

BEC HIGHER AUDIOSCRIPTS

PART ONE

QUESTIONS 1 – 12

Welcome to the Speakers Information line for this year's International Financial Conference.

There are several things we'd like to remind you of. As we give a conference guide to each delegate when they arrive, the Event Department will need to have your bio data no later than one month before the conference. Please send this in as soon as possible.

Also please let us have a mobile number where you can be contacted on-site should we need to contact you in an emergency during the conference.

All speakers are allowed to attend the full conference and lunch on each day as our guests and a limited number of your colleagues can get up to 50% off the conference tickets. But, if you want to take advantage of that offer, you need to complete the ticket section on the registration form.

Now to presentation materials. We need these in a version of Microsoft Powerpoint so we can put them in the folders that are handed out to delegates. Everything must be in English for this conference. If any material needs checking, or translating, please contact our Language Desk who can arrange to do this for you.

If you are using slides, the font size for the text should be at least 18 point. We also recommend that if you are using colours, you use yellow text on a dark blue background. If you want to use other colours, please don't make them too bright as they will often be projected onto 10-foot high screens and you may find delegates wishing they had worn their sunglasses! Graphics are always well received and often paint a better description than words and bullet points. But do make sure that the slides don't have any graphics which may obscure any text.

For feedback purposes, we ask all delegates to complete evaluation sheets during the event. They rate the speakers on a scale of 1 to 5 (1 being poor, 5 being excellent) for both presentation and content. Each speaker will be provided with their



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individual ratings approximately a month after the event. This feedback is very important for making future conferences more enjoyable for yourself and others, so please remember to encourage the audience to fill in the form and make sure you also do the same for other speakers!

Finally a few words about speaker etiquette. It's important to remember that when you're a speaker, you are not selling your company or its products or services. So, we ask you to make sure that any company logos on slides are not too big. Also, please keep to time. Sessions are normally 40 minutes, with 30 minutes allocated for presentation and 10 minutes at the end for 'Questions & Answers'.

We appreciate that illness or some other event can sometimes result in you not being able to deliver the session. Under these circumstances, however, we ask you to find a replacement speaker. Thank you for calling the Speakers Information line ...

PART TWO

Questions 13 – 22

- M: Change is an integral part of business today as everyone has to adapt to economic, political and social conditions. We realised that, although we'd been very successful in our first four years of trading, competition was getting fiercer. Our share of the market had remained steady at around five percent. We needed to keep this share; we knew it was unlikely we'd overtake any of our rivals. After extensive market research, it became obvious that cost was the biggest factor in customers' choice, so we needed to make savings wherever possible without losing quality. Our existing supplier was happy to renegotiate the contract terms and then we established a central purchasing system to reduce wastage.
- F: Sales of our new product were outstripping our main competitor's, and were eating into their market share ravenously. Our policy has always been to offer excellent service and quality and customer satisfaction has always been paramount. Historically, we've always had a low staff turnover which was amazing considering how much extra work they had to do as a result of this unexpected growth. To address this we considered employing a management consultant but the cost was prohibitive. I felt that we should face the problem ourselves without an intermediary. We gave all employees a survey to

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complete, the results of which led us to come up with some excellent ideas for the future. It worked a treat.

- M: While market conditions rarely remained stable, we'd always been flexible enough to move with the times. We'd got good relationships with suppliers and customers alike, but at the expense of other areas. We weren't paying enough attention to all the paperwork and were well behind with invoicing and chasing up credit customers who hadn't paid on time. Staff were motivated, but we needed to be better organised and did that by investing in an automated supply chain system so we knew what was happening at every stage of an order. It's revolutionised the way we operate and we've also increased our market share considerably since introducing it. And because of thorough planning, we didn't even lose a single day of production.
- F: I think the biggest difficulty when you change things is to make sure that it doesn't demotivate staff. We'd talked to several consultants in the past who thought that improvement means reducing costs and then everything would be fine, but that wasn't enough. We needed to be able to *quantify* how we were doing. It's a good idea to regularly review an organisation structure and its systems. So after several discussions with our project teams, we came up with the idea of using our clients as a sounding board. We developed a website page dedicated to customers' opinions and posted regular surveys for them to complete as a way of keeping track of how we are doing.
- M: We'd had a really successful 12 months – profits were up quite a bit on the previous year and there was little negative feedback from customers. I wish we could have said the same about our employees who were always grumbling about one thing or another. One day while I was chatting to one of our suppliers, he told me about a company he knew which had had a similar problem. They'd set up project teams as part of the solution but, apparently, it was the human resources expert they brought in who'd really done the trick. So I contacted him and the rest is history. Our customer base has grown considerably as productivity levels have risen dramatically.



PART THREE

Questions 23 – 30

- F: Hello and welcome to the programme. Our topic today is philanthropy, that is, giving money to charitable causes. My guest is Paul Neville, a business journalist who has written a number of reports about philanthropy. Paul, why is it such a popular subject right now?
- M: Well, the number of wealthy people giving high profile donations to charitable organisations has increased considerably. That in turn reflects that there are a lot more wealthy people around these days, partly due to the growing inequality of the world and partly because there are a lot of markets where people can get spectacularly rich very quickly. Now they've decided to give some of that away.
- F: You say that in the past philanthropy has often been ineffective. In what way?
- M: In the past it was often done in a very amateur way. Little attention was paid to the best way of making an impact on the way the money was spent. In many cases large foundations were created and the money continued to be invested long after the main donor was dead. This has led to some very bureaucratic organisations, so I believe, if you look at traditional philanthropy, it's money going down the drain.
- F: So, is it different today?
- M: It's very striking that the new philanthropists who are coming in, the likes of Bill Gates or Pierre Omidyar, the founder of eBay, are very concerned about how the money is going to be used so that it really makes a difference. And they're rethinking the way philanthropy is done.
- F: One trend you talk about is the desire to run charitable foundations more like businesses.
- M: Yes, the new philanthropists are drawing increasingly on what they see in the business world and there's been a real transformation over the last 40 years in productivity. This has been largely due to intermediaries becoming more effective, as foundations use the expertise of investment banks and management consultancies for example. They're trying to replicate some of the features you see in profit-making businesses.
- F: So I suppose this has changed the way the foundations are funded?

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- M: Philanthropists see themselves as social investors. They're looking for social entrepreneurs and so we're seeing charitable organisations having to bid for their money. They must show how efficient they are. No wasting money on ineffective advertising and projects. It's still early days but they are committed to making this work.
- F: How do you think the public will view these philanthropists?
- M: What you're seeing now is very wealthy people not hiding their money in a tax haven but actually trying to change the world. That raises for the rest of us a number of difficult questions, such as, did they get their money legally, is the tax system taxing them enough, and how dare these people impose their view of what a better world is on the rest of us?
- F: Mmm. Interesting. There was some antagonism towards the organisers of the campaign around the G8 summit last year, wasn't there?
- M: Yes. The G8 summit about debt relief and poverty was the target of a campaign called "Make Poverty History" orchestrated by Bob Geldof and a charitable foundation which had been set up by the rock star, Bono. Bill Gates and George Soros gave money to Bono, whose organisation works with McKinsey, the management consultants, to create effective public campaigns such as this.
- F: How successful do you think that campaign was?
- M: Well, it was something of a political triumph. But also it's waking people up to the realisation that the rich are getting involved in trying to change the world. It may have complex implications. The philanthropists are going to have to think very hard about political accountability. They need to show they are willing to engage with the public in debate and that their money is accountable to the wishes of the people.