

UNIVERSITY OF EDUCATION, WINNEBA
DEPARTMENT OF SOCIAL STUDIES EDUCATION
END OF FIRST SEMESTER EXAMINATION (2019/2020)
Course Title: Entrepreneurship, Course Code: SSE 351

INSTRUCTIONS: Attempt all questions by circling the letter attached to the correct answers or writing the correct letter against the question where applicable.

Time allowed: 1hour 10mins

1. There are several loan facilities entrepreneurs can access but this particular one is short term loan that usually last for not more than five years and is often secured through collateral.
a. Term loan b. Demand Notes c. Revolving lines of credit d. Intermediate Term loan
2. Most beginning entrepreneurs lack the requisite capital to readily start their own businesses. As a result, they may make arrangement with manufacturers or whole-salers to get them the products to merchandise after which they take their profits and make payments at an agreed date. This type of financing is technically known as
a. Customer Credit b. Supplier credit c. Revolving lines of credit d. Leasing
3. Which of the following is an operation related funding?
a. Demand notes b. Leasing c. Term loans d. Revolving lines of credit
4. One of the main reasons why entrepreneurs go into equity funding is that.....
a. It gives room for sharing of profits b. It makes owners accountable to share holders c. it provides permanent capital for the business d. it guarantees higher business success

5. All the following are the main reasons why people start their own businesses except....

- Wanting to decide their own destiny
- for personal independence
- create employment for others
- earn higher income

6. As a nascent entrepreneur, what will be the main determining factor in deciding the goods to offer in a particular society?

- Income level of the people
- Needs of the people
- Profit level of the good in other societies
- Level of education of the society

7. All the following are the main reasons why people go into partnership except.....

- To pool resources together
- to access diversity of expertise
- to facilitate informed decisions regarding the business
- to creating and sharing of profits

8. Which of the following would you not consider as a pull factor into entrepreneurship?

- Perception of advantage
- Spotting of an opportunity
- Joblessness
- Government policies

9. Which of the following is not a type of entrepreneur under the use of technology?

- Technical entrepreneur
- Non-technical entrepreneur
- Corporate entrepreneur
- Professional entrepreneur

10. This entrepreneur cannot be classified according to entrepreneurs motivation.

- Pure entrepreneurs
- Modern entrepreneurs
- Induced entrepreneurs
- Spontaneous entrepreneurs

11. Kasablanka as young entrepreneur always decides his course of action and implement it as quickly as possible. In this case, Kasablanka could be described as

- Dreamer
- Decisive
- Devoted
- Doer

12. To succeed as an entrepreneur, you must be someone who does not easily give up when confronted by seemly unsurmountable obstacles. Which of the following attributes describe the above behaviour of the entrepreneur?

- Devotion
- Dedication
- Decisiveness
- Determination

13. Bird (1992) sees entrepreneurs as mercurial. This means entrepreneurs are
a. Meticulous b. Clever and prone to insights c. Determined d. Optimistic

14. I am an attribute of entrepreneurs. Entrepreneurs who possess me are able to respond quickly to changing market needs. I make entrepreneurs study the taste and demand of customers in order to respond quickly to their needs. Who do you think I am?
a. Leadership b. Smarts c. Creativity d. Flexibility

15. Willsdon (2005) avers that entrepreneurs are most likely to survive from groups in society that are
a. Well educated b. Drop outs c. Marginalised, discriminated and looked down upon d. Rich with abundance of accumulated resources

16. Entrepreneurs are leaders. But this entrepreneur is a type of leader who gets things done with and through others. Which type of leader is this?
a. Transactional leader b. Transformational leader c. Democratic leader d. Paternalistic leader

17. Karim is an entrepreneur who exhibits great caution and skepticism in practicing change. He is characterized by shyness, laziness and unwillingness to introduce change. Karim could be called entrepreneur.
a. Adoptive b. Fabian c. Drone d. Induced entrepreneur

18. Entrepreneurship is the best way individuals can decide the quantum of wealth to create for themselves and to decide how rich they want to be. In spite of this, most young people want to remain wage slaves. Which of the following best explains why most young people are not ready to go into entrepreneurship?
a. They lack the required capital to start and manage their businesses
b. They lack the skills required to start and manage their own businesses
c. They are risk averse and are more interested in secured employment
d. They are ignorant of the great opportunities in the society

19. All the following are reasons why an entrepreneur must make a decision on the type of legal business organization to start except
a. It determines what you can and cannot do

- b. It determines what happens when someone sues the company
- c. It determines how the business is taxed
- d. It determines how profits are shared

20. All but one of the following are ways of maintaining standards in production except.....

- a. Exhibiting professionalism
- b. Maintaining quality
- c. Image building
- d. Flexibility

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21. Which of the following will you consider as not being part of the partnership deeds?

- a. The length of time the partnership is to continue
- b. The portion of the net income to be allowed each member
- c. The effective date of dissolution
- d. The place where the operations are to be conducted

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22. All the following are characteristics of Ponzi schemes except

- a. Offering very high returns
- b. Invest customers monies in high yielding investments
- c. Do not invest monies taken
- d. Pay earlier investors with monies of subsequent investors

23. To invest your money in any company, the following steps are very important in guiding you from investing in a fraudulent business except

- a. Checking to see if they have been able to pay earlier investors
- b. Checking the registrar general office if they are registered
- c. Checking at SEC if they have the license to operate.
- d. Check to see if the returns are realistic

Use the following answers to answer question 24-27

- a. Education for enterprise
- b. Education about enterprise
- c. Education through enterprise
- d. Education in enterprise

24. Thesis about the creation of awareness with a cardinal aim of teaching learners on the various aspects of starting and running a business. B. Education about enterprise

25. It is concerned with the preparation of potential entrepreneurs for self-employment as a career with the aim of encouraging learners to set-up and run their own business.
A. Education for enterprise

26. This type of education has the ultimate aim of assisting individuals or groups to adopt the enterprise approach irrespective of the kind of organization one belongs.

D. Education in enterprise

27. This deals with teaching styles that use entrepreneurial situations such as projects as part of the education process. C. Education through enterprise

28. Bandura (1986) argues that entrepreneurship education has the potency of enhancing entrepreneurial self-efficacy because it is associated with all the following except

- a. Vicarious experience
- b. Enactive mastery
- c. Emotional rehearsal
- d. verbal persuasion

29. When the price of a good you are dealing in as an entrepreneur is fairly inelastic, which of the following will be the best approach to use in order to maximize profit?

- a. Reduce price
- b. Increase price
- c. produce more
- d. Reduce production

30. All the following are reasons why one will decide to start a sole proprietorship except.....

- a. It is a pass-through entity
- b. easy to start and operate
- c. enormous capital is required

Use the following answers to answer from question 31-40

- a. True
- b. False

31. In a general partnership, only limited partners are protected by limited liability which means that their liability in crisis is limited to the amount of their contributions. B. False

32. In limited partnership, we have some of the investors enjoying limited liability whereas general partners enjoy unlimited liability. A. True

33. The main difference between an S-Corporation and a LLC is the fact that the former has a limitation in terms of numbers whereas the latter has unlimited numbers. A. True

34. Partnership business has only 1 to 20 membership and cannot go beyond that. A. True

35. Limited liability partnership is made up of three types of partners namely: Active, Dormant and General. B. False A. True

36. Those who own LLCs are called shareholders. B. False

37. Profits are shared pro rata means all members get equal share of what the firm makes in a year. A. True

38. S-corporations are usually private incorporated businesses. A. True

39. In limited partnership, there is a legal difference between the owners and the firm. A. True

40. Cooperatives in Ghana are regulated by NLCD 252 of 1986. B. False
Note: The NLCD 252 of 1968, not 1986. It is the legal instrument that regulate cooperative only in Ghana not Globally

41. All the following are associated with the theory of plan behaviour except.....

- Perceived Social Norms
- Attitude towards the behaviour
- Perceived desirability

42. As a potential entrepreneur, all the following are very important in helping you to shape your business idea except

- Coming out with the exact business you want to go into
- Spelling out the unique things that will make your customers buy from you
- The amount your customers will pay for your product
- The expected management skills

43. When entering into a business that has no competitors, the entrepreneur must sit back and think carefully because of all the following except that

- It might be too risky to engage in
- It might be a new opportunity unspotted
- It might be reserved for the future generations
- There is less demand for the goods

44. One of the following is a reason why demographic characteristics are very important to the aspiring entrepreneurs when conducting market research.

- It gives you the total population in a defined area to aid you produce sufficient quantities

b. It gives you a rough figure of males, females and children and so determines who to produce for and the quantities to produce

c. It gives you a rough estimate of the profitability of your business

d. It serves as a good data to determine ratio of goods to produce for all ages.

45. In conducting research on market feasibility, Mr. Nelson was so much concerned with the consumer lifestyle and purchasing power. Which of the following do you think Mr. Nelson wants to cater for?

a. The quantity of goods to supply

b. The quality of goods to supply

c. The variety of goods to supply

d. The affordability of goods to supply

46. In buying an existing business, which of the following will you consider as less important in determining whether to buy or not?

a. The experience you have regarding the business

b. Your strengths vis-à-vis the business

c. The level of productivity

d. Whether you can get financing for the business

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47. Buying a business will warrant all these questions except.....

a. Whether they were fair with their employees?

b. What kind of reputation the business has?

c. What liabilities

d. Are there any liens against the property on sale

48. Which of the following will you consider as the greatest advantage of going into franchising?

a. It requires relatively small amounts

b. There is continuous management training and support

c. There is a high probability of success

d. The franchise takes advantage of standardized quality of goods

49. All these are disadvantages of franchising except

a. It demands a complicated legal negotiation

b. Loss of personal control over some aspects of the business

c. Less creativity is exhibited

d. Less capital needed to start

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50. The operation of a retail franchise within the physical facilities of a host is referred to as

- a. Product and name franchising
- b. Master license
- c. Business format franchising
- d. Piggyback franchising

51. In starting a new business, all the following are possibilities except.....

- a. Finding and meeting an unfulfilled market need
- b. Building a business on an existing customer relationship
- c. Starting based on your mentors experience and knowledge
- d. Building a hobby into a full-time opportunity

52. All the following are ways by which you can enhance the success of your business as an entrepreneur except.....

- a. Planning progressively
- b. Taking informed business decisions
- c. Seeking support from family when necessary
- d. Sharing your business ideas with others in your quest to get support

53. Which of the following is not a component of cash flow projections?

- a. Estimates of monthly revenue and expenses
- b. Projected broadsheet
- c. Projected income statements
- d. Breakeven analysis

You were all given an assignment to work on a business plan. Hope you participated effectively. Good to hear. Use the knowledge you gained from that assignment to answer question 54-60 using the answers below.

- a. Cover page b. Market plan c. Description of business d. Conclusion

Which part of the business plan outline were you under obligation to indicate the following?

54. Mission statement of your business.

C. Description of business

55. Location of your business.

C. Description of business

56. Month and year the plan was completed. A. Cover page

57. Current and future industry trends.

B. Market plan

58. Your competitive advantage.

B. Market plan

59. Statement of feasibility.

B. Market plan

D. Conclusion

60. Indicate the plan is confidential.

D. Conclusion

A. Cover page