

**1. Describe the entrepreneurial?**

- ✓ One who creates a new business in the face of risk and uncertainty for the purpose of achieving profit and growth by identifying opportunities and assembling the necessary resources to capitalize on them.
- ✓ An entrepreneur is someone who is willing to work 16 hours a day to keep from working 8 hours a day for someone else.

**2. Write characteristics of entrepreneurs?**

- ✓ Willingness to take initiative
- ✓ Preference for *moderate* risk
- ✓ Confidence in their ability to succeed
- ✓ Self-reliance
- ✓ Perseverance
- ✓ Desire for immediate feedback
- ✓ High level of energy
- ✓ Competitiveness
- ✓ Future orientation
- ✓ Skilled at organizing
- ✓ Value achievement over money

**3. Explain how entrepreneurs spot business opportunities?**

- ✓ Creativity vs. Innovation
  - ❖ **Creativity** – the ability to develop new ideas
  - ❖ **Innovation** – the ability to apply creative solutions to problems
- ✓ Take a different approach to an existing market
- ✓ Put a new twist on an old idea
- ✓ Look for creative ways to use existing resources
- ✓ Notice what is missing

**4. Describe the benefits of owning a small business?**

- ✓ **The opportunity to:**
  - Control your own destiny
  - Make a difference
    - Social entrepreneurs
  - Reach your full potential
  - Reap impressive profits
  - Contribute to society.

**5. Describe the potential drawbacks of owning a small business?**

- ✓ Uncertainty of income
- ✓ Risk of losing your entire investment
- ✓ Long hours and hard work
- ✓ High levels of stress
- ✓ Complete responsibility
- ✓ Discouragement

**6. Explain the forces that are driving the growth in entrepreneurship?**

- ✓ Entrepreneurs as heroes
- ✓ Entrepreneurial education
- ✓ Demographic and economic factors
- ✓ Shift to a service economy
- ✓ Technological advancements
- ✓ Outsourcing
- ✓ Independent lifestyles
- ✓ E-Commerce and the World Wide Web
- ✓ International opportunities

**7. Discuss the role of diversity in small business and entrepreneurship?**

- ✓ Young entrepreneurs
- ✓ Women entrepreneurs
- ✓ Minority-owned enterprises
- ✓ Immigrant entrepreneurs
- ✓ Part-time entrepreneurs
- ✓ Home-based business owners
- ✓ Family business owners
- ✓ Copreneurs
- ✓ Corporate castoffs
- ✓ Corporate dropouts
- ✓ Retired Baby Boomers

**8. Explain Small Businesses?**

- ✓ Employ 50.2% of the nation's private sector workforce
- ✓ Pay 45% of total private payroll
- ✓ Create more jobs than big businesses
- ✓ Produce 51% of the nation's private GDP
- ✓ Account for 47% of business sales

**9. Put business failure into the proper perspective?**

- ✓ About 54% of new companies fail within 4 years
- ✓ Entrepreneurs are *not* paralyzed by the prospect of failure
- ✓ **Failure** – a natural part of the creative process
- ✓ Successful entrepreneurs learn to fail intelligently

**10. Explain how small business owners can avoid the major pitfalls of running a business?**

- ✓ Know your business in depth
- ✓ Prepare a business plan
- ✓ Manage financial resources
- ✓ Understand financial statements
- ✓ Learn to manage people effectively
- ✓ Set your business apart from the competition
- ✓ Maintain a positive attitude