Entrepreneurship Essentials: A Knowledge Quiz

Entrepreneurship · Answer Key · 9 Questions

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1. What is the primary characteristic that distinguishes an entrepreneur from a manager?

A) Focus on maintaining existing operations
B) Delegating tasks to subordinates
C) Identifying and pursuing new opportunities with inherent risk
D) Adhering strictly to established corporate policies

2. Which document typically outlines a new business's objectives, strategies, sales and marketing plans, and financial forecasts?

A) Annual Report
B) Marketing Plan
C) Business Plan
D) Organizational Chart

3. In the context of starting a business, what does 'bootstrapping' refer to?

A) Raising capital by selling shares on the stock market
B) Securing a large loan from a commercial bank
C) Funding a business using personal savings, initial sales revenue, and minimal external capital
D) Applying for government grants exclusively

4. What type of investor typically provides seed money or early-stage funding to high-potential startups in exchange for equity?

A) Commercial Banker
B) Hedge Fund Manager
C) Angel Investor
D) Mutual Fund Manager

5. Which term describes the process of creating new or significantly improved products, services, or processes?

A) Standardization
B) Replication
C) Innovation
D) Optimization

6. What is the purpose of conducting market research for a new venture?

A) To determine the optimal internal management structure
B) To understand customer needs, market size, and competition
C) To finalize the company's legal registration details
D) To calculate the precise tax liabilities for the first year

7. Which of the following is a common intellectual property right that protects an inventor's unique product or process?

A) Trademark
B) Copyright
C) Patent
D) Trade Secret

8. What type of entrepreneurship focuses on creating ventures that address social or environmental problems, often with a dual bottom line of profit and impact?

A) Lifestyle Entrepreneurship
B) Corporate Entrepreneurship
C) Social Entrepreneurship
D) Serial Entrepreneurship

9. What does MVP stand for in the context of product development for startups?

A) Maximum Value Proposition
B) Major Venture Plan
C) Minimum Viable Product
D) Market Validation Process