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# Chapter 10 Entrepreneurial Ventures

1. Arthur has an idea. After performing a SWOT, he has identified a market that is not being served so he is planning to start a new business and introduce a new product. Arthur is an\_\_\_\_.
2. Strategist
3. Dreamer
4. Entrepreneur
5. Independent business developer
6. People who engage in \_\_\_ take advantage of opportunities to create new products or services, or change existing ones.
7. Social responsibility
8. Social engineering
9. Venture capitalism
10. Entrepreneurship
11. Annabel operates a local hardware store that she inherited from her parents. When she took over, she updated the point-of-sale equipment and installed a customer database. Annabel is an\_\_\_\_\_.
12. Entrepreneur
13. Opportunist
14. Venture capitalist
15. Small business owner
16. Rob is a CPA who works out of an office in his home. His business is named “Friendly accounting services.” Eventually Rob would like to grow his business to include partners and book-keepers. We would classify Rob as\_\_\_\_.
17. Self-employed
18. An entrepreneur
19. An employee
20. A franchisee
21. \_\_\_\_ is a process of changing, experimenting, transforming, and revolutionizing.
22. Developing
23. Research
24. Innovating
25. Inventing
26. Brandon is examining the state of the economy, the regulatory situation, social trends, and the local labor supply. This would indicate Brandon is \_\_\_\_.
27. Performing a SWOT analysis
28. Exploring the entrepreneurial context
29. Self-employed
30. A small business owner
31. The purpose of examining the state of the economy, the regulatory situation, social trends, and the local labor supply is to \_\_\_.
32. Identify possible customers and employees
33. Locate resources for use in the new business
34. Determine who are the major players in the marker
35. Identify opportunities and possible competitive advantages
36. Belinda has found a business opportunity she believes will be successful, but there are already a couple companies in the market. To be successful, Belinda will need to \_\_\_\_.
37. Pinpoint a competitive advantage
38. Patent her idea
39. Pursue a joint venture with them
40. Write her mission statement
41. Entrepreneurial firms act as \_\_\_ when they provide new and unique ideas that might otherwise go untapped.
42. Agents of change
43. Process improvers
44. Providers of capital
45. Intellectual creators
46. Entrepreneurship is important to the overall economy since entrepreneurs\_\_\_\_.
47. Push out efficient firms
48. Often fail their way to success
49. Help keep markets competitive
50. Don’t compete with established businesses
51. Arthur fry thought his glue was a failure because it didn’t stick permanently, but when applied to small squares of paper, it became the popular post-it note. Arthur fry took advantage of \_\_\_.
52. A process needs
53. The unexpected
54. A market structures
55. Changes in perception
56. “Put a motor on a bicycle? You must be crazy!” yet that is exactly what William Harley and Walter Davidson did. These two founders of the best-known American motorcycle company saw opportunity in \_\_\_.
57. The incongruous
58. The unexpected
59. Demographics
60. Changes in perception
61. In the days before sterile adhesives, bandages were tied onto the patient. Next came adhesive tape with small squares of gauze attached, but making these in the doctors office was tedious and time consuming. Finally, Earle Dickson invented the Band-Aid for his wife, who needed a bandage she could apply to herself for small kitchen burns. Dickson saw \_\_\_.
62. The unexpected
63. A new industry
64. New knowledge
65. A process needs
66. Before Henry Ford and Frederick W. Taylor collaborated, automobiles were built by craftsmen, one at a time. After the establishment of the assembly line, Ford was able to produce automobiles faster than his competitors but with equivalent quality and sell them for a fraction of the cost. Ford saw opportunity in \_\_\_\_.
67. Industry structure
68. The unexpected
69. Changing perceptions
70. Demographic shifts
71. Recognizing the increase in birth rates since 1946, and disliking the task of changing his grandchildren’s diapers, Victor Mills began developing a disposable diaper. Pampers were introduced to consumers in 1961. Mills saw opportunity in \_\_\_\_.
72. Changes in demographics
73. Changes in perceptions
74. New knowledge
75. The incongruous
76. Decades ago, only former military personnel and hoodlums sported tattoos. Today tattoos are considered an art form, giving rise to a plethora of tattoo shops. These body artists have taken advantage of changes in \_\_\_\_.
77. Demographics
78. Market structure
79. Perception
80. Processes
81. In 1938 Dr. Roy Plunkett discovered that a certain material became very slippery when frozen, and PTFE was invented. Under the brand Teflon, PTFE coatings were applied to a wide variety of items from spacecraft to frying pans. DuPont was able to capitalize on\_\_\_\_.
82. The incongruous
83. The unexpected
84. New knowledge
85. Process needs
86. Which one of the following would most likely be a source for ideas for the would-be entrepreneur?
87. Manufacturing exhibitions
88. Trade publications
89. Personal interests and hobbies
90. Pure research
91. Dharma is examining her financial position, the market for her proposed new product, the types of ownership available to her, and the tax laws for her area to determine whether she should go forward with her new business. Dharma is conducting a \_\_\_\_.
92. Market analysis
93. Technical study
94. Practicality study
95. Feasibility study
96. Before launching his new venture, Doyle is studying the potential competitors for his new product. He will want to find an answer to which one of the following questions?
97. How do they finance their operations?
98. What competitive advantage do they have?
99. Where are they located?
100. How many employees do they have?
101. The marketing plan becomes a part of the \_\_\_ section of the business plan.
102. Description of the business
103. Executive summary
104. Analysis of the context
105. Supporting documentation
106. Which one of the following items is found in the financial data section of the business plan?
107. Pricing
108. Economic analysis
109. Sales tactics
110. Pro forma cash flow analysis
111. Emily is calculating her annual revenues, balance sheets, and breakeven points so she can write the \_\_ section of her business plan.
112. Description of the business
113. Executive summary
114. Financial data and projections
115. Analysis of the context
116. Farrah has created a computer-generated mockup of her new product for inclusion in the \_\_\_ section of her business plan.
117. Supporting documentation
118. Executive summary
119. Analysis of the context
120. Description of the business
121. The first organizing decision that an entrepreneur must make is the \_\_\_\_\_.
122. Type of organizational culture
123. Form of legal ownership
124. Organization structure
125. Assignment of duties and responsibilities
126. Fallon wants total control over the decisions related to his business but is concerned that should the business fail, his personal assets are at risk. Fallon has chosen the \_\_ form of ownership.
127. Sole proprietorship
128. C corporation
129. General partnership
130. S corporation
131. In a sole proprietorship, profits are \_\_\_\_.
132. Distributed to all partners equally.
133. Taxed at the prevailing business rate.
134. Taxed as the owner’s personal income.
135. Distributed to the partners according to their level of participation.
136. Gaston knows he cannot be physically present at his new restaurant every hour it is open, so he has decided to share management responsibility and profits equally with two others. Gaston has formed a \_\_\_\_.
137. Joint proprietorship
138. Limited liability corporation
139. Limited liability partnership
140. General partnership

## Chapter 10 MCQS end here

# Chapter 09 Managing strategy

1. The CEO is meeting with his top managers to determine how best to compete successfully in the company’s market. This group is developing the company’s\_\_\_\_\_.
2. Strategy
3. Competitive advantage
4. Strengths and weaknesses
5. Opportunities and threats
6. The top managers of the corporation are meeting to discuss how they will compete in their chosen markets and how they will attract and satisfy customers. These managers are discussing\_\_\_\_.
7. The business models
8. Strategy
9. Their competitive advantage
10. Core competencies
11. A \_\_\_\_ describes the rationale of how a company is going to make money.
12. Mission statement
13. Business model
14. SWOT analysis
15. Core competency
16. The CEO and his top managers have asked themselves two important questions:
17. Do customers value what the company is providing; and
18. b. can the company make money doing that? This group is developing a \_\_\_\_\_.
19. Strategy
20. Competitive advantage
21. Business model
22. BCG matrix
23. The main reason strategic management is important is \_\_\_\_.
24. It allows an organization to anticipate economic recessions.
25. It can make a difference in how well an organization performs.
26. It reduces uncertainty.
27. It simplifies the environment.
28. Defining the organizational mission forces managers to identify what \_\_\_\_.
29. Its competitive advantage is
30. The organization is in business to do
31. Its capabilities are
32. Pending legislation will affect the organization
33. Managers perform an external analysis so that they know about\_\_\_.
34. The firm’s basic beliefs and ethical priorities
35. What the competition is doing
36. What vendors want
37. Their organizations core competencies
38. Patrick expects each person he hires for his online business to be involved in studying trends involving new technology, competitors, and customers. These employees are involved in \_\_\_\_\_.
39. External analysis
40. Internal analysis
41. Economic analysis
42. Industry analysis
43. When an organization is analyzing its labor supply, it is studying its \_\_\_\_\_.
44. Regulatory environment
45. Internal environment
46. External environment
47. Economic environment
48. \_\_\_\_\_ are positive trends in the external environment.
49. Strengths
50. Threats
51. Weaknesses
52. Opportunities
53. Computer peripherals providers ascent plans to enter a new market in another country. Which one of the following represents a threat for ascent?
54. Ascent’s profit margin in the previous year was its lowest on record and it will require long-term planning to improve margins.
55. Ascent lacks the resources to enter the market on its own and has to find a partner in the new market.
56. Ascent will have to plan its entry carefully as the laws in the country do not favor foreign businesses.
57. Ascent needs to improve its service capabilities in the new country as this is an important source of revenue.
58. A study of the external environment allows a manager to understand the \_\_\_ and \_\_\_\_ for the organization.
59. Threats; weaknesses
60. Strengths; weaknesses
61. Strengths; opportunities’
62. Opportunities; threats
63. Brutus fried chicken patented the recipe for the spices used in the coating of the chicken. The patent protection lasts for 17 years. Brutus fried chicken will view this patent protection as an \_\_\_\_\_.
64. Threat until the patent expires
65. Opportunity during the time of the patent protection
66. Weakness because the patent cannot be renewed
67. Cost of doing business
68. Casey majored in marketing and really enjoyed studying market research as a subject. Through research on the internet and in the university library, she discovers that this industry appears to have significant positive trends in employment. She interprets this an \_\_\_.
69. Weakness
70. Threat
71. Strength
72. Opportunity
73. Casey realizes that she has a personal characteristic that suggests she is not comfortable interacting with strangers. She interprets this as an \_\_\_ if she is to get a job as a salesperson.
74. Threat
75. Strength
76. Weakness
77. Opportunity
78. Helen, the owner of crazy cupcakes, is conducting a SWOT analysis of her company. Which one of the following represents an opportunity for expansion?
79. There has been a trend towards personalized cupcakes for a variety of occasions.
80. The production process was found to be highly efficient and wastage was kept to be minimum.
81. In a taste test, Crazy cupcakes products ranked higher than competitors in the taste and texture segments.
82. One of Crazy Cupcakes competitors has added cookies to its product line.
83. Newmark RV is performing an internal analysis. Which of the following would be considered a resource?
84. A patent for a special design feature.
85. A method of production not used by competitors.
86. Strongly positive reviews from existing customers.
87. Membership in RVIA, the industry association.
88. Bella Vista Clothing targets teenage girls with a range of affordable ready-to-wear clothing. The company is opening two new outlets, as sales have been excellent. Which one of the following represents a strength for the company?
89. The company in-house designers have a knack for identifying and popularizing fashion trends.
90. Disposable income is rising and consumers will have more money to spend on clothes.
91. Bella Vista has excess production capacity.
92. A long-time competitor recently went out of business and Bella Vista can cut down on its advertising budget.
93. A bank estimates the capabilities of its customer service employees prior to implementing a new training program designed to change their method of providing customer service. The bank is \_\_\_.
94. Conducting an external analysis
95. Formulating its competitive strategies
96. Performing an internal analysis
97. Performing an employee audit
98. An organization’s financial, physical, human, and intangible assets are known as its \_\_\_\_.
99. Resources
100. Capabilities
101. Strengths
102. Core competencies
103. Harness international, a global wiring harness company, allows each customer to access its engineering drawings on the company’s extranet, speeding up the design process for every project. Harness would consider this to be an \_\_\_\_\_.
104. Resource
105. Capability
106. Competitive advantage
107. Opportunity
108. The major value-creating capabilities of the organization are known as its \_\_\_\_\_\_.
109. Strengths
110. Competitive advantages
111. Core competencies
112. Resources
113. The combined external and internal analyses are called \_\_\_\_.
114. Competitor analysis
115. Industry analysis
116. Market analysis
117. SWOT analysis
118. After the SWOT analysis is complete, managers are ready is \_\_\_\_.
119. Begin production
120. Identify competitors
121. Formulate strategies
122. Review the analysis
123. The final step in the strategic management process allows an organization to understand the \_\_\_\_.
124. Effectiveness of the strategies used
125. Implementation of the strategies
126. External environment
127. Resources and capabilities it possesses.
128. Top-level managers are responsible for \_\_\_ strategies.
129. Tactical
130. Corporate.
131. Competitive
132. Functional
133. Lower-level managers are responsible for \_\_\_ strategies.
134. Functional
135. Stability
136. Corporate
137. Tactical
138. An \_\_\_\_ strategy determines what businesses a company is in or wants to be in, and what it wants to do with those businesses.
139. Competitive
140. Functional
141. Operating
142. Corporate
143. What are the three main types of corporate strategies?
144. Stability, focus, and turnaround
145. Growth, stability, and renewal
146. Growth, cost leadership, and differentiation
147. Stability, differentiation, and focus
148. A \_\_\_ strategy is when an organization expands the number of markets served or the products offered.
149. Growth
150. Renewal
151. Stability
152. Retrenchment
153. Organizations grow by using strategies of \_\_\_\_.
154. Concentration, integration, or diversification.
155. Concentration, integration, or stabilization.
156. Integration, diversification, or differentiation.
157. Integration, diversification, or functionalization.
158. An organization that grows using \_\_\_ focuses on its primary line of business and increases the number of products offered or markets served in this