

Test Bank For

small Business Management Launching & Growing Entrepreneurial Ventures 19th Edition by Justin G. Longenecker, J. William Petty, Leslie E. Palich, Frank Hoy

Chapter 1-23

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

POINTS: 1

DIFFICULTY: Easy

REFERENCES: 1-2 Small Business and Entrepreneurship Go Together

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2

NATIONAL STANDARDS: United States - BUS PROG: Promotion
United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic

TOPICS: Creation of Value

KEYWORDS: Bloom's: Understand

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2. There is no single definition of *entrepreneurship*.
- a. True
 - b. False

ANSWER: True

POINTS: 1

DIFFICULTY: Easy

REFERENCES: 1-2 Small Business and Entrepreneurship Go Together

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2

NATIONAL STANDARDS: United States - BUS PROG: Promotion
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3. An entrepreneur who bootstraps would resort to bartering or using a personal credit card.

- a. True
- b. False

ANSWER: True

POINTS: 1

DIFFICULTY: Moderate

REFERENCES: 1-2 Small Business and Entrepreneurship Go Together

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2

NATIONAL STANDARDS: United States - BUS PROG: Promotion
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TOPICS: Operations Management

KEYWORDS: Bloom's: Remember

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4. Entrepreneurs should avoid hiring mediocre people.

- a. True
- b. False

ANSWER: True

POINTS: 1

DIFFICULTY: Easy

REFERENCES: 1-2 Small Business and Entrepreneurship Go Together

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2

NATIONAL STANDARDS: United States - BUS PROG: Promotion
United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic

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5. Research departments of big businesses tend to focus on innovating and creating new products.

- a. True
- b. False

ANSWER: False

POINTS: 1

DIFFICULTY: Easy

REFERENCES: 1-3 Can a Small Company Really Compete with Big Companies?

QUESTION TYPE: True / False

HAS VARIABLES: False
LEARNING OBJECTIVES: SMAL.LONG.20.01.03 - LO: 1-3
NATIONAL STANDARDS: United States - BUS PROG: Promotion
United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
TOPICS: Operations Management
KEYWORDS: Bloom's: Remember
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6. Managers who buy out founders of existing firms may be classified as entrepreneurs.

- a. True
- b. False

ANSWER: True
POINTS: 1
DIFFICULTY: Easy
REFERENCES: 1-2 Small Business and Entrepreneurship Go Together
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2
NATIONAL STANDARDS: United States - BUS PROG: Promotion
United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
TOPICS: Creation of Value
KEYWORDS: Bloom's: Remember
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7. Franchisees have limited power because they have a contract and relationship with a franchising organization.

- a. True
- b. False

ANSWER: True
POINTS: 1
DIFFICULTY: Moderate
REFERENCES: 1-2 Small Business and Entrepreneurship Go Together
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2
NATIONAL STANDARDS: United States - BUS PROG: Promotion
United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
TOPICS: Operations Management
KEYWORDS: Bloom's: Understand
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8. An entrepreneurial team consists of the owner, the financier, and one key employee.

- a. True
- b. False

ANSWER: False

POINTS: 1

DIFFICULTY: Moderate

REFERENCES: 1-2 Small Business and Entrepreneurship Go Together

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2

NATIONAL STANDARDS: United States - BUS PROG: Promotion
United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic

TOPICS: Operations Management

KEYWORDS: Bloom's: Remember

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9. The mission of XYZ Company is to reduce landfill waste by recycling plastic containers into other useful products. XYZ Company is a social entrepreneur.

- a. True
- b. False

ANSWER: True

POINTS: 1

DIFFICULTY: Easy

REFERENCES: 1-2 Small Business and Entrepreneurship Go Together

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: SMAL.LONG.20.01.02 - LO: 1-2

NATIONAL STANDARDS: United States - BUS PROG: Promotion
United States - BUS PROG: Reflective Thinking

TOPICS: Creation of Value

KEYWORDS: Bloom's: Apply

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10. The starting point of any competitive advantage is having a commitment to integrity.

- a. True
- b. False

ANSWER: True

POINTS: 1

DIFFICULTY: Moderate