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B2 NEGOTIATIONS DIALOG · 4 MIN.

Choosing Between a Fixed Price and an Hourly Rate · *Podcast*

Fixed price or hourly rate? A consultant and a buyer negotiate the commercial model for a project — including a hybrid solution with a cap.

Listen to the episode + comprehension test: https://www.englisch-lehrer.com/podcasts/choosing-between-a-fixed-price-and-an-hourly-rate

NAME .... DATE ....

BRICK 1 · LEARN THE KEY PHRASES

Read the eight phrases with meaning and example. You will hear all of them in the episode.

ENGLISH	DEUTSCH	EXAMPLE
the trade-off	der Zielkonflikt, die Abwägung	*The trade-off is simple: more certainty means a higher price.*
a safety margin	ein Sicherheitspuffer (in der Kalkulation)	*We added a ten per cent safety margin to the estimate.*
scope creep	schleichende Ausweitung des Projektumfangs	*Scope creep turned a three-month project into a six-month one.*
to run over	überziehen (Zeit oder Budget)	*The project ran over by six weeks.*
change requests	Änderungsanträge, Zusatzwünsche	*All change requests are billed at the agreed hourly rate.*
a cap	eine Obergrenze, Deckelung	*We agreed a cap of twenty per cent on additional costs.*
to sign off	freigeben, absegnen	*The board signed off the specification last week.*
to run something past someone	etwas mit jemandem abstimmen, jemandem zur Prüfung vorlegen	*Let me run the proposal past our legal team first.*

BRICK 2 · FILL THE GAPS

Complete the missing word from the conversation.

chef | boss | cook | chief | creep | crawl | sneak | slide

01 I'll need to run this past my __________ before we sign, but my recommendation will be the hybrid model.

02 The danger is scope __________ — small extra requests that add up.

BRICK 3 · TRUE OR FALSE?

Tick one. T = true, F = false.

01 With an hourly rate, the client carries the risk if the project runs over. T ☐ F ☐

02 Daniel recommends a pure fixed-price model with no exceptions. T ☐ F ☐

BRICK 4 · ORDER

Number the steps of the conversation (1–5).

01 ☐ Anja decides to recommend the hybrid model to her boss

02 ☐ Daniel explains the safety margin built into fixed prices

03 ☐ Daniel proposes a hybrid model with a twenty per cent cap

04 ☐ They agree the last open question is the commercial model

05 ☐ They discuss the danger of scope creep with hourly rates

BRICK 5 · YOUR VERSION

Write two sentences of your own using phrases from Brick 1.

....

....

....

MINI-CHECK – CAN I DO THIS YET?

- ◯ I can announce a delay politely.
- ◯ I can propose an alternative.
- ◯ I can promise written confirmation.

Listened twice and ticked everything? Then you are ready for the real conversation.

Cut-out flashcards

✂ Cut out, fold on the line — English in front, German on the back. Or practise digitally: https://www.englisch-lehrer.com/podcasts/choosing-between-a-fixed-price-and-an-hourly-rate

the trade-off

The trade-off is simple: more certainty means a higher price.

der Zielkonflikt, die Abwägung

a safety margin

We added a ten per cent safety margin to the estimate.

ein Sicherheitspuffer (in der Kalkulation)

scope creep

Scope creep turned a three-month project into a six-month one.

schleichende Ausweitung des Projektumfangs

to run over

The project ran over by six weeks.

überziehen (Zeit oder Budget)

change requests

All change requests are billed at the agreed hourly rate.

Änderungsanträge, Zusatzwünsche

a cap

We agreed a cap of twenty per cent on additional costs.

eine Obergrenze, Deckelung

to sign off

The board signed off the specification last week.

freigeben, absegnen

to run something past someone

Let me run the proposal past our legal team first.

etwas mit jemandem abstimmen, jemandem zur Prüfung vorlegen

Answer key

Check only when you have finished. Every answer comes with the **why**.

BRICK 2 · FILL THE GAPS

01 **boss**
The German "Chef" is "boss" or "manager" in English. An English "chef" runs a kitchen — the classic false friend Anja trips over in the dialogue.

02 **creep**
"Scope creep" is the fixed term for the gradual growth of a project beyond its agreed scope.

BRICK 3 · TRUE OR FALSE?

01 **True**
True — Anja summarises it herself: if the project runs over, so does her budget.

02 **False**
False — he recommends the hybrid: fixed price for the core scope, hourly rate for change requests, capped at twenty per cent.

BRICK 4 · ORDER

01 **1.** They agree the last open question is the commercial model
02 **2.** Daniel explains the safety margin built into fixed prices
03 **3.** They discuss the danger of scope creep with hourly rates
04 **4.** Daniel proposes a hybrid model with a twenty per cent cap
05 **5.** Anja decides to recommend the hybrid model to her boss