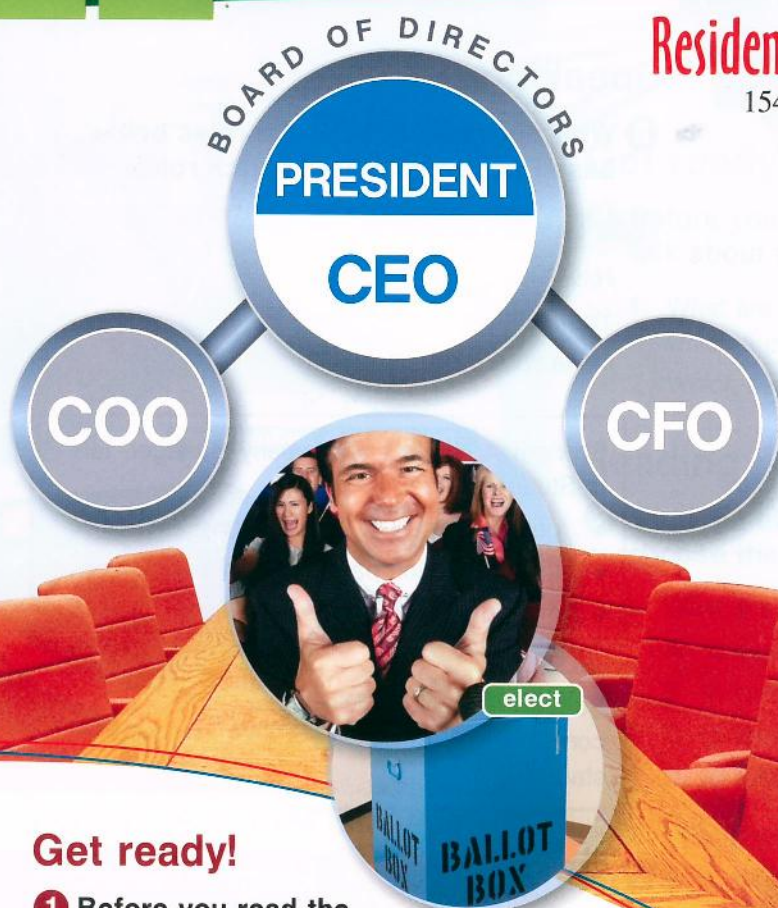


## 2

## Corporate Governance



## Residence Solutions

1547 Larkspur Loop

Dear Stakeholders,

We write to inform you about recent changes in our **corporate governance**. Recently, our **CEO**, Dr. Wallace Perkins, has accepted a position elsewhere. We wish him the best in his new venture.

In his absence, Gina Williams, our **CFO**, served as interim CEO. The **board of directors** has officially **elected** her CEO. The **chairperson** commended Ms. Williams on her strong leadership. The **inside directors** voted unanimously for Ms. Williams's appointment. Two **outside directors** abstained.

Because of these changes, we are currently seeking a new CFO. The **president** and **vice president** have put forth our **COO**, Linda Miller, as a candidate. The board will consider this in the coming weeks. They are also accepting applications from outside the company.

Those with part **ownership** in the company are invited to respond in writing. We welcome your input on these changes in **management**.

Sincerely,  
Residence Solutions

## Get ready!

- 1 Before you read the passage, talk about these questions.

- 1 What are some of the titles of corporate leaders?
- 2 What are their responsibilities?

## Reading

- 2 Read the letter. Then, choose the correct answers.

- 1 What is the purpose of the letter?
  - A to request information on changes in leadership
  - B to inform stakeholders of new management
  - C to congratulate Dr. Perkins
  - D to commend Ms. Williams on her leadership
- 2 Which of the following positions has NOT been filled?
 

A CEO	C president
B CFO	D vice president
- 3 Why has the company elected a new CEO?
  - A Ms. Williams has left the company.
  - B Dr. Perkins has been promoted to CFO.
  - C Dr. Perkins accepted another job.
  - D The interim CEO left the company.

## Vocabulary

- 3 Match the words or phrases (1-9) with the definitions (A-I).

- |                    |                          |
|--------------------|--------------------------|
| 1 — CEO            | 6 — chairperson          |
| 2 — elect          | 7 — corporate governance |
| 3 — COO            | 8 — board of directors   |
| 4 — ownership      | 9 — management           |
| 5 — vice president |                          |
- A the head of the board of directors
  - B a group of people that makes decisions for a company
  - C the process of handling or controlling something
  - D the top executive of a company
  - E to choose by voting
  - F the person who serves under the president
  - G the process of making decisions for a company
  - H the person in charge of a company's daily operations
  - I the possession of something

- 4 Read the sentence pairs. Choose which word or phrase best fits each blank.

1 outside director / inside director

- A The \_\_\_\_\_ was also the company's CFO.  
B The \_\_\_\_\_ had no other role at the company.

2 president / CFO

- A The \_\_\_\_\_ resigned, and the vice president took her place.  
B The \_\_\_\_\_ decided to invest the company's money in oil.

- 5 Listen and read the letter again. What is the difference between an inside director and an outside director?

## Listening

- 6 Listen to a conversation between two members of a board of directors. Mark the following statements as true (T) or false (F).

- 1 \_\_\_ The man is an inside director.  
2 \_\_\_ The man is concerned about being uninformed.  
3 \_\_\_ The woman recommends asking more questions.

- 7 Listen again and complete the conversation.

- New Member:** Hello. I'm Mark Jeffries, the new outside director of the board. I don't believe we've been introduced.
- Old Member:** I'm Dr. Williams. It's a pleasure 1 \_\_\_\_\_ you.
- New Member:** The pleasure's mine. How long have you been 2 \_\_\_\_\_?
- Old Member:** For ten years, now.
- New Member:** That's a long time! Have 3 \_\_\_\_\_ any advice for a newcomer?
- Old Member:** Well, what has your experience been like so far?
- New Member:** As an 4 \_\_\_\_\_, I sometimes feel a little left out. I'm not always familiar with the issues that the 5 \_\_\_\_\_ raise.
- Old Member:** I've 6 \_\_\_\_\_ that myself. But you can always pause the meeting for a moment to ask questions.

## Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

### USE LANGUAGE SUCH AS:

*It's a pleasure ...*

*What has your experience ...*

*I've experienced ...*

**Student A:** You are a new member of a board of directors. Talk to Student B about:

- how long he or she has been a board member
- what your experience as a board member has been like
- questions you have about being a board member

**Student B:** You are an experienced member of a board of directors. Talk to Student A about advice for new board members.

## Writing

- 9 Use the conversation from Task 8 and the letter to complete the following questionnaire.

### Residence Solutions

## Board Member Questionnaire

How long have you been a member of the board of directors and what is your role? \_\_\_\_\_

What do you think is the most effective aspect of board meetings? \_\_\_\_\_

What do you feel could be improved about how we conduct meetings? \_\_\_\_\_

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