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Entrepreneurship (3rd)

ISBN 9781071884874 | Chapter 1: Practicing Entrepreneurship

Total Questions: 90

Easy

Multiple Choice (15)

***Q1.** [Multiple Choice]*

A prominent characteristic of an entrepreneur using effectuation theory is that they ______.

- **a) focus on creating a future rather than predicting it ✓ correct**
- **b)** find markets rather than make them
- **c)** do not accept failure
- **d)** focus on a single reliable stakeholder

***Q2.** [Multiple Choice]*

According to the Global Entrepreneurship Monitor (GEM), entrepreneurs are ______.

- **a)** born with an innate sense of creativity
- **b) motivated by both impact and wealth ✓ correct**
- **c)** comfortable making all-or-nothing decisions
- **d)** process-oriented and rely on working with known inputs

***Q3.** [Multiple Choice]*

According to the text, what is the key to entrepreneurship?

- **a)** connections
- **b) practice ✓ correct**
- **c)** innovative thinking
- **d)** risk-taking

***Q4.** [Multiple Choice]*

By definition, ______ is a systematic way of approaching a task.

- **a)** a process
- **b) a method ✓ correct**
- **c)** franchising
- **d)** effectuation

***Q5.** [Multiple Choice]*

Effectuation is the idea that ______.

- **a)** businesses should have a positive impact on people’s lives
- **b)** ideas and their effects can be studied over time
- **c) the future is unpredictable yet controllable ✓ correct**
- **d)** emotions can influence decision making

***Q6.** [Multiple Choice]*

Entrepreneurs who engage in deliberate practice are ______.

- **a)** experts at predicting which products will be successful
- **b)** more likely to become blindsided by passion
- **c)** overly optimistic and over confident
- **d) better at remembering new information ✓ correct**

Q7. *[Multiple Choice]*

Research has shown that people who simply practice repeating the same actions tend to ______, regardless of how many hours they practice.

a) advance from novice to top performer
b) reach a plateau of development
c) achieve mastery quicker
d) enjoy the task for longer periods of time ✓ correct

Q8. *[Multiple Choice]*

The media often cover the meteoric rise of entrepreneurs such as Bill Gates (Microsoft) and Travis Kalanick (Uber). According to the text, these stories are ______.

a) inspirational and led to more startups in the beginning ✓ correct
b) highly relatable and obtainable
c) unable to capture the public imagination
d) accurate depictions of the reality of entrepreneurship

Q9. *[Multiple Choice]*

What type of entrepreneur starts several businesses, whether at the same time or one after the other?

a) social
b) serial ✓ correct
c) high-risk
d) low-risk

Q10. *[Multiple Choice]*

Which best describes how the authors define*entrepreneurship*?

a) a way of thinking and being that combines the ability to find new opportunities with the courage to act on them ✓ correct
b) the ability to start a small business by finding investors, branding a company, and launching a disruptive product
c) the skillset needed to develop a new market by creating a product that does not currently exist
d) a mindset that compels people to start multiple ventures throughout a lifetime

Q11. *[Multiple Choice]*

Which describes employees who think and act like entrepreneurs within large or small organizations?

a) corporate venturing
b) deliberate practice
c) social entrepreneurship
d) intrapreneurship ✓ correct

Q12. *[Multiple Choice]*

Which is a characteristic of the Entrepreneurship Method?

a) It is based on prediction.
b) It requires a detailed plan.
c) It follows a pre-established course.
d) It is non-linear and iterative. ✓ correct

Q13. *[Multiple Choice]*

Which is true about entrepreneurs?

a) They tend to run family-owned enterprises.
b) They exclusively are interested in beginning startups.
c) They usually fund new ventures largely on their own. ✓ correct
d) They have extensive management experience.

Q14. *[Multiple Choice]*
Which term describes a temporary organization in search of a scalable business model?

- **a) startup ✓ correct**
- **b)** family enterprise
- **c)** B Corp
- **d)** franchise

Q15. *[Multiple Choice]*
Which type of businesses account for nearly 78% of new jobs in the U.S. economy?

- **a)** traditional
- **b)** B Corp
- **c)** corporate
- **d) family-owned ✓ correct**

True/False (14)

Q16. *[True/False]*
A franchise is a type of license purchased by a franchisee to allow them to trade under the name of that business.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q17. *[True/False]*
Approximately 70% of family businesses fail or are sold before the second generation reaches a position to take over.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q18. *[True/False]*
Calculating affordable loss is a way to determine how much you are willing to lose to bring your idea to life.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q19. *[True/False]*
Deliberate practice can improve your intuition.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q20. *[True/False]*
Entrepreneurs are traditionally extreme risk-takers.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q21. *[True/False]*
Entrepreneurs often achieve overnight success.

a) True
b) False ✓ correct

Correct answer: False

Q22. *[True/False]*
Entrepreneurship is best taught as a linear process that will lead to a specific destination.

a) True
b) False ✓ correct

Correct answer: False

Q23. *[True/False]*
Entrepreneurship is reserved for startups.

a) True
b) False ✓ correct

Correct answer: False

Q24. *[True/False]*
Managerial thinking works best in times of certainty.

a) True ✓ correct
b) False

Correct answer: True

Q25. *[True/False]*
Scientific evidence has proven that a specific set of traits distinguishes entrepreneurs from non-entrepreneurs.

a) True
b) False ✓ correct

Correct answer: False

Q26. *[True/False]*
Successful entrepreneurs have a tendency to collaborate with competitors.

a) True ✓ correct
b) False

Correct answer: True

Q27. *[True/False]*
The cycle of act–learn–build encourages entrepreneurs to take small actions to learn and build that learning into the next action.

a) True ✓ correct
b) False

Correct answer: True

Q28. *[True/False]*
The study of entrepreneurship is pervasive, but a lot of schools continue to teach the process view of entrepreneurship.

a) True ✓ correct
b) False

Correct answer: True

Q29. *[True/False]*
Using the Entrepreneurship Method means you'll likely be experimenting with many different ideas simultaneously.

a) True ✓ correct
b) False

Correct answer: True

Medium

Multiple Choice (28)

Q30. *[Multiple Choice]*
A benefit of practicing the Entrepreneurship Method is that you will ______.

a) reduce the likelihood of failure.
b) delay acting until you have adequate resources
c) make more attempts to bring your idea to fruition. ✓ correct
d) better quantify risks and rewards before implementing your plans

Q31. *[Multiple Choice]*
A student should take action and practice entrepreneurship ______.

a) at every opportunity ✓ correct
b) immediately after graduation
c) when they are financially self-supporting
d) once they have a steady job

Q32. *[Multiple Choice]*
Anything you do that requires deliberate practice helps develop ______, which is/are transferable to entrepreneurship.

a) cognitive skills ✓ correct
b) empathy
c) managerial thinking
d) discipline

Q33. *[Multiple Choice]*
Entrepreneurs need to develop skills in both entrepreneurial and managerial thinking because most ______.

a) managers are radical risk takers
b) entrepreneurs are also managers ✓ correct
c) entrepreneurs are focused only on profits
d) managers and entrepreneurs want rapid growth

Q34. *[Multiple Choice]*
Entrepreneurship has traditionally been viewed as a ______.

a) process of sequential steps ✓ correct
b) marketing task
c) singular way to achieve goals
d) way to achieve quick success

Q35. [Multiple Choice]

High performers use ______ practice to carry out carefully focused efforts to improve performance.

- **a) deliberate ✓ correct**
- **b)** vigorous
- **c)** all-day
- **d)** 15-minutes-a-day

Q36. [Multiple Choice]

Kendall is the current CEO of an enterprise that his mother started. He is concerned about the business's sustainability when his children buy the business from him and wants to ensure its survival for the long run. Which action could he invest in to support this goal?

- **a)** sell the company to a close friend
- **b) create a succession plan that prioritizes entrepreneurship ✓ correct**
- **c)** write a detailed business plan
- **d)** establish a trust to administer the business

Q37. [Multiple Choice]

The difference between simply practicing a lot and deliberate practice relates to one's level of ______ while practicing.

- **a)** stress
- **b)** determination
- **c) focus ✓ correct**
- **d)** supervision

Q38. [Multiple Choice]

The entrepreneurial method requires consistent practice, which leads to ______.

- **a)** high quality outputs
- **b)** fast identification of inputs
- **c)** the production of more actual content
- **d) expertise that is continuously developed ✓ correct**

Q39. [Multiple Choice]

Traditional business planning has been replaced by what type of entrepreneurship?

- **a)** sustainable
- **b)** social
- **c) evidence-based ✓ correct**
- **d)** corporate

Q40. [Multiple Choice]

Traditional education has inhibited our entrepreneurial nature because it ______.

- **a) fosters a constant need for measurement and assessment ✓ correct**
- **b)** introduces uncertainty in learning new tasks
- **c)** reinforces trial and error to continue as we learn
- **d)** hones skills that only helps us as managers

Q41. [Multiple Choice]

What is essential to the long-term survival of a family business?

- **a) using an entrepreneurial agenda to move the business forward ✓ correct**
- **b)** hiring as many family members as possible to run the business
- **c)** establishing the business as a B corp
- **d)** prioritizing solving a social problem closely related to family concerns

Q42. *[Multiple Choice]*

When applying the Entrepreneurship Method, starting with means at hand involves ______.

- **a) analyzing who you are ✓ correct**
- **b)** using your available resources to fund your venture
- **c)** asking friends to contribute to your venture
- **d)** sharing your ideas

Q43. *[Multiple Choice]*

When using managerial thinking, an entrepreneur may ______ to support a new venture.

- **a)** leverage failure
- **b) optimize resources ✓ correct**
- **c)** experiment with designs
- **d)** act to learn

Q44. *[Multiple Choice]*

Which action does the process approach to entrepreneurship emphasize?

- **a)** reacting to change quickly
- **b)** prioritizing innovation
- **c)** embracing fluidity
- **d) reducing risk of failure ✓ correct**

Q45. *[Multiple Choice]*

Which category would organizations be rated on in order to be certified as a benefit corporation (or B-Corp)?

- **a) how its employees are treated ✓ correct**
- **b)** the diversity of its board and employees
- **c)** minimum profitability
- **d)** stakeholder commitment

Q46. *[Multiple Choice]*

Which is a feature of modern entrepreneurship?

- **a)** It is an attribute that some people are born with.
- **b)** It requires being comfortable with a high level of risk.
- **c)** It relies upon one’s ability to create disruptive products.
- **d) It is a method that requires practice. ✓ correct**

Q47. *[Multiple Choice]*

Which is an action that many novice entrepreneurs may take?

- **a)** forgetting to create their “why” statement at the outset
- **b) waiting to act on ideas until they have more resources and planning ✓ correct**
- **c)** taking too many actions too soon
- **d)** enrolling too many stakeholders too early in the process

Q48. *[Multiple Choice]*

Which is an example of deliberate practice in cooking?

- **a) focusing on mastering knife skills before learning to use other appliances ✓ correct**
- **b)** practicing cooking the same meal every day for many days
- **c)** cooking many different food items for many hours per day
- **d)** making small meals a few days a week

Q49. *[Multiple Choice]*

Which is an example of the identifying next actions phase of the entrepreneurship method?

a) Rafael asks his friends for feedback on his idea. ✓ correct

b) Leonardo writes a simple statement about why he wants to start his business.

c) JoonHee uses the resources she has to make a prototype of her new product.

d) Moira decides how much she is willing to invest to bring her idea to fruition.

Q50. *[Multiple Choice]*

Which is an example of using entrepreneurial thinking?

a) Dante implements prescribed steps in a workflow to create a product.

b) Bernardo creates a new product for his company with only a few loose guidelines from his supervisor. ✓ correct

c) Kara takes actions in the present in an attempt to change future performance of her business.

d) Theresa uses AI to analyze large amounts of data to forecast potential income for the next fiscal year.

Q51. *[Multiple Choice]*

Which is true about managerial and entrepreneurial thinking?

a) Both emphasize the necessity of learning from failure.

b) Both are required for new ventures to be successful. ✓ correct

c) Managerial thinking prioritizes fluidity. Entrepreneurial thinking emphasizes success.

d) Managerial thinking focuses on managing change. Entrepreneurial thinking focuses on predicting outcomes.

Q52. *[Multiple Choice]*

Which is true about social entrepreneurs?

a) They rely on fundraising to keep their company economically stable.

b) They only work in the nonprofit sector or for B corps.

c) They choose between either making a social or an economic impact.

d) They seek innovative solutions to social and environmental problems. ✓ correct

Q53. *[Multiple Choice]*

Which is true about thinking of entrepreneurship as a method?

a) It relies on past business history to predict future success.

b) It reduces ambiguity and risk in the business environment.

c) It guarantees a new venture's success.

d) It is a skill that you can get better at over time. ✓ correct

Q54. *[Multiple Choice]*

Which statement is true about benefit corporations (B Corps)?

a) B Corps are only large nonprofit organizations.

b) B Corps are the only company type that can host fundraisers.

c) The B Corp certification protects a company from lawsuits from stakeholders. ✓ correct

d) The B Corp certification requires that a business must always be profitable.

Q55. *[Multiple Choice]*

Why do some organizations want to hire employees with an entrepreneurial skillset and mindset?

a) They are used to working with known inputs and outputs.

b) They are experts at planning and projecting.

c) They creatively solve problems and take ownership. ✓ correct

d) They naturally are more prone to competing with others.

Q56. *[Multiple Choice]*

Why is it helpful to approach entrepreneurship as a method rather than a process?

- **a)** It emphasizing the role of management tasks involved in entrepreneurship.
- **b)** It reduces the chance of small and large failures during the startup process.
- **c)** It encourages entrepreneurs to follow linear steps to increase success.
- **d) It accounts for the unpredictable and complex nature of entrepreneurship. ✓ correct**

Q57. *[Multiple Choice]*

You have an idea to create an app that connects people who enjoy creating ceramic art with people who offer studio space and supplies for rent and use. What step do you take first if you want to practice the Entrepreneurial Method?

- **a)** Start developing the app with the software development knowledge you have.
- **b) Write down a simple statement that lays out why you want to create the app. ✓ correct**
- **c)** Ask friends for their help funding and creating the app.
- **d)** Calculate how much you're willing to invest to make the app a reality.

True/False (11)

Q58. *[True/False]*

An entrepreneur can own their own business or work in a corporation with an entrepreneurial spirit.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q59. *[True/False]*

As an entrepreneur, if you have to choose between*planning*an action and*taking*an action, you should opt for taking the action.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q60. *[True/False]*

Corporate entrepreneurs work within only large organizations, whereas entrepreneurs inside can exist in any type of organization, big or small.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q61. *[True/False]*

Corporate entrepreneurship and intrapreneurship are different processes.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q62. *[True/False]*

Deliberate practice changes structures in the brain so that it performs better and faster.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q63. *[True/False]*
Entrepreneurship can provide us with skills we can apply to other aspects of our lives.

a) True ✓ correct
b) False

Correct answer: True

Q64. *[True/False]*
Practicing for many hours and deliberate practice are the same thing.

a) True
b) False ✓ correct

Correct answer: False

Q65. *[True/False]*
Research has proven that successful entrepreneurs are planners and most insist on having a formal business plan in place before launching a new venture.

a) True
b) False ✓ correct

Correct answer: False

Q66. *[True/False]*
Successful entrepreneurs base their “risks” on real data.

a) True ✓ correct
b) False

Correct answer: True

Q67. *[True/False]*
The phases of the Entrepreneurship Method are best implemented in a particular order.

a) True
b) False ✓ correct

Correct answer: False

Q68. *[True/False]*
When you critically assess your new idea using the Entrepreneurship Method, it is best to try and “kill” any ideas that are weak.

a) True
b) False ✓ correct

Correct answer: False

Essay (8)

Q69. *[Essay]*
Describe family enterprising. Why are these ventures important?

Suggested answer: *Sample response: A family enterprise is a business that is owned and managed by one or more family members beyond the founding generation. What makes family enterprising part of the portfolio of entrepreneurship types is that each generation has an opportunity to bring the organization forward in new, innovative ways. These are vital to the health of the U.S. economy. There are roughly 5.5 million family-owned businesses in the United States. These types of businesses account for 63% of all employment and 78% of new jobs created.*

Q70. *[Essay]*

Describe the purpose of a benefit corporation (B-Corp). How is it different from other ventures from an entrepreneur standpoint?

Suggested answer: *Sample response: A benefit corporation, or B Corp, is an organization that is certified by the nonprofit B Lab. Certification requires strict adherence to standards of social and environmental performance, accountability, and transparency. Unlike other ventures, this designation is a voluntary certification. It is designed for for-profit companies aiming to achieve social goals alongside business ones. To be certified as a B Corp, the organization is rated on how its employees are treated, its impact on the environment, and how it benefits the community in which it operates. B Corp certification ensures that the for-profit company fulfills its social mission, and the certification protects it from lawsuits from stakeholders that may claim that the company is spending more time or resources on social issues rather than maximizing profit.*

Q71. *[Essay]*

Do you agree with the statement “Entrepreneurship can be taught (it’s a method that requires practice.)”? Why or why not?

Suggested answer: *Sample response: The Entrepreneurship Method advanced in this text is based on the work of Saras Sarasvathy and her theory of effectuation, which is based on the idea that because the future is unpredictable yet controllable, entrepreneurs can affect and control the future through entrepreneurial action. Sarasvathy believes it is futile for entrepreneurs to try to predict the future. She found that entrepreneurs, especially those entrepreneurs who had started businesses multiple times, exhibited specific thinking patterns and these patterns are present in the Entrepreneurship Method. Thus, we are able to demonstrate that entrepreneurship can be taught because we can train ourselves to think differently—and how we think is the antecedent to how we act.*

Q72. *[Essay]*

How have views of entrepreneurship changed over time?

Suggested answer: *Sample response: The narrative surrounding entrepreneurship is changing. In the past, many viewed it as something based on traits you are born with and that leads to overnight success. At one time, it was also thought of as something that was best implemented through a clearly defined process. However, modern views of entrepreneurship note that it is practiced in environments that are not predictable. It also cannot adequately be taught as a process. Instead, the more modern approach is viewing entrepreneurship as a method that, when practiced over time, results in the development of an entrepreneurial skillset and mindset.*

Q73. *[Essay]*

What are the differences between social entrepreneurship ventures and traditional entrepreneurship ventures?

Suggested answer: *Sample response: Social entrepreneurship has become a global movement in recent years. Thousands of initiatives launch every year to improve or solve social problems such as lack of clean water, inequity in education, poverty, and global warming. There has been considerable debate as to how to define social entrepreneurship. Some argue that all types of entrepreneurship are social, while others define it as purely an activity of the nonprofit sector. These blurred lines imply that entrepreneurs are forced to choose between making a social or an economic impact. Social entrepreneurs can do both. It is possible to address a social issue and make a profit—keeping company economically stable ensuring its ability to consistently meet the needs of its customers without relying on fundraising or other methods to keep it afloat. Social entrepreneurship can therefore be defined as the process of sourcing innovative solutions to social and environmental problems.*

Q74. *[Essay]*

What is the relationship between entrepreneurship and a startup?

> ***Suggested answer:*** *Sample response: The terms startup and entrepreneurship are often confused or treated the same. The word startup came into vogue during the 1990s dot-com boom, when a plethora of web-based companies were first born. The term has various meanings, but one explanation is Steve Blank's definition of startup, which is a temporary organization in search of a scalable business model. In the traditional view of startups, anyone who starts a business is called an entrepreneur. The entrepreneur creates a business based on the validity of an idea or business model. The business may be partially funded by seed money from family members or investors, but usually the majority is funded by the entrepreneurs themselves. If the business is successful, the startup does not remain a startup. It can develop into its own formal organization, be merged with another organization, or be bought by another company. This traditional view of the startup, however, is not the only path for entrepreneurs. The truth is that entrepreneurs are everywhere, from corporations to franchises, in nonprofits and nongovernmental organizations (NGO's). Entrepreneurs run family businesses and even buy existing businesses.*

Q75. *[Essay]*

What is the relationship between the Act–Learn–Build model and ability to feel comfortable taking risks?

> ***Suggested answer:*** *Sample response: Most entrepreneurs are very calculated risk takers and gauge what they are willing to lose with every step taken. As they take more actions and collect more evidence, they are willing to "risk" more because they have enough real data to mitigate the risk. Entrepreneurs practice a cycle of act-learn-build that encourages taking small actions in order to learn and then build that learning into the next action. Using this method, entrepreneurs are actually acting as a way to learn, rather than trying to learn as much as possible before taking action. Entrepreneurs are taking smaller, highly calculated risks, rather than making large, all-or-nothing decisions.*

Q76. *[Essay]*

Why are collaboration and information sharing more important entrepreneurial skills than determination or opportunity recognition?

> ***Suggested answer:*** *Sample response: Entrepreneurs draw on shared experiences and desire to learn from others facing similar challenges. It can be hard to know what entrepreneurship is all about until you are actually in the throes of it, so it becomes very important to have a support group of like-minded entrepreneurs willing to help one another out with a "pay it forward" attitude—collaborating for the greater good. Not only do successful entrepreneurs collaborate with other entrepreneurs, but they also collaborate with their target customers to test new ideas and with potential investors to build trust. In fact, recent studies have shown that collaboration and information sharing are more important in entrepreneurship than skills like opportunity recognition.*

Hard

Multiple Choice (12)

Q77. *[Multiple Choice]*

According to research, which scenario shows what is likely to happen using deliberate practice?

- **a) Tony, who becomes more efficient at learning trumpet the more he focuses on mastering individual notes ✓ correct**
- **b)** Laura, who becomes very focused on ways to learn piano playing
- **c)** Dale, who misses some key "big picture" aspects of their training due to close focus
- **d)** Sandra, who misses developing diverse skills needed for success

Q78. *[Multiple Choice]*

Entrepreneurs who have engaged in years of deliberate practice tend to have a ______.

- **a)** lower ability to innovate
- **b)** higher level of passion
- **c) higher sense of intuition ✓ correct**
- **d)** lower ability to share their knowledge

Q79. *[Multiple Choice]*

Gina wants to develop an app to match animal shelters to people who want to adopt a pet. She has crafted the following statement: "I am developing this app so that more pets will be adopted." What component of the Entrepreneurship Method is she implementing?

a) Describe your idea.
b) Come up with your why statement. ✓ correct
c) Start with means at hand.
d) Take small action.

Q80. *[Multiple Choice]*

ICHOR Restaurant Group was started by Brian Bailey and Tim Hug in 2006 and has since opened three successful restaurant concepts with a dozen corporate-owned locations. They have begun to allow external entrepreneurs to purchase a license to operate their own location(s). Entrepreneurs purchasing such a license are engaging in ______.

a) corporate entrepreneurship
b) franchising ✓ correct
c) entrepreneurship inside
d) social entrepreneurship

Q81. *[Multiple Choice]*

Inari is starting an organization that focuses on a program to help provide free, fresh groceries to families experiencing food insecurity. Which type of entrepreneur is Inari considered?

a) social ✓ correct
b) corporate
c) traditional
d) benefit

Q82. *[Multiple Choice]*

Nicole works for ETC Corporation, a small manufacturer of high-end kitchen appliances for restaurants. She has been lobbying her supervisor to allow her to design and sell a range of consumer-grade appliances using ETC's design and manufacturing resources. Nicole is a(n) ______.

a) corporate entrepreneur
b) franchisee
c) entrepreneur inside ✓ correct
d) social entrepreneur

Q83. *[Multiple Choice]*

Tamyra owns a well-established business that she someday wants her children, nieces, and nephews to run. Which type of business does Tamyra own?

a) franchise
b) family enterprise ✓ correct
c) startup
d) benefit corporation

Q84. *[Multiple Choice]*

The nonprofit “1001 Fountains for Tomorrow,” has a goal to provide safe drinking water for small rural villages in Cambodia. Based on this information, this organization is an example of ______ entrepreneurship.

a) corporate
b) effectual
c) social ✓ correct
d) serial

Q85. *[Multiple Choice]*

Tony is a manager at a large company that builds solar panels. Using feedback from his team members, he creates a plan for a new venture that involves installing solar panels in a novel way to enhance the company’s competitive position and profitability. Tony is an example of a ______.

a) franchisee
b) corporate venturer
c) corporate entrepreneur ✓ correct
d) serial entrepreneur

Q86. *[Multiple Choice]*

Which is an example of a key feature of entrepreneurs?

a) Tomas spends a majority of his time creating a detailed business plan.
b) Drew explains that he is an entrepreneur because he has always had a need for achievement.
c) LaQueena brainstorms with other founders every month. ✓ correct
d) Tanya always makes sure to fully understand available resources before taking action.

Q87. *[Multiple Choice]*

Which is an example of a serial entrepreneur?

a) Cassandra, who has started and sold several software development companies ✓ correct
b) Josiah, who takes enrolls in data analysis courses to help reduce future business risks
c) Antwon, who meets regularly with investors to report on the performance of his new clothing line
d) Meena, who uses the scientific method while developing potential new food storage solutions

Q88. *[Multiple Choice]*

Which person has likely used the Entrepreneurship Method?

a) Anita, who is processing historical data to determine the likelihood of success
b) Todd, who is thinking and planning extensively before starting to experiment
c) Bonita, who moves quickly from having an idea right into taking actions to make the idea real ✓ correct
d) Samson, who is starting a brand new venture for little or no cost

Essay (2)

Q89. *[Essay]*

Define the components of deliberate practice. Why it important for entrepreneurship?

Suggested answer: *Sample response: Deliberate practice requires high levels of focus, attention, and concentration. Its use strengthens performance and, when used consistently over time, produces lasting results. In general, deliberate practice changes structures in the brain (myelin) that help it perform the practice task better and faster. When it comes to entrepreneurship, this means that the more one practices the Entrepreneurial Method, the better one becomes at entrepreneurship and the faster they can iterate through the many phases.*

Q90. *[Essay]*

Imagine you have the opportunity to invest in a franchised restaurant. Weigh the advantages and disadvantages of undertaking such a venture.

Suggested answer: *Sample response: Advantages include that there will be ready-made business systems, such as restaurant layout, equipment, inventory systems, so on. This will help me become operational right away. A formal training program (online modules, training class) may also be available. Investing in a franchise may also be less risky because the product and services have brand recognition and have been tested in the market. Disadvantages include that the franchise restaurant may require high startup costs because an initial fee must be paid upfront plus royalties (percentage of sales) will need to be paid to the franchisor every month. These range from 4-12%. Strict franchising rules may also be a drawback, as they may not include any room to be creative, both about the look and feel of the restaurant and the products offered. It may also be difficult to control costs, as most products and supplies need to be purchased from the franchisor.*