

# Test 1

## READING 1 hour

### PART ONE

#### Questions 1–8

- Look at the statements below and at the five reports about companies on the opposite page.
- Which company (**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.

**Example:**

**0** This company has expanded considerably since last year.

<b>0</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
□	■	□	□	□	□

- 1 This company has been involved in diversifying its business activities.
- 2 Although this company is doing well, it has a number of internal difficulties to deal with.
- 3 This company has reduced the profits it makes on individual items.
- 4 One statistic is a less accurate guide to this company's performance than another.
- 5 The conditions which have helped this company are likely to be less favourable in the future.
- 6 This company's share price has been extremely volatile over the last twelve months.
- 7 This company is likely to be the subject of a takeover bid in the near future.
- 8 This company's performance exemplifies a widely held belief.

**A****Chemical Company**

Masterson's interim pre-tax profits growth of 20% was somewhat inflated as a result of the income received from the disposal of several of the company's subsidiaries. The underlying 8% rise in operating profits is a more realistic gauge of the company's true progress. However, Masterson's impending merger with Bentley and Knight and its appointment of a new chief executive should mean that the company will be able to sustain growth for the foreseeable future. The share price has varied little during the course of the year and now stands at £6.75.

**B****Hotel Group**

During the past year the Bowden Hotel Group has acquired 77 new properties, thus doubling in size. Last week the group reported pre-tax profits of £88 million in the first six months of the year, ahead of expectations and helped by a strong performance from its London-based hotels and newly expanded US business. However, there is still some way to go. Integration of the new acquisitions is still not complete and, while the share price has risen recently, major problems with integration have yet to be solved.

**C****High-tech Company**

This time last year a share in Usertech was worth just over £1. Six months ago it was worth £40. Today it is priced at under £8. If proof were needed, here is an illustration of how much of a lottery the technology market can be. But some technology companies are fighting back and Usertech is one of them. What has renewed excitement in the company is the opening of its new American offices in Dallas and its ambitious plans to expand its user base in both North and Latin America.

**D****Building Company**

Renton's share price has risen gradually over the past year from £2.40 to £3.80. The company has been successful in choosing prime locations for its buildings and has benefited from the buoyant demand for housing. Whilst this demand is expected to slow down somewhat during the next year, investors are encouraged by the company's decision to move into building supermarkets. Work has already begun on two sites in London, and the company is expected to sign a contract within the next month for building four large supermarkets in Scotland.

**E****Pottery Manufacturer**

Milton Dishes has been through a shake-up over the past year. The group, which has been cutting margins and improving marketing, may post a small profit this year. The many members of the Milton family, who between them own 58 per cent of the business, have been watching the share price rise steadily and several are looking to sell. Trade rival Ruskin has bought up just over 17 per cent of the shares and could well be spurred into further action by the signs of a recovery at the firm.

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**PART TWO**

**Questions 9–14**

- Read this text about career-planning services.
- Choose the best sentence from the opposite page to fill in 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).

## Your career path can lead you anywhere

We used to be advised to plan our careers. We were told to make a plan during the later stages of our education and continue with it through our working lives. (0)...H... Some people still see careers in this way. However, to pursue a single option for life has always been unrealistic.

Planning for a single career assumes that we set out with a full understanding of our likes and dislikes and the employment opportunities open to us. ....(9).... For most people this degree of certainty about the future does not exist.

Our initial choice of career path and employer is often based on inadequate knowledge and false perceptions. But with age and experience, we develop new interests and aptitudes and our priorities alter. The structure of the employment market and, indeed of employment itself, is subject to change as both new technologies and new work systems are introduced. ....(10).... We must face the uncertainties of a portfolio career.

It is clear from the recent past that we cannot foresee the changes which will affect our working lives. The pace of change is accelerating, as a

result of which traditional career plans will be of very limited use. ....(11).... They will need updating to reflect changes in our own interests as well as in the external work environment. Flexible workers already account for about half the workforce. ....(12).... We are likely to face periods as contract workers, self-employed freelancers, consultants, temps or part-timers.

Many employers encourage staff to write a personal development plan (PDP). ....(13).... Although some people use it only to review the skills needed for their job, a PDP could be the nucleus of a wider career plan – setting out alternative long-term learning needs and a plan of self-development.

A report issued by the Institute of Employment Studies advises people to enhance their employability by moving from traditional technical skills towards the attainment of a range of transferable skills. ....(14).... Instead, special schemes should be established to encourage people to examine their effectiveness and to consider a wider range of needs.

Example:

<b>0</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	<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** This dual effect means that the relationship between employers and workers has evolved to such an extent that we can no longer expect a long-term relationship with one employer.
- B** It carries an implicit assumption that we ourselves, and the jobs we enter, will change little during our working lives.
- C** This growth suggests that a career plan should not be expressed only in terms of full-time employment but should make provision for the possibility of becoming one of them.
- D** This is a summary of one's personal learning needs and an action plan to meet them.
- E** Consequently, they must now accommodate a number of objectives and enable us to prepare for each on a contingency basis.
- F** However, it warns that employers often identify training needs through formal appraisals, which take too narrow a view of development.
- G** Such a freelance or consultant would be constantly in demand.
- H** We were expected to work towards that one clear goal and to consider a career change as a bad thing.

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**PART THREE**

**Questions 15–20**

- Read the following article on negotiating techniques and the questions on the opposite page.
- For each question (15–20), mark one letter (A, B, C or D) on your Answer Sheet.

## The Negotiating Table

You can negotiate virtually anything. Projects, resources, expectations and deadlines are all outcomes of negotiation. Some people negotiate deals for a living. Dr Herb Cohen is one of these professional talkers, called in by companies to negotiate on their behalf. He approaches the art of negotiation as a game because, as he is usually negotiating for somebody else, he says this helps him drain the emotional content from his conversation. He is working in a competitive field and needs to avoid being too adversarial. Whether he succeeds or not, it is important to him to make a good impression so that people will recommend him.

The starting point for any deal, he believes, is to identify exactly what you want from each other. More often than not, one party will be trying to persuade the other round to their point of view. Negotiation requires two people at the end saying 'yes'. This can be a problem because one of them usually begins by saying 'no'. However, although this can make talks more difficult, this is often just a starting point in the negotiation game. Top management may well reject the idea initially because it is

the safer option but they would not be there if they were not interested.

It is a misconception that skilled negotiators are smooth operators in smart suits. Dr Cohen says that one of his strategies is to dress down so that the other side can relate to you. Pitch your look to suit your customer. You do not need to make them feel better than you but, for example, dressing in a style that is not overtly expensive or successful will make you more approachable. People will generally feel more comfortable with somebody who appears to be like them rather than superior to them. They may not like you but they will feel they can trust you.

Dr Cohen suggests that the best way to sell your proposal is by getting into the world of the other side. Ask questions rather than give answers and take an interest in what the other person is saying, even if you think what they are saying is silly. You do not need to become their best friend but being too clever will alienate them. A lot of deals are made on impressions. Do not rush what you are saying – put a few hesitations in, do not try to blind them with your verbal dexterity. Also, you should repeat back to them

what they have said to show you take them seriously.

Inevitably some deals will not succeed. Generally the longer the negotiations go on, the better chance they have because people do not want to think their investment and energies have gone to waste. However, joint venture can mean joint risk and sometimes, if this becomes too great, neither party may be prepared to see the deal through. More common is a corporate culture clash between companies, which can put paid to any deal. Even having agreed a deal, things may not be tied up quickly because when the lawyers get involved, everything gets slowed down as they argue about small details.

Dr Cohen thinks that children are the masters of negotiation. Their goals are totally selfish. They understand the decision-making process within families perfectly. If Mum refuses their request, they will troop along to Dad and pressurise him. If all else fails, they will try the grandparents, using some emotional blackmail. They can also be very single-minded and have an inexhaustible supply of energy for the cause they are pursuing. So there are lessons to be learned from watching and listening to children.

- 15 Dr Cohen treats negotiation as a game in order to
- A put people at ease.
  - B remain detached.
  - C be competitive.
  - D impress rivals.
- 16 Many people say 'no' to a suggestion in the beginning to
- A convince the other party of their point of view.
  - B show they are not really interested.
  - C indicate they wish to take the easy option.
  - D protect their company's situation.
- 17 Dr Cohen says that when you are trying to negotiate you should
- A adapt your style to the people you are talking to.
  - B make the other side feel superior to you.
  - C dress in a way to make you feel comfortable.
  - D try to make the other side like you.
- 18 According to Dr Cohen, understanding the other person will help you to
- A gain their friendship.
  - B speed up the negotiations.
  - C plan your next move.
  - D convince them of your point of view.
- 19 Deals sometimes fail because
- A negotiations have gone on too long.
  - B the companies operate in different ways.
  - C one party risks more than the other.
  - D the lawyers work too slowly.
- 20 Dr Cohen mentions children's negotiation techniques to show that you should
- A be prepared to try every route.
  - B try not to make people feel guilty.
  - C be careful not to exhaust yourself.
  - D control the decision-making process.

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**PART FOUR**

**Questions 21–30**

- Read the article below about the methods some companies are now using for recruitment.
- Choose the best 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**).

## The Scientific Approach to Recruitment

When it ....(0).... to selecting candidates through interview, more often than not the decision is made within the first five minutes of a meeting. Yet employers like to ....(21).... themselves that they are being exceptionally thorough in their selection processes. In today's competitive market place, the ....(22).... of staff in many organisations is fundamental to the company's success and, as a result, recruiters use all means at their disposal to ....(23).... the best in the field.

One method in particular that has ....(24).... in popularity is testing, either psychometric testing, which attempts to define psychological characteristics, or ability/aptitude testing. The idea is that testing ....(25).... an organisation with an extra way of establishing a candidate's suitability for a role. It ....(26).... companies to add value by identifying key elements of a position and then testing candidates to ascertain their ability against those identified elements.

The employment of psychometric or ability testing as one ....(27).... of the recruitment process may have some merit, but in reality there is no real ....(28)...., scientific or otherwise, of the potential future performance of any individual. The answer to this problem is experience in interview techniques and a strong definition of the elements of each position to be ....(29).... As the whole recruitment process is based on few real certainties, the instinctive decisions that many employers make, based on a CV and the first five minutes of a meeting, are probably no less valid than any other tool employed in the ....(30).... of recruitment.

**Example:**

A runs

B goes

C approaches

D comes

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

- 21 A suggest B convince C advise D believe
- 22 A worth B credit C quality D distinction
- 23 A secure B realise C attain D achieve
- 24 A lifted B enlarged C expanded D risen
- 25 A provides B offers C contributes D gives
- 26 A lets B enables C agrees D admits
- 27 A portion B member C share D component
- 28 A extent B size C amount D measure
- 29 A occupied B met C filled D appointed
- 30 A business B topic C point D affair



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**PART FIVE**

**Questions 31–40**

- Read the article below about a very expensive new perfume.
- 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 B E E N

## Sweet smell of excess – for just £47,874 a bottle

The marketing says it is the “ultimate symbol of indulgence and truly impeccable taste”. A new scent, named V1, has ....(0).... launched for Christmas – retailing at just £47,874. The makers are proudly promoting it ....(31).... the “world’s most expensive perfume” and are confident of selling the limited edition of 173 bottles – ....(32).... it should be exactly 173 bottles is not made clear in the publicity for the product.

Although carefully priced at just under the £50,000 mark, this perfume is clearly ....(33).... something for anyone who considers £30 too much to pay for a bottle of eau-de-toilette. Those ....(34).... are potential customers will certainly be reassured to learn that a case covered in rubies and diamonds is included free ....(35).... charge. Purchasers are assured of further savings, with unlimited scent

refills guaranteed indefinitely – at no extra cost.

The fragrance is the idea of Arfaq Hussain, a 27-year-old clothes designer who first made a name ....(36).... himself with an air-conditioned jacket he was asked to make by the singer Michael Jackson. ....(37).... far, Mr Jackson is the only person to ....(38).... placed an order – he wants two, according to Mr Hussain.

Mr Hussain is unconcerned at having no previous experience of perfumery. “It’s so ....(39).... more than a perfume – it’s a piece of jewellery, too,” explained Mr Hussain. He attempted to describe the £47,874 sensation. “It is delicate, fragrant and quite unique. When you open the lid, it takes you totally away. It’s just ....(40).... being surrounded by thousands of wild flowers and roses.”

**PART SIX****Questions 41–52**

- Read the text below about team-based pay.
- In most of the lines (41–52) there is one extra word. It is either grammatically incorrect or does not fit in with the sense 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	T	H	A	T				
00	C	O	R	R	E	C	T	

**TEAM-BASED PAY**

- 0 Team-based pay schemes that have been catching the eye of modern employers.
- 00 Supporters say that they encourage group endeavour and improve
- 41 organisational performance. But salespeople, typically the most self-motivated
- 42 of workers, they have traditionally been rewarded according to individual
- 43 performance. So are team-based schemes suitable? The key issue is
- 44 whether team-based pay is more being in line with the organisation's objectives
- 45 than pay which based on individual achievement. Introducing a team pay
- 46 scheme can be complex. The biggest problem is for defining the team in the first
- 47 place. Another is that team pay schemes won't work if the actions of one
- 48 individual make no impact on those of another. You should need a true team,
- 49 like a football team, where all the members are interdependent. When sales staff
- 50 can be less receptive to team pay schemes because personal motivation can
- 51 be an important boost to performance. What they need is their encouragement
- 52 to perceive that the wider team of the company overall: production, administration and despatch all affect each other.