

КАЗАНСКИЙ ФЕДЕРАЛЬНЫЙ УНИВЕРСИТЕТ
ИНСТИТУТ МЕЖДУНАРОДНЫХ ОТНОШЕНИЙ
*Кафедра иностранных языков для физико-математического
направления и информационных технологий*

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INNOVATION

PART I

Учебное пособие по английскому языку

для бакалавров Института Физики



Казань – 2019

УДК 372.881.111.1

ББК 81.432.1.

Принято на заседании кафедры иностранных языков для физико-математического направления и информационных технологий

Протокол № 5 от 6 февраля 2019 года

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Сакаева Л.Р., Исмагилова Г.К., Сигачева Н.А., Innovation, part I / Л.Р. Сакаева, Г.К. Исмагилова, Н.А. Сигачева – Казань: Казан. ун-т, 2019. – 114 с.

Данное учебное пособие предназначено для студентов вузов, обучающихся по направлению подготовки «Инноватика», и нацелено на обучение чтению литературы по специальности на английском языке, а также на развитие навыков устной и монологической речи по профессиональной тематике. Пособие может быть использовано как для аудиторной, так и для самостоятельной работы студентов.

УДК 372.881.111.1

ББК 81.432.1.

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ВВЕДЕНИЕ

Учебное пособие подготовлено на кафедре иностранных языков для физико-математического направления и информационных технологий ИМО К(П)ФУ и предназначено для студентов очного обучения по направлению «Инноватика». Целью данного пособия является углубление и расширение словарного запаса, приобретение студентами навыков правильного понимания и перевода профессионально-ориентированного аутентичного текста по направлению обучения, а также развитие практических навыков владения иностранным языком для профессионального общения.

Настоящее пособие состоит из десяти разделов и включает два приложения (Глоссарий и Список сокращений). Список аббревиатур, лексических единиц, способствует формированию лексико-когнитивного восприятия оригинальных, профессионально-ориентированных текстов. В каждом разделе представлены аутентичные тексты, которые сопровождаются разноуровневыми заданиями.

Задания к текстам направлены на то, чтобы добиться полного и точного понимания текста. Контроль понимания осуществляется через вопросно-ответные упражнения. Упражнения, данные после текстов, способствуют усвоению и запоминанию специальных терминов в сфере инноватики. Кроме основных текстов в пособие включены различные по сложности дополнительные тексты для внеаудиторной самостоятельной работы студентов и разработаны задания к ним. Такой подход к организации материала позволяет вести дифференцированную подготовку студентов в зависимости от уровня базовой подготовки. Предложенные в учебном пособии письменные задания, направлены на отработку навыков перевода и позволяют совершенствовать навыки письменной профессиональной коммуникации.

Использованные в пособии тексты снабжены ссылками на Интернет-источники, также прилагается список использованной литературы.

UNIT 1

INNOVATION MANAGEMENT

- *Give the definition of innovation. What is the difference between innovation and new things?*
- *Why is the innovation process as an object of management more complicated than the production process?*
- *What do the plans of a manager include?*
- *Determine the essence of the concept of "business plan".*

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit:

undergo |ʌndə'gəʊ| подвергаться, испытывать, переносить, вытерпеть

implementation |ɪmplɪmən'teɪʃ(ə)n| осуществление, реализация, выполнение

delivery |dɪ'liv(ə)rɪ| доставка, разноска, поставка; передача, сдача, выдача

profitability |,prɔ:fətə'biləti| рентабельность, прибыльность, полезность

commercialize |kə'mɜ:ʃ(ə)lɪz| извлекать коммерческую выгоду, извлекать прибыль; превращать в источник дохода

potential |pə(ʊ)'tenʃ(ə)l| потенциал, возможность, напряжение, потенциальный, возможный

distinction |dɪ'stɪŋ(k)ʃ(ə)n| оригинальность; индивидуальность, исключительность, отличительный признак; особенность, характерная черта

major |'meɪdʒə| большой, более важный, значительный, главный; крупный

external |ɪk'stɜ:n(ə)l| внешний, наружный, посторонний,

marketable |'mɑ:kɪtəb(ə)l| товарный, рыночный, ходкий, ходовой, годный для продажи

2. Read and translate the text into Russian.

Innovation is an important concept to understand as a manager and for an organization as a whole. Used in the correct manner, innovation can give an organization the competitive advantage they need to be a success in their market.

Firstly, it is useful to look at innovation in general. Innovations are ideas that are developed into new products or processes. They result in changes that customers recognize as new. Put in even simpler terms, innovation is the process of making improvements by introducing something new. Therefore, the two words that sum innovation up are 'process' and 'new'. Innovation is doing things in new ways in order to achieve significant results and make a huge difference in performance compared to others. Innovation's goal is to have a positive change, to make someone or something better. Testing and evaluation of ideas is critical in achieving this goal. The ideas that do not work are identified through testing. Failure is an integral part of the innovation process. Failing means collecting data and evidence about the changes that organizations want to undergo. Innovation is defined as new ideas that work and a successful innovation can be achieved through the creation and implementation of new processes, products, services and methods of delivery which will result in significant improvements in the profitability and enhance the growth of an enterprise.

There exists a clear distinction between invention and innovation. Invention is discovering of things never existed before while innovation is discovering how to introduce and commercialize new products, processes and new ways of adding customer value through innovative business models and management systems. Invention is defined as the generation of new ideas which have the potential to make someone or something better. New ideas can drawn from scanning other industries, by having conversations and meetings, or accessing information which is not usual in your business. All innovation's starting point is invention of creative ideas. The distinction between them is; invention is having an idea about a service, product, technology or device, while innovation is the successful application of those ideas. To conclude, Invention is the creation of a product, device or method that has never been made and existed before. So, every invention is an innovation. But every innovation is not an invention. When a company first publishes its website this is a major innovation for the company even though many other websites may already exist.

For many organizations and countries alike, innovation and innovation management are no longer luxury items, but rather necessities and a means of sustaining economic development and competitiveness. To serve customer well and maintain the competitive position in business, companies are forced to focus on the creation, updating, availability, quality & use of innovation by all employees and teams at work and in the market place.

Innovation can be defined as the implementation of new created ideas for generating business value. Many times, people use the term ‘innovation’ for ‘innovation creation’. But there is a difference between the two. While innovation creation is an important aspect of innovation processes, so is the ability to search for and identify relevant external innovation, applying existing innovation to new contexts, understand and absorb unfamiliar external innovation to blend and integrate different bodies of innovation together. Thus innovation processes are much more than innovation creation process. Innovation is the creation, evolution, exchange and application of new idea into marketable goods and services, leading to the success of an enterprise, the vitality of a nation’s economy and the advancement of society. In simple words we can explain the term innovation as generation of novel ideas and their implementation to create new products and services to gain competitive advantage and achieve new heights in the market.

(accessed URL: <https://www.mbaknol.com/modern-management-concepts/innovation-definition-and-types/>)

3. Answer the questions according to the text.

- a) Explain the term “innovation” basing on the text.
- b) How can the words “process” and “new” present the word “innovation”?
- c) What is the goal of innovation?
- d) Can innovation be achieved through the creation and implementation of new processes?
- e) Where is the starting point of all innovations?
- f) What is a failure?
- g) What is the difference between invention and innovation?

- h) Why can we call innovation the successful application of ideas?
- i) What can you say about “innovation creation”?
- j) Is innovation creation process bigger than innovation processes?

4. Give the synonyms to the following words:

evolution, difference, data, invention, products, advancement, significant, identify, huge, technology.

5. Match the words and their definitions: *innovation management, innovators-generators, scientific work innovation, venture (risk) business, innovation manager, novelty, innovation (2), the innovation process (2).*

- a) a new order, a new method, an invention.
- b) means that the innovation is used from the moment of acceptance to the spread of innovation, acquires a new quality and becomes an innovation.
- c) is associated with the creation, development and distribution (diffusion) of innovation.
- d) of ideas, scientific and technical knowledge. It can be individual inventors, research organizations.
- e) is a research activity aimed at receiving and processing new, original, evidence-based data and information.
- f) a set of principles, methods and forms of management of innovative processes
- g) deals with different phases of innovation process.
- h) venture (risk) business are small enterprises.
- i) is made in the form of discoveries, inventions, patents.
- j) has a cyclical character.

6. Mark the sentences True or False.

- a) The two words that sum innovation up are ‘process’ and ‘old’.
- b) Testing and evaluation of ideas is critical in achieving this goal.
- c) Failing means collecting data and evidence about the changes that organizations want to undergo.
- d) There is a less distinction between invention and innovation.
- e) Innovation processes are much more than innovation creation process.

- f) Innovations are ideas that are developed into new products or processes.
- g) Not every invention is an innovation.
- h) Every innovation is an invention.
- i) When a company first publishes its website this is a major innovation for the company even though many other websites may already exist.
- j) We cannot explain the term “innovation” as generation of novel ideas.

7. Make sentences putting the words and word combinations in the correct order.

- a) Project management skills are / demand today / in great.
- b) We all know / being weak / at this important / the consequences of / skill.
- c) I can think of / where my teams came in over budget / to meet expected performance requirements / a number of projects / and failed.
- d) I can recall projects / where the end-user / unimpressed by the outcomes which did not meet user expectations / we completed / was largely.
- e) All these / managed with some reasonable level / things need to be / of discipline.
- f) So we need to be / and more disciplined / more efficient /.
- g) companion innovations / which Wal-Mart translated / Cross-docking and / led to lower inventory levels and lower operating costs / into lower prices.
- h) NASA project management training / While it is an extreme case – just watch this / video to see what I mean.
- i) to be more innovative / are recognizing the need / as well / But more and more people.
- j) is typically seen / and innovation as the successful / Through these varieties of viewpoints, creativity / as the basis for innovation, / implementation of creative ideas within an organization.

8. Translate the following sentences from Russian into English.

- a) Под инновацией чаще всего понимают «инвестицию в новацию».

- b) Одной из важнейших особенностей современных предприятий рыночной экономики является переход от управления функционированием, главной задачей которого являлось обеспечение стабильной работы предприятия, к управлению развитием.
- c) Инновация (нововведение) – это полный процесс от идеи до готового продукта, реализуемого на рынке.
- d) Сам термин «инновация» Й.А. Шумпетер стал использовать в 30-е гг. XX века.
- e) При этом под инновацией Й.А. Шумпетер подразумевал изменение с целью внедрения и использования новых видов потребительских товаров.
- f) Научная работа – это исследовательская деятельность, направленная на получение и переработку новых, оригинальных, доказательных сведений и информации.
- g) Вовлекаемые в производство труд и капитал должны менять свое качество и производительность на базе новых интеллектуальных продуктов.
- h) Инновационный менеджер имеет дело с различными фазами инновационного процесса и с учетом этого строит свою управленческую деятельность.
- i) Он должен хорошо разбираться в специфике запросов покупателя товара, сложившейся ситуации на рынке.
- j) Наша страна одна из пяти стран мира, создающих наукоемкую и конкурентоспособную продукцию.

9. Discuss picture 1 with your friend. Try to explain the meaning of the terms. How are the terms connected with each other? What factors would you use in the work of your company? Add additional factors, if they are necessary.



10. Text for home assignment. Translate the text on your own. Write out the key words from the text. Be ready to give a summary of the text.

Management innovations in the near future

Armed with this perspective, where might management innovation go from here? I will offer three short predictions:

First, innovation management will become more collaborative. Opening up the innovation process will not stop with the accessing of external ideas and the sharing of internal ideas. Rather, it will evolve into a more iterative, interactive process across the boundaries of companies, as communities of interested participants work together to create new innovations. Companies will increasingly compete on the breadth, depth, and quality of their communities that surround their activities

Second, business model innovation will become as important as technological innovation. The business model is the predominant way a business creates value for its customers and captures some piece of that value for itself. It is generally accepted that a better business model can often beat a better technology. There is an irony here. Companies that spend millions of dollars on developing new ideas and technologies often lack any process for exploring alternative business models to commercialize those new ideas and technologies.

Third, we will need to master the art and science of innovating in services-led economies. Most of what we know about managing innovation comes from the study of products and technologies. Yet the world's top 40 advanced economies today derive most of their GDP from services rather than products or agriculture. If we incorporate the above two predictions as well, one can predict that the winning formula for managing innovation in the next decade will be an open-services innovation approach.

Finally, focusing on service innovation, making customers central to the process, and opening up to other companies require embracing a good deal of internal change for most companies. This means that opening service innovation will change your business model. Open service innovation will require companies to charge customers in new ways, use different mechanisms for payment, and perhaps find additional revenue streams to support the business. Traditional competitors may become customers or partners in the new business model, and there may be multiple and sometimes conflicting distribution channels for one's offerings to reach the market.

(accessed URL: <https://iveybusinessjournal.com/publication/management-innovations-for-the-future-of-innovation/>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.

10. Give the summary of the text.

11. Retell the text.

UNIT 2

TYPES OF INNOVATION

- *What kinds of innovations do you know?*
- *How are the concepts of "innovative potential", "innovative climate", "innovative position", "innovative culture" interrelated?*
- *What indicators allow to evaluate the innovative activity of the enterprise?*
- *What do you classify as "Innovative products"? Which of the products are in demand now?*

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.

technological innovation |tek'nɒ'lɒdʒɪk(ə)l ,ɪnə'veɪʃən| технологические достижения; технические новшества

distinctive |dɪ'stɪŋ(k)tɪv| отличительный, особый, характерный

to transform |tu: trɑns'fɔ:m| трансформировать, превращать

raw material |rɔ: mə'tɪəriəl| сырьё

to firm |tu: fɜ:m| укреплять; уплотнять

alignment |ə'laɪnm(ə)nt| выравнивание, регулировка

downsizing |'daʊnsaɪzɪŋ| сокращение, уменьшение

strategy and structural innovation |'strætɪdʒi ænd 'strʌktʃ(ə)r(ə)l ,ɪnə'veɪʃəns| стратегические и структурные инновации

to initiate |tu: ɪ'nɪʃieɪt| начинать; предпринимать; вводить; делать начин

piecemeal |'pi:smi:l| частичный, постепенный

2. Read and translate the text into Russian.

There exist four types of changes to achieve strategic edge within an organization. Managers can use these four types of changes to achieve competitive advantage in the international environment. Each company can have maximum

impact upon the chosen market through its own unique configuration of technology, product and services, strategy and structure, and culture as explained below.

Technological Innovation. Technological innovations refer to changes in an organization's production process to enable distinctive competence. Changes in an organization's production process, including its knowledge and skills base, are designed to produce greater in volume or to have a more efficient production. Changes in technology involve the work methods, equipment, and work flow techniques for making products or services. For example, in a university, technology changes are about changes in methods for teaching the courses. Traditionally innovation has been associated with the use of technological knowledge, and research and development activities. A technological innovation is any innovation due to an industrial application of scientific knowledge.

Innovation involves the usage of new knowledge to transform organizational processes or create commercially viable products and services. The latest technology, results of experiments, creative insights, or competitive information may be the sources of new knowledge. However it comes about, innovation occurs when new combinations of ideas and information bring about positive change. Among the most important sources of new ideas is new technology. Technology creates new possibilities and provides the raw material that firms use to make innovative new products and services. But technology is not the only source of innovation. There can be innovations in human resources, firm infrastructure, marketing, service, or in many other value-adding areas that have little to do with anything "high-tech."

Product and Service Innovation. Product and service innovations refer to the product or service outputs of an organization. New products may be in the form of entirely new product lines or small adaptations of existing products. New products are designed to develop new markets, or customers, or to increase the market share. Product innovation is about the introduction of new goods and services which have improvements in terms of design excellence, core characteristics, technical specifications etc. and are derived from customer or industry insight, or strategic alignment of the organization.

The old rule was to create safe and ordinary products that were combined with great marketing. The new rule is to create remarkable products and figure out a great theory by looking at what's working in the real world and what the various successes have in common. Identify what the successful companies have in common and do something to be remarkable. There is a clear distinction when discussing if innovation is between product/service innovation and process innovation. Product/Service innovation refers to efforts to develop new products or services for end users. Product/Service innovations tend to be more radical and are more common during the earlier stages of an industry's life cycle. As an industry matures, there are fewer opportunities for newness, so the innovations tend to be more incremental. Process innovation, by contrast, is associated with improving the efficiency of an organizational process, especially manufacturing systems and operations. Process innovations occur in the later stages of an industry's life cycle as companies seek ways to remain viable in markets where demand has flattened out and competition is more intensive. As a result, process innovations are often associated with overall cost leader strategies because the aim of many process improvements is to lower the cost of operations.

Strategy and Structural Innovation. Strategy and structural innovation refers to the administrative section in an organization. It is related to the management and supervision in the organization, including changes in an organization's strategic management and structure, policies, accounting and budgeting systems, reward systems, labor relations, coordination devices, management information and control systems. Strategy and structure changes in an organization are mandated by top management. They usually have a top-down structure. An example may be if the corporate goes downsizing. On the other hand, product and technology changes may come from the bottom up.

Cultural Innovation. Cultural innovation refers to changes that may occur in an employee's attitudes, beliefs, values, expectations, abilities, and behavior. Culture innovation tends to change the way employees think. These are changes in mindset rather than the technology, structure, or products and services.

Culture can be a powerful force undermining or shoring up the effectiveness of a nation, a business, and a manager. Recognizing the presence and power of culture will help in better navigating through the rough seas of international business. Discovering how to harness the power of culture in an organization will help the organization gain competitive advantage. To conclude, it can be said that successful innovation in an organization occurs when technological and product or process innovations in the value chain are implemented through effective strategy and structure innovation. Innovation in an organization, which includes people, leadership, creativity, process and organizational culture, is the driver to grow, to achieve high profits and to succeed in the market. Innovation in an organization should be approached in a systematic way and not a piecemeal manner and should be initiated even at the lowest levels.

(accessed URL: <https://www.mbaknol.com/modern-management-concepts/innovation-definition-and-types/>)

3. Answer the questions according to the text.

- a) Does each company have maximum impact upon the chosen market through its own unique configuration of technology?
- b) Why do technological innovations refer to changes in an organization's production process?
- c) How do technology changes happen in universities?
- d) Does technological innovation occur due to an industrial application of scientific knowledge?
- e) Why are new products designed?
- f) Do innovations tend to be more incremental?
- g) What is strategy and structural innovation?
- h) What is cultural innovation?
- i) What force has the culture?
- j) Is the innovation piecemeal manner and should be initiated even at the lowest levels?

4. Give the antonyms to the following words:

distinctive, more, efficient, insight, later, presence, changes, downsizing, gain, profits.

5. Match the words and their definitions: *fall, innovation, information work, epochal innovations, pseudoinsulata, basic innovations, improving innovations, scientific and educational work, technological structure and inception.*

- a) are carried out every few centuries, last decades.
- b) are expressed in radical changes in technological basis of the production.
- c) are aimed at the development and modification of basic innovations
- d) characterized by that assume not fundamental changes in the traditional technical-technological solutions.
- e) scientific work aimed at improving search and improve analysis.
- f) activities for the preparation of scientific work of postgraduates, students.
- g) a property inherent only to those solutions that have objective novelty
- h) principles of technology, basic innovations, new features.
- i) creation of goods in the company.
- j) reduction of most significant indicators of life activity of the system.

6. Mark the sentences True or False

- a) Managers can use six types of changes to achieve competitive advantage in the international environment.
- b) Changes in an organization's production process are not designed to produce greater in volume or to have a more efficient production.
- c) Changes in technology include the work methods, equipment, and work flow techniques for preparing products or services.
- d) Traditionally innovation has been associated with the growth of technological knowledge.
- e) New products may be in the form of entirely new product lines or small adaptations of existing products.
- f) The old rule was to create safe and ordinary products.
- g) There is a precise distinction when discussing if innovation is between product/service innovation and process innovation.

- h) Strategy and structural innovation refers to the administrative section in an invention.
- i) Cultural innovation refers to changes that may happen in an employee's attitudes, beliefs and values.
- j) Innovation in an organization is the driver to fail, to achieve high profits and to succeed in the market.

7. Make sentences putting the words and word combinations in the correct order.

- a) The organization / it will manufacture / will provide products, / and deliver / them.
- b) Managers / establish / performance / must / standards.
- c) Today's managers / an employee's best work / command / do not.
- d) Employees express / concerns / fear of retribution / their / without.
- e) Managers develop / and / direct / other / systems and / processes to / the allocation of human, financial, / resources.
- f) This environment will encourage / to want to / employees / do their best work.
- g) These plans / an organizational / and mission / vision / and specific / for achieving the / include creating / organization's goals / tactics.
- h) The / managers / best / create / energy / than they / far less / consume.
- i) Today's / need to be / and / coaches, / managers / watchdogs / counselors, / colleagues instead of / or executioners.
- j) It's the job, will / of managers / the plans that / the / determine / goals an / organization / pursue, the products and services it will / to develop / provide.

8. Translate the following sentences from Russian into English.

- a) Ключевой приоритет любой организации – «выживать и процветать на рынке».

- b) Выживание обычно зависит от расширения существующих рынков, ухода с рынков, которые входят в стадию стагнации, и использования в своих интересах новых возможностей.
- c) Организации, которые не в состоянии модернизировать процессы, вряд ли останутся жизнеспособными на неравных условиях.
- d) Инновации не ограничиваются научными исследованиями в различных технологических областях. Например, сейчас «у всех на слуху» нано-, био- и IT-технологии.
- e) Инновации могут происходить во всех частях организации и на всех стадиях жизненного цикла: исследования, проектирование, изготовление, дистрибуция и маркетинг, обслуживание и возможная утилизация продукции.
- f) Можно выделить три направления роста: интенсивное, диверсификационное и интеграционное.
- g) Конкурентоспособность инноваций во многом связана с диверсификационным развитием предприятия, в частности с его разновидностями.
- h) Реалии нынешней экономики говорят о необходимости ускорения диверсификации производства.
- i) В мире компаний маленькая фирма, верно избравшая свою линию поведения, напротив, может пробиться к вершинам пирамиды бизнеса.
- j) Стратегия означает взаимосвязанный комплекс действий во имя укрепления жизнеспособности и мощи данного предприятия по отношению к его конкурентам.

9. Discuss picture 2 with your friend. What kind of innovation do these technologies refer to? Try to think off your own examples for each type of innovation.



10. Text for home assignment. Translate the text in your own. Write out all the rest key words of the text. Be ready to give a gist of the text.

The most innovative countries

Switzerland is the world's most innovative country. Its capacity for innovation and the quality of its scientific research institutions are just two of the factors that have enabled this small alpine country to hold onto the top spot in the World Economic Forum's latest Global Competitiveness Index.

Swiss companies are ready to invest in research and development (R&D) and collaborate well with universities to produce an economy where innovation is high on the agenda. The index rates countries on 12 pillars of competitiveness. Countries are ranked according to each pillar, the 12th of which is 'innovation'. Each pillar is also split into various subindexes.

Switzerland has remained top of the overall global competitiveness ranking for six years in a row.

The US comes second, which matches its second place on the overall index. The US has a vibrant innovation ecosystem. Like Switzerland, it scores highly on most of the subindexes of the pillar, except for the number of its patent applications, where it sits in 10th place.

Israel's third place is driven by similar strengths to Switzerland. It has a good capacity for innovation, high quality scientific research institutions and strong private sector spending and collaboration on R&D.

Europe leads the way when it comes to the Innovation Index. Of the remaining seven in the list, five are in Europe (Finland, Germany, Netherlands, Sweden and Denmark).

Finland has the highest score for the number of scientists and engineers, while Germany is top for company spending on R&D. The quality of Dutch scientific research institutions boosts the Netherlands' innovation score the most.

Sweden, in seventh place, has the second highest score for patent applications. This is also where Denmark (10th) performs the best.

Japan (eighth) and Singapore (ninth) complete the top 10. Japan scores highest in patent applications while Singapore is strong on government investment in advanced technology products.

(accessed URL: <https://www.weforum.org/agenda/2017/10/these-are-the-10-most-innovative-countries-in-the-world/>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 3

LEADERSHIP AND TEAM MANAGEMENT

- *Who is in charge for a command team?*

- *Why are informal teams necessary?*
- *What are the features of a good self-managed team?*
- *Who can be related to scientists?*
- *What is the structure of the personnel employed in the innovation activity realities?*
- *What are the features of labor at different levels of innovation stage?*

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.

charismatic |kærɪz'mætɪk| обаятельный; наделённый шармом

workforce |'wɜ:kfɔ:s| персонал, штат

bend |bend| приложить, подчинять, поворачивать

iterative |'ɪt(ə)rətɪv| повторяющийся, повтор

alienating |'eɪliəneɪtɪŋ| отдаляющий

flourish |'flaʊrɪʃ| процветать, расцветать, преуспевать

empowerment |ɛm'paʊəmənt| доверенность, полномочие, оформление доверенности, полномочия

transformational |trænsfɔ'meɪʃ(ə)n(ə)l| преобразовательный

articulate |ɑ:'tɪkjuleɪt| ясно выражать, формулировать, координировать

steadfastness |'sted fɑ:s(t)nəs| стойкость, упорство, непреклонность

2. Read and translate the text into Russian.

What are the qualities of good leaders? What makes them successful? Think of some of the greatest leaders of all time. What made them stand out from others? We may think of adjectives such as “heroic,” “charismatic,” and “strategic.” These are all leadership qualities, but what really makes for a strong and successful leader? Successful leaders are able to influence others. They use their innate qualities to inspire a workforce, a team, or a nation to achieve goals. Leaders can see beyond themselves and beyond the task at hand to look at achieving long-term goals by utilizing their strengths combined with the strengths of others. Effective leaders are able to manage relationships with others and create positive outcomes. Winston

Churchill often comes to mind as one of the greatest leaders in history. He was a talented orator and politician, but what made Churchill a phenomenal leader was his ability to mobilize and strengthen the will of his people through his words and policies. Although his strategic actions were often criticized at the time for being impulsive, Churchill allowed his belief in democracy and his intolerance for fascism to dictate his wartime policies. It was not only his passion for the policies but his ability to carry out his plans that made him a successful leader.

Leadership, such as that demonstrated by Churchill, is about inspiring others and doing the right thing. Leaders make change happen, but their values remain steady and unchanging. Most leaders not only have a long-term perspective on goals, but they also have innovative ways of achieving their goals. World leaders and business leaders alike can create triumph from disasters. Leaders learn from failure and have a steadfastness of purpose that keeps them focused on a goal or objective in spite of nearterm setbacks or adverse conditions. Leaders are flexible in their execution and will make midcourse corrections and iterative improvements — leaders “bend but don’t break.” They inspire those around them to stretch and do their best to fulfill the organizational mission. Leaders are able to energize those around them in order to create desired results without compromising their ethical standards.

Autocratic Leadership. This style of leadership is both directive and controlling. The leader will make all decisions without consulting employees and will also dictate employee roles. Micromanaging is a form of autocratic leadership in which upper management controls even the smallest tasks undertaken by subordinates. The autocratic style of leadership limits employee freedom of expression and participation in the decision-making process. It may result in alienating employees from leadership and will not serve to create trust between managers and subordinates. Further, creative minds cannot flourish under autocratic leadership.

Democratic Leadership. This style of management is centered on employee participation and involves decision making by consensus and consultation. The leader will involve employees in the decision-making process and they will be encouraged

to give input and delegate assignments. Democratic leadership often leads to empowerment of employees because it gives them a sense of responsibility for the decisions made by management. This can also be a very effective form of management when employees offer a different perspective than the manager, due to their daily involvement with work. A successful leader will know when to be a teacher and when to be a student. Democratic leadership may best be used when working with highly skilled and experienced employees.

Transformational Leadership. Leaders who have a clear vision and are able to articulate it effectively to others often characterize this style of leadership. Transformational leaders look beyond themselves in order to work for the greater good of everyone. This type of leader will bring others into the decision-making process and will allow those around them opportunity to learn and grow as individuals. They seek out different perspectives when trying to solve a problem and are able to instill pride into those who work under them. Transformational leaders spend time coaching their employees and learning from them as well.

(accessed URL: <https://www.abahe.uk/business-administration/Leadership-and-Team-Building.pdf>)

3. Answer the questions according to the text.

- a) What kind of qualities must the leader have?
- b) What do successful leaders do?
- c) How can the effective leaders be characterized?
- d) Who is the greatest leader in history?
- e) What goals do the leaders have?
- f) Are leaders flexible in their execution and will make midcourse corrections?
- g) Who energizes people around them in order to create desired results?
- h) Describe the autocratic style of leadership.
- i) Where does democratic leadership often lead to?
- j) Who are transformational leaders?

4. Give the synonyms to the following words:

successful, charismatic, workforce, outcome, strengthen, involvement, freedom, management, different, various, perspectives.

5. Match the words and their definitions: *enthusiasts, adventurers, phlegmatic, style, choleric, neutrals, scientists, melancholic, temperament, sanguine.*

- a) are employed in fundamental research.
- b) a property of the human nervous system associated with the structure of the human body, metabolism in the body.
- c) the owner of a strong type of nervous system.
- d) the owner of an unbalanced type of nervous system.
- e) with a weak unbalanced type of nervous system.
- f) with a strong balanced, but inert, motionless type of nervous system.
- g) the manner of behavior of the head in relation to subordinates.
- h) employees who perceive innovations with a strong passion.
- i) unscrupulous employees, directly supporting and conducting a risky, uncertain innovations.
- j) employees who are indifferent to work in the same way.

6. Mark the sentences True or False

- a) Successful leaders are able to influence others.
- b) Leaders can understand everything and imagine beyond the task at hand to look at achieving long-term goals.
- c) Winston Churchill often comes to mind as one of the greatest politicians in history.
- d) Churchill believed that capitalism is only one of the ways of solving the problems.
- e) Churchill said that leadership is inspiring other people and correct behavior.
- f) Leaders are able to energize those around them in order to control without compromising.
- g) The autocratic style of leadership is free and democratic.
- h) The autocratic leader limits employee freedom of expression and participation in the decision-making process.
- i) Democratic Leadership does not imply employee participation and involves decision making without consensus and consultation.

- j) Transformational leaders look beyond themselves in order to work for the greater good of people.

7. Make sentences putting the words and word combinations in the correct order.

- a) Be sure to / and often / communicate the vision / widely.
- b) Don't sugarcoat / the blow / the truth in / to soften / of pleasant / an attempt / news.
- c) Employees are your / — a resource / when / much / most / it is / that is / important / less productive / resource / energized.
- d) Managers / their / to make / encourage / suggestions for / and / to / organization's/ improvement / participate in an / decision-making / employees / process.
- e) They take time to create buy-in, / much slower / allows them to implement / which then / decisions / after / a decision is made.
- f) What are / to your / you / energize / doing / employees?
- g) Do you / what your / employees / really know / want?
- h) Are you responding to / or are you putting them / burner—either / decisions / your employees' needs, / until / on the back / later or hoping / deferring these / they go away altogether?
- i) Remember, / most / resource—a resource / important / employees are your / that is much / when / more productive / it is energized.
- j) Now let's have a / management / look at / Japanese / the / style.

8. Translate the following sentences from Russian into English.

- a) Надо сокращать степень подчиненности так, чтобы между директором и работником было максимум три звена.
- b) Честолюбивые заместители вмешиваются в дела, которые их не должны касаться.
- c) Укрепляйте ответственность исполнителей, определяйте четко работу каждого из них.

- d) Излишний контроль за подчиненными приводит к тому, что ваша деятельность приносит все меньше пользы.
- e) Не нацеливайте отделы и службы на то, чтобы они стремились к таким задачам, которые противоречат одна другой.
- f) При руководстве людьми весьма важно придерживаться некоторых психологических правил.
- g) Сначала нужно похвалить подчиненного и только потом давать указания по улучшению работы.
- h) Основная идея психологии управления следующая: плохо относиться к человеку – невыгодно.
- i) Эти люди хороши в качестве генераторов идей.
- j) Черты темперамента являются наследственными и плохо поддаются изменению.

9. Discuss picture 3 with your friend. Explain the words to each other. Talk about leadership and enhance the scheme with your own examples.



10. Text for home assignment. Read the text and make a presentation about one of the great politicians of the world, be ready to talk about it in front of your group.

Tony Blair

Tony Blair completed his education from Chorister School, Durham, and Fettes College, Edinburgh. Teachers and fellow students report that he was a huge Mick Jagger fan. In fact, his teachers go on record to say, " they were very glad to see the back of him". He spent a year trying his luck as a rock music promoter, after college. Without much luck, he went on to pursue jurisprudence at St John's College.

He used to play the guitar and even sang with the Ugly Rumors. Blair was very influenced by a colleague, who was also an Anglican priest, Peter Thomson. Thomson played a major role in evoking deep religious faith and interest in the left wing ideology. He went on to graduate from Oxford with a Second Class Honors BA in 1976. He met Cherie Booth, his future wife, when he enrolled as a barrister at the Chambers. Blair and Cherie have four children.

Tony Blair extensively modernized the Labor party. The term 'New Labor' was adopted. Old policies were abandoned to create space for the setting of 'minimum wage'. 'New Labor' enjoyed a landslide victory in 1997, ending the rule of the Conservatives of 18 years. Alongside being elected Prime Minister, he also served as First Lord of Treasury, Minister for the Civil Service, and Privy Counselor. At 43, he became the youngest Prime Minister since Lord Liverpool. Blair was a leader within a political arena that is overshadowed by controversies. But his persona and charisma saw him sail through three consecutive election victories. He was honored in 2003 with the Congressional Gold Medal. Blair supported a British exit from the EEC, and strongly supported nuclear disarmament that is unilateral in nature. He also declared himself a socialist, who supported cooperation instead of confrontation. This outlook was responsible for the Labor Party changing Clause IV, becoming a democratic socialist party, rather than a social democratic party.

When he stood down from his position as Prime Minister, he was appointed Official Envoy of the United Nations, to the Quartet on the Middle East. He represented the European Union, Russia, and the United States in this capacity. In 2007, the Tony Blair Sports Foundation was launched to increase participation in sports-related activities. The Blair Faith Foundation launched in 2008 is a rostrum for

people of different faiths to come together and promote an understanding. He is the first Prime Minister who did not issue the Resignation Honors, post resignation.

(accessed URL: <https://historyplex.com/tony-blair-facts>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 4

INNOVATIVE PROJECT

- *Define an innovative project and expand its content.*
- *What is the difference between innovative and investment projects? Give examples.*
- *What are the features of creative work motivation?*
- *What methods of creativity development do you know?*
- *What are the qualities of a manager of innovation?*

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.

target |'tɑ:ɡɪt| мишень, цель, объект

deadline |'dedlaɪn| предельный срок, предел

consecutive |kən'sekjʊtɪv| последовательный, следственный

implementation |ɪmplɪmən'teɪʃ(ə)n| осуществление, реализация, выполнение

investment |ɪn'ves(t)m(ə)nt | инвестирование; помещение капитала

competitiveness |kəm'petɪtɪvnəs| дух соперничества, конкурентоспособность

funding |'fʌndɪŋ| финансирование

preliminary |prɪ'lɪmɪn(ə)rɪ| предварительные действия, шаги, замечания

enterprise |'entəpraɪz| предприятие, предпринимательство

entity |'entɪti| сущность, организация, объект, существо

2. Read and translate the text into Russian.

In recent years, a new scientific discipline has been formed - the management of innovative projects. It is a subsection of the theory of management of social and economic systems, which studies the ways, forms and means of effective management of innovations and innovative projects. An innovative project, like any project, is a complex form of innovation management.

The innovative project includes:

- a form of targeted management of innovation activities. The project as a form of target management is a complex interrelated system of resources, deadlines and participants;

- the process of innovation. In this case, the project is considered as a system of consecutive technological, scientific and technical, organizational, economic, financial and other activities aimed at creating innovative products;

- a collection of documents. Includes a set of various documentation (organizational, financial, technical, etc.), necessary for the implementation of the project.

The innovative project, for example, refers to a comprehensive plan of action aimed at creating or changing a particular system through the transformation of innovation into innovation and providing for its implementation certain conditions (terms, finances, equipment, methods of organization, etc.). An innovative project is always connected with investments, and it is often called an innovation-investment

project. In an entrepreneurial environment, an innovation project is defined as a business project for the innovative activity of an enterprise (firm) with the aim of modernizing it and increasing competitiveness in the target market.

Currently, in the scientific and educational literature, there are different classifications of types of innovative projects. Therefore, all types of innovative projects can be defined as a system of related programs that ensure the effective achievement of certain innovative goals, and agreed on the resources, terms, participants and documents used. Research and development of innovative projects are involved in innovative management as an important component of the implementation of innovative activities.

The creation of any innovative project requires the allocation of a certain amount of funding and, consequently, the conduct of the examination procedure. The analysis of innovative projects has its own characteristics. It is impossible to use only standard design methods, it is necessary to combine qualitative and quantitative methods of comparative analysis of projects, construction of multifactor models. That is why various methods and approaches are used: correlation, investment, financial analysis, modeling and forecasting methods, etc.

On the pre-investment phase, conditions are being investigated and project planning, documentation development and preparation for implementation. This phase is closely related to business and environmental factors, which have a direct impact on the definition of the parameters of an innovative project. Therefore, a preliminary analysis of all factors of the external environment is so important for the creation of an innovative project.

In the investment phase, contracts are concluded, work plans are developed, the project is implemented and completed. In the final phase, when the products are already received, the project is connected with the sales market.

The main *participants* of the innovative project are:

1) the customer - the future owner and user of the project results (legal entities, individuals);

2) investor - legal entities, individuals who invest money (the customer and the investor may coincide);

3) the designer is the developer of the project;

4) the supplier is an organization that provides material and technical support;

5) the project manager is a legal entity to which the customer delegates the authority to manage the project activities;

6) the project team will be created for the period of work.

(accessed URL: <https://testmyprep.com/subject/investment/contents-of-the-innovative-project-conclusions>)

3. Answer the questions below from the memory.

a) What is innovative project?

b) What does innovative project include?

c) Where does the innovative project refer?

d) How can innovation-investment project be characterized?

e) Does innovative project modernize and increase competitiveness in the target market?

f) How many classifications of types of innovative projects are there?

g) What is involved in innovative management as an important component of the implementation of innovative activities?

h) What does the creation of any innovative project require?

i) What methods and approaches are necessary in the analysis of innovative projects?

j) Who are the main participants of the innovative project?

4. Give the synonyms to the following words:

goal, complex, form, economic, determine, activity, component, enterprise investment, approach.

5. Match the words and their definitions: *innovation management, innovative firm, innovative project, monoproject, pioneer projects, emergence of an innovative idea, technical and economic plan (or resource), modernization project, budget of an innovative project, megaprojects.*

a) a system of management of development and development of any innovations.

- b) a system of interrelated goals and programs to achieve them.
- c) the starting point from which the development of an innovative project begins.
- d) a plan of resource support of an innovative project (material and technical, intellectual, information, monetary).
- e) is a plan expressed in quantitative terms and reflecting the costs.
- f) an enterprise that introduces product or process innovations.
- g) the only innovative idea is embodied and promoted in the market within the framework of the actions of one company.
- h) multi-purpose and cross-sectoral programs with centralized government funding.
- i) the prototype of the product, its design features, production technology does not change fundamentally.
- j) completely new materials, constructive solutions are developed, unique technologies appear.

6. Mark the sentences True or False.

- a) Innovation project studies the ways, forms and means of effective management of innovations and innovative projects.
- b) Innovation project is a one unit of innovation management.
- c) The innovative project refers to targeted management of innovation activities.
- d) An innovative project does not deal with investments.
- e) Different classifications of types of innovative projects exist in the scientific and educational literature.
- f) An innovative project is system of related programs that ensure the effective achievement of certain goals, and agreed on the resources, terms, participants and documents used.
- g) The creation of any innovative project requires the conduct of the examination procedure.
- h) That is why correlation, investment, financial analysis, modeling and forecasting methods are used in the innovative projects.
- i) In the investment phase, contracts are signed, work plans are developed, the project is implemented and completed.

j) The designer is the builder (creator) of the project.

7. Make sentences putting the words and word combinations in the correct order.

- a) of you build a perfect / And it's the whole notion / product in the first place— that's how you get the right answer.
- b) That is, you / quality at the end— that's the old American way / don't inspect.
- c) it perfect in the first place, by / Instead, you build / the individual employee self- / his or her own individual process controlling.
- d) that / And you can / people see / make.
- e) You show them little / make that happen on a shop / techniques that actually /floor.
- f) when someone has seen / And you take people and you show them what people sometimes call visual factory, and / the visual factory and suddenly understands how 23 this / go out of there with their eyes as big as saucers / whole thing works, they.
- g) using benchmarks and showing / That's how you do a revolution—first, / that you are ahead or behind and, second, applying hard discipline.
- h) All the divisions /, have the plan come in, and then cruise right past it and get a big bonus / wanted to pare back the numbers.
- i) few percentage points / That's the way American business worked for most of the postwar period—an incremental, / of improvement each year.
- j) learned with the impact / What we've /of the process revolution in the 1990s is that you can set and achieve /—breathtaking kinds of numbers / revolutionary goals.

8. Translate the following sentences from Russian into English.

- a) Уровень значимости проекта определяет сложность, длительность, состав исполнителей, что влияет на содержание проектного управления.
- b) По предметно - содержательной структуре и по характеру инновационной деятельности проекты подразделяются на: исследовательские; научно-

технические; связанные с модернизацией и обновлением производственного аппарата.

- c) По характеру целей проекта подразделяются на: конечные - отражают цели, решения проблемы в целом; промежуточные.
- d) Любой проект от возникновения идеи до полного своего завершения проходит через определенные ряды последовательных ступеней своего развития.
- e) Инновационные проекты характеризуются высокой неопределенностью на всех стадиях инновационного цикла.
- f) Проект ориентируется на законодательно-правовые основы, что составляет правовую зону проекта, на их основе заключаются контракты и другие правовые документы.
- g) Финансирование проекта создает финансовую зону и ориентируется на инвестиционный рынок.
- h) Если в результате испытаний получается продукция, отвечающая требованиям проекта, то приемка готовых объектов оформляется протоколом комиссии.
- i) Результаты испытаний есть основание передачи заказчику ответственности от организаций-исполнителей в период сдачи-приемки готовой продукции.
- j) Проверка финансовой отчетности исполнителя включает: проверку платежей поставщикам и соисполнителям; соответствие суммы заказов закупкам по накладным поставщиков; поиск просроченных платежей поставщику; подтверждение соответствующих удержаний.

9. Discuss picture 4 with your friend. Try to explain the meaning of the terms. How are the terms connected with each other? Suggest your own variants.



10. Text for home assignment. Read the text and prepare a report about one famous innovative project.

Best innovative projects selected in Minsk

Today the meeting of the board of the National Contest of Innovative Projects, which will determine the winners in two nominations, such as "Best Innovative Project" and "Best Youth Innovation Project", is held at the State Committee on Science and Technology of the Republic of Belarus. This year, about 150 applications to participate in the contest, including in the nomination "Best Youth Innovation Project" (91) were received. 84 projects, including 38 projects in the nomination "Best Innovative Project" and 46 projects in the nomination "Best Youth Innovation Project" were sent for further expertise.

According to Alexander Shumilin, Chairman of the SCST, the biggest quantity of the projects sent for the expertise in 2018 are in the fields of computer science, informatization and space research (19); photonics, optoelectronics, microelectronics, and instrument electronics (18); medical and social sciences (12); agricultural sciences and technologies (10). According to him, the number of projects in the field of instrumentation and electronics has increased significantly

in comparison with previous years. They make up more than 20% of the total number of projects selected for the expertise. Alexander Shumilin also noted that the most interesting projects, which will be considered today, are at the intersection of sciences. For example, they are in the fields of information technologies, new solutions in instrument making used in medicine, agriculture and other areas. The board of the contest will determine the winner and the prizewinners. It is supposed to choose projects for further commercialization of the results among them. These projects will receive a certificate in the amount of 14 200,0 rubles each.

(accessed URL: <http://www.gknt.gov.by/en/news/2018/best-innovative-projects-selected-in-minsk/>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 5

BUSINESS COMMUNICATION OBJECTIVES

- *How can a manager energize people?*
- *How should one empower people?*
- *What does communication mean?*

- Define what the innovation goal means. Formulate rules for building a target tree and give an example of its calculation parameters.
- What are the requirements for the formulation of innovation purposes?
- What will be the object of advertising?

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.

allocation |alə'keɪʃ(ə)n| распределение, назначение, отчисление

unpredictability |,ʌnpri'dɪktə'bɪlɪti| непредсказуемость

extrapolation |ɪkstrəpə'leɪʃ(ə)n| продолжение

anticipation |antɪsɪ'peɪʃ(ə)n| ожидание, предчувствие

framework |'freɪmwɜ:k| основа, структура

commodity |kə'mɒdɪti| товар, продукт

segmentation |,segmən'teɪʃən| деление, сегментация

legislative |'ledʒɪslətɪv| установленный в законодательном порядке

assessment |ə'sesmənt| оценка, суждение, обложение налогом

mitigation |mɪtɪ'geɪʃ(ə)n| смягчение, уменьшение

2. Read and translate the text into Russian.

One of the characteristics of modern management is a pronounced strengthening of the *strategic planning function*. The role of planning increases in all spheres of company management: from production to marketing, from resource allocation to personnel policy.

Strategic planning, unlike long-term planning, which is built on the extrapolation method, assumes that, in anticipation of changes in the external environment, the company develops several alternative strategies to adapt to these changes. When changes occur, the company chooses the strategy that is most appropriate for this situation.

Planning is the process of thinking, mapping out and organizing the activities required to achieve a desired goal. Planning involves the creation and maintenance of a plan. As such, planning is a fundamental property of intelligent behavior. This

thought process is essential not only for the creation and refinement of a plan but also for its integration with other plans. It combines forecasting of developments with the preparation of scenarios of how to react to them. An important, albeit often ignored aspect of planning, is the relationship it holds with forecasting. Forecasting can be described as predicting what the future will look like, whereas planning predicts what the future should look like.

In organizations, planning is also a management process, concerned with defining goals for the organization's future direction and determining on the missions and resources to achieve those targets. To meet the goals, managers may develop plans, such as a business plan or a marketing plan. Planning always has a purpose. The purpose may be achievement of certain goals or targets. The planning helps to achieve these goals or target by using the available time and resources.

Current, or short-term, planning for innovation involves planning for a specific project and relates to the business planning element. Obviously, the marketing plan is the main one in this case, and it is based on the marketing program, which is a medium-term document. The consistent process of making strategic innovation decisions consists of a series of steps.

On the **first stage** complex research of the market is conducted, namely - research of commodity and firm structure of the market, analysis of consumer preferences and motivations, segmentation of consumers and possible definition of market windows, study the company's macro environment, the analysis of trade practices and commercial standards of conduct, the study of the legislative framework. From the professionalism of this stage depends optimization of the decision-making process by the company's management, since information plays a primary role in this process.

The **second stage** determines the company's own capabilities and identifies the scope for using an innovation strategy. Effective implementation can be limited by a number of factors. This, first of all, the availability of financial resources, the adequacy of technological development and the level of professionalism of employees, i.e. quality of fixed and attracted capital. Significant importance is the

degree of competition and the existence of legislative regulation of activities in the selected industry.

At the *third stage* due to the instability of market factors and the presence of certain intra-firm limits, alternative strategies (preferably at least three) are being developed to adapt the company to new environmental conditions. Particular attention at this stage is paid to the correspondence of alternatives to the overall goals and global strategies of the company, as well as their correction with the information obtained at the first stage of the decision-making process.

At the *fourth stage* the company's management makes a costly and targeted evaluation of each alternative, considering the financing possibilities of the chosen solution.

Qualitative analysis includes a description of possible risks, impact assessment, and mitigation of the impact on the project. A prerequisite for developing an innovative business plan is the data or documentation that needs to be provided when processing a business plan. They must contain information of a political, scientific, technical, economic, social, foreign economic and legal nature. Its sources are the experience gained during practical activity; contacts with consumers, who will be loyal in the future to innovation, suppliers and agents; materials relating to competitors; scientific publications; statistical data on the development and state of activity's, market and economic situation's sphere; scientific conferences and exhibitions.

(accessed URL: <https://testmyprep.com/subject/management/strategic-planning-of-innovations-essence-and>)

3. Answer the questions below from the memory.

- a) What characteristics has modern management?
- b) What happens with the role of planning?
- c) What is the role of strategic planning?
- d) When does the company choose the strategy?
- e) What is planning?
- f) Why is planning so necessary?

- g) What kind of plans do you know?
- h) What does current, or short-term, planning mean?
- i) Describe the stages of planning.
- j) Does the qualitative analysis include a description of possible risks, impact assessment, and mitigation of the impact on the project?

4. Give the synonyms to the following words:

forecasting, strengthening, allocation, defining, target, level, capabilities, legislative, economic, technical.

5. Match the words and their definitions: *entrepreneur, natural innovation process, innovation process, basic research, golden collars, scientific and technical idea, commodity innovation process, free employees, advanced innovation process, business plan.*

- a) a promising document: it is recommended to make it for the entire period of the project.
- b) preparation and implementation of innovative changes, it consists of interconnected phases forming a single, complex whole.
- c) created and used within one organization and does not take the form of goods.
- d) innovation acts as the object of purchase-sale and involves the separation of its creation and production to its consumption.
- e) involves violation of the pioneer manufacturer's technology and creation of new producers of innovation.
- f) research, aimed at obtaining new scientific knowledge and identifying the most significant regularities'.
- g) a general theoretical understanding of the material object, the process, phenomena, formulated on the basis of intuitive guesswork and empirical data.
- h) looking for new activities of the company and possible areas of expansion of the nomenclature.
- i) dreamers, heretics, troublemakers, cranks and geniuses.

j) highly qualified scientists and specialists with an entrepreneurial approach.

6. Mark the sentences True or False.

- a) Strengthening of the strategic planning function is one of the characteristics of modern management.
- b) Planning is the action of creating, mapping out and predicting the activities required to achieve a desired goal.
- c) A fundamental property of intelligent behavior is called design.
- d) Forecasting is be described as predicting what the future will look like, whereas planning predicts what the future should look like.
- e) In order to meet the targets, managers can develop plans, such as a business plan or a marketing plan.
- f) Designing helps to achieve these goals or target by using the much time and many resources.
- g) The marketing plan is not only one in this case, and it is based on the basic research.
- h) Effective implementation may be restricted by the availability of financial resources, the adequacy of technological development and the level of professionalism of employees, i.e. quality of fixed and attracted capital.
- i) The correspondence of alternatives to the overall goals and global strategies of the company, as well as their correction with the information obtained at the first stage of the decision-making process demand less attention.
- j) Qualitative analysis include a description of possible risks, impact assessment, and mitigation of the impact on the project.

7. Make sentences putting the words and word combinations in the correct order.

- a) divisions wanted to pare back / All the / the numbers, have the plan come in, and then / right past it and get a big profit / cruise.

- b) countless examples in the business / I can give you / world where you set a goal for, like, 100 percent /doubling profit or doubling cost and it actually happens / improvement and.
- c) can buy into / that are real / I spend a lot of my life looking for gee-whiz examples—things / and persuasive—that people / and say, “Okay, I believe that.”
- d) it went to a repair / And if it worked, / shop for rework and got shipped later on.
- e) his or her / first place, by / Instead, you build it perfect in the / the individual employee selfcontrolling /own individual process.
- f) they go out / visual factory and / When someone has seen the / suddenly understands how this whole thing works, / of there with their eyes as big as saucers.
- g) the impact / you have significant / Last, as a manager, / control over avoidable crises and, ultimately, / that they have on your organization.
- h) crises / problems that seem / If you ignore / insignificant today, they can blossom into the mother of all /literally overnight.
- i) your / going on in / Keep a close eye on what’s / your organization, / industry, and your overall business environment.
- j) as they arise / to new products / If you have unhappy employees or changes in your industry that threaten to drive clients / and suppliers, then it’s in your interest to deal with issues like these / and not wait until they become full-blown crises.

8. Translate the following sentences from Russian into English.

a) Известно, что менеджмент как вид человеческой деятельности возникает там и тогда, когда между исполнителями начинают действовать кооперация и разделение труда горизонтального типа.

b) В этот момент создаются предпосылки для вертикального разделения компетенций на управленческие и исполнительские.

с) То есть, когда становится необходимым координировать усилия людей в достижении результата, тогда и рождается менеджмент.

д) С понятием инновационного менеджмента дело обстоит несколько сложнее.

е) Это связано с наличием нетрадиционных для обычного бизнеса ролей (исследователь, изобретатель, конструктор, инноватор-предприниматель) и специфичностью проектной организации в инновациях.

ф) Альтернативный персонал – внештатные временные работники, используемые в период повышенной нагрузки. Не надо сокращать собственный персонал в период спада.

г) Разделение труда менеджеров происходит по уровням и сферам деятельности.

h) Чем ниже уровень, тем больше менеджеров в одной и той же сфере деятельности, решающих частные задачи.

и) Существуют два подхода к обновлению товара – предметный и функциональный.

j) Товарный (предметный) – это улучшение товара на базе известных технических решений.

9. Discuss picture 5 with your friend. Explain the meaning of the words to each other. Talk about business goals and enhance the scheme with your own suggestions.

Types of Business Objectives



10. Text for home assignment. Translate the text and prepare a report about one world known businessperson.

Steve Jobs

American business executive, computer programmer, and entrepreneur. Computer designer and corporate executive Steve Jobs is cofounder of Apple Computers. With his vision of affordable personal computers, he launched one of the largest industries of the past decades while still in his early twenties.

Born on February 24, 1955, Steve Jobs was the adopted son of Paul Reinhold and Clara Jobs. His biological parents were Abdulfattah ‘John’ Jandali and Joanne Carole Schieble, who could not raise Steve as their parents objected to their relationship. Ever since a young age, Jobs was exposed to the world of mechanics. He would spend long hours with his father, dismantling and rebuilding electronic devices in the family garage. It was these experiences that gave the little boy tenacity and mechanical prowess. Academically, after passing his high school in 1972, he enrolled

at the Reed College but dropped out of the same in a time frame of six months to pursue creative classes, including a course on calligraphy.

His first move professionally was that of a technician at Atari, Inc. in Los Gatos, California, in 1973. In mid-1974, Jobs went to India to meet Neem Karoli Baba for spiritual enlightenment. Before he could meet Neem Karoli Baba, the Baba died and after a brief hiatus of about seven months, Jobs returned to Atari to create a circuit board for the arcade video game Breakout. Along with Wozniak, he developed a circuit board eliminating about 50 chips from the machine thereby making the same compact. Next was the development of the digital 'blue box', which allowed free-long distance calls. It was the positive response of the blue box that instilled in him the need to make it big in electronics.

He remains one of the most inventive and energetic minds in American technology. Steve Jobs was a legendary figure and master of innovation who created history with his revolution in consumer electronics. Popularly known as the 'Father of the Digital World', Steve Jobs was and continues to remain the legendary, futurist visionary who created a sensation across the globe with his personal computer revolution!

Not the one to be satisfied with a single achievement, he moved on to make history in the world of consumer electronics with his foray into the music and cellular industry. The founder of Apple Inc., Pixar Animation Studios and NeXT Inc., Jobs gave information technology its life and blood. A master of innovation, he was known for his perfectionist attitude and futuristic vision. He foresaw trend in the field of information technology and worked hard to embrace the same in his line of products. With about 346 US patents by his side, Steve Jobs created a revolution in his field with his novel ideas and unique concepts. During his years at the Apple, he administered the development of the iMac, iTunes, iPod, iPhone, and iPad. He was the mastermind behind the working of the company's Apple Retail Stores, iTunes Store and the App Store.

(accessed URL: <https://www.notablebiographies.com/Ho-Jo/Jobs-Steve.html>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 6

ENTREPRENEURSHIP AND NEW INNOVATING FIRMS

- *What are forms and directions of state support of innovation activities?*
- *What is the most important function of the management?*
- *What will you do to make business legal?*
- *What do you need to know and be able to do business?*
- *How to make a product attractive and competitive?*
- *How to make a business legal?*

1. **Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.**

commitment |kə'mɪtm(ə)nt| обязательство, совершение, передача, вручение

distort |dɪ'stɔ:t| исказать; искривлять; перекашивать

preferential |,prɛfə'renʃ(ə)l| льготный, преференциальный, предпочтительный

underestimate |,ʌndər'estimeɪt| недооценивать, недооценка

diminish |dɪ'mɪnɪʃ| уменьшать, убавлять, сокращать; ослаблять

untapped |ʌn'tɑ:p| нетронутый

revitalization |,riːˌvaɪtəlaɪˈzeɪʃən| оживление; возрождение; прилив новых сил, энергии

mentoring |'mentərɪŋ| наставничество

imply |ɪmˈplɪ| подразумевать, предполагать

confound |kənˈfaʊnd| смешивать, разрушать

underrepresented |ʌndərˌreprəˈzentəd| недостаточно представленный

2. Read and translate the text into Russian.

In theory, all firms are concerned with innovation, but in practice, policies tend to focus on particular categories of firms. Assistance to large firms can stimulate their commitment to precompetitive research and facilitate their involvement in large-scale R&D projects, but direct support to big business operations can distort market competition. The situation is different for small and new firms, which are at a disadvantage because of their size and problems of access to input markets. While governments tended in the past to underestimate the role of SMEs in innovation, they have rebalanced their priorities in the past decades, significantly increased support for small firms, and added preferential benefits for SMEs to their programs. This shift of emphasis has two sources.

First, innovation increasingly takes place in small new companies. Recent research by the Organization for Economic Co-operation and Development 84 Innovation Policy: A Guide for Developing Countries (OECD) on three global industries (ICT, automotive, and pharmaceuticals) clearly shows that in major global industries, the role of SMEs has not diminished (OECD 2006d). In fact, they are often the source of new ideas that are integrated into other products or brought to the market in their own right by large firms. Second, there is significant untapped potential for developing new products and processes in small businesses. Although SMEs play an important part in national economies, notably in employment, they have limited access to technological expertise, have difficulty mobilizing large-scale resources, and are generally slow to adopt new technology. These limitations have a negative effect on their potential for growth and, in many cases, their survival.

Furthermore, small enterprise managers are often not aware of new technology, do not recognize the potential for improvements, or lack the financial, organizational, and managerial capabilities to incorporate new technology or to obtain external advice from consultants. For consultants and technology providers, the costs of reaching small firms with relevant information are relatively high, as are the costs of tailoring equipment to their needs. As a result, technology markets suffer from problems of information asymmetry, transaction costs, and lack of scale economies. These factors warrant policy intervention, both to improve the infrastructure for technological services and to encourage their use. They also imply adapting assistance to the different phases of the life cycle of new products and processes from design to maturation and internationalization and providing a local framework for incubating new firms.

Policy Initiatives in Support of Small, Innovative Firms. The establishment of new businesses is increasingly seen as a primary source of the revitalization and expansion of the local and regional economic fabric. Beyond the start-up phase, support to innovators takes into account subsequent stages of the firm's life cycle, including the globalization stage. In most industrialized countries, governments increasingly aim to provide comprehensive support from incorporation to internationalization. In the United Kingdom, for instance, the main goal of innovation policy is to help more businesses start up and survive. Through coaching and mentoring, free advice, and guidance, the goal is to increase the number and quality of new businesses by enabling people with an interest in starting a business to take the step and helping those from underrepresented groups and disadvantaged communities overcome the barriers they face. It is also to ensure that U.K. businesses, especially high-productivity innovative businesses, are able to identify and successfully exploit opportunities in overseas markets. The policy targets SMEs that are new to exporting, are innovative, and are between one and five years old. Confounding export projects may be provided in addition to information and advice.

(accessed URL:

<https://openknowledge.worldbank.org/bitstream/handle/10986/2460/548930PUB0EPI11C10Dislosed061312010.pdf>)

3. Answer the questions below from the memory.

- a) What can stimulate assistance to large firms?
- b) What can distort market competition?
- c) What disadvantages have small and new firms?
- d) What did SME do in the past decades?
- e) What are the two sources of the shift of emphasis?
- f) Where does innovation increasingly take place?
- g) Why do SMEs have limited access to technological expertise?
- h) What don't know small enterprise managers?
- i) Why do technology markets suffer?
- j) What goal increases the number and quality of new businesses by enabling people with an interest in starting a business?

4. Give the antonyms to the following words:

particular, large, high, growth, new, past, limited, confound, diminish, negative

5. Match the words and their definitions: *financial and industrial group, consortium, techno park, financial and industrial group, science parks (NP), corporation-voluntary association of independent industrial enterprises, technopolis, enterprises of serial production, design and technological organizations, division structure.*

- a) an innovative organization formed around large scientific centers, which rent land, devices, production facilities for a reasonable fee.
- b) other organizations with the aim of enhancing innovation, the conquest of the market play an important role.
- c) association of banks, enterprises, trade organizations.
- d) unites universities and industrial enterprises, and financial groups.
- e) a compact complex for commercialization of n/t activities and acceleration of promotion of innovations in the sphere of material production.
- f) a specially created complex in one region near the center of scientific ideas, which includes firms covering the full innovation cycle, and may include technoparks.
- g) attract investments to implement their ideas from venture funds.

- h) are engaged in introduction in serial, mass production of innovations.
- i) design and technological organizations are engaged in the development and production of technological systems of production with the minimum expenses of resources and high quality.
- j) has a full set of functional units, including its accounting, supply.

6. Mark the sentences True or False.

- a) Direct support to big business operations can injure market competition.
- b) A Guide for Developing Countries (OECD) on three unknown industries (ICT, automotive, and pharmaceuticals) distinctly shows that in several global industries, the role of SMEs has not diminished (OECD 2006d).
- c) Although SMEs play a significant part in national economies, notably in employment, they have restricted access to technological expertise, have difficulty mobilizing large-scale resources.
- d) Small enterprise employers are often not aware of innovation.
- e) For consultants and technology providers, the costs of reaching small firms with comparative information are relatively high.
- f) Technology markets suffer from problems of information asymmetry, transaction costs, and particular categories of firms.
- g) These factors warrant policy intervention, both to improve the infrastructure for technological services and to encourage their use.
- h) The establishment of new businesses is engaged in the development as a primary source of the revitalization and expansion of the local and regional economic fabric.
- i) Through coaching and mentoring, free advice, and guidance, the goal is to obtain external advice from consultants by enabling people with an interest in starting a business.
- j) The policy goals SMEs that are new to exporting, are innovative, and are between one and five years old.

7. Make sentences putting the words and word combinations in the correct order.

- a) An / who / entrepreneur is a / a business / person / sets up / with / to make a profit / the aim.
- b) This / can / good / be a bit / definition / vague / entrepreneur / but for / reason.
- c) An / can be a / who sets up / first / entrepreneur / online / person / store / the side or a freelancer / their /just / on / starting out.
- d) The / why they're / reason / considered / though some / start / disagree, is because where you / out isn't where / entrepreneurs, / you'll end up.
- e) An / sustainable / entrepreneur is / who starts / a hustle / with / that can / someone / side / eventually create a full-time, / business / employees.
- f) Understanding /contribute / what / help / is an / value / entrepreneur can / more people recognize the / they / to the world.
- g) If / focused on creating / you fit / you're / the entrepreneur/ a profitable business, / definition.
- h) involves / However, / than / business / the / meaning / much / job / more / entrepreneur / being a /or /creator.
- i) Entrepreneurs / are / of / powerful / the / some / world's / involves / most / transformers.
- j) From /sending / imagine / people / to Bill Gates and / making computers part of / to Mars / every household, / Steve Jobs / entrepreneurs / the world / Elon Musk / differently.

8. Translate the following sentences from Russian into English.

- a) Коммерциализация – деятельность по вовлечению в экономический оборот научных и (или) научно-технических результатов.
- b) Инновационный проект – комплекс направленных на достижение экономического эффекта мероприятий по осуществлению инноваций, в том числе по коммерциализации научных и научно-технических результатов.
- c) Инновационная инфраструктура – совокупность организаций, способствующих реализации инновационных проектов, включая

предоставление управленческих, материально-технических, финансовых, информационных, кадровых, консультационных и организационных услуг.

d) Инновационная деятельность – деятельность, направленная на реализацию инновационных проектов, а также на создание инновационной инфраструктуры и обеспечение ее деятельности.

e) Как и все в этом мире, любой товар, процесс, фирма проходят последовательно циклы зарождения, зрелости и отмирания

f) При этом разработчики должны быть компетентными не только в технических профессиональных областях, но и в маркетинге, в умении исследовать рыночную конъюнктуру.

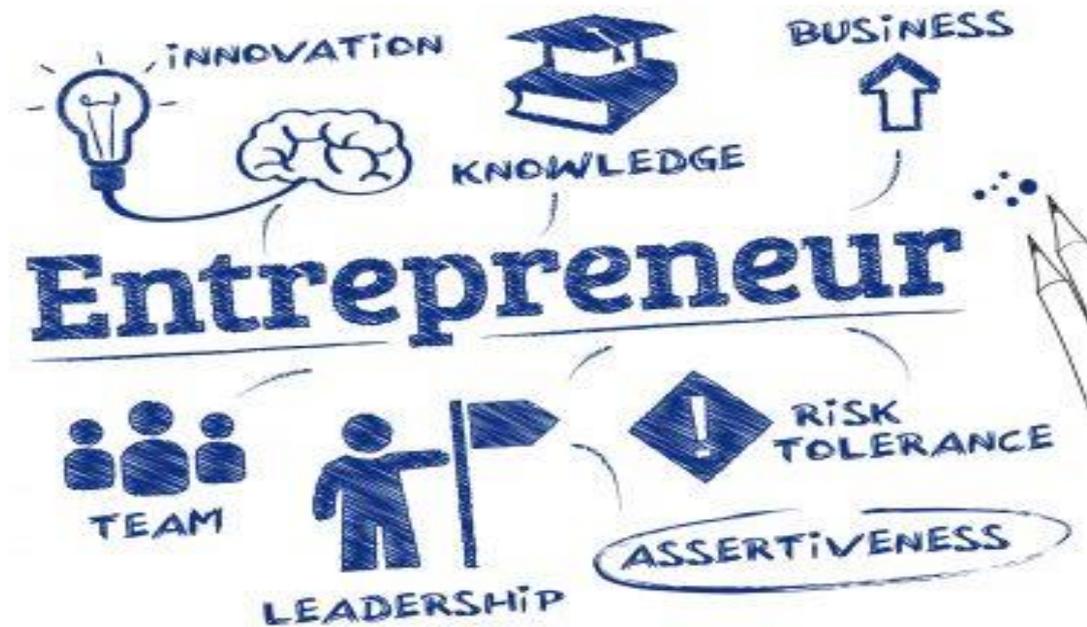
g) Поэтому с этим может справиться лишь бригада, каждый член которой знаком с основами смежных дисциплин.

h) Крупные компании создают подразделения в целях освоения новейших технологий – это внутрифирменные подразделения.

i) Фирмой «Шарп» из 5 тыс. служащих НИОКР было выделено 300 исследователей, которые были разбиты на подгруппы по 10 человек для разработок отдельных тем.

j) Идея заключается в том, чтобы деятельность таких групп как бы наполняла компанию духом творчества по созданию высоких технологий.

9. Discuss picture 6 with your friend. Explain the meaning of the words to each other. What kind of features, conditions must entrepreneur have in order to be successful in his business. Copy the picture into your exercise book and add lacking elements in the picture.



10. Text for home assignment. Translate the text and give a gist of it.

Innovative entrepreneurship

What is new about innovation in the 21st century? The innovation process of the 21st century is radically different to that of the preceding one. Perhaps the most important difference is the new or renewed importance of new and small firms.. In the former, science and systematic large firm R&D was the key. In the latter, entrepreneurship is one of the foundations of innovation.

1. New and small firms have become critical innovation players because of their ability to recognize and exploit the commercial opportunities emerging from technological, competitive and market changes. Furthermore, economies of scale in research and development are no longer the barriers they once were to small firm participation in innovation. Rather, innovation today tends to be carried out in collaborations among universities, research organizations, customer, supplier and competitor firms and consumers, with costs and roles shared, while the massive shift from manufacturing to services is bringing with it new types of non-technological innovation that render economies of scale in R&D far less significant. In presenting the shift from the “managed” to the “entrepreneurial economy”, Thurik distinguishes between three major historical phases of innovation and contrasts the importance of

SMEs and entrepreneurship in each. 1. The Schumpeter Mark I regime. Schumpeter's initial view was developed in the first decades of the 20th century. Schumpeter in this period saw the entrepreneur as playing a major role in challenging incumbent firms by introducing new inventions rendering current technologies and products obsolete, thus replacing obsolete businesses with new ones in a process of industrial reorganization or "creative destruction".

2. The Schumpeter Mark II regime or the "Managed Economy". Schumpeter later revised his view as the power of large firms began to grow, exploiting high price elasticities of demand). Innovation from the 1940s to the 1970s fits this model: dominated by large corporations able to exploit large economies of scale in production, distribution, management and R&D). Studies suggested that SMEs participated only to a limited degree in innovation in this period, reflecting their low R&D expenditures. These years correspond to what Thurik refers to as the Schumpeter Mark II regime, or the "Managed Economy". In this new environment, established and large firms were seen to outperform new and smaller firms in innovation because of a close link between in-firm R&D spending and innovation.

3. The "Entrepreneurial Economy". From the late 1970s to nowadays the structures and operations of advanced economies have again been changing. Now, the importance of economies of scale has reduced and the role of new and small firms in innovation and economic development has grown again.

(accessed URL: <http://www.oecd.org/berlin/45493007.pdf>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.

7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 7

PATENT AND LICENSING ACTIVITY OF INNOVATION ORGANIZATIONS

- *What types of intellectual property do you know?*
- *What is intellectual property: a song or a disc with its recording?*
- *What is a patent and its essence? On what development can it be given?*
- *What is the role of patents in innovation?*
- *What is licensing?*
- *Who has the right to carry out the type of activity defined in the obtained license?*

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.

deployment |dɪ'plɔɪm(ə)nt| размещение, подбор

diffusion |dɪ'fju:ʒ(ə)n| распространение, рассеивание

discern |dɪ'sɜ:n| различать, разглядеть, видеть

issued |'ɪʃu:d| выданный, оплаченный

incur |ɪn'kə:| подвергаться, навлечь на себя

disposal |dɪ'spəʊz(ə)| право распоряжаться, управление, контроль

compulsory |kəm'pʌls(ə)rɪ| обязательный

grant |gra:nt| разрешать, даровать

designation |dɛzɪg'neɪʃ(ə)n| назначение, обозначение

in accordance |ɪn ə'kɔ:d(ə)nɪs| в соответствии; согласно

spur |spɜ:| мчаться во весь опор, спешить

2. Read and translate the text into Russian.

Innovation is crucial for the development and deployment of technologies. A widely deployed model to understand technology builds on the concept of the technology life cycle. The life cycle of technologies can be divided into a number of steps – from invention, through RD&D and market development, to commercial diffusion. Different processes can be discerned at each stage of the life cycle and different instruments can be deployed to promote innovation.

One group of such instruments relates to IPR. IPR refers broadly to the ownership of intellectual findings in the industrial, scientific, literary and artistic fields. IPR grants inventors certain exclusive rights over their creations to encourage creative activity for the benefit of society by allowing the inventors a fair return on their investments. Traditionally, IPR is divided into two groups: industrial property rights and copyright. In general, copyright is a legal term describing rights given to creators for their literary and artistic creations, such as for example, music and paintings, while the term "industrial property rights" is used as a denomination for certain exclusive rights regarding innovative ideas or distinguishing signs or designations in the industrial or commercial field. Industrial property takes a range of forms and includes, among others, patents to protect inventions, trademarks, industrial designs, and commercial names.

Patent protection is usually sought at the research and development (R&D) stage of the technology life cycle. Various departments in companies, including research units and specialized lawyers, play a key role in the development of inventions, as well as in the process of preparing and filing patent applications and obtaining, maintaining and exploiting patents.

Patent rights are territorial in nature and are governed by national patent laws. This means that a patent is valid and enforceable only in the territory of the country in, or for which, protection is granted, in accordance with the applicable law of that country. Therefore, if a patent is issued in Japan, it only protects the invention in Japan. If the invention needs to be protected in another country, such as China, the owner needs to file another application for a patent in China. At present, there is no system that grants patents with global, worldwide effect. Therefore, in principle, an

application for a patent must be filed in each country of interest in accordance with the law of that country.

Filing a patent application for an invention in many countries at the same time may incur enormous costs, because each application must comply with different rules, including different language requirements. Therefore, inventors typically limit filing their patent applications to those countries where they see a potential market for their inventions.

In order to help an applicant from one country to obtain protection in other countries, the Paris Convention for the Protection of Industrial Property provides the so-called "right of priority". This provides practical advantages in that, when applicants seek protection in several countries, they are not required to present all their applications at the same time, but have 12 months at their disposal to decide in which countries they wish to obtain protection. This allows applicants to organize the steps they must take to secure protection in foreign countries with due care.

Patents can be owned by governments or government organizations, although the majority are owned by private sector organizations and individuals. Governments, in principle, cannot grant licenses to third parties for use of patents that are privately owned, nor can they force patent owners to share their rights with third parties, except in some specific cases, such as in the event of abuse of the patent rights and/or in the public interest through "compulsory license".

Advocates of patenting argue that patents act as a strong incentive for innovation, while others are concerned that they restrain innovation. To some extent, the role and impact of patents depend on the specific technology involved. While some patents may temporarily limit the use of specific technologies to the patent's owner and licensees in some jurisdictions, such innovations often spur the development of competing technologies. For technologies requiring considerable financial and technical resources, and a long period to develop marketable products that are then relatively inexpensive to reproduce, patent protection is critical. For pharmaceuticals, for example, patents are important both in terms of spurring innovation of new medicines and ensuring access to new medical technologies.

3. Answer the questions below from the memory.

- a) When can different processes be discerned?
- b) How do you understand IPR?
- c) How does IPR grant inventors certain exclusive rights over their creations to encourage creative activity for the benefit of society?
- d) Explain the meaning of the copyright.
- e) How is the term "industrial property rights" used?
- f) Who plays a key role in the development of inventions?
- g) What is governed by national patent laws?
- h) What happens if a patent is issued in Japan?
- i) What can't governments do with patents?
- j) Do the role and impact of patents depend on the specific technology involved?

4. Give the antonyms to the following words:

divide, enormous, majority, exclusive, strong, obtain, protect, limit, important, same.

5. Match the words and their definitions: *full licensing, periodic deductions (royalties), licensing, patent law, quality, certificate of authorship, patent (2), invention, license.*

- a) security document that confirms the exclusive right of its owner to the object of intellectual property.
- b) technical solution that allows in practice to solve a certain problem.
- c) certifies the recognition of the proposal by the invention, the priority of the invention and authorship.
- d) owner's title to an invention supported by an industrial design or trademark registration.
- e) permission to individuals or organizations to use an invention protected by a patent, technical knowledge, technological and design secrets of production, trademark.

- f) set of consumer properties of a product that meet a specific need.
- g) is usually associated with the use of electricity not only as a motor power, but also for direct processing of objects of labor.
- h) defines the terms of patents, which depend on the type of industrial registration submitted to the state properties.
- i) of the main forms of technology trade, including transactions with patents, licenses, know-how, trademarks.
- j) can be defined as the payment of interest on turnover, net sales value of licensed products

6. Mark the sentences True or False.

- a) The existence of technologies may be separated into a number of steps – from invention, through RD&D and market development.
- b) One group of such instruments relates to innovation.
- c) On the whole, copyright is a legal term describing rights given to creators for their literary and artistic creations, such as for example, music and paintings, for certain exclusive rights regarding innovative ideas or distinguishing signs or designations in the industrial or commercial field.
- d) Industrial property takes a range of forms and includes, among others, patents to use an invention protected by a patent, technical knowledge and commercial names.
- e) Patent rights are territorial in nature and are governed by the industrial or commercial field.
- f) Each application must comply with various rules, including different language requirements.
- g) An application for a patent must be filed in each country of interest in keeping with the law of that country.
- h) Each application limits filing their patent applications to those countries where they see a potential market for their inventions.
- i) Advocates of patenting dispute that patents behave as a strong incentive for innovation,

j) For technologies requiring considerable financial and technical resources patent protection is critical.

7. Make sentences putting the words and word combinations in the correct order.

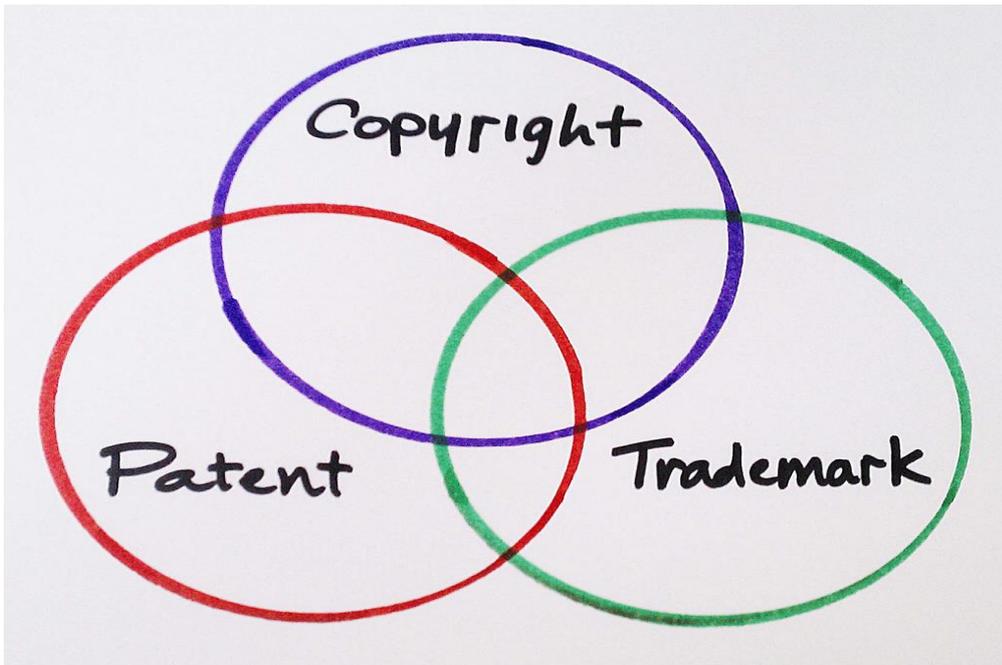
- a) The licensor /to the intellectual / gives up / property, / the right / usually for a certain period.
- b) Motivations differ / the motivation of / substantially from / authors of peer-reviewed literature, where / original contributions to publicly available knowledge may / career advancement / without a direct financial / benefit reputation and / benefit for the authors.
- c) Licensees can / license or / their rights, but this / more complex / process / sometimes / makes ownership of the intellectual / assign / property.
- d) Privately owned patents / costs of / may be obtained / to impede / to block / to use in lawsuits / rivals and negotiate with competitors, /, or to build “thickets” of patents / or raise others’ / R&D and innovation.
- e) This / includes / throughout the / payments / license/ usually / period.
- f) In reality, both / involve / situations / of a / the threat /court case.
- g) In the / approach, / case is just/ an inevitable / carrot / court / implied.
- h) Medium-high-technology / industries / motor vehicles / include / excluding pharmaceuticals, / and parts, / manufacturing / electrical equipment and appliances, / and railroad and other / chemicals / machinery and equipment, / transportation equipment.
- i) If you manage to get a large / to license your / you will / payment / get a lump sum / that covers their past / company / use / patent, / of the product.
- j) You will / money /also receive / based /future / on / use.

8. Translate the following sentences from Russian into English.

a) Патент это охранный документ, который подтверждает исключительное право его владельца на объект интеллектуальной собственности.

- b) Патент, выданный Российским патентным ведомством, действует только на территории Российской Федерации.
- c) После публикации патента ни в одной стране мира иной заявитель не сможет получить патент на аналогичное техническое решение.
- d) Поэтому, при наличии заинтересованности на зарубежном рынке, рекомендуется провести патентование в других странах.
- e) Изобретение это техническое решение, которое позволяет на практике решить определенную проблему.
- f) Возникновение правового регулирования интеллектуальной собственности на международном уровне связывают с Парижской конвенцией (1883 г.)
- g) Центральное место при заграничном патентовании изобретений занимает вопрос о предоставлении так называемого конвенционного приоритета.
- h) Оформление прав на изобретение осуществляется путем получения авторского свидетельства или патента.
- i) Авторское свидетельство удостоверяет признание предложения изобретением, приоритет изобретения и авторство.
- j) В России все вопросы патентной защиты регулируются Российским патентным ведомством.

9. Discuss picture 7 with your friend. Explain the meaning of the words to each other. Find examples for these three terms.



10. Text for home assignment. Translate the text and find an information about patent and licensing in your country in order to be able to tell about it in front of your group.

Compulsory licensing of patents in UK

The availability of compulsory licenses in respect of patents, especially in relation to pharmaceutical patents, has been the subject of considerable attention lately. This is mainly because of the Indian courts showing their willingness to grant compulsory licenses in respect of pharmaceutical patents. In particular, the Indian courts recently granted a compulsory license to an Indian generic pharmaceutical company under Bayer's patent for its cancer drug Nexavar, determining that in essence Bayer's price for Nexavar was too high.

An application for a compulsory license can be made by any person to the Comptroller of Patents at any time after the expiration of three years from the date of grant of the patent. The applicant must establish one of the relevant grounds for relief (see below). The Comptroller then has discretion as to whether and on what terms to grant a compulsory license.

There are two regimes for compulsory licenses: one for patentees who are "WTO proprietors" and one for non-WTO proprietors. A WTO proprietor is a

national of, or domiciled in, a WTO member country or has a real and effective industrial or commercial establishment in such a country. Most patentees encountered in practice will be WTO proprietors.

Once the grounds for granting a compulsory license have been satisfied, the Comptroller has discretion whether or not to grant a compulsory license and must take account of the following:

- the nature of the invention, the time which has elapsed since grant of the patent, and the action of the proprietor or licensee in developing full use of the invention;
- the ability of the applicant to work the invention to the public advantage; and
- the risks to be undertaken by the applicant in providing capital and working the invention.

(accessed URL: https://www.taylorwessing.com/synapse/ti_compulsorylicensingpatents.html)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 8

SALES OF PRODUCT IDEAS & NEW PRODUCTS

- *What is the condition of effective selling?*
- *Do slogans work? Why?*
- *A potential customer in the process of negotiations begins to lead you to the advantages of your competitors. What will you do?*
- *The client refuses to cooperate, expressing a minor (from your point of view) reason. You understand that you and your client have mutual interests. How will you behave?*
- *What qualities of a sales manager are important for negotiations with a potential client at the first stage of interaction?*
- *What kind of packaging will emphasize the advantages of the offered goods?*

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.

refining |rɪ'faɪnɪŋ| очистка, совершенствование

vague |veɪɡ| неопределенный, неясный

commitment |kə'mɪtm(ə)nt| выбор, совершение, передача

crucial |'kru:ʃ(ə)l| решающий; ключевой

marketer |'mɑ:kɪtə| продавец, розничный торговец

discount |'dɪskaʊnt| скидка, сбавка

decline |dɪ'klaɪn| падение, упадок, спад

ascertain |,asə'teɪn| выяснять; убеждаться

purchasing |'pɜ:tʃəsɪŋ| платежный

salespersons |'seɪlzpɜ:s(ə)n| продавец, торговец

2. Read and translate the text into Russian.

Without sales all other activities to develop a new product is wasted money. Therefore sales can be said to be the most important activity in an innovation project. If the product can not be sold before it is developed then in many cases the question should be asked if the development should start at all. For radical new products this statement may be too far reaching but at least a strong interest must be able to be

created with one or more “pioneer” customers. This is a very different view from the common view that the customer – which means majority buyers – should say what they need and will buy before the development can start.

From the start of the innovation project ideally the entrepreneur her/himself should take care of the sales of the product idea in order to get the complete picture of the possibilities and problems. By testing and refining the product/business idea on different people, met casually or at planned meetings, the product/business idea is gradually improved and models of the product can be developed to meet the vague demands initially set. As soon as possible orders should be taken in.

The price of the first order can be low as it will probably not be able to cover the expensive production costs of the first new product anyhow. An agreement can also be reached with the customer that payment can be made if and when, after a test period, the product works to the customer’s satisfaction. Customer commitment is crucial for starting up the development of a new product, while speculation that it will be possible to sell the product built on a business idea/plan should, in principle, be avoided. The author’s own experiences looking back on 30 years of innovation activities tell clearly that the speculative way of working has been very costly while the other more practical way has brought profitable products to the company. As told, one such case – Flexlink Systems – brought extremely high profits to the mother company SKF AB.

Sometimes the business and industrial enterprises invite consumers of their products and they are requested to express their opinions and give their suggestions in respect of the goods and services of the enterprise. These opinions and suggestions can be helpful in product development and product innovation. A decision taken on the basis of such a feedback can be very close to reality because it is based on the opinions of the people who actually use their products.

Salespersons are the persons who are in constant and closer touch with the consumers. The enterprise, from time to time, tries to diagnose the reasons for a decline in sales of the products of the enterprise. Opinions of the salespersons are also

collected to ascertain the kind of improvements that can be made in the products to increase their demand.

Thus, as an important principle, the sales of a new product should come before the product development and before marketing. Built on the experiences from sales a marketing message is gradually built up. When the innovation has become established on the first market, there is generally a need for both marketers and sales personnel, who become increasingly specialized in fewer and fewer areas as the business operation grows. In time, great differences within a growing company is noticed between the professional roles of marketers and sales personnel. Linn (1990) explained this as the sellers and buyers forming a social community, which at the time of the purchasing decision often leads to the sellers trying to score points socially by giving the buyers a discount on the total price. For this reason, the sellers will be more on the side of the buyers than of the company, which is one reason why there are, from time to time, strained relations between the marketers and the sales personnel in a mature company.

(accessed URL:

<http://www.complexityforum.com/articles/handbook%20in%20innovation%20management.pdf>)

3. Answer the questions below from the memory.

- a) Why is money considered to be wasted?
- b) What is the most important activity in an innovation project?
- c) When can the product be sold?
- d) Why is it essential to sell the product idea?
- e) How the product/business idea is gradually improved?
- f) Is the price of the first order low?
- g) When is customer commitment crucial?
- h) What happened 30 years ago?
- i) Why do business and industrial enterprises invite customers?
- j) What did Linn say?

4. Give the synonyms to the following words:

goal, customer, salespersons, products, enterprise, opinions, vague, casually, meeting, form, give.

5. Match the words and their definitions: *gorilla's attack, bypass, environment, frontal attack, mobile defense, selective response, useful effect, quality, technology, goal.*

- a) determines not only the order of operations, but also the choice of subjects of labor.
- b) the potential ability of a product to meet a specific need.
- c) the actual (actual) ability of the product to meet a specific need.
- d) to become competitive, stay in business and provide jobs.
- e) a selective response to the behavior of competitors in the field of advertising.
- f) a leader expands his influence at the expense of the diversity of production, identify the root of clients' needs.
- g) conducted in many areas (new products and prices, advertising and sales), this attack requires significant resources.
- h) an attempt to attack the entire territory of the market.
- i) the transition to the production of fundamentally new products, the development of new markets.
- j) not absolutely correct method (for example, to entice a supplier or good employees).

6. Mark the sentences True or False.

- a) Sales can be said to be the most significant activity in an innovation project.
- b) If it is impossible to sold the product before it is developed then in many cases the question should be asked if the development should start at all.
- c) Ideally the entrepreneur her/himself should determines the sales of the product idea in order to get the complete picture of the possibilities and problems.
- d) The price of the first order can be low as it will exactly be able to cover the expensive production costs.
- e) An agreement can also be reached with the customer that payment can be made if and when, after a licensing, the product works to the customer's satisfaction.

- f) Sometimes the business and industrial enterprises invite consumers of their products and they are requested to express their opinions and give their suggestions in respect of the goods and services of the enterprise.
- g) These opinions and suggestions can be useless in product development and product innovation.
- h) A decision taken on the basis of such a feedback can be very close to reality because it is based on the opinions of the people who actually do not use their products.
- i) Salespersons are the persons who are in constant and closer touch with the consumers.
- j) In time, great changes within a mother company is noticed between the professional roles of marketers and sales personnel.

7. Make sentences putting the words and word combinations in the correct order.

- a) The next / in / the new / step / product / process / is the idea / development / screening.
- b) Idea / means nothing else / filtering / screening / the ideas to / than / pick out good ones.
- c) In other words, all / good ones / ideas generated / to spot / and drop poor / are screened / ones as soon / as possible.
- d) While the / of idea / was to create a large / generation / number of / purpose / ideas, the purpose of the / stages is to reduce / succeeding / that number.
- e) The / is that product / costs rise / reason / greatly in later / development /stages.
- f) Therefore, the / into / company / ahead / with those product ideas / would like / only / to go / that will turn / profitable / products.
- g) Dropping / poor ideas / possible / the / is, consequently, / as soon as / of crucial importance.
- h) Imagine / manufacturer / has / a car / developed / that / an all-electric car.

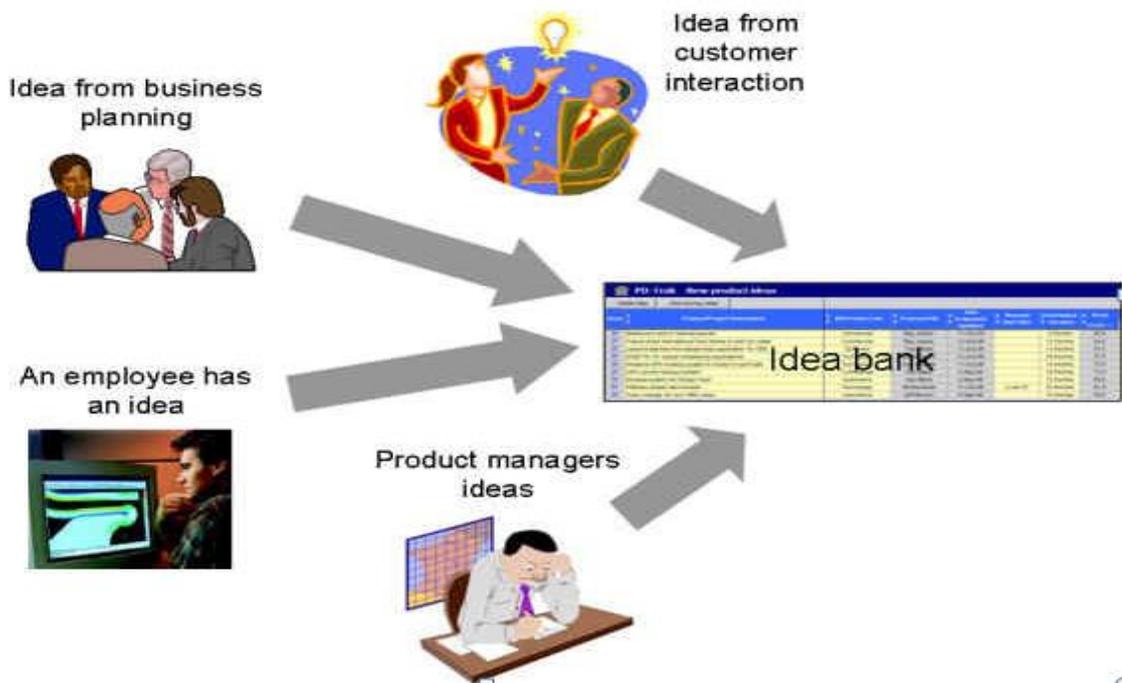
- i) The idea has / the idea /and must /passed / now be developed / screening / into a concept.
- j) The / new / marketer's / develop this / product into alternative / task is to / product concepts.

8. Translate the following sentences from Russian into English.

- a) Фронтальная атака – ведется по многим направлениям (новым товарам и ценам, рекламе и сбыту), эта атака требует значительных ресурсов.
- b) Окружение – попытка атаковать всю территорию рынка.
- c) Обход – переход к производству принципиально новых товаров, освоение новых рынков.
- d) Атака гориллы - атаки не совсем корректными методами (например, переманить поставщика или хороших сотрудников).
- e) Мобильная оборона – лидер расширяет свое воздействие за счет разнообразия производства, выявления глубинных потребностей клиентов.
- f) Сжимающаяся оборона – лидер уходит с ослабленных сегментов при одновременном усилении наиболее перспективных
- g) В защите своих интересов лидер прибегает к различным действиям.
- h) Сдержанная стратегия – при уверенности в своих клиентах, при завершении деятельности на данном рынке: при дефиците средств реагирования.
- i) Избирательная реакция – это выборочная ответная реакция на поведение конкурентов в области рекламы, ценообразования.
- j) В условиях рыночных отклонений не может быть унифицированной системы показателей эффективности инновационной деятельности.

9. Discuss picture 8 with your friend. Explain the meaning of the words to each other. Imagine that you want to find an idea for your firm. Where would you search it?

WHERE DO NEW PRODUCT IDEAS COME FROM?



10. Text for home assignment. Translate the text and prepare an extra information about this theme and then discuss it with your groupmates.

Planning a New Product Announcement Campaign

1. Focus on a single product: When you're building a landing page for any marketing strategy you want it to be focused with a clear goal. If your business is releasing multiple products, consider creating a campaign for each one so that you can track which product campaign is receiving the most traffic. Plus, the less distractions your fans have when they come to your campaign the better. Focusing on one product narrows the sales funnel.

2. Offer a special: Consider running a special offer alongside the announcement of your new product. For example, Oberweis is announcing the delivery of Single Cup Coffee and on their campaign the coffee is being offered for \$1 off. It's a small gesture but people are more inclined to test out a new product if they get a little discount on it! Some other offers we've seen are to try a sample for free, buy one get one, or buy a new product and receive a complimentary addition of an older product.

3. Link to product page from online advertisement: The best way to drive engagement and traffic to your newly built product page is to put some money behind it. Facebook ads can be executed on a rather small budget but there are a lot of options for online advertising.

4. Brand your campaign: The most important thing you can do is to build your campaign to fit your company's brand. You want to assure your fans have no question of whose product they're looking at when they come to your campaign. Embedding your campaign on your website is a great way to brand it with the rest of your online content.

5. Make your product purchasable from your campaign: One of the most important steps in the sales funnel is the sale! Make it easy for your fans to purchase your product from your campaign by including a button to link them to your purchase page on your website.

(accessed URL: <https://www.shortstack.com/blog/new-product-announcement/>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 9

CLOSE CONTACT GIVES RESULTS

- *What organizational forms of innovation management do you know?*
- *What are the features of the organization of innovation?*
- *What are the ways to prevent negative reactions from the client?*
- *A potential client in the negotiations says that the announced price is more than their company can afford. What will you do?*
- *At the end of a personal meeting, a potential client says that he needs to reconsider your offer. What are you going to do?*

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the Unit.

meagre |'mi:gə| недостаточный, ограниченный, плохой

rhetoric |'rɛtərɪk| ораторское искусство

bearing |'beɪrɪŋ| опора, отношение

recollection |,rɛkə'leɪʃ(ə)n| собранность, раздумье

settle |'set(ə)l| решать, принимать решение

acknowledge |ək'nɒlɪdʒ| признавать, допускать; сознавать

assert |ə'sə:t| утверждать, заявлять

in-the-field sales |ɪn ði: fi:ld seɪlz| в области продажи

receipt |rɪ'si:t| получение, квитанция, приходный, расписываться

foothold |'fʊθəʊld| прочное, устойчивое положение

2. Read and translate the text into Russian.

A big marketing drive in the mass media, in the same way as a mass send-out to selected categories of people, in general produces meagre sales results. When the Internet is used for direct advertising, then the response frequency is of minor importance, since the costs are little more than the time taken to search for e-mail addresses and to enter them in the address frame (note that local rules for internet marketing can exist!). Thus, it can be stated however that direct advertising, whether distributed by post or Internet, generally gives a meagre sales result. Really good sales results for a new product demand effective selling in the field by salespersons who can inspire confidence in themselves and who can utilize market rhetoric in a

good way by focusing on customer benefits and selling a solution instead of a product. In a similar way, advertising campaigns often produce no more than an insignificant lift in sales of new products, except possibly in the case of fashion oriented consumer products. To produce costly advertising material and to run broad campaigns when the product is in an early stage of production therefore, is often an uneconomical way to use money. Naturally, it is nice for the sellers to have at their disposal brochures in four-color print, professional videos or CD/DVD/USB memories, and to be able to refer to an advertising campaign. However, since sales are so strongly centered on the salesperson in the first stages, personal selling is often quite sufficient, along with perhaps simple brochures and videos from in-house production and CD/ DVD/USB recordings. It is also important to have a business card bearing a personal photo to enhance the personal touch and to raise the recollection value.

Considerable capital is usually invested in the introduction of new products via trade fairs. Fairs are certainly visited above all by people belonging to the categories “pioneer buyers” and “early majority buyers”, which means that one can make many positive contacts, but results in the form of sold units are still frequently poor. One must usually settle for positive judgments, which must be taken for what they are. Even if all the visitors who visit a stand talk favorably about a product, there are very few who place an order. As always, it costs nothing to be favorable towards a product if there is no need to buy it. To achieve a good result from a fair, the personnel must, therefore, actively make follow-up contacts and influence potential customers after the fair. Against this background one can assert that it is doubtful whether one should participate in fairs at early stages of development. Quicker results are achieved by investing capital and commitment in direct in-the-field sales.

Sales of new products then, generally demand a high level of activity in the field by the entrepreneurs and sellers, which cannot be replaced by marketing and passive receipt of orders. If sellers of mature products are commissioned to sell a new product, the experience is often a shock to those who are forced to acknowledge that the telephone is not ringing. They themselves must constantly make calls and actively

arrange meetings and "sell themselves" to increase sales of the product. Selling new products is highly strenuous and can be a mental strain on a salesperson, since extremely close contact with the customers is needed. If problems occur then if the worst comes to the worst the customers can call the seller at any time of day, irrespective of holidays, to obtain a fast solution to the problem that has arisen.

Thus, to be able successfully to sell a new product demands in general then that the seller has direct contact with selected potential customers. As shown in figure 4-3, it is unusual for customers to seek sellers of new products. Therefore the seller must seek out the buyers and interest them in buying the products. In the beginning, when the entrepreneur alone runs sales, it is important that the entrepreneur spends large part of her/his time in the field selling/marketing the products.

The fact that early sales take place principally through close personal contacts means that a seller cannot make that many sales calls per day. Even so, the seller should be disciplined and be sure to make a certain number of calls every hour or day. Using modern technology and constantly updated financial data on the company via the Internet or from CD/ DVD disks, one can avoid unnecessary customer losses. With such information one can also set up suitable visiting rounds to potential buyers.

A sale is very rarely closed at the first meeting. This is because the buyer in general needs time to think over her/his circumstances before deciding to buy. Therefore, prompting and follow-ups are required a number of times before a purchase. These promptings and follow-ups can be done by phone and possibly also by letter or e-mail. It is only through such a work method that the right personal relationship can be achieved between the seller and the potential customers. The time it can take from first contact to order can be years! When the product has got some foothold on the local market, one should be able to achieve an outcome of 50-60% of orders placed in relation to written offers made. To achieve such results, the seller has to have a range of products to offer as a complement to the main product.

(accessed URL:

<http://www.complexityforum.com/articles/handbook%20in%20innovation%20management.pdf>)

3. Answer the questions below from the memory.

- a) What kind of results does big marketing drive produce in the mass media?
- b) What is the internet used for?
- c) What is better selling a solution or a product?
- d) Where do advertising campaigns often produce no more than an insignificant lift?
- e) What must customers have to be able to refer to an advertising campaign?
- f) Is it obligatory to have a business card bearing a personal photo to enhance the personal touch and to raise the recollection value?
- g) How do “pioneer buyers” and “early majority buyers” assist in sales?
- h) What happens if sellers of mature products are commissioned to sell a new product?
- i) What is highly strenuous and can be a mental strain on a salesperson?
- j) What can be done by phone and possibly also by letter or e-mail?

4. Give the synonyms to the following words:

via, enhance, ring, fast, per, take place, search, little, set up, entrepreneurs.

5. Match the words with their definitions: *passive sales, task of the manager, various promotional activities, door to door, sales via internet, sellers in public transport, phone sales, active sales (2), sales representative.*

- a) a type of interaction between the seller and the buyer, in which the initiative comes from the one who needs to sell their goods or services.
- b) their task is to promote the product by offering directly to retailers.
- c) this type of trade is widely used in the sale of a variety of goods and especially services (Internet service providers, cable TV, kitchen appliances, maintenance of plastic Windows, etc.).
- d) the network provides unlimited opportunities to promote products using active sales techniques.
- e) this method gradually fades into the past because of its low efficiency.
- f) traders offering small goods to passengers of commuter trains and metro.
- g) active sales on the streets or in shopping centers using various ways to attract the attention of customers, for example, sound amplifying equipment.

- h) using this technique, to convince the buyer that his opinion is very valuable to you.
- i) when the personnel (seller) is asked by the buyer (client) to release the selected product or provide a certain service.
- j) when the customer or buyer does not have a clear understanding of what he wants to buy, but there is a need to change the situation.

6. Mark the sentences True or False.

- a) It can be confirmed however that direct advertising, whether distributed by post or Internet, generally gives a meagre sales result.
- b) Advertising campaigns often produce more than an insignificant lift in sales of new goods.
- c) To run broad campaigns when the product is in an early stage of production therefore, is often an uneconomical way to make money.
- d) It is good for the sellers to have at their disposal brochures in four-color print, professional videos.
- e) Considerable capital is usually invested in the introduction of new products via mass media.
- f) One must usually settle for positive judgments, which must be taken for what they are.
- g) Even if all the visitors who visit a stand talk favorably about a product, there are very few who place an order.
- h) It costs nothing to be favorable towards a product if there is not necessary to buy it.
- i) Against this background one can assert that it is clearly whether one should participate in fairs at early stages of development.
- j) This is because the buyer in general needs time to think over her/his circumstances before deciding to buy.

7. Make sentences putting the words and word combinations in the correct order.

- a) New / of target / product concepts, such / given above, need / as those / to be tested with groups / consumers.
- b) The / can be presented to / either / concepts / symbolically / consumers / or physically.
- c) The / is always: does / concept have / question / strong / the particular / consumer appeal?
- d) For / concept tests, a word or / description / some / might / picture / be sufficient.
- e) However, to / product / increase / reliability of the test, a more concrete / the / and physical presentation of the / concept may be needed.
- f) After exposing / to the group / customer / of target consumers, / the concept / they will be asked to answer / in order to find out the consumer appeal / questions / and / value of each concept.
- g) Once / upon / concept and / management / a product / can evaluate the business attractiveness of the / marketing strategy, / proposed / decided / new product.
- h) The fifth step / factors satisfy / in the / development / costs / involves a review of the sales, / and profit / for / process / the new product to find / new product / out whether these / the company's / projections / objectives.
- i) If they do, / product / to / product / the /development / the / can be moved on / stage.
- j) In order to / the company could look at the sales history / of similar / estimate sales, / products and conduct market surveys.

8. Translate the following sentences from Russian into English.

- a) Самым действенным способом привести человека к мысли о покупке вашего товара является умение спрашивать.
- b) При грамотном подходе и умелом формулировании вопросов человеку не остается ничего другого, как отвечать на них.
- c) Если вы общаетесь посредством телефона, главную роль играет приятный голос, доброжелательный тон и учтивость при разговоре.

- d) При личном общении большое значение имеет презентабельный внешний вид, улыбка, комплимент будущему клиенту.
- e) Сеть предоставляет неограниченные возможности для продвижения продуктов с использованием техники активных продаж.
- f) Активные продажи — когда клиент или покупатель не имеет ясного понимания, что он желает конкретно приобрести, но есть потребность в изменении сложившейся ситуации.
- g) Для активных продаж через Интернет решающим фактором может стать технически грамотное оформление сайта и подробное описание товара.
- h) Установив контакт с предполагаемым потребителем, следует выяснить, нуждается ли он в вашем продукте.
- i) В результате использования техники активных продаж у потенциального клиента должно создаться впечатление, что он сам принял решение о необходимости приобретения продукта.
- j) Вам останется только умело представить свой товар как единственно возможное средство их удовлетворения.

9. Discuss picture 9 with your friend. Study the scheme. Imagine that you are going to sell your product that's why make a plan for this purpose. What methods will you use?

SALES PROCESS

Overview of The Sales Process



10. Text for home assignment. Translate the text on your own. Write out all the rest key words of the text. Enlarge the list, write down additional statements.

Closing Phrases to Seal a Sales Deal

Heading into a closing conversation with a prospect is always nerve-racking. No matter how impressed they seemed during your demo or how enthusiastic your champion is, there's always a chance you'll lose to the competition, they'll decide to postpone their decision until next quarter, or they'll ask for a price you can't deliver. A "yes" or "no" hinges on far more than just the specific closing sentence or question.

1. "We would be ecstatic to have you as a customer..."

I love the word "ecstatic" because it means a sense of overwhelming happiness. If I choose this new service, I will make someone feel pretty good. It's also a good level set. This person is in pursuit mode, and the goal is to have me as a customer.

2. *"We look forward to meeting your every need..."*

Wait, every need? That's not really possible, but it's a good way to close a sales email. It's really saying this company is willing to work hard and is at least letting me know they want my business. If I choose this company, the support team will work hard to resolve issues.

3. *"Let us know if we have left any question unanswered..."*

The sales process is all about answering questions. The more answers you can provide, the more you can change a prospect into a customer. Why not close with that sentiment? It's OK to make sure a potential customer knows the goal is to answer questions.

4. *"We know our product is a perfect match for your needs..."*

Confidence in a product or service--there's a thought. It's always a good idea to let a new contact know you believe in the product. It means the last thought you are planting in a potential customer's head is that the product is worth his or her time.

5. *"If there is any more information we can provide please let us know..."*

This final thought is a little different from saying you will answer questions about a product or service. It sets the playing field and defines your role. You are an information provider. When you provide enough information, the customer will provide a little of their own (say, a credit card number).

6. *"Ready to move forward? I can send over the contract right now."*

Everyone likes the idea of progress. If prospects associate the purchase with forward momentum, they'll be likelier to commit. This closing line also reduces the friction of buying -- the contract is already ready, so all they need to do is sign.

7. *"You're interested in X and Y features, right? If we get started today, you'll be up and running by [date]."*

Salespeople can encourage their prospects to make a decision by reminding them the sooner they act, the sooner they'll have their new system. Mentioning

specific parts of the product doesn't hurt, either -- buyers will immediately start picturing how much easier their life will be with the new solution.

8. "It seems like [product] is a good fit for [company]. What do you think?"

This question automatically makes your prospect think of all the reasons they're interested in buying. Because you end by asking for their opinion, it sounds genuine rather than self-serving. And once they say something like, "Yeah, I think it could really help us with X," you've got the perfect segue into "Great, I'll send over the proposal right now."

(accessed URL: <https://www.inc.com/john-brandon/5-closing-statements-to-make-in-a-sales-e-mail.html>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.
2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

UNIT 10

PHYSICAL & VIRTUAL COLLABORATION PLATFORMS

- *Collaborative virtual environment – How does it work?*
- *What is the function of virtual reality in the life of team members?*
- *What steps should one take to start a coworking space?*
- *Are coworking spaces profitable?*

- *What features would entice people to join a coworking space?*
- *What is a good ratio for membership vs seats available in a coworking space?*
- *What is the average revenue of a coworking space?*
- *Determine:*

when the team project status approach;

when schedule updates are due;

where project documents will be stored;

when communicate, how to handle, identify and track project issues and risks.

1. Read the following new words correctly and try to memorize them in order to translate the text, to do the exercises of the unit.

stakeholders |'steikhəuldə| посредник, заинтересованная сторона, заинтересованное лицо

serendipity |,ser(ə)n'dipiti| интуитивная прозорливость

hangout |'hæŋaʊt| постоянное место сборищ, встреч

ambience |'ambiəns| окружение, обстановка; среда

harness |'hɑ:nəs| запрягать, обуздывать, покорять, укрощать

sustainable |sə'steɪnəb(ə)l| устойчивый; жизнеспособный, поддерживаемый

billing |'bɪlɪŋ| выручка, составление счета, реклама в афишах, выдача накладной

outsource |aʊt'sɔ:s| передавать независимому подрядчику, заказывать нанимать на стороне

coworking |ko'wə:kɪŋ| совместная работа

momentum |mə'mentəm| движущая сила, импульс; толчок

2. Read and translate the text into Russian.

Physical Platforms — Coworking

There are two main elements, which are needed for an ecosystem: physical platform and virtual collaboration platform. These are concrete infrastructure elements essential to the building of an ecosystem. And of course some sort of driver

and/ or attraction is needed, which starts to generate movement and dynamics, which again attracts more stakeholders until the ecosystem reaches the level where it will be self-sustainable — and at that moment it becomes also antifragile and a powerhouse for serendipity.

Oasis experience shows clearly that a well-designed co-working space is the vital physical element of an innovation ecosystem. In some cases this home base can be a state-of-the-art research laboratory, or some other key structure that attracts people, and works even better as a platform if it will have elements of “sticky knowledge” embedded. When FlexLab in Joensuu Science Park opened on September 2004 as a pilot and test environment for netWork Oasis, it was one of the very first co-working spaces in the world. Even at the time when the original netWork Oasis opened in December 2006, there were only a handful of co-working spaces globally. But since that the co-working movement has gained momentum, and at the moment there are over 3,500 co-working spaces in the world. Co-working spaces have taken different forms and characteristics: traditional co-working spaces for knowledge workers, hacker spaces for IT/gaming, maker spaces and FabLabs for technology and handcraft-oriented communities, etc. The challenges of the Post-Normal Era and emergent non-linear developments in fundamental business areas will guarantee that those supportive factors for co-working movement are not going to fade away soon, so the impact of co-working spaces will continue growing. Yet, the forms of co-working spaces, the facilitation methodologies, and the management principles of these spaces will evolve in near future a great deal. At the moment the co-working spaces can be divided roughly into three categories:

1. Community-driven spaces

- Bottom up, very local
- Cost savings and shared infra are the driving forces
- Based normally on few topics of interests, one single community
- Low diversity → low serendipity potential
- Mainly on renting desks — business

- 80–90 % of the co-working spaces are in this category

2. Event-driven spaces

- Mostly designed for having events
- The challenge is to attract interesting events
- “Empty restaurant” image in the daytime
- No sticky knowledge, the critical mass of day-to-day activities hard to achieve
- Serendipity is potentially high but harvesting it might be difficult

3. Serendipity-driven spaces

- Specially designed and managed to harness serendipity
- Sound balance between locals, visitors and visiting groups (events) will host many diverse communities a well-working virtual collaboration platform supports communities
- High diversity → high serendipity potential, also easier to harvest
- “sticky knowledge” Big enough core tribe enables the creation of
- Global approach, access to global online communities
- Generates attraction with success stories.

An ideal co-working space hosts a variety of communities, so it has to be large enough to accommodate members of many communities. Those small co-working spaces serving only one community seem to easily lose their dynamics and hence the important “pull power” — the attractiveness. The best co-working spaces are able to mix, in a balanced way, events and flexible working areas with permanent members, hangout members, and a diversity of visitors. In some cases they may also have a promotional lounge where the products and services of community members are nicely in display. In a high-quality co-working location one can choose the ambience according to the task at hand. For instance, in the original netWork Oasis layout the space is divided in four zones: private–semiprivate–semipublic–public, and people moved during the day according to the concentration vs. socializing needs. Too many (especially small) spaces cannot offer this diversity of ambience and hence they do

not differentiate much from noisy cafeterias. A perfectly designed co-working space could be a powerhouse of harnessing serendipity. So far we are not aware of many spaces that have taken this aspect seriously. Of course netWork Oasis in Joensuu is one, because serendipity related issues were on top of the list when design requirements were listed. So we are encouraged to make a statement that netWork Oasis was the first workspace in the world specially designed for harnessing serendipity. The other good example of this type of thinking is Seats2Meet originally from Netherlands but currently also expanding abroad. Their infrastructure and interesting operation principles are comprehensively described by Sebastian Olma in his book “Serendipity Machine”.

Virtual Collaboration Platforms

A well-working virtual collaboration platform is another vital element for establishing and maintaining a sustainable ecosystem. The platform will help both community management and CRM purposes of the physical space. If properly designed and configured it can also work as an attraction for the potential newcomers. Usually virtual collaboration platform contains of elements like:

1. Access control
2. Billing
3. PVC governance elements
4. Reservation service
5. Membership wall with user profiles and info
6. Visitors wall for hang-around members
7. Social and event information embedded
8. Online access via some type of messenger or other application
9. Web-camera
10. Project management tools

The tailored and specifically designed in house collaboration platforms are rare. In netWork Oasis project we designed and implemented a prize winning solution — GLOW. The requirement analysis, technical feasibilities, and implementation plan of GLOW were carefully completed and the software

production was outsourced to professionals. The process included also technical work to embed five touchscreens on the walls of Oasis and the operational system was introduced to the community. The first user responses were good, but the big problem was that the new management of Joensuu Science Park had no interest in the initiative and refused the further funding in very important stages of the project. So without possibilities to update the system and invest in the hardware, the functionality of the system begun to deteriorate pretty quickly. That was a very unfortunate business decision by the new CEO of JSP, because that kind of system, which was already built and introduced in Oasis, would have been a killer innovation in the rapidly growing co-working market — and that opportunity was there easily to be seen and understood. The example of GLOW development in Joensuu Science Park shows that in order to have sustainable results, a strong commitment of management is elementary in order to update and further develop “in-house” solutions.

For the bigger corporations there are nowadays various commercial products on offer by the main global service providers like Microsoft and SAP. These platforms are being improved continuously, although sometimes it looks like they are always a couple of steps behind the state-of-the-art solutions of social media software providers. Also some smaller companies are entering the market, one strong challenger is Cobolt, but even it has not all the elements, which were already implemented in the first GLOW version 2007 — a bit sad story of a mismanaged business opportunity indeed. Online communities can provide a lot of diversity, unexpected information flows, and new perspectives. They are an important part of any configuration of the virtual collaboration platform used in co-working environments. At the moment most co-working spaces use mainly social media tools and software available free of charge. The commercial development suitable also to small co-working places and other collaborative environments is step-by-step gaining momentum. In this respect there will be a lot of interesting new developments and services expected to enter the market in the near future.

3. Answer the questions below from the memory.

- a) What is essential in the building of an ecosystem?
- b) What will attract attracts more stakeholders until the ecosystem reaches the level where it will be self-sustainable?
- c) Does the oasis experience show clearly that a well-designed co-working space is the vital physical element of an innovation ecosystem?
- d) When did the original netWork Oasis open?
- e) Will the impact of co-working spaces continue growing?
- f) Can the co-working spaces be divided roughly into two categories?
- g) How many elements does the virtual collaboration platform contain?
- h) What happened with the new management of Joensuu Science Park?
- i) What does the example of GLOW development in Joensuu Science Park show?
- j) Can online communities provide a lot of diversity, unexpected information flows, and new perspectives?

4. Give the synonyms to the following words:

collaboration, impression, business, decision, person, various, commercial, products, unexpected, information, flow.

5. Match the following words and their definitions: *dispersed collaborators, sharing of information, asynchronous and lagged communication, technological limits, means of exclusion, emotionally driven, idea-driven, detail-driven, reliance on technology, data-driven.*

- a) Individuals who are highly organized and are excellent planners.
- b) Individuals who are skilled at strategizing and integrating concepts and ideas.
- c) Individuals who are highly compassionate and communicative.
- d) Individuals who are rational and analytical.
- e) Because technology cannot convey important information, such as context and expressions of emotion, teams are limited in their grounding of knowledge and interpersonal relations.

- f) Any problems that arise with the technology can obstruct a collaborative effort due to virtual collaboration's complete reliance on technology for communication.
- g) Collaborators that are interdependent on each other's information can experience problems due to the lack of synchronization due to technology.
- h) The method of information transfer in virtual collaboration can allow for team members to choose who does and does not receive information. For example, an email can be sent from one virtual collaborator to others that they choose, and telephone calls can happen between certain collaborators and not others.
- i) Collaboration, by definition, is a process of assembling knowledge from different parties towards a common goal.
- j) Collaborators within virtual collaboration are physically separated from each other and can only interact virtually.

6. Mark the sentences True or False.

- a) Collaboration is needed, which starts to generate movement and dynamics, which again attracts more stakeholders until the ecosystem reaches the level where it will be self-sustainable.
- b) Home base can be a state-of-the-art research laboratory, or some other key structure that attracts people, and works even better as a platform if it will have elements of "sticky knowledge" embedded.
- c) Co-working spaces have taken different forms and characteristics: traditional co-working spaces for managers, hacker spaces for programmers, maker spaces and FabLabs for technology and handcraft-oriented communities, etc.
- d) Yet, the forms of co-working spaces, the pedagogical methodologies, and the management principles of these spaces will evolve in near future a great deal.
- e) The best co-working spaces are able to mix, in a balanced way, events and flexible working areas with permanent members, hangout members, and a diversity of visitors.

- f) At the moment the co-working spaces can be divided roughly into four categories.
- g) Sound balance between locals, visitors and visiting groups (events) will host many diverse communities a well-working virtual collaboration platform supports communities.
- h) The first user responses were good, but the big problem was that the new management of Joensuu Science Park had advantage in the initiative and refused the further funding in very important stages of the project.
- i) That was a very unfortunate business decision by the new CEO of JSP, because that kind of system, which was already built and introduced in Oasis, would have been a killer innovation in the rapidly growing co-working market — and that opportunity was there easily to be seen and understood.
- j) These platforms are being improved constantly, although sometimes it looks like they are always a couple of steps behind the state-of-the-art solutions of political software providers.

7. Make sentences putting the words and word combinations in the correct order.

- a) Then, it should / sales to / be able to / minimum and maximum / assess / estimate / the range of risk.
- b) When the sales / is / the firm can estimate / prepared, / the expected costs and / for a product, / profits / including marketing, R&D, / forecast / operations etc.
- c) All the sales / financial / and costs / together can eventually be / figures / used to analyse the new product's / attractiveness.
- d) The new / goes / product / process / on with the actual / development / product development.
- e) Up to this point, for / new product concepts, there / many / a drawing / may exist only a word / or perhaps a / description, / rough prototype.

- f) But if the product / passes the / physical / business test, it / concept / must be developed into a / to ensure that the / can be turned / product / into a / workable / product idea / market offering.
- g) The problem / a huge / is, though, / stage, R&D and engineering costs / that at this / cause / jump in investment.
- h) The R&D / will develop / one or more physical / department / versions of the product / and test / concept.
- i) Developing a / prototype, / can / weeks, months / successful / or even years, depending / take days, / on the product and / however, / prototype methods.
- j) Also, products / undergo / sure they / often / perform safely / tests to make / and effectively.

8. Translate the following sentences from Russian into English.

- a) В последнее время множество различных компаний, работающих не только в IT-секторе, но и в других областях, стали всерьез присматриваться к технологиям виртуализации.
- b) Домашние пользователи также почувствовали надежность и удобство платформ виртуализации, позволяющих запускать несколько операционных систем в виртуальных машинах одновременно.
- c) В случае если вам не требуется массовое развертывание виртуальных серверов в организации, постоянный контроль производительности физических серверов при изменяющейся нагрузке и высокая степень их доступности, вы можете использовать виртуальные машины на основе бесплатных платформ для поддержания внутренних серверов организации.
- d) При увеличении числа виртуальных серверов и высокой степени их консолидации на физических платформах требуется применение мощных средств управления и обслуживания виртуальной инфраструктуры.

- e) На данный момент технологии виртуализации являются одними из самых перспективных по оценкам различных исследователей рынка информационных технологий.
- f) Платформы «облачного» класса позволяют объединить обычно не совместимые между собой платформы виртуализации а так же различные ресурсы в единый пул, предоставляя удобный, централизованный интерфейс управления, распределения и контроля.
- g) Конечно, чем больше поддерживается платформ виртуализации тем продукт будет популярнее.
- h) Так же в плюсы можно добавить возможность создания архитектуры на базе разных продуктов задействовав сильные стороны каждого из них.
- i) При чем некоторая часть возможностей управления своей маленькой частью большого облака делегируется пользователям/владельцам.
- j) Рынок платформ виртуализации и средств управления в данный момент сильно растет, и на нем периодически появляются новые игроки, а также в самом разгаре процесс поглощения крупными игроками мелких компаний, занимающихся разработкой программного обеспечения для платформ виртуализации и средств для повышения эффективности использования виртуальных инфраструктур.

9. There is picture 10. Previously you analyzed ready schemes. But now you will be given the task to draw your own picture about the challenges of working from home. Charts, diagrams, figures can help you to do it.



10. Text for home assignment. Translate the text on your own. Write out all the rest key words of the text, prepare a short report about collaboration and community platform on the basis on the text.

The Benefits of a Remote Workforce and Virtual Collaboration

There's an obvious appeal that comes to mind when you first think about telecommuting. Many global companies — including Aperian Global — allow employees to telecommute. The benefits of a remote workforce stem from allowing employees to spend more time in their comfort zones, but does it always lead to increased productivity? Most recent studies point to “yes,” but there are many considerations to make when deciding if telecommuting is right for you or your company.

Estimates claim that about 2.8% of the global workforce works from home at least half of the time. Although this number seems low at first glance, consider the fact that the number of people who work from home has increased 103% since 2005. There's

no denying that there is an upward trend of work-from-home flexibility in society today — and this trend does indeed come with many benefits, such as the following:

- **Financial savings.** Many cost savings come with managing a remote workforce, such as lower occupancy fees, utilities and office supplies. According to a Stanford study, a company can save about \$2,000 per year per employee who works from home.
- **Increased productivity.** Virtual collaboration tools allow remote employees to collaborate as if they're in the same conference room. Employees can use forms of virtual communication in the workplace, such as video conferencing, as well as email, instant messages, and the telephone. Workers are more likely to work in excess of 40 hours a week if they're working from home, and they also take fewer sick days. Employees working together across various time zones are more likely to achieve success if they're able to collaborate from home. Business hours increase with more flexibility. Furthermore, business will continue as usual regardless of weather conditions that could limit productivity due to hazardous driving conditions.
- **Better recruitment opportunities.** You can select from the top-qualified candidates around the globe for a position if you're open to managing a remote workforce. Instead of limiting your recruiting opportunities to those who are willing to relocate and those able to make the daily commute, you can focus on hiring the best-qualified candidates without worrying about any geographic restrictions.
- **Higher retention rates.** Remote workers report higher job satisfaction rates and a better work-life balance. Fewer employees who work from home quit, and they also tend to eat healthier and have lower stress levels.

(accessed URL: <https://www.aperianglobal.com/benefits-remote-workforce-virtual-collaboration/>)

Extra tasks to the text

1. Look through the text for unfamiliar words and try to understand their general meanings.

2. Write down the transcription and definitions of unfamiliar words, practice reading the words and try to remember them.
3. Read the text aloud.
4. Translate the text with full understanding of its meaning.
5. Write out key words from the text.
6. Title the paragraphs.
7. Use the key words of the text to make up the outline of the text
8. Make up 5 questions to the text.
9. Write out the main idea of the text. Be ready to speak about it.
10. Give the summary of the text.
11. Retell the text.

GLOSSARY

A

abnormal profit the surplus of revenue over costs enjoyed by a monopoly that is in excess of profit the same firm could expect to earn if it faced competition for its market.

absolute advantage the ability of a country or region to produce a good or service at a lower average cost per unit than any other country or region is able to.

asset a thing which belongs to company or person, and which has a value. A company's balance sheet will show assets in various forms such as current assets, fixed assets and intangible assets. An individual's assets will include items such as his or her house, car, and clothes.

asset-backed securities shares which are backed by the security of assets

authority for managers at all levels the organizationally granted right to influence the actions and behaviour of the workers they managed
Authorization Cards In order to petitions for a union election, the union must show that at least 30% of employees may be interested in being unionized. Employees indicate this interest by signing authorization cards

autonomy the degree to which the job provides substantial freedom and discretion to the individual in scheduling the work and in determines the procedure to be used in carry out it

avoidable cost same as prime cost

axiom a basic assumption which forms a theory; normally axioms cannot be proved by must be taken on trust

axis one of the vertical (y-axis) or horizontal (x-axis) lines which join at zero and against which a graph is plotted

B

balance of payments an accounting record of all monetary transactions between a country and the rest of the world.

batch production production in small batches, which is more sensitive to the individual requirements of the customer than mass production. It also allows better control over work teams.

big chart a chart that compares different groups of data to each other through the use of bars that represent each group. Bar charts can be simple, in which each group of data consists of a single type of data, or grouped or stacked, in which the groups of data are broken down into internal categories

Bargaining unit The group of employees the union will be authorized to represent

BARS Behaviorally Anchored Rating Scale (BARS) An appraisal method that aims at combining the benefits of narrative critical incidents and quantified ratings by anchoring a quantified scale with specific narrative examples of good and poor performance

brainstorming letting people exchange thoughts anywhere anytime and being able to produce a maximum number of ideas in a minimum amount of time

budget surplus this financial situation occurs if a government plans to spend more than it forecasts to earn in tax revenues over the financial year. An actual budget deficit occurs if actual tax revenues exceed actual public spending.

Business specifies the present and/or prospective scope of a strategic business unit's activities in terms of the boundaries of the arena in which the business elects to compete. The definition also serves to direct attention to the true function of the business-that is, the way that the business meets the needs of its target customers. A complete definition requires choices about the business position a long four dimensions: (1) customer functions-addressing the benefits being provided; (2) customer segments-specifying the customer groups seeking similar benefits and sharing characteristics that are strategically relevant; (3) technology--specifying the alternative ways in which a particular function can be performed; and (4) vertical business system--specifying where the business chooses to participate in the sequence of stages in the vertical business system (or value-added system).

business cycle a period during which trade expands, then slows down, then expands again. Also called trade cycle

business intelligence integrates all methods for collecting, filtering, analyzing and distributing the information needed for business. Business process re-engineering is the way to restructure and transform business processes and procedures, both industrial and administrative, in order to achieve essential improvements in the price and quality of the product or service, but also of the organization itself. This method eliminates activities that lead to efficiency reduction, simplification of procedures and introduction of alternative processes, through series of steps from isolating the business process itself and its definition, through identification of measures necessary for its improvement to the control of those measures' application results

business plan according to the traditional definition, is a document whose aim is to define development process of an enterprise, to provide innovation description and validation, to define action plan and project implementation. At the same time, through clearly defined aspects such as investment return time, founder's qualifications, market opportunities and technology, the enterprise can create strong negotiation arguments in the process of selling its project to investors

C

call the price established during a trading session

capital human-made resources (machinery and equipment) used to produce goods and services; goods which do not directly satisfy human wants

computer aided design (CAD) systems use powerful computer tools for advanced product design. They include simulation and modelling with the aim to test functionality of a design and provide incomparably more possibilities than traditional design

concurrent engineering a systematic approach to an integrated, concurrent development of products and accompanying processes, including production and support system. This approach held development departments to analyze all elements of the life cycle of a product, from the concept to production and disposal. Using the programming elements, knowledge based systems, CAD/CAM techniques, etc., reduces the product development time 30-70%, number of engineering changes 65-

90%, time-to-market 20-90%. At the same time, their application increases the product quality 200-600% and administrative productivity for 20-110%

consumption the using up of goods and services to satisfy human needs and wants

cooperative behavior team behavior that is manifested in member's willingness to share information and help others

customer relationship management is about recognizing, establishing and improving the relationships with users in order to build their loyalty and trust

controlling the management function that measures performance, compares it to objectives, implements necessary changes, and monitors progress. (Monitoring activities to ensure they are being accomplished)

creativity the ability to produce novel and useful ideas

current account the current account is the net amount of money coming into a country from trade, factor payments and international transfers

D

decision making the process of identifying problems and opportunities and resolving them. (b) Refers to process of identifying problems for decision, devising alternative courses of action, and choosing one alternative. It is distinguished from problem-solving by (a) requirement that problems be sought rather than given, (b) alternative formulated rather than given. Sometimes distinguished from policy-making by (a) presence of sanctions to compel compliance with the decision and (b) including not only policy-making in governmental or political organizations, but all kinds of decisional affair

development project management phase refers to integration of the different capacities and resources. The greatest challenge in that process, especially for organization still developing, is to find the competent team that can develop an adequate approach to the management process and to professionally and efficiently respond to project realization requirements

dispersed collaborators collaborators within virtual collaboration are physically separated from each other and can only interact virtually. Being able to

physically interact with a team member affords many benefits that virtual collaboration cannot provide, and eliminates any need for virtual meetings (sharing of context, interpersonal relationships, etc.).^[3] Collaborators can meet physically, but interaction outside of the virtual platform may change the dynamics of the collaboration and classify it as non-virtual

diffusion is a physical process that refers to the net movement of molecules from a region of high concentration to one of lower concentration. The material that diffuses could be a solid, liquid or gas. Similarly, the medium in which diffusion occurs could also be in one of the three physical states

document management the source of knowledge and innovations, whether we talk about manuals, reports, methodologies or other forms of documents. This is why it is of utmost importance to develop tools for their classification, search, archiving and using in order to facilitate the management of those documents through unique system based on information technologies.

E

e-learning consists of trainings organized through the network (intranet or internet), facilitating in this way interactive, personalized learning with large savings in time and money

entrepreneurship the process to initiate, organize and innovate in business process, with the main aim to create new markets and produce profit. Lately, entrepreneurship has become the key segment of economic development in the whole world and increasingly more attention is paid to the establishment and development of culture rich with knowledge, skills and capacities, but also with creativity and entrepreneurial spirit

expenditure-reducing policies measures a government may undertake to improve an imbalance in the current account. If a nation has a large current account deficit, a decrease in spending on imports move the current account towards surplus. Reducing overall spending in the economy (including on imports) by raising income taxes and reducing government spending (contractionary fiscal policies) can improve the trade balance.

F

flotation the action of starting a new company by selling shares in it on the Stock Exchange

futures contract noun a contract for the purchase of commodities for delivery at a date in the future. If an investor is bullish, he or she will buy a contract, but if the investor feels the market will go down, he or she will sell one

G

geo-marketing or thematic market monitoring for innovative sales and marketing planning. One of the forms of this technique is Geographical Information System (GIS), a computer tool for generating the map that can provide all information on users, target groups and market that can be easily filtered

governance the philosophy of how something should be ruled, whether a country or a company

groupware technologies as a kind of corporate software relying on three principles: communication (dissemination and collection of information), collaboration (information exchange and building the mutual understanding) and coordination (delegation of tasks inside the network)

H

hyperbola a geometric form produced when a cone is cut by a plane. Mathematically it is the path traced by a point moving from a fixed focus where the ratio of the distance from the focus and a straight line is a constant

I

independent variable a variable that influences another variable (called the dependent variable). For example, the price of a product may influence the demand for it

instrument a legal document, such as a contract, deed, or promissory note, that establishes, secures, modifies, or terminates rights, duties, entitlements, or liabilities

integration the process of organization different parts into a whole of a higher order. It is used widely in science, from the organization of nervous impulses

necessary for any kind of behavior up to the organization of a whole society Intelligence. Although this concept has been disc

industrial clustering groups the organization's capacities with the same activities and interest on regional and local level in order to support their innovation process. The cluster members have strong support through network and infrastructure provided by universities, research institutes, financial institutions, incubators, etc. In this way, cluster members can additionally increase their competitiveness and reduce the time-to-market for their products, services and processes.

internal innovation network this outcome driven innovation network is based on bringing together the different business units that make up an organisation experiencing a common problem and the internal innovation network works out the strategic direction to be followed in terms of arriving at innovative management solutions

IP management is the ground of general corporate strategy. It includes protection of products, corporate intellectual property and results derived from an organization's innovation activities.

J

just-in-time today the most widely spread in industry, especially in production and logistics sectors. It means that certain activities are realized or parts are delivered exactly when needed – not before (to avoiding piling up), and not later (to avoid being late). In this way, the maximum can be achieved in every segment of production or logistics, increasing the enterprises' capacity to respond to dynamic requirements of their end users

K

knowledge audits as a process of evaluation and auditing of innovation capacity, gives an insight into current knowledge base in an enterprise. In this way, the enterprise can take advantage of being able to identify shortages, information overloads, information duplication and barriers for the active data exchange;

knowledge management capitalization and dissemination of employees/ participants' knowledge, training, introduction and use of networks internal and

external to the company, segmentation of knowledge within the company, teamwork, etc.

L

labor-intensive industry an industry which needs large numbers of workers or where labor costs are high in relation to turnover

Launch Station a tool that facilitates the development of new products and/or services allowing its users to keep track of the innovation project portfolio, from concept to the launch on the market. It involves all relevant stakeholders in the process, such as decision makers, project leaders and managers, team members, etc. whose work is efficiently streamlined using the Launch Station

leadership a widely applied term that usually refers to the personality characteristic and the behavior of people with authority and influence and responsibility for leading group

licensing a means of entering new markets, primarily used by manufacturing firms, by transferring the right to produce and sell products overseas to a foreign firm. In return, the licensing receives a negotiated fee, normally in the form of a royalty

M

management making the most effective use of available resources, whether in the form of machine, money or people, (2) the people responsible for the management of an organization, i.e. for the directing, planning and running of its operations, for the implementation of its policies and the attainment of its objectives

management style the general approach a manager has to dealing with other people at work, and in particular the exercising of his or her authority with subordinates. This style is often characterized as tending towards authoritarian management or democratic management, depending on the personality of the individual manager, but people can also have somewhat different approach when faced with different situations

market a situation where buyers and sellers are in communication with each other. This may take several forms, e.g. in person (as in a cattle auction) or

electronically (as in the stock exchange) or through the mass media as in newspaper advertising columns

market segmentation the analysis of buyers or potential buyers in a given market along various dimensions. These usually include demographic like age sex and socio-economic status, buying patterns with respect to price and quality, and personality factors like conservatism-radicalism, need for achievement or need for affiliation the objective is to divide market into segments comprising similar kinds, of people so that marketing efforts can be targeted more precisely, and the most effective approach used with each segment

N

negotiation in industrial relations this is the essence of the collective bargaining process. It refers to the discussion of terms and conditions of employment by employers and employee, or their representatives, with a view to reaching a mutually acceptable outcome

O

organization a group of people brought together for the purpose of achieving certain objectives. as the basic unit of an organization is the role rather than the person in it the organization is maintained in existence, sometimes over a long period of time despite many changes of member. (b) A consciously coordinated social unit, composed of two or more people that function on a relatively continuous basis to achieve a common goal or set of goals

owners the parties that have invested a portion of their wealth in shares of company stock and have a financial stake in the enterprise

P

patent territorial right and is valid in the countries where it is granted. It is valid for 20 years from the date of imitating the procedure of protection that is from the date of delivery of application. Patent gives right to its holder to prevent third parties from commercial exploitation of protected invention without his/her approval

patents analysis enables assessment of results competitiveness before the enterprise undergo an expensive research and development, applying for patent, etc.

personality the sum total of all the factors that make an individual human being both individual and human; the thinking, feeling and characteristic pattern of these elements that makes every human being unique. Psychologists often emphasize the integration and dynamic nature of an individual's personality and the important role of unconscious processes that may be hidden from the individual but are at least partly perceptible to other people

psychology most commonly defined at present as the study of human and animal behavior, a definition that accurately describes the route to increasing our psychological knowledge. An older definition the science of mental life, focuses on a psychological understanding of what that behavior is about and how make sense of its most intelligently

R

R&D marketing interface as a form of interconnection between development and marketing department is of great importance for the organization business. It depends on the fact if the certain product is based on technology research or on specific market requirements. If the organization can provide the quality link between these two departments, good structure and decision-making process, this approach can be very beneficial for the organization

S

SCAMPER method the model of transforming one idea into several ideas. Its name is actually the acronym Substitution, Combination, Adaptation, Modification, Putting to other uses, Elimination and Reversing, which tells us about the main elements of the method itself

SWOT matrix understand different aspects of an idea and develop a decision on way forward

stage-Gate® New Product/Service Development structured way of managing development and execution of a new idea, phase by phase, with clear accountability of activities, people and decisions

supply chain management deals with suppliers, sub-contractors and users through active and controlled system that integrates the whole chain into one entity

T

total quality management the process where all activities and processes values are improved to the highest possible level. The main objectives of this technique are to provide internal and external users with products and services that permanently satisfy their demands. Also, this eliminates the procedures that lead to losses in money, time or reliability of a product or a service. This type of management is based on internal control within every system unit, where employees on all levels are expected to participate in the decision making process relevant for their activities

trademark the right that protects a mark used in the course of trade to distinguish goods and/or services of one natural or legal person from identical or similar goods and/or services of another natural or legal person. It can be individual, collective or certification trademark

team building, which improves the corporate culture inside the organization by fostering the collective obligation among members, encourages their active participation in the decision-making process, facilitates the delegation of responsibilities and provides complementarity, i.e. adequate structure of experiences and knowledge

technology watch as soon as some technological advance appears on the market in order to identify potential innovation that can influence enterprise competitiveness and analyse possible changes in behaviour of end users

tele-working techniques which combine telecommunication and computer technologies, where employees can work from remote locations, from home, etc.

V

value analysis systematic review of a product's existing design with the aim to test and analyse those specific features and functions defined by the users, as well as to answer to those requirements without great expenses, at the same time keeping the functionality and reliability of the product. This is why the main objective of this

technique is to reach the highest degrees of efficiency through improvement of products and processes, eliminating all necessary costs

virtual collaboration the method of collaboration between virtual team members that is carried out via technology-mediated communication. Virtual collaboration follows the same process as collaboration, but the parties involved in virtual collaboration do not physically interact and communicate exclusively through technological channels. Distributed teams use virtual collaboration to simulate the information transfer present in face-to-face meetings, communicating virtually through verbal, visual, written, and digital means. Virtual collaboration is commonly used by globally distributed business and scientific teams. Ideally, virtual collaboration is most effective when it can simulate face-to-face interaction between team members through the transfer of contextual information, but technological limits in sharing certain types of information prevent virtual collaboration from being as effective as face-to-face interaction.

virtual incubator internet based system with the aim not to provide only offices and laboratory space like traditional incubators, but also to provide other services necessary for entrepreneurs such as support on the process of development from idea to the business plan, application of the business plan and the first activities on the market, support in the financing, institutionalization, restructuring, management, etc.

W

wage the payment to labor in the resource market. Wages are the “price of labor”

workflow management the process of automation of organization’s internal activities and tasks, which leads to simpler and channelled business processes and procedures. In other words, the document, information and tasks inside the organization “flow” in clearly defined way following the internal rules and procedures

LIST OF ABBREVIATIONS

BI Business Incubator

BIH Bosnia and Herzegovina

CAD Computer Aided Design

CAM Computer-aided manufacturing

DNA Deoxyribonucleic acid

EP European Patent

EPO European Patent Office

EU European Union

GIS Geographical Information System

ICT information and communication technology

IMT Innovation management techniques

Inc incorporated

IP Intellectual property

IPOM Intellectual Property Office of Montenegro

IPR intellectual property rights

ISO International Standard Organization

OECD Organisation for Economic Co-operation and Development

OHIM The Office of Harmonization for the Internal Market

PCT Patent Cooperation Treaty

R&D Research and Innovation

ROI Return on investment

RTDI Research, Technology Development and Innovation

RD&D Research, Development and Demonstration

SaaS Software-as-a-Service

SCAMPER Substitution, Combination, Adaptation, Modification, Putting to other uses, Elimination, Reversing

SKF AB Swedish ball bearing factory AB

SME Small and medium enterprise

STP Science and Technology Park

SWOT Strengths, weaknesses, opportunities and threats

TRIPS Trade Related Aspects of Intellectual Property Rights

TRIZ Theory of Inventive Problem Solving

UIP University Innovation Platform

WB Western Balkans

WBC Western Balkan Countries

WIPO World Intellectual Property Organization

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Учебное издание
Сакаева Лилия Радиковна
Исмагилова Гулюса Курбангалиевна
Сигачева Наталья Альбертовна

INNOVATION

PART I

Дизайн обложки

Подписано в печать 06.02.19

Бумага офсетная. Печать цифровая.

Формат 60x84 1/16. Гарнитура «Times New Roman».

Тираж 100 экз. Заказ

Отпечатано с готового оригинал-макета
в типографии Издательства «ООО Вестфалика»

420111, г. Казань, ул. Московская, 22

тел. (843) 260-38-41, 292-98-92