

Fundamentals of Entrepreneurship

Business Studies · Answer Key · 18 Questions

1. What is the primary definition of an entrepreneur?

- A) A person who manages a government office
- B) A person who organizes and operates a business while taking on financial risk**
- C) A person who works exclusively for a large corporation
- D) A person who only provides funding for others

2. Which document outlines a company's goals and the plan to reach them?

- A) A business plan**
- B) A tax return
- C) A payroll summary
- D) A customer complaint log

3. What is 'seed capital'?

- A) Money used for buying office furniture
- B) The initial funding used to begin a business**
- C) Profits earned after five years
- D) A tax paid on agricultural products

4. What does the term 'revenue' refer to in a business?

- A) The total amount of money brought in by sales**
- B) The amount of money spent on employee snacks
- C) The total number of hours worked
- D) The government registration fee

5. What is a 'startup'?

- A) A large, multinational corporation
- B) A newly established business in its early stages**
- C) A non-profit organization only
- D) A government-owned utility company

6. Which of the following is considered an asset?

- A) A company's debt
- B) Unpaid bills
- C) Office equipment owned by the business**
- D) Customer complaints

7. What is a 'target market'?

A) A group of customers a business aims to sell to

B) A location where farmers sell vegetables

C) The stock market index

D) The total population of a country

8. What is the purpose of a 'USP' (Unique Selling Proposition)?

A) To describe how a product is better or different from competitors

B) To calculate the company's taxes

C) To register the company name

D) To interview new employees

9. What are 'operating expenses'?

A) Costs incurred in the normal course of business

B) Money spent on personal vacations

C) Dividends paid to shareholders

D) Taxes paid on investments

10. Which of these is a form of business ownership?

A) Sole proprietorship

B) Government mandate

C) Public holiday

D) Social media feed

11. What is a 'dividend'?

A) A distribution of a portion of a company's earnings to shareholders

B) A type of insurance policy

C) A marketing slogan

D) The cost of raw materials

12. What does 'profit margin' measure?

A) The percentage of revenue that exceeds costs

B) The height of a building

C) The speed of a computer

D) The number of employees in a firm

13. What is a 'competitor'?

A) A business that offers similar products or services

B) A customer who returns a product

C) An employee who works remotely

D) A government tax inspector

14. Which of these is considered 'intellectual property'?

A) A patent for an invention

- B) A delivery truck
- C) A desk chair
- D) A window curtain

15. What does 'scalability' refer to in a business?

A) The ability to grow and handle increased demand

- B) The weight of the products
- C) The number of office windows
- D) The brightness of the company logo

16. What is a 'brand'?

A) The name, term, or design that distinguishes a business from others

- B) The factory where products are made
- C) The legal address of a company
- D) The tax identification number

17. What is 'market research'?

A) Gathering information about consumer needs and preferences

- B) Hiring new office staff
- C) Designing the company logo
- D) Cleaning the warehouse

18. What is a 'venture capitalist'?

A) An investor who provides capital to high-potential startups

- B) A bank teller
- C) A retail store clerk
- D) A personal financial advisor