

Question 1

In startup firms, inventory must be purchased, employees must be trained and paid, and advertising must be paid for before cash is generated from sales. Which of the following reasons that motivate firms to seek funding or financing is illustrated in this example?

- A) cash flow challenges
- B) capital investments
- C) personnel costs
- D) marketing costs
- E) lengthy product development cycles

Answer: <https://biology-forums.com/index.php?topic=403219>

Question 2

Pat Walker owns an environmental services company. The way Pat prices her services is to figure her cost and then add a 22 percent markup. The method that Pat uses to determine her prices is called:

- A) value-based pricing
- B) conformity-based pricing
- C) competitive-based pricing
- D) economic-based pricing
- E) cost-based pricing

Answer: <https://biology-forums.com/index.php?topic=403443>

Question 3

According to the textbook, how do well-managed firms respond to the five-forces that determine industry profitability?

- A) They try to position their firms in a way that avoids or diminishes the forces.
- B) They switch industries if the forces are too compelling.
- C) They ignore the forces.
- D) They focus on one force intently and excel by overcoming that force.
- E) They overcome each of the forces.

Answer: <https://biology-forums.com/index.php?topic=403693>

Question 4

The term "window of opportunity," as discussed in Chapter 2, describes the time period in which a firm can:

- A) hire new employees
- B) get government approval for a regulated product or service
- C) obtain funding or financing
- D) obtain patent protection for a new product
- E) realistically enter a new market

Answer: <https://biology-forums.com/index.php?topic=403212>

Question 5

A company's _____ defines the products and markets on which it will concentrate.

- A) product/market scope
- B) tactical analysis
- C) basis of differentiation
- D) supplier/buyer scope
- E) business mission

Answer: <https://biology-forums.com/index.php?topic=403867>

Question 6

What is a business angel? Describe the prototypical business angel. How much money do business angels typically invest in a single company?

Answer: <https://biology-forums.com/index.php?topic=403357>

Question 7

What are the two primary rules of thumb for determining whether intellectual property protection should be pursued for a particular intellectual asset?

Answer: <https://biology-forums.com/index.php?topic=403669>

Question 8

According to the textbook, the _____ are the heart of the financial section of a business plan.

- A) break-even analyses
- B) budgets
- C) financial ratios
- D) pro forma financial statements
- E) sources and uses of funds statements

Answer: <https://biology-forums.com/index.php?topic=403604>

Question 9

The five stages of the creative process include preparation, incubation, insight, evaluation, and elaboration.

- [br]Is this statement true or false? ??? [br][br]A) True
B) False

Answer: <https://biology-forums.com/index.php?topic=403324>

Question 10

Describe what a joint venture is. Identify the two types of joint ventures.

Answer: <https://biology-forums.com/index.php?topic=403982>

Question 11

Bootstrapping is the use of creativity, ingenuity, and any means possible to obtain resources other than borrowing money or raising capital from traditional sources.

- [br]Is this statement true or false? ??? [br][br]A) True
B) False

Answer: <https://biology-forums.com/index.php?topic=403318>

Question 12

A(n) _____, which is intended to be a blueprint for a company's operations, is 40-100 pages long and is meant primarily for an internal audience.

- A) tactical business plan
- B) operational business plan
- C) full business plan
- D) summary business plan
- E) deliberate business plan

Answer: <https://biology-forums.com/index.php?topic=403554>

Question 13

Innovation is the process of creating something new, which is central to the entrepreneurial process.

- [br]Is this statement true or false? ??? [br][br]A) True
B) False

Answer: <https://biology-forums.com/index.php?topic=403185>

Question 14

The What Went Wrong? feature in Chapter 6 focuses on iContact, a company that set out to build a mobile social network. iContact failed because:

- A) it couldn't find a way to distribute its product
- B) it didn't have a coherent core strategy
- C) it couldn't motivate its suppliers or customers to participate at a sufficient scale to make the business profitable
- D) of a complete misread of its customers
- E) of utterly unsound economics

Answer: <https://biology-forums.com/index.php?topic=403857>

Question 15

According to a recent PricewaterhouseCoopers survey, a total of _____ of the 245 CEOs surveyed reported that a lack of qualified workers is a potential barrier to growth for their firms.

- A) 30 percent
- B) 10 percent
- C) 40 percent
- D) 20 percent
- E) 50 percent

Answer: <https://biology-forums.com/index.php?topic=403101>

Question 16

There are four factors that determine the threat of new entrants: number and balance of competitors, degree of difference between products, growth rate of an industry, and level of fixed costs.

[br]Is this statement true or false? ??? [br][br]A) True

B) False

Answer: <https://biology-forums.com/index.php?topic=403785>

Question 17

A mature industry is an industry that is experiencing slow increases in demand, numerous repeat customers, and limited product innovation.

[br]Is this statement true or false? ??? [br][br]A) True

B) False

Answer: <https://biology-forums.com/index.php?topic=403797>

Question 18

The percentage of the profits the venture capitalist gets is called the "hire."

[br]Is this statement true or false? ??? [br][br]A) True

B) False

Answer: <https://biology-forums.com/index.php?topic=403333>

Question 19

Which of the following was not identified in the textbook as an attribute of an effective board of directors?

A) strong communication with the CEO

B) homogeneous set of experiences and talents

C) customer-focused point of view

D) decisiveness

E) ability and willingness to stand up to the CEO and top managers of the firm

Answer: <https://biology-forums.com/index.php?topic=403139>

Question 20

The first sale of stock by a firm to the public is referred to as an:

A) original public submission

B) preemptive initial offering

C) original open offering

D) initial public offering

E) first unrestricted offering

Answer: <https://biology-forums.com/index.php?topic=403276>