Section 1 Structure

This section tests your ability to identify appropriate forms of standard written English.

<u>Directions</u>: each question contains a sentence that is incomplete in some way. Beneath each sentence you will see four words or phrases, marked a/, b/, c/ and d/. Choose the <u>one</u> word or phrase that best completes the sentence.

Exa	mple: John Le Carré	for his novels on espionage.
	a/ famous	b/ has fame
	c/ is famous	d/ who is famous
	sentence should read, the correct answer.	'John Le Carré is famous for his novels on espionage." Therefore
Now	v begin work on the q	uestions.
<i>1</i> .	Don't forget	those letters.
a/	to post	
b/	posting	
c/	to posting	
d/	post	
2 T	ha managar cauldu't i	nend the machine himself so he at the
2. 11 facto	O	tena the machine himself so he at the
•	had it mend	
	had it mended	
	did it mend	
	had mended	
3. I		getting up at eight o'clock. It's not as difficult as I thought.
a/	used to	-8 61 8 33
b/	used	
c/	am used to	
d/	would	
4. T	he Financial Director	last night, but I'm not sure.
a/	may arrive	
b/	might arrive	
c/	should arrive	
d/	may have arrived	

5. N	Mr Jones drives a BMW at	nd everyone at the office is jealous. He's had it
<u>a/</u>	for five years	
b/	since five years	
c/	five years ago	
d/	in five years	
	Shaanaa innitad badha Haa	de manifilite of manuation
	-	d of Resources the possibility of promotion
wui a/	hin the company. to discuss	
a/ b/	discussing	
	to discussing	
d/	to have discussed	
7 7	Thay didn't haya	mineral water left in the supermarket due to the
	iney aian i nave itwave.	mineral water left in the supermarket and to the
neu a/	a lot	
b/	little	
c/	too	
d/	much	
u/	much	
	dust before leaving for the dthem nowhere	airport she realised that she had lost her keys, she couldn't
b/	anywhere	
c/	nothing	
d/	somewhere	
	He was held up in a traffic kily was just in time to cat a/ at b/ in c/ on d/ by	jam and arrived Heathrow airport an hour late, but ch his plane.
whi	They were really looking ich was due to be released	· · · · · · · · · · · · · · · · · · ·
a/	to see	
b/	seeing	
c/	see	
d/	to seeing	
11	Don't start	again othamuiga wa wan 24 h agu 4h a nagulta
11. a/	to shouting	again, otherwise we won't hear the results.
a/	to shouting	

b/	shouting	
c/	shout	
d/	in shouting	
	S	
<i>12</i> .	Kylie loves London and	there since 1990.
a/	lives	
b/	is living	
c/	has lived	
d/	does live	
12	If I win the Lettern I	
	· ·	a house on the coast as I just love the sea breeze.
a/	will buy	
b/	have bought	
	would buy	
d/	would have bought	
11	After the first interview the ear	ndidate realised there was no pointfor
	· ·	natuate realised there was no point
		e knew that a naan t gone wea.
a/	in staying	
b/	to stay	
	for staying	
d/	to staying	
15.	That was for him the	of his worries.
a/	fewer	o y
b/	less	
c/	last	
d/	least	
<i>16</i> .	He	for the bus when the accident happened right in front of
his	very eyes!	
a/	hadn't been waiting long	
b/	has been waiting long	
c/	has waited long	
d/	waited long	
17	14 4h - 14 f41 -114 -1	L. L. J
	rard score the winning goal.	he had ever seen. He'll never forget Steven
a/	to see	
b/	seeing	
c/	to seeing	
d/	see	
18.	I thought you	
a/	will come to the party.	
b/	were coming to the party.	
c/	came to the party.	
d/	have come to the party.	

19. When he retires more than thirty yea			head o	f the company for
a/ was				
b/ has been				
c/ will have been				
d/ had been				
20. The secretary wo	orked so hard yester	day that she		clear her desk for
the weekend.				
a/ was able to				
b/ can c/ should				
d/ must				
d/ IIIdst				
21. The journalist w	rote the article		, he didn't need	anybody's help.
a/ by his own				
b/ on his own				
c/ on himself				
d/ by his ownersh	1p			
22. By this time tom	orrow we		the decision.	
a/ will have made	e			
b/ have made				
c/ are making				
d/ made				
23. The Sales Repres	sentative is		_ the customer to bu	ıy it at this very
moment.				
a/ telling				
b/ saying				
c/ saying to d/ telling to				
d/ telling to				
24. Our department	did not reach its mo	onthly quota		_we worked a lot of
overtime.a/ because of				
b/ even though				
c/ despite				
d/ but				
25. Simon prefers cy	oclinga	driving to wo	rk everyday.	
a/ to		J	- <i>'</i>	
b/ tha	n			
c/ for				
d/ as				
26. The Chairman ti	hanked me for wha	t I	the n	revious week.
a/ have done				
b/ was doing				

c/	had done	
d/	have been doing	
27.	7. The visitors to the company all the different ways of many a/ had shown	ıking brandy
	b/ were shown	
	c/ showed	
	d/ have shown	
28.	the workers demands, the management hoped	l they could
avo	oid a strike.	
a/	Giving in to	
	By giving in to	
c/	They gave in to	
d/	Having to give in to	
29.	. Only when all the votes had been counted and the result declared	
a/	could they open the champagne and celebrate	
b/	they opened the champagne and celebrated.	
c/	when they opened the champagne and celebrated.	
d/	they could open the champagne and celebrate.	
<i>30</i> .	. Not only but they insisted the Head of Departmen	ıt resign as
wel	ell.	
a/	the board sacked the culprits	
b/	the culprits sacked by the board	
c/	the board sacking the culprits	
d/	did the board sack the culprits	

Section 2 Written expression

<u>Directions</u>: The following sentences have four underlined words or phrases. The four underlined parts of the sentence are marked a/, b/, c/ and d/. Identify the <u>one</u> underlined word or phrase that must be changed in order for the sentence to be correct.

Example:

Fresh, green vegetables are an excellent source vitamins.

a/ Fresh b/ vegetables c/ an d/ source

The sentence should read, "Fresh, green vegetables are an excellent source of vitamins" Therefore d/ is the correct answer.

Now begin work on the questions.

31. <u>His</u> staff will hold <u>it's</u> meetings in <u>our</u> conference room until <u>his</u> offices have been refurbished.		
a/ His		
b/ it's		
c/ our		
d/ his		
32. They were <u>over</u> the moon that all the <u>furnitures</u> had arrived in <u>their</u> new apartment before they had, because now at least they had a bed <u>to sleep</u> in that night.		
a/ over		
b/ furnitures		
d/ to sleep		
33. One of the largest <u>company</u> in the world is Microsoft; <u>its</u> founder was Bill Gates <u>who</u> is now an extremely <u>wealthy</u> man.		
a/ company		
b/ its		
c/ who		
d/ wealthy		
34. When the board members will find out what the financial manager has been up		
to there could be problems and shares could be affected. a/ will find out		
b/ what		
c/ has been up to		
d/ affected		
35. The Production Manager <u>gave</u> her some <u>advices</u> but unfortunately she ignored him and by the <u>following</u> week the product had been <u>withdrawn</u> from the shelves.		
a/ gave		
b/ advices		
c/ following		
d/ withdrawn		
36. <u>Since</u> the firm expanded in 2003 their <u>annual</u> revenue from ticket sales and contributions <u>grew</u> by 85 percent to £42.9 <u>million</u> . a/ Since		
b/ annual		
c/ grew		
d/ million		
37. The apprentice <u>explained</u> him that he thought he <u>deserved</u> a holiday <u>after</u> the hard work he <u>had put in</u> .		
a/ explained		
b/ deserved		
c/ after		
d/ had put in		
38. The <u>others</u> factory workers <u>also decided</u> to go out <u>on strike</u> yesterday in support of their <u>colleagues</u> .		

- a/ others also decided b/ c/ on strike d/ colleagues
- 39. The committee that was organised to review new policies have already met twice this month and passed two resolutions.
- was organised a/
- new policies b/
- c/ have
- d/ passed
- 40. The advertising magnate, accusing of siphoning money, had concealed the stolen funds in hidden accounts.
- advertising a/
- b/ accusing
- c/ stolen
- hidden d/
- 41. For security reasons every employees is required to wear their identification badges while at work.
- every employees
- is required b/
- identification c/
- d/ while
- 42. In order to avoid to make mistakes, have your colleague check the statistics.
- In order to a/
- b/ to make
- c/ have
- d/the statistics
- 43. Although the new associate had put in so much time and effort as Ms. Smith, his proposal was rejected.
- a/ Although
- had put in b/
- so much c/
- d/ was rejected
- 44. Everybody is thinking that Chico will win The X Factor this year even though he really doesn't have much talent.
- is thinking a/
- b/ will win
- c/ this year
- d/doesn't have
- 45. The draw for the second round of the FA Cup took place last april and Burscough Town, who <u>beat</u> Gillingham last week, will play Liverpool <u>in</u> the third round.
- took place a/
- b/ april

c/ d/	beat in
46. a/b/c/d/	As your old one, this new copier can collate and staple the copies in half the time. As can staple in half the time
	Having a child these days is so much more easy thanks to the various products that exist
	he market.
a/	Having
b/	more easy
c/ d/	to on
u/	Oil
a/	Many of the characters <u>portrayed</u> by writer Joyce Carol Oats <u>is</u> mentally <u>ill.</u> Many portrayed
b/ c/	is
d/	ill
u/	
	Most the newspapers depend on independent journalists for their international stories photographs. Most the on
c/	for
d/	their
	50. When travelling with a low cost airline the maximum weigh allowed for one
pass	senger <u>is</u> twenty kilos.
a/	travelling
b/	cost
c/	weigh
d/	is
	After reviewing their finances, they decided reduce spending in all departments except exeting. After reviewing they decided
c/	reduce
d/	except marketing
new	Tony Blair and his government are <u>under</u> strong criticism from the <u>opposition</u> for the anti-terror bill which will allow the police to held a terror suspect for <u>up to</u> ninety days nout charge. under opposition to held
d/	up to
u /	wp vo

<i>53</i> .	When he <u>arrived</u> at the border the customs officers searched <u>him</u> and his car
	roughly, before allowing him to continue his <u>travel</u> along the <u>coast</u> .
a/	arrived
b/	him
c/	thoroughly
d/	travel
	The <u>90-years-old</u> actor <u>received</u> a special award <u>during</u> the TV award ceremony to
	ebrate his many years in the <u>acting</u> profession.
a/	90-years-old
b/	received
c/	during
d/	acting
the	The Foreign Affairs Minister <u>has flew</u> back to his country <u>after successfully negotiating</u> <u>long-awaited</u> trade agreement <u>with</u> China.
a/	has flew
b/	after successfully negotiating
c/	long-awaited
d/	with
<u>the</u>	They had realised the error earlier, immediate retribution could have been made, and chaos that unfortunately followed would have been avoided.
a/	They had realised
b/	immediate retribution
c/	the chaos that unfortunately
d/	would have been avoided
it.	57. They <u>considered</u> <u>switching</u> production to <u>the Germany</u> , but finally <u>decided against</u>
a/	considered
b/	switching
c/	the Germany
d/	decided against
	The receptionist at the hotel they <u>were staying</u> in told <u>them</u> to go and visit Oxford Street ause <u>the sells</u> had just started that morning.
a/	were staying
b/	them
c/	the sells
d/	had just started
	The <u>Japan authorities</u> now <u>encourage</u> foreign firms <u>to manage</u> investment <u>funds</u> .
a/	Japan authorities
b/	encourage
c/	to manage

60. Judging from what has happened by the last two years, the demand for this type of product will continue to grow.

d/

funds

- a/ from b/ by
- $c/ \qquad demand \ for$
- d/ will continue

Section 3 Vocabulary

<u>Directions</u>. In this section, each question is a sentence with a word or phrase underlined. Below each sentence are four choices and you should select the <u>one</u> that has the closest meaning to the underlined word or phrase.

Example: It was not until the nineteenth century that a bridge was <u>built</u> over the river at Bordeaux.

a/ created b/ constructed c/ prepared d/ linked

Here the word "constructed" is closest in meaning to "built", so b/ is the best answer.

Now begin work on the questions.

- 61. The Marketing Director <u>popped out</u> for a few minutes as he had a very important phone call to make.
- a/ nipped out
- b/ skipped out
- c/ hopped out
- d/ jumped out
- 62. No matter what the parents said, the teacher felt that she had been <u>lenient</u> with the pupil.
- a/ severe
- b/ wise
- c/ abusive
- d/ tolerant
- 63. The firm knew that it had some tough decisions to make before the next board meeting.
- a/ important
- b/ different
- c/ difficult
- d/ various
- 64. They have to pay the <u>invoice</u> by the beginning of next week.
- a/ bill
- b/ buyer
- c/ seller
- d/ supplier

<i>65</i> .	He decided to <u>purchase</u> the red one, that way everyone would be happy.
a/	sell
b/	buy
c/	get rid of
d/	download
66	The Chief Executive refused his offer.
a/	turned out
b/	turned down
c/	turned over
d/	turned up
G,	
<i>67</i> .	The Human Resources Department decided it was time to hire five members of staff
a/	employ
b/	engage
c/	take out
d/	make redundant
68.	He <u>paid</u> one hundred pounds for the suit and thought it was a bargain.
a/	knifed out
b/	spooned out
c/	forked out
d/	checked out
	The Personnel Officer is the person who <u>deals with</u> the applications for any vacant
pos	
a/	gives
b/	handles
c/	heads
d/	thumbs
<i>70</i> .	Next year the firm will start a <u>vast</u> advertising campaign in Australia.
a/	huge
	b/ big
c/	wide
d/	broad
71	The Managing Director decided to ditch the old quetom of clocking in
	The Managing Director decided to <u>ditch</u> the old system of clocking in.
a/ b/	to get away with to send away with
	·
c/	to do away with
d/	to make away with

72. Mrs. Brown was dumbfounded at her husband's reaction.

a/ cheery

stunned b/

c/ upset d/ over the moon 73. He created the name for his company from the initials of his tea supplier and his own family name. a/ nickname b/ surname c/ given name middle name d/ 74. Everyone was surprised to see the share prices plummet. skyrocket a/ shoot up b/ nose dive c/ d/level off 75. There was turmoil when the announcement was made as to the name of the new leader of the Tory Party. bedlam a/ b/ noise c/ surprise d/ anger 76. Avian flu started out in Asia and is now moving towards Europe just like the scientists predicted. kicked off a/ b/ headed off c/ handed off d/ elbowed off 77. This year the booze industry has increased its profits tremendously due to new laws which have come into effect. a/ car b/ drinks computer c/ food d/ 78. The man had become extremely thrifty in his old age. a/ frugal b/ mean c/ wise d/intelligent

79. The supplier and buyer were bickering about a small detail for hours.

a/ squabblingb/ chatting

c/ talkingd/ arguing

80. The team had been set a very daunting challenge, but decided to continue with what the
Director had asked them to do.
a/ disappointing
b/ intimidating
c/ illusioned
d/ deserving
81. Having heard so many people say the complete opposite, she was really surprised at
how gregarious the locals were.
a/ sociable
b/ charming
c/ generous
d/ open-minded
82. In certain companies today, the issue of stress among workers is high on their agendas.
a/ salary
b/ pressure
c/ power
d/ strikes
83. During the concert many products were on sale outside the venue for those who were
unable to attend the show, but inside many objects were <u>distributed</u> to the crowd.
a/ dished out
b/ bowled out
c/ plated out
d/ panned out
84. Working for an international firm today is the aim of the majority of business students.
a/ society
b/ corporation
c/ charity
d/ enterprise
85. It used to be very fashionable at one time to wear ankle boots but today we see more
people wearing knee high boots.
a/ fast
b/ buzz
c/ top
d/ trendy
86. His sister was flummoxed as to why he wanted to go to Australia to live.
a/ dogged
b/ sickened
c/ bewildered
d/ offended
87. They knew that they had to seize the opportunity before it was too late.
a/ persevere

b/ retain c/ swindle d/ grab

88. During the conference a man at the back of the hall <u>yelled</u> very loudly.

a/ shouted

b/ cried

c/ whimpered

d/ weeped

89. The host was <u>frantic</u> as she didn't know what time the guests were arriving, so she called them to put her mind at ease.

a/ scared

b/ overwrought

c/ staggered

d/ appalled

90. The ratings for Eastenders have increased slightly.

a/ marginally

b/ dramatically

c/ largely

d/ frightfully

Section 4 Reading comprehension

In this part you will read passages on various topics then answer questions about them. Choose the answer (a), (b), (c) or (d) which best answers the question or completes the given sentence.

Questions 91-99

How can an organisation's sales operation be improved? One of the keys to becoming more effective is to first determine the type of selling process which needs to be used. In other words, the role the salesperson must play has to be identified. There are three different processes sales staff can adopt: narrative, suggestive and consultative.

The narrative approach depends on the salesperson moving quickly into a standardised presentation. Every buyer receives the same presentation. Emphasis is on highlighting benefits and how the product or service can help the buyer. This is an effective approach if the buying motive for all customers is basically the same. This process is well suited where there are a great number of prospects to be called on.

The suggestive approach depends on the seller being in a position to offer alternative recommendations. This is quite different from the narrative approach as the presentation is tailored to the individual customer. Here, the salesperson must initiate some discussion in order to get the buyer in a positive frame of mind. An example of this process would be a restaurant wine steward who has checked with the waiter what food the customer has ordered and then opens by saying that either "this or that" particular wine would go best with the food ordered. This is an excellent approach where one doesn't have much

time with the customer but is able to acquire some basic information and then offer a particular recommendation. This process is well suited for products and services. However, it does require the salesperson to acquire basic information from the customer before moving on to the presentation. the individual customer. Here, the salesperson must initiate some discussion order to get the buyer in a positive frame of mind. An example of this process would be a restaurant wine steward who has checked with the waiter what food the customer has ordered and then opens by saying that either "this or that" particular wine would go best with the food ordered. This is an excellent approach where one doesn't have much time with the customer but is able to acquire some basic information and then offer a particular recommendation. This process is well suited for products and services. However, it does require the salesperson to acquire basic information from the customer before moving on to the presentation.

The consultative approach requires the salesperson to have a thorough understanding of the customer and what the customer is trying to achieve. The role of the salesperson is to become an adviser or consultant and she must acquire a great deal of information from the customer. With this information the salesperson can plan what to offer the customer. In this case, the salesperson must tailor the presentation to highlight how the salesperson's product or service can be of help. This approach will usually require a number of sales calls as the buying process may be complex. The consultative approach requires a wide variety of skills, including probing, listening, analysis, creativity and persuasiveness. The other two approaches typically require fewer skills.

Hiring, training, motivating and rewarding salespeople need to be linked to the type of sales process being used and this is where the problem starts. Many organisations which should be using a consultative approach use a narrative approach. They use standardised methods and do not tailor presentations to individual customers. You see this in many industries. When this is the case, price becomes a key criterion for the customer.

A key issue in developing a professional sales organisation is in first establishing the sales process. When that decision has been made, all other sales decisions, including hiring, training and rewards can be linked to it.

91. What does the text mainly discuss?

- a/ The three different sales strategies.
- b/ Hiring and training sales assistants.
- c/ Customer needs.
- d/ Organisations.

92. According to the text, which of the approaches is the most complicated?

- a/ the narrative approach
- b/ the consultative approach
- c/ the suggestive approach
- d/ no significant difference

93. According to the writer:

- a/ too many organisations are content with a consultative approach
- b/ too many organisations adapt their sales presentations unnecessarily
- c/ too many organisations are content with individual approaches to individual companies
- d/ too many organisations are content with a narrative approach

94. In line 8 "basically" is closest in meaning to:

- a/ simply
- b/ essentially
- c/ principally
- d/ largely

95. In line 11 "quite" could not be replaced by which of the following?

- a/ entirely
- b/ completely
- c/ fairly
- d/ very

96. Which one of the following could replace the expression in line 12 "tailored to"?

- a/ adapted to
- b/ appropriate to
- c/ presented to
- d/ adopted for

97. According to the text, which of the following statements is true about the consultative approach?

- a/ The salesperson must find out a lot of information from the customer
- b/ The customer is usually highly skilled
- c/ The salesperson is always a tailor
- d/ This approach does not require much skill

98. In line 20 "thorough" is closest in meaning to:

- a/ reliable and carefree
 - b/ thoughtful
 - c/ complete and accurate
 - d/ fruitful

99. In line 33 "this" refers to:

- a/ salespeople use tailored presentations
- b/ salespeople use expensive methods
- c/ salespeople use a consultative approach
- d/ salespeople use standardised methods

Questions 100-106

Brands are accused of all sorts of evils, from threatening our health and destroying our environment to corrupting our children. Brands are so powerful, it is said, that they force us to look alike, eat alike and be alike.

This grim picture has been made popular by many recent anti-branding books. The argument has been most forcefully stated in Naomi Klein's book No Logo: *Taking Aim at the Brand Bullies*. Its argument runs something like this. In the new global economy, brands represent a

huge proportion of the value of a company and, increasingly, its biggest source of profits. So companies are switching from showcasing product features to marketing aspirations and the dream of a more exciting lifestyle.

Historically, building a brand was rather simple. A logo was a straightforward guarantee of quality and consistency, or it was a signal that a product was something new. For that, consumers were prepared to pay a premium. Building a brand nationally required little more than an occasional advertisement on a handful of television or radio stations showing how the product tasted better or drove faster. There was little regulation. It was easy for brands such as Coca-Cola, Kodak and Marlboro to become hugely powerful. Because shopping was still a local business and competition limited, a successful brand could maintain its lead and high prices for years. A strong brand acted as an effective barrier to entry for competing products. Consumers are now bombarded with choices. They are also harder to reach. They are busier, more distracted and have more media to choose from. They are "commercials veterans" experiencing up to 1,500 pitches a day. They are more cynical than ever about marketing and less responsive to messages to buy. Jonathan Bond and Richard Kirshenbaum, authors of Under The Radar - Talking To Today's Cynical Consumers, say "some of the most cynical consumers are the young". Nearly half of all US college students have taken marketing courses and know the enemy. For them, shooting down advertising has become a kind of sport.

Marketers have to take some of the blame. While consumers have changed beyond recognition, marketing has not. Even in the USA, home to nine of the world's ten most valuable brands, it can be a shockingly old-fashioned business. Marketing theory is still largely based on the days when Procter and Gamble's brands dominated the USA, and its advertising agencies wrote the rules. Those rules focused on the product and where to sell it, not the consumer. The new marketing approach is to develop a brand not a product – to sell a lifestyle or a personality, to appeal to emotions. (It is a much harder task than describing the features and benefits of a product.) However, brands of the future will have to stand for all this and more. Not only will they need to be a stamp of product quality and a promise of a more desirable lifestyle but they will also have to project an image of social responsibility.

100. What does the text mainly discuss?

- a/ The past and the development of marketing brands.
- b/ American brands
- c/ Marketing brands in America and Europe.
- d/ Consumers

101. Which one of the following are brands not guilty of doing?

- a/ Endangering our health
- b/ Damaging our environment
- c/ Harming our children
- d/ Forcing us to be different

102. Which of the following words is a synonym for the word "grim" in line 4?

a/ weird

b/ harsh

c/ strange

d/ old

103. In the passage, which one of the following statements is true?

a/ In the past, brands needed to advertise a lot to be successful

- b/ There was plenty of regulation
- c/ Brands were developed for the international market
- d/ In the past a logo guaranteed quality and consistency

104. In the text, who or what are busier or more distracted?

- a/ brands
- b/ consumers
- c/ companies
- d/ advertising

105. According to the text, what today is considered as an old-fashioned business?

- a/ Procter and Gamble
- b/ Marketing and its theory
- c/ Advertising Agencies
- d/ Products

106. According to the text, which of the following is not a new marketing approach?

- a/ to develop a brand
- b/ to develop a product
- c/ to sell a lifestyle or personality
- d/ to appeal to emotions

Questions 107-113

The nation was in shock. David Beckham, Britain's most beautiful (and skilful) footballer emerged from his house on Monday morning to allow the world to photograph a wound above his left eye. Sir Alex Ferguson, manager of his then team Manchester United, had lost his temper after a defeat and kicked a football boot, which hit the Beckham eyebrow. In sports, more than in most businesses, the management tactics are out in the open for all to see. Not many managers try to strangle their subordinates – as Bobby Knight, a former basketball coach at Indiana University, once did. But the ability to inspire fear has always been an essential tool of management.

Lots of successful chief executives rule by terror. None, it must be said, reaches the standard set by John Patterson, who built NCR early in the 20th century. "When a man gets indispensable, let's fire him," he would apparently say. One NCR executive discovered he had been fired when he found his desk and chair in flames on the company lawn. Modern laws on constructive dismissal and employee harassment have put an end to such fun. However, terror in the workplace is making a comeback these days. In an economic upswing, fear goes underground. Workers are scarce, and therefore powerful; bosses must handle the talent with care. When times turn tough, the balance of power swings. As Hank Paulson, chairman of Goldman Sachs, put it, in a speech that upset his staff, "in almost every one of our businesses, there are 15-20% of the people that really add 80% of the value." In other words 80-85% are largely redundant – and had better shape up fast.

Does fear really motivate? "In sport", says Scott Snook, who teaches organizational behaviour at Harvard Business School, "fear can become a barrier to taking risks, yet can provide the

essential emotional kick needed to meet a challenge." Coaches need to strike the right balance (and the right player?) in order to develop talent.

Yet used in the boardroom, fear can be disastrous. Tony Couchman, a headhunter at Egon Zehnder in London, recalls the board of a large firm with a chief executive who so dominated his directors that they rarely questioned or challenged him. "Success in such a company depends on having a great leader and a steady market," he argues.

Jim Collins, author of a book that explains why some firms succeed in making the jump "from good to great" and others fail, found that the approach to fear was a key distinction among firms that he surveyed. He found that in the truly successful firms people were "productively neurotic". At Microsoft, for example, employees worry all year at the prospect of their annual meetings with Bill Gates, where even being shouted at would not hurt as much as seeming to be an idiot.

The driving fear of failure, points out Mr Collins, is not unique to corporate life. "I'm self-employed, and I live with constant fear" he says. "But I'm self-afraid." That kind of fear is common among creative artists and also in professional services where the person is the product and lots of fragile egos have to be managed.

107. What does the text mainly discuss?

- a/ Violence in sport
- b/ Fear and management
- c/ Chief Executives
- d/ Sport and its players

108. According to the text, what had happened to David Beckham after a football match?

- a/ Sir Alex Ferguson had kicked David Beckham in the eye.
- b/ Sir Alex Ferguson had kicked a football boot which hit David Beckham above his eye.
- c/ Sir Alex Ferguson had thrown a football boot at David Beckham's eye.
- d/ Sir Alex Ferguson had kicked David Beckham in his foot.

109. According to the text which one of the following statements is true?

- a/ An NCR executive set fire to his desk and chair.
- b/ These days workers are plentiful and therefore more powerful.
- c/ On one occasion a basketball coach attempted to strangle a subordinate.
- d/ The Chairman of Goldman Sachs made a speech which his staff adored.

110. The word "kick" in line 22 is closest in meaning to

a/ stimulation

b/ tap

c/ hit

d/ support

111. According to Scott Snook, which of the following is not true about fear?

a/ it can help you take risks

b/ it can help you meet a challenge

c/ it can provide an emotional kick

d/ it can become a barrier

112. According to Tony Couchman, why can using fear in the boardroom be disastrous?

- a/ Because there isn't a steady market.
- b/ Because headhunters may be present.
- c/ Because the boardroom is too large
 - d/ Because directors may rarely challenge or ask questions to the Chief Executive.

113. Which of the following statements is not true about Jim Collins?

a/ He has surveyed different companies.

b/ He is a self-employed author.

c/ He is often afraid.

d/ He found that in all large firms the employees were "productively neurotic".

Questions 114-120

It may seem an exaggeration to describe the scandal overwhelming Royal Ahold as "Europe's Enron" – but in many ways it is true enough. Certainly, the world's third biggest food retailer, after Wal-Mart and Carrefour, presents none of the financial risks of Enron, which was both deeply in debt and the world's largest electricity giant. That apart, the similarities between the former Texan power house and the Dutch retailer are striking, from the very bad corporate governance, aggressive earnings management and accounting "irregularities" to auditors whose role must be called into question.

Now, at least, Europeans should stop believing that corporate wrong-doing is a US problem that cannot occur in the old continent. Instead, they should fix their own corporate governance and accounting problems.

On 24 February 2003, Ahold announced the resignation of its chief executive and finance director after findings that it had overstated its profits by more than 463 m euros (\$500m). Its market valued plunged by 63 per cent that day, to 33bn euros. In late 2001, it exceeded 30bn euros. Ahold is now under investigation by various authorities, including the Securities and Exchange Commission (SEC) in the USA.

Rather like Kenneth Lay at Enron, and Dennis Kozlowski at Tyco, another scandal-hit US firm, Ahold's now-departing boss, Cees van der Hoeven, won a huge reputation from turning a dull company into a growth machine. Investors applauded long after they should have started asking hard questions. When eventually they did ask them, his anger and pride became quickly apparent and he refused to answer.

The 463m euros overstatement is due primarily to Ahold's US Foodservice unit, which supplies food to schools, hospitals and restaurants, although there are also issues over its Disco subsidiary in Argentina and several other units. This has led some observers to say that this is less a European problem than yet another US accounting failure. Such a claim absolves Ahold's bosses of responsibility for their acquisitions and dishonesty and ignores the persistent, firm-wide tendency to test the limits of acceptable accounting.

Most firms that buy in bulk - including such admired retailers as Wal-Mart and Tesco – get discounts from suppliers if they meet sales targets. The issue is how those rebates are accounted for. The accepted practice is to wait until the targets are met. Failing firms, such as now bankrupt Kmart, food distributor Flemming and now Ahold appear to have booked these rebate payments before they were earned.

What of Ahold's auditor? Although the problems were uncovered, it should have done so much earlier, says Lynn Turner, a former chief accountant at the SEC.

114. What type of company is Royal Ahold?

- a/ An electricity company
- b/ An audit company
- c/ A food retailer
- d/ A bank

115. Which of the following similarities between Enron and Ahold is not mentioned in the text?

- a/ Poor business management
- b/ Assertive profit management policies
- c/ Irregularities in auditing
- d/ Highly skilled directors

116. According to the text, what should European companies do?

- a/ Buy in bulk
- b/ Follow the American example into being a successful company.
- c/ Fix their own problems and stop believing the problems are just in America.
- d/ Become more aggressive in business.

117. Why did the shareholders admire Cees van der Hoeven?

- a/ Because he was the boss.
- b/ Because he resigned from the company.
- c/ Because he was Dutch.
- d/ Because his policies made huge profits for the company

118. Which of Ahold's acquisitions is mentioned in the text?

- a/ Disco in Argentina.
- b/ Wal-Mart in America
- c/ Tesco in England
- d/ Kmart in South Africa

119. How did Foodservice overstate its sales?

- a/ It bought too much in bulk
- b/ It factored in discounts before targets had been met
- c/ It failed to meet targets
- d/ It failed to get discounts

120. According to the text, which one of the following statements is not true?

- a/ Tesco buy in bulk
- b/ Tyco was another scandal-hit U.S firm
- c/ Kmart is now bankrupt
- d/ Lynn Turner is a chief accountant at the SEC

Answers

- 1. Answer: a/ to post
- 2. Answer: b/ had it mended
- 3. Answer: c/ am used to
- 4. Answer: d/ may have arrived
- 5. Answer: a/ for five years
- 6. Answer: a/ to discuss
- 7. Answer: d/ much
- 8. Answer: b/ anywhere
- 9. Answer: a/ at
- 10. Answer: d/ to seeing
- 11. Answer: b/ shouting
- 12. Answer: c/ has lived
- 13. Answer: a/ will buy
- 14. Answer: a/ in staying
- 15. Answer: d/ least
- 16. Answer: a/ hadn't been waiting long
- 17. Answer: b/ seeing
- 18. Answer: b/ were coming to the party
- 19. Answer: c/ will have been
- 20. Answer: a/ was able to
- 21. Answer: b/ on his own
- 22. Answer: a/ will have made
- 23. Answer: a/telling
- 24. Answer: b/ even though
- 25. Answer: a/ to
- 26. Answer: c/ had done
- 27. Answer: b/ were shown
- 28. Answer: b/ By giving in to
- 29. Answer: a/ could they open the champagne and celebrate.
- 30. Answer: b/ did the board sack the culprits
- 31. Answer b/ it's

32. Answer b/ furnitures

- 33. Answer: a/company
- 34. Answer: c/ will find out
- 35. Answer: b/ advices
- 36. Answer: c/ grew
- 37. Answer: a/ explained
- 38. Answer: a/ others
- 39. Answer: c/ have
- 40. Answer: b/ accusing
- 41. Answer: a/ every employees

42. Answer: b/ to make

- 43. Answer: c/ much
- 44. Answer: a/ is thinking
- 45. Answer: b/ april
- 46. Answer: a/ As

- 47. Answer: b/ more easy
- 48. Answer: c/ is
 - 49. Answer: a/ Most the
 - 50. Answer: c/ weigh
 - 51. Answer: c/ reduce
 - 52. Answer: c/ to held
 - 53. Answer: d/ travel
- 54. Answer: a/ years
- 55. Answer: a/ has flew
- 56. Answer: a/ They had realised
 - 57. Answer: c/ the Germany
 - 58. Answer: c/ the sells
- 59. Answer: a/ Japan authorities
 - 60. Answer: b/ by
- 61. Answer: a/ nipped out
- 62. Answer: d/ tolerant
- 63. Answer: c/ difficult
- 64. Answer: a/bill
- 65. Answer: b/ buy
- 66. Answer: b/ turned down
- 67. Answer: a/employ
- 68. Answer: c/ forked out
 - 69. Answer: b/ handles
- 70. Answer: a/ huge
- 71. Answer: c/ to do away with
- 72. Answer: b/ stunned
- 73. Answer: b/ surname
- 74. Answer: c/ nose dive
- 75. Answer: a / bedlam
- 76. Answer: a/kicked off
- 77. Answer: b/ drinks
- 78. Answer a/ frugal
- 79. Answer a/ squabbling
- 80. Answer: b/ intimidating
- 81. Answer: a/ sociable
- 82. Answer: b/ pressure
- 83. Answer: a/ dished out
- 84. Answer: b/ corporation
- 85. Answer: d/ trendy
- 86. Answer: c/ bewildered
- 87. Answer: d/ grab
- 88. Answer: a/ shouted

- 89. Answer: b/ overwrought 90. Answer: a/ marginally
 - 91. Answer: a/ The three different sales strategies.
 - 92. Answer: b/ the consultative approach
 - 93. Answer: d/ too many organisations are content with a narrative approach
 - 94. Answer: b/ essentially
 - 95. Answer: c/fairly
 - 96. Answer: a/ adapted to
 - 97. Answer: a/ The salesperson must find out a lot of information from the customer
 - 98. Answer: c/ reliable and accurate
 - 99. Answer: d/ salespeople use standardised methods
 - 100. Answer: a/ The past and the development of marketing brands.
 - 101. Answer d/ Forcing us to be different
 - 102. Answer: b/ harsh
 - 103. Answer: d/ In the past a logo guaranteed quality and consistency
 - 104. Answer: b/ consumers
 - 105. Answer: b/ Marketing and its theory
 - 106. Answer: b/ to develop a product
 - 107. Answer: b/ Fear and management
 - 108. Answer: b/ Sir Alex Ferguson kicked a football boot which hit David Beckham above his eye.
 - 109. Answer: c/ On one occasion a basketball coach attempted to strangle a subordinate.
 - 110. Answer: a/ stimulation.
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 - 120. Answer: d/ Lynn Turner is a chief accountant at the SEC