

Entrepreneurship Question Bank - Answers

Part A - Short Answer Questions (5 Marks)

1. Define entrepreneurship and explain its importance in economic development.

Entrepreneurship refers to the process of designing, launching, and running a new business. It plays a crucial role in economic development by creating jobs, fostering innovation, and contributing to GDP growth.

2. Describe the role of networking in entrepreneurial success.

Networking helps entrepreneurs build relationships, gain business insights, find potential investors, and access new opportunities that contribute to business growth and success.

3. List and explain any five key traits of a successful entrepreneur.

1. Creativity - Ability to innovate and develop new ideas.
2. Risk-taking - Willingness to take calculated risks for business success.
3. Resilience - Ability to handle failures and setbacks.
4. Leadership - Capacity to guide and motivate teams.
5. Adaptability - Adjusting to market changes and customer needs.

4. What are the key functions of entrepreneurship?

The key functions include idea generation, business planning, resource management, risk-taking, innovation, and decision-making.

5. Discuss the differences between a start-up and a traditional business.

Start-ups focus on innovation, rapid growth, and scalability, whereas traditional businesses typically operate with established models and stable markets.

6. Discuss the role of motivation in entrepreneurship.

Motivation drives entrepreneurs to overcome challenges, stay committed, and achieve their business goals.

7. Define intrapreneurship. Differentiate it from entrepreneurship.

Intrapreneurship refers to entrepreneurial activities within an existing company. Unlike entrepreneurs, intrapreneurs work within organizations rather than starting their own ventures.

8. Define social entrepreneurship and explain its significance.

Social entrepreneurship involves creating businesses that address social issues. It plays a key role

in solving societal problems while maintaining financial sustainability.

9. Explain the importance of idea generation in the entrepreneurial process.

Idea generation is the foundation of entrepreneurship, helping businesses develop innovative solutions to meet market needs and gain competitive advantages.

10. Discuss the role of Kerala Startup Mission in promoting entrepreneurship.

Kerala Startup Mission (KSUM) provides funding, mentorship, incubation facilities, and policy support to help start-ups grow and succeed in the state.

Part B - Long Answer Questions

1. List and describe any three state or national-level support agencies for entrepreneurs.

1. Startup India - A government initiative providing funding, mentorship, and tax benefits.
2. MSME (Ministry of Micro, Small & Medium Enterprises) - Supports small businesses through policies, training, and financial aid.
3. NITI Aayog - Encourages innovation and entrepreneurship through schemes like Atal Innovation Mission.

2. How does entrepreneurship contribute to economic development?

Entrepreneurship creates jobs, drives innovation, improves living standards, and boosts economic growth through investments and new business ventures.

3. Outline the step-by-step process of creating a business plan.

1. Executive Summary - Overview of the business idea.
2. Market Research - Understanding competitors and target audience.
3. Business Model - Defining revenue streams and operations.
4. Financial Planning - Budget, costs, and funding sources.
5. Marketing Strategy - Promoting the business effectively.

A well-structured business plan helps entrepreneurs secure funding and ensure sustainable growth.

4. Discuss the various types of entrepreneurs with examples.

1. Innovative Entrepreneurs - Develop new products (e.g., Steve Jobs).
2. Imitative Entrepreneurs - Adapt existing ideas (e.g., local franchise owners).
3. Social Entrepreneurs - Focus on social impact (e.g., Muhammad Yunus).
4. Technopreneurs - Leverage technology for business (e.g., Elon Musk).

5. Define and compare proprietorship, partnership, and limited companies.

1. Proprietorship - Single owner, full control, but unlimited liability.

2. Partnership - Two or more owners share profits and responsibilities.
3. Limited Company - Separate legal entity with limited liability, owned by shareholders.

6. Explain the objectives of Startup India and Standup India schemes.

Startup India supports new businesses through tax exemptions, funding, and incubation centers. Standup India focuses on empowering SC/ST and women entrepreneurs by providing financial assistance.

7. What are the common challenges faced by first-time entrepreneurs?

First-time entrepreneurs face challenges like financial constraints, market competition, lack of business experience, risk management, and regulatory compliance.

8. Analyze the growth of entrepreneurship in India over the years.

Entrepreneurship in India has grown significantly due to government support, digital transformation, venture capital funding, and increased awareness about start-ups. Initiatives like Startup India and Make in India have contributed to this growth.