

THE USE OF ACRONYMS AND INITIALISMS IN BUSINESS ENGLISH

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Acronyms are abbreviations made up of the first letters of several words. They replace longer terms with simpler ones. In the English language, the widespread use of acronyms and initialisms is a relatively new linguistic phenomenon. As literacy rose, and as advances in science and technology brought with them more complicated terms and concepts, the practice of abbreviating terms became increasingly convenient. In business, industry, education, and government, acronyms and initialisms are often used by people working within the same fields. However, such abbreviations may not be comprehensible to those outside the field. Certain abbreviations can mean different things to different people. The paper is also trying to provide an insightful analysis of some of the acronyms and initialism used in business English.

Keywords: acronyms, initialisms, business, English, communication

JEL code: Y90

Abbreviation is a popular way of forming words. Abbreviations are similar in nature to blends, because both blends and abbreviations are amalgamations of different parts of words. Like truncation and blending, abbreviation involves loss of material, but it differs, however, from truncation and blending in that prosodic categories do not play a prominent role. It is considered that orthography plays a central importance.⁴³⁶

Abbreviations are used for a variety of reasons: to avoid repetition, save space, or conform to conventional usage. Leading authorities cannot agree on the capitalization or punctuation for many abbreviations. Therefore, there are no set rules. In general, it is wise not to abbreviate unless there is a good reason to do so and the writer knows that the reader will understand.

Abbreviations are most commonly formed by taking initial letters of multi-word sequences to make up a new word: EC (*European Community*), FAQ (*frequently asked question*). Apart from words composed of initial letters, there are also abbreviations that incorporate non-initial letters: Inc. (*Incorporated*). The spelling and pronunciation of abbreviations offer interesting perspectives on the formal properties of these words: CARE (*Cooperative for Assistance and Relief Everywhere*), VAT/vat (*value added tax*). Abbreviations can be spelled with either capital or lower-case letters, and they can be pronounced either by naming each individual letter (so-called **initialisms**, as in *CEO* [si:i:'əʊ]) or by applying regular reading rules (*OPEC* [oupek]). In the latter case the abbreviation is called an **acronym**. In the English language, the widespread use of acronyms and initialisms is a relatively new linguistic phenomenon. As literacy rose, and as advances in science and technology brought with them more complicated terms and concepts, the practice of abbreviating terms became increasingly convenient. In business, industry, education, and government, acronyms and initialisms are often used by people working within the same fields.

The *Oxford English Dictionary (OED)* records the first printed use of the word initialism as occurring in 1899. This word first came into general use after 1965, well after the word acronym had become common.⁴³⁷

436 Cf. Ingo Plag, *Word-formation in English*, Cambridge University Press, 2003, p.126.

437 Cf. http://en.wikipedia.org/wiki/Acronym_and_initialism, Last visited: April 14, 2009.

According to Fischer, the term was first used in the Bell laboratories in 1943.⁴³⁸ An **acronym** is formed by combining the first letters or several words and pronouncing the result as a word. An **initialism** is also formed by combining the first letters of several words, but it is pronounced as separate letters. Most dictionaries define acronym to mean “a word” in its original sense⁴³⁹ while some include a secondary indication of usage, attributing to acronym the same meaning as that of initialism.⁴⁴⁰

Formation of acronyms. During the World War I and increasingly during the World War II, formations were coined to denote terms and concepts as clearly as possible. This practice might also have been popularized by the fact that the enemy would not recognize the meaning of the shortenings. Later, the use of acronyms expanded to the technical, scientific and medical fields. Acronyms are heavily used today in computer science.⁴⁴¹ The formation of an acronym has both advantages like avoiding repetition, saving space and disadvantages also. The main problem with acronyms is that they are highly polysemous, meaning that one acronym can have meaning expansions. In many cases the meaning of an acronym cannot be deduced from its base form but has to be learned instead. For example, to an attorney, ABA is the *American Bar Association*, to a banker, it is the *American Banking Association*, and to a bowler it is the *American Bowling Association*. Moreover, acronyms are often homonyms which can only be decoded within the context. Yet, all these problems are compensated for by new tendencies in the formation of acronyms. Some acronyms are coined on the basis of an already existing word and associations between the two items are welcome. The formatives of the acronyms may carry semantic information. The acronym has a meaning of its own, apart from the meaning of the individual words of the base form. The base form of acronyms can be made of:

- **noun phrase:** noun + adjective (CFO - *Chief Financial Officer*); nouns (PINC – *Property income certificate*); nouns + participle (VAT – *value added tax*); nouns + prepositional phrases with nouns (YTD – *year-to-date*);

- **clause:** reduced clause/sentence (JIT – *just in time*); complete sentence (TINA – *there is no alternative*).

While typically abbreviations exclude the initials of short function words (such as *and, or, of, or to*), they are sometimes included in acronyms to make them pronounceable.

The first edition of *Acronyms, Initialisms and Abbreviations Dictionary (AIAD)* provides examples when language use often becomes more creative and reinterpretations are possible: e.g. Ford as *Fix or Repair Daily*.⁴⁴² Also, there are companies not wishing to acronymize or alphabetize their names and they use instead full forms, in order to avoid obscurity: e.g. *Unicar*

438 Cf. Roswitha Fischer, *Lexical change in present-day English: A corpus-based study of the motivation, institutionalization, and productivity of creative neologisms*, G. Narr Verlag, Tübingen, 1998, p.26.

439 see *The American Heritage Dictionary of the English Language*, Fourth Edition, Houghton Mifflin Company, 2000: acronym: "A word formed from the initial letters of a name, such as WAC for Women's Army Corps, or by combining initial letters or parts of a series of words, such as radar for radio detecting and ranging." *The Concise Oxford Dictionary of Current English*, Oxford University Press, 1991, p. 12, acronym: "a word, usu[ally] pronounced as such, formed from the initial letters of other words (e.g. Ernie, laser, Nato)".

440 see David Crystal, *The Cambridge Encyclopedia of the English Language*, Cambridge University Press, 1995, p. 120: "Initialisms which are pronounced as single words" but then he adds "However, some linguists do not recognize a sharp distinction between acronyms and initialisms, but use the former term for both." *Webster's New Universal Unabridged Dictionary*, Barnes & Noble, 2003 "1. a word created from the first letter or letters of each word in a series of words or a phrase. 2. a set of initials representing a name, organization, or the like, with each letter pronounced separately, as FBI for Federal Bureau of Investigation.

441 Apud. Roswitha Fischer, op.cit., p.27.

442 AIAD, 1992, p.xii.

Corporation instead of *VWR United Corporation*.⁴⁴³ The increasing number of acronyms is an indication of the fact that the acronym has become a new word-formation pattern.

In some cases, an acronym or initialism has been redefined as a **nonacronymous** name, creating a **pseudo-acronym**. For example, the letters making up the name of the SAT (*Scholastic Assessment Test*) - pronounced as letters- no longer officially stand for anything. This trend has been common with many companies hoping to retain their brand recognition while simultaneously moving away from what they saw as an outdated AT&T (its parent/child, SBC, followed suit prior to its acquisition of AT&T and after its acquisition of a number of the other Baby Bells, changing from *Southwestern Bell Corporation*), *Kentucky Fried Chicken* became KFC, *British Petroleum* became BP to emphasize that it was no longer only an oil company (captured by its motto “beyond petroleum”), *Silicon Graphics, Incorporated* became SGI to emphasize that it was no longer only a computer graphics company. DVD now has no official meaning: its advocates could not agree on whether the initials stood for *Digital Video Disc* or *Digital Versatile Disc*, and now both terms are used.

Pseudo-acronyms may have advantages in international markets: for example, some national affiliates of *International Business Machines* are legally incorporated as IBM (or, for example, IBM Canada) to avoid translating the full name into local languages. Similarly, UBS is the name of the merged *Union Bank of Switzerland and Swiss Bank Corporation*.

Pronunciation. In present day English acronyms are defined as only orthoepically pronounced words and the alphabetically pronounced examples are excluded.⁴⁴⁴ The longer the word is, the more likely it will be pronounced orthoepically and the shorter the word, the more likely its letters will be recited. Two-letter words are usually spelled out. Three-letter words may be pronounced either alphabetically or orthoepically: e.g. PEP [pep], [ˈpiːiːpiː], *personal equity plan*. Other instances regarding the pronunciation of acronyms are the following:

- **pronounced as a word**, containing only initial letters: OPEC (*Organization of Petroleum Exporting Countries*), CAPEX (*Capital Expenditure*), RONA (*Return on net assets*), SOHO (*Small Office/Home Office*), FIFO (*First In, First Out*);

- **pronounced as a word or names of letters, depending on the speaker or context**: IRS (pronounced as letters when used for *Irish Republican Army* and, when used for *Individual Retirement Account*, can be pronounced as letters or as a word);

- **pronounced only as the names of letters**: CEO (*Chief Executive Officer*), CPA (*Certified Public Accountant*);

- **shortcut incorporated into name**: B2B (*Business to Business*), B2C (*Business to Consumer*).

Numbers (both cardinal and ordinal) in names are often represented by digits rather than initial letters: as in G77 (*Group of 77*). Large numbers may use metric prefixes, as with Y2K for *Year 2000*. Abbreviations using numbers for other purposes include repetitions, such as W3C (*World Wide Web Consortium*) and numeronyms, such as i18n (*internationalization*; 18 represents the 18 letters between the initial *i* and the final *n*).⁴⁴⁵

Punctuation. Traditionally, in English, abbreviations have been written with a full stop/period in place of the deleted part to show the ellipsis of letters, although the colon and apostrophe have also had this role. In the case of most acronyms and initialisms, each letter is an abbreviation of a separate word and, in theory, should get its own termination mark. Such punctuation is diminishing with the belief that the presence of all-capital letters is sufficient to indicate that the word is an abbreviation.

Spelling. The spelling of acronyms may differ with regard to the use of capital letters. Usually capital letters are used, which can be interpreted as a formal device that links the acronym to its

443 AIAD, 1983, p.9.

444 Cf. Quirk et. al., *A Comprehensive Grammar of the English Language*, Longman, 1985, p.1581.

445 Cf. <http://initialism.askdefine.com/>, Last visited: April 24, 2009.

base word. Some words that historically originated as acronyms are nowadays no longer spelled with capital letters, and for the majority of the speakers these forms are no longer related to the words they originally abbreviated. For instance, the term RADAR was coined in 1941 as an acronym for *radio detection and ranging*. The term has since lost the capitalization, entering the English language as a standard word, *radar*. Radar was originally called RDF (*Radio Direction Finder*, now used for a totally different device) in the United Kingdom.⁴⁴⁶ Sometimes, the initials continue to stand for an expanded meaning, but the original meaning is simply replaced. For example, GAO changed the full form of its name from *General Accounting Office* to *Government Accountability Office*.⁴⁴⁷

Usage. Acronyms and initialisms often occur in jargon. An initialism may have different meanings in different areas of industry, writing, and scholarship. This has led some to obfuscate the meaning either intentionally, to deter those without such domain-specific knowledge, or unintentionally, by creating an initialism that already existed.

Acronyms and initialisms are used most often to abbreviate names of organizations and long or frequently referenced terms. The armed forces and government agencies frequently employ initialisms (and occasionally, acronyms). Business and industry also are prolific coiners of acronyms and initialisms. A few examples are provided below:

“Representatives of **OPEC** (*Organization of Petroleum Exporting Countries A.N.*) meet on Sunday March 15th to discuss further cuts to output quotas.”⁴⁴⁸

“**Amex**’s (*American Stock Exchange A.N.*) problems stem in part from a familiar source: an aggressive move out of its traditional business of charge cards, which must be paid off each month, into riskier credit cards that allow customers to carry a balance.”⁴⁴⁹

“The seizure of Fannie Mae and Freddie Mac is a big moment for the housing market. But it will also be a test for the dauntingly large market for credit-default swaps (**CDSs**).”⁴⁵⁰

“Confidence among chief executives dropped to a record low in the first quarter of this year, a survey by the Business Roundtable revealed on Tuesday, as **CEOs** (*Chief Executive Officers A.N.*) expect sales, spending and employment to decline further in the months ahead.”⁴⁵¹

“The **ISO** (*International Organization for Standardization A.N.*) said India’s stocks would reach ‘critically low’ levels by October and it would remain a large-scale importer in 2009/10 as the anticipated recovery in production next year might still fall short of consumption.”⁴⁵²

“That is probably Sheila Bair, chairman of the Federal Deposit Insurance Corp. But the **FDIC** (*Federal Deposit Insurance Corporation A.N.*) needs serious reinforcement of its talent, and a different capital structure, for this to work.”⁴⁵³

“And now companies like Kinzel’s publicly traded Cedar Fair LP are rediscovering the value of **ROI** (*return on investment A.N.*) in everything from new rides to data-center software.”⁴⁵⁴

446 <http://en.wikipedia.org/wiki/Radar>, Last visited: April 15, 2009.

447 http://en.wikipedia.org/wiki/Government_Accountability_Office, Last visited: April 15, 2009.

448 The Economist, December 4, 2008, “Plumbing the Depths”, http://www.economist.com/daily/news/displaystory.cfm?story_id=12725914.

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454 Newsweek, June 10, 2002, “How do you spell value?”, <http://www.newsweek.com/id/64767>.

“In August 2006 the **NYSE** (*New York Stock Exchange A.N.*) dropped its rule that companies must send hard-copy annual reports to shareholders (though they must still provide a copy of audited financial statements on request).”⁴⁵⁵

In **business letters** only the acronyms that are standard in that particular business or industry should be used. Two commonly used acronyms are FYI (*For Your Information*) and ASAP (*As Soon As Possible*). The first time an acronym or initialism appears in written text, the complete term is written followed by the abbreviation in parentheses. Thereafter, the acronym or initialism is used alone.

- at first mention: the American Stock Exchange (AMEX) will be written out;
- thereafter: the four letters AMEX will suffice.

The names of agencies and associations are abbreviated only after they have been spelled out the first time they appear – unless the writer is absolutely sure the reader will understand the reference. Compare the following: *The former **CEO** was sentenced to 16 years in prison for a financial cover-up that brought down one of the world’s largest commodities brokerages with European Foundation for Quality Management (**EFQM**) is a globally-recognized brand.*

Conclusions. The rapid advance of science and technology in recent centuries seems to be an underlying force driving the usage, as new inventions and concepts with multiword names create a demand for shorter, more manageable names. The lack of predictability in acronyms comes from at least two sources. First, the phrase from which the acronym is taken is treated with a certain amount of freedom to permit the acronym to arise. It seems that the interests of the acronym are the deciding factor in what the initial letters of the phrase will be taken to include. The second reason for the lack of predictability in acronyms is that not every abbreviation which could be an acronym is treated as one, and there seems to be no particular reason why some abbreviations should be ignored. Also, it must be stressed that acronyming is to a great extent orthographically-based, and as such differs considerably from most other word-formation processes. In spite of all these shortcomings, acronyms are a significant and the most dynamic area of the lexicon of many languages.

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