

## Chapter 01 The Entrepreneurial Life

### The Entrepreneurial Life

1. The universally accepted definition of the term small business is based on the number of people employed by the firm.
  - a. True
  - b. False

*ANSWER:* False

2. According to the text, the term entrepreneur refers to small business founders only.
  - a. True
  - b. False

*ANSWER:* False

3. The term bootstrapping refers to the practice of bartering rather than buying with cash or credit.
  - a. True
  - b. False

*ANSWER:* False

4. Entrepreneurs should avoid hiring mediocre people.
  - a. True
  - b. False

*ANSWER:* True

5. Successful entrepreneurs should be aware of their strengths and weaknesses and be willing to strive toward goals.
  - a. True
  - b. False

*ANSWER:* True

6. Compared to large corporations, small businesses
  - a. play just as important if not a larger part in the economy.
  - b. represent less than 1 percent of all firms with employees.
  - c. account for 55 percent of private payrolls.
  - d. generated 20-40 percent of all new jobs in the last decade.

*ANSWER:* a

7. Which of the following types of businesses makes up the largest sector of the US economy?
  - a. small business
  - b. microbusiness
  - c. lifestyle business
  - d. attractive small firm

*ANSWER:* c

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8. According to the text, managers who buy out founders of existing firms may be classified as entrepreneurs.
- a. True
  - b. False

*ANSWER:* True

9. Franchisees could be considered to be limited entrepreneurs because they have a contract with a franchising organization.
- a. True
  - b. False

*ANSWER:* True

10. An entrepreneurial team consists of the owner, the financier, and one key employee.
- a. True
  - b. False

*ANSWER:* False

11. Which of the following sectors is one where women-owned businesses are performing especially well?
- a. real estate
  - b. marketing
  - c. financial services
  - d. healthcare

*ANSWER:* d

12. The mission of XYZ Company is to reduce landfill waste by recycling plastic containers into other useful products. XYZ Company is a social entrepreneurship.
- a. True
  - b. False

*ANSWER:* True

13. Many small business owners fail to identify and capture new opportunities to grow their businesses.
- a. True
  - b. False

*ANSWER:* True

14. Josie's position was eliminated when the company moved its operations to another state so she started her own business. Josie is a reluctant entrepreneur.
- a. True
  - b. False

*ANSWER:* True

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15. A primary reason for becoming an entrepreneur should be to create a product or service that improves the lives of customers.
- a. True
  - b. False

*ANSWER:* True

16. Xavier had many ideas about new products but no one in his corporation seemed interested. So Xavier left and founded his own company to create these new products. Xavier is a corporate refugee.
- a. True
  - b. False

*ANSWER:* True

17. The primary motivation for starting a new business should be to make as much money as possible.
- a. True
  - b. False

*ANSWER:* False

18. Most entrepreneurs work shorter hours in their own businesses than they did when working for someone else because they have no boss to report to.
- a. True
  - b. False

*ANSWER:* False

19. Self-employed people are less likely to be millionaires than are those who work for others.
- a. True
  - b. False

*ANSWER:* False

20. According to Stephen Covey, if we want to make important changes in our lives, we need to change from the inside out.
- a. True
  - b. False

*ANSWER:* True

21. A paradigm shift is:
- a. when you move capital
  - b. a change in opportunity
  - c. a change in how we fundamentally see a situation
  - d. a reorganization of a company

*ANSWER:* c

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22. The entrepreneur personality thinks in terms of opportunities rather than skills.
- a. True
  - b. False

*ANSWER:* True

23. Good customer service can be provided by a business of any size but small entrepreneurial companies do it better.
- a. True
  - b. False

*ANSWER:* True

24. An entrepreneurial legacy is limited to the tangible assets of the business.
- a. True
  - b. False

*ANSWER:* False

25. Adam has contracted with about a third of the dozens of artisans in his town in the mountains of South Carolina. His reputation has grown; he now believes the sky's the limit for this web page design and maintenance business. What kind of small business does Adam have?
- a. lifestyle business
  - b. microbusiness
  - c. high-potential venture
  - d. attractive small firm

*ANSWER:* c

26. Small businesses that have great prospects for growth are called:
- a. gorillas.
  - b. antelopes.
  - c. jaguars.
  - d. gazelles.

*ANSWER:* d

27. By the time Jobs and Wozniak had moved out of the garage and into their first production facility, the business would have been labeled as a(n):
- a. high-potential venture.
  - b. attractive small firm.
  - c. microbusiness.
  - d. lifestyle business.

*ANSWER:* b

28. A firm that provides substantial profits to its owner is called a(n):
- a. franchise.
  - b. high-potential venture.
  - c. attractive small firm.
  - d. lifestyle business.

*ANSWER:* c

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29. Bailey works as a self-employed golf pro at the local country club, allowing him to spend more time with his young family. He'll never earn much but he and his family are happy. Which type of small business does Bailey have?
- a. gazelle
  - b. attractive small firm
  - c. microbusiness
  - d. lifestyle business

ANSWER: d

30. Carmen operates a franchise tanning salon. Negative publicity about the effects of tanning has diminished her ability to grow the business. Carmen has a(n):
- a. high-potential venture.
  - b. attractive small firm.
  - c. lifestyle business.
  - d. microbusiness.

ANSWER: d

31. Which of the following best fits the definition of a small business?
- a. A manufacturer with 75 investors
  - b. A hardware store franchise with 20 employees
  - c. A fast food franchise with locations in three states
  - d. A campground with gross revenues of \$4 million per year.

ANSWER: b

32. Using the criteria in the text to define a small business, *Table Occasions* will not be considered a small business once the company:
- a. is financed by three individuals.
  - b. has sales greater than 20% of other firms in the industry.
  - c. is operating in numerous states.
  - d. has 50 employees.

ANSWER: c

33. Devon believes now is the time to launch his welding business since the only competitor has just announced his retirement. Devon has identified:
- a. an entrepreneurial opportunity.
  - b. a bootstrap opportunity.
  - c. a small business opportunity.
  - d. a lifestyle business opportunity.

ANSWER: a

34. Eduardo took out a second mortgage on his home to finance his new business. He makes all the decisions and keeps all the profits. Eduardo is:
- a. bootstrapping.
  - b. an entrepreneur.
  - c. an administrator.
  - d. a partner.

ANSWER: b

35. Francesca convinced her aunt to invest in her day spa in exchange for a percentage of the profits. Francesca is:
- a. taking advantage of her aunt.
  - b. capitalizing on an opportunity.
  - c. conserving her own resources.
  - d. bootstrapping.

ANSWER: d

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36. Geraldo often would rather go fishing than work his business. Geraldo lacks:
- a. commitment.
  - b. leadership.
  - c. creativity.
  - d. tolerance of risk.

*ANSWER:* a

37. A prospective entrepreneur is evaluating the suitability of his own characteristics for an entrepreneurial career. He realizes that he should be prepared to assume:
- a. moderate risks.
  - b. no risks--that is, he should plan to operate conservatively.
  - c. risks similar to those a gambler assumes in Las Vegas.
  - d. psychological risks but not financial risks.

*ANSWER:* a

38. Henry is well respected by his employees. He models the highest integrity and encourages teamwork. What attribute does Henry display?
- a. determination
  - b. leadership
  - c. risk tolerance
  - d. motivation

*ANSWER:* b

39. Isabella overheard her customers discussing their desire for more baked treats suitable for diabetics. Immediately she added sugar-free items to her inventory. Isabella has strong:
- a. creativity.
  - b. leadership.
  - c. opportunity obsession.
  - d. risk tolerance.

*ANSWER:* c

40. Jasper is so convinced he will succeed he has mortgaged his home, maxed out his credit cards, and borrowed from his retirement savings to finance his business. Jasper is:
- a. high in commitment.
  - b. high in leadership.
  - c. high in creativity.
  - d. high in risk tolerance.

*ANSWER:* d

41. Kevin developed a clever marketing campaign that increased his sales by 48%. Kevin is high in:
- a. commitment.
  - b. leadership.
  - c. creativity.
  - d. risk tolerance.

*ANSWER:* c

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42. Lance has set for his business the goal of increasing revenues by 20% and profits by 15% by the end of the year. Lance is likely high in:
- a. risk tolerance.
  - b. opportunity obsession.
  - c. leadership.
  - d. motivation to excel.

*ANSWER:* d

43. Martina expected to build her direct sales business to the point that she can quit her day job after six months. Five months later she barely has any customers. Martina:
- a. has overestimated what she can do.
  - b. knows her market well.
  - c. is a domineering manager.
  - d. should take on a partner.

*ANSWER:* a

44. Natalie enjoyed yarn crafts so she opened a yarn and craft store in her small town. Sales have been dismal; few people visit her store. What mistake did Natalie make?
- a. She overestimated what she could do.
  - b. She lacked an understanding of the market.
  - c. She hired mediocre people
  - d. She failed to share ownership.

*ANSWER:* b

45. Oscar wants everything in his restaurant to be perfect so he points out every little mistake his servers make. He has high turnover among his staff. Why?
- a. Oscar is a domineering manager
  - b. Oscar is not a team player.
  - c. Oscar lacks risk tolerance.
  - d. Oscar does not know his market.

*ANSWER:* a

46. Lucien recently opened a shop to repair antique furniture. Which of the following best describes Lucien?
- a. founder
  - b. general manager
  - c. franchisee
  - d. two of the above are correct.

*ANSWER:* a

47. Pauley launched a new business designing and producing embroidered goods. Pauley is:
- a. a founder.
  - b. an entrepreneur.
  - c. both a founder and an entrepreneur.
  - d. neither a founder nor an entrepreneur.

*ANSWER:* c

48. Raold operates a fast-food restaurant. He is under contract to the organization under whose name he does business. The contract limits what Raold can do with his business. Raold is a:
- a. franchisor.
  - b. franchisee.
  - c. contract employee.
  - d. partner in an LLC.

*ANSWER:* b

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49. Bill Gates and Steve Ballmer, founders of Microsoft, would be considered:

- a. franchisors.
- b. franchisees.
- c. an entrepreneurial team
- d. sole proprietors.

*ANSWER: c*

50. Sabrina has figured out how to recycle clear plastic bottles into woven fabric and has launched a new business. Sabrina is:

- a. an entrepreneurial team member.
- b. a social entrepreneur.
- c. risk averse.
- d. a franchisee.

*ANSWER: b*

51. Sally, a single mother, opened a florist shop to support her family after losing her job in a corporate layoff. She is a(n)

- a. woman without a portfolio.
- b. parental refugee.
- c. reluctant entrepreneur.
- d. independent refugee.

*ANSWER: c*

52. When a Fortune 500 business lays off workers, some displaced employees may decide to start their own businesses. They are best described as

- a. foreign refugees.
- b. welfare profiteers.
- c. corporate entrepreneurs.
- d. reluctant entrepreneurs.

*ANSWER: d*

53. Tatiana was laid off from her manufacturing job and in desperation launched a business providing transportation services for the non-drivers in her community. We would classify Tatiana as:

- a. a social entrepreneur.
- b. a creative entrepreneur.
- c. a corporate refugee.
- d. a reluctant entrepreneur.

*ANSWER: d*

54. The daughter of the owner of a large business disliked her father's criticism and eventually decided to quit the family business and start her own business. The daughter is a

- a. corporate opportunist.
- b. gazelle.
- c. reluctant entrepreneur.
- d. corporate refugee.

*ANSWER: d*

55. Ursula feels trapped in her dead-end job in a large corporation. She daydreams about opening her own boutique at the seashore. Ursula is:

- a. a social entrepreneur.
- b. a reluctant entrepreneur.
- c. a corporate refugee.
- d. a bureaucrat.

*ANSWER: c*

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56. Lydia works as a senior network administrator and is dissatisfied with the stifling bureaucratic environment of her job. She is considering venturing out on her own as a consultant. If she carries through with her intentions, she would be considered a(n)
- a. corporate pariah
  - b. entrepreneurial dilettante
  - c. bureaucratic emigrant
  - d. corporate refugee

*ANSWER:* d

57. The first goal of an entrepreneur should be:
- a. to meet financial goals.
  - b. to maximize shareholder wealth.
  - c. to operate the business ethically.
  - d. to create a product or service that improves the lives of others.

*ANSWER:* d

58. Vincent's business has grown; he now employs 14 people. He enjoys teaching new employees the skills they need to make his products. One of Vincent's reasons for being in business for himself is:
- a. personal satisfaction.
  - b. independence.
  - c. financial rewards.
  - d. being the best he can be.

*ANSWER:* a

59. A camera hobbyist starts a photographic supplies store. The most obvious reward for this entrepreneur is the opportunity to:
- a. serve other photography enthusiasts.
  - b. enjoy satisfying work.
  - c. be independent.
  - d. work with people.

*ANSWER:* b

60. A prospective entrepreneur wants to find a career doing what she enjoys most. She might be drawn to try an entrepreneurial venture
- a. to enjoy satisfying work.
  - b. for substantial long-term profits.
  - c. to have freedom from a managerial hierarchy.
  - d. for a sense of self-esteem.

*ANSWER:* a

61. Valerie has been described as a "free spirit." She has tolerated but seldom appreciated parental, academic, or even job authority. The factor most likely to lure her to entrepreneurship is
- a. profit opportunities.
  - b. freedom to operate independently.
  - c. enjoyment of doing what she likes to do.
  - d. satisfaction in serving the community through the business.

*ANSWER:* b

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62. Walter wanted to be able to make decisions about issues that directly affected his department but in his corporation, the managers made all the decisions. So Walter left the corporation and started his own firm. Walter was looking for:
- a. personal fulfillment.
  - b. personal satisfaction.
  - c. independence.
  - d. financial rewards.

*ANSWER: c*

63. A significant number of entrepreneurs are motivated by
- a. an easy life.
  - b. financial rewards.
  - c. freedom from long hours.
  - d. job security.

*ANSWER: b*

64. A corporate manager chafes under red tape and bureaucratic regulations until finally deciding to start a separate business. The apparent reward he seeks is
- a. community service.
  - b. a satisfying way of life.
  - c. independence.
  - d. the satisfaction of working with people.

*ANSWER: c*

65. Xavier believed his labor was only making others rich while he struggled from paycheck to paycheck. He started his own small business and now labors only for himself. Xavier's motivation is:
- a. personal fulfillment.
  - b. personal satisfaction.
  - c. independence.
  - d. financial rewards.

*ANSWER: d*

66. Zelda worked for years in a medical clinic as a biller and coder. Now she operates her own billing service for several doctors. Zelda has a(n) \_\_\_\_\_ personality.
- a. technician
  - b. manager
  - c. entrepreneur
  - d. artisan

*ANSWER: a*

67. Although Abner started the business by making his own product, his greater talent is planning for the future and arranging for growth. Abner has a(n) \_\_\_\_\_ personality.
- a. technician
  - b. manager
  - c. entrepreneur
  - d. opportunistic

*ANSWER: b*

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68. Ben seems to have the Midas touch. He can recognize opportunity where others see only problems. His focus is on creating solutions for customers. Ben has a(n) \_\_\_\_\_ personality.
- a. technician
  - b. manager
  - c. entrepreneur
  - d. opportunistic

*ANSWER: c*

69. Calvin knew his small local hardware could not compete on price with the big-box discounters so he began offering classes for new homeowners and found other ways to provide services the bigger stores don't. Calvin's competitive edge is:
- a. customer focus.
  - b. quality performance.
  - c. innovation
  - d. niche markets.

*ANSWER: a*

70. Darlene was disappointed with mass-produced children's clothing that fell apart after a couple washings so she and her few employees began making garments that would hold together until they were outgrown. Darlene's competitive edge is:
- a. customer focus.
  - b. quality performance.
  - c. niche markets.
  - d. integrity and responsibility.

*ANSWER: b*

71. Legend holds that Abraham Lincoln walked miles to return two cents change to a customer. His actions demonstrate:
- a. customer focus.
  - b. quality performance.
  - c. integrity and responsibility.
  - d. social entrepreneurship.

*ANSWER: c*

72. Entrepreneurs are more likely than large corporations to capitalize on innovations because:
- a. entrepreneurs have more time to be creative.
  - b. larger corporations must satisfy stockholders and cannot take risks.
  - c. entrepreneurs are more likely to find grants for research.
  - d. larger corporations may be too focused on existing products.

*ANSWER: d*

73. Evelyn opened a small boutique catering to a very narrowly defined target market. Evelyn's competitive edge is:
- a. the niche market.
  - b. customer focus.
  - c. quality performance.
  - d. innovation.

*ANSWER: a*

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74. Flora built her business from two employees to over 2,000 during her 30 years in business. She was able to endow a scholarship fund to the community college and to leave her children a perpetual income. We call this her:
- a. corporate responsibility.
  - b. social mission.
  - c. good citizenship.
  - d. entrepreneurial legacy.

*ANSWER:* d

75. Garner places great emphasis on operating his business to the highest standards of honesty and ethics. Garner likely believes:
- a. the end justifies the means.
  - b. how you achieve is as important as what you achieve.
  - c. the customer is always right.
  - d. good guys finish last.

*ANSWER:* b

76. Sometimes entrepreneurs spend so much time and energy building the business that relationships are destroyed. Which phrase best describes this misfortune?
- a. Some sacrifices are necessary for the greater good.
  - b. You've got to give a little to get a little.
  - c. What goes around comes around.
  - d. It's possible to score points in the wrong game.

*ANSWER:* d

77. Discuss similarities and differences of entrepreneurs and small business owners.

*ANSWER:* An entrepreneur pursues opportunities in either new or existing businesses to create value. Depending on the size of his/her business, an entrepreneur may also be a small business owner in that a generalized definition of a small business is one with localized operations, fewer than 100 employees, and financing provided by no more than a few individuals. With proper application of entrepreneurial principles, a small business owner may actually grow his/her company enough to be larger than this definition.

78. Explain the nature of and differences among microbusinesses, attractive small firms, and high-potential ventures.

*ANSWER:* Microbusinesses provide only a very limited return to their owners. Such firms may be consistently unable to generate much profit; however, they are not necessarily failing. Attractive small firms offer substantial profit but not spectacular rewards. High-potential (or *gazelle*) ventures are those like Dell and Microsoft, which can turn entrepreneurs into multimillionaires. Of course, they also include less spectacular successes that still earn very high profits.

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79. Malinda wants to start a restaurant in her city of about 50,000 people. There are already 325 restaurants in this city. Malinda's reasons include that she is a good cook who enjoys working in the kitchen and she wants to involve her three children aged 9 to 15 in the venture. She has not decided what types of foods she will offer.

If Malinda launches this business, do you think it will succeed? Why or why not? What advice would you give her?

*ANSWER:* Students may argue either position. The business can succeed if Malinda refines her idea to identify an under-served market. Whatever she offers must appeal to enough customers to provide sufficient revenues to sustain the business and earn a profit for Malinda. State and federal child labor laws will likely bar her younger children from working in the restaurant, however.

There is a huge difference between cooking at home and cooking for customers. Malinda may become weary of "working in the kitchen" when she has to do it 10-12 hours per day for perhaps six days per week, particularly when she cannot have her younger children with her. Without a clearly defined entrepreneurial opportunity, the venture may fail.

*Advice:* Malinda should research the local market to determine who her customers might be and what they want to eat before launching her business. She should identify whether the idea is economically feasible and whether she can create value for her customers.

80. Define entrepreneurial opportunity. Using one of the three success stories in Section 1-2b, explain how the owners identified their opportunity.

*ANSWER:* An entrepreneurial opportunity is an economically attractive and timely opportunity that creates value for a potential customer and the company owners. After the entrepreneur has the idea, then the product or service must appeal to the prospective customer.

*Kelly's Delight:* Patrick Linstrom had an idea for a product to sell, all-natural liquid cane sugar. He listened to feedback from local customers to create a salable delivery tool for the product at a price point they were willing to pay.

*Blank Label:* Fan Bi recognized a need for custom-tailored men's clothing at a mass-produced price. Their website attracts business professionals who design their own shirts for a price much lower than custom-tailored ones, thus creating value for these customers. Then, recognizing customers' need to touch products before making a purchase, they opened several stores, satisfying that customer need and adding to their sales.

*Hughes Group LLC:* Military vet Patrick Hughes Sr. saw an opportunity to provide his logistics expertise to the government on a contract basis and used his experience with the military to help him identify what kind of expertise they needed.

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81. List and briefly explain the six categories of “desirable and acquirable attitudes and behaviors” found in Spinelli’s and Adams’ research on entrepreneurial characteristics.

*ANSWER:*

1. *Commitment and determination.* Such entrepreneurs are tenacious, decisive, and persistent in problem solving.
2. *Leadership abilities.* Such entrepreneurs are self-starters and team builders and focus on honesty in their business relationships.
3. *Opportunity obsession.* Such entrepreneurs are aware of market and customer needs.
4. *Tolerance of risk, ambiguity, and uncertainty.* Such entrepreneurs are risk takers, risk minimizers, and tolerant of uncertainty.
5. *Creativity, self-reliance, and adaptability.* Such entrepreneurs are open-minded, flexible, uncomfortable with the status quo, and quick learners.
6. *Motivation to excel.* Such entrepreneurs are goal-oriented and aware of their weaknesses and strengths.

82. Identify the six attitudes and behaviors entrepreneurs should avoid. For each, explain the likely result of engaging in that behavior or holding that attitude. Simply saying “the business will likely fail” is insufficient.

*ANSWER:*

1. *Overestimate what you can do.* Those who take on too much will find they do not have enough time to perform well in each activity. Something promised may not happen, upsetting customers and/or employees. Setting goals too high and then failing to meet them can be discouraging to the entrepreneur and disappointing to other stakeholders.
2. *Lack an understanding of the market.* This can lead to an overestimation of revenues and overspending, resulting in cash flow problems. Customers will purchase only those products and services that meet their needs.
3. *Hire mediocre people.* Customers delight in stellar customer service and better-than-expected products. Mediocre people turn out mediocre work which can disappoint customers and cause them to make their next purchases from a competitor.
4. *Fail to be a team player.* Employees do not enjoy working for prima donnas. Building a business requires commitment from everyone in the organization, including the entrepreneur. Failure to be a team player can drive away the best employees, leaving the entrepreneur with the mediocre workers.
5. *Be a domineering manager.* It is very easy for the founder to become a micro-manager. But the founder must accept that his/her solution is not the only good one. Employees also have good ideas that deserve a hearing. Dominating employees can drive them to the competition, leaving again only the mediocre workers.
6. *Fail to share ownership in the business in an equitable way.* Those who do the work should reap the rewards. These rewards need not be in the form of stock or partnerships, but some generous recognition of the contribution of key employees is necessary to retain the best.

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83. Explain the advantages of a social entrepreneurship. Give an example of such a business.

*ANSWER:* A social entrepreneurship is a business with an embedded social purpose. Customers are rewarding them with their business in support of the company's social missions. As public awareness increases, so do the opportunities presented to entrepreneurs to capitalize on consumers' desires to protect the planet.

One example of such a business is Farmland LP, a startup equity firm that acquires conventional farmland and converts it to organic. Other examples are companies that produce non-disposable products to replace paper or plastic, then donate some of their profits to activities that improve the lives of people in underdeveloped countries.

84. Identify and explain the four fundamental reasons entrepreneurs own their own businesses.

*ANSWER:* *Personal fulfillment:* Persons who feel the need to contribute to make a difference in their community by giving back are drawn to entrepreneurship because of this reward.

*Personal satisfaction:* The lifestyle provided by some independent business ventures is inherently enjoyable. The hobbyist who goes into business illustrates this fact.

*Independence:* This reward involves a desire to be one's own boss and avoid having others tell one what to do.

*Financial rewards:* The desire to make money is a factor in most ventures, but it is thought to be less significant than independence as an overall driving force. However, it can provide powerful motivation for some individuals.

85. Explain the difference between personal fulfillment and personal satisfaction as an entrepreneurial motivation.

*ANSWER:* Personal fulfillment refers to helping others by giving back to the community and/or providing products and services that make life better. It is the idea of making the world a better place. Personal satisfaction has more to do with finding joy in the work or making a dream come true. It is finding pleasure in the activities related to the work.

86. Explain how a small business can be more innovative than a large firm.

*ANSWER:* Research departments of big businesses tend to emphasize the improvement of existing products. Creative ideas may be sidetracked because they are not related to existing products or because they are unusual. Smaller companies do not have these disadvantages.

- a. attractive small firm
- b. corporate refugee
- c. entrepreneur personality
- d. entrepreneurial opportunity
- e. founder
- f. high-potential venture
- g. manager personality
- h. microbusiness
- i. niche market

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- j. reluctant entrepreneur
  - k. social entrepreneurship
  - l. technician personality
87. A person who becomes an entrepreneur to escape an undesirable job situation
- ANSWER: b*
88. A personality that is pragmatic and likes order and planning operations
- ANSWER: g*
89. An economically attractive and timely opportunity that creates value for interested buyers or end users
- ANSWER: d*
90. A specific group of customers with an identifiable but narrow range of product or service interests
- ANSWER: i*
91. A small firm that provides substantial profits to its owner
- ANSWER: a*
92. Entrepreneurial activity whose goal is to find innovative solutions to social needs, problems, and opportunities
- ANSWER: k*
93. A small firm that has great prospects for growth
- ANSWER: f*
94. A person who becomes an entrepreneur as a result of some hardship
- ANSWER: j*
95. An entrepreneur who brings a new firm into existence
- ANSWER: e*
96. A small firm that provides minimal profits to its owner
- ANSWER: h*
97. A personality that focuses on the business as a whole and providing results for the customer
- ANSWER: c*
- a. bootstrapping
  - b. entrepreneur
  - c. entrepreneurial legacy
  - d. entrepreneurial team
  - e. franchisee
  - f. gazelle
  - g. lifestyle business

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- h. mentor
  - i. microloans
  - j. paradigm shift
  - k. small business
  - l. technician personality
98. Material assets and intangible qualities passed on to both heirs and society  
*ANSWER: c*
99. Very small loans, often provided to entrepreneurs in developing countries  
*ANSWER: i*
100. Two or more people who work together as entrepreneurs on one endeavor  
*ANSWER: d*
101. A change in how we fundamentally see a situation  
*ANSWER: j*
102. A person who relentlessly pursues an opportunity, in either a new or an existing business  
*ANSWER: b*
103. A business with growth potential that is small compared to large companies in an industry, has geographically localized operations, and is financed by only a few individuals  
*ANSWER: k*
104. A knowledgeable person who can offer guidance based on experience in a given field  
*ANSWER: h*
105. An entrepreneur whose power is limited by a contractual relationship with an organization  
*ANSWER: e*
106. A personality that focuses on an already developed technical skill, wants to be left alone to get the job done, and is primarily concerned about the present  
*ANSWER: l*
107. A microbusiness that permits the owner to follow a desired pattern of living  
*ANSWER: g*
108. Doing more with less in terms of resources invested in a business  
*ANSWER: a*