

МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ  
ОДЕСЬКИЙ НАЦІОНАЛЬНИЙ УНІВЕРСИТЕТ

імені І. І. МЕЧНИКОВА

ФАКУЛЬТЕТ РОМАНО-ГЕРМАНСЬКОЇ ФІЛОЛОГІЇ  
КАФЕДРА ІНОЗЕМНИХ МОВ ГУМАНІТАРНИХ ФАКУЛЬТЕТІВ

## **READING COMPREHENSION GUIDELINES**

### **МЕТОДИЧНІ ВКАЗІВКИ**

до практичних занять з навчальної дисципліни  
«Іноземна мова (за професійним спрямуванням)»  
для здобувачів першого (бакалаврського) рівня  
вищої освіти спеціальності 073 «Менеджмент»

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**Reading Comprehension Guidelines** : методичні вказівки до  
R30 практичних занять з навчальної дисципліни «Іноземна мова (за професійним спрямуванням)» для здобувачів першого (бакалаврського) рівня вищої освіти спеціальності 073 «Менеджмент» / уклад.: Т. Л. Караваєва. – Одеса : Олді+, 2023. – 44 с.

Методичні вказівки до практичних занять укладено відповідно до робочої програми навчальної дисципліни «Іноземна мова (за професійним спрямуванням)», яка є обов'язковою дисципліною для здобувачів першого (бакалаврського) рівня вищої освіти спеціальності 073 «Менеджмент».

УДК 811.111'243(076)

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## ПЕРЕДМОВА

Методичні вказівки “Reading Comprehension Guidelines” розроблені до практичних занять з навчальної дисципліни «Іноземна мова (за професійним спрямуванням)», зокрема для змістового модуля «Пошук та обробка інформації» (*Searching for Information*). для здобувачів першого (бакалаврського) рівня вищої освіти денної та заочної форм навчання спеціальності 073 «Менеджмент».

Метою курсу «Іноземна мова (за професійним спрямуванням)” є формування у здобувачів вищої освіти англomовної загальної та професійної комунікативної компетентності у рецептивному та продуктивному видах іншомовної мовленнєвої діяльності, необхідної для спілкування у типових ситуаціях, які зустрічаються в академічному та загально-професійному контекстах, а, також, вдосконалення набутих на попередньому етапі навчання загальних та комунікативних компетентностей.

Методичні вказівки складаються з 15 текстів фахового спрямування та різноманітних завдань, які спрямовані на вдосконалення навичок пошуку, відбору і критичного оцінювання інформації. Кожна вправа має свою специфіку та призначення, що дозволить студенту поглибити різні аспекти роботи з інформацією.

Тексти даних методичних вказівок взято з таких фахових видань як Harvard Business Review, The Economist . Опрацювання даних текстів сприяє формуванню у студентів навичок читання з метою отримання основної та додаткової інформації спеціальної та загальної тематики. У сучасному інформаційному суспільстві вміння знаходити, аналізувати та ефективно обробляти інформацію стали важливими інструментами для досягнення успіху в професійній діяльності.

## *TEXT 1.*

### **Introverts, Extroverts, and the Complexities of Team Dynamics**

**Task 1. Look at the title of the text. What do you think the text will include?**

**Task 2. Look through the text, define (copy out) key words and phrases.**

**Task 3. Formulate the main idea of the text using key words.**

Studies find that **introverts** make up one-third to one-half of the population. Yet most workplaces are set up exclusively with extroverts in mind, a fact that becomes clear when you look at traits associated with the two personality types.

**Extroverts** gravitate toward groups and constant action, and they tend to think out loud. They are energized and recharged by external stimuli, such as personal interactions, social gatherings, and shared ideas. In contrast, introverts typically dislike noise, interruptions, and big group settings. They instead tend to prefer quiet solitude, time to think before speaking (or acting), and building relationships and trust one-on-one. Introverts focus deeply on work.

Team leaders who are extroverted can be highly effective leaders when the members of their team are dutiful followers looking for guidance from above. Extroverts bring the vision, assertiveness, energy, and networks necessary to give them direction.

By contrast, when team members are proactive — and take the initiative to introduce changes and promote better strategies — it is introverted leaders who have the advantage. Extroverted leaders are more likely to feel threatened. When employees champion new visions, strategies, and work processes, they often steal leaders' dominance, authority, and status. As a result, extroverted leaders tend to be less receptive: They shoot down suggestions and discourage employees from contributing. By comparison, an introverted leader might be comfortable listening and carefully considering suggestions from below. The tendency of groups to be more cohesive and effective when they have a balance of dominant and submissive members.

The results suggest that introverts can use their strengths to bring out the best in others. Yet introverts' strengths are often locked up because of the way work is structured.

(Francesca Gino, Harvard Business Review)

**Task 3. Look through the text again.**

- Summarize the challenges introverts face in the workplace, according to the information provided in the text. Highlight specific aspects of work structure that may hinder introverts from utilizing their strengths.
- Explain the role of extroverted leaders in situations where team members seek guidance from above. How do the traits of extroverted leaders align with the needs of followers described in the text?

***TEXT 2.***

**Office Manager Job Advertisement**

**Task 1. Read the job advertisement below and get ready to answer questions after it.**

This **sample job advertisement** for an office manager has a sample resume and cover letter specifically written for this position to help you put together a winning job application.

**Office Manager**

*CBD Hobart*

Take responsibility for the smooth running of our small, dynamic CBD office where your professionalism, initiative and office skills will be welcomed. You will have plenty of room to be creative and management is always open to new ideas. Your full-time role will include providing a full range of office management duties including:

- day-to-day running of the office
- provision of administrative support to the Director
- staff management

- accounts management
- payroll
- production of reports and educational packages
- some marketing duties
- other adhoc duties as requested.

You will have the flexibility to implement new procedures and systems to improve the smooth running of the office.

This is an autonomous role and you need to be comfortable being independent and making decisions. This position will suit you if you have good interpersonal and presentation skills and office management experience. You need to be self-directed and have organizational and problem-solving skills.

Applicants must have:

- experience with accounting packages and be proficient in processing pays, superannuation and preparing the BAS
- extensive experience with Microsoft Office Suite of products including advanced Microsoft Word and Excel skills
- knowledge of Lotus Notes and Desktop Publishing
- experience using database management systems
- excellent interpersonal oral and written communication skills
- a positive disposition.

Applications outlining qualifications and demonstrating how your experience and skills match the job requirements are due by 31 October 2023.

(<https://www.careerfaqs.com.au/careers/sample-resumes-and-cover-letters/sample-office-manager-job-advertisement>)

## **Task 2. Questions to answer:**

1. What are the job responsibilities?
2. What specific experiences and skills make the applicant suitable for the Office Manager position?
3. What are the specific conditions of the job offered?

### ***TEXT 3.***

#### **Why it's OK not to be Perfect at Work**

##### **Task 1. Look through the text and do exercises after it.**

It is the world's most tired interview question: what is your greatest weakness? And Rishi Sunak, one of the two remaining candidates in the race to become Britain's prime minister, gave the world's most tired answer—perfectionism—when he was asked it at an online hustings.

No interviewee would answer this question with an unambiguous negative (“stupidity”, say, or “body odour”). Like all those who have reached for it before, Mr. Sunak will have intended his reply to signal that his flaws are virtues, especially compared with the shambolic style of Boris Johnson's outgoing government.

But this classic response is riskier than it once was. In Mr. Sunak's case that is because the job of prime minister is largely to triage problems and make decisions at a relentless pace; even his supporters worry that his deliberative style would be a problem. More generally, perfectionism is increasingly out of step with the ways that products are developed, employees are treated and workforces are organised.

Start with product development. Lots of digital types embrace the concept of the minimum viable product (mvp), in which companies ship prototypes that can be refined, or indeed scrapped, on the basis of feedback from early adopters. The essence of the mvp approach is anti-perfectionism: don't procrastinate, don't spend time sweating the tiniest details, get your product into users' hands and see how it does. Fussing about font sizes and nice-to-have features is a waste of time; the market will hone things for you, dispensing its judgments cumulatively and dispassionately.

A growing emphasis on employees' well-being is another reason why perfectionism is out of favour. The trait is on the rise: a study published in 2017 found that it had been steadily increasing among American, British and Canadian college students between 1989 and 2016 (before you blame Instagram, one big reason is rising parental expectations). The tyranny of excessively high expectations is not good for you: a big literature review in 2016 concluded that perfectionism is



associated with a string of mental-health disorders, from depression and burnout to stress and self-harm.

It matters what kind of perfectionist someone is. Psychologists distinguish between a “self-oriented” version, in which people put pressure on themselves to perform flawlessly; an “other-oriented” type, in which people hold their colleagues to the highest of standards; and a “socially prescribed” version, in which employees think that they will only get on if they meet the impossible expectations of those around them. People in the last camp seem to be especially prone to stress. A recent Italian study found that, whereas having extremely high standards for your own performance was not a predictor of burnout, being afraid of making mistakes was.

Perfectionists may also hurt team cohesiveness. In a study conducted in 2020, the researchers of Marburg University asked people to rate potential co-workers based on descriptions of their levels and categories of perfectionism. Perfectionists were regarded as being less socially skilled and less likeable than non-perfectionists. You don’t have to like your colleagues for them to be effective: in that same study, perfectionists were rated as more competent than non-perfectionists. But when more and more work is organised around small groups working together, it can help not to loathe each other.

By now your inner curmudgeon may well be frothing at the mouth. Nit-picking micro-managers are deeply annoying but they are nowhere near as bad as people who don’t have any standards. Demanding bosses can be the difference between good products and superb ones: “that’ll do” was not the mantra that made Steve Jobs successful. Some jobs actively require perfectionism—copy editors, say, or medicines regulators. And since when did being exacting become a health risk?

Fortunately, discouraging perfectionism does not mean sacrificing high standards. In a paper published last year, three academics at the University of Ottawa found that people who strove for excellence did better on tests of creative thinking than people who sought perfection. Managers can explicitly define what counts as high-quality work. Deadlines can prevent endless procrastination. Mr. Sunak’s call

not to let the perfect be the enemy of the good came as he sat in front of a poster that misspelled the word “campaign”. That took things too far.

(The Economist, 2022)

**Task 2. Read the following statements and determine whether they are true (T) or False (F).**

1. The role of prime minister involves making decisions at a slow pace. T / F
2. The MVP approach emphasizes refining products based on user feedback. T / F
3. Perfectionism is associated with mental health disorders according to a 2016 review. T / F
4. Rishi Sunak’s answer to the weakness question was “stupidity”. T / F
5. All types of perfectionists tend to have a negative impact on team cohesiveness. T / F

**Task 3. Basing on the text define the following terms:**

<b>1</b>	triage	
<b>2</b>	perfectionism	
<b>3</b>	MVP(minimum viable product)	
<b>4</b>	burnout	
<b>5</b>	cohesiveness	

***TEXT 4.***

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**Task 1. Skim the text, title it and each passage.**

**Task 2. Read the text again, analyze it. Find its semantic core and render the text in 5-7 sentences.**

In the past few months, the emergence of tools like ChatGPT, Stable Diffusion, and Google Bard have stunned the working world with the power and potential of Generative AI.

Generative AI is a new type of artificial intelligence that leverages machine learning to autonomously create different types of original content, including text, images, and music. It creates this content by using neural networks — deep learning algorithms inspired by the human brain — to understand and replicate patterns in existing data.

If you work (or are planning to work) in what is sometimes called the information economy, i.e., any role that involves creating, using, or exchanging information — then AI may significantly speed up and enhance your ability to do your job.

Generative AI can automate manual and repetitive tasks, freeing up human resources for more complex and creative tasks.

One way of doing this is splitting your day-to-day activities down into categories and then looking at AI solutions for each of those groupings.

**1) \_\_\_\_\_:** AI can be your personal assistant (scheduling meetings, managing routine emails, organizing your calendar, and reviewing or approving work where you have supervisory responsibilities). Popular office tools like Microsoft Excel, Word, and even Gmail are increasingly offering AI-powered features that anyone can use if they take the time to explore them and learn how they work. However, AI still struggles with tasks that require nuanced decision-making, such as resolving conflicts between team members, understanding complex office dynamics, or handling sensitive employee issues.

**2) \_\_\_\_\_:** Everyday tools like ChatGPT make it easy to come up with a plan of action – just tell it what you want to do and let it build an action plan that walks you through the steps needed to get the job done. However, when it comes to managing unexpected situations or adapting the project plan to unique challenges that haven't been pre-programmed, human intervention is required.

**3) \_\_\_\_\_:** Generative AI can automate tasks such as interpreting complex data sets, identifying trends, and even predicting future outcomes based on

historical data. Tools like TensorFlow and Keras can be used to create predictive models, while natural language processing tools can be used to analyze and interpret written content. But AI may struggle with interpreting ambiguous or poor-quality data and cannot currently explain the causality behind the patterns it identifies.

4) \_\_\_\_\_: If you need information before you get started on a job, language-based AI interfaces such as ChatGPT or KOMO are increasingly proving themselves to be as effective and faster than search engines for gathering sources and summarizing key information. Just double-check the research AI provides against known, reputable sources, as these tools can be opaque about where they're getting facts from. Remember that AI is still limited in discerning the quality of its sources and may sometimes fail to understand the nuanced context behind certain information.

5) \_\_\_\_\_: AI can assist in drafting research reports by providing structure, suggesting content based on data analysis, and even doing initial drafts that humans can later refine and finalize. Tools like Grammarly use AI to improve writing quality, while others like Quill or Automated Insights can generate written content from data.

6) \_\_\_\_\_: Generative AI makes a great tutor. Ask it to explain something (pretty much anything) and if you still don't understand it, ask it to explain it again in more simple terms or in greater detail. However, it can't match the ability of a human tutor to understand individual learning styles and adjust their teaching accordingly.

(Harvard Business Review, 2023)

### **Task 3. Skim the text again:**

- Summarize the ways in which Generative AI can function as a personal assistant automating various tasks.
- Discuss the types of activities that AI can handle effectively and mention some limitations it may have in certain situations.

➤ Explore the role of AI tools like ChatGPT in project planning and management.

## ***TEXT 5***

### **Managers as Mediators:**

#### **Resolving Conflicts and Communication Breakdowns**

**Task 1. Look through the text. Define the main idea at the beginning of the text, in the middle and at the end.**

Day in and day out, frontline operational leaders look to bring out the best in their team members. But when employees sometimes don't seem to want to get along with one another, managers must reset their expectations and share their values to realign the team back to the organization's mission and purpose. To do that, managers must learn to "constructively confront" problematic performers who fail to demonstrate role-model behavior.

If your team is bogged down with employee disputes, communication isn't flowing properly and work is likely falling through the cracks. Don't sweep things under the rug, look the other way, or hope issues fix themselves. Effective leaders proactively mediate employee disputes and demonstrate a healthy willingness to make things better. And that's the message strong managers want to project to the entire team.

Conflict resolution is a critical skill set to add to every manager's toolbox. In this engaging session, you'll learn to address performance issues in real time—by listening to the employee's side of the story, while holding the individual accountable for their own perception management. Managers will be given the communication tools to build team consensus in changing business environments, overcome change resistance, enhance team self-confidence, and celebrate successes.

Mediating employee disputes requires managers to possess a high level of self-awareness and emotional intelligence—skills that can be grown and developed with the help of a seasoned mentor and coach.

While mediation is part of a manager's role, it may not fit in the central job description but could be a sub-role to a larger task. That larger task, particularly in culture change, is our work with others to adapt, to learn new experience - gaining new perspectives - while moving them to a decision. In this view, mediation that doesn't reinforce the gradual adaption of the new way of doing business doesn't resolve the issue but could tie-up the manager in endless discussions and even defeat the purpose of the change. It means recognizing that all change has losses and gains but that all interactions must reinforce that we're changing.

I think it's helpful to see that when we encounter new experiences, we look for alignment between them and previous like experiences. These mental maps tell us what to expect and how to act; in general, they make us feel secure and enable us to engage the environment.

However, when the experience doesn't align with our mental maps our tendency can be to stall, wishing for "what used to be," or acting out in ways that make it known we're uncomfortable and want attention given to our suffering. This is where managers can confuse the real role of mediation, thinking it their job to mollify a person's concerns. The futility of the role is that we cannot align a person's mental maps or create them. What is possible is mediating between the individual and their own mental maps-not between them and the system or even other people.

Here the manager understands the role of perspective and works with the individual to an eventual adaption of a new perspective and their creation of new mental maps that make it possible.

(<https://www.pon.harvard.edu/daily/leadership>)

**Task 2. Having read the text again, identify and summarize the key elements of effective conflict resolution according to the text. Include the role of managers, the importance of communication, and the skills required for successful mediation.**

## ***TEXT 6 .***

### **Company Culture: the Bigger Picture**

#### **Task 1. Skim the text and define:**

- What are the three components mentioned in the article that contribute to determining a company's culture. Provide examples from the text of each component.

There's a lot of talk today about company culture and the effects of people working remotely, or in whatever hybrid way they've assembled themselves to get the work done. Primarily organizations and teams are asking if we can be the kind of connected, productive, engaging workplace we want to be without being in close physical proximity.

The question is important. It also causes a bit of a dilemma. In order to create, rebuild or even recognize our team's culture, there's a lot we need to understand. How do we judge a company or team's culture? What role does working together physically play in creating it? Maybe more important, and harder to answer is: How do we know?

#### **Are we missing the big picture?**

What he means by this is that usually we are so busy going about our business, we see the details but not the big picture. A fish might see rocks and plants and bigger fish to hide from, but do they know there's this thing called "land"? Do they know not everyone breathes through their necks and swims to work? Or is that just how things are, and they don't give it another thought?

#### **Could you define your company culture?**

It might help to start with a quick definition. Culture is a lot of things, but it usually gets boiled down to; "How we do things here." This includes the details of workflow (we do everything in-house, or we outsource non-essential parts of the business.) It's also how you communicate (Do you have constant Zoom meetings? Hallway conversations? Work in project teams or as a whole unit? Use Teams to chat and collaborate until the servers blow up?). And, of course, there's the social/people component. (Are you collaborative, do you avoid conflict at all times, are you competitive with each other and that drives everyone to work harder?).

If we continue the fish analogy, a clam buried in the mud would see things very differently than a jellyfish, who floats on the tide, and that's wildly different than a fish that can self-propel and go anywhere it wants. Yet they share a "culture."

### **Three Components of Company Culture**

We believe there are three components to determining a culture. Identifying and examining them might be helpful as you try to figure out what your culture is, and work towards an aspirational culture that accounts for the changes in how we work while being the company you want to be.

Those components are:

Communication. How do we communicate? When do we talk in person, when do we settle for text messages? Do our communication styles fit the culture we want to have or do we need to adjust things?

- Collaboration. How does work get done, and how does your team pull together to make it happen? Every person for themselves, doing their best? (Sales organizations work like this a lot) Maybe you take a team approach that is slow because everyone collaborates and has to buy in but that gives you a focused consensus and buy-in from the team, and that's important to you.

- Cohesion. How is the morale on your team? Are people engaged and bought in? Is there a high level of trust and candor?

Examining those three components can help you understand the water you swim in. What's the culture you aspire to? What does the current water you swim in look like? What behaviors, processes, and mindsets need to change in order for them all to align and be the aspirational culture you seek? And know that you can't do it by yourself. This examination must take place as a team (what if only oysters got to define the culture?).

Identifying your team's current state, comparing it to the goal may help identify the positive parts of your existing culture, and point to where things might need to change as people aren't physically close to each other as often.

(Wayne Turmel, <https://www.management-issues.com/>)



## **Task 2. Explore the article again.**

➤ Analyze the fish analogy presented in the passage. Explain how the analogy relates to the concept of company culture and what insights it provides.

## **Task 3. Discuss the role of team collaboration.**

- According to the text, how does collaboration play a crucial role in shaping a team's culture?
- Provide examples of explanations of how different approaches to collaboration can impact a team's dynamics and overall culture.

## ***TEXT 7.***

### **As Payments Systems Go Digital, They are Changing Global Finance**

**Task 1. Look at the title of the text. What do you think the text will include?**

**Task 2. Scan the text. Read the statements after the text and determine whether they are true or false basing on the information provided in the original text. If the statement is false, provide a brief explanation of why it is incorrect.**

Payment is one of the most fundamental economic activities. To buy anything, you need something the seller wants. One option is barter, but that is beset by friction (what are the chances of having something your counterparty wants at any exact moment?). Early forms of money, from cowrie shells to beads to metal coins, offered a solution: they were always in demand to settle transactions. But they came with their own problems, from counterfeiting and delay to not having enough when needed (illiquidity). The use of credit for trade, first recorded in Mesopotamia five millennia ago, changed the game. It provided immediate liquidity, boosting commerce, but it also required trust and verification, introducing a fresh set of issues.

For centuries humans have mostly used physical objects, including cash, to transact. Banks were originally meant merely to safeguard commodities such as grain, rather than being linked to consumer payments. Later, cheques became tied to bank accounts. The first credit cards (Diners Club in 1950) and cards with magnetic

stripes (American Express in 1971) started a broader shift away from paper money and cheques for retail payments. But they were mostly limited to developed economies and to affluent customers of banks, still the central nodes of finance.

Now a new wave of digitisation, driven by the arrival of smartphones and the internet, is changing payments systems again. By making possible near-instant, remote payment, it massively reduces friction in the movement of money. This both facilitates trade from a distance and leaves a clear auditable trail. Digitised forms of payment can also become a basis for the provision of broader financial services, an especially important change in poorer countries with less developed financial systems.

The arrival of digital-payment platforms promises to create new kings of the highly lucrative global payments system. Out with lumbering banks, expensive credit cards and grimy physical cash, it suggests. Instead, in with flashy crypto protocols, seamless fintech wallets and even digital central-bank money. Some of the excitement around this has been excessive. Emerging economies are seeing some of the biggest drops. Digitisation is a big part of this shift away from cash.

Various systems are emerging around the world, each with its advantages and drawbacks. And it is not always new fintech firms, digital newcomers or fancy cryptocurrencies that are leading the rewiring. Often, it is a combination of state-led systems and incumbent banks that are adopting new technology.

1. Barter was a perfect method of trade without any drawbacks. True / False
2. Early forms of money such as cowrie shells and beads were always in demand for transactions. True / False
3. Credit for trade, first recorded in Mesopotamia, did not have any impact on commerce. True / False
4. The use of credit cards and digitized forms of payment has reduced the need for physical currency worldwide. True / False
5. Banks were originally established to primarily manage consumer payments. True / False

6. The text suggests that digital central-bank money will not be part of the new payment system. True / False
7. The advent of smartphones and the internet has led to a new wave of digitization in payment systems. True / False
8. Digitized forms of payment can be especially beneficial for financially developed countries. True / False
9. Digital-payment platforms are expected to replace banks, credit cards and physical cash entirely. True / False
10. Illiquidity is one of the challenges associated with early forms of money. True / False

### ***TEXT 8.***

#### **Companies must Battle the Beast of Stagflation**

**Task 1. Look at the title of the text. What do you think the text will include?**

**Task 2. Scan the text and find the information:**

- a) Name the company that reported costs \$1 billion higher than anticipated in the third quarter of the year.
- b) What was the annual rate of increase in producer prices in the euro area?
- c) The term “efficiency gains” refers to measures taken to improve operational efficiency and reduce costs.

**Task 3. Summarize the main challenges that businesses are facing in the near future due to inflation and economic stagnation.**

Simmering geopolitics, outright war, a global pandemic: anyone who has led a business through the 2020s probably feels like they’ve seen it all. Now they must prepare to battle another foe—the two-headed monster of high inflation and economic stagnation. This fearful stagflationary beast made an appearance in the 1970s. Companies are already having to deal with soaring inflation. Share prices tumbled in 2022 as first one firm and then another warned of eye-watering cost squeezes. Ford reported that its costs in the third quarter of the year were \$1bn higher

than it had anticipated, for instance—an overshoot equivalent to about 25% of its adjusted operating profits in the second quarter. In the euro area, producer prices rocketed at annual rates exceeding 40% on the back of jaw-dropping increases in energy prices. Yet even as costs surged, consumer demand remained strong, still sustained by generous fiscal stimulus enacted during the pandemic. That helped American businesses' profits, as a share of gdp, reach a record high during the year.

In the nearest future managers will face the daunting task of defending these sky-high profit margins from two sources of pressure. The first is still-elevated costs. Though energy prices may stop rising quite so quickly, they will remain at high levels, as will wages and other costs. And the “gigantic corporate tapeworm of inflation”, as Warren Buffett, a celebrated investor, once described it, risks gobbling up dollars that were meant for investment, too. Companies will be forced to shell out more on inventories and receivables simply to maintain a given level of production, to the detriment of capital spending.

### **The best-placed companies will be those with strong pricing power**

The second squeeze on margins will come from faltering demand. Although governments in Europe are trying to cushion the blow from the energy shock, consumers will buy less as they lose purchasing power. As they head into battle with the stagflationary monster, bosses will deploy a mix of strategies. More of them will seek to pass cost increases on to customers.

Some companies will resort to the ruse of “shrinkflation”—making chocolate bars smaller, for example, while leaving prices unchanged. Others will seek to hold down costs through efficiency gains. Perhaps the trickiest attempts to hold down costs will involve workers' wages. With labour in short supply for much of the pandemic, bosses tripped over themselves to court employees, sprucing up their offices and encouraging remote work. But with costs rising and demand wobbling, managers may shift from suitors to adversaries. As with the other challenges that have been faced in recent years, some companies will emerge in better shape than others. Bosses who preside over spiralling costs and collapsing market share will be

booted out by unhappy investors. But those who emerge victorious from this latest corporate struggle will find their reputations enhanced. Let battle commence.

(*Rachana Shanbhogue: Deputy business affairs editor, The Economist, 2023*)

### **TEXT 9.**

## **Modern Digital-payment Platforms are Clearly Challenging the Old Order**

**Task 1. Skim the text. Write down a brief summary of the main points based on a quick skim of the text.**

**Task 2. Provide answers to specific questions by scanning the text.**

1. How are governments using digital finance?
2. What is challenging the traditional role of banks?
3. What has happened to the market value of cryptocurrencies since their peak in 2021?
4. How has the market value of the world's largest fintech firms changed?

There are big implications for relations between money and the state. Some governments may be using digital finance to help police their own people. Just as with any new technology, digital finance has had its share of hype. But modern digital-payment platforms are clearly challenging the old order. Traditionally banks were the entry point to formal finance. Now payments through apps that use qr codes, fast payment networks and high-speed internet connections have become the gateway for many. As users begin sending and receiving money, the data that such platforms collect can help unlock other financial services such as loans and insurance.

As the world started going increasingly cashless, and with record-low interest rates making money in effect free, a frenzy erupted around digital finance. However the frenzy proved short-lived. The market chaos of the past year, has humbled many digital challengers. The market value of all cryptocurrencies has dropped by nearly three-fifths since its peak in 2021. *The Economist* estimates that the world's 100

largest public and private fintech firms have seen their collective market value cut by half since then. In some cases the subtle alliance between banks and the state has bolstered this stability. The second big change is that emerging markets have developed open payments systems. They provide an alternative to both the bank/card model in the rich world and the closed fintech giants.

A third change is that many governments are taking steps to reduce their dependence on Western payment networks and on the dollar. Some countries are also building multilateral payment linkages that allow citizens to use their domestic favourites abroad. As technology cheapens possible alternatives to the dollar, they may come to challenge the West's grip on international finance.

For control over payments systems confers massive political power. They are used to collect taxes and distribute benefits. They leave digital trails that ensure economic activity is more visible to the state, making tax evasion and organised crime harder to sustain. It is no surprise that many governments should be cracking down on crypto, which promised permissionless access to payments.

### ***TEXT 10.***

#### **How Managers can Put an End to Workplace Negativity**

**Task 1. Basing on the title of the text, make an assumption about its content.**

**Write down 8-10 words that you think you will find come across in the text.**

**Task 2. Read the text. Does its content match your assumption. Have you found the words from your list in the text?**

Nothing puts a damper on employee morale like excessive negativity in the workplace. It can transform what was once a high-functioning team into a haven of gossip, disengagement and constant complaints.

That's why managers must keep negativity in check before it gets out of

hand. Yet negativity at work is all too common. In fact, a study by the *Harvard Business Review* discovered that 98% of employees had experienced negativity or rudeness at work at some point in their careers.

The research also found that 80% of workers who experience negativity lose time worrying about it, leading to a dip in productivity. Other adverse effects of too much workplace negativity include increased employee turnover, elevated stress levels, burnout and decreased engagement.

The good news is there are plenty of ways to stop negativity in its tracks, improve co-worker relationships and improve a toxic organizational culture. Here's a look at some effective strategies for ending negativity at work.

### **How to manage negative employees**

Is a particular employee or group of employees causing others to have a bad attitude on your team? If so, improving their negative mindset will have a compounding effect that spreads to everyone else.

Here are some tips for doing so:

**Confront the negativity head-on.** Burying your head in the sand and pretending there isn't a problem won't solve anything, so it's best to address the employee's negative attitude directly in a one-on-one meeting.

**Be specific.** An employee with a bad attitude may not even realize that they're bringing everyone down. To help them see the light, provide specific examples of their negativity that you've personally noticed, as well as ways they can improve.

**Highlight disciplinary actions.** Their negativity will likely continue without consequences, so remember to mention the corrective actions you'll take should their behavior not improve.

### **Improving organizational culture**

Sometimes negativity at work goes beyond a few bad apples and is a deeper issue that affects the entire organization.

Here are some ways you can brighten up a dreary work environment:

**Focus on solving the problem, not the blame.** Negative work environments often focus on who to blame whenever something goes wrong instead of finding ways to solve the issue. This leads to a team full of complainers and finger pointers instead of proactive problem solvers.

**Give employees a chance to vent.** When you know something is bothering a team member, get them to open up. By engaging in conversation, you may be able to solve problems before they fester.

**Lead by example.** As a team leader, your employees look to you as a role model for how to behave. As such, you should elicit the positive values you want your team to embody.

You'll enjoy a much happier, healthier workplace by addressing negative employees and improving your workplace's culture.

(<https://www.liveabout.com/tips-for-minimizing-workplace-negativity>)

### ***TEXT 11.***

#### **Workplace Conflict**

**Task 1. Provide a suitable title for each paragraph.**

**Task 2. Provide a concise summary of the main points discussed in the text.**

**Task 3. List at least three common sources of workplace conflict mentioned in the text.**

**Task 4. Identify and explain three different conflict management styles that individuals may have in a workplace setting.**

**Task 5. Describe two strategies mentioned in the text creating a positive workplace culture that helps prevent conflicts.**

From petty fights and unintentional misunderstanding to vigorous debates and emotional disagreements, tensions in one form or another arise among people who work together. Conflict management styles vary.



Individual employees sometimes butt heads with one another for reasons that may or may not have to do with work. Tensions can be rooted in anything from power struggles and clashing work styles to perceived slights and unfounded rumors. Disagreements between workers and higher-ups are another common source of workplace conflict. The sides may hold different perspectives on issues such as interpretation of policies or how a job should be performed.

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People possess different “fighting” styles. Some may be very verbal or confrontational with the source of their displeasure. Others suffer in silence or turn to sneakier measures such as gossip. Many workers handle conflict maturely with an eagerness to calmly resolve matters. Others hold long-lasting grudges that lead those around them to walk on eggshells. In extreme cases, workplace conflict takes the form of bullying or harassment – coercive, aggressive behavior designed to intimidate someone else.

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Productivity often suffers when someone experiences workplace conflict. The affected individual may spend too much time thinking about the matter, call in sick regularly to avoid the problem, or decide to seek employment elsewhere. Consequences may extend well beyond parties directly involved and create a toxic culture marked by low morale, pressure to “choose sides,” and failure to perform as a cohesive unit. In cases of potential bullying or harassment, lawsuits may be filed.

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Inevitably, people do not always see eye to eye. However, disagreements don’t need to escalate into unhealthy territory. Prompt attention can nip tensions in the bud and keep them from festering into messy situations. Leaders must not let hurtful or unprofessional behavior slide. And helping employees improve their interpersonal skills through company-sponsored training gives workers the tools to respectfully handle disagreements with colleagues.

Creating a workplace culture of trust also goes a long way toward preventing workplace conflict. By providing employees ample opportunity to offer feedback and

express opinions without fear of repercussion, companies receive valuable insight about discontent and can act on this information. Similarly, honesty and transparency from leaders discourages an “us vs. them” mentality by helping workers feel like a valued part of the company and its goals.

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Effective communication often eases tensions. Leaders should encourage affected parties to talk things out, either alone or with assistance from a manager or HR rep. Such conversations give each side a chance to be heard, clear up misconceptions, and create plans for moving forward in peace. Focusing on common goals and the good of the company can help workers put aside individual differences. Tensions between management and employees can be approached in much the same way, offering opportunities to raise concerns and express viewpoints within the confines of a “safe” discussion.

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Yes. Hidden problems are unsolved problems, so company progress and innovation often starts with passionate individuals willing to bring opinions and ideas to the table despite the potential to ruffle feathers.

## ***TEXT 12.***

### **How China Became a Car-exporting Juggernaut**

**Task 1. Skim the text and define key points and themes.**

**Task 2. Scan the text and find the information:**

- **identify export figures:** find and note down the export figures for Chinese cars in the following years: 2021, 2022, 2023;

- **highlight Western markets:** locate and mark the Western countries where Chinese-made cars are gaining popularity;

- **list Western-branded cars:** scan for the names of Western-branded cars that contribute to Chinese exports. Note down at least two of these brands;

- **EV market share comparison:** identify and compare the percentage of electric vehicle (EV) sales in China, Japan and Germany.

- **predicted export volume:** locate the estimated number of Chinese-branded car exports predicted for 2030;

- **challenges to Chinese EV-makers:** find the information about the profitability challenges faced by Chinese EV-makers and the role of state subsidies.

Car enthusiasts tend to fall into one of two camps: those who fawn over the power and speed of German automotive engineering; and those who think Japanese cars are superior, admiring their reliability and value for money.

For decades the two countries have jostled for position as the world's leading car exporter. But the pair's dominance is coming to an end. Already the world's largest car manufacturer, China is on track to overtake its rivals in exports, too.

Until just a few years ago, attempts by Chinese carmakers to expand into foreign markets had stalled. In 2015 China exported under 375,000 cars a year, fewer than India, and about as many as Germany and Japan shipped in a single month. But in around 2020, the country changed gears. In 2021 China exported nearly 1.6m cars. By 2022 it hit 2.7m. International sales are set to rev up further in 2023. Customs data show that the country shipped nearly 2m cars in the first six months of the year, or more than 10,000 a day.

China's nascent auto industry mainly exported to poor countries, but now many Western consumers are buying Chinese-made cars for the first time. Exports to Australia tripled year on year in the first half of 2023, to more than 100,000 cars; sales to Spain rose 17-fold to nearly 70,000 vehicles. But many of these cars are Western-branded. Roughly a tenth of vehicles exported in 2022 came from Tesla, an American electric-car brand. mg, which started as a British marque, and Volvo, a Swedish carmaker, are now owned by Chinese companies. Their models also make up a large chunk of the cars sent overseas.

The country's expertise in electric vehicles (evs) is partly responsible for the surge in exports. For all its manufacturing might, China never mastered internal-combustion engines, which have hundreds of moving parts and are tricky to assemble. The arrival of battery-powered vehicles, which are mechanically simpler and easier to build, helped China catch up. State investment in the ev technology, an

estimated 676bn yuan (\$100bn) between 2009 and 2019, put the country in pole position. Today battery-powered vehicles account for a fifth of car sales in China and a third of exports. In Japan and Germany only 4% and 20% of exports, respectively, are electric.

War has also turbocharged Chinese exports. Chinese cars accounted for nearly 80% of imports, according to some analytics firm.

China's export juggernaut looks unlikely to slow soon. Experts estimate that foreign sales of Chinese-branded cars could reach 9m vehicles by 2030, double Japan's exports in 2022. Although these homegrown brands are still relatively unknown in the West, the cars, which tend to be cheap—on average Chinese-made vehicles cost roughly 40% as much as German-made ones—are popular in emerging markets such as Brazil.

There are still speed bumps ahead. Chinese ev-makers may be chalking up big sales, yet few are making money. The industry is propped up by state subsidies, recently renewed after slowing sales growth. But subsidies may not last forever.

### ***TEXT 13.***

#### **A Refresher on Business Air-travel Etiquette**

**Task 1. Having read the text write down key points and advice related to air travel etiquette for business travelers. Here's the plan:**

- 1. Pre-boarding etiquette.*
- 2. On-boarding etiquette.*
- 3. Alcohol and behavior.*
- 4. Economy class etiquette.*
- 5. Interaction with seatmates.*
- 6. Appropriate attire.*
- 7. Business and first class.*

The Covid-19 pandemic, thanks to Zoom, killed off many work trips. But not all of them. Some in-person meetings far afield are coming back. And so in business flying. Plenty of obvious edicts of air-travel etiquette are effortlessly acquired, along

with air miles, merely by flying frequently. As a sophisticated traveller, you probably know the drill by heart. Still, air-rage incidents are up markedly compared with pre-pandemic times—by 50% in America and a whopping 200% in Britain. Some people could do with a refresher.

Many rules of aeroplane decorum apply to all travel. But as a business traveller, you represent not just yourself but also your employer, whose logo you may well be sporting on your jacket or laptop bag. So hewing to them is critical. They begin to apply before you board the aircraft. Arrive at the gate early and in style—do not run for your life only to be panting embarrassingly or even worse, hold the plane and make 200 people wait impatiently while you browse gadgets at Duty Free. Queue-cutters and pushers have their own place in hell.

Once on board, remember the basics. Do not keep your headphones on when spoken to, make a fuss when you are told that the chicken tikka is finished or, heaven forbid, perform any personal grooming in public. Bare feet on the seat or bulkhead are a no-no. Aggressive typing on your laptop is, too. Manspreading and “galley yoga” in the flight attendants’ work area are to be avoided.

Be wary of booze. Alcohol’s effects are more pronounced 30,000 feet above ground, even in a pressurised cabin, because of lower oxygen levels. If you tend to feel nauseous when cabin pressure changes during take-off and landing, avoid the vodka during the flight. Unruly, entitled passengers tend to be boozing passengers—and vice versa. You don’t want to become a TikTok sensation, and nor does your employer. Cabin crew, trained to be courteous and professional, should be matched in tone.

Economy class is the trickiest. As airlines are packing more seats on planes in coach, legroom is scarce and your own meal tray encroaches on your space. This does not excuse putting your feet up on tray tables, slamming back your seat when you recline or handing the flight attendants rubbish while they are distributing food. Overhead bins are meant to be shared. So are armrests. You have no control over who sits next to you but you have agency. If you find yourself elbow to elbow with Chatty Cathy, it is alright to say “excuse me” and slip on your noise-cancelling headphones.

You should probably avoid working on anything remotely sensitive. As your company's chief of security no doubt regularly reminds you, some people are nosy. Even those who aren't may inadvertently sneak a peek at your spreadsheet. Corporate dress codes may have relaxed but opt for transatlantic athleisure only if you have time to change before heading to your meeting after you land. Boarding the red-eye in pyjama bottoms is not ok. Elasticated waistbands are acceptable. Yoga pants and flip-flops are not; they clash with the spirit of work—especially if colleagues and clients might be on the same flight. And you never know whom you might run into at the luggage carousel.

For those lucky enough to work for firms with fat travel budgets, business class helps attenuate these problems. You can work more freely and never need to kick the seat in front of you to let the passenger in the row ahead know they are reclining too comfortably (which, incidentally, you should not do in economy either). Even so, remember you are not alone. Do not violate other passengers' personal space with your body, voice (just because you are a senior vice-president at Goldman Sachs does not mean others want to listen to your phone conversation while you board) or odour (splash on your hypnotic sandalwood cologne in moderation).

Most of these challenges are eliminated if you fly first class. You get a personal suite, à la carte dining, vintage champagne and, on some flights, doorstep baggage pick-up, check-in and drop-off by airline employees (though even that probably doesn't excuse flip-flops). Or so this guest Bartleby is told. When she suggested corroborating it herself for the purposes of research, her request was regrettably denied. You will have to work this part out on your own. Fasten your seatbelt, and enjoy the flight

(The Economist, 2023)

**Task 2. Skim the text again and discuss the impact of alcohol at high altitude.**

Explain why this is the case and how it relates to passenger's behaviour. What caution is given regarding alcohol consumption during the flight?

## **TEXT 14.**

### **Elon Musk's Plans could Hinder Twitternomics**

**Task 1. Look through the text. Find answers to the following questions.**

**- What is Elon Musk's view on the Federal Reserve, as mentioned in the passage?**

**- How does Twitter, particularly the tweets of Elon Musk, serve as an economic indicator?**

Elon Musk is no fan of the Federal Reserve. At least a dozen times over the past year the owner of X (a firm until recently known as Twitter) has savaged America's central bank for raising interest rates. Last December, for instance, he tweeted that its hikes might go down as the "most damaging ever". But Mr. Musk's disdain for the Fed is not mirrored by the Fed's attitude towards X. On the contrary, the central bank's researchers rather like the website, treating it as a compelling barometer of the economy.

This puts X in a peculiar position. Its value as a business remains dubious, which is why Mr. Musk has been scrambling to remake it, with changes including (but not limited to) the company's name. But its value to the economy is a different story altogether. The firm can serve as a timely indicator of both fundamental trends and market sentiment.

There is a large, growing literature on how to decode economic signals from social-media sites, ranging from Facebook to Reddit. Yet even in the sea of online information and commentary, Mr. Musk's stands out. Others simply cannot match its volume and frequency. By 2013 Twitter users were already producing more than 5,700 posts in a second. By 2016 Instagram's larger user base was producing only 1,000. Three papers recently published by the Fed explore the platform's economic contributions.

The first is as a predictor of markets. Sentiment gleaned from tweets seems to be rather good at presaging short-term movements in both share prices and bond yields. In one paper a group of economists including Francisco Vazquez-Grande sifted 4.4m finance-related tweets posted between 2007 and April 2023 to create a

Twitter Financial Sentiment Index. They used a machine-learning model to measure each tweet's sentiments: a message about stocks going to the Moon would be positive; Mr Musk's quips about the Fed would presumably count as negative.

The index, they find, correlates tightly with corporate-bond spreads (the difference between yields on corporate and government bonds, which usually widens as investors turn pessimistic). More than merely shadowing financial movements, posts can even foreshadow them. The overnight index before the stockmarket's open dovetails with the coming day's equity returns. A separate paper by Clara Vega and colleagues finds that the website's sentiment also closely tracks Treasury yields. Indeed, the correlation is stronger with tweets than with sentiment measures gleaned from the Fed's own official communications.

A second use of tweets is as a gauge of economic conditions. Posts about job losses in particular seem to offer timely information about the labour market. Tomaz Cajner and co-authors construct a separate machine-learning model to digest posts with keywords such as "lost job" or "pink slip". Their measure of job losses mirrors official data on employment levels from 2015 to 2023. This correlation is potentially powerful because most government statistics appear with a lag, whereas the tweets are available immediately. Twitter, for example, would have provided a ten-day advantage in detecting the collapse in employment at the height of the covid-19 pandemic in 2020.

The Fed papers also see a third use for tweets: as a bellwether of sorts for monetary policy. Ms. Vega and colleagues find that the social-media site fares better than changes in bond yields in predicting monetary-policy decisions on the day of their announcement. The Twitter sentiment index, meanwhile, is good at anticipating shocks from tighter policy such as rate increases. Tweets tend to turn sour just ahead of these moves. (That the website wastes no time in turning bitter will come as little surprise to regular users.)

No one is about to ascribe powers of causation to X. The social-media posts instead reflect broader feelings that are already coursing through financial markets.



Still, the cornucopia of tweets does provide an additional way of measuring such sentiment, which, if proved valid over time, would be highly valuable.

Beyond the Fed, some analysts are also finding other potential applications. Agustín Indaco of Carnegie Mellon University in Qatar calculates that the volume of tweeting alone can account for about three-quarters of cross-country variation in gdp. Rather like satellite images of night lights, tweets may therefore be a way of observing economic health without relying so heavily on tardy official statistics. This metric may work best in poorer countries, where heavy posting on social media would be a proxy for the state of telecommunications and use of smartphones.

### **Marking the spot**

If X is so economically useful, why is it not more lucrative? The various papers do not venture so far as to examine the gulf between Twitter's struggle for profitability and its evident utility—not just as an economic tool but as a platform for sharing information, opinions, jokes and more. Mr. Musk was onto something when he described the firm as a “common digital town square”. The problem in economic terms is that a town square falls into the category of public goods such as parks and clean water. Although public goods can be privately owned, it is notoriously hard to extract profits from them given that, by definition, it is difficult to charge people for all the benefits they confer.

Mr. Musk is doing his darnedest to shift the economic equation at X by giving additional privileges to users who pay \$8 a month for the site's blue-check verification. Tweets by users who cough up now receive extra promotion, among other benefits, showing up more often in the feeds of other people on the website. That, however, sets up a trade-off. Paid-for tweets may start crowding out better-informed posts from users who would rather not subscribe to the website. Over time, a website that prioritises payment over credibility will function less well as a town square and, by extension, as an economic indicator. The gain to X's finances would be a loss to the Fed's economists.

**Task 2. Skim the text again and provide examples from the passage that illustrate how Twitter is used to predict or reflect economic conditions, market sentiment and monetary policy.**

***TEXT 15.***

**The Working-from-home Illusion Fades**

**Task 1. Look through the text and define the main argument of the passage regarding the remote work:**

*A) Remote work has been consistently proven to be more productive than office work.*

*B) The COVID-19 pandemic demonstrated the superiority of remote work over office work.*

*C) Recent research indicates that office work tends to be more productive than remote work.*

*D) The future of work is extremely remote, with no significant benefits to office work.*

A gradual reverse migration is under way, from Zoom to the conference room. Wall Street firms have been among the most forceful in summoning workers to their offices, but in recent months even many tech titans—Apple, Google, Meta and more—have demanded staff show up to the office at least three days a week. For work-from-home believers, it looks like the revenge of corporate curmudgeons. Didn't a spate of studies during the covid-19 pandemic demonstrate that remote work was often more productive than toiling in the office?

Unfortunately for the believers, new research mostly runs counter to this, showing that offices, for all their flaws, remain essential. Researchers from Harvard University (2020) found an 8% increase in the number of calls handled per hour by employees of an online retailer that had shifted from offices to homes. Far less noticed was a revised version of their paper, published in May by the Federal Reserve Bank of New York. The boost to efficiency had instead become a 4% decline.

The researchers had not made a mistake. Rather, they received more precise data, including detailed work schedules. Not only did employees answer fewer calls when remote, the quality of their interactions suffered. They put customers on hold for longer. More also phoned back, an indication of unresolved problems.

The revision comes hot on the tails of other studies ( the Massachusetts Institute of Technology, the University of California, Los Angeles). Those working at home were 18% less productive than their peers in the office. Researchers from the University of Chicago and the University of Essex found a productivity shortfall, relative to prior in-office performance, of as much as 19% for the remote employees of a large Asian it firm. Another study determined that even chess professionals play less well in online matches than face-to-face tilts. Yet another used a laboratory experiment to show that video conferences inhibit creative thinking.

The reasons for the findings will probably not surprise anyone who has spent much of the past few years working from a dining-room table. It is harder for people to collaborate from home. Workers in the Fed study spoke of missing their “neighbours to turn to for assistance”. Other researchers who looked at the communication records of nearly 62,000 employees at Microsoft observed that professional networks within the company become more static and isolated. Teleconferencing is a pale imitation of in-the-flesh meetings: researchers at Harvard Business School, for example, concluded that “virtual water coolers”—rolled out by many companies during the pandemic—often encroached on crowded schedules with limited benefits.

Some of the co-ordination costs of remote work might reasonably be expected to fall as people get used to it. Since 2020, many will have become adept at using Zoom, Webex, Teams or Slack. But another cost may rise over time: the underdevelopment of human capital. It was found that feedback exchanged between colleagues dropped sharply after the move to remote work. It was documented a relative decline in learning for workers at home. Those in offices picked up skills more quickly.

## **The price of happiness**

Perhaps the greatest virtue of remote work is that it leads to happier employees. People spend less time commuting, which from their vantage-point might feel like an increase in productivity, even if conventional measures fail to detect it. They can more easily fit in school pickups and doctor appointments, not to mention the occasional lie-in or midmorning jog. And some tasks—notably, those requiring unbroken concentration for long periods—can often be done more smoothly from home than in open-plan offices. All this explains why so many workers have become so office-shy. Indeed, several surveys have found employees are willing to accept pay cuts for the option of working from home. Having satisfied employees on slightly lower pay, in turn, might be a good deal for corporate managers.

For many people, then, the **future of work** will remain hybrid. Nevertheless, the balance of the work week is likely to tilt back to the office and away from home—not because bosses are sadomasochists with a kink for rush-hour traffic, but because better productivity lies in that direction.

**Task 2. What does the term “virtual water coolers” refer to and how did they impact remote work according to the passage?**

**Task 3. Discussion: Do you agree with the passages’s conclusion that the balance of the work week is likely to tilt back to the office for better productivity?**

**Why or why not? Provide examples or personal experiences to support your viewpoint.**

## **Additional Reading**

### **TEXT 1. Erdoganomics is Spreading Across the World**

Turkey's economy does not obviously inspire emulation. The central bank is fresh out of foreign reserves, having spent most of them propping up the lira, also to little avail: last month the currency plummeted to an all-time low against the dollar. To make matters worse, Recep Tayyip Erdogan, Turkey's president, is about to make good on some expensive promises following an unexpected election victory in May. The bill will probably plunge the government, which had been reasonably fiscally sensible until now, deep into the red. This chaos reflects the upside-down monetary policy pursued by Mr. Erdogan. He insists that lowering interest rates is the key to fighting inflation, rather than tightening the screws, which is the solution favoured by generations of orthodox economists. To explain how this could be the case, Turkish officials invoke names ranging from Irving Fisher (an economist, and the finance ministry's preferred guru) to God (Mr. Erdogan's policymaker of choice).

Since the election Turkey's monetary policy has become a little more reasonable, as interest rates have been raised. This has not stopped Mr. Erdogan's ideas catching on in the finance ministries of the developing world. "I truly wonder whether classical theories are the way to continue," muses Ken Ofori-Atta, Ghana's finance minister, who is one of several African ministers pondering such ideas. "We have to get rates low and growth going," shrugged another at a recent summit on green finance in Paris. In the past month, officials in Brazil and Pakistan have expressed similar sentiments. Rather than looking at sky-high inflation, a floundering currency or fleeing investors, these ministers focus on Turkey's gdp growth, which has been remarkably resilient, reaching 5.6% last year. They are sceptical of warnings that such a state of affairs is unsustainable, owing to stalling productivity, which ultimately determines long-run growth, and depleted foreign reserves.

Some reasons for supporting ultra-loose policy when inflation is out of control are much older than Turkey's experiment. Inflation eats away at the value of official debts, which weigh down developing countries. Letting prices run wild is an appealing option when a government has borrowed too much, even if it is also the surest path to hyperinflation and a currency crash.

Other reasons are newer and come from Mr. Erdogan. The Turkish president insists that in emerging markets, loose policy helps quell inflation. For countries that want firms to have access to cheap credit, in order to stimulate industrial growth, this is an appealing idea. One argument put forward is that less expensive borrowing will mean lower consumer prices. Another is that it will boost exports, which may replenish foreign reserves. The problem with both arguments is that the economic activity boosted by low rates also buoys wages and makes firms optimistic about future prices, entrenching inflation. Low rates on government bonds also send foreign investors fleeing, whacking the currency.

It is nevertheless true that monetary policy works differently in emerging economies. Foreign investment matters more for market rates; aggregate demand matters less. In a recent paper Gita Gopinath, the imf's first deputy managing director, and co-authors find that emerging markets' policy rates have next to no impact on their real economies. Looking at 77 developing countries since 1990, the researchers find that, just as in advanced economies, central banks raise the domestic rate at which they lend to local banks when inflation gets going. Unlike in advanced economies, banks do not pass the rate change on to government and household borrowers.

To understand why, consider how banks borrow. Emerging-market financial institutions struggle to find funds at home, since few households save and there are not many big firms. Instead, they turn to international markets. Counterintuitively, the risk premium demanded by foreign financiers tends to fall when inflation is rising, since at such times economic growth tends to be strong. This balances out the impact of central-bank rate rises.

Nor are international markets the only force with which policy must contend. Poor countries are also home to big informal sectors, where firms do not borrow from banks. The un and imf reckon that over 60% of the developing world's workforce, and more than a third of its gdp, is off the books. Although informal lenders eventually match banks' interest rates, this takes time. And informal labour markets are flexible, meaning workers' pay rather than employment adjusts when rates rise.

According to the Bank for International Settlements, a club of central banks, this means emerging economies take longer to feel the pinch of higher rates.

### **Murky markets**

Informal finance gives people an escape from the banking system. Your columnist was recently in Ghana, where she was told by an informal lender, who takes luxury cars as collateral, that business has boomed since the country's latest debt restructuring, which wiped out much of the government's domestic borrowing and almost took the banking industry with it. Unsurprisingly, trust in formal banks is low. The boss of one of the Accra's biggest banks says other firms are safeguarding against the fallout from another similar episode by stockpiling dollars off the books.

The problem comes with assuming Mr. Erdogan's policies will help. If high rates are diluted by foreign lenders and informal borrowers, so are low ones. Ms. Gopinath's research is reason to doubt ultra-doveish monetary policy can produce growth, but it does not support the idea that it can cut inflation, either, contra Mr. Erdogan. If she is correct, officials need to focus on cutting the risk premium on foreign borrowing to strengthen the impact of monetary policy on the economy. To do this, they must convince investors to take them seriously, which means keeping deficits in check and finances stable, not jumping on the bandwagon of outlandish theories. Mr Erdogan's experiment is best left in its trial phase.

(the Economist, 2023)

## **TEXT 2. How to Manage a Toxic Employee**

There's that one person on your team — the bad apple who has nothing positive to say, riles up other team members, and makes work life miserable. If you can't fire him, how do you respond to his behavior? What feedback do you give? How do you mitigate the damage he inflicts?

### **What the Experts Say**

There's a difference between a difficult employee and a toxic one, says Dylan Minor, an assistant professor at the Kellogg School of Management who studies this topic. "I call them toxic because not only do they cause harm but they also spread their behavior to others," she explains. "There's a pattern of de-energizing, frustrating

or putting down teammates,” adds Christine Porath, an associate professor at Georgetown and the author of *Mastering Civility: A Manifesto for the Workplace*. “It’s not just that Joe is rude. The whole team suffers because of it.” Of course, your first step as a manager should be to avoid hiring toxic people in the first place, but once they’re on your team, it can be hard to get rid of them. “Oftentimes the behavior doesn’t run against anything legal so you can’t fire them if others in the organization don’t agree that a line has been crossed,” Porath explains. Here’s what to do instead.

### **Dig deeper**

The first step is to take a closer look at the behavior and what’s causing it. Is the person unhappy in the job? Struggling in their personal life? Frustrated with coworkers? “You might meet with them and ask how they’re doing — at work, at home, and with their career development,” suggests Porath. If you find there’s a reason for why they’re acting the way they are, offer to help. “A manager can use this information to coach the person, or suggest resources to help address the root of the problem.” For example, adds Minor, if the person is going through a divorce or struggling with a mental health issue, you could offer “counseling resources or time off that could potentially alleviate” the underlying issue.

### **Give them direct feedback**

In many cases, toxic people are oblivious to the effect they have on others. “Most of the time people don’t realize that they’re as destructive as they are,” Porath says. “They’re too focused on their own behaviors and needs to be aware of the broader impact.” That’s why it’s crucial to give direct and honest feedback — so they understand the problem and have an opportunity to change. The standard feedback rules apply: Objectively explain the behavior and its effects, using specific, concrete examples. “It’s not helpful to say, ‘You’re annoying us all,’” Porath explains. “You have to ground it in the work.” Also discuss what kind of behavior you’d like to see instead and develop an improvement plan with the employee. “What do you expect them to change? Strive for clearly defined, measurable goals,” Porath says. “You’re giving them the chance to have a more positive impact on people.”

### **Explain the consequences**



If the carrot doesn't work, you can also try the stick. "We all tend to respond more strongly to potential losses than we do to potential gains, so it's important to show offenders what they stand to lose if they don't improve," says Porath. If the person is hesitant to reform, figure out what they care most about — the privilege of working from home, their bonus—and put that at stake. For most people, the possibility of missing out on a promised promotion or suffering other consequences "tied to the pocketbook" will be a strong motivation to behave in a more civil way.

### **Accept that some people won't change**

Of course, you should always hope that the person can change but not everyone will respond to the tactics listed above. Minor is currently researching toxic doctors and says that early results indicate that some are either unable or unwilling to change. Porath's research on incivility has meanwhile found that "4% of people engage in this kind of behavior just because it's fun and they believe they can get away with it." In those extreme cases, you should recognize that you won't be able to fix the problem and begin to explore more serious responses.

### **Document everything**

If you conclude that you really need to fire the person, you must first document their offenses and any response you've offered so far. "You want to establish a pattern of behavior, the steps you took to address it, the information, warnings or resources provided to the employee, and the failure of the employee to change," Porath says. Include "supporting material" too: formal complaints, relevant information from performance evaluations, such as 360-degree or peer reviews. The idea, says Minor, is to protect yourself and the company and to show your employee exactly why they are being let go.

### **Separate the toxic person from other team members**

Even if you can't get rid of a bad apple, you can isolate it from the rest of the bushel so the rot doesn't spread. Minor's research shows that people close to a toxic employee are more likely to become toxic themselves, but the good news is that the risk also subsides quickly," he says. As soon as you put some physical distance between the offender and the rest of the team – for example, by rearranging desks, reassigning projects, scheduling fewer all-hands meetings, or encouraging more

work-from-home days — you'll see the situation start to improve. Porath calls this “immunizing” the others. “You’re trying to protect people like you would with a disease,” she says. “You will hopefully decrease the number of run-ins and the cognitive loss.” But make sure to do this with discretion. Let employees come to you with their complaints about the toxic colleague and use “one-on-one conversations” to coach them on how they might minimize their interactions.”

### **Don't get distracted**

Managing a toxic person can eat up your time, energy, and productivity. But “don't spend so much on one individual that your other priorities fall by the wayside,” says Porath. To counteract the negativity and make sure you're still thriving, “surround yourself with supportive, positive people” and “look for meaning and purpose in your work,” she says. Also focus on basic self-care. “If someone is draining you, build yourself up by exercising, eating right, sleeping, and taking breaks, both short-term ones and vacations,” she says. “Being healthy and proactive is the one thing we know that buffers people from the effects of toxic behavior.”

### **Principles to Remember**

#### **Do:**

- Talk to the person to try to understand what's causing the behavior.
- Give concrete, specific feedback and offer the opportunity to change.
- Look for ways to minimize interactions between the toxic employee and the rest of your team.

#### **Don't:**

- Bring the situation up with your other team members. Allow them to mention it first and then provide suggestions.
- Try to fire the person unless you've documented the behavior, its impact, and your response.
- Get so wrapped up in handling the issue that you ignore more important work and responsibilities.

(<https://hbr.org/2022/09/how-to-navigate-conflict-with-a-coworker>)

## **Electronic Resources**

1. The Economist (2023) - <https://www.economist.com>
2. Harvard Business Review - <https://hbr.org/magazine>
3. <https://www.careerfaqs.com.au/careers/sample-resumes-and-cover-letters/sample-office-manager-job-advertisement>
4. <https://www.pon.harvard.edu/daily/leadership>
5. <https://www.management-issues.com/>
6. <https://www.liveabout.com/tips-for-minimizing-workplace-negativity>

*Навчальне видання*

## **READING COMPREHENSION GUIDELINES**

### **МЕТОДИЧНІ ВКАЗІВКИ**

до практичних занять з навчальної дисципліни  
«Іноземна мова (за професійним спрямуванням)»  
для здобувачів першого (бакалаврського) рівня вищої освіти  
спеціальності 073 «Менеджмент»

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