**TOEFL iBT Listening Sample Written Script**

Business

(Narrator) Listen to part of a lecture in a business class.

(Professor) OK, ah, let's um, let's start. Um, tonight we're gonna talk about one approach to structuring decision-making on a specific topic, sort of, of, oh . . . when you're in a decision-making process in a business situation, and you've got all the participants there sort of voicing opinions and negotiating, and there are lots of different factors to consider in your decision . . . ah, the technique we're gonna talk about is, uh, it's a way to sort of structure that decision and arrive at a better decision. It's called AHP, or Analytic, ah, Analytic Hierarchy Process.

Analytic Hierarchy
Process (AHP)
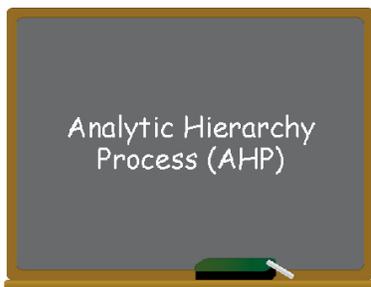
Now, the first step is to develop a hierarchy by breaking the problem down into its components, and then prioritizing the components, as you'll see. Now, there's some AHP software out there that lets you do the math, but I'm not gonna get into that level of detail now. The important thing that I want to talk about is not the mathematics of it so much as the concept. I, I want you to understand the logic behind Analytic Hierarchy Process and the basic approach.

OK . . . so um, let's say, if I was trying to buy a house, a house is actually a pretty good example. It's not a good example for a business class, necessarily, but it'll certainly do for today.

You, you start with your main goal. And then you break it down into smaller parts. All right . . . so uh, taking our example of buying a house . . . I would have to determine the goal for the house-hunting effort, ah, choose the house that would be, uh, . . . most, well . . . the best fit for my family. What would be your goal in trying to find a house? Well, ah, let's just say, make the best choice in, in buying a new house. Now, now that's the goal.

So now that you've established a goal, you establish your criteria. And, um, under criteria I would list for me what were the important factors that will influence the decision. And they would be things like, uh, like the cost. And, uh what else? Uh, location. Location, I think, would typically be one in, in most of our models, and maybe one more. Um, how about floor plan?—The layout of the rooms. So, so we have cost, location, floor plan . . . those might be our key criteria for choosing a house.

Then you get down to the subcriteria under each of these three criteria. So, so let's say, under floor plan, ah, the subcriteria are you want a big kitchen, three bedrooms, a basement. And after you've determined all the criteria and subcriteria, ah, then you go back and you start making pairwise comparisons between them . . . uh, judgments about two of these things at a time. Of the houses you're considering, um, is cost more important than location or, say, one has a big kitchen but only two bedrooms. Is that OK? You move through the hierarchy making judgments about one pair of choices at a time. You see, it, it, it's, designed to reflect the way people actually think . . . humans are much more capable of making relative rather than absolute judgments. Basically, we've reduced a rather complex decision into a series of one-on-one comparisons.

Um, so what AHP does is it requires me to develop a schematic model of what I'm looking for. So, so, right off the bat I have to articulate and think about and identify these factors, these criteria.

And when I start comparing the criteria, these factors, um, it enables me to come up with the relative importance of each factor at a given level in the model. So, in other words, what the model does is it helps us set our priorities, and it forces us to make our priorities explicit. It, it not, it not only helps make the best decision, we're also a lot clearer on why we made the decision. And understanding why we made the decision makes it easier to convince the boss or the shareholders that it's a good decision.