WORDS IN CONTEXT

Read the following passage and write the words in the blanks below.

address	develop	offered	strategy
avoid	evaluation	primary	strength
demonstrate	gathering	risks	substitute

Every business must (1) _____ a business plan. The business plan's (2) _____ purpose is to improve the entrepreneur's control over the business and to help him (3) _____ common mistakes. It is not an overstatement to say that a business will fail or succeed on the (4) _____ of its business plan, so there is no (5) _____ for a well-prepared plan. The business plan documents the (6) _____ for growing the business. Think of the business plan as a road map that describes in which direction the company is going, what its goals are, and how it is going to get there.

In developing the plan, the entrepreneur will conduct research to determine a systematic and realistic (7) _____ of the company's chances for success in the marketplace. In creating the plan, the entrepreneur must research the company's target market and define its potential. The entrepreneur must be able to prove through research that customers in the market need the good or service that is (8) _____ and that a sufficient number of potential customers exists to support the business.

A business plan also looks at the (9) _____ the business faces. Chief among these is competitors. The business plan must analyze the company's competition by (10) _____ information on competitors' market share, products, and strategies. The plan should (11) _____ what distinguishes the entrepreneur's products or services from others already in the market. It is also common for businesses to fail because the owner fails to invest or seek sufficient capital to run the business. A good business plan should (12) _____ this issue as well.

LIVEWORKSHEETS

WORD PRACTICE

LISTENING COMPREHENSION

CD1
Track 4

Part 1 Photo

Look at the picture and listen to the sentences. Choose the sentence that best describes the picture.

1. Ⓐ Ⓑ Ⓒ Ⓓ

Part 2 Question-Response

Listen to the question and the three responses. Choose the response that best answers the question.

2. Ⓐ Ⓑ Ⓒ
3. Ⓐ Ⓑ Ⓒ

Part 3 Conversation

Listen to the dialogue. Then read each question and choose the best response.

4. How do the speakers feel about Alexa's business plan?
   (A) She has gathered too much data.
   (B) She has taken on too much risk.
   (C) She has made many obvious mistakes.
   (D) She is serious-minded and cautious.

5. How will the man help Alexa?
   (A) By doing market research.
   (B) By searching for an office.
   (C) By pointing out her mistakes.
   (D) By nominating her for an award.

6. According to the man, what is the most important strategy for success?
   (A) Investing in a good sound system.
   (B) Having a good business plan.
   (C) Eliminating all risk.
   (D) Studying the market.

Part 4 Talk

Listen to the talk. Then read each question and choose the best answer.

7. What is the topic of the talk?
   (A) Long-term growth plans.
   (B) An offer for a leveraged buyout.
   (C) How to minimize risk.
   (D) Where to borrow funds.

8. How will the company fund its growth?
   (A) Bank loans.
   (B) Profits.
   (C) Sale of stocks.
   (D) Owner investment.

9. When will the evaluation begin?
   (A) At the end of this year.
   (B) At the beginning of next year.
   (C) In two years.
   (D) In a few years.

LIVEWORKSHEETS

READING

Part 5 Incomplete Sentences

Choose the word that best completes the sentence.

10. You cannot _____ learning how to use the new software as it will be needed in daily operations from now on.
    (A) avoid (C) avoiding
    (B) avoided (D) avoidance

11. I don't want to intrude, but would you like me to _____ how to use that machine?
    (A) demonstrate (C) demonstrative
    (B) demonstration (D) demonstrator

12. While you are _____ your business plan, it is a good idea to keep a resource library of valuable materials.
    (A) develop (C) developing
    (B) development (D) developer

13. After you turn in your business plan, you will receive a written _____ of your work within two weeks.
    (A) evaluator (C) evaluate
    (B) evaluative (D) evaluation

14. If we think _____, we can come up with a plan that promises success.
    (A) strategize (C) strategically
    (B) strategic (D) strategist

15. It is now legal to _____ a generic brand drug for a prescription medicine if you have the patient's consent.
    (A) substitute (C) substituting
    (B) substituted (D) substitution

Part 6 Text Completion

Memo

To: Stephen Saunders, President

From: Willa Richardson, Marketing Department

Re: Changes in market

In order to address the changes that are currently taking place in the market, I believe we need to modify our business plan. I __16__ data for the past several months. The information clearly shows that younger and younger people are becoming interested in purchasing products such as ours. We need to develop a __17__ to reach this younger age group. We need to redirect some of our resources toward this goal. I think that if we make this a priority over the next year, we will have a much __18__ position against our competitors. If we don't, we risk losing the market share that we already have. I would like to share the results of my research with you. It demonstrates the need to focus our energy toward this younger age group. Please let me know if we can meet this week to discuss it.

16. (A) gather
    (B) am gathering
    (C) had gathered
    (D) have been gathering

17. (A) strategy
    (B) strategize
    (C) strategic
    (D) strategically

18. (A) strong
    (B) more strong
    (C) stronger
    (D) strongest

LIVEWORKSHEETS

Part 7 Reading Comprehension

Questions 19–23 refer to the following article.

When developing a plan for a new business, the entrepreneur quite naturally wants to eliminate all risk. While it is impossible to avoid some risk, the goal is to minimize it as much as possible. How can we do this? Thorough research and careful planning are the keys. There are two parts to good research. First, you must demonstrate that there is a need for the product or service you plan to offer. Are there enough people out there who would be willing to pay for it? Second, you must look at your competition. What do you have to offer that your competitors do not? Is your product or service of better quality in some way? Is it cheaper or more easily available? Is there a niche in the market that your competitors are not addressing? If what you have to offer is identical to what your competitors are offering, your business is not likely to be successful. These are some things to consider when evaluating how well you can measure up against the competition. Once you have evaluated a need for your product or service and determined how yours will be different from your competitors', you are ready to begin the next part of your plan—financing.

19. What is this article mostly about?
    (A) Financing new businesses.
    (B) How to price products.
    (C) The need for research.
    (D) The best marketing strategies.

20. What does the author say about risk?
    (A) We should try to reduce it.
    (B) We must avoid it.
    (C) We can eliminate it with careful planning.
    (D) It is the key to success.

21. According to the article, what can lead to the failure of a new business?
    (A) Offering a cheaper product.
    (B) Selling the exact same product as the competitors sell.
    (C) Selling only to a niche in the market.
    (D) Offering only services and not products.

22. The word *addressing* in line 15 is closest in meaning to
    (A) focusing on
    (B) calling on
    (C) giving up
    (D) staying away from

23. The word *demonstrate* in line 7 is closest in meaning to
    (A) felt
    (B) created
    (C) removed
    (D) shown

LIVEWORKSHEETS