

109 – Entrepreneurship Development

1. What is the primary difference between an entrepreneur and an intrapreneur?

- a. Size of the organization they work for
- b. Source of funding for their ventures
- c. Ownership of the venture
- d. Location of their business

Answer: c. Ownership of the venture

2. Which term refers to an entrepreneur's ability to take calculated risks and innovate?

- a. Creativity
- b. Competitiveness
- c. Risk-taking propensity
- d. Business acumen

Answer: c. Risk-taking propensity

3. What characterizes a successful entrepreneur's approach towards failure?

- a. Fear and avoidance
- b. Acceptance and learning
- c. Denial and blame
- d. Quitting and giving up

Answer: b. Acceptance and learning

4. In the context of entrepreneurship, what does the term "Innovation" refer to?

- a. Replicating existing business models
- b. Introduction of new ideas, products, or processes
- c. Maintaining the status quo
- d. Traditional business practices

Answer: b. Introduction of new ideas, products, or processes

5. What role does an entrepreneur play in the economic development of India?

- a. Solely focusing on personal wealth creation
- b. Creating jobs and contributing to GDP growth
- c. Minimizing competition in the market
- d. Avoiding social responsibility

Answer: b. creating jobs and contributing to GDP growth

6. Which theory emphasizes the role of innovation in entrepreneurship?

- a. Theory of Profit by Knight
- b. Theory of Social Change by Everett Hagen
- c. Innovation Theory by Schumpeter
- d. X-Efficiency Theory by Lilienstein

Answer: c. Innovation Theory by Schumpeter

7. According to McClelland's Theory of High Achievement, what motivates entrepreneurs?

- a. Fear of failure
- b. Need for affiliation

- c. Desire for power and achievement
- d. Pursuit of material wealth

Answer: c. Desire for power and achievement

8. Which theory focuses on the inefficiencies that can arise in organizations?

- a. Theory of Profit by Knight
- b. X-Efficiency Theory by Leibenstein
- c. Theory of Social Change by Everett Hagen
- d. Innovation Theory by Schumpeter

Answer: b. X-Efficiency Theory by Leibenstein

9. According to Knight's Theory of Profit, what is the primary function of an entrepreneur?

- a. Minimizing risks
- b. Maximizing profits
- c. Social innovation
- d. Achieving personal satisfaction

Answer: a. Minimizing risks

10. Which theory links entrepreneurship to broader societal transformations?

- a. Theory of Profit by Knight
- b. Theory of Social Change by Everett Hagen
- c. X-Efficiency Theory by Leibenstein
- d. Innovation Theory by Schumpeter

Answer: b. Theory of Social Change by Everett Hagen

11. What is a key competency that entrepreneurs need to develop for success?

- a. Technical expertise only
- b. Financial literacy only
- c. Entrepreneurial competencies
- d. Educational qualifications only

Answer: c. Entrepreneurial competencies

12. What is the role of Entrepreneurship Development Programs (EDPs)?

- a. Encouraging risk aversion among entrepreneurs
- b. Providing financial assistance only
- c. Developing the necessary skills and mindset for entrepreneurship
- d. Exclusively focusing on large enterprises

Answer: c. Developing the necessary skills and mindset for entrepreneurship

13. Which organization plays a role in promoting entrepreneurs through mentoring?

- a. DIC
- b. SISI
- c. EDII
- d. NIESBUD

Answer: c. EDII

14. What does the Design Thinking process emphasize in entrepreneurship?

- a. Strict adherence to traditional business models
- b. Linear problem-solving
- c. Innovation and empathy
- d. Centralized decision-making

Answer: c. Innovation and empathy

15. What are the external problems that entrepreneurs might face in terms of research?

- a. Limited market opportunities
- b. Lack of skilled manpower
- c. Technological constraints
- d. All of the above

Answer: d. All of the above

16. What is a significant incentive provided by the government to promote entrepreneurship?

- a. Increased taxation
- b. Stringent regulations
- c. Export Oriented Units
- d. Limited support programs

Answer: c. Export Oriented Units

17. Why is the role of women entrepreneurs highlighted in entrepreneurship promotion?

- a. To create a gender imbalance

- b. To increase competition
- c. To address gender inequality and empower women
- d. To exclude men from entrepreneurship

Answer: c. To address gender inequality and empower women

18. What is the focus of Start Up India initiative?

- a. Promoting established businesses
- b. Encouraging large-scale industries
- c. Facilitating the growth of new and innovative ventures
- d. Restricting foreign investment

Answer: c. Facilitating the growth of new and innovative ventures

19. Which organization assists in the promotion of Small Scale Units (SSUs)?

- a. SISI
- b. NIESBUD
- c. NEDB
- d. DIC

Answer: a. SISI

20. What is the objective of Turnaround Strategies in entrepreneurship?

- a. Perpetuating failure
- b. Ignoring challenges
- c. Identifying and overcoming business challenges
- d. Limiting growth

Answer: c. Identifying and overcoming business challenges

21. What is the primary purpose of the Business Planning Process?

- a. To limit innovation
- b. To provide a rigid framework for business operations
- c. To guide entrepreneurial decision-making
- d. To exclude competitors

Answer: c. To guide entrepreneurial decision-making

22. What is the SWOT analysis used for in entrepreneurship?

- a. Identifying opportunities and threats
- b. Assessing internal strengths and weaknesses
- c. Analyzing the external business environment
- d. All of the above

Answer: d. All of the above

23. According to Porter's Five Forces Model, what determines the competitiveness of an industry?

- a. Market size only
- b. Bargaining power of suppliers and buyers, threat of new entrants, and rivalry among existing firms
- c. Product quality only
- d. Marketing strategies

Answer: b. Bargaining power of suppliers and buyers, threat of new entrants, and rivalry among existing firms

24. What does the Business Model Canvas help entrepreneurs with?

- a. Restricting business operations
- b. Detailed financial planning only
- c. Identifying key elements of a business and their relationships
- d. Focusing solely on product development

Answer: c. Identifying key elements of a business and their relationships

25. In entrepreneurship, what does "Opportunities at the bottom of the pyramid" refer to?

- a. Focusing only on the upper-class market
- b. Ignoring the lower-income population
- c. Identifying business opportunities among low-income consumers
- d. Restricting market reach

Answer: c. identifying business opportunities among low-income consumers