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BUSINESS ENGLISH

Lessons for first year Master's students:
Professional management control
First Semestre

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Business English: is the study of the language fundamentals needed to communicate effectively in today's workplace. These basic include grammar, usage, punctuation, capitalization, number style, and spelling. Because business people must express their ideas clearly and correctly, such language basic are critical.

Why study business English?

What you learn in this class will help you communicate more professionally when you write and when you speak. These skills will help you get the job you want, succeed in the job you have, or prepare for promotion to a better position. Good communication skills can also help you succeed in the classroom and in your personal life.

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BUSINESS CONCEPTS AND ACTIVITIES

BUSINESS FIELD AND CAREERS

Business Concepts and Activities

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

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

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

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

Business Field and Careers

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

1. **Management:** General Manger; Personal Manger; Production Manager
2. **Marketing:** Researcher; Advertiser; Buyer; Seller; Distributor
3. **Accounting:** Bookkeeper; Private Accountant; Public Accountant; Government Accountant
4. **Finance:** Banker; Financial Analyst; Stockbroker
5. **Data Processing:** Computer Operator; computer Programmer; System Analyst

Part 1: Vocabulary

Word in English	Arabic explanation	Word in English	Arabic explanation
Business	التجارة / الأعمال	General Manager	مدير عام
Exchange	التبادل	Personal Manager	مدير الموظفين
Trade	تجارة	Production Manager	مدير الإنتاج
Production	الإنتاج	Researcher	باحث
Distribution	التوزيع	Advertiser	يقوم بالإعلان
Sale	بيع	Buyer	المشتري
Goods	السلع	Seller	البائع
Services	الخدمات	Distributor	موزع
Profit	الربح	Bookkeeper	محاسب
Factory	مصنع	Private Accountant	محاسب خاص
Market	سوق	Public Accountant	محاسب عمومي
Money	النقود	Government Accountant	محاسب حكومي
Economic surplus	الفائض الإقتصادي	Banker	مصرفي
Business company	شركة تجارية	Financial Analyst	محلل مالي
Expenses	مصاريف	Stockbroker	سمسار البورصة
Management	الإدارة	Computer Programmer	مبرمج كمبيوتر
Marketing	التسويق	System Analyst	محلل النظام
Accounting	المحاسبة	staffing	التوظيف
Finance	المالية	labor	عمل
Data processing	معالجة البيانات	customer	مستهلك

Part2: Introduction to Business

- 1- Business:** is any activity that provides goods or services to consumers for the purpose of making a profit.
- 2- The main participants of business:** the main participants in a business are its owners, employees and customers.
- 3- Organization functional activities:**
 - A- Management:** involves planning, organizing, staffing, directing and controlling.
 - B- Operations:** transforms resources (labor, materials, money) into products.
 - C- Marketing :** woks to identify and satisfy customers needs.
 - D- Finance :** involves measuring, summarazing and communicating financial and managerial information.
- 4- The external forces that influence business activities:**
 - Political, economic, social, technological, environmental, legal.

Management

Management in businesses and other organizations, including not-for-profit organizations and government bodies, refers to the individuals who set the strategy of the organization and coordinate the efforts of employees (or volunteers, in the case of some voluntary organizations) to accomplish objectives by using available human, financial and other resources efficiently and effectively. Resourcing encompasses the deployment and manipulation of human resources, financial resources, technological resources, natural resources and other resources.

Management is also an academic discipline, a social science whose objective is to study social organization and organizational leadership. Management is studied at colleges and universities; some important degrees in management are the Bachelor of Commerce (B.Com.) and Master of Business Administration (M.B.A) and, for the public sector the Master of Public Administration (MPA) degree. Individuals who aim at becoming management researchers or professors may complete the Doctor of Business Administration (DBA) or PhD in business administration or management.

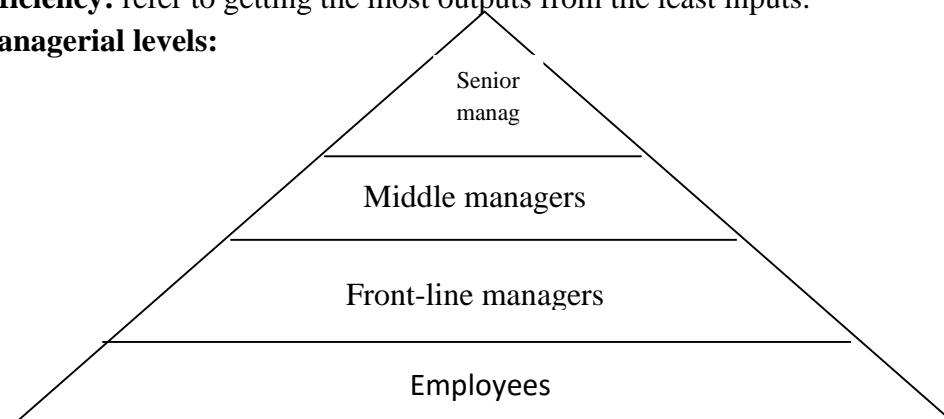
There are three levels of managers, which are typically organized in a hierarchical, pyramid structure. Senior managers, such as the Board of Directors, Chief Executive Officer (CEO) or President of an organization, set the strategic goals of the organization and make decisions on how the overall organization will operate. Senior managers provide direction to the middle managers who report to them. Middle managers, examples of which would include branch managers, regional managers and section managers, provide direction to front-line managers. Middle managers communicate the strategic goals of senior management to the front-line managers. Lower managers, such as supervisors and front-line team leaders, oversee the work of regular employees (or volunteers, in some voluntary).

Part 1: Vocabulary

Word in English	Arabic explanation	Word in English	Arabic explanation
organization	منظمة	hierarchical structure	هيكل هرمي
government bodies	الهيئات الحكومية	managers	مدراء
strategy	استراتيجية	Senior managers	مدراء الإدارة العليا
coordinate	ينسق	Board of Directors	مجلس الإدارة
employees	الموظفين	Chief Executive Officer	الرئيس التنفيذي
volunteers	المتطوعون	set the strategic goals	تحديد الأهداف الإستراتيجية
available human resources	الموارد البشرية المتاحة	make decisions	اتخاذ القرارات
efficiency	كفاءة	direction	توجيه
effectiveness	فعالية	middle managers	المدراء من الإدارة الوسطى
Resourcing	تدبير الموارد	report to	يقع تحت مسؤولية/ مسؤول أمام
encompasses	تشمل	branch managers	مدراء الفروع
deployment	نشر/ تعيين	regional managers	مدراء إقليميين
manipulation	معالجة	section managers	مدراء الأقسام
academic discipline	تخصص أكاديمي	front-line managers	مدراء الصف الأمامي
organizational leadership	القيادة التنظيمية	Lower managers	مدراء الصنف الأدنى
public sector	القطاع العام	supervisor	مشرف
public administration	الإدارة العامة	front-line team leaders	قادة فريق الصف الأمامي

Part2: Introduction to management

- 1. Management:** is the process of planning, organizing, leading, and controlling on the use of organization's resources to achieve the organization's goals.
- 2. Planning:**
 - Long term (strategy)
 - Middle term (tactics)
 - Short term
- 3. Manager:** is the person responsible for coordination the work of other people to achieve the organization's goals.
- 4. Effectiveness:** refers to the achievement of desired goals.
- 5. Efficiency:** refer to getting the most outputs from the least inputs.
- 6. Managerial levels:**



BUDGETING

Everyone would agree that it is easy to spend money – sometimes too easy – and it is difficult to save money. And who has not said, after counting the money in his purse, “Where did my money go?” So before and after earning, spending and saving, people and businesses turn to paper and pencil – and now to computers – to plan what is going to happen with their money and account for what is happening or has happened to it.

A financial plan is called a budget, and our language has many phrases related to our budgets – staying within the budget, living within one’s means, over-spending, cost over-runs, and budget deficits, for example.

This universal problem affects not only the individual, but all entities – small businesses, big corporations, nonprofit organizations, and of course, the government. Many politicians have made many speeches about cost over-runs and budget deficits caused by expenses being greater than income. Husbands and wives worry about living within their means, and parents caution children about over-spending their allowances.

A budget is, quite simply, a forecast of what the revenue will be (how much money will come in) and what the expenses will be (how much money will go out). Some expenses are the result of purchases, and accountants call these purchases expenditures. If the budget is for a profit-making entity, the revenue should exceed the expenses and the bottom line should show a profit. The family hopes to have a balanced budget, and politicians often demand that the government balance its budget, too.

Budgets are prepared for certain periods of time. For example, a one year accounting period is called a fiscal year. When the year begins it then becomes the task of the bookkeeper to record or enter the income and expense in journals and ledgers. The accountant then, in a sense, counts up and analyzes the financial status and the financial progress of the entity. The financial status is shown in a balance sheet which shows the assets (what is owned) and the liabilities (what is owed) and the equities (how much capital the business has). The accountant prepares a financial statement which has, in addition to the balance sheet, the income statement, which shows the important bottom line and the entity’s profit or loss.

Part 1: Vocabulary

Word in English	Arabic Explanation	Word in English	Arabic Explanation
Budget	موازنة تقديرية	purchases expenditures	مصاريف الشراء
earning	كسب	profit-making entity	كيان ربحي
spending	إنفاق	balanced budget	موازنة متوازنة
saving	إدخار	fiscal year	سنة جبائية
staying within the budget	البقاء في حدود الميزانية	journal	دفتر اليومية
living within one's means	العيش في حدود الإمكانيات	ledger	دفتر الأستاذ
over-spending	الإنفاق المفرط	analyze	تحليل
cost over-runs	تجاوز التكاليف	financial status	الوضعية المالية
deficit	عجز	financial progress	التقدم المالي
entities	الكيانات/ المنشآت	balance sheet	قائمة المركز المالي
small businesses	وحدات الأعمال الصغيرة	assets	الأصول
big corporations	الشركات الكبرى	owned	تملك
income	الدخل	liabilities	الخصوم
allowances	مخصصات الإنفاق	owed	تستحق
forecast	توقع	equities	حقوق الملكية
revenue	الإيرادات	capital	رأس المال
purchases	المشتريات	financial statement	القوائم المالية
accountants	المحاسبين	income statement	قائمة الدخل
expenditures	نفقات	loss	خسارة
expenses	مصاريف	bottom line	النتيجة

Part2: Introduction to budgeting

What is budgeting?

1. Management's functions:

Four (4) basic functions (planning, directing, organizing, controlling)

Planning: - setting future goals for an organization

- Determining how to achieve that goals

Directing: - moving plans into actions (implementation of plan)

- Motivating (making employees want to do their best)

Controlling: need to know if plan and implementation worked

- Measure performance against original plan
- Monitor outcomes
- Use feedback to make adjustments

2. **Budgeting is:** a part of planning and controlling:

Planning: - a formal plan, in financial terms, for a future period of time.

- Main method to communicate goals to employees.

Controlling: - compared to actuals to evaluate performance.

- Promote efficiency and discourage waste.

Budgeting is characterized as:

- A plan for specific period of time
- Helps management determine how to use resources
- Used to estimate future costs and revenues

Benefits of budgeting:

1. Formalize a plan with regards to the goals of the organization.
2. Provide a method to measure performance.
3. Can be used as an early warning system.
4. Coordinate the activities of large organizations.
5. Motivate management and employees.

Accounting

Accounting is frequently called the “language of business” because of its ability to communicate financial information about an organization. Managers, potential investors, creditors, and the government depend on a company’s accounting system to help them make informed financial decisions. An effective accounting system must include accurate collecting, recording, summarizing, interpreting, and reporting of information on the financial status of an organization. Incoming money (revenues) and outgoing money (expenditures) must be carefully monitored and all transactions summarized in financial statements, which reflect the major financial activities of an organization.

Two common financial statements are: the balance sheet, which shows the position of a company at one point in time (for example: March 7, 1997), and the income statement, which shows the financial performance of a company over a period of time (for example: the end of this financial year).

The balance sheet provides a summary of what a company owns and what it owes on one particular day.

Assets in the balance sheet represent everything that is owned by a business, and are divided into fixed assets and current assets. Cash and accounts receivable are all current assets, but property makes up the fixed assets.

Liabilities are the debts owed by a company – for example, to suppliers and banks. The liabilities section of the balance sheet is often divided into current and long-term liabilities. Current liabilities are accounts and income taxes payable, but long-term liabilities are bonds and longterm loans.

If liabilities are subtracted from assets (assets _ liabilities), the amount remaining is known as owner’s equity. This relationship of assets, liabilities and owner’s equity is often represented by the fundamental accounting equation: $assets = liabilities + owner's\ equity$.

People who specialized in the field of accounting are known as accountants. In the USA accountants are usually classified: public (they work independently and provide accounting services such as auditing and tax computation), private (they work solely for private companies that hire them to maintain financial records), and governmental (they work for governmental agencies or bureaus).

Part 1: Vocabulary

financial information	معلومات مالية	accounts receivable	حسابات (ذمم) مدينة
potential investors	مستثمرون محتملون	property	ممتلكات
creditors	الدائنون	debts owed	الديون المستحقة
accounting system	نظام المعلومات المحاسبي	suppliers	الموردين
collecting	جمع	income taxes payable	ضرائب الدخل المستحقة
recording	تسجيل	bonds	سندات
summarizing	تلخيص	longterm loanes	قروض طويلة المدى
interpreting	تفسير	subtracted	مطروح
reporting of information	عرض معلومات	amount remaining	المبلغ المتبقي
must be carefully monitored	يجب مراقبتها بعناية	owner's equity	حقوق الملكية
transactions	المعاملات	equation	معادلة
financial activities	الأنشطة المالية	work independently	العمل بإستقلالية
position of a company	وضعية الشركة	accounting services	خدمات المحاسبة
at one point in time	في وقت محدد	auditing	المراجعة/ تدقيق الحسابات
financial performance	الأداء المالي	tax computation	حساب الضريبة
over a period of time	خلال فترة زمنية	private	خاص
divided into	مقسمة إلى	work solely	العمل فقط
fixed assets	أصول ثابتة	to maintain financial records	الإحتفاظ بالسجلات المالية
current assets	أصول جارية	governmental agencies	وكالات حكومية
Cash	النقدية	bureaus	مكاتب

Part2: Introduction to accounting

1- Branches of Accounting

A- Financial accounting: the purpose of this branch of accounting is to keep a record of all financial transactions.

B- Cost accounting: the purpose of cost accounting is to analyse the expenditures so as to ascertain the cost of various products manufactured by the firm and fix the prices. It also helps in controlling the costs and providing necessary costing information to management for decision-making.

C- Management accounting: the purpose of management accounting is to assist the management in taking rational policy decisions and to evaluate the impact of its decisions and actions.

2- Users of financial information:

A- Internal users: (the owners / shareholders, the directors/ managers, board of director, employees).

B- External users: (the prospective investors, the creditors/ lenders, suppliers, the government and regulatory agencies, customers).

Globalization

Globalization is the process of international integration arising from the interchange of world views, products, ideas, and other aspects of culture. Advances in transportation (such as the steam locomotive, steamship, and container ships) and in telecommunications infrastructure (including the rise of the telegraph and its modern offspring, the internet, and mobile phones) have been major factors in globalization, generating further interdependence of economic and cultural activities.

Though many scholars place the origins of globalization in modern times, others trace its history long before the European Age of Discovery and voyages to the New World. Some even trace its origins to the third millennium BC. Large-scale globalization began in the 19th century. In the late 19th century and early 20th century, the connectivity of the world's economies and cultures grew very quickly.

In 2000, the International Monetary Fund (IMF) identified four basic aspects of globalization: (trade and transactions, capital and investment movements, migration and movement of people, and the dissemination of knowledge. Further, environmental challenges such as global warming, cross-boundary water and air pollution, and overfishing of the ocean are linked with globalization.

Globalizing processes affect and are affected by business and work organization, economics, socio-cultural resources, and the natural environment. Academic literature commonly subdivides globalization into three major areas: economic globalization, cultural globalization, and political globalization.

Part 1: Vocabulary

Word in English	Arabic Explanation	Word in English	Arabic Explanation
Globalization	العولمة	connectivity	ارتباط، اتصال
international integration	التكامل، الإندماج الدولي	grew	النمو
aspects of culture	الجوانب الثقافية	International Monetary Fund	صندوق النقد الدولي
Advances in transportation	التطورات في النقل	migration	الهجرة
steam locomotive	القاطرة البخارية	dissemination of knowledge	نشر المعرفة
steamship	البخارة	environmental challenges	التحديات البيئية
container ships	سفن الحاويات	global warming	الإحتباس الحراري
telecommunications infrastructure	البنية التحتية للاتصالات	cross-boundary	عبر الحدود
modern offspring	نتاجه الحديث	air pollution	التلوث الهوائي
generating further interdependence	مولدة مزيد من الترابط	overfishing	الصيد المفرط
scholar	دارس، باحث	ocean	المحيط
millennium BC	ألف عام قبل الميلاد	affect / affected	يؤثر/متأثر
Large-scale	واسع النطاق	subdivides	يقسم

Part 02: Introduction to globalization

Globalization: is an ongoing process driven by a combination of political, economic, technological, and sociocultural forces. The process of globalization has been further accelerated by the global expansion of multinational corporations and worldwide exchange of new developments in science, technology and in product manufacturing and design.

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

- **Industrial globalization:** development of worldwide production markets and broader access to a range of foreign products for consumers and companies. Particularly movement of material and goods between and within national boundaries.
- **Financial globalization:** development of worldwide financial markets and better access to external financing for borrowers.
- **Economic globalization:** establishment of a global common market, based on the freedom of exchange of goods and capital.
- **Political globalization:** creation of international organizations to regulate the relationships among governments and to guarantee the rights arising from social and economic globalization.
- **Informational globalization:** increase in information flows between geographically remote locations. Arguably this is a technological change with the advent of fibre optic communications, satellites, and increased availability of telephone and Internet.

- **Cultural globalization:** sharing of ideas, attitudes and value across national borders. This sharing generally leads to an interconnectedness and interaction between peoples of diverse cultures and ways of life. Mass media and communication technologies are the primary instruments for cultural globalization.

INTERNATIONAL TRADE. MULTINATIONAL CORPORATIONS

International Trade and Its Benefits

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

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

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

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

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

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

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

International trade has done much to improve global conditions. It enables countries to import goods they lack or cannot produce domestically. It allows countries to specialize in certain goods with increased production and decreased prices. Finally, it opens the channels of communication between nations.

Multinational Corporations

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

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

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

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

The Coca-Cola Company

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

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

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

Part 1: Vocabulary

Word in English	Arabic Explanation	Word in English	Arabic Explanation
scarce goods	السلع النادرة	home country	البلد الأم (الوطن)
domestically	محليا	a base for production and marketing operations	قاعدة لعمليات الإنتاج والتسويق
increased output	زيادة الإنتاج	focusing on the world market	التمركز على السوق العالمي
decreased costs	تخفيض التكاليف	foreign assembly plant	مصانع تجميع أجنبية
Higher national standard of living	رفع مستوى المعيشة الوطني	engage in contract manufacturing	الإنخراط في عقد التصنيع
to assemble the numerous components	تجميع المكونات العديدة	build a foreign manufacturing company or subsidiary	بناء شركة تصنيع أجنبية أو شركة تابعة (فرع)
theory of absolute advantage	نظرية الميزة المطلقة	Since World War II	منذ الحرب العالمية الثانية
theory of comparative advantage	نظرية الميزة النسبية	complex business environment	بيئة أعمال معقدة
develop common interests	تطوير مصالح مشتركة	foreign business environment	بيئة الأعمال الأجنبية
overcome political differences	تجاوز الخلافات السياسية	set up bottling plants	أقامت مصانع تعبئة
Economic cooperation	التعاون الإقتصادي	the soft drink	المشروبات الغازية
political alliances	التحالفات السياسية	popular	مشهورة، تحظى بشعبية
to improve global conditions	تحسين الظروف المعيشية	brand of soft drink	علامة تجارية للمشروبات الغازية
multinational corporations	الشركات متعددة الجنسيات	Its international image was successfully promoted	تم الترويج لصورتها الدولية بنجاح
involved	تشارك	packaged cold drinks	المشروبات الباردة المعبأة
raw materials	المواد الأولية (الخام)	company's income	دخل الشركة
foreign market	السوق الخارجي	brand	علامة تجارية
trade relationships	العلاقات التجارية	to illustrate	تفسير / توضيح
domestic market	السوق المحلي		
dealings	تتعامل		

Glossary of Business Terms

Word in English	Definition in English
Budget	A plan to show how much money a person or organization will earn and how much they will need or be able to spend / An estimation of the revenue and expenses over a specific future period of time.
Business	Organized efforts and activities of individuals or companies to produce and sell goods and services for profit.
Business development	Ideas, initiatives and activities aimed towards making a business better.
Business Ecosystem	Is the collection of organizations and business entities – including suppliers, distributors, customers, government agencies, and so on – involved in the delivery, development and sale of a specific product or service through either competition or cooperation.
Business Model	A business model is a company's plan for making a profit. It identifies the products or services the business will sell, the target market it has identified, and the expenses it anticipates.
Business Plan	A business plan is a written document that describes in detail how a business is going to achieve its goals.
Business strategy	The formulation of the objectives that a company aims to achieve, as well as the strategic plans necessary to achieve them
Business type	It refers to how the business operates. There are many ways to characterize business but a common one is based on type of clients: It can be Business-to-Business (B2B), when the main clients are also other businesses or companies or it can be Business-to-Consumer (B2C) when the main clients are individual consumers.
Capital	Wealth in the form of money or property owned by a business.
CEO	The chief executive officer (CEO) is the highest-ranking executive in a company, whose primary responsibilities include making major corporate decisions, managing the overall operations and resources of a company being the public face of the company.
CFO	The chief Financial officer (CFO) is the executive in charge of all the financial matters of the company.
Customer	A customer or a client is an individual or a business that purchases another company's goods or services.
HR	Human resources(HR) is the company department charged with finding, screening, recruiting, and training job applicants suitable to the company needs and strategy, and administering employee benefit programs.
Profit	The positive gain remaining for a business after all cost and expenses have been deducted from total sales

R&D	Stands for “research and development”. Businesses conduct research and development to innovate, create new products and find better ways of doing things.
ROI	Return On Investment (ROI) is a performance measure used to evaluate the efficiency of an investment or compare the efficiency of a number of different investments. ROI tries to directly measure the amount of return on a particular investment, relative to the investment’s cost. To calculate ROI, the benefit (or return) of an investment is divided by the cost of investment. The result is expressed as a percentage or ratio.
Revenue	Is the total amount of income generated by the sale of goods or services related to the company’s primary operations.

EXERCISES

Exercise 01: Complete the following abbreviations

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

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

- 1- **2006** was the company's most profitable year since **1994**.
- 2- The advantage of internet banking is that you can check your account **24/7**.
- 3- Despite a rigorous advertising campaign, demand has only risen by **8.4%** in the last two months.
- 4- We're meeting in his office at **3.45** this afternoon.
- 5- Your flight for Zurich leaves at **1800** from Gatwick South Terminal.
- 6- I expect to be back in the country on **30 June**.
- 7- Our next range of products will be released on **10/3/07**.
- 8- She completed the test in a record **27½** minutes.
- 9- **¾** of all our employees think the canteen food could be improved.
- 10- The new desk measures exactly **2m × 1m × 1m**.
- 11- Is this printer really only **£100.99**.
- 12- Oh, sorry sir, that's a mistake. The sticker should say **£1120.75**.
- 13- Our new telephone number is **020 7921 3567**.
- 14- The emergency telephone number in the UK is **999**. In the USA it's **911**.

- 15- We have invested over €6M in new technology.
- 16- The Union help a ballot to see if the workers wanted to strike. The result was **2:1** in favour.
- 17- My email address is markbarrington@snailmail.co.uk.
- 18- He drives to work in a big, fuel-guzzling **4×4**.
- 19- This book is © Rawdon wyztt, 2007.
- 20- The 'ultimafone®' has just won a 'Product of the Year' award.

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

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

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

2. What is informal expression given to paperwork which takes a long time to complete?
Is it:
- (a) White noise
- (b) Yellow card
- (c) Green belt
- (d) Red tape
- (e) Blue ribbon
3. What is the difference between being in the red and being in the black?
4. Complete this sentence with one word: Goods and services which are paid for in cash, and therefore not declared for tax, features of a _____ economy.
5. What is the name given to taxes that are levied to discourage behaviour that will damage the environment?
6. True or false: I you make a blue-ship investment, you buy high-risk shares in a company that is not performing very well.
7. Sometimes a company will not deal with a person or company, etc. because they have done something wrong and should be avoided. What is the name for this?
- (a) To blackball

- (b) To blacklist
- (c) To blackhead
- (d) To blackmail
- (e) To blackleg

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

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

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

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

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

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

14. What is a grey market? Is it:

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

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

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

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

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

1. We have a very busy _____/_____ today, so I suggest we start as soon as possible.
2. We need to maintain _____/_____ on the factory floor at all times, otherwise there are increased risks of an accident occurring.
3. There has been a sharp _____/_____ in the number of people attending the staff development sessions.
4. The latest computer program has several _____/_____ which need to be sorted out before it can be put onto the market.
5. There has been a lot of _____/_____ to the new compulsory overtime plan.
6. Despite government reassurance, there is no _____/_____ that standards of living have improved.
7. Repeated orders are eligible for a 10% _____/_____ on wholesale prices.
8. The hotel is popular with business people because of its _____/_____ to the central business district.
9. I can't see you this afternoon because I have a/an _____/_____ with the Board of Director.
10. A lot of our regular _____/_____ say that they are unhappy with the speed of our service.
11. When the company begins operations, it hopes to provide _____/_____ for 300 people.
12. There are several _____/_____ to working from home: you save on travel costs, for one thing.
13. If you want the job, a working knowledge of German is one of the main _____/_____.
14. Our latest range of language-learning products has received widespread _____/_____ in the press, and is expected to help us become a market leader.
15. The management accepts no _____/_____ for any damage to vehicles in the car park.
16. There are two _____/_____ available to us: close the company or move to another locality.
17. All _____/_____ are requested to attend tomorrow's meeting, which will begin at 2pm.
18. Thanks to our _____/_____ with several affiliated companies, we have increased our turnover by 37%.
19. We believe that the new manager's lack of _____/_____ will have a negative effect on sales.

ANSWERS

Exercise 01:

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

Exercise 02:

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

Exercise 03:

1.

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

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

2. (Red tape)

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

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

5. Green taxes.

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

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

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

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

10. White-collar.

11. A black market (often used in the expression a black market economy).

12. Probably a bad thing. Blue-sky ideas (also called blue-sky thinking) are extremely idealistic, ambitious, unrealistic and unconventional.

13. Unhappy: this is an informal expression for stock and bonds that have no value

14. All of these

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

Exercise 04:

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

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