

Feedback — Assignment 2: Entrepreneurial mindset, motivations, and behaviors

[Help](#)

Thank you. Your submission for this quiz was received.

You submitted this quiz on **Wed 17 Sep 2014 12:19 PM WEST**. You got a score of **12.00** out of **12.00**.

This end-of-week assessment includes true-false, multiple choice, numeric, and/or short answer responses. Your score will be viewable immediately upon submitting this assignment. The answers will be viewable one week after the due date for this assignment. You may retake this assessment up to three times before the due date. Your highest score will be the final score for this assignment.

Question 1

Entrepreneurs have a natural desire to take risks at a higher level than non-entrepreneurs.

Your Answer	Score	Explanation
<input type="radio"/> True		
<input checked="" type="radio"/> False	✓ 1.30	
Total	1.30 / 1.30	

Question Explanation

Entrepreneurs desire take risks is no higher than that of non-entrepreneurs. However, entrepreneurs do perceive risk differently. The risk tolerance of entrepreneurs may be higher based on their perception of the risk-reward scenarios that they face.

Question 2

Which type of individuals are more likely to discover and act on an entrepreneurial opportunity?

Your Answer	Score	Explanation
<input checked="" type="radio"/> Internal locus of control	✓ 1.30	
<input type="radio"/> External locus of control		
Total	1.30 / 1.30	

Question Explanation

Individuals with an internal locus of control are more likely to discover and act on an entrepreneurial opportunity than those with an external locus of control.

Question 3

Which is the more valuable measure of your social capital?

Your Answer	Score	Explanation
<input type="radio"/> The number of people that you know.		
<input checked="" type="radio"/> The diversity of the people that you know.	✓ 1.30	
Total	1.30 / 1.30	

Question Explanation

While the number of people that you know is valuable, it is more valuable for entrepreneurs to have (a) a diverse network than (b) a large network of similar people. The richness of your social capital depends on the size, quality, and diversity of your networks. In terms of diversity, it is very valuable to know people of different skill sets, with different company experiences, in different cities and regions, and with diversified types of people that they know.

Question 4

Why build social capital? (Check all that apply.)

Your Answer	Score	Explanation
<input checked="" type="checkbox"/> To be a more efficient problem solver	✓ 0.33	
<input checked="" type="checkbox"/> To be better informed	✓ 0.33	
<input checked="" type="checkbox"/> To be more creative	✓ 0.33	
<input checked="" type="checkbox"/> To be a more valuable collaborator	✓ 0.33	
Total	1.30 / 1.30	

Question 5

How would you define the "entrepreneurial mindset"? Be sure to discuss each of the five factors. Please respond in one to two paragraphs.

You entered:

The entrepreneurial mindset is usually defined by five factors:
 Need for Achievement, i.e. personal drive for accomplishment;
 willingness and often a preference to go against the norm (Individualism);
 belief that they can control their own destiny and influence the outcomes (Control);
 they are more focused than a normal person as they are able to focus their attention on a single task at time, i.e.,
 Attention+Commitment (Focus);
 and finally, they are optimistic about the risk (Optimism)

Your Answer**Score****Explanation**

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✓ 1.30

Total

1.30 /
1.30**Question Explanation**

Entrepreneurial mindset addresses exactly who are entrepreneurs, what they think, and how they make decisions. It is comprised of five core factors: need for achievement, individualism, internal locus of control, focus, and optimism.

Question 6

We are interested in your personal perspectives on "entrepreneurial motivation". Discuss each of the three factors through which goal-directed behavior is initiated, energized and maintained as related to entrepreneurial strategic decision-making. Please respond in one to two paragraphs.

You entered:

The three entrepreneurial motivations are:

- 1) self-efficacy: belief in the ability to accomplish a specific task;
- 2) cognitive motivation: ability to acquire knowledge, think and reflect on relevant information.
- 3) tolerance for ambiguity: tendency to perceive ambiguous situations as desirable rather than threatening, which permit to take decisions quickly with limited information and they also are tolerant when facing errors.

Your Answer**Score****Explanation**

The three entrepreneurial motivations are: 1) self-efficacy: belief in the ability to accomplish a specific task; 2) cognitive motivation: ability to acquire knowledge, think and reflect on relevant information. 3) tolerance for ambiguity: tendency to perceive ambiguous situations as desirable rather than threatening, which permit to take decisions quickly with limited information and they also are tolerant when facing errors.

✓ 1.30

Total	1.30 /
	1.30

Question Explanation

The three factors through which goal-directed behavior is initiated, energized and maintained as related to entrepreneurial strategic decision-making are "self-efficacy", "tolerance for ambiguity", and "cognitive motivation".

Question 7

In considering the role of "risk" in entrepreneurial decision-making, why do entrepreneurs accept risks that traditional managers may avoid? Please respond in one paragraph.

You entered:

Entrepreneurs engage in risk due to:

- 1) lack necessary information in a decision situation;
- 2) develop an inside view of the decisions they face;
- 3) ignore elements of past situations;
- 4) favor positive possible outcomes.

Your Answer

Score

Explanation

Entrepreneurs engage in risk due to: 1) lack necessary information in a decision situation; 2) develop an inside view of the decisions they face; 3) ignore elements of past situations; 4) favor positive possible outcomes.

✓ 1.30

Total

1.30 /
1.30

Question Explanation

Entrepreneurs' tendencies to take risks are influenced by perception and relative risk and reward. Entrepreneurs engage in risk for a unique variety of reasons that are personally important to them. It's critical for entrepreneurs, and aspiring entrepreneurs, to more accurately assess risk and thereby improve their decision-making.

Question 8

How can you improve your confidence level and risk tolerance? Please respond in one paragraph.

You entered:

Confidence level and risk tolerance can be improved by: addressing our willingness to accept risk, which is different than a desire for risk, we need to perceive risk differently - risk is in the eye of the beholder and finally, consider the risk-reward balance, and our potential to return to the status quo.

Your Answer**Score****Explanation**

Confidence level and risk tolerance can be improved by: addressing our willingness to accept risk, which is different than a desire for risk, we need to perceive risk differently - risk is in the eye of the beholder and finally, consider the risk-reward balance, and our potential to return to the status quo.

✓ 1.30

Total

1.30 /
1.30**Question Explanation**

Trying new things and engaging in unfamiliar activities are valuable to building confidence and increasing risk tolerance. Growing consensus among researchers shows that entrepreneurs and traditional managers do not show differences in natural tendencies to take risks. Instead, perceptions of risk differ between entrepreneurs and non-entrepreneurs. Therefore, risk is in the eye of the beholder. Risk is conceptualized based on the individual entrepreneur's assessment of risk and uncertainty in a decision. Entrepreneurs see greater potential in the rewards of their decisions than do non-entrepreneurs.

Question 9

How can you increase your comfort level with making strategic decisions quickly, with limited information and high consequences? Please respond in one paragraph.

You entered:

Apply multiple perspectives to a decision situation, integrate these perspectives into decision, use a complex cognitive framework regarding a decision situation, broader and deeper view of the decision at hand may result in a more accurate assessment of risk.

Your Answer**Score****Explanation**

Apply multiple perspectives to a decision situation, integrate these perspectives into decision, use a complex cognitive framework regarding a decision situation, broader and deeper view of the decision at hand may result in a more accurate assessment of risk.

✓ 1.60

Total

1.60 /
1.60**Question Explanation**

(1) Beware of overconfidence. Overconfidence refers to an individual's tendency to overestimate their own capabilities, knowledge and skills. This results in being overly optimistic of the future. While confidence helps entrepreneurs to successfully face the multiple hurdles of starting and managing a venture, overconfidence explains why most new ventures fail. (2) Beware of representativeness. Representativeness is a decision-making short cut that generalizes information based on only a few observations of similar events. This willingness to draw conclusions based on small samples of events can result in inaccurate perceptions of reality. (3) Beware of counterfactual thinking. Counterfactual thinking is the tendency to think about "what might have been if..." or "if only I would have..." This is often negative in nature, with a sense of regret or disappointment due to perceived missed opportunities. This can result in individuals pursuing mediocre opportunities for new ventures, for fear that they may miss out on a success if they do not act now. (4) Use your social capital. Social capital is immensely valuable to entrepreneurs, and greatly assists in moderating overconfidence, representativeness, and counterfactual thinking. Ask friends, family, and potential customers for feedback on your idea. Use your social capital to gather information on competitors.

Seek mentors and advisers to discuss your goals, ideas, and plans.