Technology Ventures (Byers), **5e**
Chapter 1 Venture Opportunity and Strategy

1) Which of the following is the most critical component necessary to turn an idea into an enterprise?
A) A Viable Opportunity
B) Customer Need
C) Market Potential
D) Understanding of the Competitive Landscape

Answer: A
Accessibility: Keyboard Navigation

2) Is a good idea sufficient to ensure an entrepreneur's success?

Answer: FALSE
Accessibility: Keyboard Navigation

3) Which of the following best describes what entrepreneurship entails?
A) Running a Business
B) Creating Wealth
C) Taking Calculated Risks
D) Choosing your own hours

Answer: C
Accessibility: Keyboard Navigation

4) High-growth start-ups are almost twice as likely to be launched by people over 55 as by people between the ages of 20 and 34.

Answer: TRUE
Accessibility: Keyboard Navigation

5) Which of the following entrepreneurs has never held a title other than CEO?
A) Jeff Bezos
B) Steve Jobs
C) Elon Musk
D) None of the Above

Answer: D
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6) What was the entrepreneurial activity rate (the number of U.S. adults engaged in setting up or managing a new enterprise) between 1999 and 2015?
A) 12 percent
B) 2 percent
C) 7 percent
D) 10 percent

Answer: A
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7) Which of the five largest (by market capitalization) U.S. public companies received most of their early external funding from venture capital funds?
A) Apple
B) Berkshire Hathaway
C) Google/Alphabet Inc.
D) Microsoft

Answer: B
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8) The process by which new, creative firms disrupt existing markets could be called:
A) Dynamic Capitalism
B) Creative Destruction
C) Dynamic Disequilibrium
D) All of the Above

Answer: D
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9) The quantity of goods and services produced from the sum of all inputs is called:
A) Productivity
B) Economic System
C) Natural Capital
D) Entrepreneurial Commitment

Answer: A
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10) Human Capital is:
A) Minerals, fuels, energy, biological yield, or pollution absorption capacity
B) Financial assets, such as money, bonds, securities, and land
C) The combined knowledge, skills, and abilities in a population
D) The efficacy of management systems, and the relationships between various people and organizations

Answer: C
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11) Which of the following is not one of the elements of Intellectual Capital?
A) Human Capital
B) Financial Capital
C) Organizational Capital
D) Social Capital

Answer: B
Accessibility: Keyboard Navigation

12) Which of the following is not an example of an available input that the firm can transform into desired outputs?
A) Raw Materials
B) Products and Services
C) Financial Capital
D) Physical Assets

Answer: B
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13) For how many years did Facebook operate at a loss before becoming cash flow positive?
A) 1 year
B) 2 years
C) 3 years
D) 5 years

Answer: D
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14) Which of the following is not an element of the ability to overcome a challenge?
A) Able to start and grow organizations
B) Able to deal with a series of tough issues
C) Able to create solutions and work to perfect them
D) Able to handle many tasks simultaneously

Answer: A
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15) Which of the following is a negative factor that people use to determine whether to become entrepreneurs?
A) Self-realization: Recognition, achievement, status
B) Innovation: Creating something new
C) Risk: Potential for loss of income and wealth
D) Roles: Fulfilling family tradition, acting as leader

Answer: C
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16) Work environments with a lack of technical-excellence incentives can positively influence the entrepreneurial intentions of some employees.

Answer: TRUE
Accessibility: Keyboard Navigation

17) Which of the following is not a component of the utility function U as defined by Douglas and Shepherd, 1999:
A) Income
B) Risk
C) Reward
D) Independence

Answer: C
Accessibility: Keyboard Navigation

18) What is the value of an Entrepreneurial Attractiveness (EA) index where Income is high, Independence is medium, Work Effort is low, and Risk is 2?
A) 5
B) 2
C) 0
D) -3

Answer: A
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19) If an entrepreneur evaluates her existing job to have an EA of 2 and the value of a new venture to be 6, she shouldn't take the new venture.

Answer: FALSE
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20) In the first five years after Facebook's Initial Public Offering (IPO), by about what percentage did the value of the company increase?
A) 20 percent
B) 80 percent
C) 300 percent
D) 1000 percent

Answer: C
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