

# Venture: Entrepreneurial Expedition

## Post-Quiz Answer Key

### Lesson 1: Building a Balanced Budget

\*\* This assessment contains a question bank. Students will only see 10 out of the 30 possible questions\*\*\*

- **Which of the following is an example of a tax you must pay?**
  - A. Bounced check
  - B. Late fee
  - C. Rental payment
  - D. Social security
- **Which of the following is an example of a tax?**
  - A. Line of credit
  - B. Rental payment
  - C. Cash payment
  - D. Medicare
- **What are taxes?**
  - A. Taxes are sources of income.
  - B. Taxes are optional payments you make to state and local governments.
  - C. Taxes are refunds you receive for overpayment.
  - D. Taxes are mandatory payments you make to state and local governments.
- **When is a budget considered to be balanced?**
  - A. When the amount you earn is equal or less than to the amount you spend.
  - B. When the amount you spend is greater than the amount you earn.
  - C. When the amount you save is less than the amount you spend.
  - D. When the amount you spend is equal or less than the amount you earn.
- **Which of the following budgets would be considered balanced?**
  - A. A budget where the amount you earn is equal or less than to the amount you spend.
  - B. A budget where the amount you spend is greater than the amount you earn.
  - C. A budget where the amount you save is less than the amount you spend.
  - D. A budget where the amount you spend is equal or less than the amount you earn.
- **In a balanced budget, the amount you \_\_\_\_\_ is \_\_\_\_\_ the amount you earn.**
  - A. save; less than
  - B. spend; greater than
  - C. save; greater than
  - D. spend; equal to
- **Which of the following is a variable expense?**
  - A. Student loan payments
  - B. Rental payments
  - C. Health insurance
  - D. Groceries
- **Which of the following is NOT a fixed expense?**
  - A. Rental payment
  - B. Internet service
  - C. Cell phone bill
  - D. Movie tickets

- **Which of the following is a fixed expense?**
  - A. Clothing purchases
  - B. Groceries
  - C. Movie tickets
  - D. Rental payments
- **What is income?**
  - A. Income is payments you make to the federal government.
  - B. Income is money you receive after paying taxes.
  - C. Income is payments you make to the government to pay for roads, bridges, and schools.
  - D. Income is money you earn, usually from working at a job.
- **Typically, how do people earn income?**
  - A. Most people earn income by paying taxes.
  - B. Most people earn income by working at a job.
  - C. Most people earn income by saving a portion of their paycheck each month.
  - D. Most people earn income by spending more than they earn each month.
- **Which of the following is TRUE about income?**
  - A. Income is payment you make to the federal government.
  - B. Income is money you receive after paying taxes.
  - C. Income is payments you make to the government to pay for roads, bridges, and schools.
  - D. Income is money you earn, usually from working at a job.
- **Which of the following would be an example of a NEED?**
  - A. A new pair of headphones
  - B. Designer shoes
  - C. Your favorite candy
  - D. A warm winter coat
- **Which of the following would NOT be considered a want?**
  - A. A new pair of headphones
  - B. Designer shoes
  - C. Your favorite candy
  - D. A warm winter coat
- **Which of the following would be an example of a WANT?**
  - A. A place to live
  - B. Critical medicine
  - C. A warm winter coat
  - D. Movie tickets
- **What are federal taxes?**
  - A. Federal taxes are payments you make to the state government where you live.
  - B. Federal taxes are money you earn from the US federal government.
  - C. Federal taxes are money you earn from working at a job.
  - D. Federal taxes are payments you make the the US federal government.
- **Which of the following statements about federal taxes is TRUE?**
  - A. Federal taxes are payments you make to the state government where you live.
  - B. Federal taxes are money you earn from the US federal government.
  - C. Federal taxes are money you earn from working at a job.
  - D. Federal taxes are payments you make the the US federal government.
- **What is Medicare?**
  - A. Medicare is federal life insurance for people under age 65.

- B. Medicare is federal life insurance for people over age 65.
- C. Medicare is federal health insurance for people under age 65.
- D. Medicare is federal health insurance for people over age 65.
- **When creating a personal budget, it is important to consider things you \_\_\_\_\_, \_\_\_\_\_ things you \_\_\_\_\_.**
  - A. want; before; need
  - B. need; after; want
  - C. need; at the same time as, want
  - D. need; before; want
- **What happens if you spend money on things you want before things you need?**
  - A. You'll be financially prepared for an unexpected emergency, like a broken leg or hospital stay.
  - B. You are able to spend more on high-priced items, like higher education.
  - C. Nothing happens, this is an appropriate practice.
  - D. You limit your ability to save for for high-priced items, like higher education.
- **Which of the following items are typically included in a balanced budget?**
  - A. The amount you earn in income.
  - B. The amount you pay in taxes.
  - C. The amount to put away in savings.
  - D. All of these items are included in a balanced budget.
- **What is a variable expense?**
  - A. An expense that is the same during some months, and different during other months.
  - B. An expense that is the same from month to month.
  - C. An expense that is different from month to month.
  - D. None of the above.
- **What is a fixed expense?**
  - A. An expense that is the same during some months, and different during other months.
  - B. An expense that typically does not change month to month.
  - C. An expense that typically varies from month to month.
  - D. None of the above.
- **Which of the following statement is TRUE about variable expenses?**
  - A. The amount you spend on variable expenses do not change during certain months and do change during other months.
  - B. The amount you spend on variable expenses changes from month to month.
  - C. The amount you spend on variable expenses remain the same from month to month.
  - D. None of the above are true.
- **What is one way to begin saving startup capital?**
  - A. Set aside a portion of the money you owe in taxes each month.
  - B. Set aside a portion of your income each month.
  - C. Both A and B
  - D. Neither A nor B
- **Which of the following statements is TRUE about startup capital?**
  - A. Startup capital is the money you invest in the form of supplies, marketing, legal services, and other investments to get your business up and running.
  - B. Startup capital is the money spent in order to create a balanced budget for your personal finances.

- C. Both A and B
  - D. Neither A nor B
- **Which of the following statements about startup capital is FALSE?**
  - A. Startup capital is the money spend in order to create a balanced budget for your personal finances.
  - B. Startup capital is the money you invest in the form of supplies, marketing, legal services, and other investments to get your business up and running.
  - C. Both A and B
  - D. Neither A nor B
- **What is take home pay?**
  - A. The amount you earn each month in income minus what you save.
  - B. The amount you earn each month in income minus what you spend.
  - C. The amount left over from your monthly paycheck before deductions.
  - D. The amount left over from your monthly paycheck after deductions.
- **Which of the following statements about take home pay is TRUE?**
  - A. Take home pay is the amount you earn each month in income minus what you save.
  - B. Take home pay is the amount you earn each month in income minus what you spend.
  - C. Take home pay is the amount left over from your monthly paycheck before deductions.
  - D. Take home pay is amount left over from your monthly paycheck after deductions.
- **Which of the following statements about take home pay is FALSE?**
  - A. Take home pay is the amount you earn each month in income minus what you save.
  - B. Take home pay is the amount you earn each month in income minus what you spend.
  - C. Take home pay is the amount left over from your monthly paycheck before deductions.
  - D. All of the above.

## Lesson 2: The Entrepreneur in You

- **What is the definition of an entrepreneur?**
  - A. An entrepreneur is someone who manages a business.
  - B. An entrepreneur is someone who owns a business and makes profit from that business
  - C. An entrepreneur is someone who creates, owns and potentially runs a business
  - D. None of the above
- **Which of the following is NOT true about an entrepreneur?**
  - A. An entrepreneur gets to act as his own boss.
  - B. An entrepreneur has ownership in the business.
  - C. An entrepreneur is responsible for the success of their business.
  - D. An entrepreneur's salary is evaluated based on his ability to complete the tasks assigned to him.
- **An example of an asset is:**
  - A. Time
  - B. Money
  - C. A Car
  - D. All of the above
- **Which of the following is NOT a true statement about business plans?**
  - A. They should never be revised.
  - B. They can help lower the risk of starting a new business.
  - C. They are created before starting a business.
  - D. They should include an overview of your business goals and how you think you are going to achieve them.
- **Which of the following is NOT necessarily a characteristic of successful entrepreneurs?**
  - A. Creativity & Collaboration
  - B. Comfort with Risk
  - C. Aggressiveness & Intensity
  - D. Initiative & Self-Direction
- **Which of the following is an advantage of starting your own business?**
  - A. During the start-up phase, you do not have to think about funding.
  - B. You are in charge of the decision-making so there is little to no risk.
  - C. You have control over where and when you work.
  - D. As long as you make a business plan, you will know what obstacles to expect.
- **While being an entrepreneur can be the right career choice for many, some may not feel that starting a business is for them. What is the best reason to study entrepreneurship?**
  - A. Thinking like an entrepreneur can make you a better student and employee, no matter what your job is.
  - B. Knowing about entrepreneurship means you'll never have to work for a boss.
  - C. Entrepreneurs do not have to worry about getting good grades in school because they start their own business.
  - D. None of the above
- **What is the main difference between a personal characteristic and a skill?**
  - A. You can learn a personal characteristic, but it is not possible to learn a skill.
  - B. Personal characteristics become skills over time.
  - C. Many people are born with business skills but you can't be born with characteristics.

- D. Skills can be learned and developed while personal characteristics are inherent qualities within.
- **Which one of these is NOT considered a skill?**
  - A. Determination Skills
  - B. People Skills
  - C. Business Skills
  - D. Communication Skills
- **What role do entrepreneurs play in economics?**
  - A. Entrepreneurs tell consumers what they should want or need.
  - B. Entrepreneurs create the businesses that produce products and services that meet the wants and needs of consumers.
  - C. Entrepreneurs borrow money from the economy to start their businesses.
  - D. None of the above

## Lesson 3: Planning and Building a Business

- Which of the following is NOT a creative thinking exercise entrepreneurs use to generate ideas?
  - A. Challenge the Usual
  - B. Think Backward
  - C. Judge Each Idea as Realistic or Not
  - D. Draw Idea Maps
- Sharon is thinking about opening a bakery. She knows she wants to set her own hours, reduce her stress and make a profit. But she still has a lot to think through. Which of the following would NOT be a good early step?
  - A. Immediately finding a storefront property for her business, putting down a deposit, and signing a lease.
  - B. Contacting a mentor who has experience in the restaurant industry.
  - C. Creating an initial elevator pitch with her limited information and starting to ask around for advice.
  - D. Beginning to estimate her target market for her business.
- Sharon realizes that she needs additional research before she approaches potential investors. What kind of research should she do to effectively evaluate her potential business opportunity?
  - A. Conduct market research to determine whether her business idea is a business opportunity that meets a consumer need or want.
  - B. Discuss the situation with her cousin who has shopped at the local bakery a few times.
  - C. Discuss the situation with a family friend who has money and might want to invest in her idea.
  - D. Analyze a national chain that sells pies and model her new business after it. This will save time and money that would otherwise be spent on independent research and planning.
- What are the four parts of a SWOT Analysis?
  - A. Sales, Work ethic, Organization, Training
  - B. Strengths, Weaknesses, Obstacles, Threats
  - C. Strengths, Weaknesses, Opportunities, Threats
  - D. Strengths, Weaknesses, Options, Threats
- George and Miguel are considering opening up a shoe store but first need to do market research. Which one of these is NOT part of the market research process?
  - A. Identify research objectives and write down the questions they want answered.
  - B. Conduct research--both primary and secondary--to hear from people firsthand and determine if there is a need for their business.
  - C. Start promoting their shoe store to people in the neighborhood.
  - D. Draw conclusions and make decisions for their business based on the research results.
- George and Miguel want to know more about their local and online competitors and about the retail industry. What is the best way for them to find all of this information?
  - A. Go online to find trade associations, listings of local and national competitors, and any information on financials.
  - B. Explore websites of other shoe retail businesses and take notes.

- C. Try to think of friends, family members or acquaintances who have experience in retail and ask them about it.
  - D. All of the above
- **Which of these is NOT part of a consumer profile?**
  - A. Demographics
  - B. Polygraphics
  - C. Psychographics
  - D. Buying Patterns
- **Regina is looking to start a knitting business and completes a target market profile to include in her business plan. Identify which item in her target market profile is in the wrong category and where it should be moved.**
  - A. "In a typical week will spend \$10-\$15 on non-food items" ...she should move this from Buying Patterns to Demographics.
  - B. "Willing to spend a little more for good quality products" ...she should move this from Buying Patterns to Psychographics.
  - C. "Don't spend money on unnecessary items" ...she should move this from Demographics to Buying Patterns.
  - D. Everything is in the correct category.
- **Regina is creating her competitive analysis. She understands why it's important to know her direct competitors, but she's not sure why indirect competitors matter. She asks you if indirect competitors are important to know about. What should you say?**
  - A. No. Indirect competition isn't something to worry about because they sell different products.
  - B. No. Indirect competition is only important to understand if things change and it becomes direct competition.
  - C. Yes. Indirect competition is important to understand, since the different product fulfills the same customer need.
  - D. Yes. Indirect competition is important. Indirect competitors are competitors who compete in areas other than money, such as in hiring.
- **Which of the following is a fixed expense for Maria's sandwich food truck?**
  - A. Salaries for her employees
  - B. Truck insurance
  - C. Advertising
  - D. All of the above
- **Which of the following is a start-up expense for Maria's food truck?**
  - A. Kitchen appliances and other equipment needed to conduct her business
  - B. Cell phone bill
  - C. Gas
  - D. All of the above
- **Pete wants to write a business plan for Pete's PB&J Cupcake Cart. He needs to identify all expenses associated with making a peanut butter and jelly cupcake for a Economics of One Unit. What is the most accurate way of determining his expenses?**
  - A. Estimate the cost to buy all of the ingredients at the store, and divide that by an estimate of how many cupcakes he can make with that.
  - B. Go through the detailed process of making the cupcake step by step, measuring the ingredients he uses and calculating the cost per ingredient.
  - C. Go online and find a competitor's expenses.
  - D. None of the above

- **Pete's disappointed with the projections of how much his cupcake cart will make in the first month. What could he do to try to improve his net profit?**
  - A. Increase the prices
  - B. Increase the number of cupcakes he sells
  - C. Decrease his fixed expenses
  - D. All of the above
- **Based on the diagram, has Pete's business broken even (meaning, covered its fixed expenses and become profitable)?**
  - A. Yes
  - B. No
  - C. Not enough information available
- **Which of the following is NOT one of the four steps to preparing a sales forecast?**
  - A. Analyze current company and market conditions using a SWOT Analysis.
  - B. Select an organizational structure for your company.
  - C. Review past sales or past trends in the industry.
  - D. Estimate your future sales for a specific time period.

## Lesson 4: Your Business Snapshot

- **Your friend is developing a marketing plan for her new business. What should she put in this plan?**
  - A. Where she wants to sell her product
  - B. The price of her product
  - C. A description of the people in her target market
  - D. All of the above
- **Which statement is the best description of a Value Proposition?**
  - A. The cost of creating the product.
  - B. A component of the business plan that identifies the target market for the product.
  - C. The features and benefits that make the product or business unique.
  - D. None of the above
- **What is the main purpose of developing a business pitch?**
  - A. To tell investors all the important details and goals of your business so they don't need to read the business plan.
  - B. To provide customers with an in-depth description of how your business was formed.
  - C. To briefly share the most important information about your business to people in an engaging way.
  - D. To determine whether your business idea is a business opportunity.
- **Which of the following is probably NOT an important point to include in a business pitch?**
  - A. A detailed description of the meaning behind the company's name.
  - B. The problems that the product or service solves or the demands it meets.
  - C. How the product or service is different.
  - D. Clear reasons why the potential customers and investors should care about the business.
- **Why is it important to conduct market research on your target audience before building your marketing plan?**
  - A. Newspapers and magazines will give you a discount on advertisements if you show them your research.
  - B. You need to consider who your potential customers are before deciding on marketing strategies.
  - C. Customers enjoy sharing their opinions, so market research will make your product sell more.
  - D. It doesn't matter which one you do first.