

Entrepreneurship Essentials: A Knowledge Quiz

Entrepreneurship · Practice Test · 9 Questions

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