

Book 4, Lesson 7

Business Communication



YOU ARE ALWAYS TALKING TO YOURSELF FIRST

FTERALL AFTERALL
L AFTER... AFT
ERALL
ERALL AFTERALL
LLAFTERALL

"WHETHER YOU THINK YOU CAN, OR YOU THINK YOU CAN'T-- YOU'RE RIGHT."
— HENRY FORD

POW

BUSINESS COMMUNICATION TAKES A PRODUCT/SERVICE CUSTOMER SUPPLIER EXCHANGING BETWEEN

BUSINESS COMMUNICATION IN TODAY'S WORLD IS A SCIENCE.. EVERY WORD MUST CREATE A CONGRUENT MESSAGE

AS DR. FRANK LUNTZ WROTE:
IN HIS BOOK; "WORDS THAT WORK"
"IT'S NOT THE WHAT YOU SAY,
IT'S WHAT PEOPLE HEAR"

SIMPLE WORD RULES TO GET THE SALES DONE

- DR. LUNTZ TEN RULES OF EFFECTIVE WORDS
1. SIMPLICITY USE SMALL WORDS
 2. BREVITY USE SMALL SENTENCES
 3. CREDIBILITY IS AS IMPORTANT AS PHILOSOPHY
 4. CONSISTENCY MATTERS
 5. NOVELTY OFFER SOMETHING NEW
 6. SOUND AND TEXTURE MATTER
 7. SPEAK ASPIRATIONALLY
 8. VISUALIZE
 9. ASK A QUESTION
 10. PROVIDE CONTEXT AND EXPLAIN RELEVANCE



WORDS AND PHRASES OF BUSINESS FINANCE

PROFIT: THE NET GAIN FROM AN ACTIVITY-REVENUE MINUS COST.

THE LEFTOVER OF EVERY TRANSACTION

COST OF GOODS SOLD: PRODUCT COSTS (INVENTORY COSTS) THAT BECOME PERIOD EXPENSES ONLY WHEN THE PRODUCTS ARE SOLD; EQUALS BEGINNING INVENTORY PLUS COST OF GOODS PURCHASED OR MANUFACTURED MINUS ENDING INVENTORY.

EXPENSES: IS ALWAYS MONEY SPENT ON SOMETHING THAT IS TAX DEDUCTIBLE.

TAX DEDUCTION: A PROVISION OF GOVERNMENT'S TAX CODE THAT SPECIFIES AN AMOUNT BY WHICH A TAXPAYER'S TAX BASE WILL BE REDUCED IN RETURN FOR SOME BEHAVIOUR, RESULTING IN A LOWERING OF THE AMOUNT OF TAX PAID THAT DEPENDS ON THEIR TAX RATE.

SPENT: IS MONEY OR COST APPLIED THAT HAS NO MONEY GAIN OR COSTS BENEFIT TO A BUSINESS TRANSACTION.

SPREAD: THE DIFFERENCE BETWEEN THE EXCHANGE A BUSINESS MUST PAY TO BUY SOMETHING SUCH AS A PRODUCT/SERVICE "OUT", AND THE EXCHANGE "IN" EACH BUSINESS RECEIVES FOR SELLING PRODUCT/SERVICE TRANSACTION. THE DIFFERENCE BETWEEN, COSTS, PRICE, TIMINGS OF "IN-OUT" AND AROUND ALL BUSINESS TRANSACTIONS.

TRANSACTION: THE ACT OF EXCHANGING PRODUCTS/SERVICE IN BUSINESS.



COSTS=
ENERGY-TIME-SPACE-MATERIALS-MONEY!
TRUE IN EVERY BUSINESS TRANSACTION

KEY FINANCE WORDS

- "TERM LOAN" "DEBIT- CREDIT PERIOD"
- "CREDIT RISK" "INSURANCE STANDARD"
- "CREDITWORTHINESS" "CASH CYCLE"
- "ABSOLUTE ADVANTAGE" "ACCELERATED DEPRECIATION"
- "EXPOSURE ACCOUNTS RECEIVABLE"
- "ACQUISITION OF ASSETS"- "ACQUISITION OF STOCK"
- "ACTIVE INCOME" "COST DRIVERS"
- "PRESENT VALUE (PV)" "ADVANCE PAYMENT"
- "ADVANCE PRICING AGREEMENT (APA)"
- "AGGREGATE DEMAND" "AGGREGATE MEASUREMENT" "SUPPLY AGGREGATION"
- "ALL-IN COST" "ALLOCATION"
- "AMORTIZATION" "SCHEDULE" "ARBITRAGE"
- "BALANCE-SHEET-EXPOSURE" "BANK RATE"
- "BARTER" "BENCHMARKING" "BILL OF EXCHANGE" "BOOK VALUE" "BORROWING"
- "BREAK-EVEN" "BUSINESS CYCLE" "CAPACITY"
- "CAPITAL STRUCTURE" "CAPITAL GAIN (LOSS)"
- "CAPITAL INFLOW" "CAPITAL INFUSION"
- "CAPITAL INTENSIVE" "CAPITAL MOVEMENT"
- "INFLOW/OR OUTFLOW" "DEBT RATIOS"
- "DEBT/EQUITY SWAP" "FACTOR COST" "FUTURE VALUE" "GOODWILL" "HUMAN CAPITAL"
- "INCOME STATEMENT" "INTEREST-RATE"
- "INVESTMENT" "JOINT VENTURE"
- "JUST-IN-TIME (JIT)" "LAGGING INDICATOR"
- "LIABILITY" "LICENSE AGREEMENT"
- "LIFE EXPECTANCY" "LIQUIDITY" "LOGARITHM"
- "MARGINAL PROFIT" "MARKET DYNAMICS"
- "MARKET ECONOMY" "MARKET"
- "MARK-UP" "MODEL MONETIZE" "OPERATING CYCLE" "PATENT" "PRICE/EARNINGS (P/E)RATIO"
- "PRODUCT LIFE CYCLE (PLC)" "SOCIAL BENEFIT"
- "SOCIAL CAPITAL" "SOCIAL COST"
- "STANDARD RULES" "SUPPLY CHAIN" "SUPPLY TARGET" "TRADE PATTERN" "TRADEMARK"
- "VALUE ADDED" "VELOCITY OF MONEY"



B2B EXCHANGE:

ZERO PROFIT-DEATH OF BUSINESS