type **Definition**

1 Inter-group conflict a Personality or inter-personal differences within a group.

2 Intra-group conflict b Conflict between groups.

3 Relationship conflict c Disagreement on ideas or what to do.

4 Inertia d Conflict within a group.

5 Substantive conflict e Failure to act or produce results.

B Below are five possible solutions to conflict. Complete the phrases using words from the box.

communication skills   leader   mediator   methods   options

1 Redefine goals or working _____

2 Compare and evaluate _____

3 Appoint a _____

4 Improve _____

5 The _____ should intervene (or resign to allow a new leader to take over).

Notice the meaning of:
inter- between
intra- within
So the **Internet** is a network between different computers; an **intranet** is a network within one organization.

Another important role is the (5) _____, who works on all levels of co-ordination and organization of the team.

At the heart of the team is the (6) _____. His/her role is to make sure that all parts of the team work well together. He/she must motivate team members to achieve the agreed objectives. He/she is also responsible for summarizing and reporting the work of the team.

Team building in the workplace creates a sense of *collective responsibility*. Everyone shares in success, everyone learns from mistakes, everyone works together to help everyone else. The result is – in theory – more harmony, less competition; more support, less isolation; more job satisfaction and lower turnover of staff. The combined result is more success.
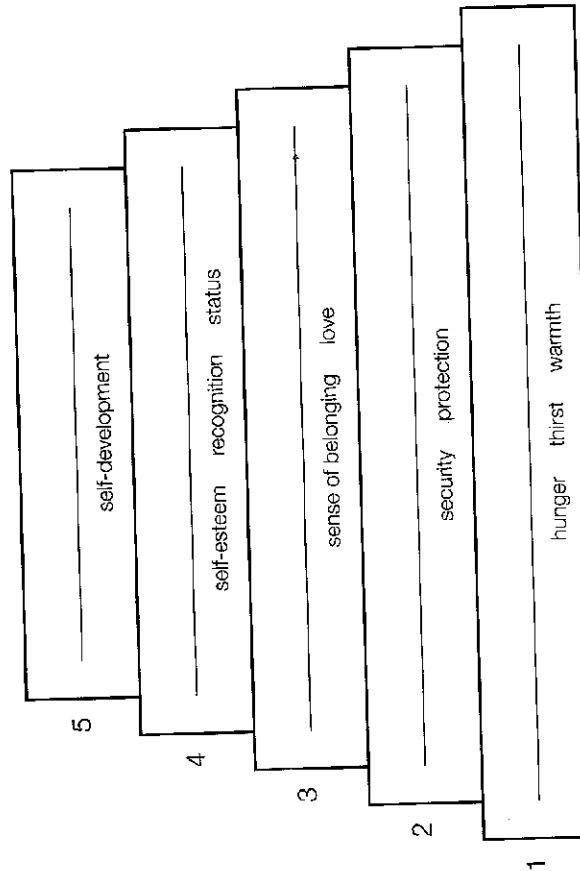
13 Motivation

A Complete the three definitions of motivation with words from the box.

| behaves | ~~drives~~ | effort | outcomes | reach | willingness |

- Motivation is what (1) ___*drives*___ us to try to (2) _____ certain goals.

- Motivation is a decision-making process through which a person chooses desired (3) _____ and (4) _____ in ways that will lead to acquiring them.

- Motivation is the (5) _____ to make the (6) _____ to achieve certain goals.

B An important theory of motivation in management is Maslow's Hierarchy of Needs. Maslow (1942) described five levels of need. Look at the pyramid below which shows these needs. Read the text on page 19 and write the names for each level (1–5) in the pyramid. Use the words in the box opposite.

Pyramid (from top):

5 _____ self-development

4 _____ self-esteem   recognition   status

3 _____ sense of belonging   love

2 _____ security   protection

1 _____ hunger   thirst   warmth

Esteem needs   Physiological needs   Safety needs
        Self-actualization   Social needs

Maslow's theory suggests that people treat each level as a motivating factor, but once a level is achieved it is no longer motivating. Instead, the next level up becomes the new motivator. This tells us that in the workplace, esteem needs are important, but once achieved, they are no longer significant. Self-actualization, or self-development, is much more important. Managers therefore have to make sure that their staff continually feel that they are improving and achieving more in terms of self-actualization.

Maslow also states that it is not possible to move up a step without first fulfilling the lower needs.

Need is a verb. *Need* is also used as a singular noun, but most frequently it is used in the plural, *needs*.
Notice the prepositions in these phrases: *the need for (something), in need of (something), the needs of (someone)*.
Notice also the noun phrases *customer needs, financial needs, research needs, training needs*.

14 Negotiating styles

The text opposite describes three negotiating styles. Read it and then complete the table that follows.
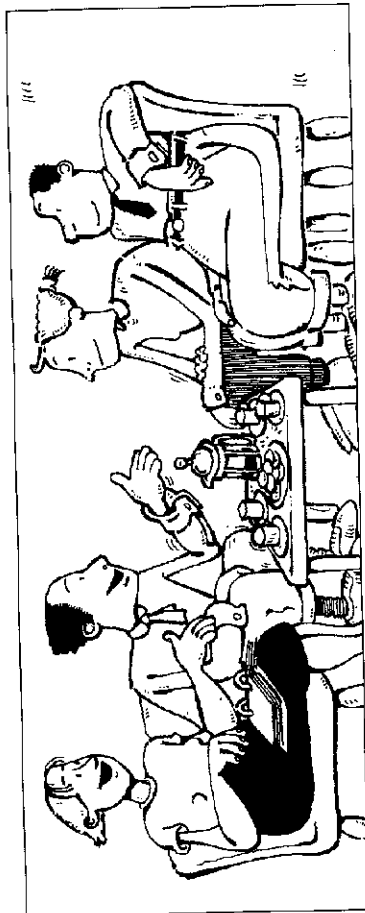
Principled negotiation (win/win)

Creative negotiation

Adversarial negotiation (win/lose)

Most people negotiate to gain some advantage to themselves or to their side. The fighter is only interested in his side winning and the other side losing. This is a hard style of negotiation and involves making demands.

In business, it is often better to negotiate to independent advantage. This means each side thinks about its advantages, but knows that the result will bring either common benefits or different advantages to each side. Both sides get something and are happy with the result. In this type of negotiation everyone makes concessions. This is sometimes called a win/win negotiation. Another style of negotiation is seen in the creative negotiator. Here both sides look for agreement. Agreement is the main objective and one or both negotiators have a soft negotiating style.

Negotiation styles: a continuum

Adversarial negotiation	Principled negotiation	Creative negotiation
Negotiate to (1) _win_	Look for (2) _____ benefits	Look for (3) _____
Make (4) _____	Make (5) _____	Accept what is on offer
(6) F _____	Negotiator for independent and mutual advantages	(7) C _____ negotiator
(8) _____	Win/win	Agree

See also: Test 37 Resistance to change

15 Project management

A The following are typical stages in project management. Key words have been scrambled. Unscramble them.

objectives

1   Set jobsevteic _____

2   Establish sonnifitide _____

3   Appoint project reelad and smeat _____

4   Estimate stocs and provide a dubteg _____

5   Put work out to redent _____

6   Discuss sopalrops _____

7   atetongie with tendering companies _____

8   Sign tontscrac _____

9   nalp and ledushec the work _____

10 Provide necessary trupsop _____

11 romiton the work in progress _____

12 Evaluate lessrut _____

B Match each of the words you have unscrambled with a word or phrase below that has a similar meaning.

For example: 1   _objectives_   l   _aims_

a   discuss   f   offers   k   assistance

b   terms   g   submissions   l   aims

c   organize   h   check   m   outcomes

d   co-ordinator   i   groups   n   expenses

e   set time targets j   agreements   o   financial plan

---

16 Time management

Good time management is very important in an efficient workplace. Most people could improve their time management skills. Match an action (1–5) with its meaning (A–E) and an example (v–z).

Action	Meaning	Example
1 plan	A improve your abilities	v A colleague asks you to go to a meeting – but it is not absolutely necessary. You make an excuse and do not go.
2 delegate	B organize	w You write appointments, deadlines and actions in your diary. You know what you have to do for the week.
3 upgrade skills	C order things according to importance	x A new project has to be carried out. You do not have time to run it. You ask someone else to do it.
4 prioritize	D say no	y You decide that writing a report for your boss is the most important job today. Do that, then do something else that is urgent, but less important.
5 turn down requests	E get somebody else to do something	z You sign up for an in-service training seminar on Time Management.

How is your time management? Here are eight tips on time management: keep a diary; write weekly (or daily) To Do lists; prioritize; set objectives; make deadlines; act or delegate; build in relaxation time; and get enough sleep!

18 Characteristics of organizational culture

A Company A and Company B have broadly **opposite** organizational cultures. For characteristics 1–6, fill in the spaces with a word which contrasts with the underlined word in the opposite column. For 7–10, complete the phrase so that it contrasts with the idea in the opposite column.

Company A

1 A <u>modern</u> manufacturing company.

2 A f _ _ _ company structure.

3 An <u>open</u> company with fluid communication channels.

4 There are i _ _ _ _ _ _ meetings to decide policy.

5 There are <u>general guidelines</u> for employees to follow.

6 The business is m _ _ _ _ _ -driven.

7 Communication channels work in all directions, including sideways.

8 Work is organized through a f _ _ _ _ _ system of teams, with a lot of exchange between teams.

9 C _ _ _ _ _ _ , and innovative and dynamic work are highly valued.

10 People are valued above s _ _ _ _ _ _ .

Company B

1 A <u>t r a d i t i o n a l</u> manufacturing company.

2 A <u>hierarchical</u> company structure.

3 A c _ _ _ _ company with clearly defined communication channels.

4 There are <u>formal</u> meetings to explain policy.

5 There are a lot of r _ _ _ _ and r _ _ _ _ _ _ _ _ for employees to follow.

6 The business is <u>product-driven</u>.

7 Communication channels are t _ _ - d _ _ _ .

8 Work is organized through a rigid system of d _ _ _ _ _ _ _ , with little exchange between them.

9 Productivity and financial success are highly valued.

10 Systems are valued above p _ _ _ _ _ .

---

17 Defining organizatonal culture

A Every organization, every business, has its particular culture. Organizational culture combines aspects of an organization with its particular culture. Label each of the following as part of 'organization' (O) or as part of 'culture' (C).

1 Values   C

2 Having a clear structure   __

3 Beliefs   __

4 Formal sources of authority   __

5 Assumptions and attitudes   __

6 Norms   __

7 Objectives/Common purpose   __

8 Relationship between centre and periphery   __

9 Shared experience   __

10 The system   __

B Complete the dialogue below using words in part A.

A: How is organizational <u>c u l t u r e</u> created? What is it?

B: Organizational culture is a set of basic a _ _ _ _ _ _ _ _ _ _ , or what people think, in a company or organization.

A: So it's based on common v _ _ _ _ ?

B: That's right. Everyone learns these over time. They learn the way of doing things, the n _ _ _ _ .

A: And everyone agrees that they are right?

B: Generally, yes.

A: And where do they come from?

B: From shared experience. From history, tradition and common b _ _ _ _ _ .

A: And new employees usually learn the same things? They learn the s _ _ _ _ .

B: Exactly. Everyone learns the same organizational culture.

19 Developing organizational culture

Complete the sentences below (1–8) with a word from the word square. The words are all connected with things a company may use to develop its organizational culture.

R	I	M	K	S	Y	M	B	O	L	S
C	A	L	A	N	G	U	A	G	E	N
C	E	R	E	M	O	N	I	E	S	I
Z	A	H	N	Y	E	I	R	O	T	L
U	Y	E	O	T	Q	F	X	P	O	N
L	J	R	C	H	T	O	C	E	R	N
S	P	O	N	S	O	R	S	H	I	P
Z	A	E	P	D	K	M	F	G	E	W
H	I	S	L	N	S	S	T	T	S	U
M	A	G	A	Z	I	N	E	F	C	M
V	R	E	M	R	A	W	A	R	D	S

1 Many companies supply *uniforms* for their employees which make them instantly recognizable and establish the idea of a team.

2 Many organizations and sectors of employment have a particular l _ _ _ _ _ with special words, special jargon unknown outside the business.

3 Many organizations have a special regular m _ _ _ _ _ _ _ full of news and comment on the activities of the organization.

4 Some organizations, especially those in leisure, sports and entertainment, use s _ _ _ _ _ _ _ _ to promote a particular image.

5 The history of many companies, and their boardrooms, are illustrated with pictures of company or organizational h _ _ _ _ _ .

6 Special prizes and a _ _ _ _ presented at special c _ _ _ _ _ _ _ help to build up the image of a company.

7 While fairy stories are not usually part of company history, there are s _ _ _ _ _ and sometimes m _ _ _ _ that become part of the organizational heritage.

8 Logos, letterheads, the painting on vehicles and on buildings, and all signs and s _ _ _ _ _ are a significant contribution to the culture of an organization.

21 Cultural variance

Trompenaars (1993) describes seven aspects of culture that affect behaviour. Below are five of these aspects which contain contrasting features, e.g. universal and particular, individual and collective, etc. Match each feature (1–10) with the correct meaning (a–j).

Aspects of culture

1 Universal
2 Particular
3 Individual
4 Collective
5 Neutral
6 Emotional
7 Diffuse
8 Specific
9 Achievement-based
10 Ascription-based

Meaning

a Business relationships are limited and contractual.

b Status, age, gender or education matter more than particular successes.

c Relationships are fluid and flexible depending on situation.

d Society is based on the whole community.

e People are reserved and do not easily express feelings.

f Recent or past successes are highly valued.

g The whole person is engaged in the business relationship and it takes time to build the relationship.

h Society is oriented towards individuals' wants and needs.

i Relatively rigid rule-based behaviour.

j It is common to express feelings openly.

- The other two aspects which Trompenaars describes are:
  Time: history and past experience, or current activities and potential to create the future
  Environment: the extent to which individuals affect the world they live in, or how much the world affects individuals
- See also: Test 59 Cultural issues

---

20 Four dimensions of culture

Hofstede (1980) wrote about culture as 'collective programming' which affects behaviour. Here is a brief summary of Hofstede's work as applied to organizations. Complete the spaces using words from the box.

assertiveness   collective   competitiveness   ~~dimensions~~
environment   femininity   individualism   masculine   masculinity
power distance   subordinates   threat   uncertainty avoidance

What's your culture like?

Hofstede identified four (1) *dimensions* of culture. These are power distance, uncertainty avoidance, individualism and masculinity.

The first, (2) p_____ d_____, is a measure of inequality in organizations. It depends on management style, and reflects a measure of openness and effective communication between managers and (3) s_____.

The second, (4) u_____ a_____, is a measure of how much people feel that new unusual situations are a _____.

(5) t_____.
(6) I_____ is a measure of how much the organization has an individualist or a (7) c_____ ethic.

The last one, (8) m_____ is contrasted with (9) f_____. This is a measure of how much the organization is assertive or competitive.

(10) A_____ and (11) c_____ are seen as (12) m_____ indicators. In contrast, caring and a stress on quality of life and concern for the (13) e_____ are seen as feminine characteristics.

22 Power and politics

'A person can have power over you only if he or she controls something you desire.'

(Robbins, 1996, p.463)

A Match the term on the left (1–6) with the best definition (a–f).

1 Referent power — a Power that is based on fear.

2 Coercive power — b The ability to make others do as you wish, because you control resources, e.g. favours, promotion or salary resources.

3 Reward power — c The capacity that A has to influence B to do things he or she would not otherwise do.

4 Legitimate power — d Power based on knowledge or special abilities.

5 Power — e Influence that a person has because of special personality traits or desirable resources.

6 Expert power — f Power that is based on status or position in an organization.

B Complete the following dialogue from a class on management with words from the box.

compromise	control	groups	influence	looking
	lose	organizational	status	

Student: What are (1) _organizational_ politics?

Tutor: They're the process by which individuals and (2) _____ try to increase their (3) _____ inside an organization.

Student: So being political can help you to have some (4) _____ over aspects of your work?

Tutor: Exactly.

Student: What if you don't know the politics inside an organization?

Tutor: If you don't, you can (5) _____ power.

Student: So politicking means (6) _____ for influence then?

Tutor: Perhaps. In fact, a lot of the time you have to (7) _____. But essentially the game is to raise your (8) _____ within the organization.

24 The external environment

Businesses and organizations have to adapt and respond to pressures from the external environment. The diagram shows eight kinds of pressure that impact on businesses. Match each one to an example (1–8) below

(a) International environment

(b) Technological environment

(c) Consumer needs/wants

(d) Industry environment

(e) Environmental pressures

(f) Domestic environment

(g) Government/ legal factors

(h) Competition factors

ABC company

1 Other businesses offer similar or better products or services. _h_

2 Globalization offers opportunities to export more goods or services.

3 The target market changes because of demographic factors.

4 New laws affect product design.

5 Products become out-of-date due to new inventions.

6 Production costs increase because of difficulties in getting raw materials from ecologically sensitive areas, e.g. rain forests.

7 Changes in fashions among target markets.

8 The product is new and specialized and the market is growing.

Word stress sometimes changes from the noun to the adjective. Look at the following:

| technology | technological | competition | competitive |
| industry | industrial | environment | environmental |

---

23 How political are you?

Many political issues can affect the working environment. Match the issues (1–9) with the examples (a–i).

Issue

1 Gender politics

2 Equal opportunities

3 Ethics

4 Peer competition

5 Relationship-building

6 Making alliances

7 Exploiting weakness

8 Criticizing colleagues

9 Giving friendly advice

Example

a Saying a colleague has done a bad job, or made a mistake.

b Taking the opportunity to increase your power and influence because of someone else's weak position.

c Treating everyone fairly, without considering their race, gender, beliefs, etc.

d Helping a colleague to do their job better.

e Rivalry between colleagues for power, influence, opportunities and rewards.

f Creating shared attitudes and common views among a team.

g Giving a woman a job because you need more women in that department.

h Creating common views with particular colleagues who have power and influence.

i Making decisions about moral issues, such as the interests of the whole community.

Three of the above might **not** be acceptable in some contexts: saying a colleague has done a bad job; taking the opportunity to increase your power and influence *because of someone else's weakness*, and giving a woman a job because you need more women in a particular department.

25 The industry environment

This test looks at one of the eight external factors mentioned in Test 24. The *industry environment* means the industry in which a company works and all the factors which affect competition in that sector.

A Mark the following statements as True or False.

1 In an industrial sector with a low profit environment it is impossible for a company to make large profits.   True/**False**

2 In an industrial sector with a high profit environment there is usually a lot of competition.   True/False

3 Substitutes are possible alternatives that customers can choose.   True/False

4 An environment with fragmented customers means that the customers cannot act together to make producers lower their prices.   True/False

5 Highly technical products with high start-up costs make it difficult for new producers to enter the market.   True/False

6 High quality and low price normally go together.   True/False

7 If there are many suppliers of a product, then the suppliers are in a weak position. If there are few, high profits are easier to obtain.   True/False

---

B The chart below shows the possible contrast between a high profit environment and a low profit environment. Complete the missing words. Note: The information in part A will help you to do this.

The industry environment and profit

| Higher profits	Lower profits
● Q _ _ _ _ _ -based competition	● Price-based competition
● Few competitors	● Many c _ _ _ _ _ _ _
● Difficult m _ _ _ _ _ to enter	● Easy market to enter
● Few new players in the market	● Many new players in the market
● Few substitutes	● Many s _ _ _ _ _ _ _ _
● Many c _ _ _ _ _ _ _	● Few customers
● Many suppliers	● Few s _ _ _ _ _ _ _
● F _ _ _ _ _ _ _ _ _ customers	● United customers

26 Ethical issues 1

Match the ethical issue (1–10) with an example (a–j) and a picture (A–J) that illustrates the issue.

1 *g H*

Ethical issue

**Example**

1 Workers' rights

2 Animal rights

3 Corruption

4 Computer data protection

5 Codes of conduct

6 Company 'perks'

7 Consumer safety

8 Discrimination

9 Environmental protection

10 Operating a cartel

a Agreeing to set high prices with a competitor.

b Not giving a job to someone because they are of a different ethnic origin.

c Marketing a dangerous product.

d Secretly giving money to a business partner to get a favour from him/her.

e Putting dangerous chemicals into a river.

f Testing products on rabbits.

g Making staff work very long hours.

h Stealing secrets from a computer network.

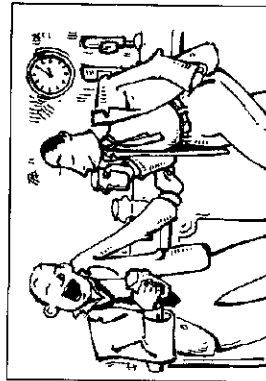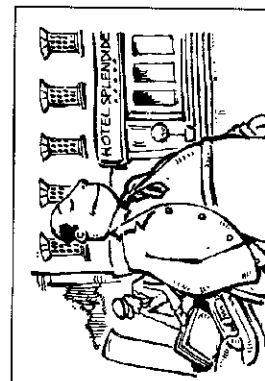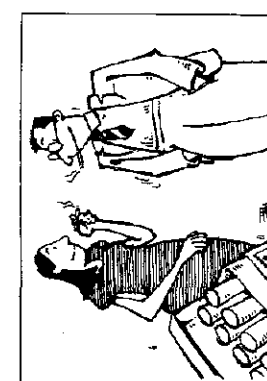i Giving *some* employees special benefits.

j Getting drunk at lunchtime.
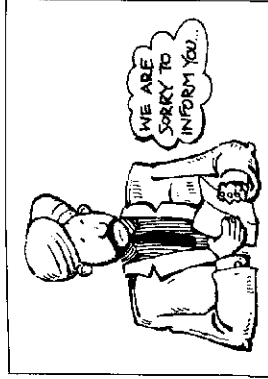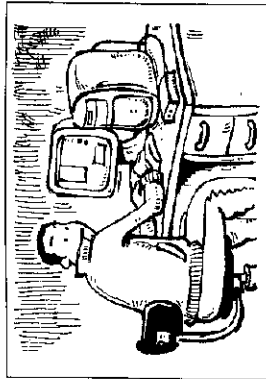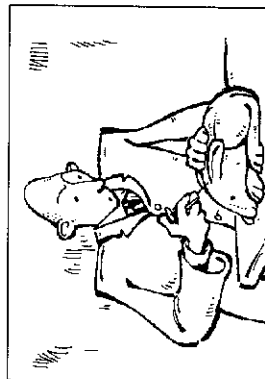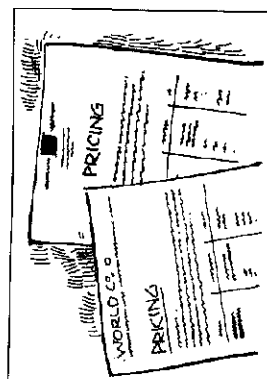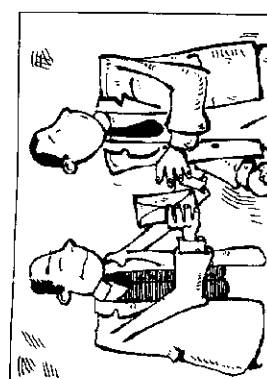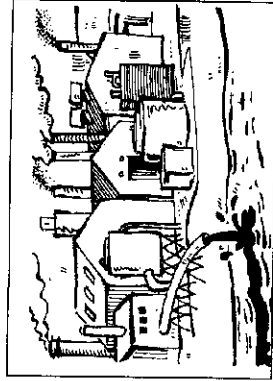
27 Standards

Companies and organizations need to meet certain minimum standards of behaviour. There are at least four categories of standards. These include standards of behaviour: towards customers and consumers (CC); towards the law (L); towards employees (E); towards the environment (ENV).
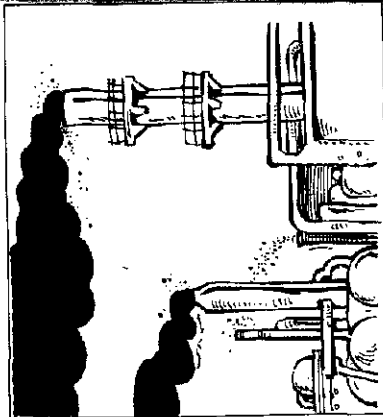
Look at the pictures below.

A Identify the category. Some are concerned with more than one category.
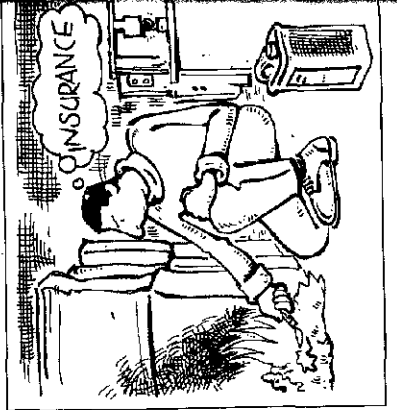
B Label each picture by unscrambling the words.

1 _____ L, E _____
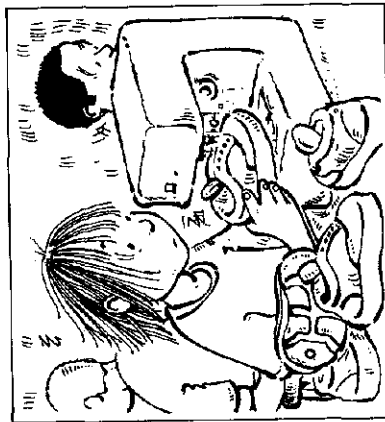
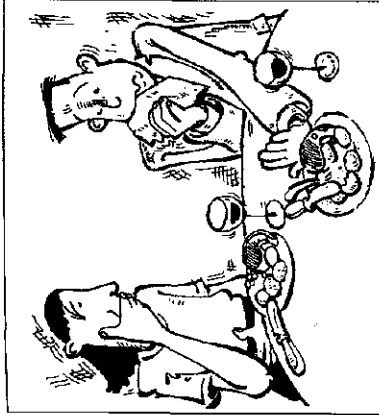hicld rabuol _____ child labour _____

2 _____

rai loptuloni _____

3 _____

konwirg donticoins _____

4 _____

rafud _____

5 _____

dofo dastarrnds _____
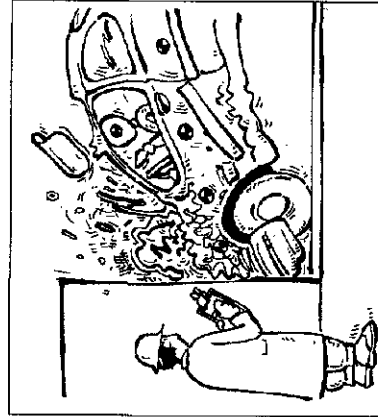
6 _____
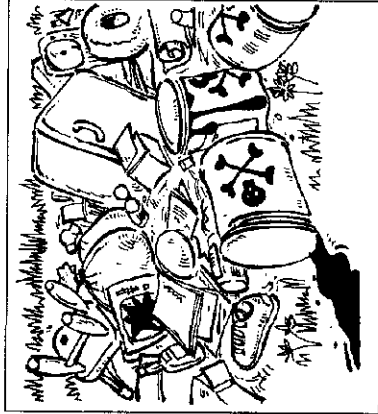
libilriatey _____

7 _____

lois natoncimaniot _____

8 _____

tefsya dasdranst _____

28 Looking after people: Health and Safety

Companies and organizations have a legal and moral responsibility to look after their employees and their customers. Health and Safety regulations protect employees. Consumer Protection laws protect consumers.

A Label the pictures below with words from the box.

air-conditioning   ergonomics   product testing

protective clothing   safety cap on a cleaning agent

safety mask for a welder   vivisection   warning notice on a paint tin
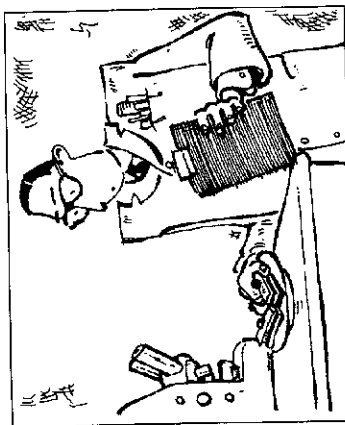
1 product testing

CP

2

3

4

5

6

7
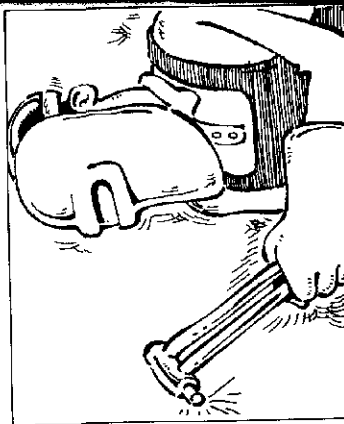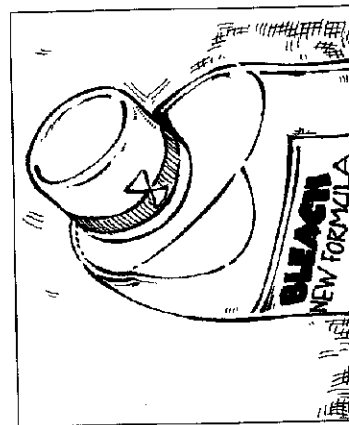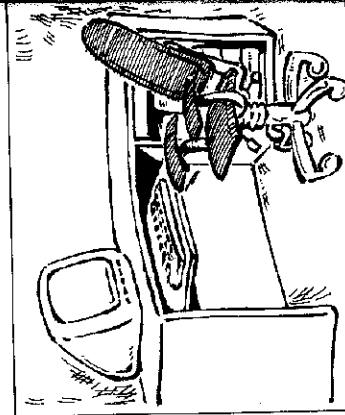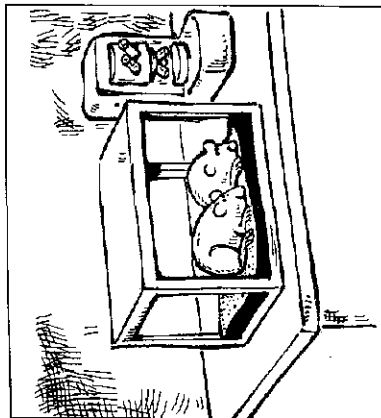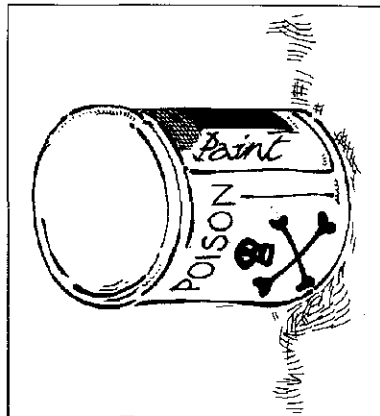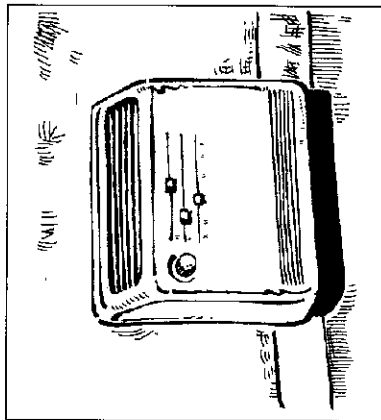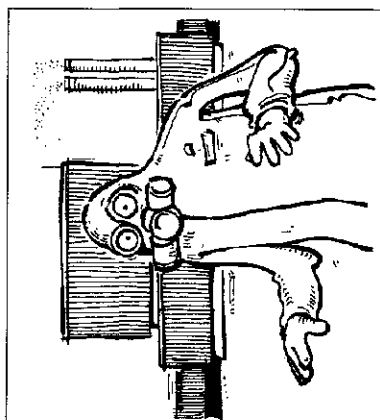
8

B Now label each of the above 'H&S' (health and safety provisions for staff), or 'CP' (consumer protection).

A noun compound consists of two nouns, e.g. safety mask, paint tin, product testing). These phrases typically mean the same as:

a mask for safety

a tin for paint

testing of products

Normally the first noun in the noun compound is in the singular, i.e. product testing, not products testing.

30 The legislative environment

Companies and organizations operate in a legal environment. Below are ten areas of legislation. Match each legislative area (1–10) with the correct description (a –j).

Legislative area

1 Environmental legislation

2 Social legislation

3 Consumer protection

4 Dangerous goods security legislation

5 Tariffs, duties and taxes

6 Official secrets, state security legislation

7 Sale of goods legislation

8 Company law

9 Advertising standards

10 Equal opportunities law

What is it about?

a Minimum standards in quality, service and rights of customers.

b Restrictions on use, movement and sale of items that present serious risk.
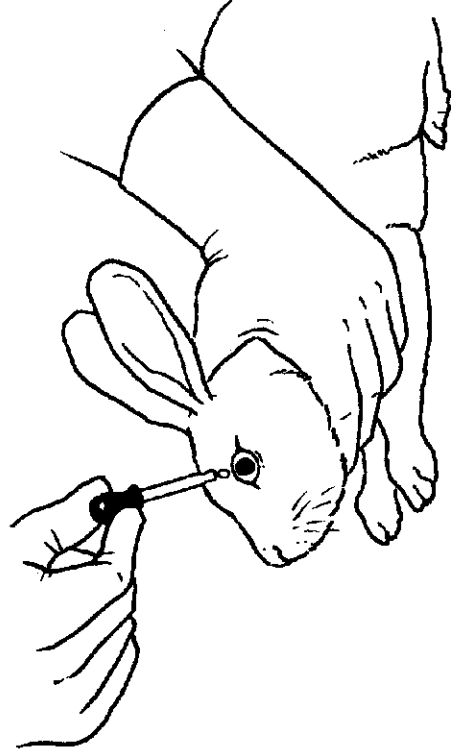
c Protection of air, water and land.

d Issues concerning state such as defence interests, nuclear resources, etc.

e Employment law, hours of work, holidays, insurance, etc.

f Restrictions on ways of promoting goods and services.

g Compulsory levies applied by government.

h Rights for all groups in society to be treated fairly.

i The quality of goods and services and the accuracy of any claims made for products and services offered for sale.

j Obligations to publish accounts, names of directors, etc.

The noun *goods* is only used in the plural and takes a plural verb, e.g: *The goods remain our property until payment is received in full.*
Other common plural noun forms are:
premises (buildings), *assets* (financial), *contents, funds, savings*
The singular form of these nouns has a different meaning from the plural form.

29 Ethical issues 2

Below is a list of issues which may or may not create ethical dilemmas for a company or organization. Unscramble the underlined words.

1 Cigarette gadvisterin. _____ *advertising*

2 puslime displays of sweets.

3 Animal tintseg of pharmaceutical products.

4 seviticoniv for cosmetics, soaps and shampoo products.

5 elswith-blowing to expose corruption in your organization.

6 Having no equal popsiteteruin policy in employment.

7 Changing jobs and taking fecdatilinon information on suppliers to your new job.

8 Presenting figts to a possible buyer.

9 Offering corporate toyasphilit to employees and their partners.

10 itronmoop of sweet drinks to children.

Testing products on animals is an ethical issue.

31 Forces for change

What are some of the most important forces for change? Match the pictures (1–10) with the forces for change (a–j).

1 ___

2 ___

3 ___

4 ___

5 ___

6 ___

7 ___

8 ___

9 ___
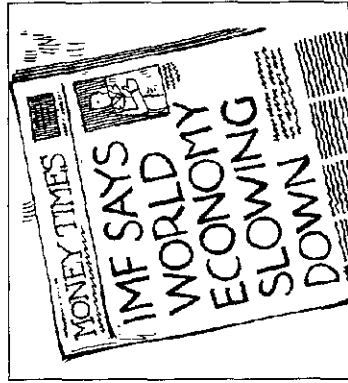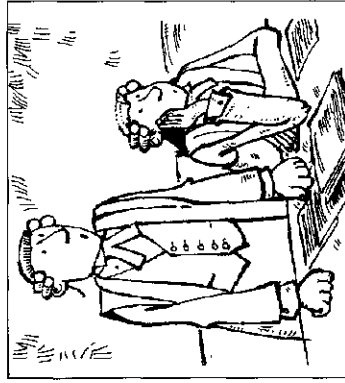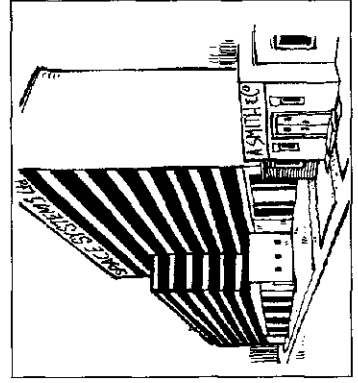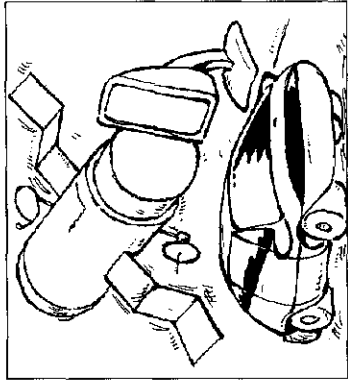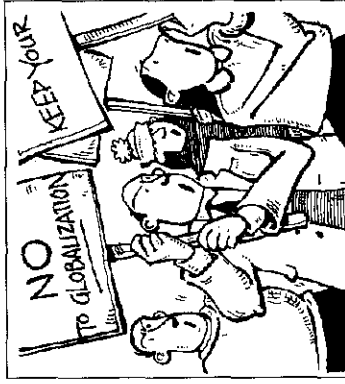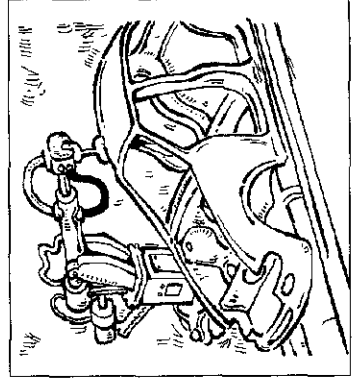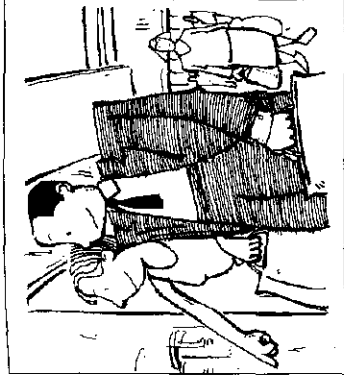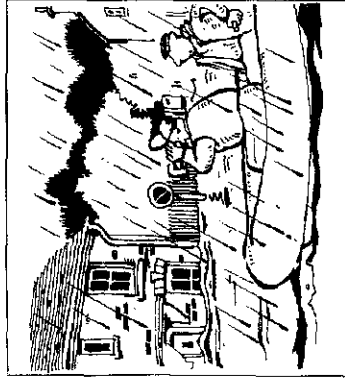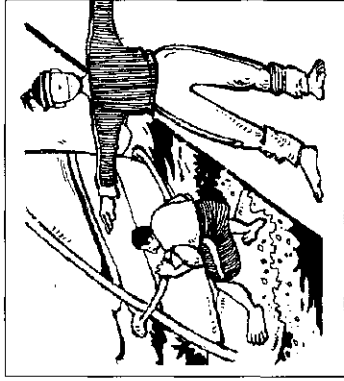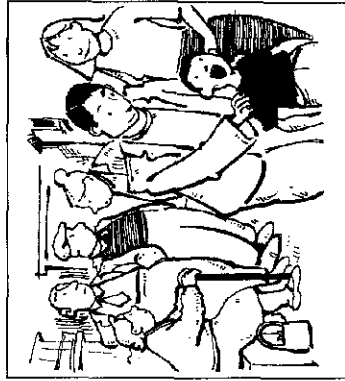
10 ___

a legislative change
b consumer needs and wants
c demographic change
d public opinion
e changing leisure habits

f technological change
g competition
h automation
i environmental/ecological factors
j changes in financial environment

The **environment** means the world in which we live and work. The term is often used in connection with ecological concerns. We can describe a more specific environment by adding a qualifier, e.g. *the business environment, the competitive environment, the local environment, the political environment, the economic environment.*
The word 'environment' is usually used in the singular, but notice the phrase *in different environments.*

32 The process of managing change

Change happens. Managing change is about dealing with this reality. Complete the words in the diagram with words that mean the same – or almost the same – as the words or phrases in the box.

| 1 say that something will happen | 2 calculate | 3 fix | 4 design |
| 5 carry out | 6 check | 7 evaluate | 8 give a prize |

PLANNING
(1)p _ _ _ _ _
change

RESEARCH
(2)a _ _ _ _
impact

COMMUNICATIO
(3)s _ _ goals/
objectives

TRAINING
(4)p _ _ _ courses/
seminars

ACTION
(5)i _ _ _ _ _
strategy

CHECKING/CONTROLLING
(6)m _ _ _ _ _
implementation and progress

EVALUATION
(7)m _ _ _ _ _
performance

(8)r _ _ _ _
success

assess
and adapt
strategy

---
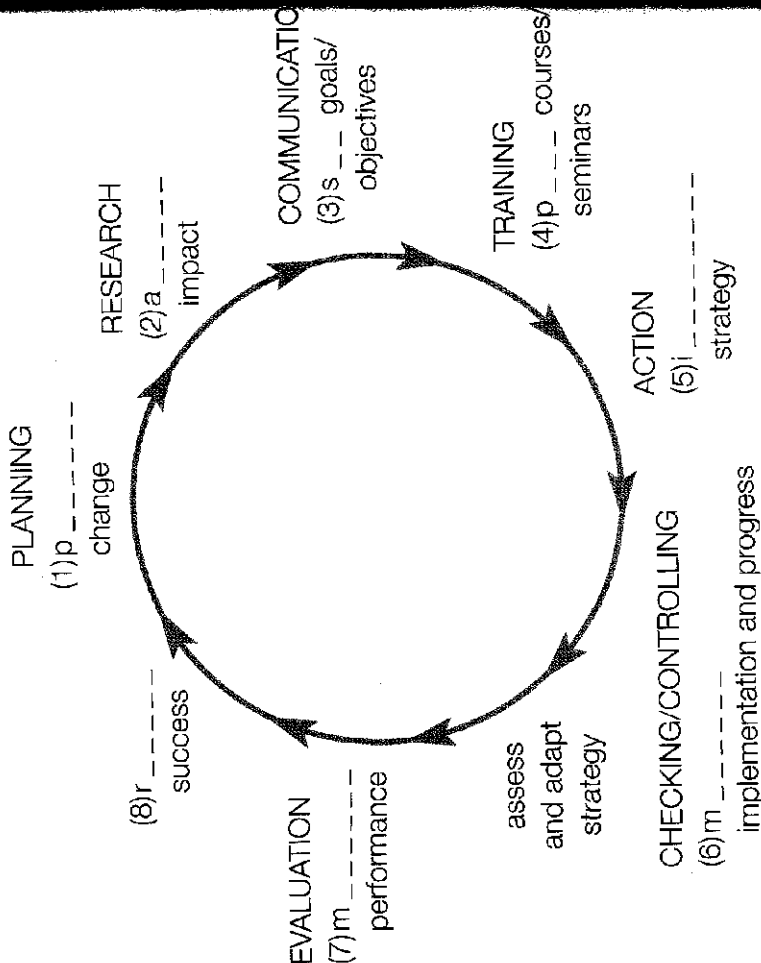
33 Innovation

Look at the graph, which shows five stages of innovation. Complete the description below with words from the box.

Five stages of innovation

Stages of innovation

Invention
Development
Diffusion
Integration
Decline

Time →
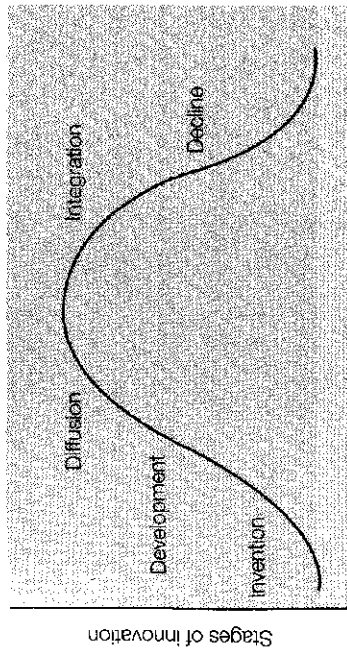
(Black and Porter, 2000, p.112)

| decline | development | diffusion | innovation | integration |
| invention | inventor | market | patent | range |

There are typically five stages of (1) ___innovation___ . First there is (2) i ___, which means thinking of a new product or new idea. During this period, the (3) i ___ should (4) p ___, where the idea is the idea. Then the second phase is (5) d ___. Then comes the adapted to the needs of a specific (6) m ___ stage, where the idea is sold and used by consumers. (7) d ___ Next the company fully accepts the innovation and it becomes a full part of the business's product (8) r ___. This phase is called (9) i ___. The final phase is called (10) d ___. Perhaps technology moves on or consumer demand changes and the idea or product is no longer needed.

Compare the five stages of innovation with a classic **product life cycle.** It is very similar. The product life cycle is often described in terms of development, launch, growth, maturity, saturation, and decline.

34 Training

Training is a key aspect of dealing with change. Answer the questions below with words or phrases from the box.

    curriculum vitae (CV)   graduate   human resources
    in-service training   lecture   qualification   research
    retraining   seminar   skills audit   staff development
    trainee   trainer   training budget   training manager

1   What is the name of the person responsible for training in a
    company or organization? ___ *training manager* ___

2   What is a possible alternative to making an employee redundant? ___

3   What do you call a special award that is given after a training
    course? ___

4   What is the word to describe someone with a university degree? ___

5   What is the document that lists a person's work and educational
    experience? ___

6   What is the term for a special study to find out something? ___

7   What is the name of a process to find out the level of competence
    needed for certain activities, or the existing competence of staff? ___

8   What is the term used for the money available to spend on
    training? ___

9   Which department is usually responsible for training? ___

10 What is the name for a single small conference or meeting, for
    discussion or training? ___

11 What is the term for making training available to staff? ___

12 What is the name for a single talk given by an expert to a training
    group? ___

13 What do you call someone who trains staff? ___

14 What do you call someone who is being trained? ___

15 What is the term for training given to employees as part of their
    job? ___

The -*ing* form of the verb is called the gerund when it stands in place of a
noun: *training*. Gerunds are common: *engineering, teamworking,
downsizing, outsourcing, data processing, marketing*, etc.

36 Change and communication

A When managers have to introduce change, good communication is very important. There are many ways to communicate in businesses and organizations. Look at the definitions (1–8) and match them with ways to communicate in the box below. Do not use all the words in the box.

company reports   departmental meeting   discussion   e-mail
extranet   fax   formal presentations   internal mail   Internet
intranet   memos   newsletters   notice-board   post   quality circles
teleconferencing   telephone   video-tape   voice-mail

1   Conversation about a particular topic.   _discussion_

2   A method of using computer and TV monitor links to hold a
meeting in real-time, but when the participants are in different
places.   _____

3   Occasional meetings between colleagues to talk about how
performance can be improved.   _____

4   A form of telephone answering system.   _____

5   Paper correspondence between employees in the same
organization.   _____

6   Traditional letter correspondence.   _____

7   A private network accessible from PCs and open only to members
of the same organization or group. Users can read and respond to
messages posted on a website.   _____

8   A private network restricted to members of the same organization
and authorized outsiders. Users can read and respond to messages
posted on a website   _____

---

35 Organizational change

'Adapt or die'. This is a common saying in business. Businesses and organizations must respond to change. Match the terms (1–8) with the correct definitions (a–h).

1   Organizational
development

2   Change agents

3   Bench-marking

4   Communication

5   Resistance
to change

6   Re-engineering

7   Data analysis

8   Organizational
renewal

a   An approach to change that is based
on looking at people and their
relationships to the whole. The
approach is planned, strategic and
long-term.

b   A concept of organizational change
that is based on flexibility and
continuous change.

c   A combination of forces that do not
want change.

d   Study of the impact of change.

e   Radical redesign of all aspects of an
organization's activities.

f   Explaining why change is necessary
and how it should happen.

g   A process of identifying a model of
'best practice' and comparing
performance against this model.

h   People responsible for making
change happen in organizations.

The prefix re- means 'to do something again'. Here are some words with
the prefix that we have seen in this book:

- re-engineering
- retraining
- redesign
- redefine

re- is used with a hyphen (re-) before 'e', e.g. re-engineering. We also use
a hyphen if there is a similar word, in order to show the difference, e.g.
to re-form (to form again) compared with to reform (to change).

37 Resistance to change

Change is often met with resistance. Change agents therefore have to negotiate with those who would prefer to resist the changes. Complete the headings for the five stages of negotiation with words from the box.

| agreement | concessions or compromise | information |
| persuasion | ~~planning~~ | preparation | relationship building |

Stage I   *Planning*   and _____

Before face-to-face meetings, the foundations have to be ready. Collect information. Decide on a strategy. Set objectives.

Stage II _____ **between negotiating parties**

This stage is about developing trust between the parties.

Stage III _____ **exchange**

Learn about the needs and demands of the other side.

Stage IV _____ **attempts**

Attempts to modify the position of the other side. Negotiation is about increasing the influence of your side.

Stage V _____ and _____

In this stage both sides make changes in their original position. If this happens, both sides leave the negotiation with some satisfaction.

- Note the verb phrases
  - *to make a concession*
  - *to make concessions*
  - *to agree/make a compromise*
  - *to make compromises*
  - *to compromise*
- See also: Test 14 Negotiating styles

B   Complete the table below with all the words from the box on page 51.

Written/printed communication	Speech communication	Machine communication
memos		

The virtual office has become a reality. Working from home, using networked computers and electronic data transfer (EDT), is now an alternative to the traditional office. **Mobile communications**, including cell phones that can send and receive **e-mail** messages, and laptop computers, mean you can have a portable office. **Video-conferencing** capabilities are improving all the time. **Electronic funds transfer (EFT)** and **home-shopping** using the **Internet** are everyday tools.

39 SWOT analysis

A classic way to create a marketing strategy is to begin by looking at a company's Strengths, Weaknesses, Opportunities and Threats. Expo Marketing Consultants carried out a SWOT analysis of GUBU Toys Ltd. Put all their findings in the correct box to complete the SWOT analysis.

1 Reliable and committed workforce
2 Use of wood – seen as 'good for the environment'
3 High labour costs
4 Location – far from population centres/far from new markets
5 Beautiful handmade toys
6 Poor communications systems / limited technological skills
7 Internet as potential marketing tool / e-commerce
8 Lack of IT training in staff
9 Declining interest in domestic markets for traditional toys
10 Potentially strong demand in Germany and Scandinavia
11 Competition in Germany and Scandinavia / Baltic countries
12 Increased competition from mail order companies
13 Selling by new channels, e.g. mail order

Expo Marketing Consultants SWOT Analysis for GUBU (Toys) Ltd	
Strengths 1	**Weaknesses**
Opportunities	**Threats**

- Strengths and Weaknesses are concerned with things **inside** the company which it can directly control. Opportunities and Threats are **outside** factors.
- See also: Test 6 Marketing

---

38 Planning

All the words in the box concern planning. Match each term with the correct definition (1–12). The answers include the word *plan* eight times.

action	budget	business	contingency
interim	objectives	operational	planning provisional
	strategic	tactical	

1 A plan that focuses on the whole organization, internal and external factors, and actions necessary to reach long-term goals. *strategic plan*

2 A process that focuses on the future of an organization and how to reach certain targets. _____

3 The results or targets that management thinks are desirable. _____

4 A plan for a specific part of the wider organization, usually narrower in scope and over a shorter time period. _____

5 A specific short-term plan to realize a narrow single objective. _____

6 A short-term and temporary plan. _____

7 A trial plan, that may or may not be adopted permanently. _____

8 A plan which explains a new commercial activity or new company and how to start it. _____

9 A plan of what to do, often indicating individual responsibilities, often short-term. _____

10 A plan which sets out the forecast costs of a project or activity. _____

11 A reserve plan which will only be used if necessary. _____

40 The business plan

Read the text below on preparing a business plan. Then look at the Contents page from the Business Plan of Gorliz & Zimmerman, an office furniture manufacturer. Complete the missing words.

Preparing a Business Plan

The business plan is an important document with two essential functions. It aims to convince possible investors and other stakeholders of the potential of a new business. It also works as a guide for the company in its first year or two of operation.

The business plan normally starts with a title page and outline of the new business. It includes the name, logo and mission statement of the activity. There are normally three main parts to the business plan.

First, the Marketing Plan. This includes a description of the products and services, an analysis of the market, a survey of the competition and a basic outline of promotion and selling strategies.

The next part is the Financial Plan, which includes details of start-up costs, a profit and loss forecast for the first year or two (or maybe three) and then a calculation of the break-even point. This is to show when the business expects to begin making a profit.

Then there is usually a People and Action Plan. This explains who is involved, and states their roles and responsibilities, their experience and abilities. The Action Plan explains what will happen in the important first year of the business, i.e. during the start-up phase.

Finally, the business plan has some information on the location, perhaps with photographs and architect's drawings. At the end there are the Appendices, containing any additional and detailed information or support material.

Gorliz & Zimmerman: Business Plan

April 6 2001

Contents

1. Introduction: Business Outline

2. M _ _ _ _ _ _ plan

2.1 P _ _ _ _ _ _ and s _ _ _ _ _ _

2.2 M _ _ _ _ _

2.3 P _ _ _ _ _ _ and s _ _ _ _ _

2.4 C _ _ _ _ _ _ _ _

3. F _ _ _ _ _ plan

3.1 S _ _ _ _ _ _ costs

3.2 P _ _ _ _ _ and l _ _ _ f _ _ _ _ _ _

3.3 B _ _ _ _ _ e _ _ _ point

4. P _ _ _ _ _ and A _ _ _ _ _ plan

5. L _ _ _ _ _ _

6. A _ _ _ _ _ _ _

New businesses usually have a **business plan**. This is a document that describes what the new business is; how it will start up and how it will sell its goods and services. It also contains financial information.
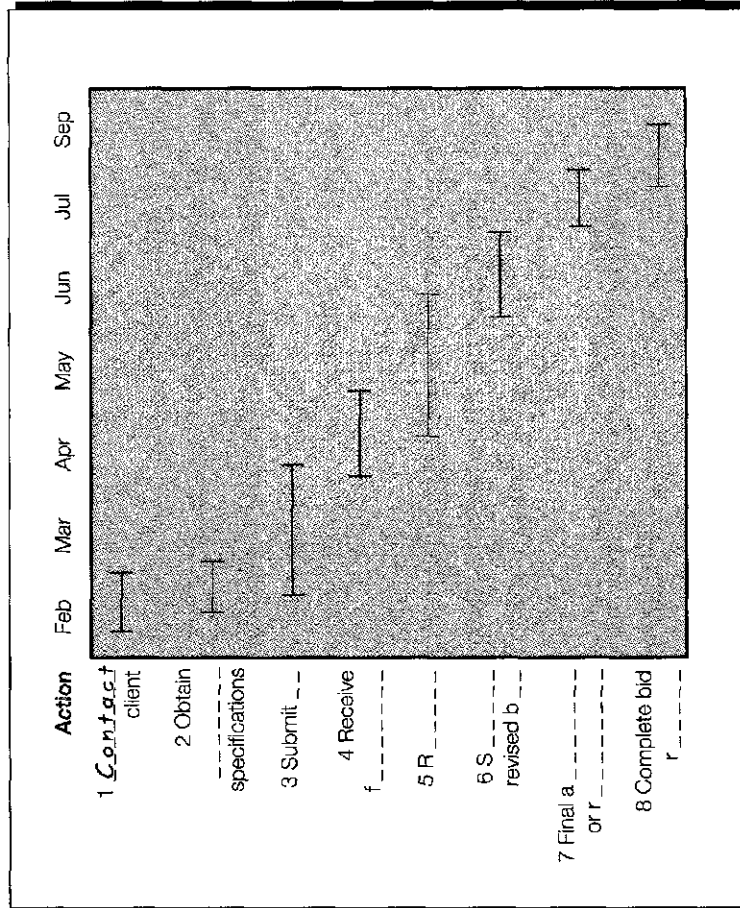
There are different ways to structure a business plan. Some are shorter and simpler than the above model. Others are much more complicated.

42 Management By Objectives (MBO)

Management By Objectives (MBO) was originally developed by Peter Drucker (1985). Look at the diagram below and complete the dialogue underneath.
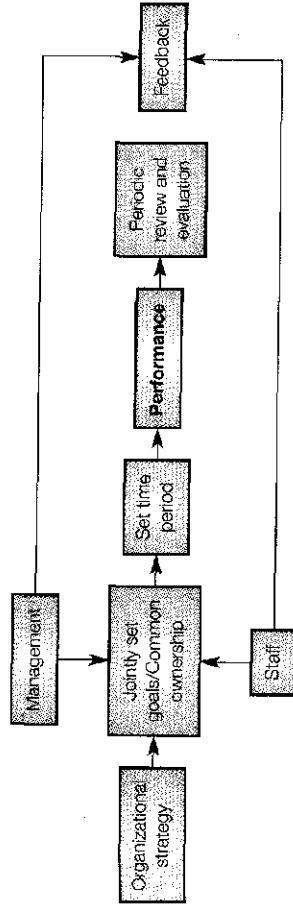
John: What is Management By Objectives?

Jane: MBO is a (1) _management_ approach. It is designed to help realize the (2) _____ of an organization.

John: The targets?

Jane: Yes.

John: So, how does MBO work?

Jane: The first thing is to have an organizational (3) _____. This is the method to reach the goals. But it is very important that (4) _____ and (5) _____ work together to create the goals.

John: So everyone owns the goals?

Jane: Exactly. Everyone's (6) _____ is vital. So the goals are agreed, as is the time period in which those goals should be achieved. Then the plan is put into action. This is (7) _____. At this point, there is regular (8) _____ and (9) _____, a typical management task. But again, in MBO, everyone is involved. So everyone provides (10) _____.

- **Management By Objectives (MBO)** is about setting **targets** and measuring results against the targets.
- See also: Test 51 The control process

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41 Sequencing and timing: a Gantt chart

A key aspect of planning is sequencing and timing. A common management tool for this is the Gantt chart. Complete the missing words in the Actions using a word that means the same as the terms below (in the same order).

Action	Feb	Mar	Apr	May	Jun	Jul	Sep
1 _Contact_ client							
2 Obtain ____ specifications							
3 Submit ____							
4 Receive f ____							
5 R ____							
6 S ____ revised b ____							
7 Final a ____ or r ____							
8 Complete bid r ____							

1. speak to or write to
2. written legal agreement
3. offer or tender
4. comments or suggestions
5. alter the (3)
6. send (3) (to the client)
7. acceptance; non-acceptance
8. re-examination

Henry L. Gantt (1861–1919) was an American management consultant.

43 Total Quality Management (TQM)

TQM is a management philosophy in which quality is an absolute priority. Read the statements below. Fill in the spaces with a word that means the same as the word or phrase in italics below.

1 Product quality is the *reliability*, d _ _ _ _ _ _ , serviceability and dependability of goods or services.

extent to which the user can trust the product / extent to which the product will last a long time

2 TQM is a much wider philosophy than just quality control. TQM is a concept that covers the whole process of meeting c _ _ _ _ _ n _ _ _ _ .

what the buyer requires

3 TQM aims to ensure continual i _ _ _ _ _ _ _ _ _ in products and services.

better quality

4 TQM must be part of the overall c _ _ _ _ _ of the organization.

ethos and philosophy

5 TQM is essential to the s _ _ _ _ _ _ p _ _ _ _ _ _ of the organization.

long-term policy objectives

6 Successful TQM gives businesses a c _ _ _ _ _ _ a _ _ _ _ _ .

better prospects than other businesses in the same market

7 TQM uses s _ _ _ _ _ _ _ d _ _ _ to demonstrate improvements in quality.

numerical information from research

8 TQM includes customers and s _ _ _ _ _ _ _ in setting quality objectives.

companies who sell parts or components, or services, to other companies

9 TQM recommends improvement of employees' s _ _ _ _ through t _ _ _ _ _ .

abilities and competence / courses

10 TQM requires good p _ _ _ _ _ _ _ and c _ _ _ _ _ _ _ _ in t _ _ _ _ at all levels of the organization.

involvement / working together / groups

'I got laid off because I guess I made poor quality cars. In sixteen years not once was I ever asked how to do my job better. Not once.'
Redundant car worker (Drucker P., 1968, quoted in Hannagan, 1998, p.185).

Naturally, many 'management gurus' have written about the importance of quality. Peters and Waterman (1982) are two of the most important. See also Philip Crosby (1979) who emphasized the role of people responsible for quality improvement.

Here are two definitions of **Total Quality Management**:

'An intensive, long-term effort to transform all parts of an organization in order to produce the best product and service possible to meet customer needs' (Hannagan, 1998, p.174).

'An approach to control that integrates quality objectives into all management functions to continually achieve higher quality' (Black and Porter, 2000, p.498).

:

44 Corporate strategy

Corporate strategy is described below as a combination of eight aspects.

Read the questions on the left and choose the correct answer from the box.

action plan	analysis of resources	audit of external
corporate objectives	environment	marketing plan
market research	~~mission statement~~	strategic plan

1   What is our business?   *mission statement*

2   Where do we want to go?   _____

3   Who are our customers?
    What do they need?   _____

4   What threats and opportunities
    are there?   _____

5   What are our strengths and
    weaknesses?   _____

6   How do we achieve our goals in
    terms of marketing?   _____

7   How do we get to where we want to
    be, with our present resources?   _____

8   What do we have to do now?   _____

The **corporate strategy** of an organization combines:

- a statement of the core functions of the business
- its aims and goals
- how to achieve its aims and goals

Corporate strategy is both an overview of where the organization is now and a description of what is necessary to take it forward.

---

45 Strategic management

Strategic management is how a business tries to achieve its goals, using any available resources. The Billy Goats Gruff is a Norwegian fairystory about three goats who fight for their freedom against a monster – and win.

– First ... then ... then ... finally ...

Big Billy Goat Gruff: *'We are here and we want to go there. We need a strategic plan.'*
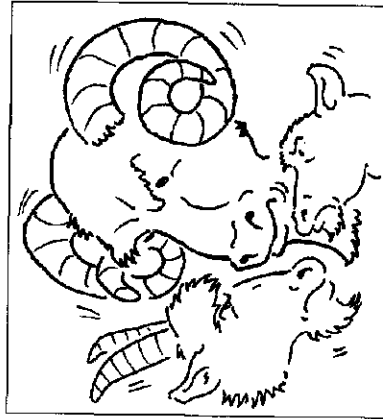
– I'm going to eat you up.
– No! My brother is coming soon and he's bigger than me.
– Okay! You can go!

– I'm going to eat you up.
– No! My brother is coming soon and he's bigger than me.
– Okay! You can go!

46 Portfolio analysis

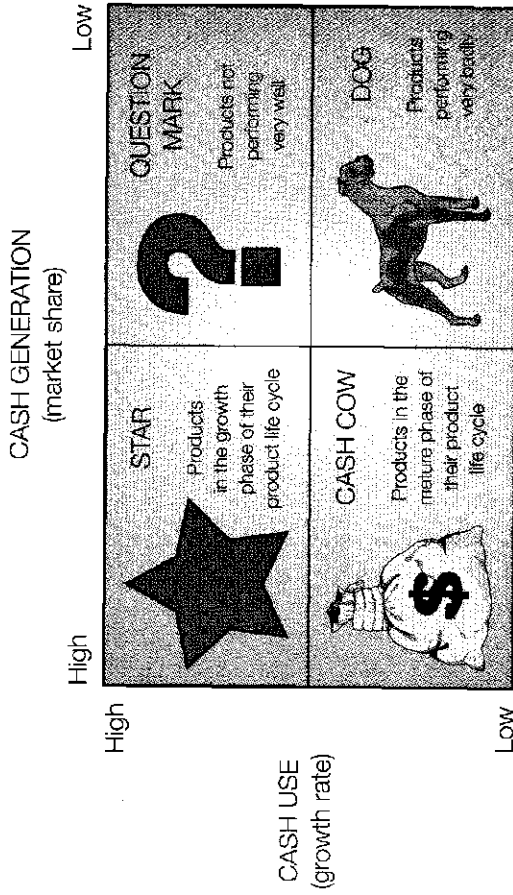Portfolio analysis was originally created by the Boston Consulting Group (BCG). It uses the Boston Matrix, a management tool to help companies make maximum profit from their complete range of products or services.

CASH GENERATION
(market share)

High — Low

STAR	QUESTION MARK
Products in the growth phase of their product life cycle	Products not performing very well
CASH COW	DOG
Products in the mature phase of their product life cycle	Products performing very badly

High — Low

CASH USE
(growth rate)

Mark the following statements as True or False.

1　The Boston Matrix is a strategic planning tool. (True)/False

2　Managers can compare the finances of Strategic Business Units (SBUs) inside one company. True/False

3　An SBU is a cash cow. True/False

4　Dogs often become stars and make a lot of money. True/False

5　Cash cows require a lot of investment. True/False

6　Stars have low market share but a lot of potential. True/False

7　Question marks may become dogs or stars. True/False

8　Cash cows may become dogs. True/False

9　The Boeing 747 is the cash cow of the Boeing Corporation. True/False

10　An example of cash cows that became dogs is the 5.25" floppy disk. True/False
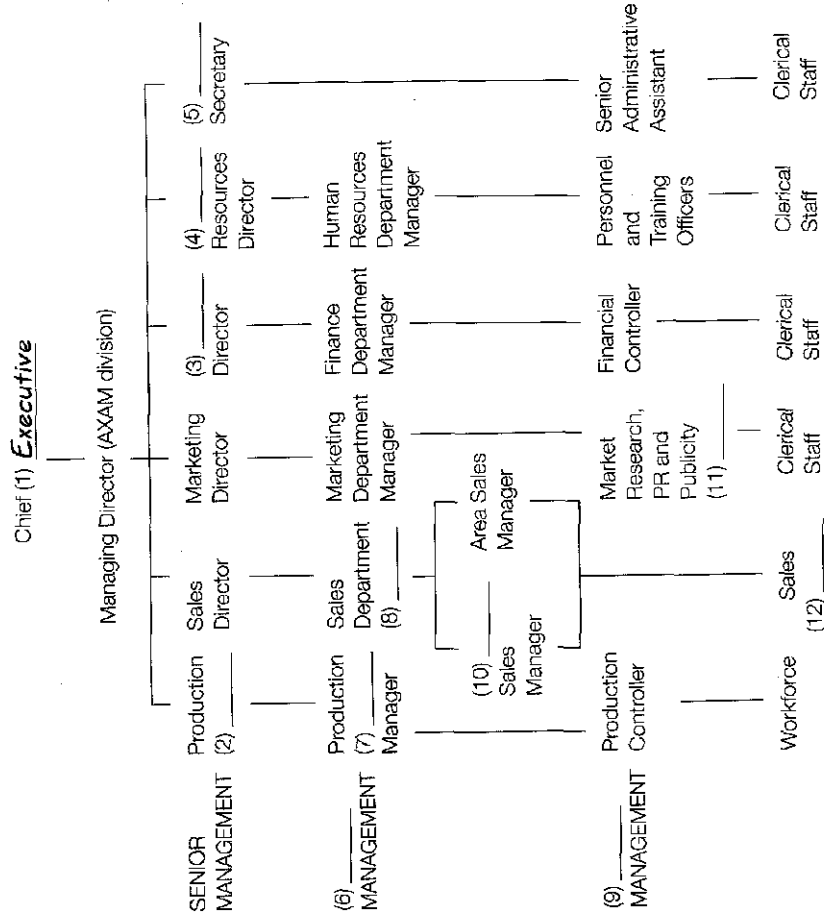

– I'm going to eat you up.
– Oh, no you're not!

– Aaagh!
– Success!

Mark the following statements True or False.

1　Strategic management is a process, not a single event. (True)/False

2　Strategic management involves top managers and not subordinates. True/False

3　Good strategic management monitors results and makes changes. True/False

4　Strategic management is concerned with actual resources, not future resources. True/False

5　Strategic management uses tools like the 'product life cycle' to plan future actions. True/False

6　Bill Gates is a good example of an effective strategic manager. True/False

7　Strategic management is the same as having a strategic plan. True/False

8　Corporate strategy and strategic management are the same thing. True/False

47 Management organization

A Management of a large company is often hierarchical. Here is a typical model of management organization showing one division within a company. Complete any missing words. If you have problems, look at the box below.

Chief (1) *Executive*

Managing Director (AXAM division)

SENIOR MANAGEMENT

Production (2) _____ | Sales Director | Marketing Director | (3) _____ Director | (4) Resources Director | (5) _____ Secretary

(6) _____ MANAGEMENT

Production (7) _____ Manager | Sales Department (8) _____ | Marketing Department Manager | Finance Department Manager | Human Resources Department Manager

(10) _____ Sales Manager | Area Sales Manager

(9) _____ MANAGEMENT

Production Controller | Market Research, PR and Publicity (11) _____ | Financial Controller | Personnel and Training Officers | Senior Administrative Assistant

Workforce | Sales (12) _____ | Clerical Staff | Clerical Staff | Clerical Staff | Clerical Staff

Area	Company	Department	Director	Executive	Finance
Human	Junior	Manager	Middle	Officers	Teams

B Choose the correct words in italics.

1 The organization model opposite is a *flat/hierarchical* structure.

2 The model shows *a traditional structure/an innovative structure.*

3 The model shows *a matrix/functional* structure.

4 It is probably a *services/manufacturing* company.

5 It is typical of a *small or medium-sized enterprise (SME)/large enterprise.*

6 The business is probably *simple/complex.*

A **matrix structure** is a management structure that is in part based on hierarchy but also based on **project management**, so special **teams** are created for specific tasks. In these project teams the structure is often much less hierarchical. A matrix structure involves teams with varying membership. A matrix structure is most common in **small or medium-sized organizations (SMEs)**.

48 Information and data handling

A Information helps managers reduce risk in decision-making. In the computer-age, information systems have been revolutionized. Match words on the left with words on the right to make phrases.

1	information	interchange
2	data	user
3	artificial	technology
4	electronic funds	processing
5	electronic data	intelligence
6	information system	transfer
7	end	security

B Complete the crossword. All the terms are used in data handling.

## Across

1 Computers help users to exchange _____. (11)

4 Passwords protect _____. (8)

7 _____ changes fast. (10)

8 Another word for transfer. (11)

10 Financial resources or money. (5)

11 A person working at a computer terminal is an end _____. (4)

12 Using a computer to work with facts and figures: data _____. (10)

Down

2 Robots use an artificial form of this. (12)

3 Computers make use of _____ intelligence. (10)

5 _____ devices contain microchips. (10)

6 A computer _____ consists of hardware and software. (6)

9 Moving data from computer to computer. (8)
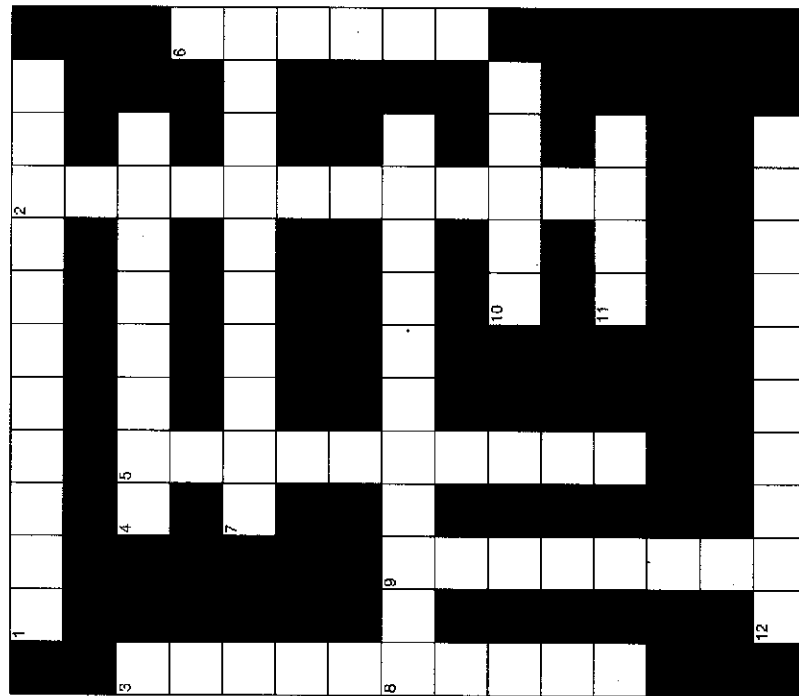
The word *data* is usually used in singular form, i.e. *the data is* ... rather than *the data are* ... The word *information* is uncountable and is therefore used with a singular verb, i.e. *the information is* ...

49 Operations management

'Operations management is a specialized field of management associated with the conversion or transformation of resources into products and services.'

(Black and Porter, 2000)

Choose the correct explanation a) or b) for each of the aspects of operations management (1–15).

1 Logistics
- a) Another term for operations management.
- b) Computer studies of design systems.

2 Facility layout
- a) Organization of departments.
- b) Position of things and people in a work space or factory.

3 Facility location
- a) Geographical position of a work place.
- b) Place where the staff eat and relax.

4 Production line layout
- a) Organization of staff in a factory.
- b) Position of machinery and people in a factory.

5 Capacity planning
- a) Process of deciding how much a work place should produce.
- b) Deciding when to operate at 100% production level.

6 Design capacity
- a) Ideal production level.
- b) Maximum possible level of output.

7 Effective capacity
- a) The percentage of design capacity a facility should operate at.
- b) The percentage of capacity required to make a profit.

8 Materials requirement planning (MRP)
- a) Purchasing materials in the planning stage of a project.
- b) Computer system to work out what is needed from suppliers, how much is needed and when.

9 Productivity
- a) Measurement of output in relation to investment (input).
- b) Total volume of production in one year.

10 Flowchart
- a) Process designed to improve quality control.
- b) Diagram showing the stages in a process.

11 Bench-marking
- a) System of calculating the number of staff required for a project.
- b) Using the high standards of competitor organizations as a comparison to improve quality.

12 Just-in-time systems
- a) Way to improve punctuality among workers by paying them more.
- b) Control system to ensure that materials are received and deliveries made at exactly the right moment to eliminate storage and waste in production processes.

13 Computer-integrated manufacturing (CIM)
- a) Integration of information systems and equipment in manufacturing to ensure quality products.
- b) Using computers to design world-class products.

14 Computer-aided design (CAD)
- a) Computer software to assist in designing products, making small changes and product testing.
- b) Computer design centre for advertising new high-tech products.

15 Flexible manufacturing system (FMS)
- a) Total automation of a production facility by controlling everything with a computer.
- b) Matching orders to production.

50 Human Resources

A The words below relate to the functions of human resource management. Complete the spaces in the table.

NOUN: THING	NOUN: PERSON	VERB
analysis	analyst	_____
_____	appraiser/ *appraisee*	appraise
compensation	_____	_____
_____	developer	_____
_____	_____ /employee	employ
_____	interviewer/ _____	_____
_____	recruiter	_____
_____	trainer/ _____	_____
plan	_____	_____
selection	selector	_____

B Complete each two-word phrase in the sentences below with an appropriate word from the box.

appraisal	career	ceiling	harassment	~~in-service~~
opportunities	redundancies	retirement	reward	rotation
sharing	simulation	structured	vacant	

1. Training given to employees, often by an external provider, is called _____ *in-service* _____ training.

2. An interview process where interviewers ask set questions in a fixed order is called a _____ interview.

3. If two people agree to work part time on the same job, dividing the job between them, this is called job- _____ .

4. An interview or training situation which uses a model of a real situation is called a work _____ .

5. An interview, usually carried out at regular intervals of perhaps six or twelve months, to discuss an employee's career progress and achievement of certain targets, is called a performance _____ .

6. Where a particular post in an organization is held for a set period – for example a year – by one person and then given to another person, this is called job _____ .

7. Different ways of paying or compensating employees for their work and performance are called _____ systems.

8. Unwanted attention in the workplace of a sexual nature, often verbal, physical or psychological, is called sexual _____ .

9. A policy of ensuring that all employees or prospective employees, e.g. job applicants, are treated fairly, without any regard to gender, race, colour, religion, sexual orientation, age or beliefs, is called an equal _____ policy.

10. A possible plan showing an individual's job development or changing responsibilities in a company over time is called a _____ path.

11. The tendency for women to rise to a certain level in a company hierarchy – and then to find that further promotion is blocked by male prejudice or tradition (often the same thing) – is sometimes described as encountering a glass _____ .

12. Pages in newspapers, magazines or on websites offering employment possibilities are called situations _____ columns.

13. Stopping work before the usual age for a pension is called taking early _____ .

14. If a company dismisses workers who do not want to lose their jobs, this is called making compulsory _____ .

THE CONTROL PROCESS

Established desired outcomes / Agree goals

→ Action plans

→ Monitor performance

→ Measure performance/outcomes

→ Compare outcomes with targets

→ Amend agreed targets / Alter methods/process

→ Feedback

→ New goal-setting / Communication

See also: Test 42 Management By Objectives

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51 The control process

Complete the dialogue below with suitable words from the box.

action	alterations	communication	constant	feedback
flowchart	goals	goal-setting	measure	monitoring
objectives	outcomes	performance	process	setting

Student: So, we've looked at different areas of management control. How actually does a manager carry out the control function in his or her job?

Trainer: Good question! Well, control is a (1) _process_ .

Student: Of course.

Trainer: Management is dynamic, change is a constant. So control is also a (2) _____ . Management control is a process of (3) _____ and (4) _____ organizational activities to meet organizational (5) _____ . This process involves constant (6) _____ at all levels, so (7) _____ is very important.

Student: Is it possible to construct a (8) _____ to illustrate the process?

Trainer: Yes, I think we can. First we have the desired (9) _____ . The manager These are part of agreed (10) _____ plans, and ways to then establishes (11) _____ monitor (12) _____ .

Student: And so we (13) _____ performance.

Trainer: Correct. And the next step?

Student: We compare performance with targets and make any necessary (14) _____ . We may also change aspects of the work.

Trainer: Yes. We can complete a loop here, through feedback. This informs future action and (15) _____
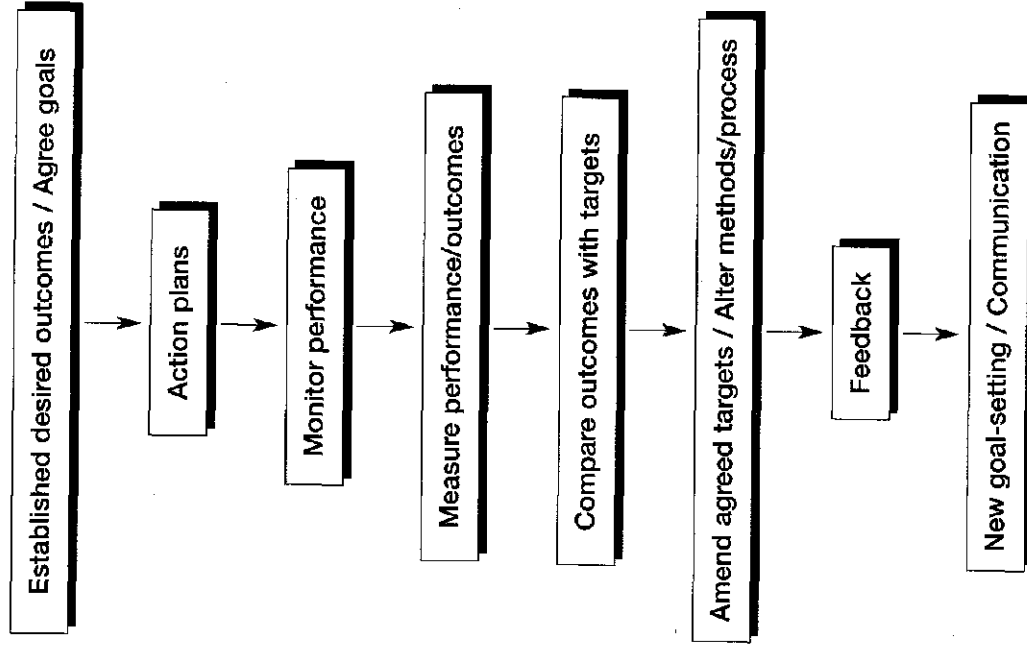
52 Management abbreviations

A What do the following abbreviations stand for?

Small and Medium-sized Enterprises

1 SME   _Small and Medium-sized Enterprises_
2 BCG
3 MBO
4 MBWA
5 TQM
6 QUEST
7 ROI
8 SBU
9 SWOT
10 CAD
11 CAM
12 DSS
13 HR
14 IT
15 JIT
16 MRP
17 FMS
18 BEP
19 CEO
20 OB   _OB_

B Decide which of the above is concerned with:

1 The culture and practices within a company or organization.

2 The volume of production required before there is any profit.

3 The boss in a large company or organization.

4 Total automation of a production process.

5 Working out what is required, and when, from suppliers.

6 Ensuring there is no waste through storage of components or finished products.

7 Everything to do with personnel.

8 A motif for ensuring quality in everything the company does.

9 A management approach based on goal-setting, monitoring results and making necessary changes.

10 A specialist firm that created a tool to help analyse the success of individual products and product areas.

11 Everything to do with hardware and software.

12 Businesses employing fewer than 200 people.

13 A method of analysing the profitability of a company or activity.

14 An individual cost centre in terms of its contribution to the wider company activities, perhaps based around one product or group of related products.

15 A combination of tools, both in software and in other forms, to help managers in decision-making.

16 A key management function described by Peters and Waterman (1982) which involves going around and looking, listening and thinking about what is going on.

17 A tool for planning marketing that involves examining factors inside and outside the business or organization.

18 Computer software used in manufacturing industries to help product design.

19 Computer software to help with operations management in manufacturing.

20 A management approach based on quality in all aspects of company activity from sourcing, dealing with suppliers, treatment of employees, relations with customers, product design, manufacture and delivery, after-sales service and relations with the community.

Notice the pronunciation of the names of the following letters (vowels):
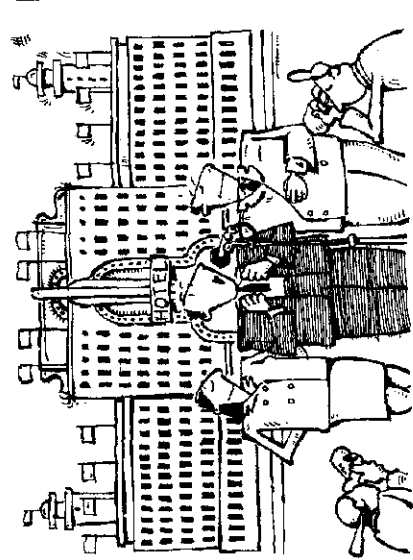 – A /eɪ/ as in _pay_
 – E /iː/ as in _me_
 – I /aɪ/ as in _my_
 – O /əʊ/ as in _owe_
 – U /juː/ as in _you_

53 Financial control

NEW 5000-ROOM HOTEL OPENS

Company Chairman Fred Hopeful says:

'With the current high currency valuation, the decline in tourism and rocketing oil prices, and the general economic decline, we expect to break even by about 2093.'

Financial control depends on doing the right thing at the right time. Financial control also depends on analysis of various key indicators. Match the words in the box to the correct definition (1–7).

break-even point   budgetary control   efficiency   leverage
liquidity   profitability   return on investment (ROI)

1   Ratio of cost to benefit.   _profitability_

2   Total income ÷ total investment = measure of profitability.

3   Measure of how well a business can meet its short-term cash needs.

4   Ratio of total debt to total assets.

5   Ratio of amount of sales to total cost.

6   Volume of sales needed to cover costs and begin to produce profit.

7   System to ensure that financial targets are met.

Notice the following word families:

noun	adjective	verb
liquid, liquidity	liquid	to liquefy
efficiency	efficient	—
profit, profitability	profitable	to profit (from something)

---

54 Research and Development (R&D)

It is very important to carry out research before entering a new market, or developing new products. Choose the correct definitions for each term. In some cases, more than one definition is correct.

1   Marketing research
   a) Studies to find information that will inform marketing policy.
   b) Studies of consumers and customers.
   c) Research to find out where to sell products.

2   Research
   a) Studies to find out what a company should do.
   b) The same as Research and Development.
   c) A report on research.

3   Development
   a) Increased sales for a product.
   b) Selling into export markets.
   c) Work on creating a product for a target market.

4   Primary research
   a) The first research a company does on a particular problem.
   b) Original research carried out by a company.
   c) Information sold by specialist agencies.

5   Desk research
   a) Research which is based on published material, internet, etc.
   b) Studies into the cost of office equipment.
   c) Study of a new market or location without actually visiting.

55 International organizations

A What do these abbreviations stand for?

1 NAFTA _North American Free Trade Agreement_

2 OPEC _____

3 EU _____

4 NATO _____

5 UN _____

6 WTO _____

7 WHO _____

8 ASEAN _____

9 IMF _____

10 ECB _____

11 FDA _____

12 OECD _____

13 MNCs _____

14 FIFA _____

B The companies below are all MNCs (multinational corporations). What do their initials stand for?

1 GM _General Motors_

2 IBM _____

3 CNN _____

4 NEC _____

5 JAL _____

6 Secondary research

a) Research that is out of date.

b) Studies which are available to the public from government or specialist agencies, perhaps free, perhaps at a cost.

c) Poor-quality research.

7 Field research

a) This is also known as fieldwork.

b) Physical activity of visiting a location to find out information through person-to-person interviews.

c) Reading published material.

8 Market research

a) Studies to find out about consumers.

b) Studies to find out strengths and weaknesses of products.

c) Studies to find out what consumers think of different companies.

Development is not the same as research, although the terms are often used together in the phrase **research and development (R&D)**. Research takes place before a product is made and launched. In this phase research coincides with development. Later, further research may indicate changes to an established successful product. In this case, the product may be developed over many years, with innovations to keep up to date with technical improvements and changing customer needs.

56 International marketing

Companies which want to expand into international markets need to consider many factors. Match each of the factors (1–12) to an appropriate explanation (a–l).

Factors for consideration   Meaning

1 Location and distance

2 Political context

3 Labour costs

4 Infrastructure

5 Distribution channels

6 Labour factors

7 Economic environment

8 Business culture

9 National culture

10 Legislative environment

11 Socio-cultural factors

12 Fixed costs

a Skills, training and flexibility of workforce.

b Transportation, roads, telecommunications, public services.

c Investment needed for land, property, energy (light, heating, fuel).

d Typical business practices, security, commercial expectations.

e Way of life, public and private differences in language, religion, values and expectations.

f Cost of living, inflation, interest rates, taxes, growth, financial stability.

g Stability, system of government, democracy, human rights.

h Salaries and wages for local staff.

i Geographical position in relation to home base.

j Birth rate, life expectancy, literacy, average level of education.

k Systems for selling goods and services.

l Laws, trade regulations, membership of international groups.

- Companies enter international markets to increase their turnover and profits. Large **multinational companies** from developed countries may locate operations in developing countries because labour is cheaper. They may also set up in other developed countries because they want to be closer to new markets and to reduce **distribution costs.**
- See also: Test 6 Marketing

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57 Working across frontiers

A A business that wants to set up an operation in another country has to do a lot of research and planning. Read the e-mail below from someone who is planning to set up an office to sell products in a new market. Complete the gaps (1–32) in the e-mail with suitable words.

B There are five sections in the e-mail below. Label each section (1–5) with one of the terms in the box.

Bureaucracy   Culture   Financial issues   Marketing   Property

untitled

Send Save Add Attachments Signature Contacts

Priority: Normal

Keith Houchen, Export Initiatives Project Manager

Sarah Jones

17 April 2002 15:35

Possible setting up of subsidiary and sales network in Rotaronga

B I U

Size 10

1   *Culture*

As we are going to work in a foreign country it is important to learn the (1) l _ _ g _ _ _. Just as important, we must learn about the (2) c _ _ t _ _ _ differences. Also, it would be useful to have some (3) c _ n _ _ _ _, people who know the country. We also need to know about travel and (4) trans _ _ _ _ _ _ _ _.

2

There is a lot of (5) b _ _ _ _ _ _ _ _ _ c y. Firstly, we will need (6) v _ _ _ s and (7) r _ s _ d _ _ _ permits. Personnel need to register with the (8) h _ _ l t h and social security system, although they have private (9) m _ d _ c _ _ insurance The business must be registered with the local (10) a _ t h _ r _ _ _ _ _. One of these is the (11) t _ _ office.

58 Globalization

A definition of globalization:

'A condition marked by decreasing geographical constraints affecting *trade, communication, security, aid, investment, industrial and commercial ownership, wealth generation and environmental awareness.*'

Which words from the definition above do you associate with each of the factors below?

1 multinational corporations *trade, industrial and commercial ownership, investment, wealth generation*

2 Internet _____

3 air transportation _____

4 defence and military alliances _____

5 loans to developing countries _____

6 global warming _____

7 transnational companies _____

8 WTO _____

9 NATO _____

10 NAFTA _____

11 UN _____

12 tourism _____

3

Research is necessary on possible government (12) g _ _ n t s to new businesses. There might be (13) t _ _ incentives for setting up new activities. We must learn about the (14) l _ g _ l framework. There might be import or export (15) d _ t _ _ _ . Our business also needs local (16) b _ _ k _ _ _ facilities, bank (17) a _ c _ _ n _ _ and foreign (18) c _ r r _ _ _ _ services.

4

A lot of (19) m a r _ _ r _ _ _ _ _ _ is required. We have to know about the (20) c _ m p _ _ _ _ _ n , and just as importantly, the possible (21) c _ s t _ _ _ _ _ . We want to know how to (22) p _ _ m o _ _ our business and how to market the company. We wonder if (23) d _ _ _ t selling is best, or if we need to use (24) a _ e _ t _ and local (25) d _ _ t r _ b _ _ _ _ _ . We have to set up a sales (26) n _ _ w _ _ _ . Naturally, we need local (27) r _ p r e _ _ _ _ _ _ _ _ _ _ .

5

The question here is do we (28) b _ _ , (29) r _ _ _ _ or (30) l _ _ s e? We should contact local (31) e s t _ _ _ _ agents. Of course the business will need telephone and (32) c _ _ _ _ _ r connections immediately.

The word *research* is only used in the singular. Note the verb phrases: *to do research, to carry out research, to undertake research* and the noun or noun phrases: *research, research costs, research and development (R&D).*

59 Cultural issues

A Below are sixteen different cultural values. Match 1–8 to the contrasting phrase in a–h.

1 individualist culture

2 consensus-minded culture

3 deferential culture

4 high job-mobility

5 low-context culture

6 loyalty to the company

7 broad-based managerial skills

8 hard, corporate values

a egalitarian culture

b high-context culture

c specialist and technocratic management

d soft, customer-focused

e low job-mobility

f group-oriented culture

g loyalty to oneself

h competitive culture

B Complete the sentences below with a phrase from part A.

1 A culture where people work collaboratively and co-operatively and do not try to stand out from the group, and where community interests are much more important than personal ambition is a _group-oriented culture_ .

2 A culture where managers pay a great deal of respect to their seniors or their elders, and where subordinates show respect and humility towards managers, is a _____

3 A culture where typically people stay in the same job for many years, probably living near their family home, has _____

4 In a culture where managers typically have a wide range of abilities and are not necessarily specialists, it is important to have _____

13 information technology _____

14 share ownership _____

15 global capitalism _____

16 franchise operations _____

17 AIDS _____

18 population growth _____

19 Microsoft _____

20 US Supreme Court _____

VILLAGE HALL
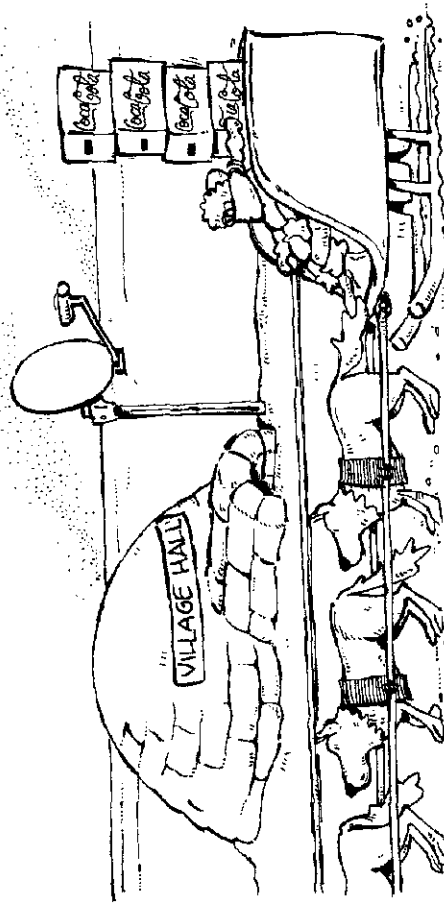
Globalization reaches the remotest parts.

The fact that the 20 terms in the list are related to so many aspects of globalization is an indication of how important globalization has become in our lives.

60 Global issues and the future

This test is the result of a brainstorm on developments in the next fifty years. Match each of the predictions (1–11) with evidence for it (a–k).

1 Less use of oil as main source of energy.

2 More leisure time.

3 Breakup of multinational companies.

4 Revolution in house design.

5 A world currency.

6 Frequent space travel.

7 More genuine free trade around the world.

8 More respect for the environment.

9 New transportation methods.

10 A fairer world.

11 Massive advances in medical science.

a The US dollar takes over completely under the World Bank.

b A stronger and fairer World Trade Organization.

c More use of solar power.

d More use of gene therapy and less disease.

e An end to the gap in wealth between rich and poor countries.

f People working fewer hours.

g Fewer global companies, more small and regional businesses.

h Solar-powered capsules on monorails.

i Holidays on the moon.

j New kinds of domestic architecture.

k An end to waste in production and consumption.

---

5 A corporate culture where there is the view that the company exists to serve customers, and that the customer is king, can be described as _____

6 A culture where little attention is paid to relationship-building, where business is the priority, is a _____

7 Where employees represent and defend their company, and respect and identify with its values, there is strong _____

8 A culture where everyone is trying to increase a range of personal benefits, including their own status and identity within the group, is a _____
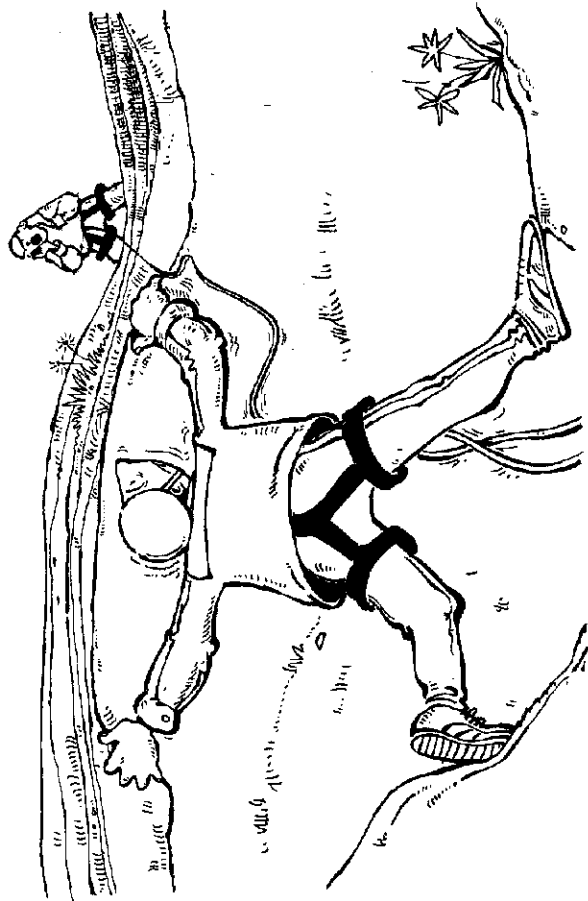
'Come on! This company has a 'competitive, go-getting can-do culture'!'

See also: Test 21 Cultural variance

Answers

Test 1
1 e 2 g 3 a 4 j 5 b
6 c 7 h 8 d 9 k 10 f
11 l 12 i

Test 2

PLANNING	ORGANIZING
identifying needs	putting systems
setting objectives	in place
deciding strategy	*managing resources*
identifying change	time management

LEADING	CONTROLLING
communicating with	*comparing results*
staff	*with targets*
team-building	monitoring quality
supervision	standards
motivation	
empowering staff	
to take decisions	

Test 3
1 Managers are responsible for 'the **process of planning, organizing, leading and controlling** the efforts of **organization** members and of using all organizational **resources** to achieve stated organizational **goals**'.

3 '(Management is) the process of optimizing **human, material and financial** contributions for the achievement of organizational goals'.

4 A modern view of management, expressed by Sir Roland Smith, is that 'Management should be based on **innovation, marketing and risk**'.

5 'All managers may be involved with the operational aspects of management but as they are promoted and develop, their role becomes increasingly one of **planning, innovation and leadership**'.

6 Management is 'the **process of assembling and using resources – human, financial and material, and information** – in a goal-directed manner to accomplish tasks in an **organization**'.

Test 4
1 emotionally strong
2 mental skills
3 good communicator
4 technically skilled
5 flexible
6 social skills
7 creative
8 leadership
9 sensitive to others
10 knowledgeable

Test 5
1 a   2 b   3 a   4 b
5 a   6 a   7 a   8 b

Test 6
A 1 Selling things that don't come back to people who do.
2 Everything a company does to influence demand for its products and services.
3 Promoting and selling goods and services.

B 1 Product
2 Price
3 Place
4 Promotion
5 People
6 Process
7 Physical evidence

Test 7
1 False   4 True
2 False   5 True
3 True   6 False

Test 8
1 Just-In-Time
2 Corporate downsizing
3 Empowerment
4 Teamworking
5 Re-engineering
6 Total Quality Management
7 Outsourcing
8 Learning organizations

Test 9
A 1 True   5 True
2 True   6 False
3 False   7 False
4 False   8 True

B

Theory X	Theory Y
work is a necessity	communication
direction	participation
traditional	co-operation
orders	creativity
control	modern
security	work is natural

Test 10
Autocratic leadership
directive ✓ hierarchical ✓ traditional ✓

Democratic leadership
group-oriented ✓ team-based ✓ communicative ✓

Laissez-faire leadership
open ✓ co-operative ✓ creative ✓

Charismatic
personality-driven ✓ goal-oriented ✓ inspirational ✓

Test 11
1 innovators   4 monitors
2 producers   5 controller
3 mentors   6 leader

Test 12
A 1 b
2 d
3 a
4 e
5 c

Test 13
A 1 drives   4 behaves
2 reach   5 willingness
3 outcomes   6 effort

B Level 1 Physiological needs
Level 2 Safety needs
Level 3 Social needs
Level 4 Esteem needs
Level 5 Self-actualization

B 1 methods
2 options
3 mediator
4 communications skills
5 leader

Test 14
1 win   5 concessions
2 common   6 Fighter
3 agreement 7 Creative
4 demands   8 Win/lose

Test 15
A 1 objectives
2 definitions
3 leader, teams
4 costs, budget
5 tender
6 proposals
7 negotiate
8 contracts
9 plan, schedule
10 support
11 monitor
12 results

B 1 objectives / l aims
2 definitions / b terms
3 leader / d co-ordinator
   teams / i groups
4 costs / n expenses
   budget / o financial plan
5 tender / f offers
6 proposals / g submissions
7 negotiate / a discuss
8 contracts / j agreements
9 plan / c organize
   schedule / e set time targets
10 support / k assistance
11 monitor / h check
12 results / m outcomes

B 1 organizational
2 groups
3 influence/ status/ control
4 control/ influence
5 lose
6 looking
7 compromise
8 status / influence

Test 23

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

Test 24

1 (h) Competition factors
2 (a) International environment
3 (f) Domestic environment
4 (g) Government/legal factors
5 (b) Technological environment
6 (e) Environmental pressures
7 (c) Consumer needs/wants
8 (d) Industry environment

Test 25

A 1 False   5 True
   2 False   6 False
   3 True   7 True
   4 True

B Higher profits
   • **Quality**-based competition
   • Few competitors
   • Difficult **market** to enter
   • Few new players in the market
   • Few substitutes
   • Many **customers**
   • Many suppliers
   • **Fragmented** customers

   Lower profits
   • Price-based competition
   • Many **competitors**
   • Easy market to enter
   • Many new players in the market
   • Many **substitutes**
   • Few customers
   • Few **suppliers**
   • United customers

Test 26

1 g H
2 f E
3 d I
4 h C
5 j D
6 i F
7 c J
8 b A
9 e B
10 a G

Test 27

	A	**B**
1	L, E	child labour
2	L, ENV	air pollution
3	L, E	working conditions
4	L	fraud
5	CC, L	food standards
6	CC	reliability
7	ENV, L	soil contamination
8	CC, L	safety standards

Test 28

1 A product testing   B CP
2 A safety mask for a welder   B H&S
3 A safety cap on a cleaning agent   B CP
4 A ergonomics   B H&S
5 A vivisection   B CP
6 A air-conditioning   B H&S
7 A warning notice on a paint tin   B CP/H&S
8 A protective clothing   B H&S

Test 29

1 advertising
2 impulse
3 testing
4 vivisection
5 whistle
6 opportunities
7 confidential
8 gifts
9 hospitality
10 promotion

Test 16

1 B w
2 E x
3 A z
4 C y
5 D v

Test 17

A
1 Values (C)
2 Having a clear structure (O)
3 Beliefs (C)
4 Formal sources of authority (O)
5 Assumptions and attitudes (C)
6 Norms (C)
7 Objectives/Common purpose (C)
8 Relationship between centre/periphery (O)
9 Shared experience (C)
10 The system (O)

B
A: How is organizational **culture** created? What is it?
B: Organizational culture is a set of basic **assumptions** or what people think, in a company or organization.
A: So it's based on common **values**?
B: That's right. Everyone learns these over time They learn the way of doing things, the **norms**.
A: And everyone agrees that they are right?
B: Generally, yes.
A: And where do they come from?
B: From shared experience. From history, tradition and common **beliefs**.
A: And new employees usually learn the same things? They learn the **system**.
B: Exactly. Everyone learns the same organizational culture.

Test 18

1 traditional
2 flat
3 closed
4 informal
5 rules, regulations
6 market
7 top-down
8 flexible, departments
9 Creativity
10 systems, people

Test 19

```
R I M K S Y M B O L S
C A L A N G U A G E N
C E R E M O N I E S I
Z A H N Y E I R O T L
U Y E O T Q F X P O N
L J R C H T O C E R N
S P O N S O R S H I P
Z A E P D K M F G E W
H I S L N S T T S U
M A G A Z I N E F C M
V R E M R A W A R D S
```

1 uniforms
2 language
3 magazine
4 sponsorship
5 heroes
6 awards, ceremonies
7 stories, myths
8 symbols

Test 20

1 dimensions
2 power distance
3 subordinates
4 uncertainty avoidance
5 threat
6 Individualism
7 collective
8 masculinity
9 femininity
10 Assertiveness
11 competitiveness
12 masculine
13 environment

Test 21

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

Test 22

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

Test 30

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

Test 31

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

Test 32

1 predict
2 assess
3 set
4 plan
5 implement
6 monitor
7 measure
8 reward

Test 33

1 innovation
2 invention
3 inventor
4 patent
5 development
6 market
7 diffusion
8 range
9 integration
10 decline

Test 34

1 training manager
2 retraining
3 qualification
4 graduate
5 curriculum vitae (CV)
6 research
7 skills audit
8 training budget
9 human resources
10 seminar
11 staff development
12 lecture
13 trainer
14 trainee
15 in-service training

Test 35

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

Test 36

A 1 discussion
2 teleconferencing
3 quality circles
4 voice-mail
5 internal mail/memos
6 post
7 intranet
8 extranet

B **Written/printed communication**
memos
notice-board
company reports
newsletters
post
internal mail

Speech communication
face-to-face
departmental meeting
formal presentations
quality circles

Machine communication
e-mail
fax
internet
voice-mail
intranet
telephone
extranet
video-tape
teleconferencing

Test 37

Stage I
Planning and preparation

Stage II
Relationship building between negotiating parties

Stage III
Information exchange

Stage IV
Persuasion attempts

Stage V
Concessions or compromise and agreement

Test 38

1 strategic plan
2 planning
3 objectives
4 tactical plan
5 operational plan
6 interim plan
7 provisional plan
8 business plan
9 action plan
10 budget
11 contingency plan

Test 39

Expo Marketing Consultants	
SWOT Analysis for GUBU (Toys) Ltd	
Strengths	**Weaknesses**
1 Reliable and committed workforce 2 Use of wood – seen as 'good for the environment' 5 Beautiful handmade toys	3 High labour costs 4 Location – far from population centres / far from new markets 6 Poor communications systems / limited technological skills 8 Lack of IT training in staff
Opportunities	**Threats**
7 Internet as potential marketing tool / e-commerce 10 Potentially strong demand in Germany and Scandinavia 13 Selling by new channels, e.g. mail order	9 Declining interest in domestic markets for traditional toys 11 Competition in Germany and Scandinavia / Baltic countries 12 Increased competition from mail order companies

Test 40

2 **Marketing plan**
2.1 **Products and services**
2.2 **Promotion and selling**
2.3 **Market**
2.4 **Competition**
3 **Financial plan**
3.1 **Start-up costs**
3.2 **Profit and loss forecast**
3.3 **Break-even point**
4 **People and Action plan**
5 **Location**
6 **Appendices**

Test 41

1 **Contact client**
2 **Obtain contract specifications**
3 Submit bid
4 Receive feedback
5 **Revise bid**
6 **Submit** revised bid
7 Final approval or rejection
8 Complete bid review

Test 42

1 management
2 goals
3 strategy
4 management
5 staff
6 Ownership
7 performance
8 review
9 evaluation
10 feedback

Test 43
1 reliability, durability
2 customer needs
3 improvement
4 culture
5 strategic planning
6 competitive advantage
7 statistical data
8 suppliers
9 skills, training
10 participation, collaboration, teams

Test 44
1 mission statement
2 corporate objectives
3 market research
4 audit of external environment
5 analysis of resources
6 marketing plan
7 strategic plan
8 action plan

Test 45
1 True
2 False. Normally strategic management involves a lot of communication and feedback, so subordinates have an important role. However, top management have the main responsibility.
3 True
4 False. Future needs are also considered, so new resources may be obtained from investment.
5 True
6 True
7 False. The strategic plan is part of strategic management.
8 False. Strategic management is a necessary process in order to achieve the objectives of the corporate strategy.

Test 46
1 True
2 False. It may be, but not necessarily.
3 True
4 False. They lose money and usually die.
5 False. They generate a lot of income for relatively low investment.
6 False. Stars have high market share and high potential.
7 True
8 True
9 True
10 True

Test 47
A
1 Executive
2 Director
3 Finance
4 Human
5 Company
6 Middle
7 Department
8 Manager
9 Junior
10 Area
11 Officers
12 Teams

B
1 hierarchical
2 traditional structure
3 functional
4 manufacturing
5 large enterprise
6 complex

Test 48
A
1 information technology
2 data processing
3 artificial intelligence
4 electronic funds transfer
5 electronic data interchange
6 information system security
7 end user

Test 48
B

Across:
1 INFORMATION
4 SECURITY
7 TECHNOLOGY
8 INTERCHANGE
10 FUNDS
11 USER
12 PROCESSING

Down:
3 ARTIFICIAL
5 ELECTRONIC
6 SYSTEM
9 TRANSFER

Test 49
1 a	2 b	3 a	4 b	5 a
6 b	7 a	8 b	9 a	10 b
11 b	12 b	13 a	14 a	15 a

Test 50
A NOUN: THING
analysis, appraisal, compensation, development, employment, interview, plan, recruitment, selection, training

NOUN: PERSON
analyst, appraiser/appraisee, none, developer, employer/ employee, interviewer/ interviewee, planner, recruiter selector, trainer/trainee

VERB
analyse, appraise, compensate, develop, employ, interview, plan, recruit, select, train

Test 51
1 process
2 constant
3 setting
4 monitoring
5 objectives / goals
6 feedback
7 communication

B
1 in-service training
2 structured interview
3 job-sharing
4 work simulation
5 performance appraisal
6 job rotation
7 reward systems
8 sexual harassment
9 equal opportunities
10 career path
11 glass ceiling
12 situations vacant
13 early retirement
14 compulsory redundancies

7 transnational companies > *industrial and commercial ownership, trade, investment*
8 WTO > *trade, industrial and commercial ownership, wealth generation, investment*
9 NATO > *security*
10 NAFTA > *trade, industrial and commercial ownership, wealth generation, investment*
11 UN > *everything*
12 tourism > *communication, trade, wealth generation*
13 information technology > *communication, trade, investment, industrial and commercial ownership, wealth generation*
14 share ownership > *trade, investment, industrial and commercial ownership, wealth generation*
15 global capitalism > *trade, wealth generation, investment, industrial and commercial ownership,*
16 franchise operations > *trade, investment, industrial and commercial ownership, wealth generation*
17 AIDS > *environmental awareness*
18 population growth > *environmental awareness, aid*
19 Microsoft > *trade, communication, industrial and commercial ownership, wealth generation*
20 US Supreme Court > *trade, communication, industrial and commercial ownership, wealth generation.*

* The answers given are suggested answers. The list could be longer in some cases.

Test 57

A
1 language
2 cultural
3 contacts
4 transportation
5 bureaucracy
6 visas
7 residence
8 health
9 medical
10 authorities
11 tax
12 grants
13 tax
14 legal
15 duties
16 banking
17 accounts
18 currency
19 market research
20 competition
21 customers
22 promote
23 direct
24 agents
25 distributors
26 network
27 representatives
28 buy
29 rent
30 lease
31 estate
32 computer

B
1 Culture
2 Bureaucracy
3 Financial issues
4 Marketing
5 Property

Test 58*

1 multinational corporations > *trade, industrial and commercial ownership, wealth generation, investment.*
2 Internet > *communication, trade*
3 air transportation > *communication, trade*
4 defence and military alliances > *security*
5 loans to developing countries > *aid, trade, investment*
6 global warming > *environmental awareness, trade, wealth generation*

Test 59

A 1 f　3 a　5 b　7 c
　2 h　4 e　6 g　8 d

B 1 group-oriented culture
2 deferential culture
3 low job-mobility
4 broad-based managerial skills
5 soft, customer-focused
6 low-context culture
7 loyalty to the company
8 competitive culture

Test 60

1 c　4 j　7 b　10 e
2 f　5 a　8 k　11 d
3 g　6 i　9 h

8 flowchart
9 outcomes
10 goals/objectives
11 action
12 performance
13 measure
14 alterations
15 goal-setting

Test 52

A 1 Small and Medium-sized Enterprise
2 Boston Consulting Group
3 Management By Objectives
4 Management By Walking About
5 Total Quality Management
6 Quality in Every Single Task
7 Return On Investment
8 Strategic Business Unit
9 Strengths, Weaknesses, Opportunities, Threats
10 Computer-Aided Design
11 Computer-Aided Manufacturing
12 Decision Support Systems
13 Human Resources
14 Information Technology
15 Just-In-Time
16 Materials Requirement Planning
17 Flexible Manufacturing System
18 Break-even point
19 Chief Executive Officer
20 Organizational Behaviour

B 1 OB　　11 IT
2 BEP　　12 SME
3 CEO　　13 ROI
4 FMS　　14 SBU
5 MRP　　15 DSS
6 JIT　　16 MBWA
7 HR　　17 SWOT
8 QUEST　18 CAD
9 MBO　　19 CAM
10 BCG　　20 TQM

Test 53

1 profitability
2 return on investment (ROI)
3 liquidity
4 leverage
5 efficiency
6 break-even point
7 budgetary control

Test 54

1 a, b and c are all possible
2 a
3 c
4 b
5 a and c
6 b
7 a and b
8 a, b and c are all possible.

Test 55

A 1 NAFTA North American Free Trade Agreement
2 OPEC Organization of Petroleum Exporting Countries
3 EU European Union
4 NATO North Atlantic Treaty Organization
5 UN United Nations
6 WTO World Trade Organization
7 WHO World Health Organization
8 ASEAN Association of South East Asian Nations
9 IMF International Monetary Fund
10 ECB European Central Bank
11 FDA (American) Food and Drug Administration
12 OECD Organization of Economic Co-operation and Development
13 MNCs Multinational Corporations
14 FIFA Federation of International Football Associations

B 1 GM General Motors
2 IBM Intelligent Business Machines
3 CNN Cable News Network
4 NEC Nippon Electric Company
5 JAL Japan Air Lines

Test 56

1 i　2 g　3 h　4 b
5 k　6 a　7 f　8 d
9 e　10 l　11 j　12 c

Word list

The numbers refer to Tests, not pages.

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