

Module 1: Answers - Quiz

1. The term “entrepreneur” means:

- A. One who organizes, manages, and assumes the risks of a business or enterprise.
- B. “To undertake” (the derivation of a French word).
- C. Someone who pioneers change or wants to work for themselves.
- D. All of the above.

Answer: D

2. What are common ways to assess the size of a business?

- A. Number of desks and building entrances.
- B. Number of business forms used.
- C. Number of employees and/or revenues.
- D. All of the above.

Answer: C

3. The following could be a small business:

- A. A hairdresser.
- B. A doctor's office.
- C. A high tech firm.
- D. All of the above.

Answer: D

4. The following are traits of an entrepreneur:

- A. Desire for responsibility
- B. Confidence in their ability to succeed
- C. Passion
- D. Needs little sleep.
- E. All of the above.
- F. A, B, & C only.

Answer: F

5. Until the 1800s, production in the US could be described as:

- A. Economies of scale.
- B. One product at a time.
- C. Assembly line production.
- D. All of the above.

Answer: B

6. Today, small business:

- A. Is able to compete with big business.
- B. Is not able to compete with big business.
- C. Can compete with big business in high tech only.

D. Can compete with big business in manufacturing only.

Answer: A

7. Small business:

- A. Has a large impact on the economy, providing stability to the US job market.
- B. Has a large impact on the economy, playing the leading role in exports.
- C. Has a small impact on the economy since the businesses are "small".
- D. None of the above.

Answer: A

8. The majority of sole proprietorships and home based businesses are:

- A. Manufacturing businesses.
- B. Service businesses.
- C. High tech businesses.
- D. None of the above.

Answer: B

9. Which quote can be attributed to Alexis De Tocqueville say:

- A. "Give me liberty, or give me death."
- B. "Americans of all ages, all conditions, and all dispositions, constantly form associations."
- C. "To be or not to be, that is the question."
- D. We accept the reality of the world with which we are presented.

Answer: B

10. The US enjoys a culture that strongly supports small business and entrepreneurial activity which means the following for small firms:

- A. A limited influence on the ultimate success of small firms.
- B. A moderate influence on the ultimate success of small firms.
- C. A significant influence on the ultimate success of small firms.
- D. No influence on the ultimate success of small firms.

Answer: C

Extra credit:

Name a major factor motivating an entrepreneur to start a business (from homework assignment).

Answer: From NFIB study - <http://www.nfib.com/object/2753115.html> (Chapter 4, Exhibit 3.4)

- 57% Use my skills and abilities**
- 54% Greater control over my life**
- 54% Build something for my family**
- 49% Like the challenge**
- 32% Live where/how I like**
- 18% Earn lots of money**
- 18% Gain more respect/recognition**
- 9% Fulfill others expectations**
- 8% Best alternative available**