

# BUSINESS CONCEPTS FOR ENGLISH PRACTICE

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# INTRODUCTION

This book is a business-oriented English text with both an academic and an applied focus. It is intended for intermediate to advanced students of English (400–575 TOEFL range) who have an academic and/or professional interest in business. For students with little or no business background, basic concepts are explained and developed in the readings and terms are defined in the glossary. Those with experience in the business world and advanced language proficiency will be able to move more quickly through the readings and on to the application exercises and supplementary articles.

## PURPOSE

The primary goal of *Business Concepts for English Practice* is to provide language practice based on subject-specific readings in such areas as marketing, international business, data processing, and management. The business concepts included in these readings serve as springboards for activities in text analysis, classification, writing, information transfer, and the contextualization and development of vocabulary. The main objectives of the text are:

- to provide practice in comprehending written business discourse and developing reading skills
- to present technical and subtechnical business vocabulary through contextualization at both the sentence and the paragraph levels
- to present high-interest situations, based on actual business applications, for oral communication
- to provide activities for general language practice and improvement of study skills

## DESCRIPTION

The student book is made up of eight units and a glossary. In addition to the introductory unit entitled "Business Basics," seven subject matter areas are covered: marketing, international business, data processing, accounting, finance, management, and decision-making. These areas were selected because they form the core subjects of a range of introductory business textbooks used in academic programs. Each unit has three parts: (1) a reading and exercises; (2) a reading and exercises; and (3) an article excerpted from a business periodical or newspaper. At the conclusion of the text is a glossary in which technical and subtechnical as well as general English terms from the unit vocabulary lists are defined.

## CLASSROOM APPLICATION

*Business Concepts for English Practice* can be used as the core text in an English for Business and Economics "special program" and in an ESP business reading course. It can be utilized as a supplementary text in a business application/communication course, in an ESP business writing course, and in a general English reading and vocabulary course. In addition, students can study

sections of the book on an independent basis, provided they have access to the answers.

While *Business Concepts for English Practice* has been written for non-native speakers of English, it could also be used for native speakers in high school and community college remedial reading programs, in either a classroom or tutorial situation. A pre-business program might utilize this text to introduce students to basic concepts they will encounter in their business courses.

Six to nine class hours are required to complete each unit. The amount of time needed depends on the number of exercises used, the quantity of outside work given, and the language proficiency of the students.

The units are sequenced so that business information and content increase in difficulty. "Business Basics" is designed to introduce the format of the text and is conceptually and linguistically easier than subsequent units. This unit has been developed to assist in assessment of student language proficiency and business interests.

After completion of the introductory unit, the remaining units may be used in sequence, or subject areas may be selected based on class interests. Because exercises are spiraled throughout the text, if units are taken out of order, it may be necessary to refer to the place where the linguistic feature or activity was first introduced in order to present whatever background information the students may need to complete the exercise (e.g., definition forms and explanation of classification).

**Subject-Specific Readings.** The first two readings of each unit present aspects of the subject matter normally included in introductory business texts. The initial reading provides an overview of the business area; the second reading concentrates on a more specific topic. For example, the accounting unit includes an overview of the field followed by a detailed exploration of a financial statement used by accountants (the balance sheet). An effort has been made to use the different rhetorical modes that are typically found in business textbooks—e.g., definition, comparison and contrast, cause and effect, and classification.

The third reading of a unit is excerpted from a business periodical or newspaper. Expanding on the concepts and vocabulary presented in the units, these current topical readings have been selected to provide advanced students with a variety of short, unadapted business articles.

**Language Practice and Business Application.** The exercises following the readings focus on understanding the written texts and the technical and subtechnical terms used. In addition, these exercises associate and integrate other skills—especially oral communication, writing, and study skills. The application, classification, and information transfer exercises provide opportunities for language practice in applying the business concepts presented in the readings. In each unit the activities are organized and sequenced as follows:

*Prereading Activity	Application
*Vocabulary	Outline
*Comprehension	Writing
*Vocabulary Exercises	Information Transfer
*Text Analysis	Cloze Exercise
Classification	*Follow-up Activities

\*These activities appear in both parts one and two of each unit. Those which are not starred occur in only one section.

## GRADING

The exercises are presented at different levels of difficulty to offer language practice for students with intermediate to advanced English proficiency. A wide range of activities at various levels provides a mechanism for working with groups of mixed language abilities, which is often necessary in English for Specific Purposes (ESP) courses.

Beginning with the comprehension section, each exercise is preceded by a proficiency marker. These markers are intended as a general guide:

**I** —intermediate

**S** —upper intermediate

**E** —advanced

When a marker is placed before a question, it refers to that question and all subsequent ones until the next marker appears. Although the proficiency markers are designed to provide an approximation of the language proficiency the students need to complete the task, business experience and training of the individual are also factors, especially for the most advanced (E) exercises, which sometimes require business background, as well as advanced language proficiency.

## SUPPLEMENTARY MATERIALS

A teacher's manual provides additional information on the business and linguistic aspects explored in the student book, *Business Concepts for English Practice*. The manual contains detailed descriptions of the exercises and their objectives, notes on methodology and classroom application, and an answer key.

## ACKNOWLEDGMENTS

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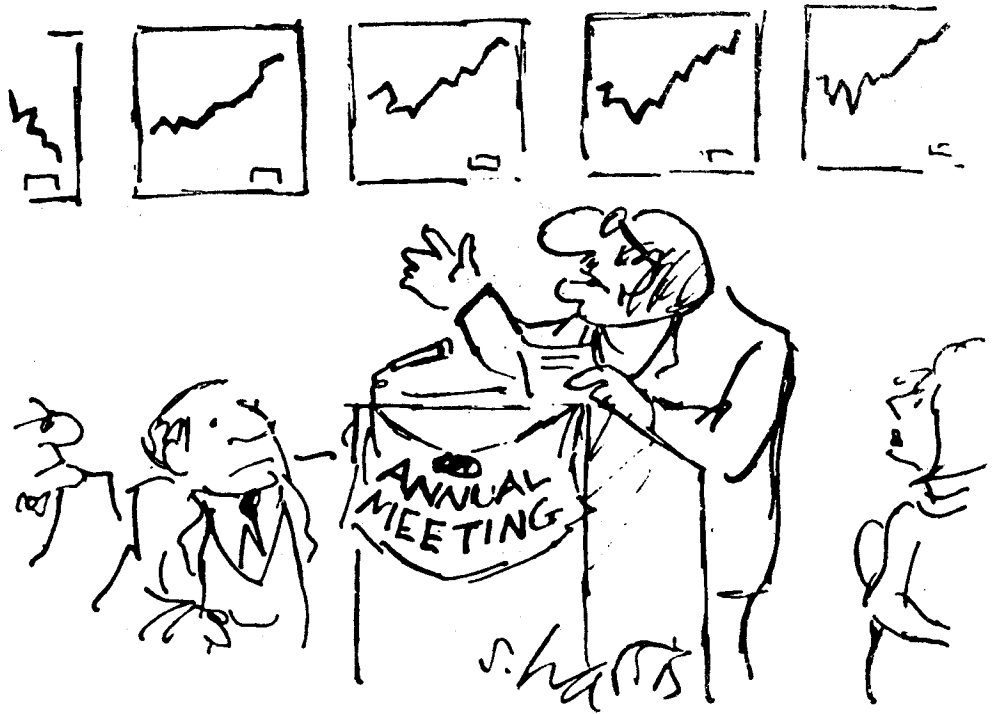
*We dedicate this book to Tom Dowling,  
whose professional and personal support proved invaluable.*

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# BUSINESS BASICS



"ALL RIGHT, PROFITS ARE DOWN, BUT  
LOOK AT ALL THE THINGS THAT ARE UP."

1. **What is Business?**
2. **Careers in Business**
3. ***Looking Down the Road  
With the Auto Industry***



## BUSINESS BASICS: 1

### PREREADING ACTIVITY

Discuss the following questions.

1. When you see the word *business*, what do you think about? Quickly write down words or ideas as they come into your mind.

*seller, customer, money,*

Now discuss your notes with your classmates.

2. Write your own definition of business in the space provided below. Begin your definition in this way:

*Business is*

Compare your definition with the one written by the person next to you. Add to your definition if you find any new information.

### VOCABULARY

Below is a list of terms that you will find in the text. As you read "What Is Business?," see if you understand each term. Use this as a working list and add other terms with which you are unfamiliar.

#### NOUNS

exchange  
production  
distribution  
sale  
goods  
services  
profit  
conversion  
surplus  
expenses

#### VERBS

examine  
classify  
perform  
remain  
create

#### ADJECTIVES

technical  
various

#### OTHERS

for instance  
on the other hand

### WHAT IS BUSINESS?

Business is a word which is commonly used in many different languages. But exactly what does it mean? The concepts 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 the conversion of iron ore into metal car parts. Next these products need to be moved from the factory to the marketplace. 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. A car is sold to someone in exchange for money. Goods are products which people either need or want; for example, cars can be classified as goods. Services, on the other hand, are activities which a person or group performs for another person or organization. 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 one other important factor. This factor is the creation of profit or economic surplus. A major goal in the functioning of an American business company is 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.

#### COMPREHENSION

A. Answer the following questions about the meaning of business. The questions which are starred (\*) cannot be answered directly from the text. Space is provided at the end for you to add your own questions.

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

8. Compare your definition of business with the one given in the reading. \*How are they similar? \*In what ways does your definition differ from the one presented in the text?

**Additional questions:**

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- S** B. Determine which of the following statements are *true* and which are *false*. Then put *T* or *F* in the blanks. Correct those statements which are false by rewriting them.

1.   T   Business is not just one activity but a combination of different operations such as production, distribution, and sale.
2.        From ancient to modern times the definition of business has remained the same.
3.        Moving a truckload of oranges from the orchard to the supermarket is an example of production.
4.        A salesclerk provides a service by answering customers' questions.

VOCABULARY EXERCISES

- C** A. Look at the terms in the left-hand column and find the correct synonyms in the right-hand column. Copy the corresponding letters in the blanks.

- |   |                           |
|---|---------------------------|
| 1. <u>  g  </u> goods (line 17)                     | a. moving or transporting |
| 2. <u>      </u> conversion (line 10)               | b. trade                  |
| 3. <u>      </u> for instance (line 20)             | c. however                |
| 4. <u>      </u> distribution (line 12)             | d. look at                |
| 5. <u>      </u> exchange (line 4)                  | e. change                 |
| 6. <u>      </u> on the other hand<br>(lines 18-19) | f. for example            |
| 7. <u>      </u> examine (line 7)                   | ✓g. products              |

- S** B. Fill in the blanks with noun or verb forms. Use your dictionary if necessary.

NOUN	VERB
1. production	<u>produce</u>
2. _____	perform
3. _____	examine
4. conversion	_____
5. _____	classify
6. distribution	_____
7. _____	create
8. sale	_____

- S** C. Use the correct noun or verb forms in the sentences. Change the grammatical form of the words if necessary.

1. **sell**
  - a. An annual report includes the sales figures of the company for the current fiscal year.
  - b. An auto dealership sells cars, trucks, vans, and sometimes recreational vehicles.
2. **distribute**
  - a. Some companies hold exclusive \_\_\_\_\_ rights for specific products.
  - b. Factory representatives \_\_\_\_\_ products to wholesalers and retailers.
3. **produce**
  - a. How efficiently a company \_\_\_\_\_ its products will in large measure determine its success.
  - b. The \_\_\_\_\_ of high-technology instruments is one of the most rapidly growing industries in the 1980s.
4. **classify**
  - a. Items \_\_\_\_\_ in order to show the relationship between them.
  - b. \_\_\_\_\_ means the grouping of items to show the differences between them.

5. convert

- a. When traveling from country to country on either business or pleasure, people \_\_\_\_\_ one currency to another.
- b. The production process often involves the \_\_\_\_\_ of raw materials into finished products.

TEXT ANALYSIS



Look back at the reading to answer these questions.

The reading contains terms such as *its*, *it*, and *this factor*. These terms refer to nouns or noun phrases that occurred earlier in the text. For example, *its* in line 8 refers to *one definition of business* in line 6.

1. In line 5, what does *it* refer to?

\_\_\_\_\_

2. In line 25, what does *this factor* refer to?

\_\_\_\_\_

Connective words or phrases are used to clarify the relationships between ideas. They are usually placed at the beginning of the new idea. Connectives can be divided into groups according to their functions. Match the following.

3. \_\_\_\_\_ next (line 11)                      a. summarizing
4. \_\_\_\_\_ on the other hand              b. sequencing information  
    (lines 18–19)                                  c. contrasting
5. \_\_\_\_\_ therefore (line 29)
6. Line 8 refers to *its various parts*. List the parts of the business definition which are explained in the reading.

- a. production
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_

7. What are the key connective words which are used to introduce each new part of the definition?

CONNECTIVE WORDS      PARTS OF THE DEFINITION

- a. first → production
- b. \_\_\_\_\_ → \_\_\_\_\_
- c. \_\_\_\_\_ → \_\_\_\_\_
- d. \_\_\_\_\_ → \_\_\_\_\_

8. A definition may take this form:

Production → is → the changing of materials into products or the creation of services

Term being defined → verb to be → definition

A number of terms are defined this way in the reading. Find and copy these definitions in the spaces below.

- a. Business is
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_
- e. \_\_\_\_\_

## CLASSIFICATION

**S** Classification means the grouping of items to show the relationship between them. Items that are classified together have something in common; that is, something must apply to all the items in that group or class. Look at the items below. They may be classified as either goods or services. Review the definitions and examples given in the reading (lines 17–20). Classify the following items as either goods or services.

- |                          |                             |
|--------------------------|-----------------------------|
| ✓ 1. car                 | 11. calculator              |
| ✓ 2. medical diagnosis   | 12. employment agency       |
| 3. travel agency         | 13. suit                    |
| 4. briefcase             | 14. forklift                |
| 5. auto repair           | 15. office equipment repair |
| 6. financial planning    | 16. newspaper delivery      |
| 7. computer              | 17. computer programming    |
| 8. videotape recorder    | 18. time clock              |
| 9. management consultant | 19. law book                |
| 10. accounting ledger    | 20. income tax preparation  |

GOODS	SERVICES
<i>car</i>	<i>medical diagnosis</i>

## APPLICATION

**C** A. Match these parts of the business definition to the following real-life situations.

production of goods  
distribution of goods  
sale of goods  
sale of services

### Examples:

Iron ore is made into metal car parts.

A car is moved from a factory to a car dealership.

A salesman sells a car.

An auto mechanic repairs a car.

*production of goods*

*distribution of goods*

*sale of goods*

*sale of services*



1. A shipment of grain is transferred from a boat to a truck. \_\_\_\_\_
2. A chemical plant turns raw materials into fertilizer. \_\_\_\_\_
3. A salesman from a concrete manufacturer convinces the owner of a building materials company to buy a shipment of drainage pipe from his company. \_\_\_\_\_
4. A warehouse ships books to a bookstore. \_\_\_\_\_
5. A computer manufacturer receives silicon chips and puts them into minicomputers. \_\_\_\_\_
6. A dentist repairs a child's broken tooth. \_\_\_\_\_
7. A train moves truck parts across the country. \_\_\_\_\_
8. A grocer exchanges groceries for money. \_\_\_\_\_
9. A waitress takes your order for lunch. \_\_\_\_\_
10. A farmer plants vegetables for harvest in the fall. \_\_\_\_\_



**B. With your partner, write down real-life situations that would fit into the categories of production, distribution, and sale. For examples see the preceding exercise.**

production: \_\_\_\_\_

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distribution: \_\_\_\_\_

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sale: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## WRITING



**Write a paragraph about a business operation with which you are familiar. Include the categories of production, distribution, and sale in your description.**

### **Example:**

From the initial drilling for oil to the final sale of gasoline at the pump, oil passes through a variety of stages. After the oil has been taken from the ground, it is refined into gasoline during the production process. Then the gasoline is taken from the refinery and shipped by either truck or rail. It is sold to wholesalers who distribute it, or it is directly distributed by the company to the gas stations. Finally, the gasoline is purchased by customers who need it for their cars, trucks, or other vehicles.

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## FOLLOW-UP ACTIVITIES

1. Ask a business professional to give you a definition of business. Then ask someone who does not work in business to give you a definition. Compare the results.
2. Create a questionnaire and interview someone from a local business about the areas of production, distribution, and sale as they relate to that particular enterprise.
3. View and discuss a filmstrip entitled "Economics and Business Enterprise" (The Economics of Business, #421450), Teaching Resources Films, Bedford Hills, N.Y. 10507.