

**Entrepreneurship for Students of Information Systems**  
**Winter Term 2022/2023**

*February 14, 2023*

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_

Student ID: \_\_\_\_\_ Semester: \_\_\_\_\_

Degree program: \_\_\_\_\_

Signature: \_\_\_\_\_

**Instructions – PLEASE READ CAREFULLY**

- Please ensure that your exam contains **8 (eight)** pages. If not, ask for another copy.
- To respond to the exam questions, write exclusively on the exam paper. If required, please write on the back. Always clearly signal which question is being answered.
- **Do not separate** the pages of the exam paper.
- Write your name and student ID on all pages in the space provided.
- **You are allowed to use an English-[Your native language] and, if different, an English-German dictionary as well as a non-programmable calculator.**
- Any exams offence such as an attempt at copying from your neighbor or the possession of a crib sheet or other notes will lead to a fail grade (“nicht ausreichend” – 5,0).
- Keeping a cell phone on your person, even if fully switched off, is considered an exams offence, and will result in a fail grade. If you do not wish to leave your mobile phone in your bag, please leave it with us at the front.
- You have **60 (sixty) minutes** available. If you need to take a toilet break etc., you must leave all exam-related materials with one of the invigilators (“Klausuraufsicht”). Other than that, you are not allowed to leave the room until the end of the exam.

Best of Luck!

Question	1	2	3	Total
Points	10	20	30	60
achieved				
Grade				

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**Part 1: Multiple choice (10 points)**

In the following, you will be presented **FIVE** multiple choice questions. Please answer **ALL** of them. Each question is worth 2 points if answered correctly (incorrect answers will not be punished). For each question, only one correct answer exists.

For each question, write the correct answer in the space provided below the question.

- 1) Two of Porter’s ‘five forces’ that determine the attractiveness of an industry are
- A) Advancedness of technology and bargaining power of suppliers
  - B) Bargaining power of customers and threat of substitution
  - C) Barriers to entry and threat of imitation
  - D) Competitive advantage and rivalry

Your answer: \_\_\_\_\_

- 2) Which of the following is an example of a (type of) leveraged buy-out?
- A) A venture capital fund invests into a venture in return for 20% of the equity.
  - B) The company’s current management, using some of their own and a lot of borrowed money, acquires the company from its current owners.
  - C) Outside managers use their own money to acquire a venture, and then sell it off piece by piece.
  - D) all of the above

Your answer: \_\_\_\_\_

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- 3) To measure success in sustainable entrepreneurship, firms can draw on the concept of the \_\_\_\_\_ bottom-line
- A) single
  - B) double
  - C) triple
  - D) quadruple

Your answer: \_\_\_\_\_

- 4) The less you want to become dependent on others, the more you should rely on \_\_\_\_\_ as a key source of financing.
- A) banks
  - B) bootstrapping
  - C) risk capital
  - D) venture capital

Your answer: \_\_\_\_\_

- 5) According to Tina Seelig, if an entrepreneur never fails, that would be a
- A) good thing, because it would show the entrepreneur did everything right.
  - B) good thing, but it would be because the entrepreneur was very lucky.
  - C) bad thing, because the entrepreneur had not taken enough risk.
  - A) bad thing, because failure is needed to be able to appreciate successes.

Your answer: \_\_\_\_\_

In the following, you will be presented **six** questions, each of which is worth a maximum of four points. **Only answer FIVE** of these in the space provided below. The exclusive use of bullet points and graphs is acceptable provided that all relevant information is conveyed.

- 1) Briefly explain key features of the idea of effectuation using the example of Alex Krapp.
- 2) Explain two benefits of financing via a bank loan in contrast to venture capital.
- 3) Polarstern is a social venture providing green energy and gas to households in the Munich area. State one reason each for why and for why not this company should be considered an IT start-up. How would you classify it? Why?

- 4) “Business plans are no longer necessary in today’s environment.” Briefly state two reasons for why this statement may be incorrect.
- 5) Name and explain two general insights that follow from the so-called Greiner model of entrepreneurial growth (note how “general” implies that the insights should apply to the entire model).
- 6) Using the example of U.S. automotive firm Tesla, explain briefly (i.e., one sentence per example is enough) each of the four growth strategies that a firm may follow: penetration, market development, product development, and diversification.

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**Part 3: Long Essay (30 points)**

Answer **ONE** out of the following TWO questions. While the use of bullets and graphs is acceptable, to get full marks, you will need to write an actual short essay. Be focused and stick to the material covered in the course including lecture notes, discussions, readings or textbooks. Please take your time before selecting which questions to answer and think about how to structure your response before you begin writing. Finally, note that only what is legible can be marked in your favor.

*Option 1:* Explain the elements of a business model according to Alexander Osterwalder. Apply the concept to the sports-related business idea of the start-up “HIGGS” you got to know in one of the lectures. In doing so, show how the elements of the business model are interlinked according to Osterwalder, and in which order they should be considered.

*Option 2:* The TUM hyperloop project team has asked you to join them in order to support them in bringing this idea to market, so that all of you can benefit (financially) from it. Applying the concept of “Profiting from Innovation” by David Teece, what would your commercialization strategy for this new product look like? Why?

I am choosing Option \_\_\_\_\_ .

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