

Upper Intermediate

MARKET LEADER



BEC Vantage

PRACTICE EXERCISES AND TEST

FT Publishing
FINANCIAL TIMES

ALWAYS LEARNING

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Introduction

The Market Leader series is a fantastic resource for students aiming to take the BEC exams as it covers and practises the kind of language required in an international business environment. When working through the *Market Leader Upper Intermediate* units, students should be encouraged to skim read, to guess the meaning of unknown words and to find synonyms and paraphrases for common words and expressions as these are all skills which will help with the BEC Vantage exam.

BEC Vantage Practice Exercises booklet

This booklet offers practice for BEC Vantage exam with a strong tie-in to *Market Leader Upper Intermediate*. It provides Reading and Writing tasks that will help familiarise students with the different task types and give practice for the exam, as well as act as revision practice for non-exam students. Each unit has one Reading and one Writing task, which are closely aligned to the vocabulary, grammar and topic of the corresponding *Market Leader* unit. Furthermore, each task has been aligned to the Global Scale of English, developed by Pearson, to ensure that it is at the appropriate level.

Speaking and Listening tests have not been included in the practice booklet, but *Market Leader Upper Intermediate Course Book* provides plenty of BEC-relevant practice for these skills. Specific information showing how the Course Book can be used as practice for the Listening and Speaking exams is included in the Teacher's Notes, which can be found on the *Market Leader* website.

How to use this practice booklet

The exam tasks can be used as both a teaching and a testing device. A tip box at the beginning of each task gives advice on how to approach the task. Teachers can work through the tasks with the students at first, helping them to analyse the task closely in order to develop exam techniques of speed and accuracy.

Students will benefit from the opportunity to develop techniques for approaching the tasks, which will reduce the time pressure many students feel when faced with the real exam.

Reading tasks

The Reading tasks use some authentic FT articles, slightly adapted to suit the level, as well as texts specially written to match BEC exam tasks. These will naturally have some unknown vocabulary and will help students to practise finding the answers despite not being familiar with some of the language. Where possible, vocabulary and grammar from the units are tested, but all the targeted language matches the type of language tested in the BEC exam.

Writing tasks

All the Writing tasks are linked to the topic of the corresponding *Market Leader Upper Intermediate* unit and accurately reflect the exam task formats that students will encounter. Once again, teachers can work through the first few Writing tasks with the students, guiding them on how to approach each task, especially making sure that all the content points required for the task are included in responses. After that, the tasks will give students an opportunity to practise answering the questions within the time allowed as well as help them to become familiar with the number of words required for each task.

BEC Vantage practice test

At the end of the booklet there is one full Reading and Writing practice test for BEC Vantage, which should be carried out under exam conditions. This allows both teachers and students to gauge how ready they are to take the exam and to give them an idea of what grade they could expect in these two papers.

READING PART ONE

TIPS

- Read the questions carefully first.
- The words in the questions are usually not the same as the words in the text so look for paraphrases in the text. Words from the questions may well be in other texts.
- Make sure the text matches the question exactly.

- Look at the statements below and the comments made by business people about communication.
- Which section (A, B, C or D) does each statement 1–7 refer to?
- For each statement 1–7, mark one letter (A, B, C or D).
- You will need to use some of these letters more than once.

Example

0 the way in which modern technology accommodates an old-fashioned communication method **A**

- 1 keeping people aware of the progress of what’s happening
- 2 the benefit of good preparation
- 3 the possibility of confusion within the communication
- 4 speech alone fails to convey the full sense of a communication
- 5 the value of a speedy reaction
- 6 an understanding of the dangers of emailing
- 7 better performance as a result of good communications

A I still prefer to do business face-to-face rather than use emails or the phone because being able to understand the words does not necessarily mean that you understand what someone truly means. People’s facial expressions and body language give you a much better idea of the their attitude and the meaning behind their words. Video conferencing is a brilliant way of combining technology with traditional methods because you can see how people say things and react to your comments. Body language plays a vital part in any communication.

B Good customer service is vital and communication is the key to success. Customers want a company to care about them and be immediately responsive to any complaints. If we receive an email, we respond straightaway, informing the customer that we are looking into the issue. We follow this up with a personal phone call to assure them we are taking the complaint seriously. Our staff are trained to inform customers of every aspect of their order or complaint from beginning to end.

- C** Email has become the basis of all business communication because of its immediacy. Despite its obvious advantages, some things are best not done via email, such as negotiation, since the written word can sometimes lead to the recipient getting the wrong end of the stick. So teaching people how to write and interpret emails should be included in any staff induction programme to ensure they are aware of this problem. You cannot take it for granted that the recipient will read the email in the same tone as it was written.
- D** Conference calling is our preferred method of communication as our company has multiple locations and staff worldwide. We find that it has increased productivity and improved employee communications because it keeps everyone in the loop and staff do not waste time and money travelling to meetings. It is very effective for all types of meetings but, in order to get the best out of them, agendas and any reports or visual aids must be sent ahead of the meeting. Forward planning definitely leads to successful meetings.

**WRITING
PART ONE**
TIPS

- Make sure you include all three bullet points (introducing, explaining, outlining) in your response.
 - The message needs to be clear.
 - Write at least 40 words. You do not get extra marks for writing more than 60 words.
- You are the HR Manager for an international manufacturing company. As a result of several complaints and customer service problems, you have appointed John Sheridan as the new Communications Director.
 - Write an email to all staff:
 - introducing Mr Sheridan
 - explaining why he has been appointed
 - outlining what the company expects him to achieve.
 - Write 40–60 words.

To:	All staff
From:	HR Manager
Subject:	New Communications Director

READING
PART TWO

TIPS

- Read through the whole text.
- Check the topic of each paragraph.
- Look very closely at the sentences immediately before and after the gap.
- Make sure that the sentence fits in with the topic of both sentences.
- There is always an extra sentence (A–G) which does not fit anywhere.

- Read the article below about IWC, a luxury Swiss watch company.
- Choose the best sentence (A–G) to fill each of the gaps.
- For each gap 1–5, choose one letter (A–G).
- Do not use any letter more than once.
- There is an example at the beginning.

FT

The rule breaker at IWC on the move to go global

by Elizabeth Paton

Chief Executive of IWC, Georges Kern has shaken up the luxury watch industry. In an industry renowned for cautious, reserved executives, Georges Kern is an exception. ⁽¹⁾ **G** He had a difficult task: turning a small, 146-year-old watch house – the only watch brand based in eastern Switzerland – into a competitive global name, and to date his approach has met with commercial success.

So when IWC unveiled a ‘midsized’ collection as part of its Portofino range this year, the industry took notice. ⁽²⁾ ‘I don’t know why people are surprised. We’ve always sold to women – they now make up 25% of our sales base, so it seemed a fitting next step,’ says Mr Kern. The option of reduced case-diameters was also devised with Asian customers in mind.

‘I like that we break rules. We must be a contemporary brand – we are not a dusty brand.

And the appetite for our designs is there, from a valuable and growing customer demographic.’

⁽³⁾ The campaign, shot by film-maker Peter Lindbergh, features a constellation of Hollywood stars wearing tuxedos and lounging about in the Italian coastal town after which the collection was named.

‘We live in a world fixated on the transactional power of the image. So you need to find ambassadors and environments that resonate universally with consumers,’ Mr Kern says. ⁽⁴⁾ ‘One must be progressive and relevant,’ he adds. In less than three weeks the Portofino video gained 4.7 million views on YouTube – notable, given the reluctance of Swiss luxury watch houses until recently to harness the power of digital advertising platforms.

But with the rise of wearable devices, and the prospect of the launch next year of the Apple

⁽⁵⁾ Watch, brands such as IWC must show more agility online than ever before.

I am not concerned by the impact of smartwatches on our sales – they are at a vastly different price point, so we are not competing for the same consumer,’ says Mr Kern.

⁽⁶⁾ ‘To make sure consumers understand this involves positioning ourselves in all the right places,’ says Mr Kern. This means the brand is adding to the number of its boutiques globally, including a flagship store on London’s New Bond Street, expected to open in December. But it is not only concentrating on Europe: luxury spending hubs such as New York, Miami, Dubai and Tokyo have also seen IWC stores open in recent years. ⁽⁷⁾ ‘We’ve worked very hard with our retail strategy to ensure we are not dependent on any one region.’

- A 'A decade ago we were a very Eurocentric brand – we had zero visibility in the US or Asia, let alone emerging markets,' he says.
- B That approach is also evident in the advertising campaign.
- C But the battle for watches looks likely to be a fight between fast fashion and timepieces that represent traditional craftsmanship.
- D But volatile exchange rates and mounting geopolitical instability appears to be taking its toll on the global growth rate of the watches and jewellery sector.
- E The collection was IWC's first aimed at women as well as men.
- F The campaign is also running on social media.
- G The German took the helm of Richemont-owned IWC Schaffhausen 12 years ago at the age of 36 – making him at that time the youngest chief executive of any brand within the luxury conglomerate's portfolio.

**WRITING
PART ONE**
TIPS

- Make sure you include all three bullet points (asking, explaining, giving discount) in your response.
- The message needs to be clear.
- Write at least 40 words. You do not get extra marks for writing more than 60 words.

- You are the Sales Director of a luxury handbag company. You are unable to meet an important customer next week. You ask the Sales Manager to take the meeting instead.
- Write an email to the Sales Manager:
 - asking him to take the meeting and say why
 - explaining who the customer is
 - saying what discount the manager can offer.
- Write 40–60 words.

To:	Sales Manager
From:	Sales Director
Subject:	Customer meeting
<div style="border: 1px solid black; height: 200px; width: 100%;"></div>	

READING PART FIVE

TIPS

- Read through the whole text first.
- The extra word must be grammatically wrong or does not fit in with the text. It cannot be just unnecessary.
- One word may have several common partnerships so look carefully at the sentence before making your choice.
- Look closely at verbs to see if they are in the correct tense and form.
- Look closely at relative pronouns, articles, qualifiers, prepositions, linkers, etc.

- Read the text below about intercultural negotiations.
- In most of the lines 1–12 there is one extra word. This is either grammatically incorrect or does not fit in with the meaning of the text. Some lines, however, are correct.
- If a line is correct, TICK (✓) the line.
- If there is an extra word in the line, write the extra word in CAPITAL LETTERS.
- The exercise begins with two examples.

Intercultural negotiations

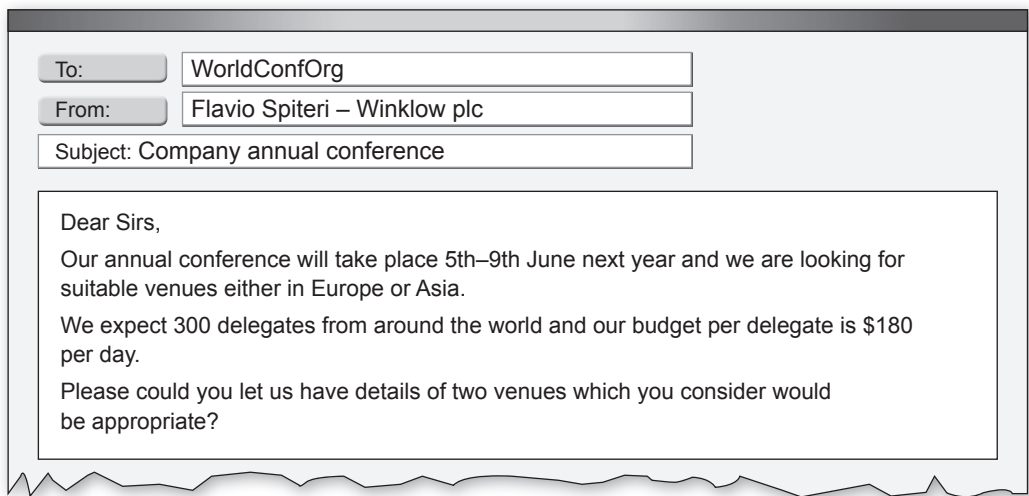
0	As for more and more companies look forward to expanding their	FOR
00	businesses by operating globally, there are certain dangers to be aware of.	✓
1	Negotiating domestically and internationally are similar to in many ways,	.....
2	but the difference that in cultures can sometimes cause problems and	.....
3	jeopardise the negotiations. For example, there some cultures view	.....
4	negotiations as the precursor to a signed contract but others regard them	.....
5	as a way of establishing the relationship first, with the deal following	.....
6	later. Nevertheless, most companies manage it so well enough despite	.....
7	of limited knowledge of the other party's cultural background.	.....
8	Although learning about other people's culture shows respect and is	.....
9	a way of building up trust. However it is not a bad idea to assume that	.....
10	we know all about a business culture with only a little study and such care	.....
11	should be taken to avoid mistakes which could sour the relationship	.....
12	and cause negotiations to be broken off or have severely undermined.	.....

**WRITING
PART TWO**

TIPS

- Read all the instructions very carefully.
- Check the format required (email, letter, report, etc.).
- Include all the points in the handwritten notes.
- Use a range of business words and linkers.
- Write at least 120 words. If you write fewer you will lose marks. You do not get extra marks if you write more than 140 words.

- You work for WorldConfOrg, a large company which organises conferences. You have just received this email from the Sales Director of Winklow plc, a returning client.
- Look at the email and the other information below, on which you have already made some handwritten notes.
- Then using all your handwritten notes, write an email to Mr Spiteri giving him details of the two hotels.
- Write 120–140 words.



Good rooms and facilities – translation services not extensive

Better location for international flights

Delegate price \$210 – negotiated \$195 (includes all meals)

**Taj Spa Hotel
Delhi**

350 bedrooms + 50 suites
Five meeting rooms
Max. 450 delegates
Full business facilities
Free use of spa facilities
Discounts available

**Gran Playa Golf & Spa Hotel
Tenerife**

250 bedrooms + 20 suites
Three meeting rooms
Max. 300 delegates
Full business facilities
Spa, fitness centre, golf course and tennis academy on site
Discounts available

Meeting rooms bit small – facilities very good – extensive translation services

Delegate price \$205 – negotiated \$185 (with all meals)

READING PART FOUR

TIPS

- Read the text through quickly so you know what it is about.
- Think about the meaning of each missing word.
- The four options usually have similar meanings.
- Look carefully at the text before and after each gap.
- Make sure that the word fits with the grammar, collocations, phrases of the text.
- Read the whole text through again to see if it makes sense with your choices.

- Read the article about what makes successful business leaders.
- Choose the best word to fill each gap from A, B, C or D.
- For each question 1–15, mark one letter (A, B, C or D).
- There is an example at the beginning.

What makes a successful leader?

Does every successful business leader have ⁽⁰⁾ **B** and are they born with an innate business ⁽¹⁾ ___? Possibly not, but all the other attributes that they tend to have will make it seem as if they have. Good leaders will display ⁽²⁾ ___ to their work and self- ⁽³⁾ ___ in the way they approach it, as well as a total belief in what they are doing. They also have an in-built ⁽⁴⁾ ___ to succeed and never give up hope, no matter how many failures they ⁽⁵⁾ ___ They are also capable of making tough decisions, which, to those on the outside, might seem to demonstrate a certain ⁽⁶⁾ ___. However, the reality is that making tough decisions means considering all the options and consequences, especially with regard to their ⁽⁷⁾ ___ so they are not necessarily insensitive or hard-hearted. And when a ⁽⁸⁾ ___ crisis or an ⁽⁹⁾ ___ recession hits, they are not inflexible and have the ability to ⁽¹⁰⁾ ___ to changing circumstances. A successful leader never ⁽¹¹⁾ ___ unnecessarily and is never ultra-cautious. Furthermore, they are knowledgeable about their ⁽¹²⁾ ___ and industry and are prepared to take calculated risks, to move the business forward. They have ⁽¹³⁾ ___ and an ability to see the benefits of innovation. They work closely with their staff listening to their opinions and ideas, and actively encourage employees to put ⁽¹⁴⁾ ___ ideas. Unfortunately there seem to be many more ⁽¹⁵⁾ ___ companies and leaders than successful ones.

- | | | | | |
|---|--------------|---------------|----------------|-----------------|
| 0 | A looks | B charisma | C character | D temperament |
| 1 | A skill | B judgment | C acumen | D imagination |
| 2 | A dedication | B loyalty | C obligation | D requirement |
| 3 | A power | B resolution | C ambition | D discipline |
| 4 | A initiative | B drive | C inspiration | D encouragement |
| 5 | A make | B come over | C happen | D encounter |
| 6 | A difficulty | B flexibility | C ruthlessness | D seriousness |
| 7 | A workforce | B labour | C employment | D recruitment |
| 8 | A global | B universal | C general | D comprehensive |
| 9 | A economical | B economy | C economic | D economising |

- | | | | | |
|----|------------------------|--------------------------|------------------------|-----------------------|
| 10 | A modify | B alter | C amend | D adapt |
| 11 | A underspends | B misspends | C overspends | D outspends |
| 12 | A brand | B mark | C image | D reputation |
| 13 | A looks | B cleverness | C imagination | D proficiency |
| 14 | A up | B across | C in for | D forward |
| 15 | A misperforming | B underperforming | C outperforming | D unperforming |

WRITING PART TWO

TIPS

- Read all the instructions very carefully.
- Check the format required (email, letter, report, etc.).
- Include all the points in the handwritten notes.
- Use a range of business words and linkers.
- Write at least 120 words. If you write fewer you will lose marks. You do not get extra marks if you write more than 140 words.

- You work for Bentik Equipment and you have just received the following email from a potential supplier with whom you've had recent negotiations.
- Look at the email on which you have already made some handwritten notes.
- Then using all your handwritten notes, write a reply to David Willis.
- Write 120–140 words.

To: David Willis@ITW Solutions.com

From: Bentik Equipment

Subject: Computer system

Further to our meeting yesterday I am pleased to confirm the terms agreed regarding the supply of a new computer system for head office.

10 ZX250 computers

Software: Payroll, Order management, Streamlined billing, Salesforce Integration – all customised to your particular business

Total price: £56,000 (includes 15% discount) for software and hardware purchase plus maintenance for the first year as well as a help desk facility

Payment terms: 50% in advance. Final 50% when system fully operational.

We might need more – DW to visit us to confirm

Price before 15% discount, surely!

Impossible! we agreed 20%

Suggest date for another meeting

Terms not finalised – need to discuss with board first

READING
PART THREE

TIPS

- The questions follow the order of the text.
- Read the first question and then read the first part of the text to find the answer.
- Underline key words in the question option.
- Question options usually use synonyms. Look for words in the text with similar meanings.
- Check that your choice reflects exactly what is said in the text.

- Read the article below about why middle managers are dissatisfied.
- For each question 1–6, mark one letter (A, B, C or D) for the answer you choose.

FT

Overworked and uninspired – the misery of the middle manager

by Lucy Kellaway

- 1 Recently thousands of workers in the US were asked if they fancied the idea of being promoted to the rank of manager. You might have thought they would mostly have said yes. After all, the US is supposed to be the land of opportunity, and the entirety of corporate life is founded on the principle that it is better to be on a higher rung of the ladder than on a lower one. Only they did not say yes at all. A mere third of the workers surveyed said being a manager appealed to them.
- 2 So why don't most people want to be managers? More than half of them explained they liked the job they had and therefore saw no reason to change it, which seems an excellent reason. Given that the pyramid is at its widest at the bottom, it is good if lots of people are happy to continue in the same way. It is only a shame that we are so hooked on the idea of progress, we place so little value on lives spent like this.
- 3 About a third of the sample said what put them off were the long hours and the responsibility that went with being a manager. A smaller minority did not want to put themselves up for promotion because they did not have the qualifications. This is the only bad reason given – it is a shame and a waste. There are lots of things that stop people from becoming great managers, but the lack of formal qualifications is hardly ever one of them.
- 4 Implicit in all this is a truth that companies try to keep quiet about. Being a middle manager is the most thankless job ever invented. If anyone still clings to the fantasy that it is going to be nice to be a middle manager, the Harvard Business Review (HBR) study puts the record straight. It looked at companies that together employ 320,000 workers, and examined the profile of the least happy 5% of them.
- 5 The researchers expected to find that these 16,000 miserable workers were mostly downtrodden foot soldiers, misunderstood cranky geniuses, or the hopelessly incompetent who could be sacked at any minute. Instead they found the typical profile of the terminally miserable was rather different. They were mostly middle performing, middle managers. They were the ones who were doing perfectly fine and had been working in the company for 5–10 years. These middle managers gave multiple reasons for their misery: they felt under-appreciated, overworked, not listened to, stuck and full of a sense of meaninglessness. But most of all they complained that the people above them were not up to much.
- 6 The survey authors conclude that the problem is leadership. However, most of us are not going to get good leadership and, even if we did, it would not help those in the middle very much. Of the people I know who detest their jobs the most, all are stuck in this position. It is their job to implement bad decisions made by others. It is their job to take responsibility for things that are not their fault. They can neither move up, nor move back down, and are more affected by office politics than anyone else.

- 1 In the first paragraph the writer says that the survey results
 - A were contrary to people's expectations.
 - B suggested that being a manager is still appealing.
 - C showed that most people are unhappy at work.
 - D indicated that many people had refused promotion.
- 2 According to the writer, in the second paragraph
 - A pyramid structures provide secure work for people.
 - B happy employees want to be promoted.
 - C companies do not value people who do not want promotion.
 - D upward progression is important for employees.
- 3 In Paragraph 3, the writer explains that
 - A formal qualifications are needed for promotion.
 - B a manager's responsibilities are often difficult to deal with.
 - C the length of a manager's working day is unappealing to many.
 - D less than half the people surveyed were already in management.
- 4 The writer points out in Paragraph 4 that
 - A the HBR study proves how many people enjoy being a manager.
 - B companies do not tell the truth about job requirements.
 - C the least happy people had impossible expectations.
 - D organisations do not admit that a manager's job is unappreciated.
- 5 The researchers discovered that
 - A people who were exceptionally intelligent were the least happy.
 - B people doing well in middle management were the most unhappy.
 - C middle managers tended to stay in a job between 5–10 years.
 - D people who were not very good at their jobs were miserable.
- 6 The writer believes that
 - A middle managers feel trapped in their role.
 - B the majority of middle managers will look for other jobs.
 - C middle managers often make bad decisions.
 - D office politics is the reason for unhappy managers.

WRITING PART ONE

TIPS

- Make sure you include all three bullet points (aware of problem, clarification of problems, feedback procedure) in your response.
- The message needs to be clear.
- Write at least 40 words. You do not get extra marks for writing more than 60 words.

- You are HR Manager of a company and several of the staff seem to be unhappy. You need to find out what the main problems are.
- Write an email to all staff:
 - indicating that you are aware of a problem
 - inviting them to tell you what the problems are
 - outlining how they should let you know.
- Write 40–60 words.

To:	All staff
From:	HR Manager
Subject:	Staff morale

READING PART FIVE

TIPS

- Read through the whole text first.
- The extra word must be grammatically wrong or does not fit in with the text. It cannot be just unnecessary.
- One word may have several common partnerships so look carefully at the sentence before making your choice.
- Look closely at verbs to see if they are in the correct tense and form.
- Look closely at relative pronouns, articles, qualifiers, prepositions, linkers, etc.

- Read the text below about risk management.
- In most of the lines 1–12 there is one extra word. It is either grammatically incorrect or does not fit in with the meaning of the text. Some lines, however, are correct.
- If a line is correct, TICK (✓) the line.
- If there is an extra word in the line, write the extra word in CAPITAL LETTERS.
- The exercise begins with two examples.

– Risk management –

0 Every company today needs to make up provision for risk management	UP
00 because the pace of change has accelerated so much over the past few	✓
1 years, which it has made it more difficult for companies to foresee	.....
2 with risk. Being able to anticipate and identify any potential risks is	.....
3 slightly vital for any company today. Although it is not possible to	.....
4 eliminate risk altogether, it can be minimised, and companies often choose	.....
5 to spread out the risk over different sectors, or industries. Companies are	.....
6 affected by the environment in which they operate and evaluating all	.....
7 these external risks deeply accurately is the aim of risk management.	.....
8 Every risk needs to be weighed up carefully and strategies created to deal	.....
9 with them. It takes good leadership to manage risk successfully and that	.....
10 those leaders need to make tough decisions and convey such confidence	.....
11 to the rest of the staff. An important part of evaluating risk is to listening	.....
12 to the people involved and neither to weigh up their concerns carefully.	.....
The people on the front line are often the ones best placed to assess internal risks.	

**WRITING
PART TWO**

TIPS

- Read all the instructions very carefully.
- Check the format required (email, letter, report, etc.).
- Include all the points in the handwritten notes.
- Use a range of business words and linkers.
- Write at least 120 words. If you write fewer you will lose marks. You do not get extra marks if you write more than 140 words.

- You work for a manufacturing company which is considering acquiring BXK Manufacturing. You have just received an email from your CEO.
- Look at the email and the other information below, on which you have already made some handwritten notes.
- Then using all your handwritten notes, write a report for the CEO about the potential risks.
- Write 120–140 words.

BXK Manufacturing in trouble

BXK manufacturing, once the market leader, has finally admitted that is in trouble and is looking for a buyer because the purchase of a new state-of-the-art production line overstretched their financial resources.

Furthermore cheaper manufacturing overseas and the domestic recession, has been forcing customers to look for lower and lower prices and led to ever-decreasing sales.

Could affect us too!

To: Finance Director

From: CEO

Subject: Proposed acquisition of BXK Manufacturing

Could you prepare a preliminary report for the board summarising potential risks.

Reasons for proposed acquisition:

- to increase our capacity and benefit from their equipment as our new range of products are selling well
- to become market leader
- to improve efficiency and restructure organisation
- we can get the company for a good price – we have capital assets – borrowing will be limited

good sales now, but foreign competition fierce

doubtful – new Indian company rapidly gaining market share

price may be too high – two other companies interested

staff unhappy – rumours about job losses – productivity down

READING PART TWO

TIPS

- Read through the whole text.
- Check the topic of each paragraph.
- Look very closely at the sentences immediately before and after the gap.
- Make sure that the sentence fits in with the topic of both sentences.
- There is always an extra sentence which does not fit anywhere.

- Read the article below about management styles.
- Choose the best sentence (A–G) to fill each of the gaps.
- For each gap 1–5, mark one letter (A–G).
- Do not use any letter more than once.
- There is an example at the beginning.

FT

What the best parents can teach us about management

by Michael Sapinker

No textbook can prepare you for being in charge of people for the first time. You quickly realise that people do not always do what you tell them to do. ⁽⁰⁾ G. You can try to enforce your will or you can accept that your team know their jobs and let them get on with it.

Douglas McGregor called these approaches Theory X and Theory Y in his book *The Human Side of Enterprise*, published in 1960. You probably manage, or are managed, according to one of his two theories. Theory X assumes people do not particularly want to work and need to be 'coerced, controlled, directed and threatened with punishment'. Theory Y assumes people want to do a good job ⁽¹⁾ _____. McGregor favoured Theory Y. However, many managers spoke of Theory Y, but practised Theory X.

There have always been exceptional workplaces – often in the professional services or technology sectors – where managers gave their staff the freedom to set their own hours, work from home or find the best

ways of serving customers. ⁽²⁾ _____

McGregor's research in the US from the mid-1930s to the mid-1950s, was during a period of prosperity and people expected to have long careers with just one or two companies. His writings revolutionised the field of management theory, but it seems Theory Y management has fallen victim to today's insecure working world, where companies offer their staff no loyalty and receive little in return.

There are many easy-going, creative workplaces relying on outsourced data processing and call centres, which are not full of managers eager to let their employees decide their own working practices. However, even in the most go-ahead offices, the human resources and legal departments increasingly insist on the completion of online forms for routine activities. ⁽³⁾ _____

We need a different type of thinking about management. ⁽⁴⁾ _____ Diana Baumrind, a US psychologist famous for her research on good parenting,

outlines three ways of dealing with children: permissive, authoritarian and authoritative.

'The permissive parent attempts to behave in a non-punitive, acceptant and affirmative manner,' she wrote.

This is like McGregor's Theory Y. The authoritarian parent tries 'to shape, control and evaluate. She values obedience as a virtue'. This is like Theory X. Then there is the authoritative parent, who 'attempts to direct the child's activities in a rational, issue-oriented manner'. This is the parent who 'encourages verbal give and take'. She exerts control only at points of real divergence 'but does not hem the child in with restrictions'.

⁽⁵⁾ _____ Children cannot resign.

But the authoritative parent, who sets clear parameters but allows freedom within them, who reasons rather than rules (and makes the numbers), strikes me both as an excellent model for managers and a realistic middle route between Theories X and Y.

- A But there are many more companies where managers claim to believe in their people but micromanage and insist things be done their way.
- B They do not need to be ordered about and are naturally inventive, looking for the best ways to get work done.
- C Nevertheless most managers tend to be Type X these days.
- D However, there are differences between parenting and management.
- E If we want to find an effective way of treating our staff like adults, perhaps we should turn to an expert in dealing with children.
- F These take up a lot of time and managers therefore find themselves unable to do a good job.
- G There are two accepted ways to deal with this.

**WRITING
PART ONE**
TIPS

- Make sure you include all three bullet points (brief job description, qualities required, inviting staff) in your response.
- The message needs to be clear.
- Write at least 40 words. You do not get extra marks for writing more than 60 words.

- You are HR Manager. You need a new Project Manager and would like to invite current staff members to apply for the job.
- Write an email to all staff:
 - briefly stating what the job involves
 - describing qualities required
 - giving details of how and when to apply.
- Write 40–60 words.

To:	All staff
From:	HR Manager
Subject:	Project Manager vacancy

READING PART ONE

TIPS

- Read the questions carefully first.
- The words in the questions are usually not the same as the words in the text so look for paraphrases in the text. Words from the questions may well be in other texts.
- Make sure the text matches the question exactly.

- Look at the statements below and the comments made by team-building experts.
- Which section (A, B, C or D) does each statement 1–7 refer to?
- For each statement 1–7, mark one letter (A, B, C or D).
- You will need to use some of these letters more than once.

Example

0 Team members lacked the desire to continue working.D.....

- 1 Staff and employers disagree about the value of specific training.
- 2 The leader behaved in an unacceptable way.
- 3 Disagreements jeopardised the final outcome of project.
- 4 A company regretted not using experts.
- 5 Problems should be resolved by the whole team.
- 6 Team members were not guided by their team leader.
- 7 Team members were against the idea of the project.

A Teamwork is about getting different people with different skill sets working cooperatively and efficiently. A company I worked with had disorganised and indecisive leaders who set unrealistic goals so that team members found it impossible achieve the required results. Things went badly wrong on a very important project, and conflict amongst the team threatened to damage the entire project. Luckily I was called in to help just in time and made sure that the leader addressed the situation by involving the whole team, and we succeeded in saving the project.

B We organise team-building events to improve a company’s team spirit. One company said their staff were unenthusiastic about these and saw the previous training as a waste of time, whereas the company believed it was a practical way to develop loyalty and trust between team members. We explained to the company that perhaps they had chosen the wrong type of activity in the past, as some outdoor physical activities may be totally unsuitable for certain staff members. We spoke to the staff involved and suggested a less physical team-building event, which was very successful.

C I remember one company that was notorious for choosing poor team leaders and they might have avoided the failures had they chosen better. For one project, the team was chosen, seemingly at random, to prepare the way for setting up a new factory overseas. The leader was inexperienced and uncommunicative and everyone worked independently. Although the objectives had been clearly set out, many team members hated the plan from the start so were uncooperative. The company wished it had called us in earlier.

- D** In one company the team leader only chose people who were his close associates. He should have chosen them according to their skills and ability to work in a team. Furthermore he failed to give team members enough time to complete tasks, putting them under extreme pressure and leading to serious mistakes. He then threatened staff with demotion if they failed and promptly succeeded in demotivating the whole team. Leaders need training in the necessary skills of managing, and that company should have chosen a more competent team leader.

**WRITING
PART ONE**
TIPS

- Make sure you include all three bullet points (brief course details, aim, date and location) in your response
 - The message needs to be clear.
 - Write at least 40 words. You do not get extra marks for writing more than 60 words.
- You are the Sales Director of a company that wants to send its sales staff on a team building course.
 - Write a memo to your sales team:
 - giving brief details of the course
 - outlining what you hope to achieve from it
 - saying when and where it is.
 - Write 40–60 words.

To:	Sales Staff
From:	Sales Director
Subject:	Team building course
<div style="border: 1px solid black; min-height: 200px;"></div>	

READING PART FOUR

TIPS

- Read the text through quickly so you know what it is about.
- Think about the meaning of each missing word.
- The four options usually have similar meanings.
- Look carefully at text before and after each gap.
- Make sure that the word fits with the grammar, collocations, phrases in the text.
- Read the whole text through again to see if it makes sense with your choices.

- Read the article below about dealing with finances.
- Choose the best word to fill each gap from A, B, C or D.
- For each question 1–15, mark one letter (A, B, C or D).
- There is an example at the beginning.

Dealing with finances

Financial advice always advocates that you don't put all your ⁽⁰⁾ **C** in one basket – in other words, you spread the risk, but for many companies that is not easy. Poor ⁽¹⁾ ___ has caused many a company to go into ⁽²⁾ ___. They tell us that we have to speculate to ⁽³⁾ ___, but most companies are not able to ⁽⁴⁾ ___ big risks. Companies need to be fully aware of the assets and ⁽⁵⁾ ___ and especially any bad ⁽⁶⁾ ___. There are many other things which have to be taken into account: ⁽⁷⁾ ___ payments on any loans and ⁽⁸⁾ ___ repayments for any monies borrowed against property. It is vital for the finance department of any organisation to allocate realistic ⁽⁹⁾ ___ and even more important for employees to ensure that they do not overspend.

Furthermore limited organisations also have to pay ⁽¹⁰⁾ ___ to shareholders every year, ⁽¹¹⁾ ___ on the success of the company. Anyone who invests in a business wants to ensure they get a good ⁽¹²⁾ ___ on that investment and when companies are not doing well, they may start selling shares, making the situation even worse. When companies need support, investors are often not prepared to throw good money after ⁽¹³⁾ ___. There is no ⁽¹⁴⁾ ___ that they will make money, it is always a risk. Although it is ideal to always be in the ⁽¹⁵⁾ ___, many businesses have to operate owing money, especially in the first few years of business.

- | | | | | |
|----|--------------|------------------|--------------|-------------|
| 0 | A ideas | B plans | C eggs | D food |
| 1 | A equity | B capital | C collateral | D cashflow |
| 2 | A bankruptcy | B administration | C liability | D collapse |
| 3 | A accumulate | B acquire | C invest | D accrue |
| 4 | A make | B do | C take | D have |
| 5 | A debts | B liabilities | C debtors | D capital |
| 6 | A deposits | B charges | C debts | D subsidies |
| 7 | A credit | B share | C return | D interest |
| 8 | A mortgage | B overdraft | C dividend | D warranty |
| 9 | A loans | B instalments | C subsidies | D budgets |
| 10 | A shares | B dividends | C fees | D grants |

- | | | | | |
|----|--------------------|--------------------|--------------------|---------------------|
| 11 | A regarding | B according | C depending | D concerning |
| 12 | A return | B charge | C interest | D collateral |
| 13 | A poor | B wrong | C weak | D bad |
| 14 | A warranty | B guarantee | C promise | D agreement |
| 15 | A red | B black | C dark | D pink |

**WRITING
PART TWO**

TIPS

- Read all the instructions very carefully.
- Check the format required (email, letter, report, etc.).
- Include all the points in the handwritten notes.
- Use a range of business words and linkers.
- Write at least 120 words. If you write fewer you will lose marks. You do not get extra marks if you write more than 140 words.

- You are the Finance Director of a company producing cooking sauces, which you created with two friends, Delia and Richard two years ago. The business is expanding very fast and you need an investment of at least £250,000 to move to the next level.
- Look at the email and the other information below, on which you have already made some handwritten notes.
- Then using all your handwritten notes, write an email for the other partners summarising the financial options.
- Write 120–140 words.

To: Finance Director

From: Delia, Managing Director

Subject: How to finance expansion

Just to remind you that we'd like to you look at the options for financing future expansion (£250,000), which we discussed at the meeting yesterday.

Richard and I think we three should maintain at least 75% of the company.

Please can you check:

- what grants are available for new small/medium-sized businesses
- how much the bank would be prepared to give us as a loan and at what interest rate
- could we find a business angel?

no good – currently max £50,000 only!

one offered us £150,000 for 30% share! also good experience

in principle up to £100,000

around 2% – depends on full analysis of company

**WRITING
PART TWO**

TIPS

- Read all the instructions very carefully.
- Check the format required (email, letter, report, etc.).
- Include all the points in the handwritten notes.
- Use a range of business words and linkers.
- Write at least 120 words. If you write fewer you will lose marks. You do not get extra marks if you write more than 140 words.

- You work for a car company and have received the letter below from a dissatisfied customer.
- Look at the letter on which you have already made some handwritten notes.
- Then using all your handwritten notes, write a reply to Mr Kendle.
- Write 120–140 words.

MODEL HI54

Dear Sir,

I recently bought a new car from you and I have had nothing but problems with it.

Firstly, there was a problem with the brakes but when I brought it back to your garage, the manager tried to charge me for the work, although the car was still under warranty. He said there was nothing wrong with the brakes. When I refused to pay, he was very rude and would not let me have my car.

correct! better staff training implemented

unacceptable! action taken - say what

When I finally got the car back, the brakes still didn't work properly and I nearly had a bad accident when they failed. That was the second time, so there is definitely something wrong. I demand that you either replace the vehicle or correct the fault as it is still under guarantee. I also believe that I am entitled to compensation for the inconvenience caused.

yes! offer different model

apologise - never happen again

make suitable offer

Yours faithfully
Geoff Kendle

READING PART FOUR

TIPS

- Read the text through quickly so you know what it is about.
- Think about the meaning of each missing word.
- The four options usually have similar meanings.
- Look carefully at the text before and after each gap.
- Make sure that the word fits with the grammar, collocations, phrases, etc. of the text.
- Read the whole text through again to see if it makes sense with your choices.

- Read the article about crisis management.
- Choose the best word to fill each gap from A, B, C or D.
- For each question 1–15, mark one letter (A, B, C or D).
- There is an example at the beginning.

Importance of crisis management

Every company should be aware of any ⁽⁰⁾ **A** threats and ⁽¹⁾ ___ up a crisis-management team who have ⁽²⁾ ___ plans in place in case they ever find themselves ⁽³⁾ ___ a crisis. The worst thing to do in a crisis is to ignore the problem and hope it will go away. It is vital to ⁽⁴⁾ ___ action plans as soon as possible in order to achieve ⁽⁵⁾ ___ limitation. In these days of social media, customers can quickly lose ⁽⁶⁾ ___ if all they read are negative comments about a company. ⁽⁷⁾ ___ your reputation means controlling the ⁽⁸⁾ ___ of information by issuing press ⁽⁹⁾ ___ and keeping everyone informed of the actions being taken. Although it goes against the nature of any company to offer an admission of ⁽¹⁰⁾ ___, if there is a serious problem, this is what customers want to hear. A small company we once advised had failed to do anything about a faulty product. If they had ⁽¹¹⁾ ___ the crisis differently, they might have survived. Unfortunately they went into administration six months later. The faulty product should have been ⁽¹²⁾ ___ immediately, and a press conference held to inform the public that the company was doing everything it could. If they had done that and ⁽¹³⁾ ___ an apology, the company would not have ⁽¹⁴⁾ ___ a loss of confidence and their customers might have remained loyal. Acting ⁽¹⁵⁾ ___ is vital in a crisis and could be the difference between survival and extinction.

- | | | | | |
|----|------------------------|----------------------|----------------------|----------------------|
| 0 | A potential | B forthcoming | C problematic | D challenging |
| 1 | A put | B make | C set | D lay |
| 2 | A limitation | B escape | C contingency | D liability |
| 3 | A facing | B meeting | C coping | D holding |
| 4 | A apply | B implement | C issue | D act |
| 5 | A loss | B crisis | C problem | D damage |
| 6 | A loyalty | B confidence | C reputation | D reliability |
| 7 | A Disclosing | B Controlling | C Preparing | D Protecting |
| 8 | A medium | B flow | C channel | D method |
| 9 | A actions | B plans | C releases | D conferences |
| 10 | A dependability | B reliability | C credibility | D liability |

- | | | | | |
|----|--------------|-------------|----------------|--------------|
| 11 | A handled | B dealt | C coped | D practised |
| 12 | A disclosed | B drawn | C recalled | D extracted |
| 13 | A held | B issued | C set up | D informed |
| 14 | A announced | B suffered | C taken | D submitted |
| 15 | A decisively | B decidedly | C conclusively | D definitely |

WRITING PART TWO

TIPS

- Read all the instructions very carefully.
- Check the format required (email, letter, report, etc.).
- Include all the points in the handwritten notes.
- Use a range of business words and linkers.
- Write at least 120 words. If you write fewer you will lose marks. You do not get extra marks if you write more than 140 words.

- You are the Press Officer for a car manufacturer which is having problems with brakes on one of its models.
- Look at the email and the other information below, on which you have already made some handwritten notes.
- Then using all your handwritten notes, write a press release for customers and the trade press.
- Write 120–140 words.

To:

From:

Subject:

I'm sure you've seen this article. We are recalling all models built in the last two years. Please prepare a press release to counteract these negative articles which are appearing in local and national papers.

give details of what customers should do

apologise to all customers

give possible reason for problem

Mr Kendle expressed his disgust at the car manufacturer who refused to take him seriously when he first reported a problem with his brakes two months ago. After nearly being killed in a serious accident due to brake failure, he finally got the company to admit fault.

However, according to our information, other dealerships had already received similar complaints but nothing was done. In our view, this should have been done at the very first sign of a problem and will have serious ramifications for the manufacturer.

confident problem resolved soon – other models not affected

incorrect! needed to check scale of problem

READING
PART THREE

TIPS

- The questions follow the order of the text.
- Read the first question and then read the first part of the text to find the answer.
- Underline key words in the question options.
- Question options usually use synonyms. Look for words in the text with similar meanings.
- Check that your choice reflects exactly what is said in the text.

- Read the article below about the Dixons Carphone merger.
- For each question 1–6, mark one letter (A, B, C or D) for the answer you choose.

FT

Dixons Carphone case study: the hard work after the merger fanfare

by Andrew Hill

When Dixons Retail merged with Carphone Warehouse this year, the two electrical goods retailers turned some of their outlets immediately into joint stores. They decided to mark out Carphone areas with lighter coloured flooring, to distinguish them from the spaces occupied by the legacy Dixons brands: Currys and PC World. But Mr James, Dixons Carphone's Chief Executive, now worries the flooring may send the wrong message to staff and customers about a partnership he hopes will be seamless.

It is just one tiny example of the many management challenges that groups face as they enter the critical integration phase following a takeover or merger. Even the most promising unions can be doomed by unanticipated culture clashes, problems with combining systems, or tension at the top between executives who suddenly find they have to share responsibility for businesses they once headed outright.

Almost exactly a year ago, Mr James, who headed Dixons before the merger, met Andrew Harrison, his opposite number at Carphone Warehouse to discuss how they could work better together. Mr Harrison says the deal discussions began with a vision of 'what we wanted to achieve and a vision

of where the world was going'. It sounds corny, but could be a good start. Using a sample of recent US and UK transactions, Cass Business School found that mergers and acquisitions based on clear strategic intent made up a far higher percentage of those that succeeded.

Dixons and Carphone had to accelerate when rumours of the impending deal leaked in February. While the leak put short-term pressure on the two companies, it also allowed them to be more open with staff and suppliers. The same Cass research shows the importance of open communication, noting that two-thirds of successful acquirers shared more detailed information in public announcements of their plans.

By August, the two companies had gathered their 2,000 Store Managers together for training and to get to know each other. Individual stores took responsibility for briefing their own staff.

The retail infrastructure of the two companies is quite different, with Carphone staff trained to sell mobile phone contracts, whereas Currys and PC World staff are more used to selling hardware. At the moment, the staff are measured against separate in-store targets. But Mr James believes 'selling intangibles' will become more

important for the merged group, as it moves further into service, installation and maintenance of 'connected' homes and offices.

A less obvious, but potentially significant concern is how to bring different warehouses, stock systems and information technology into line, to ensure, for instance, uniform pricing of the accessories. While Dixons Carphone was able to decide not to rebrand, the merging of the two companies' logistical infrastructure is unavoidable – and risky. To differentiate between their roles, Mr Harrison takes responsibility for the growth businesses and innovation, while Mr James has day-to-day operational control of the group. Mr Harrison also heads the single team that now handles all global supplier relationships.

As the same former Dixons executive points out, whether the combined group can win even better terms from suppliers than Dixons and Carphone did separately will be critical to the deal's success.

However, in many mergers of equals, one side eventually emerges dominant. The difference in corporate mergers is that plenty of people, including staff, shareholders and customers, mind a great deal if the honeymoon period eventually gives way to chaos and acrimony.

- 1 When the two companies merged,
 - A all the stores included both companies.
 - B staff worked in different colour-coded areas.
 - C Mr James had anticipated problems with the colour coding.
 - D staff and customers received a personal message from the CEO.
- 2 According to the article, when companies merge
 - A few problems occur in the early stages.
 - B the sharing of responsibility must be clarified.
 - C top executives find it easier than the rest of the staff.
 - D bosses can often underestimate potential difficulties.
- 3 Before the Dixons Carphone merger, senior managers
 - A discussed the sharing of power.
 - B studied various mergers around the world.
 - C agreed on future objectives.
 - D based their plans on each company's current vision.
- 4 According to the fourth paragraph, companies planning to merge should
 - A share information with suppliers.
 - B avoid rumours getting out about the merger at all costs.
 - C introduce staff to each other at the earliest point.
 - D ensure that training is provided for all staff.
- 5 Dixons and Carphone staff
 - A are working towards the same goals.
 - B need to focus on selling their own company's products.
 - C are being trained to sell each other's products.
 - D have different experience and skills.
- 6 One of the main problems facing Dixons and Carphone now is
 - A the fact that prices have increased.
 - B the integration of their distribution centres.
 - C the two top executives are unable to share responsibility.
 - D negotiating better deals with global suppliers.

WRITING PART ONE

TIPS

- Make sure you include all three bullet points (brief details of company, reason, meeting details) in your response.
- The message needs to be clear.
- Write at least 40 words. You do not get extra marks for writing more than 60 words

- You are the CEO of a company that makes kitchen appliances. You are planning to merge with another company later in the year.
- Write an email to all managers:
 - giving brief details of the company you plan to merge with
 - saying why you have decided to merge
 - inviting managers to a meeting to discuss.
- Write 40–60 words.

To:	All Managers
From:	CEO
Subject:	Planned merger
<div style="border: 1px solid black; height: 150px; width: 100%;"></div>	

BEC VANTAGE PRACTICE TEST

READING

PART ONE

Questions 1–7

- Look at the statements below and the comments made by business people about job satisfaction.
- Which section (A, B, C or D) does each statement 1–7 refer to?
- For each statement 1–7, mark one letter (A, B, C or D).
- You will need to use some of these letters more than once.

Example

0 most people want to fulfil their potential **B**

- 1 options offered other than financial incentives
- 2 passing on knowledge to colleagues
- 3 an indication of the writer's opinion on staff dissatisfaction
- 4 the importance of knowing the purpose of your role
- 5 it astonishes companies to find their staff are not content
- 6 executives are often unaware of key motivators
- 7 a poor economy affected how employees felt

A Many people say they are unhappy at work, which seems to me rather sad. When we survey company staff, we often find that they feel they are not paid enough, or they are doing a job unrelated to their skills. It seems that a lack of confidence is holding them back from leaving. Low morale can have a devastating effect on companies and yet, they do not do anything about it. In fact, companies often seem unaware of the problem. They express surprise when we tell them and suggest they challenge staff, giving them opportunities to develop their skills, which are what most people want.

B Not long ago, most employees said that job security was the most important thing for job satisfaction. As a result they were reluctant to leave a job, even if they were unhappy. However, that has been replaced as number one on the list by the need to use their skills and ability to the full. To overcome this, we find that asking staff to teach others the skills they have, improves both coworker relationships and the skills base of individuals and companies alike. Furthermore, employees feel more valued.

C Many company leaders have told me that their staff are unresponsive and unmotivated despite being offered financial incentives. This indicates that these managers do not understand their workforce at all. People are not solely motivated by money. They need money to live, but they also want to feel they have a meaningful job that challenges them and uses their skills. Boredom is a key demotivator and every job will have some boring elements so it is even more important that employees understand the value of their job within the whole.

- D** We realised that our staff were becoming dissatisfied because we had been unable to increase their salaries during the recession. So we looked at other ways of compensating them for the work they do, and decided that a total rewards strategy would be the best way to go. This included things such as benefits, work-life balance, performance and recognition, personal development and career opportunities. For example, staff who had exceeded their targets were rewarded with extra days off. Performance and company results as well as job satisfaction improved substantially.

PART TWO

Questions 8–12

- Read the article below about a teenager's business success.
- Choose the best sentence (A–G) to fill each of the gaps.
- For each gap 8–12, mark one letter (A–G).
- Do not use any letter more than once.
- There is an example at the beginning, (0).

FT

For teenage tycoons it is a case of jam today

by Emma Jacobs

At the age of 16, Fraser Doherty asked his dad for two favours. The first, to borrow a suit, which turned out to be two sizes too big; the second, to be driven to his first big business meeting at Waitrose, the British supermarket, so he could pitch his sugar-free jams. ⁽⁹⁾ **G** Two years later, the jams he had started making with his grandmother in her kitchen in Glasgow hit the shelves under the brand name SuperJam. Today, he supplies all the big British supermarkets as well as to ones as far afield as Australia and Russia.

The business whizzkid, with the wisdom of age 25, believes starting so young was a good thing to do. ⁽⁸⁾ ___ While others might have had gap years backpacking, he has been able to see the world through work, adding holiday to his overseas business trips. It means that Mr Doherty, who claims he does not suffer "terrible stress", is not storing up a delayed teen rebellion.

Mr Doherty is one of a number of young people who have had entrepreneurial success as a teen.

⁽⁹⁾ ___ While some researchers have found a link between antisocial rule-breaking in adolescence and entrepreneurialism, she believes those who start businesses in their teens are more likely to have entrepreneurial parents or encouragement to be self-reliant.

For Mark Zuckerberg, the billionaire who started Facebook at age 19, it was the lack of responsibility that can empower youths to take risks. "Young people just have simpler lives. Simplicity in life allows you to focus on what's important," he once said. ⁽¹⁰⁾ ___ "It's a time when you don't have a mortgage or kids – the worst that can happen is that you have to live with your parents."

⁽¹¹⁾ ___ Edinburgh-born Mr Doherty receives between four and five emails a day from schoolchildren

who want to sell products they have created and who are too scared to tell their parents. To encourage such early entrepreneurialism, Peter Thiel, the tech investor, two years ago created a fellowship which gives promising under-20s \$100,000 to skip college and focus on their own projects. ⁽¹¹⁾ ___

What originally drove Mr Doherty was a mix of passion and fear. "Money wasn't the aim, I just loved making jam. I saw adults going into jobs they didn't love and thought there must be a better way of doing it. I wanted to get up every day and do something I loved." He believes his youth was both an asset and a liability. On the one hand, having a teen at the helm created a marketable difference to distinguish his company from others. ⁽¹²⁾ ___ There was certainly no family investment from his lecturer father and mother who worked for the council.

- A** His teenage years, he is keen to point out, were "fun": they were not spent chained to a boiling vat of fruit 24/7.
- B** Such sentiment is echoed by Mr Doherty.
- C** But on the other hand, he had no money behind him.
- D** Sarah Johnson, assistant professor at Tufts University, who is studying young business people, has found that most of those who started businesses at university were likely to be entrepreneurial at school.
- E** People were willing to give him a break because he was open and honest.
- F** Unsurprisingly, this has not won him much approval from higher education establishments.
- G** The buyer he met with was startled to be pitched by someone so young, telling Mr Doherty that he had never had "a kid in here before".

PART THREE

Questions 13–18

- Read the article below about handling a crisis.
- For each question 13–18, mark one letter (A, B, C or D) for the answer you choose.

FT

BUSINESS LIFE – Lessons from a corporate health scare in China

by Josh Noble

Theo Spierings was in Europe when he first learnt of a health scare in China related to his company's milk products. The chief executive of Fonterra, the world's largest dairy exporter, jumped on a plane to Beijing and held a press conference. About 150 journalists listened as he issued a full public apology, becoming a figure of some notoriety overnight.

The recall by the New Zealand-based group is one cautionary tale among many for multinationals in China, where hundreds of millions of dollars have been paid in fines in recent years as regulation stiffens. McDonald's and KFC were this year among those forced to halt sales of some products after finding that a supplier had been selling them expired meat, while Microsoft was ordered to pay \$140m in back taxes.

But the stakes were particularly high for Fonterra. As he stood before the cameras apologising, Mr Spierings was not just representing shareholders and employees, but also the economy of New Zealand. Fonterra accounts for more than a quarter of New Zealand's goods exports, with China its single biggest market. Its vital role in the economy helps explain why the

New Zealand dollar fell 1 per cent on the day problems in China first emerged in August 2013.

Mr Spierings, who joined Fonterra in 2011, says the company has since bounced back, claiming that "we have done extremely well" and that "the public perception is very much in our favour". Certainly, its business in China has been booming. In the year ending in July, revenue from the country more than doubled to NZ\$5.5bn (\$4.3bn), overtaking combined sales from Europe, Australia and the Americas.

Mr Spierings argues that his rapid personal appearance at the start of the health scare helped to build trust. He also cites a shift to align the company's activities more closely with Beijing's aims as an aid to its recovery. But not all are convinced that the sales growth is a result of management actions. "That Fonterra continues to do well [in China] illustrates that companies can survive a crisis if demand for their business is such that consumers are willing to put aside their concerns," says Mr Galloway, a management specialist.

The recall followed the apparent discovery of potentially harmful bacteria in some Fonterra

products. Three batches of New Zealand-made whey protein tested positive for a strain of clostridium that can cause botulism, a severe form of food poisoning. Beijing quickly stepped up inspections of New Zealand dairy imports and banned shipments of certain products. Later tests showed that the initial scare was a false alarm. However, it took more than a year for China to lift its restrictions on the company, which it did late last month.

One area where Fonterra was caught off-guard last year was on Chinese social media, a vibrant complaint outlet for hundreds of millions of internet users. An independent report commissioned in response to the crisis criticised Fonterra's "immaturity" online, where there was "very limited capability" for interacting with the company. Examples included Fonterra's automated Twitter feed sending out press release headlines. The company has since taken steps to address shortcomings, such as adding and revamping corporate accounts on WeChat and Weibo, the two most popular digital platforms in China, and setting up a real-time social media monitoring team in Shanghai.

- 13 When Theo Spierings heard about the health scare, he
- A was already in China.
 - B was already well-known in China.
 - C apologised fully as soon as he could.
 - D had problems with press.
- 14 According to the article, multinationals in China
- A are now subject to stricter laws.
 - B are refusing to pay tax owed.
 - C have paid very little in fines.
 - D operate in a difficult economy.

- 15 The situation for Fonterra was very serious because
- A the New Zealand economy was in recession.
 - B many employees lost their jobs.
 - C it led to a great loss of their market share.
 - D it affected the currency of a country.
- 16 According to Mr Spierings, Fonterra
- A has doubled its worldwide sales.
 - B has not been damaged by the crisis.
 - C is currently facing a very difficult time.
 - D is planning to expand its global operations.
- 17 Mr Spierings believes that
- A consumers will always be loyal to Fonterra.
 - B his speedy response was vital to recovery from the crisis.
 - C demand for Fonterra products will continue to fall in China.
 - D Beijing wants closer cooperation with Fonterra.
- 18 According to the article, the recall
- A was a result of customers becoming seriously ill.
 - B involved all Fonterra's products.
 - C was found to have been unnecessary.
 - D stopped sales for just under a year.

PART FOUR

Questions 19–33

- Read the article below about starting your own business.
- Choose the best word to fill each gap from A, B, C or D.
- For each question 19–33, mark one letter (A, B, C or D).
- There is an example at the beginning, (0).

STARTING YOUR OWN BUSINESS

Starting your own business is exciting and scary but it is not the time to put ⁽⁰⁾ **C** doing things you don't like, nor for ⁽¹⁹⁾ ___ the buck to others. You are now the boss and therefore responsible for the success or failure of the business. Going ⁽²⁰⁾ ___ is certainly something you do not want to do! Doing your market ⁽²¹⁾ ___ thoroughly to assess the viability of your business idea is vital. Next you must think about your brand ⁽²²⁾ ___ and the business name, logo and cards, etc. must reflect that. A(n) ⁽²³⁾ ___ well-planned business plan is the key to attracting potential ⁽²⁴⁾ ___. You need to include a sales ⁽²⁵⁾ ___ for the first three years, and this should be realistic although, until you start selling, it can be very difficult to estimate. You need to be in control of ⁽²⁶⁾ ___ from the start. You have to know how to keep on top of ⁽²⁷⁾ ___ so you can pay your suppliers on time. Investigate the various finance options carefully: is there a ⁽²⁸⁾ ___ available for new business in your area, do you need to approach a bank for a ⁽²⁹⁾ ___ or are you going to look for ⁽³⁰⁾ ___ capital? As a new business owner, do not expect to take a huge salary at the start. So if you're leaving a good job to do this, you can say goodbye to all those ⁽³¹⁾ ___ benefits for a few years. Take calculated risks, but do not ⁽³²⁾ ___ the whole of your business on one risky project and ⁽³³⁾ ___ the risk whenever you can.

- | | | | | |
|----|------------------|---------------|-------------|------------|
| 0 | A away | B out | C off | D up |
| 19 | A giving | B passing | C sending | D offering |
| 20 | A administration | B liquidation | C insolvent | D bankrupt |
| 21 | A research | B share | C niche | D survey |
| 22 | A equity | B awareness | C image | D mark |

- | | | | | |
|----|---------------|----------------|---------------|----------------|
| 23 | A absolutely | B extremely | C definitely | D completely |
| 24 | A savings | B finances | C speculation | D investment |
| 25 | A prediction | B calculation | C forecast | D estimate |
| 26 | A cashflow | B incentive | C indemnity | D collateral |
| 27 | A creditors | B shareholders | C debtors | D stakeholders |
| 28 | A scholarship | B grant | C sponsorship | D budget |
| 29 | A borrowing | B charge | C loan | D subsidy |
| 30 | A venture | B fund | C interest | D overdraft |
| 31 | A social | B employment | C total | D fringe |
| 32 | A impend | B jeopardise | C promote | D intimidate |
| 33 | A widen | B encounter | C divide | D spread |

PART FIVE

Questions 34–45

- Read the text below about consumer goods.
- In most of the lines 34–45 there is one extra word. This is either grammatically incorrect or does not fit in with the meaning of the text. Some lines, however, are correct.
- If a line is correct, **TICK (✓)** the line.
- If there is an extra word in the line, write **the extra word** in CAPITAL LETTERS.
- The exercise begins with two examples, (0) and (00).

The Lex column

consumer goods: luxury prices

0	Luxury goods are dead. Long live luxury goods. As for the sector worries about	FOR
00	the decline of the Chinese consumer, Africa is the Next Big Thing. Or the next	✓
34	thing, at the least. Bain forecasts double-digit luxury sales growth for this	.....
35	continent in the coming years. That will not be hard because of the base is small.	.....
36	While the consultancy thinks that sales of luxury goods on the continent total	.....
37	\$2bn. Despite the potential of new markets such as Nigeria, which has the largest	.....
38	economy in Africa, it may have be too early to get excited. International luxury	.....
39	brands such as Prada and Cartier have been moving in, but the contribution that	.....
40	remains small. Few more of these companies deem Africa worthy of its own line	.....
41	in their accounts. Of consumer-related stocks listed in Nigeria, only a handful	.....
42	have market capitalisations of more than \$1bn. None are relate to luxury	.....
43	consumption. Still, the growth is potential for everyday consumer goods looks	.....
44	promising, and there are companies with exposure. UK-based PZ Cussons, maker	.....
45	of goods from soap to fridges, has been a long history in Nigeria, generating	.....
	two-fifths of its revenues there.	.....

WRITING

PART ONE

Question 1

- You are HR Manager of a large retail store. There have been a lot of complaints recently about poor customer service in your stores.
- Write an **email** to all store staff
 - explaining why this is a problem
 - saying what you plan to do about it
 - asking staff to suggest ways to improve the situation.
- **Write 40–60 words.**

To:	All staff
From:	HR Manager
Subject:	Customer service problems

PART TWO

Question 2

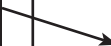
- You are HR Manager of a manufacturing company that wants to send its production teams on team building courses. You have just received this email from the Production Director.
- Look at the email and the other information on page 32, on which you have already made some handwritten notes.
- Then using **all** your handwritten notes, write a **report** for the Production Director summarising details of the courses, and recommending one.
- **Write 120–140 words.**

To:	HR Manager
From:	Production Director
Subject:	Team building course
<p>As there seem to be problems with some of our production teams, I feel that we should send them on a team building course. Please could you investigate and let me have details of the two best courses. Our budget is a maximum of £550 per person.</p>	

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Creating effective teams.
Challenge your staff to be the best. Push them to their limits.
1- or 2-day courses.
Outdoor challenges: canoeing, mountain biking, obstacle courses, building rafts, etc.
Costs: from £250 per person per day.

too much for some staff?



just what we want!



Reviews

"Staff came back re-motivated and happy."
"Some activities really challenging."
"Fantastic course."

compare and recommend one



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- Tailored courses.
- Effectively solving your problems.
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- We use combination of: lectures, role-play, group exercises, workshops, physical activities.
- Costs: from £300 per person per day.

more effective



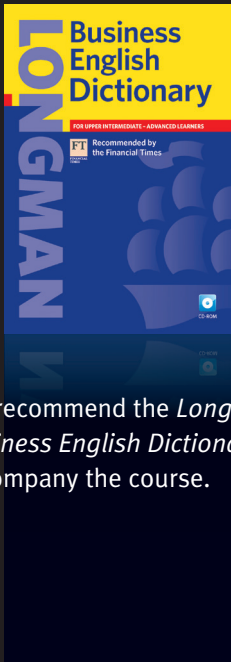
Reviews

"Excellent. Learnt a lot."
"Too much theory."
"Very interesting."

could be boring?



WITH PRACTICE EXERCISES
FOR BEC VANTAGE



We recommend the *Longman Business English Dictionary* to accompany the course.

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GSE	10	20	30	40	50	60	70	80	90
Advanced									
Upper Intermediate									
Intermediate									
Pre-intermediate									
Elementary									
CEFR	<A1	A1	A2 ⁺	B1 ⁺	B2 ⁺	C1	C2		

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