

Startup Finance and Strategy Quiz

Business · Practice Test · 10 Questions

1. According to the text, what is considered 'vanity' in a business context?

- A) Revenue
- B) Profit
- C) Cash
- D) Assets

2. What is the best judge of a startup's viability, according to the document?

- A) Market research
- B) A paying customer
- C) Investor feedback
- D) Product roadmap

3. Which of these is NOT typically a source of startup funding?

- A) Owner's Equity
- B) Loan Financing
- C) CrowdFunding
- D) Competitor's Revenue

4. What is 'bootstrapping' in the context of startups?

- A) Seeking large investments
- B) A minimalistic approach with limited resources
- C) Hiring many employees quickly
- D) Aggressive marketing campaigns

5. Which of the following is a startup exit strategy?

- A) Increasing expenses
- B) Sale of Business
- C) Ignoring cash flow
- D) Avoiding investors

6. Why is cash flow considered 'king'?

- A) It's easily ignored
- B) Running out of it is a major danger
- C) It's not important for startups
- D) It's the same as profit

7. What financial statement do investors often request, along with the P&L and Cashflow?

- A) Balance Sheet
- B) Income Statement
- C) Expense Report
- D) Tax Return

8. What does CAC stand for in startup finance?

- A) Customer Acquisition Cost
- B) Capital Allocation Committee
- C) Cash Accumulation Cycle
- D) Company Asset Calculation

9. What is a key consideration when determining an exit strategy?

- A) Ignoring the future
- B) Starting with the end in mind
- C) Avoiding partnerships
- D) Maximizing debt

10. Which of these is a bootstrapping strategy?

- A) Hiring expensive consultants
- B) Minimizing operating costs
- C) Ignoring your network
- D) Taking on large amounts of debt