The ETUI-REHS is financially supported by the European Commission
Looking ahead

In this unit you will talk about companies and employers, discuss the relationship of management and unions and study the layout and style of a letter

Vocabulary

- Agreeing and disagreeing
- Business organisation
- Collective bargaining

Grammar

- The present progressive (continuous) tense
Newspaper headlines:

The Daily News

Major Bank announces heavy losses
Business booms at Marks & Spencer as productivity improves
Telefónica plans rationalisation
Redundancies at Glaxo bring talk of industrial action
Netstore introduces job creation scheme
Hercules plc expects to expand into new export markets

Select two of these companies you would like to work for and two companies where you would not like to work. Discuss the reasons for your choice with your colleagues.
WORKING WITH SPEAKING 1

The mixed economy

In many countries with political changes, the ownership of sectors of the economy is now different. As a result of privatisation, some public sector activities are now in the hands of companies owned by shareholders (who may include the state). Some sectors are partly run by state undertakings and partly by private enterprise (mixed sectors).

Exercise 8.1

Place a tick in the box below to indicate the current ownership of the sectors named in your country. Add other sectors if relevant. Then compare your list with that of someone from another country and discuss the results of privatisation and the impact on trade union membership.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Public sector</th>
<th>Private sector</th>
<th>Mixed sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Railways</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telecommunications</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Add other sectors if relevant.
**WORKING WITH VOCABULARY 1**

**Exercise 8.2 Business organisation**

*Read the text below and check that you understand the words in bold.*

Businesses are organised in many different forms, for example: sole-trader; partnership; co-operative; company.

We sometimes use other words instead of company, such as, firm, enterprise and undertaking. The US-English term is corporation.

A large company often consists of a number of interlinked companies and is called a group company or simply a group. The headquarters or head office of the group is at the major company in a group. This company is called the parent company and the other companies in the group are the subsidiary companies or simply the subsidiaries.

Large group companies are often the result of mergers when companies come together by mutual agreement in a permanent way. Sometimes one company acquires a majority of shares in another company and this is a takeover.

Large multinational companies are often formed as a result of these activities.

The name of a company in which shares can be bought and sold on stock exchanges by members of the public is usually followed by the initials PLC (UK), SA (France and Spain) SpA (Italy) and AG (Germany).

Some companies work together for a period of time to carry out a major project together, for example, to build a power-station, this is called a joint-venture.

On the other hand in most economies a lot of people are employed in small and medium sized companies (SMEs). The EU defines businesses as:

- micro – employing fewer than 10 workers;
- small - fewer than 50;
- medium - fewer than 250.

- Which of the forms of business organisation are most common in your country?
- What initials follow the names of major companies in your country?
Complete the table below with some examples of multinational companies that operate in your country.

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Economic sector</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Exercise 8.3  Business organisation

Use the words in the box to complete the sentences below. The first one is shown as an example:

<table>
<thead>
<tr>
<th>merger</th>
<th>corporation</th>
<th>headquarters</th>
</tr>
</thead>
<tbody>
<tr>
<td>shares</td>
<td>takeover</td>
<td>group</td>
</tr>
<tr>
<td>multinational</td>
<td>joint-venture</td>
<td>subsidiaries</td>
</tr>
</tbody>
</table>

1. Rockstore International is a large multinational company. It is a group company.
2. The .................. company is called Rockstore plc.
3. The .................. are in the London.
4. There are ................. all over the world.
5. It has increased in size recently because of the .................. of a major competitor.
6. It was initially formed as a result of a ................. of two companies.
7. Do you know the name of the .................. company which supplies the clothes for the stores ?
8. Ford is a major .................. in the USA.
9. There is the possibility of a .................. with a Japanese company in order to manufacture a new type of engine.
10. Ownership of a company depends on having a majority of the .................. of the company.
WORKING WITH READING 1

Describing a company

Exercise 8.4

Look at the following description of a company and replace each of the words written in italics with an alternative word with the same meaning from the list in the box below.

Founded (1) in 1975, ULTRA is now one of the largest (2) companies in the world. Its headquarters (3) are located (4) in Raleigh, North Carolina, and from here the company controls its operations (5) throughout the world. The principal (6) business of the company (7) is in telecommunications, but it has a range (8) of other interests too.

The annual turnover (9) of the company amounts to (10) many billions of dollars, and despite very hard (11) market conditions, the enterprise was still able to report a rise (12) in profits in the last twelve months of approximately (13) 12%. Unfortunately there has been a downturn (14) in orders for the last three months (15). Restructuring is certain to result in job losses.

Example: Founded = Established

| corporation | decrease | difficult |
|situated     | head offices | activities |
|variety      | revenue     | biggest   |
|last quarter | increase    | established (1) |
|about        | main        | totals    |
WORKING WITH LISTENING 1

Exercise 8.5  The Chairman’s annual report

Listen to an extract from the annual report of the Chairman of a large company and then answer the following questions

1 Fill in the gaps with the words used by the Chairman.
   a) This indeed has been a ............year for our company
   b) We still have some .................several of which I alluded to in last year’s report.
   c) Throughout the past ............months, we developed our ..........business.
   d) Our overall ...............will be to focus on a small number of attractive ...............opportunities.

2 During the past year, did the company make:
   a) more profit than last year?
   b) less profit than last year?
   c) more or less the same profit as last year?

3 Did customer satisfaction increase or decrease last year?

4 How many employees voluntarily left the company last year?

5 How many employees does the company want to lose in total?

6 In what two things is the company investing heavily?

7 Who does the chairman hope will help to improve standards of customer care?

8 Which two things does the chairman expect to increase for next year?

9 Who do you think the chairman is talking to?

10 What key points would you report to your union organisation?
WORKING WITH VOCABULARY 2

Business and management

*Study the ways these words have different functions and are sometimes used with different meanings.*

A. business

to do business (verb)
1. Does your company do business in China? (= buy or sell goods or services).
2. We haven’t done business with the Chinese for many years.

business (noun)
1. The unions sometimes have conflicts with big business (=major enterprises).
2. We have a lot of business to do this morning (=work).
3. In his spare time he doesn’t do union business (=work).
4. I’m sorry I’m not giving you any information this is my business (=my private matter).

B. manage

to manage (verb)
1. The Chief Executive has a responsibility to manage the company on a day to day basis (=to administer).
2. The Chair managed the meeting very well (administered).
3. There was an accident on the road, but I managed to arrive safely (I succeeded in arriving).
4. How are you managing with the discussion in English? -I’m managing OK thanks (I succeeded in understanding).

management (noun)
1. They are in dispute with the management about overtime pay (=the bosses).
2. Her management of the project is very good (=administration/operation).
Exercise 8.6

*With a partner ask each other the following questions and discuss their meaning.*

1. What line of business are you in?
2. How’s your business doing these days?
3. What’s the main business of the meeting today?
4. How easy is it to do business with the new HR Director?
5. How are you managing with your English Course?
6. Did you manage to send John an e-mail?
7. What do you think of the recent management of our project?
8. When’s the next meeting with management?

WORKING WITH SPEAKING 2

Exercise 8.7  Talking about your company

*Prepare the answers to as many of the following questions as are relevant to your situation. If you do not work for a company but you work for a trade union organisation, use the example of a company with which you are familiar.*

*Then describe the company to a colleague or compare your descriptions if you work for the same organisation.*

1. What type of enterprise do you work for?
2. If it is a multinational group company, which is the parent company?
3. Where is the head office?
4. In which countries does the company operate?
5. What does the company manufacture?
6. How was the company formed? (mergers? takeovers?)
7. How many employees are there in total in the group?
8. How many employees are there in your country (and per plant)?
9. What proportion of the workforce are union members?
10. How are industrial relations in your company at the present time?
11. What is the current economic situation of your company?
WORKING WITH LANGUAGE 1

The present progressive (or continuous) tense

As well as the simple present, there is another form of the present tense in English (present progressive, or continuous) which is used to describe action in progress, and incomplete action that has begun but not ended, or a temporary state of affairs. It is also used for future events resulting from a present plan or arrangements (Example: We are having fish for supper tonight).

It consists of the verb to be in the present tense, followed by the main verb, ending in -ing (the present participle).

<table>
<thead>
<tr>
<th>Subject</th>
<th>Form</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>am /I’m</td>
<td>working in Brussels now (temporary)</td>
</tr>
<tr>
<td>you</td>
<td>are /you’re</td>
<td>sending an e-mail (action in progress, incomplete)</td>
</tr>
<tr>
<td>he</td>
<td>is /he’s</td>
<td>watching television (action in progress)</td>
</tr>
<tr>
<td>she</td>
<td>is /she’s</td>
<td>organising a campaign (action in progress, incomplete)</td>
</tr>
<tr>
<td>it</td>
<td>is /it’s</td>
<td>working now (for example, the machine) (action in progress)</td>
</tr>
<tr>
<td>we</td>
<td>are / we’re</td>
<td>meeting this afternoon (future event result of present plan)</td>
</tr>
<tr>
<td>you</td>
<td>are /you’re</td>
<td>leaving on Friday (future event result of present plan)</td>
</tr>
<tr>
<td>they</td>
<td>are /they’re</td>
<td>arriving at five o’clock (future event result of present plan)</td>
</tr>
</tbody>
</table>

Note 1: If the base verb ends in the single letter -e, this final -e is omitted before adding -ing. Example: write > writing.

Note 2: The short form (I’m, she’s etc.) is usually used when you’re talking.
Negative and interrogative forms

For the negative and interrogative forms we use the corresponding forms of the verb “to be” + verb+ing

<table>
<thead>
<tr>
<th>Negative</th>
<th>Negative short forms</th>
<th>Interrogative</th>
<th>Verb+ing</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am not</td>
<td>I’m not</td>
<td>am I?</td>
<td>going</td>
</tr>
<tr>
<td>you are not</td>
<td>you’re not</td>
<td>are you?</td>
<td>coming</td>
</tr>
<tr>
<td>he is not</td>
<td>he’s not/he isn’t</td>
<td>is he?</td>
<td>attending</td>
</tr>
<tr>
<td>she is not</td>
<td>she’s not/she isn’t</td>
<td>Is she?</td>
<td></td>
</tr>
<tr>
<td>it is not</td>
<td>it’s not/it isn’t</td>
<td>Is it?</td>
<td></td>
</tr>
<tr>
<td>we are not</td>
<td>we’re not/ we aren’t</td>
<td>are we?</td>
<td>joining</td>
</tr>
<tr>
<td>they are not</td>
<td>they’re not/ they aren’t</td>
<td>are they?</td>
<td>listening</td>
</tr>
</tbody>
</table>

**Examples:**

1. I’m busy at the moment, I’m writing a letter.
2. Are you preparing the health and safety report?
3. He’s not enjoying the meeting.
4. I’m sorry, I’m not waiting any longer.
5. Is she working tomorrow?
6. They’re not listening to the message.

**Note 3:** There are some common verbs (known as *stative* verbs because they describe states rather than actions) that usually use the *simple* present and *not* the present *continuous*. For example: agree/disagree, like/dislike, fear, hate, see, think, believe, know, be

**Examples:**

1. Today I agree with you.
2. At this moment in time, I think she is right.
3. This morning we all know the result of the discussion.
4. This evening we’re all very tired.
Exercise 8.8  Gap-filling

*Fill in the gaps with the correct short form of the present continuous tense.*

**Example:** My son’s *living* in Brussels at the moment.

1. My son ………………… *(live)* in Brussels at the moment.
2. He ………………… *(not enjoy)* it.
3. I ………………… *(work)* very hard.
4. ………………… you ………………… *(feel)* tired?
5. ………………… she ………………… *(not listen)* to us?
6. I ………………… *(learn)* a lot of new vocabulary here.
7. What ………………… you *(watch)* on TV tonight?
8. They ………………… *(open)* a new factory near our town soon.
9. ………………… your company *(invest)* in new equipment?
10. The employers say they ………………… *(not propose)* any redundancies.

Exercise 8.9  Gap-filling

*Fill in the gaps with the correct form of either the simple present or the present progressive. Use the short form where appropriate.*

**Example:** I usually *smoke* but today I’m *not* *(smoking)*.

1. I usually ………………… *(study)* on Sundays but today I ………………… *(not study)*.
2. He often ………………… *(drink)* beer but tonight he ………………… *(drink)* wine.
3. Our company nearly always ………………… *(make)* a profit, but at the moment it ………………… *(make)* a loss.
4. Usually I ………………… *(not write)* the report, but today I ………………… *(write)* it.
5. ………………… *(live)* in Barcelona, where ………………… you *(live)* now?
6. Guiseppe normally ………………… *(write)* the report but this time Maria ………………… *(prepare)* it.
7. Are you ………………… *(work)* overtime next week?
8. The boss ………………… *(meet)* the union reps on Wednesdays but this week they ………………… *(meet)* on Friday.
WORKING WITH WRITING 1

Writing a letter

It is normal to set out a letter in English as follows:

Name and address of the person to whom you are writing

The date (day/month/year)
2 October 2008

Dear John Brown (Note 1)

Re: Annual Congress (Note 2)

I am writing to invite you to attend our Congress in Bratislava on 14 February 2009. Please let me have your reply by the 31 November 2008.
Yours sincerely (Note 3)

(signature)

Your name typed or printed clearly

Note 1:

“Dear” in a letter is a neutral term. In informal letters we use first names: “Dear John”. If we are not quite on first name terms then we sometimes use first and family name: “Dear John Brown”. In a more formal letter we say “Dear Mr Brown”, “Dear Jane Smith”.

For women there are three other possibilities:

- Ms Brown (all women)
- Mrs Brown (married women only – but some prefer Ms)
- Miss Brown (for young girls and old-fashioned usage for unmarried women)

Sometimes we use the person’s title:

- Dr. (Doctor) or Prof. (Professor).

Where we do not know the name we usually say “Dear Sir” or “Dear Madam”. In a work or trade union context we can say “Dear Colleague” or “Dear Friend”.

Note 2:
In a business style letter it is usual to refer to the subject of the letter by writing “Re:” (Regarding) then the topic of the letter.

Note 3:
The ending of the letter depends on the relationship between the sender and the recipient.
- Informal letters end “Best wishes” “Kind regards”
- More formal letters where we know the name of the recipient usually end “Yours sincerely”
- Where we do not know the name of the recipient we usually end with “Yours faithfully”

Study box
Some vocabulary for writing letters
- Thank you for your (kind) letter of (date).
- Thank you for sending me...
- I am writing to accept your kind invitation.......
- I am writing to ask if you could send me details of.........
- I wish to confirm that I will attend.......   
- I am interested to know if...................
- I would be grateful if you would send me................
- I would be grateful if you would let me know................
- I look forward to hearing from you.
- I look forward to seeing you soon.
- I look forward to taking part in the ...................
- Thank you in anticipation

Exercise 8.10  Replying to a letter
Write a letter in reply to the above invitation to attend the Congress in Bratislava saying that you want to attend and you would like details of accommodation.
WORKING WITH SPEAKING 3

Agreeing and disagreeing

Agreeing

<table>
<thead>
<tr>
<th>Neutral</th>
<th>Strong</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes I agree</td>
<td>You’re absolutely right</td>
</tr>
<tr>
<td>That’s right</td>
<td>I couldn’t agree more</td>
</tr>
<tr>
<td>That’s a good point</td>
<td></td>
</tr>
</tbody>
</table>

Disagreeing

<table>
<thead>
<tr>
<th>Neutral</th>
<th>Strong</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, I don’t think so</td>
<td>I totally disagree</td>
</tr>
<tr>
<td>I’m sorry, I don’t agree</td>
<td>No, that’s wrong</td>
</tr>
<tr>
<td>Yes, but…</td>
<td>Nonsense!</td>
</tr>
</tbody>
</table>

Expressing alternative possibilities

- However, it’s possible that........
- On the other hand, it could be that..
- Perhaps we could consider........
- Maybe there are other........

Exercise 8.11

Use the above expressions to exchange opinions on one or more of the following topics:

- Smoking in public places
- Compulsory trade union membership
- At least half of all senior managers should be women
- Military service for all men and women
- Sport is not for all
Exercise 8.12  Threat of job losses

Read the following text and answer the following questions:

1. Why is the company facing difficulties?
2. How does the company hope to achieve its objectives?
3. What is the view of the unions?
4. What do you think of the likely outcome of the dispute?

Last week the human resources director of Tyne Textiles announced that the company intends to introduce a restructuring plan.

Tyne Textiles is looking for a cut back in the labour force initially by natural wastage and voluntary redundancies. The HR director told union representatives that one of the two existing sites needs to shutdown. He explained that globalisation has led to the present difficulties. The company hopes to restructure without compulsory redundancies on order to safeguard its long-term future.

Yesterday unions expressed their total objection to the proposals. Shop stewards discussed possible industrial action and regional officials are going to address a mass meeting. The strength of feeling will be measured by a show of hands probably followed by a strike ballot.
**Exercise 8.13**

*Match the words from the text in the first column with the meanings given in the second column*

<table>
<thead>
<tr>
<th>1. restructuring</th>
<th>a. a vote (usually secret and written)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. cut back</td>
<td>b. closure</td>
</tr>
<tr>
<td>3. natural wastage</td>
<td>c. change in the organisation usually with job losses.</td>
</tr>
<tr>
<td>4. voluntary redundancy</td>
<td>d. a meeting for the whole workforce</td>
</tr>
<tr>
<td>5. shutdown</td>
<td>e. reduction</td>
</tr>
<tr>
<td>6. safeguard</td>
<td>f. vote in public by raising hands</td>
</tr>
<tr>
<td>7. industrial action</td>
<td>g. agreeing to leave a job with special payment and pension provisions</td>
</tr>
<tr>
<td>8. mass meeting</td>
<td>h. protect</td>
</tr>
<tr>
<td>9. show of hands</td>
<td>i. actions to protest (for example, strike)</td>
</tr>
<tr>
<td>10. ballot</td>
<td>j. reduction in jobs through workers moving to another company, retirement, death etc.</td>
</tr>
</tbody>
</table>
WORKING WITH VOCABULARY 3

Exercise 8.14  Collective bargaining

Employer and worker representatives frequently come to the negotiating table to take part in collective bargaining about different issues. List as many of the items you can think of in the table below, compare and discuss your list in small groups and then compile a combined list in a plenary session. Note that some issues may be of concern to both sides.

<table>
<thead>
<tr>
<th>Union concerns</th>
<th>Management concerns</th>
</tr>
</thead>
<tbody>
<tr>
<td>hours</td>
<td>profit</td>
</tr>
<tr>
<td>job satisfaction</td>
<td>productivity</td>
</tr>
</tbody>
</table>

Exercise 8.15  Mind-map for collective bargaining

Add as many related terms as you can think of.
**WORKING WITH READING 3**

**Exercise 8.16**

*Before reading the texts below discuss with a partner what you understand by the terms “social dialogue” and “flexicurity”?

Then read the texts and share any experiences you have of these with a group of colleagues.*

**Social dialogue**

Employers’ organisations and trade union organisations engage in bilateral discussions about subjects of common interest. These two social partners also take part in tripartite discussions with governments.

Examples of employers’ organisations at national level include: BDI & BDA (Germany); CBI (UK); CONFININDUSTRIA (Italy).

At European level the employers are represented by UNICE (www.unice.org), CEEP (www.ceep.org) and UEAPME (www.ueapme.com).

➢ Can you add any employers’ organisations from your own country?

**Flexicurity**

Employers seeking greater flexibility in the labour market want to remove restrictions on hiring and firing of labour. Discussions are taking place about a more flexible social model where it is easier for employers to hire and fire while at the same time workers have the right to high levels of unemployment benefit as well as retraining and other initiatives to help them find employment. This is sometimes referred to as “The Danish model”. The Danish Confederation LO disputes the interpretation that many employers have of this system (see www.lo.dk/English version/flexicurity).
**WORKING WITH WRITING 2**

**Exercise 8.17**

*Complete the following template. If you work for a trade union adapt the template to your organisation.*

**THE COMPANY WHERE I WORK**

<table>
<thead>
<tr>
<th>1. I work for</th>
<th><strong>Name of company</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>2. The company produces</td>
<td><strong>Main products/services</strong></td>
</tr>
<tr>
<td>3. It employs</td>
<td><strong>Total number of employees</strong></td>
</tr>
<tr>
<td>4. In my country there are</td>
<td><strong>Number of employees</strong></td>
</tr>
<tr>
<td>5. It has plants in</td>
<td><strong>Location of plants in my country</strong></td>
</tr>
<tr>
<td>6. It is a</td>
<td><strong>Nationality of owners</strong></td>
</tr>
<tr>
<td>7. It has subsidiaries in</td>
<td><strong>Countries</strong></td>
</tr>
<tr>
<td>8. At the moment</td>
<td><strong>Other information about the company</strong></td>
</tr>
</tbody>
</table>
ACTIVITIES

Activity 1
Discussion between management and representatives of employees (role-play)

Two major issues need to be discussed at a meeting between representatives of the management and the employees of a company:

1. The high level of absenteeism on Mondays.
2. The alleged bullying and harassment of female staff by certain senior managers.

In two groups prepare to discuss these issues first of all in pre-meetings and then in a meeting between the respective representatives of management and employees. Divide the responsibility for making points to different members of the group.

Activity 2
Workplace representation

Prepare a brief outline of workplace representation in your country with specific reference to the following:

a) Trade union representation at plant/office/company level
b) Works councils

- What is the process for selecting/electing these representatives?
- What is the division of responsibilities between such representatives?
- Interview colleagues from other countries and prepare a joint report highlighting similarities and differences.
Looking back

In this unit you

- considered aspects of company organisation
- discussed collective bargaining
- practised the present progressive tense
- prepared a simple letter

You should now be able to

- agree and disagree
- write a short letter
- ask questions about company organisation