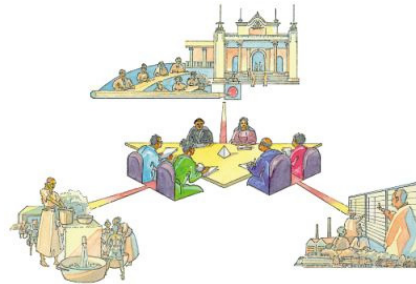


Unit 2 Organizations

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A Government

Discussion

1. How do governments and businesses interact?
2. What is the role of government in business?
3. Should governments regulate businesses?

Reading Comprehension

A government is a body that has the authority to make and the power to enforce rules and laws within a civil, corporate, religious, academic, or other organization or group. In its broadest sense, "to govern" means to administer or supervise, whether over a state, a set group of people, or a collection of assets.

The relationship between government and business informs all functions of a business. One of the most difficult things that the management of a business has to do is to keep abreast of all the current legal requirements affecting the business and of all the sources of assistance that are available from government and others.

Governments enact laws that regulate the manner in which companies are legally allowed to do business. They also solicit money from businesses in the form of taxes. The tax money collected from businesses enables the government to improve roads, maintain a military, and fund education.

Governments regulate businesses in order to protect the populous from the effects of unscrupulous business practices. In nearly every society across the world, governments enforce laws that ensure fair employment practices, reasonable wages, and employee rights.

Governments are charged with the responsibility to make sure that our economy truly benefits all members of our society. Governments must protect the environment, consumers, shareholders, and workers. In practice, a government must handle these responsibilities transparently, accepting public input and public approval.

Questions

1. What is a government?
2. What is the most difficult thing for management?
3. Why do governments regulate businesses?

Vocabulary

Activity 1

Match these words to their definitions.

- | | |
|--------------|--|
| 1) Authority | a) pay for; provide money for a specific purpose |
| 2) Regulate | b) aware of |
| 3) Inform | c) power to make decisions and manage others |
| 4) Abreast | d) influence or contribute to |
| 5) Fund | e) govern or control through established standards |

Activity 2

Fill in the blanks to make correct sentences.

talkative tolerant intimidating greedy fleeting

1. My friend is very _____. He never reacts to anything.
2. She's so _____ that she's on the phone for hours each day.
3. The warm weather this January was _____. It got cold again quickly.
4. Manila can be a _____ place if you're in the bad neighborhoods.
5. The _____ stockbroker could never make enough money to please himself.

Language Focus

Multi-Word Verbs

Verb + adverb particle = multi-word verb

Some multi-word verbs are separable, meaning that the adverb particle can be placed anywhere after the verb.

- He **moved back** the deadline.
- He **moved** the deadline **back**.

Some are inseparable

- I **look into** the mirror.
- NOT: I **look** the mirror **into**.

Activity 1

Separable or inseparable? Write an “S” if separable, write an “I” if inseparable.

1. I need to switch off the television. _____
2. We are banking on your contribution. _____
3. She went over the e-mail one more time. _____
4. Her father fixed up the old house. _____
5. He turns up whenever he feels like it. _____

Activity 2

Complete the sentences below.

pay off get into come away take up put away

1. He will _____ his car loan this month.
2. She _____ the dishes after dinner.
3. We _____ the taxi.
4. They will _____ with more experience.
5. She decided to _____ yoga to improve her health.

Role Play Activities

Activity 1

Read the dialog aloud.

- A: I can't believe this. Every year the government revises the tax code.
B: I know. It's gotten to the point where I don't even know when to file my taxes.
A: This year, I filed early. But once they received my documents, the government sent them back.
B: Why? What was wrong with your preparations?
A: Well, last year I qualified for a number of exemptions. I tried to claim the same exact exemptions this year, but with no luck.
B: The laws change without any notice. It makes me crazy. What did you do when your documents came back?
A: I called the tax offices. After I asked about thirty questions and spoke to four people, I still knew nothing.
B: I would just take all of your papers and all of your information to a CPA. I can recommend a good one, if you need me to do so.
A: That would be great. I know that I can't do it on my own.

Activity 2

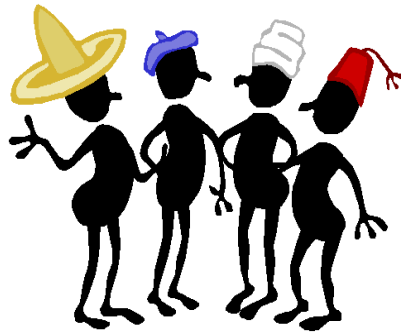


Write a dialog similar to the one above and practice aloud.

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B Multi- Nationals

Discussion

1. What are multinational corporations?
2. How do multinational corporations affect world economies?
3. What regulations should apply to multinational companies?

Reading Comprehension

The concept of multi-national corporations dates back nearly as far as business itself. The term multinational refers to an organization that conducts business in two or more countries.

The first proper multinational corporations were the British East India Company and the Dutch East India Company. These two corporations were established in the 1500s to facilitate trade between Europe and Asia. The spices and textiles available in India and Asia created a high demand in Europe, and these corporations were established to provide structure to the trade and transport of these goods.

Over the course of the last 500 years, multinational corporations have developed into incredibly powerful entities. The sourcing of labor and maintenance of production facilities in multiple nations allows corporations to manufacture and distribute their goods efficiently and cheaply. In addition to efficient production and distribution, multinational corporations can take advantage of tax breaks and other financial incentives offered by regional governments. By successfully positioning themselves throughout the globe, multinational corporations can manufacture, distribute and market their products proficiently.

However, some criticism has arisen from the perceived exploitation of local populations. In the search for cheap labor and willing employees, some multinationals shutter operations in one country to move to another, eliminating thousands of jobs in the process.

Questions

1. What were the first multinational companies?
2. What benefits come from operating in two or more countries?
3. What are some criticisms of multinationals?

Vocabulary

Activity 1

Match these words to their definitions.

- | | |
|---------------|---|
| 1) Sourcing | a) begin |
| 2) Establish | b) to find a supplier for |
| 3) Proficient | c) to direct the course of; manage or control |
| 4) Facilitate | d) competent; skilled |
| 5) Conduct | e) help something to happen |

Activity 2

Fill in the blanks to make correct sentences.

avid sarcastic emerging ambivalent irks

1. Vietnam's _____ economy is just beginning to develop.
2. He is a(n) _____ skier who enjoys all winter sports.
3. Nothing _____ me like poor manners.
4. I was _____ towards that book. Only some parts were good.
5. His _____ humor makes some people angry.

Language Focus

Modal Verbs Part III

We use *has / have to* or *must* to indicate that something is compulsory, to impose an obligation on ourselves, to show that we have a choice, and to say that something is forbidden.

- Compulsory – I **must** go to work today.
- Obligation – I **have to** wear a tie to the meeting.
- Choice – I can drive a car so I **don't have to** ride the bus every day.
- Forbidden – You **must not** take drugs.

Activity 1

Use *have to*, *don't have to*, and *must not* to complete the following statements.

1. You _____ eat too much chocolate.
2. You _____ respect your boss.
3. You _____ read the newspaper.
4. You _____ watch 10 hours of TV each night.
5. You _____ pay to use the restroom.

Activity 2

Work with a partner. Develop a list of five rules that can be used in the office using *have to*, *don't have to*, and *must not*.

1. _____
2. _____
3. _____
4. _____
5. _____

Role Play Activities

Activity 1

Read the dialog aloud.

A: How do you feel about the new Fried Chicken King they opened here in town?

B: I hate it. Why do American restaurant chains think that we will like their products?

A: I couldn't tell you. But think how many American fast food restaurants there are in our city.

B: There must be a few hundred in all.

A: Another hamburger place just came into my neighborhood. My kids are excited.

B: I'm sure they are. Do you allow them to eat at those places?

A: I try to keep them away, but they love the food for some reason.

B: Yeah, my kids love it too. I'm a little worried about their weight, though.

A: Do they exercise often?

B: No, they don't. My son spends all evening playing video games.

A: Same here. My son never goes to the park anymore. But, kids will be kids.

Activity 2



Write a dialog similar to the one above and practice aloud.

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C Small Business

Discussion

1. How do small businesses differ from large corporations?
2. What does your government do to encourage small businesses?
3. What challenges do small businesses face?

Reading Comprehension

In contrast to the enormous business and political power wielded by multinational corporations, small businesses often struggle to compete in an increasingly global economy.

Small businesses are mostly sole proprietorships, partnerships, or privately owned corporations. Classification varies from country to country, but a generally accepted standard of small business is a business with fewer than 75 employees. The financial aspects of a business also qualify it as “small”: annual turnover, assets value, and net profit provide information for classification.

Small businesses usually qualify for certain government assistance, often through programs designed to enhance the competitive abilities of small businesses contending with enormous corporations. In the United States, small businesses meet the criteria for low-interest government loans and certain federal tax subsidies.

Small businesses serve an important role in business society. They often have the loose structure to facilitate innovation and technological advances. The lack of bureaucracy and inertia in the small business structure forms the basic competitive advantage of small businesses.

Questions

1. How does the United States government help small businesses?
2. Why are small businesses important for business society?
3. What are three types of small business?

Vocabulary

Activity 1

Match these words to their definitions.

- | | |
|-------------------|--|
| 1) Inertia | a) help or aid |
| 2) Assistance | b) difficulty |
| 3) Proprietorship | c) to exercise power or influence |
| 4) Struggle | d) inactivity; sluggishness |
| 5) Wield | e) a business that is wholly owned by one person |

Activity 2

Fill-in the blanks to make correct sentences.

extroverted etch abbreviate decimate subvert

1. I _____ out a living doing small jobs all the time.
2. She can _____ his authority by breaking his rules.
3. My _____ sister is always the life of the party.
4. The fire will _____ the building after a while.
5. The editor will _____ the article so that it will fit in the space.

Language Focus

Polite Responses

It is polite to thank people for helping you, and to reply to a thank you.

Thank you

I really appreciate your help.
Thank you very much.
Thanks for the lift.
You've been very helpful.
Thank you so much.

Response

No problem.
Don't mention it.
My pleasure.
It's no trouble at all.
You're welcome.

Activity 1

Reply to the following statements, or add a statement to the provided reply.

1. I really appreciate what you've done for me. _____
2. Thank you for a wonderful time. _____
3. _____. My pleasure.
4. Thank for dinner. _____

5. _____ . Think nothing of it.

Activity 2

Writing: you've just had an excellent time at a party thrown by a business associate. Write an e-mail to politely thank Mr. Parker for the wonderful experience.

Role Play Activities

Activity 1

Read the dialog aloud.

- A: It's getting difficult to compete in the marketplace these days.
B: It sure is. My father owns a restaurant, and he had to take out a huge loan to stay solvent.
A: That's really sad. What kind of restaurant does he run?
B: It's just a mom-and-pop, home-style diner. The business has been in the family for three generations.
A: What's wrong? Why did he need the loan? I figure a restaurant that established should be doing well.
B: The problem is that he's a small business. He had some health problems a few months ago, and had to close for a while.
A: I see. It can be tough not having any income. My father's business was bought out by a multinational corporation.
B: Really? What did his business do?
A: They did construction work. It was really small-scale, but this corporation bought out nearly every business in town.

Activity 2



Write a dialog similar to the one above and practice aloud.

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D

Franchises

Discussion

1. What is a franchise?
2. How do franchises operate in your country?
3. Why would someone own a franchised business?

Reading Comprehension

Franchising is a way for small business owners to benefit from the economies of scale of the big corporation (franchisor). McDonald's restaurants are an example of a franchise. The small business owner can leverage a strong brand name and purchasing power of the larger company while keeping their own investment affordable.

However, some franchisees conclude that they suffer the "worst of both worlds" feeling they are too restricted by corporate mandates and lack true independence. McDonald's has even been sued by franchisee's who feel they have been exploited with unreasonable costs for materials (cups, condiments etc.) they are required to purchase from the parent company.

Franchises form a sizable chunk of the small businesses in North America and Europe. The affordability of franchise ownership has encouraged the business model in all sectors of the economy, from services to manufacturing. While restaurants make up the bulk of franchise businesses, everything from human capital sourcing companies to small manufacturing concerns operate under the franchise model.

Despite the restrictions imposed by the large corporations who franchise their names and materials, ownership of franchised businesses continues to increase. In the period from 2001 to 2005, franchise ownership increased nearly 15% in the United States. The enduring popularity of franchise ownership shows no signs of abating in the globalized world economy.

Questions

1. What benefits are offered by the franchise model?
2. What problems do franchises face?
3. Why is franchise ownership a popular business model?

Vocabulary

Activity 1

Match these words to their definitions.

- | | |
|---------------------|--|
| 1) Mandate | a) within one's financial means |
| 2) Affordability | b) decrease in unit costs through increased production |
| 3) Leverage | c) to last or sustain existence |
| 4) Economy of Scale | d) a command to act |
| 5) Endure | e) power to influence people, events, or prices |

Activity 2

Fill in the blanks to make correct sentences.

ferocious bourgeois lout sophisticated flattery

1. Her _____ mannerisms make her seem very classy.
2. The _____ tiger attacked two hikers in Thailand.
3. My father can be a _____ with his bad manners.
4. _____ will get you everywhere.
5. My parents live a _____ life in their middle-class suburban home.

Language Focus

Nationalities and Adjectives

Nationalities are made from the word for the country.

- Russia=Russian

As an adjective

- Moroccan food

Referring to a specific person or group of people

- My aunt is Polish.

Referring to a whole people

- Americans love hamburgers.

Activity 1

Complete the sentences.

1. My _____ cousin came to visit. (Ireland)
2. I like to read _____ novels. (France)
3. My mother drives a _____ car. (Germany)
4. The sandwich had _____ cheese on it. (Switzerland)
5. _____ whiskey tastes better than others. (Scotland)

Activity 2

Fill in the table with the appropriate words.

Country	Nationality	People
USA		
		The Poles
Netherlands		
	Pakistani	

Role Play Activities

Activity 1

Read the dialog aloud.

A: I can't believe this neighborhood these days.
B: I know. I look around, and all I see are franchises.
A: It used to be so nice here. There were so many small businesses, all run by people I knew and trusted.
B: Yeah, those were the days. I don't know any business owners anymore.
A: It seems like every store in the neighborhood is run by teenagers. When was the last time you had an adult assist you in a store?
B: It's been years. But these franchises aren't all bad. Prices are lower at the big franchised grocery store than they ever were at the markets.
A: That's true. If nothing else, the prices have dropped. Have you been to the new hardware store?
B: Sure. The prices are incredibly low.
A: But the service is bad. The employees don't know anything about hardware.

Activity 2



Write a dialog similar to the one above and practice aloud.

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E Non-Profits

Discussion

1. How do non-profit organizations operate?
2. Do you contribute to non-profits?
3. Why would an organization operate as a non-profit?

Reading Comprehension

A nonprofit organization (abbreviated "NPO", or "non-profit" or "not-for-profit") is an organization whose primary objective is to support an issue or matter of private interest or public concern for non-commercial purposes. Nonprofits may be involved in an innumerable range of areas relating to the arts, charities, education, politics, religion, research, sports or some other endeavor.

Nonprofit organizations often are charities or service organizations; they may be organized as a not-for-profit corporation or as a trust, a cooperative, or they may be purely informal. Sometimes they are also called foundations, or endowments that have large stock funds. Most foundations give out grants to other nonprofit organizations, or fellowships to individuals. However, the name foundations may be used by any not-for-profit corporation -- even volunteer organizations or grass roots groups. A nonprofit may be a very loosely organized group, such as a block association or a trade union, or it may be a complex structure such as a university, hospital, documentary film production company or educational book publisher.

Capacity building is an ongoing problem faced by nonprofits that rely on external funding to maintain their operations, largely because nonprofit organizations have little control over their source(s) of revenue. Increasingly in the United States, many nonprofits rely on government funds to support their operations, often through grants, contracts, or customer-sided subsidies, such as vouchers or tax credits. Some nonprofits may also rely primarily on support from charitable foundations and donations. Changes in these sources of revenue may influence the reliability or predictability with which the organization can hire and retain staff, sustain facilities, or create programs. Increasingly, there are few sources of revenue that allow nonprofits to develop their organizational capacities.

Questions

1. What are the areas in which non-profits are involved?
2. What form do non-profits often take?
3. Explain the major problem facing non-profits.

Vocabulary

Activity 1

Match these words to their definitions.

- | | |
|----------------|---|
| 1) Abbreviate | a) too many to count |
| 2) Cooperative | b) monetary income |
| 3) Revenue | c) ability to perform or yield |
| 4) Capacity | d) shorten |
| 5) Innumerable | e) a business run through sharing unpaid work |

Activity 2

Fill in the blanks to make correct sentences.

esteemed quintessential attempted dull disrespectful

1. The child's _____ behavior angered his mother.
2. Kimchi is the _____ Korean food.
3. What a boring man. Everything he says is so _____.
4. The presentation _____ to explain your sales strategy.
5. The _____ restaurant has been serving great food for many years.

Language Focus

Forming Opposites with Prefixes

We often use prefixes with adjectives to form opposite meanings, or negative meanings.

Most commonly, you will see *un-*, *dis-*, *il-*, *in-*, *ir-*, *im-* and *mis-*.

- legal – permitted by law
- illegal – *not* permitted by law

Activity 1

Change the meanings of these sentences by adding a prefix to the adjective.

1. He is a very ____ practical person.
2. The meeting will be ____ formal.
3. She is ____ informed.
4. This project is ____ possible.
5. I'm ____ satisfied with my meal.

Activity 2

Fill in the appropriate prefix to make the adjective negative.

- | | |
|-------------------|---------------------|
| 1. ____ legal | 6. ____ regular |
| 2. ____ organized | 7. ____ recoverable |
| 3. ____ accurate | 8. ____ managed |
| 4. ____ honest | 9. ____ competent |
| 5. ____ patient | |

Role Play Activities

Activity 1

Read the dialog aloud.

- A: Do you donate to any non-profit organizations?
B: No, I don't. I don't really have the money to do that.
A: If you had the money, where would you send it?
B: I haven't really thought about it. Maybe the Cancer Society, or a diabetes charity.
A: Why would you choose those particular organizations?
B: Those two diseases affected my family. My father had diabetes, and my grandmother died of cancer.
A: My grandmother had cancer, too. She survived with the help of a non-profit organization.
B: That's great. So how do you show your appreciation to the organization?
A: I donate a pretty substantial amount of money to the charity each year.
B: That's really nice. I think I will donate as well. Non-profits support good causes.

Activity 2



Write a dialog similar to the one above and practice aloud.

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F E-Business

Discussion

1. What is e-business?
2. How has e-business changed the way we work and spend?
3. What benefits does e-business present?

Reading Comprehension

Electronic business, or e-business, may be defined broadly as any business process that relies on an automated information system. Today, this is mostly done with web-based technologies. The term e-business was coined by IBM CEO Lou Gerstner in 1989.

Electronic business methods enable companies to link their external and internal data processing systems more efficiently and flexibly. E-business also allows companies to work more closely with suppliers and partners, and to better satisfy customer needs and expectations.

In practice, e-business is more than simple e-commerce. E-commerce, or conducting transactions and marketing electronically, makes up only one facet of e-business. The bulk of e-business spans the entire value chain: electronic purchasing and supply chain management, processing orders electronically, handling customer service, and cooperating with business partners. Special technical standards for e-business facilitate the exchange of information and ideas between companies and customers. E-business software solutions allow the integration of intra- and inter-firm business processes.

The World Wide Web forms the backbone of e-business, allowing data to be exchanged rapidly and stored efficiently. E-business models include electronic shops, like E-Bay and G-Market, and also virtual communities, like CyWorld. E-business has expanded the capabilities and operations of small businesses and multinational corporations alike. To compete in the modern marketplace, e-business is a necessity for all companies.

Questions

1. Who coined the term “e-business”?
2. What does e-business allow companies to do?
3. What are two e-business models?

Vocabulary

Activity 1

Match these words to their definitions.

- | | |
|----------------|---|
| 1) Automate | a) the core, support or strength of something |
| 2) Flexibility | b) to convert to automatic operation |
| 3) Integration | c) the exchange of money or ideas |
| 4) Transaction | d) adaptable; able to be changed |
| 5) Backbone | e) combine parts to make a whole |

Activity 2

Fill in the blanks to make correct sentences.

rival sopping boisterous problematic formless

1. The cloud's _____ shape makes it hard to explain to people.
2. The _____ atmosphere of the pub made it hard to hear you speaking.
3. He has had a _____ time at work since he lost his best customer.
4. The _____ team's fans cheered loudly for their team.
5. After walking through the rain, my shoes were _____ with water.

Language Focus

Spoken Numbers and Figures

In English, 3,000 is said *three thousand* (with no *s*).
We say 3,001 as *three thousand and one*.

\$= *dollars*.

- \$125 is said *one-hundred twenty-five dollars*.
- \$125.15 is said *one-hundred twenty-five dollars and fifteen cents*.

Fractions use the ordinal number for the lower half.

- $3/5$ is said *three fifths*.

The % sign is said as *percent*.

- 75% is said *seventy-five percent*

Activity 1

Write down these figures the way they are spoken.

1. 1,235 _____
2. \$75 _____
3. \$800.76 _____
4. £3,076 _____
5. 1/3 _____

Activity 2

Answer these questions using figures.

- 1) How much is a new BMW?
- 2) What proportion of your time is spent sleeping?
- 3) How many people live in your city?
- 4) If I order a pizza, what fraction of it will you eat?
- 5) How much does a flight to Tokyo cost?

Role Play Activities

Activity 1

Read the dialog aloud.

- A: I spent all afternoon standing in line at the bank.
B: Why would you do that?
A: I needed to open a new checking account. My company switched the payroll to direct deposit.
B: Okay, but why would you go to the bank? Don't you do your banking online?
A: No. I didn't realize you could do that. How does it work?
B: It's the easiest thing. You just log on to your bank's website, enter your account number, and go to work.
A: Really? What kinds of things can you do online?
B: Anything you need to do. You could have opened your new checking account online.
A: I should check that out. I really can't tolerate going to the bank. I don't have time for the lines.
B: It's a great service. I love that it saves me so much time.

Activity 2



Write a dialog similar to the one above and practice aloud.