



Listening

Mastering Financial Management in 90 Seconds

(pg. 82)

Activities

1. Work in pairs.

Possible answer:

Firm A Representative: Thank you for meeting with us today. Our company is planning to expand into three new markets next year, and we're seeking an investment of \$2 million to fund operations and marketing. We project a return on investment of 15% within two years.

Firm B Representative: That sounds promising. Can you provide more details about how you plan to use the funds? What percentage will go toward marketing versus operations?

Firm A Representative: Certainly. We plan to allocate 60% to operations, including hiring and supply chain improvements, and 40% to marketing. Our data shows these investments will help us capture 20% of the market share in these regions.

Firm B Representative: Those numbers are appealing, but we'd like more information about potential risks. How do you plan to mitigate challenges, such as increased competition or market instability?

Firm A Representative: Great question. We've conducted market research to identify potential risks and will implement a phased entry strategy. This approach allows us to adjust plans based on early performance, minimizing losses.

Firm B Representative: That's reassuring. One last question: what kind of returns can we expect, and what stake in your company are you offering in exchange for the investment?

Firm A Representative: We're offering a 10% equity stake and a guaranteed annual dividend of 5% for the first three years.

Firm B Representative: Those terms are reasonable. Let us review the proposal with our financial team, and we'll get back to you with a final decision by next week.

Professional Challenge

To address the financial literacy challenge, I would design a workshop that begins with a quick interactive quiz using an online tool like Kahoot or Slido to gauge participants' baseline



Answer Key

knowledge of financial concepts. This would help engage employees and tailor the workshop content to their needs.

The presentation would be structured into three sections:

1. **Budgeting:** Introducing the 50/30/20 rule and using examples to demonstrate how to categorize expenses.
2. **Debt Management:** Explaining the difference between good and bad debt and strategies like the avalanche and snowball methods for repayment.
3. **Saving for Goals:** Highlighting the importance of emergency funds and introducing investment basics for long-term growth.

To make the workshop interactive, I'd include a hands-on activity where employees create a mock budget based on a fictional income and expense scenario. I would also use visual aids, such as pie charts and comparison tables, to make concepts like budgeting and interest rates clearer.

At the end of the session, I'd provide the three recommended web resources for further learning and open the floor for questions. Finally, I'd encourage feedback using an anonymous survey to improve future sessions. By keeping the workshop practical and accessible, employees would leave with actionable strategies to manage their finances better.

Rubric:

Criteria	Excellent (C1)	Good (B2+)	Satisfactory (B2)	Needs Improvement
Content Coverage	All key topics (budgeting, debt management, saving) are thoroughly explained, with real-life examples.	Covers all key topics with clear explanations and some real-life examples.	Covers most topics, but some areas are underdeveloped or lack detail.	Misses one or more key topics or provides overly superficial coverage.
Presentation Design	Visual aids (graphs, charts) are clear, engaging, and highly relevant to the topics presented.	Visual aids are clear and relevant but could be more engaging or innovative.	Visual aids are present but may lack clarity or direct relevance to the topics.	Visual aids are missing, unclear, or irrelevant to the presentation.



Answer Key

Engagement Activities	Includes a creative, well-structured hands-on activity with clear instructions and a practical outcome.	Includes a hands-on activity that is relevant but may lack creativity or detailed instructions.	Includes a basic hands-on activity, but it may be less engaging or not directly linked to learning goals.	No hands-on activity included, or activity is irrelevant or poorly executed.
Resource Integration	Resources are seamlessly integrated, with clear instructions on how employees can use them.	Resources are included and explained, but integration with the presentation could be improved.	Resources are mentioned but not clearly explained or integrated into the workshop.	Resources are missing or minimally mentioned without explanation.
Language Use	Uses complex structures and vocabulary accurately and effectively, maintaining a professional tone.	Uses varied language accurately with minor errors; tone is generally professional.	Uses appropriate language, but with frequent errors or overly simplistic structures.	Language contains significant errors or lacks variety, impacting clarity and professionalism.
Clarity and Structure	Presentation is well-organized, with a logical flow and clear transitions between sections.	Presentation is mostly well-organized, with minor issues in flow or transitions.	Presentation structure is present but may be unclear or have weak transitions.	Presentation is poorly organized, with no clear structure or transitions.
Encouraging Feedback	Effectively encourages and facilitates feedback through clear questions or interactive elements.	Encourages feedback with general questions or basic interactive elements.	Mentions feedback but does not actively facilitate or encourage it.	Does not address or encourage feedback.



Answer Key

Overall Engagement	Workshop is highly engaging, professional, and tailored to the audience's needs.	Workshop is engaging and mostly professional, with some areas that could better meet the audience's needs.	Workshop is somewhat engaging but lacks strong appeal or full relevance to the audience.	Workshop fails to engage the audience or meet their needs.
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Speaking

Financial Strategies for a Secure Future (pg. 84)

Activities

1. Work in pairs.

Possible answer:

Client: "I'm 35 years old and I haven't started saving for retirement yet. I don't know where to begin. Can you help me figure out a plan?"

Advisor: "Of course! The first step is to establish an emergency fund if you don't already have one. This should cover three to six months of expenses in case of unexpected events. Once that's in place, you can focus on your retirement."

Client: "I don't have an emergency fund yet. How much should I save for that, and where should I keep it?"

Advisor: "You should calculate your monthly expenses and aim for an amount equal to at least three months of costs, ideally six. Keep this money in a high-interest savings account so it's easily accessible but still earns some interest."

Client: "Okay, that makes sense. What about investing for retirement? Where should I put my money?"

Advisor: "For long-term goals like retirement, I recommend a diversified portfolio. You can consider a mix of index funds or ETFs that track the stock market for growth, and some bonds for stability. This way, you reduce risk while still growing your wealth."

Client: "That sounds good. Should I start small or invest everything at once?"



Answer Key

Advisor: "Start small and invest consistently—this is called dollar-cost averaging. It reduces the impact of market volatility. Also, consider consulting a financial advisor to tailor a plan to your specific needs."

Client: "How do I know if I'm saving enough to retire comfortably?"

Advisor: "That depends on your financial goals. Think about when you want to retire and how much you'll need annually. A common rule is to save 15% of your income or aim for a retirement fund that's 25 times your annual expenses. Tools like retirement calculators can help you refine these numbers."

Client: "Thank you! This gives me a clear starting point. I'll work on my emergency fund first and then start investing."

2. Financial strategy game.

a) The Risky Investor

Advice on Diversifying the Portfolio:

50% Low-Risk: Invest \$5,000 in index funds or bonds for stability.

30% Moderate-Risk: Allocate \$3,000 to blue-chip stocks or ETFs.

20% High-Risk: Invest \$2,000 in startups, cryptocurrency, or growth stocks.

Emergency Fund: Keep at least 3 months' worth of expenses in a savings account.

Long-Term Perspective: Suggest a diversified approach to mitigate risks.

b) Family on a Budget

Budget Plan (Monthly Income: \$3,500)

Needs (50%) - \$1,750: Rent (\$1,000), Groceries (\$400), Utilities (\$200), School Fees (\$150).

Savings (20%) - \$700: Vacation fund (\$200), Emergency fund (\$300), Retirement (\$200).

Wants (30%) - \$1,050: Entertainment (\$300), Dining Out (\$250), Shopping (\$200), Miscellaneous (\$300).

Additional Tips:

Use meal planning and discount shopping to reduce grocery expenses.

Automate savings to ensure consistent contributions.

Consider side gigs or reducing discretionary spending for extra savings.

c) Retirement Rescue

Steps to Prepare for Retirement in 15 Years:

Set a Retirement Goal: Estimate needing 80% of current income for expenses.



Answer Key

Increase Savings Rate: Save at least 30% of income (e.g., \$1,500/month if earning \$5,000).

Invest in Retirement Accounts: Maximize contributions to 401(k) or IRA.

Diversify Investments: Allocate funds to a mix of stocks (60%), bonds (30%), and cash (10%).

Reduce Expenses & Debt: Pay off loans, downsize housing, and cut unnecessary spending.

Consider Passive Income: Rental properties, dividend stocks, or part-time work.

Professional Challenge

Project: Build a Personal Financial Plan (pg. 89)

Introduction

This financial plan outlines how I intend to save €1,500 for a vacation in one year while managing monthly living expenses with an income of €1,200. Planning is essential to avoid overspending and reach my goal successfully.

Financial Goals:

- Short-term goal: save €1,500 in 12 months for a vacation.
- Long-term goal: build an emergency fund equivalent to three months' living expenses.

Monthly Budget:

Category	Amount (€)
Income	1,200
Rent	600
Groceries	200
Transport	100
Entertainment	100
Savings	200
Total Expenses	1,200

Savings Strategies:

- Cooking at home instead of dining out saves €50/month.
- Using public transport instead of taxis saves €30/month.



Answer Key

Challenges and Adjustments:

- Challenge: unexpected expenses.
- Solution: Use part of the savings as a buffer for emergencies.

Summary and Reflections:

This project helped me understand the importance of managing money effectively and preparing for unexpected challenges. With discipline and planning, I can achieve my financial goals.

Rubric for written plan:

Criteria	Excellent (5 points)	Good (4 points)	Satisfactory (3 points)	Needs Improvement (1–2 points)
Content	Clear, realistic, and well-organized goals, budget, and strategies.	Goals and budget are clear but slightly unrealistic or lack detail.	Some goals or budget elements are unclear or incomplete.	Goals and budget are unclear, incomplete, or unrealistic.
Use of Vocabulary	Accurately uses financial terms throughout the plan.	Mostly accurate use of financial terms.	Some misuse or omission of key terms.	Limited or incorrect use of financial terms.
Grammar and Structure	Few or no errors; writing is fluent and professional.	Minor errors that do not impede understanding.	Noticeable errors that slightly affect understanding.	Frequent errors that affect comprehension.
Presentation of Data	Includes accurate and visually clear tables or charts.	Includes tables or charts, but they lack clarity or contain minor errors.	Data is presented but lacks visual clarity.	Data presentation is missing or confusing.

Rubric for Oral Presentation:



Answer Key

Criteria	Excellent (5 points)	Good (4 points)	Satisfactory (3 points)	Needs Improvement (1–2 points)
Clarity of Speech	Clear, fluent, and engaging delivery.	Clear delivery with minor hesitations.	Occasionally unclear or hesitant delivery.	Frequently unclear or difficult to follow.
Content and Structure	Logical and well-organized; all key points covered.	Mostly logical with minor omissions.	Covers most points but lacks some structure.	Disorganized or key points are missing.
Use of Visual Aids	Visual aids are clear, professional, and enhance understanding.	Visual aids are clear but lack creativity.	Visual aids are basic and do not add much value.	Visual aids are missing or poorly designed.
Interaction and Confidence	Confident and responds well to questions.	Mostly confident; responds to most questions.	Some hesitation; struggles with questions.	Lack of confidence; avoids or mishandles questions.