

Think Critically

1. Name three important characteristics of entrepreneurs.
2. Why is it important for entrepreneurs to be good team members?
3. What kinds of assessments should you make to determine if entrepreneurship is right for you?

True or False

- ___ 1. Successful entrepreneurs need to be self-confident because they must make decisions alone, but they do not need to be creative because they can hire creative people.
- ___ 2. Entrepreneurs need to be able to make quick decisions.
- ___ 3. To determine if entrepreneurship is right for you, you need to perform a self-assessment
- ___ 4. Everyone has the qualities and aptitude needed to become a successful entrepreneur.
- ___ 5. Your past experiences are a key factor in determining your commitment to a business.
- ___ 6. Aptitude is the ability to evaluate your strengths and weaknesses.
- ___ 7. Before starting a business, it is important to identify the kinds of entrepreneurial opportunities that match your aptitudes and interests.
- ___ 8. Entrepreneurship involves risk, which is both an advantage and a disadvantage.
- ___ 9. An advantage of entrepreneurship is that owners make all decisions by themselves.
- ___ 10. An advantage of entrepreneurship is that nobody tells an entrepreneur what to do.

Multiple Choice

- ___ 1. Which of the following is not a characteristic of a successful entrepreneur? (a) Determination, (b) Creativity, (c) Dependence, (d) Self-confidence.
- ___ 2. Researchers have determined that successful entrepreneurs (a) want to make their own decisions, (b) do not always know what they want, (c) like to have someone else make decisions, (d) do not need to set goals.

- _____ 3. Entrepreneurs must realize that there are other stakeholders in their businesses, such as (a) partners, (b) investors, (c) employees, (d) all of these.
- _____ 4. Two key factors that aid an entrepreneur's commitment to a business are (a) hobbies and sales experience, (b) interests and past experiences, (c) interests and sales experience, (d) hobbies and athletic ability.
- _____ 5. A self-assessment is an evaluation of your (a) hobbies and interests, (b) strengths and weaknesses, (c) past job experience, (d) ability to act quickly.
- _____ 6. Aptitude is the ability to (a) act quickly, (b) evaluate interests, (c) learn a particular kind of job, (d) all of these.
- _____ 7. To determine your suitability for entrepreneurship, you should assess your (a) strengths and weaknesses, (b) interests, (c) aptitude, (d) all of these.
- _____ 8. An advantage of entrepreneurship is that entrepreneurs (a) can supervise others, (b) make all decisions themselves, (c) can work in a field that interests them, (d) do not need to set goals.
- _____ 9. Risk is (a) an advantage of entrepreneurship, (b) a disadvantage of entrepreneurship, (c) neither a nor b, (d) both a and b.
- _____ 10. A disadvantage of entrepreneurship is that entrepreneurs (a) do not have a regular income, (b) must implement creative ideas, (c) control their own destinies, (d) none of these.
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Problem Solving

In the space below, list six characteristics of successful entrepreneurs. For each, explain how a lack of the characteristic could contribute to the failure of a business.

1.

2.

3.

4.

5.

6.

What Went Wrong?

what went

Wrong?

EXPERIENCE NEEDED

Louise was a theater performer who sang and danced in Broadway-style musicals. The work was not always steady, so she earned additional money working part time at a print and copy shop for several years. The elderly couple who owned the shop allowed Louise to work flexible hours so that she could pursue a music career. Sadly, the husband died, and the wife decided to sell the business and move away. Louise was excited about the opportunity to purchase the business.

The former owner helped Louise gather financial information and put together a business plan. Louise's uncle cosigned a bank loan, and she

was in business. She modernized the décor of the shop but made few other changes. Louise contacted all the existing customers to assure them equal or better service. Sales increased the first two months. But then...

The former owner left town earlier than planned. Then Louise's chief printer quit. Using part-time employees, Louise was frantically trying to get large orders out on time. With no formal business training and no management experience, Louise couldn't begin to deal with all these problems—problems that even an experienced businessperson would find difficult. She ended up selling the business at a \$50,000 loss.



Get some business training before starting a business.

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THINK CRITICALLY

1. What characteristics did Louise possess that led her to become an entrepreneur?
2. What circumstances out of Louise's control led to the failure of this business?
3. Are there steps Louise could have taken to try to save her business?

Think Critically

1.

2.

3.