

RISK & REWARD
Learner's Manual



***Business
English***

*with
Business Simulations*



DVBE
DAVE VOLEK'S BUSINESS ENGLISH

www.dvbe.bz

SPECIAL NOTE TO LEARNERS WHO HAVE DOWNLOADED THIS MANUAL

When I was teaching English in Slovakia, I had a student in my advanced class who was an engineer in a nuclear power plant. He struggled a little with the advanced material, but he and I were able to have some good conversations about the usual things students and teachers talk about in an English classroom. So I thought his speaking skills were reasonably good. Late in the school year, he invited me to tour his power plant.

The power plant was quite interesting for me. But my student was at a “loss for words” in trying to explain it. He wanted to use expressions such as “This water pipe carries water at a temperature of 130° C, at a pressure of 4,000 kilopascals, and at a rate of 200 cubic meters per hour”. But this engineer, who was reasonably good at general conversation, could not express himself very well in this simple technical presentation.

I found this difference between his general conversation and technical conversation skills rather interesting. I reviewed the various ELT programs I was using in all my classes. I concluded that the ELT profession really doesn't like teaching “numbers English” very much—even at the advanced levels.

I believe that numbers English is a different kind of language from regular English—and this language is difficult even for many native speakers, including ELT teachers, many of whom do not work regularly with numbers. To market to these teachers, ELT publishers need to limit their use of numbers English. While minimal numbers English may increase sales of business English workbooks, it still leaves technical and business English learners to learn numbers English for themselves

Take a good look at Risk & Reward. You will see that I create business English scenarios that require learners to use lots of numbers. I believe I am the only ELT publisher that purposely designs material for learners to use lots of numbers in the classroom. This is the main difference between DVBE and all other business English programs.

If you want this training, go to “Great Schools & Instructors” on the DVBE website to find a local presenter of the DVBE program. If you can't find one, you may have to take this module to one or two language schools or explain this is the training you want. If a good language school sees demand for DVBE, it will find an instructor because they want your business.

And there's just more thing you need to realize. Compared to other BE material, DVBE is more difficult for the instructor to prepare. This extra preparation must somehow be paid for to put the DVBE material into the classroom. Consider paying this instructor more for his or her skills and time than you would pay for a regular business English teacher. As the old business saying goes: “You get what you pay for!”

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About Dave Volek

Engineer. Businessman. ELT Instructor. Inventor. At the heart of the comprehensive suite of Dave Volek's Business English (DVBE) modules lies my diverse expertise in business, engineering, and finance; my interest in people and education; and my passion for creating innovative solutions that bridge the inherent gaps of traditional business English instruction. My proven, unconventional approach helps business and technical professionals build strong, practical English skills for the dynamic workplace.

The Other DVBE Modules



The Billionaires Your group will follow some instructions to determine which billionaire really controls the world. There's lots of suspense to keep you guessing, but you need your business English to find out.

The Grocery Store You will communicate with big numbers and use "increase" and "decrease" a lot. There's some good vocabulary for income statements.



The Tractor Deal You will either be a farmer looking to buy a tractor or a farm equipment dealer trying to sell a tractor. Lots of talk about "specs." No experience with tractors is necessary: the buyer and seller worksheets will guide you.

Stan's Tents You will follow an entrepreneur prepare his marketing plan and make a similar plan of your own. There's lots of useful marketing words you need to learn.



Company Articles You will use about six pages of legal text to resolve various financial, accounting, and legal problems. You wanted some practice with legal English, didn't you? Here it is!

Credits

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- EFL Advisor & Editor: Les Thompson, B. Ed., B.F.A.
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Overview

Risk & Reward is a business game that has lots of business risk and business reward. You get to make big decisions—and live with the consequences. Fortunately, it's not real money, so you will only suffer humiliation in the classroom if you don't make the right choices.

You will work in small groups to decide which investment is the best investment for your group. You will use your business English conversation to reach agreement in your group.

Your group will also compete with the other groups to see who is best at investing. There is a business formula that will determine the winner.

Visit Risk & Reward Online

Risk & Reward is the second DVBE module to offer blended (online and classroom) training. The online component has actors playing eight rounds of Risk & Reward.

Spending about one hour with these actors will prepare you for the classroom exercise in these ways:

- You will understand the rules better before you start the exercise.
- You will know what kinds of decisions you are going to make.
- You could find some useful strategy to win.
- And the more prepared you are, the more fun you will have in the classroom!

I would like to say that the audio clips and transcripts are also good language building tools, but this is not true. All eight rounds of audio clips were done with no scripts, and the actors were “set free” to speak English in their own natural way. And what you hear is native speakers speaking very naturally—and this English is far from perfect.

To assist your understanding of this kind of dialogue—which you are likely not to hear in an ELT classroom—I have provided lots of language commentaries to explain that imperfect English to you. So if you have had trouble understanding native speakers in their natural setting, Risk & Reward Online is a great listening exercise for you to gain these skills.

But don't follow the actors' examples in developing your own English abilities. If you try to say things like the actors have said, your Japanese, Russian, Arabic, or whatever accent you have will confuse everyone who speaks English.



Play the Game in Class

I'm going to assume that you will spend one hour with Risk & Reward Online. Therefore, you are not going to get any rules in this manual. If you have some questions, ask the instructor.

If you liked and understood Risk & Reward Online, consider taking on the classroom role of the instructor's assistant, the person who hands out the cards and enters the numbers in the ledgers. This is a person of leadership and authority in the game. He or she has different language challenges than just being a player. The instructor will appreciate you for volunteering to take on this position.





Determine the Winner

While your main goal should be to practice your business English, this exercise also involves a little competition. Your group should strive to have the highest rate of return in the class.

To calculate the rate of return, we will start with the well-known compound interest formula:

$$P_2 = P_1 \times (1 + i/100)^n$$

where:

P_2 = principal at time 2 (usually at the end of the investment period)

P_1 = principal at time 1 (usually the start of the investment period)

i = interest rate (expressed in % per year)

n = number of years

To make this equation more relevant to the R&R business game, we will make some changes:

$$CF_f = CF_1 \times (1 + R/100)^n$$

where:

CF_f is your final cash flow at the end of the exercise

CF_1 is your initial cash flow at year 1, which is €1,000

R is your rate of return, in % per year.

n is the number of years you have progressed in the exercise.

We need to find R , so we must do some mathematical manipulation:

$$R = 100 \times (10^x - 1)$$

where:

$$x = [\log (CF_f/1,000)]/n$$

For example, after 12 years of investing you have achieved a cash flow of €2,000. Your rate of return is calculated as follows:

$$x = [\log (2,000/1,000)]/12 = [\log (2)]/12 = 0.301/12 = 0.0251$$

$$R = 100 \times (10^{0.0251} - 1) = 100 \times (1.0595 - 1) = 5.95\%$$

With this formula, it is not important for all groups to be at the same “time” in the exercise. Some groups will spend more time discussing their investment choices than other groups. Some decisions will be easy to make and not require a lot of discussion; other decisions will take more time. If one group finishes the exercise with 12 years of investing and another finishes with 17 years, the rate of return calculation will still determine which group is the better investor.

Please note that you can choose which year to pick the CF_f value for your final calculation as long as it is your last year or a future year. So if you have a higher CF_f value in a future year, you can use it, but you must also use the year’s “ n ” value for the calculation.



Optional Post-Game Activities

- Do the online activity again. Having played the game once yourself, you will understand the situation better. Listen to the actors' tones of voice and try to determine what those tones are communicating. For example, in the first part, you can hear the actors being uncertain about the game. As they gain experience, you can hear a more confident tone. Remember there is a lot of communication just by the tone that is used.
- Ask the instructor for specific language structures that would have helped you communicate better.
- Discuss a possible strategy for finding success in Risk & Reward.
- Write a strategy paper.
- Write a sports story about who won the game and how they won.
- Assume that you have only four years of cash flow left. If you make four bad investments, you are out of the game. Then draw four investments. Write a short paragraph explaining which investment is best for this situation. Explain why you chose one investment and rejected the other three.
- Assume that you have eight years of cash flow left. Draw four investments. Write a short paragraph explaining which investment is best for this situation. Explain why you chose one investment and rejected the other three.
- Play the game again. Repetition is good, especially if you enjoyed the activity.

Put More DVBE in Your Business English Classroom

There is more of this kind of business English material. Visit the DVBE website at www.dvbe.bz for more modules.

While you are there, check out DVBE's first online exercise: The Billionaires Online (TBO). There you can hear the 23 short stories that set up the classroom activity for reading and applying a short set of complicated instructions. TBO is a great place to spend another hour improving your business English skills.



LANGUAGE STUDY: EXPRESSING PROBABILITY QUANTITATIVELY

To explain ideas and situations in Risk and Reward, these language structures can be very useful:

- The **probability of success** is 25%.
- The **chance of success** is 25%.
- The **probability of failure** is 75%.
- The **chance of failure** is 75%.
- A **success rate** of 15% is not enough.
- The **rate of success** is 15%.
- The **failure rate** is 85%.
- The **rate of failure** is too high.
- There's an **80% chance** this investment will fail.
- There's a **20% chance** this investment will be successful.
- There's a **75% probability** this investment will end in failure.
- There's a **25% chance** this investment will succeed.
- We are not in a good position to take on an investment with just a **35% success rate**.
- With its **65% failure rate**, we should stay away from that investment.
- Investment #31 has a **5% better chance** of being successful than Investment #33.
- **Forty-five percent** is an acceptable risk for us right now.
- **Fifteen percent** is not enough.
- Investment #70 will fail **85% of the time**.
- Investment #5 will succeed **95% of the time**.
- The **odds** are 40% **for success**.
- The **odds for failure** are way too high.
- The **odds of failure** are much too high.
- The **odds** are 25%.
- The **likelihood for success** is 65%.
- We can't consider that investment because of its high **likelihood of failure**.
- The **likelihood** is 65% that we will be successful.
- The **odds** are **50/50**.
- The **chances** are **60/40**.
- **Probability for success** is about **80/20**.
- **Probability of success** is about **30/70**.
- I think it's about **65/35**.
- I think this project has **even odds**.
- The **chances** are **even**.

The Tractor Deal



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Practice Using Specs



LANGUAGE STUDY: EXPRESSING LOST OPPORTUNITIES

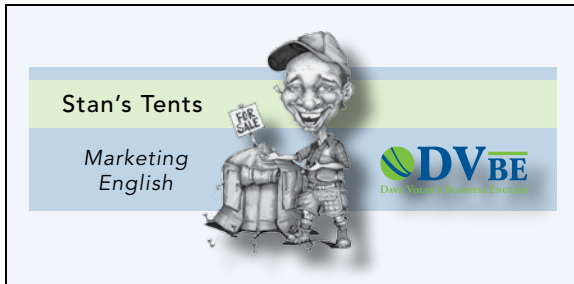
English speakers occasionally use this common idiom: “Could have, would have, should have.” Basically this idiom says we cannot change mistakes or decisions we made in the past, so we should focus on the present. Risk & Reward can have lots of practice with “lost opportunity” structures, especially the Type III conditional.

Regular Form

- If we had chosen Investment #31 instead of #47, we would have been successful.
- If you had drawn random number #43 or higher, we would have lost all our money.
- We should have taken the less risky investment.
- Random Number 3! We should have risked, not gone safe.
- We could have won the game if you had listened to my suggestions.
- If we had gone for the longer-term investments, I think we could have taken more risk than we did.
- We could have earned a better return if Fred had agreed to our preferences.

Contraction

- If we'd chosen Investment #31 instead of #47, we'd've been successful.
- If you'd drawn random number #43 or higher, we'd've lost all our money.
- We should've taken the less risky investment.
- Random Number 3! We should've risked, not gone safe.
- We could've won the game if you'd listened to my suggestions.
- If we'd gone for the longer-term investments, I think we could've taken more risk than we did.
- We could've earned a better return if Fred'd agreed to our preferences.



Negative

- If we had not chosen Investment #31 instead of #47, we would have lost our money.
- If we had chosen Investment #47 instead of #31, we would not have been successful.
- If you had not drawn random number #43, we would have been successful.
- If you had drawn random number #43 or lower, we would not have lost all our money.
- We should not have taken the less risky investment.
- Random Number 88! We should not have risked.
- We could not have won the game even if you had listened to my suggestions.
- We would have won the game if you had not listened to my suggestions.
- If we had not gone for the longer-term investments, I do not think we could have taken more risk.
- If we had not gone for the longer-term investments, I think we could not have taken more risk.
- If we had not gone for the longer-term investments, we could not have taken more risk.
- We could not have earned a better return even if Fred had agreed to riskier investments.
- We could have earned a better return if Fred had not been insisting on the safer investments.



Negative & Contractions

- If we'd not (we hadn't) chosen Investment #31 instead of #47, we'd've (we would've) lost our money.
- If we'd chosen Investment #47 instead of #31, we'd not've (we wouldn't've) been successful.
- If you hadn't (you'd not) drawn random number #43, we'd've (we would've) been successful.
- If you'd drawn random number #43 or lower, we'd not've (we wouldn't've) lost all our money.
- We shouldn't've (we should not've) taken the less risky investment.
- Random Number 88! We shouldn't've (we should not've) risked.
- We couldn't've (we could not've) won the game even if you'd listened to my suggestions.
- We'd've (we would've) won the game if you'd not (you hadn't) listened to my suggestions.
- If we'd not (we hadn't) gone for the longer-term investments, I don't think we could've taken more risk.
- If we'd not (we hadn't) gone for the longer-term investments, I think we couldn't've (we could not've) taken more risk.
- If we'd not (we hadn't) gone for the longer-term investments, we couldn't've (we could not've) taken more risk.
- We couldn't've earned a better return even if Fred'd agreed to riskier investments.
- We could've earned a better return if Fred'd not (Fred hadn't) been insisting on the safer investments.





In Class Grammar Practice

After every round, write down two sentences that use these “could have, would have, should have” structures that express the decision your group made and the actual outcome. Make one sentence positive and the other negative. Practice saying the contraction forms. And when the game is over, make four such “lost opportunity” sentences about what happened in the game and the actual outcome.

