

BUSINESS ENGLISH CERTIFICATE

Higher

Reading

SAMPLE TEST 2

Time 1 hour

INSTRUCTIONS TO CANDIDATES

Do not open this question paper until you are told to do so.

Write your name, centre number and candidate number on your answer sheet if they are not already there.

Read the instructions for each part of the paper carefully.

Answer all the questions.

Read the instructions on the answer sheet.

Mark your answers on the answer sheet. Use a pencil.

You **must** complete the answer sheet within the time limit.

At the end of the test, hand in both this question paper and your answer sheet.

INFORMATION FOR CANDIDATES

There are 52 questions in this paper.

Each question carries one mark.

PART ONE

Questions 1 – 8

- Look at the statements below and at the five paragraphs from an article about human capital management.
- Which paragraph (**A, B, C, D** or **E**) does each statement **1 – 8** refer to?
- For each statement **1 – 8**, mark one letter (**A, B, C, D** or **E**) on your answer sheet.
- You will need to use some of these letters more than once.
- There is an example at the beginning, (**0**).

Example:

0 Many companies need to provide customer-facing staff round the clock.

0	A	B	C	D	E
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 1** Making a saving could prove crucially important in some instances.
- 2** A distinction must be made between two requirements.
- 3** Data drawn from different departments can give a useful overview.
- 4** Companies will only thrive if they deploy their workforce effectively.
- 5** Close examination shows that a belief is unfounded.
- 6** Reliance on a particular tool may lead to a false conclusion.
- 7** A particular method should be used to reveal underlying inefficiencies.
- 8** Organisations sometimes fail to take advantage of available resources.

Human Capital Management

Using software to optimise workforce management

- A** In an increasingly service-orientated global economy, more and more organisations have to have large numbers of employees covering frontline roles 24 hours a day. For those organisations, the workforce accounts for a large proportion of costs. The way it is managed and utilised is a critical success factor and fundamental to profitability and growth. Managers can ensure that the large workforces on which they depend remain motivated and productive, but this can only be achieved by facilitating closer collaboration between operations, HR and IT professionals within the organisation.
- B** Workforce management software exists which integrates with finance and payroll systems, providing a comprehensive picture of human resources. Using it properly enables organisations to take a more holistic approach to the way they contract with and optimise the time of their employees. This approach is often described as 'human capital management'. Surprisingly, many organisations already have much of this functionality or, at least, the potential to develop it within their existing software systems. However, this doesn't always happen, largely due to poor internal collaboration, especially between the operations, HR and IT functions of the organisation.
- C** When trying to achieve the most efficient and economic deployment of people, it's vital to remember that efficiency and economy are not necessarily the same thing. Having the right number of people working is one aspect, but rates of pay must also be taken into account. The key is to get a cross-functional team working on the way labour costs are measured and controlled. Budget variance reports must be used with caution – just because a department is below budget, it does not mean that the workforce is being managed as effectively as possible.
- D** A more sophisticated approach requires information in the payroll system, such as time and attendance records and wage payments, to be combined with information in operational systems, such as service requirements. This allows for the analysis of planned and actual expenditure and enables managers to drill down and discover reasons for overspending. Even well-managed organisations have shaved 1–2% off labour costs with this approach. That may – not seem much, but in the current climate it can mean the difference between profit and loss for labour-intensive companies.
- E** Many organisations think they know what their optimum workforce is, but reviewing the data often exposes false assumptions based on outdated methods of assessing resourcing levels. Only when the organisation understands the dynamics of its labour expenditure will it be in a position to move towards 'workforce optimisation'. This is a more strategic challenge and demands a greater input from the HR function. Changes of many kinds can be made that lead to a more flexible, satisfied workforce with resulting improvements in service performance.

PART TWO

Questions 9 – 14

- Read the article below about finding business premises.
- Choose the best sentence from the opposite page to fill each of the gaps.
- For each gap **9 – 14**, mark one letter (**A – H**) on your answer sheet.
- Do not use any letter more than once.
- There is an example at the beginning, **(0)**.

Finding a workplace

Now that you are in business, you will need a decent workplace. For most companies, property is the second-highest overhead, after staff, and in a smaller company it can be the highest. But frequently people do not treat the issue of finding the right workplace with the respect it deserves. In doing so, they expose themselves to all sorts of liabilities.

Perhaps the first step is to decide whether you are going to rent or buy. Not many start-ups buy a property. **(0)***H*..... Buying commercial property can be a great investment, but now is probably not the time to do it.

That leaves a choice between a long-term lease and serviced accommodation. This is a question of balancing cost against flexibility. With serviced offices, all your outgoings – rent, business rates, bills, repairs and furnishings – are generally wrapped up into a monthly charge. **(9)** With a conventional leasehold, on the other hand, the main benefits are lower outgoings and the opportunity to fit out the property in line with your needs.

Finding the right home for your business is not the same as choosing a place to live. **(10)** If you are a retailer, clearly, you will want to find a spot on the high street, but if yours is an office-based business,

location is far less critical. You need to have a clear idea of what your requirements are, in terms of size, facilities, infrastructure and planning consents. Size is a difficult issue for any growing business. As a rough guide, you need about 6 square metres per person in a call centre, and 12–13 square metres per person in an office environment. **(11)** Business parks and industrial estates often have the advantage that they can provide room to expand when you need it.

Now to the thorny business of the lease itself and its negotiation. **(12)** So don't make that mistake. Show that you are a sound bet, with references, accounts, bankers and so on. The landlord may only be concerned about the rent, but if you make your company attractive, the landlord is far more likely to negotiate a lease on equitable terms.

You can sometimes get money off by negotiation, but it is often better to get the other terms right. **(13)** Since the late 1980s, typical periods have come down from 20 years or more to an average of 6.4 years today. However, longer leases can be more appealing to industrial businesses. **(14)** Also, the capital outlay for fitting out can be written down over a longer period.

Example:

0	A	B	C	D	E	F	G	H
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- A** The trick is to allow for how it's all going to look in two or three years' time.
- B** However, there is a premium to pay, which is the landlord's profit.
- C** And your workplace can also play an important part in your company image.
- D** This is because moving plant and machinery can be extremely costly.
- E** If residential property is all about location, with commercial property a more subtle mix of factors comes into play: location, specification, negotiation.
- F** Do not be persuaded into taking a long lease without breaks.
- G** Unfortunately, businesses almost invariably neglect to market themselves.
- H** They do not want to commit to a long-term mortgage at a time of great uncertainty.

PART THREE

Questions 15 – 20

Read the following article about good leadership in business, and the questions on the opposite page.

For each question 15 – 20, mark one letter (A, B, C or D) on your answer sheet for the answer you choose.

There has been a trend in recent years for companies to take 'expert' advice on a variety of core business matters such as mission statements, values, and corporate and social responsibility policies and strategy. In many cases, however, companies go well beyond legitimate and desirable benchmarking or acquiring critical knowledge. What they do may even amount to the outsourcing of the management thought process and of management's engagement with staff and others. In my opinion, this is unhealthy, because it tends to remove managers from the effects of their actions. The role of management – despite, or maybe because of, the increasing complexity of business – is to provide the flexible glue that holds together all the pieces that make up an organisation and its environment, from shareholders to staff, and from competitive forces to markets.

To be the glue in this context, leaders need significant abilities. They include the normally touted skills, such as clear communication – although many firms outsource control of their communications to a public relations agency, which ends up writing the script. But perhaps more important is the often neglected skill of understanding the complex interplay between interested groups of people. This encompasses an ability to understand their strategic interests as well as reading the individuals that you're dealing with – and having the personal and interpersonal skills to get results.

Such astuteness is not about doing enough staff surveys or producing lots of newsletters – although these have their place. It's about management teams having empathy for the groups they work with. Such understanding of the character of an organisation is vital and provides a solid base for progress. If managers have an in-depth understanding of the issues that interest, bother or motivate their staff, they will be far more successful at engaging people to

respond to the future challenges of the organisation. As a result, progress is more likely to include the majority than the minority.

Every company has a character that is a product of its history and its current staff, a set of underlying values and behaviours which may not coincide with those claimed in the annual report. Often, these emerge in times of stress – they provide the default position when people are being made redundant or pension plans are being changed. Understanding this is vital. Woe betide any manager who can't sense how an organisation is feeling.

Such deep values can change, but this rarely happens by revolution. For most organisations, it is evolution – often gentle but persistent – that is likely to carry change further. Too many managers write a decisive 'big change' board paper rather than a potentially far more effective recommendation for incremental progress. Regardless of whether it's incremental or sudden, though, change – and hopefully progress – is more likely to be effective and take hold if the leaders of an organisation understand and are sensitive to the underlying values. For me, this is a way in which leaders can be most valuable: by appraising the shifting behaviour of interacting groups of people when they are made uncomfortable.

The mistake is for company leaders to base every pronouncement on the indexing of staff attitudes, corporate social responsibility benchmarking and a multitude of CEO blogs and corporate communications. In my view, leadership is about judgement and about being respectful to existing values. Leadership decisions may be manifested in a speech or even a blog, but the communication must be the consequence of a management team's thoughts and deliberations. Formulaic and clumsy responses are just no use.

- 15 What does the writer criticise in the first paragraph?
- A a lack of consistency in styles of outsourcing
 - B the attitude of some managers towards outsourcing
 - C over-reliance by management on consultants
 - D the increasing emphasis on such issues as mission statements
- 16 What opinion does the writer express in the second paragraph?
- A The skills that are most useful to managers are often undervalued.
 - B The strategic interests of different groups often conflict with each other.
 - C The best advice on communications comes from public relations agencies.
 - D The ability to communicate effectively in writing is essential for managers.
- 17 According to the third paragraph, understanding the character of the organisation helps managers to
- A produce good quality internal communications.
 - B identify the best way to consult the staff.
 - C ensure they employ the most suitable staff.
 - D gain staff co-operation in a changing environment.
- 18 What point is made about company culture in the fourth paragraph?
- A It should be presented accurately in the annual report.
 - B It can be seen in the employees' responses to problems.
 - C It is more strongly influenced by managers than other staff.
 - D It may help to minimise the effects of stress.
- 19 What does the writer suggest in the fifth paragraph about introducing change?
- A It is important to make the reasons for the change clear.
 - B Companies often choose inappropriate ways of doing it.
 - C Everyone who will be affected should be consulted first.
 - D Values are most often changed by external influences.
- 20 According to the last paragraph, leaders should
- A consider not only the message but also the style of delivery.
 - B absorb information from many sources before making decisions.
 - C think carefully about whether changes are necessary.
 - D select the best medium for announcing changes.

PART FOUR

Questions 21 – 30

- Read the extract below from the annual report of an oil exploration company.
- Choose the correct word to fill each gap from **A, B, C** or **D** on the opposite page.
- For each question **21 – 30** mark one letter (**A, B, C** or **D**) on your answer sheet.
- There is an example at the beginning, **(0)**.

Tenex Oil – Annual Report

At Tenex our strategy of **(0)** growth both from the production base and from high-potential exploration is backed by a solid financial position. Existing cash **(21)** , bank borrowing facilities and strong cash flows will allow us to fund existing and new development projects. Our year-end net cash position of US\$79.0 million **(22)** strong cash generation and a disciplined **(23)** to expenditure.

Our professionals use the latest technological tools to keep us at the forefront of the industry and we employ the best available specialists in all of the projects that we **(24)**

We manage our portfolio to ensure that our focus is on the best prospects. For our development projects, we consider all the possible options, including appropriate new technology and **(25)** the range of possible outcomes before selecting the optimal design.

We **(26)** considerable value on the creativity of our geologists, geophysicists and engineers. It is this that enables us to work in previously overlooked regions, so that, **(27)** with new scientific concepts, innovative technologies and state-of-the-art equipment, we can operate in such regions more successfully than in the past.

Tenex aspires to be an industry leader in social performance, which covers the areas of social responsibility, health and safety, and environmental impact. Our **(28)** policy is to ensure that the risks and impacts of our activities are reduced to 'as low as reasonably practicable' at all times. We fix targets with **(29)** to our historical performance, the performance of our peer group and standards **(30)** by external agencies.

Example:

A delivering **B** placing **C** sending **D** carrying

0	<input checked="" type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
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21 **A** property **B** means **C** possessions **D** resources

22 **A** expresses **B** reflects **C** points **D** proposes

23 **A** approach **B** system **C** method **D** process

24 **A** commit **B** engage **C** participate **D** undertake

25 **A** think **B** assess **C** suppose **D** conclude

26 **A** lie **B** rest **C** place **D** leave

27 **A** assigned **B** dispensed **C** armed **D** protected

28 **A** stated **B** described **C** outlined **D** explained

29 **A** mention **B** concern **C** connection **D** reference

30 **A** asked **B** set **C** made **D** met

PART FIVE

Questions 31 – 40

- Read the article below about team-building training courses.
- For each question **31 – 40**, write one word in CAPITAL LETTERS on your answer sheet.
- There is an example at the beginning, **(0)**.

Example:

0	D	O						
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**Team-
building
keeps staff
on side**

If you're asked to organise a team-building course, the first thing to **(0)** is to decide what you hope to achieve. Secondly, plan for the follow-up.

Courses to improve communication and boost morale are **(31)** the increase. A company called GRY, for example, has recently started offering open-air courses which seek to bring **(32)** barriers and build trust. Company founder Henry Blackwell says: 'It goes without saying that team-building events are popular with participants, but, in my experience, nearly **(33)** motivational weekends treat the symptoms of a problem, **(34)** the root cause. Research has highlighted that 94 percent of employees aren't doing what they want to be doing in their work. Unless organisations tackle this issue, investment in team-building will be ineffective.'

Piers Lawson, director of A-Event, agrees: 'It can be difficult to treat a problem that is deep-rooted, but if a company is serious about rebuilding a team, particularly **(35)** that involves a group of managers or people who work in the same department, we have contacts who can assist.' However, he admits that the majority of clients simply require a fun day or weekend during **(36)** staff can get to know their colleagues outside the office. Piers points out that in the past, by **(37)** the most significant indicator of a company's success **(38)** its financial resources, but this has now shifted to its employees: 'It's about attracting **(39)** right talent and ensuring these people learn to work as a team. You also have to decide what the team should be doing after the event that they are not doing now, and set your budget some time **(40)** you think about seeking quotes from course providers.'

PART SIX

Questions 41 – 52

- Read the text below about winning new customers.
- In most of the lines 41 – 52 there is one extra word. It is either grammatically incorrect or does not fit in with the meaning of the text. Some lines, however, are correct.
- If a line is correct, write **CORRECT** on your answer sheet.
- If there is an extra word in the line, write **the extra word** in CAPITAL LETTERS on your answer sheet.
- The exercise begins with two examples, (0) and (00).

Examples: 0 U N L E S S

 00 C O R R E C T

Winning new customers

0 New customers are the oxygen every business needs to grow. But unless customer
00 acquisition remains an enigma to many business owners: they just don't
41 know where to start when it comes to try finding new customers. The problem many
42 have is that after they exhaust their contact base and then do not know where
43 to go next. Word of mouth will only get you so far. You need take a strategic
44 approach. Getting new clients often depends on understanding your existing ones first.
45 Only by then, once you've analysed the real motivation of each of your customers,
46 can you acquire new ones. And that is where many businesses go out wrong. They
47 are so busy scanning the horizon for new prospects, they equally fail to look at existing
48 relationships. So, do research into customers' buying patterns and learn from it
49 marketing campaigns that have been successful. Realisation of what makes customers to
50 tick will give you insights into the new market you are aiming at. Put yourself
51 in the place of being the customer – what sales message would you want to hear? Of
52 course it is rarely easy, but if by looking at your business with the eyes of a customer,
you are better prepared to expand your market.

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