

# QUIZ

---

## Module 1: Create your Business

- 1) One of the most important attributes of an entrepreneur is creativity. How can we define it:
  - a. is the spark that drives the development of new products or services or ways to do business. It is the push for innovation and improvement. It is continuous learning, questioning, and thinking outside of prescribed formulas;
  - b. it comes from thorough planning, which reduces uncertainty and the level of risk. It also comes from expertise;
  - c. is the ability to create rules and to set goals. It is the capacity to follow through to see that rules are followed and goals are accomplished.
- 2) What is a business idea?
  - a. A business idea is a well developed financial planning in which we are able to show the performance of our business;
  - b. A business idea is a short and precise description of the basic operation of an intended business;
  - c. A Business idea is a vague description of value proposition without referring to external context and competitors
- 3) The cost leadership strategy calls for:
  - a. being the low cost producer in an industry for a given
  - b. the development of a product or service that offers unique attributes that are valued and prized by customers
  - c. Concentrates on a narrow segment and within that segment attempts to achieve the differentiation in term of value added activities
- 4) The Porter five competitive forces refer to:
  - a. Competitive rivalry;Threat of new entrants; Threat of substitutes; Bargaining power of suppliers and Bargaining power of customers
  - b. Strengths, Opportunity, Threats, Weakness and Competitive rivalry;
  - c. Primary activities, support activities, Competitive rivalry;Threat of new entrants and Threat of substitutes
- 5) The value Chain:
  - a. analyzes the relationship between the companies and its competitive environment with the aim to extract the competitive rivalry;
  - b. evaluates the customer segment as the first moment to develop the business model design;
  - c. evaluates which value each particular activity adds to the organizations products or services. Each activities within and around an organization, could be a sources of the competitive strength of the organization;
- 6) The SWOT Matrix:
  - a. identifies the switchstrategies and werehouse content of the organization, and opportunities and staff treatment present in the organization.
  - b. identifies the storm and value chain of the organization, and opportunities and value added present in the market that it operates in.
  - c. It identifies the strengths and weaknesses of the organization, and opportunities and threats present in the market that it operates in.

- 7) The marketing mix option refer to basically 4 Ps' that's mean the policies regarding:
  - a. Price, product, placement and promotion;
  - b. People, Preference, Plenary and Premonition;
  - c. Practice, Principle, Price and Preference.
- 8) A Business Model describes:
  - a. How an organization offers the value to its customers and illustrates the capabilities and resources required to create, market and deliver this value and to generate profitable, sustainable revenue streams;
  - b. How the customers is linked to an organization through the channels and we can extract value from the revenue without involve resources during the activities carried out;
  - c. How the value proposition is hidden to our customers through the channels
- 9) The multi side platform model requires:
  - a. Working with two or more independent entities;
  - b. The customers are all subsidized;
  - c. Free-riders are subsidized by others payers
- 10) The value proposition:
  - a. Refer to customer segment;
  - b. Refer to infrastructure management;
  - c. Is the central part of the business model Canvas;
- 11) Which are the differences between business model and business planning:
  - a. The concept coincide. Doing business model means doing business planning;
  - b. The business plan provides the details of your business. It takes the focus of the business model and builds upon it;
  - c. The business plan is a synthesis of a business model that is based upon financial projections
- 12) Which are the relationship between the marketing plan and the business plan:
  - a. The marketing plan is part of the business planning and represent a developing of the left side of the business model;
  - b. The marketing plan coincide with the business plan, so we are referring to the same content;
  - c. The marketing plan is composed after the business plan when we proposed our business to investors.
- 13) Which are the key financial items that should be included in a Financial Plan:
  - a. Profit and loss statement; Sales forecast; Personnel plan; business ratios and/or a break-even analysis;
  - b. Profit and loss statement; Cash flow statement; Balance sheet; business ratios and/or a break-even analysis;
  - c. Profit and loss statement; Cash flow statement; Balance sheet; Sales forecast; Personnel plan; business ratios and/or a break-even analysis.
- 14) Your business Gross Margin is:
  - a. Gross profit / net sales;
  - b. Gross profit + net sales;
  - c. Gross profit - net sales.

15) Cash flow refers to:

- a. Money flowing into business through the sale of assets, goods and services, or through refunds from suppliers, and the money flowing out due to payments to suppliers of raw materials or assets, or refunds requested by customers.
- b. Money entering the company via investment by the owners or shareholders, or investment via creditors in the form of loan.
- c. Money flowing through the proceeds of selling off assets (such as securities, equipment or property), or through the purchase of new assets.

16) The Balance Sheet is a key part of the Business Plan. Its most known principle is:

- a.  $\text{Equity} = \text{Liabilities} + \text{Assets}$ .
- b.  $\text{Assets} = \text{Liabilities} + \text{Equity}$ ;
- c.  $\text{Liabilities} = \text{Assets} + \text{Equity}$ .

17) As you are considering to start a business, it is of the highest importance to determine your budgetary needs. For that, you should write in your Financial Plan:

- a. The costs of doing business for the first 3 years, including essential one-time costs (price of your office, for example) + ongoing costs (utilities, insurances, ...);
- b. The costs of doing business for the first 5 years, including essential one-time costs (price of your office, for example) + ongoing costs (utilities, insurances, ...);
- c. The costs of doing business for the first 10 years, including essential one-time costs (price of your office, for example) + ongoing costs (utilities, insurances, ...).

18) To support those needs, you have several sources of income. Which one is **the most** important when you write your Plan?

- a. Loans, as they increase the amount of money that the company will have to spend with interests;
- b. Personal money, as the more I invest the less I'll have to ask.
- c. None of the above are correct.

19) If you would for a loan, what do you think it should be used for:

- a. To cover all the expenses I'll have to do;
- b. To cover mainly one-time costs;
- c. To cover only optional costs.