FRESHMAN



EXAMS

Part I: Write "True" If the Statement is correct and "False" If incorrect statement. (1pt e

1. The essence of product design is to satisfy customer and maximizes the value for the cust at minimum cost.
2. Business failure due to inadequate financing can be caused by shortage of capital no improper management.
3. Regardless of socio- economic conditions of countries the definitions of small busines similar.
4. For small business the production concept in marketing philosophy is better than the prod concept.
5. Small businesses are normally privately owned corporations, partnerships, or so proprietorships.
6. Without the recognition of an opportunity the entrepreneurial process is likely to result failure.
7. The purpose of business plan is it entails taking a long-term view of the business and environment.
8. Business opportunities are undistinguished from ideas; so that idea is similar with opportun
9. Product development is the term used to describe the complete process of bringing a ne product or service to market.
10. Opportunity identification is a very difficult task and which result from an entrepreneu alertness to possibilities.

Part II: Choose the "Correct answer" from the given alternatives (1pt each)

11. From the following alternatives which can be consider as a possible sources of business ide except?
    A. Experience
    B. Hobbies
    C. Customers
    D. Government
    E. None
12. Which one of the following is true about business plan?
    A. Business plan is good only when there is good implementation.
    B. Business plan is a document which describes only the internal elements of a busines
    C. Business plan is business on the paper.
    D. Business plan is a document which describes only the external elements of a busines
    E. A & C
13. The following are effective factors that can be used for opportunity evaluation except
    A. Product or service-related factors
    B. Gender diversity of the ownership
    C. Market opportunity related one
    D. Costing and pricing issues
    E. Profitabil

14. A type of intellectual property right, which gives the right to use and sale an invention when one, develops an invention.
   A. Trade secret
   B. Patent
   C. Copyright
   D. Trademarks
   E. None

15. Which of the following is a characteristic typical of most entrepreneurs?
   A. Choose high risk ventures
   B. Choose low risk ventures
   C. Choose calculated risk
   D. Choose no risk ventures

16. Positive external trends or changes that provide unique and distinct possibilities for innovating and creating value are called _____?
   A. Strengths
   B. Opportunities
   C. Weaknesses
   D. Threats
   E. None

17. _____is described as the creation of a new product, service or process for the first time?
   A. Innovation
   B. Invention
   C. Extension
   D. Duplication
   E. Synthesis

18. Among the followings which one is **incorrect** about business forms?
   A. Owner has complete freedom to sell or transfer any part of business in partnership business without the consent of other partners.
   B. Death or withdrawal of owner will affect legal existence of partnership business.
   C. Death or withdrawal of owner will not affect legal existence of corporate business.
   D. In Corporations the business and the owner of business are clearly separated.
   E. None

19. Which one is **true** about SWOT Analysis?
   A. Weaknesses are negative external factors that inhibit an individual's ability to accomplish his/her mission, goals and objectives.
   B. Opportunities are positive external or internal options that an individual could exploit to accomplish his/her mission, goals and objectives.
   C. Threats and opportunity may arise due to competition, change in government policy, economic recession and technological advances.
   D. Opportunity and strength are positive factors which associate only for internal environment.
   E. None

20. Small business fails because of the following external factors, **except** which one?
   A. Unstable financial markets
   B. Labor market
   C. Poor business philosophy
   D. Government regulations
   E. None

21. Which one of the following criteria can be used to evaluate the new product as it passes the the product life cycle?
   A. The size of the potential market
   B. Marketing policy of the competitors
   C. Possibility of using the previous marketing experience
   D. All

22. The objectives of a business plan are to: _____?
   A. Give directions to the vision formulated by entrepreneur
   B. Objectively evaluate the prospects of business
   C. Monitor the progress after implementing the plan
   D. Persuade others to join the business
   E. All

23. Which marketing philosophy states that unless the organization undertake an aggressive selling and promotion effort consumers will not buy enough of the company's product?
   A. Product concept
   B. Production concept
   C. Sales concept
   D. Marketing concept
   E. All

24. As per your entrepreneurship education background who are the customers of Arba-Minch Tourist Hotel?
   A. People who are buying from Arba-Minch Tourist Hotel.
   B. People you hope will buy from Arba-Minch Tourist Hotel in the future.
   C. People who stopped buying from Arba-Minch Tourist Hotel, but you hope to get them back.
   D. All

25. Among the followings which one is **correct** about basic forms of business formation?
   A. In corporation business there is no limitation on number of stockholders.
   B. In partnership business there is no limitation on the number of partners.
   C. In corporation business the death of one stockholder can terminate the business.
   D. In partnership business all partners regardless of their agreement contain unlimited liability.
   E. A&B

26. _____ is a specific desire for satisfier and continually shaped by social forces?
   A. Need
   B. Demand
   C. Wants
   D. Exchange
   E. A&C

27. In commercialization stage market entry timing is critical so, which one is **true** about timing?
   A. First entry strategy gives the first mover advantage
   B. Late entry strategy gives time to re-consider and adjust the faults of first mover
   C. The cost of promotion is high for late entry strategy
   D. Becoming a first entry always provide advantage
   E. A&B

28. _____ is a legal definition of ideas, inventions, artistic works and other commercially viable products created out of one's own mental processes?
   A. Patent
   B. Copy right
   C. Intellectual property
   D. Trade mark
   E. None

29. _____ is the extent of satisfaction or pleasure that exists when a product is readily accessible to potential customers?
   A. Form utility
   B. Place utility
   C. Possession utility
   D. Time utility
   E. Information utility

30. Which of the following is **incorrect** about marketing?
   A. Marketing can occur any time with one social unit who strive to exchange of something value.
   B. The essence of marketing is a transaction or exchange
   C. Non-profit organization engaged in marketing
   D. Products that can be marketed includes goods, services, ideas, people and places
   E. None of the above

31. Among the followings which one is taken as functional role of conducting marketing research?
   A. Descriptive function
   B. Diagnostic function
   C. Predictive function
   D. Analytical Function
   E. All

32. Among the following one is **correct** about the importance of market intelligence?
   A. Identification of new opportunities
   B. Early warning of competitor moves
   C. Smart segmentation
   D. Minimizing investment risks
   E. All

33. Which of the followings are **NOT** the important factors to be consider in pricing decision?
   A. Know your costs
   B. Know how much customers are willing to pay
   C. Know your competitor's price
   D. Know the health conditions of your employees
   E. None

34. All are a strategic activity needed for quality customer service delivery, **excepts?**

A. Establishing a clear customer service strategy
B. Ensuring right people are in place with the correct skills
C. Establishing clear material service delivery processes
D. Participatory management
E. None

35. Among the following one is **NOT** included under the stage of product life cycle?

A. Decline
B. Depression
C. Maturity
D. Introduction
E. Growth

Part III: Match the items under column "A" with column "B" items; (0.5pt. to each)

Column "A"	Column "B"
36. Price skimming	A. One-way communication
37. Penetration pricing	B. Two-way communication
38. Odd-even pricing	C. Low price strategy
39. Advertising	D. High price strategy
40. Personal selling	E. Psychological pricing

Part IV: Discuss the following questions (out of 8 pts)

41. List and explain risks and causes of failure associated with small businesses in Ethiopia? **(3pts)**
42. What are the contributions of entrepreneurships for individuals, community and nation in general? **(3pts)**
43. Briefly elaborate why America is the most developed country and Ethiopia is not developed country? **(2pts)**