

**Exercise A: Retention of facts and details**

**Answer questions 1 through 3 from memory.**

**DO NOT try to find the answer by looking at the passage.**

**1. Which of the following is the most appropriate title for the passage?**

- (A) CEO**
- (B) New Top Management**
- (C) Professional Managers**

**2. According to Drucker, why the acquiring company has to be prepared to lose the top management of the acquired company?**

- (A) Because the merger has made them so wealthy.**
- (B) Because they are reluctant to get rid of old employees.**
- (C) Because the acquiring company is foreign.**

**3. Why top people don't want to be division managers?**

- (A) Because they can easily find another job.**
- (B) Because they are used to being bosses.**
- (C) Because they served the company faithfully.**

**Exercise B: Scanning** – quickly scan the passage to locate the following words and decide which paragraph they are in.

4. outgrown ( ) 5. gamble ( ) 6. acquisition ( ) 7. ownership ( )

**Exercise C: Understanding words in context** – choose the closest in meaning.

8. stake

- (A) money that you risk as a result of a horse race, card game, etc.
- (B) the part of a business that you own because you have invested money in it
- (C) a pointed stick used for supporting or marking something

9. come off

- (A) become removed
- (B) be successful
- (C) fall off something