



● **decline** (declines, declining, declined)

┆ VERB

If something **declines**, it decreases in quantity, importance, or strength.

*The number of staff has declined from 217,000 to 114,000.
Hourly output by workers declined 1.3% in the first quarter.*

▣ N-VAR

If there is a **decline** in something, it becomes less in quantity, importance or quality.

*The first signs of economic decline became visible.
The primary reason for the scheme's failure, Bush argued, was a slumping economy and a decline in the value of real estate.*

● **turn around** (turns around, turning around, turned around) PHRASAL VERB

If something such as a business or economy **turns around**, or if someone **turns** it **around**, it becomes successful after being unsuccessful.

*Turning the company around won't be easy.
In his long career at BP, Horton turned around two divisions.
If the economy turned around, the Prime Minister's authority would quickly increase.*

● **bankrupt** ADJ

People or organizations that go **bankrupt** do not have enough money to pay their debts. They can be forced by law to close down their business and sell their assets so that the money raised can be shared amongst the people they owe money to.

*If the firm cannot sell its products, it will go bankrupt.
He was declared bankrupt after failing to pay a £114m loan guarantee.*

Common Collocations

to go bankrupt to be declared bankrupt

● **bankruptcy** (bankruptcies)

┆ N-UNCOUNT

Bankruptcy is the state of being bankrupt.

*Many established firms were facing bankruptcy.
It is the second airline in two months to file for bankruptcy.*

▣ N-COUNT

A **bankruptcy** is an instance of an organization or person going bankrupt.

The number of corporate bankruptcies climbed in August.

Common Collocations

to file for bankruptcy
to be on the verge of bankruptcy
to be on the brink of bankruptcy
to be facing bankruptcy
to declare bankruptcy

● **go out of business** PHRASE

If a company **goes out of business**, it stops trading.

*50,000 companies have gone out of business.
Many airlines could go out of business.*

● **liquidation** (liquidations) N-VAR

If a company goes into **liquidation**, it is closed down and all its assets are sold, usually because it is in debt.

*The company went into liquidation.
The number of company liquidations rose 11 per cent.*

● **ailing** ADJ

An **ailing** organization is in difficulty and is performing poorly.

*The rise in sales is good news for the ailing American economy.
...the ailing Asda supermarket chain.*

● **fold** (folds, folding, folded) VERB

If a business or organization **folds**, it is unsuccessful and has to close. [mainly BRIT]

2,500 small businesses were folding each week.

● **go bust** PHRASE

If a company **goes bust**, it loses so much money that it is forced to close down.

A Swiss company which went bust last May.

● **troubleshooting** N-UNCOUNT

Troubleshooting is the activity or process of solving major problems or difficulties that occur in a company.

You realize that the problem must be resolved. A little troubleshooting is needed.

● **management consultant** (management consultants) N-COUNT

A **management consultant** is someone whose job is to advise companies on the most efficient ways to run their business, especially companies that are not performing very well.

*Only after a management consultant visited the office was a solution to the problem found.
Lybrand, a leading firm of management consultants, were asked both to evaluate our analysis and verify our conclusion.*

● **insolvent** ADJ

insolvency (insolvencies) N-VAR

A person or organization that is **insolvent** does not have enough money to pay their debts. **Insolvency** is the state of not having enough money to pay your debts.

*Two years later the bank was declared insolvent.
...eight mortgage companies, seven of which are on the brink of insolvency.
The economy has entered a sharp downturn, and unemployment and insolvencies can be expected to increase.*



PRACTISE YOUR VOCABULARY

1 Use the terms in the box to complete the paragraph.

*ailing go out of business fold turn around management consultant
going bankrupt troubleshooting*

Unsuccessful companies may collapse, _____ or _____. Companies in financial difficulty are often described as sick or _____. When this is the case, the company may bring in a _____ to try to help the company, or _____ it _____. This kind of _____ or problem-solving is often a final attempt to stop the company _____. If this happens, it will be forced to close down.

2 Match each phrase on the left with one on the right that has a similar meaning.

- | | |
|--|---|
| <ul style="list-style-type: none"> a The company cannot pay its creditors, and must close down and use its assets to pay them. b The company needs someone from the outside to come and give them advice. c The new MD was brought in to try and improve the company's poor trading results. d Profits are falling. e The management consultants are looking for ways to improve the company's performance. | <ul style="list-style-type: none"> i The company is ailing. ii They need a management consultant. iii It is going into liquidation. iv She turned the company around in less than six months. v They are doing some troubleshooting. |
|--|---|

3 Put these four events into the order in which they might occur:

- | | |
|--|--|
| <ul style="list-style-type: none"> a The firm goes into decline. b The firm goes bankrupt. c The firm calls in management consultants. d The firm cannot be turned around. | <ul style="list-style-type: none"> 1 _____ 2 _____ 3 _____ 4 _____ |
|--|--|

4 Which of the following do you think management consultants would be pleased to find, and which would they be worried about?

- | | <i>pleased</i> | <i>worried</i> |
|--|--------------------------|--------------------------|
| a a company in danger of insolvency | <input type="checkbox"/> | <input type="checkbox"/> |
| b a company about to go bust | <input type="checkbox"/> | <input type="checkbox"/> |
| c management trying to turn things around | <input type="checkbox"/> | <input type="checkbox"/> |
| d a company threatened with liquidation if its results don't improve | <input type="checkbox"/> | <input type="checkbox"/> |
| e the company about to fold or go out of business | <input type="checkbox"/> | <input type="checkbox"/> |
| f troubleshooting strategies to improve the situation | <input type="checkbox"/> | <input type="checkbox"/> |