



INDIAN SCHOOL AL WADI AL KABIR

Class: XII	Department: Commerce	Date of submission: 15/04/2020
Worksheet No: 1	Topic: Entrepreneurial Opportunities	

MCQ's

- 1) What is the process by which individuals pursue opportunities without regard to resources they currently control?
 - a) Startup management
 - b) Entrepreneurship**
 - c) Financial analysis
 - d) Feasibility planning

- 2) Which one of the following is the next stage to the Concept Stage of Product Planning and Development Process?
 - a) Idea Stage
 - b) Product Planning Stage
 - c) Product Development Stage
 - d) Test Marketing Stage**

- 3) Why should an entrepreneur do a feasibility study for starting a new venture?
 - a) To identify possible sources of funds
 - b) To see if there are possible barriers to success**
 - c) To estimate the expected sales
 - d) To explore potential customers

- 4) Synonym of inventiveness is _____
 - a) Creativity**
 - b) Invention
 - c) Innovation
 - d) Improvise

- 5) The ability to plan the future with wisdom/imagination.
 - a) Preplan
 - b) Vision**
 - c) Optimism
 - d) Policy formation

- 6) A sum of money saved or made available for a particular purpose is called _____
 - a) Loan
 - b) Borrowing
 - c) Funds**

d) Capital

7) Indian sweets, *namkeen/farsans*, and snack-foods such as *pakodas* and *samosas* are some of the food items sold by Haldirams. Haldiram's success should certainly put any doubt on this opportunity to rest. What is needed is a belief that the Haldiram business model can be replicated. Identify the idea to which the venture belongs.

a) Natural resources

b) Service related ideas

c) Creativity

d) None of the above

8) PESTLE is an acronym for what?

a) Political, environmental, technological, legal, and environmental

b) Political, environmental, shareholding, technological, logistical, and e-marketing

c) Political, environmental, social, technological, legal, and environmental

d) Political, environmental, societal, technological, learning, and e-marketing

e) Political, Economic, Social, Technological, Legal and Ecological

9) Mansukhbhai's wife could not afford to buy a non-stick TAVA (pan). Mansukhbhai's brain stormed immediately that, like his wife there must be thousands of homemakers who would need a nonstick- TAVA. And the idea of clay fridge was considered equally strong and he decided to go ahead. Select the stage of creativity experienced by Mansukhbhai

a) Illumination

b) Idea germination

c) Incubation

d) Verification

e) Preparation [he is looking for an answer to implement idea]

10) It is the process of entrepreneurship which involves the translation of a useful idea into an application which has commercial value. It takes persistent effort to work out analytically the details of the enterprise or Service, to develop marketing strategies, to organize finances and strategize operations. Identify the process. [pg-22]

a) Invention

b) Innovation

c) Creativity

d) Business opportunity

11) Kumar belongs to a farmer's family. One day a team of officials from the local block development office visited his village for discussing additional opportunities related to agriculture. The team discussed with the villagers how to develop fishery. The team explained about the technique of construction of ponds and the modern technology of growing fishes. Kumar, decided to engage himself in the **fishery occupation**. Identify the 'idea field' that helped Kumar to engage himself in fishery occupation.

a) Creative efforts

- b) Trading related ideas
- c) **Natural resources**
- d) Existing product and services

12) The spotted ideas are transformed into viable economic opportunities through in- depth_____

- a) Examination
- b) Evaluation
- c) Analysis

d) All of the above

[All basic ideas have to undergo a vigorous process of examination, evaluation, analysis and synthesis to identify viable opportunities.]

BOARD QUESTIONS

1. Mr. Davis is an entrepreneur who identifies new trends to understand the market and produce goods or provide services in sync with the market trends. He uses tech–tools like e-mail newsletters or websites and forums to keep on top out of all and get the information he wants. He takes advantage of social networking tools like social network websites and forums. He joined groups on the networks and see what people are buzzing about and about the latest trends. He spends some time simply observing. What people are eating, doing, wearing, using? What stores or restaurants draw crowds and which sit empty?

He absorbs and mulls about what he has read, heard and observed, starts to make connections and observations that will lead to business-boosting insights.

Identify the four different ways in which Mr. Davis tried to spot the trends by quoting the lines given from the paragraph.

Ans: The four ways are:

- a) Read trends- quote from paragraph that denotes read trend is - “He uses tech–tools like e-mail newsletters or websites and forums to keep on top out of all and get the information he wants”
- b) Talk trends- quote from paragraph that denotes talk trend is – “He takes advantage of social networking tools like social network websites and forums. He joined groups on the networks and see what people are buzzing about and about the latest trends”.
- c) Watch trends- quote from paragraph that denotes watch trend is – “He spends some time simply observing. What people are eating, doing, wearing, using? What stores or restaurants draw crowds and which sit empty?”
- d) Think trends- quote from paragraph that denotes think trend is “He absorbs and mulls about what he has read, heard and observed, starts to make connections and observations that will lead to business-boosting insights.”

2. Mr. Amar plans to start a business. He needs to look at all those conditions and forces external to a business unit under which it operates. He understands that he does not emerge and grow spontaneously.

Mr. Amar understands that an enterprise can identify opportunities and find strategies to capitalize on the

opportunities at the earliest if he adapts to the changes. He can tap raw materials, technology and even financial resources from the market at economical prices, at the right time. He can take timely action to deal with threats and avail opportunities for the purpose of improvement in the performance of the firm. He understands that a keen watch on the changes would help sensitise him to changing competition, government policies and the needs of the customers.

a) Identify the concept mentioned in para-1 of the above question.

Ans: Business environment

b) Quote the lines from Para-2 and explain the importance of the identified concept. [2015-16]

- a. **Identification of opportunities to get first mover advantage:** Mr. Amar understands that an enterprise can identify opportunities and find strategies to capitalize on the opportunities at the earliest if he adapts to the changes
- b. **Formulation of strategies and policies:** He can take timely action to deal with threats and avail opportunities for the purpose of improvement in the performance of the firm.
- c. **Tapping useful resources:** He can tap raw materials, technology and even financial resources from the market at economical prices, at the right time.
- d. **Sensitization of entrepreneurs to cope up with rapid changes:** He understands that a keen watch on the changes would help sensitize him to changing competition, government policies and the needs of the customers.

3. An entrepreneur undertakes the “process” of monitoring the economic and non-economic environment, to understand the opportunities and threats to an organization. Such a Process involves data collection, information processing and forecasting to provide a rational basis for developing goals and strategies for business survival and growth.

a) Identify the process mentioned in the above paragraph?

Ans: Environment analysis.

b) What are the sources from which information is collected for this process?

- a) verbal information from customers, wholesalers, retailers, distributors, consultants, etc.
- b) records of companies
- c) government publications
- d) publications by various financial institutions
- e) formal studies conducted by strategic planners

4. “It is something that sets up a conflict and forces you to find a solution”.

a) Identify the concept.

Ans: Problem-when an entrepreneur identifies such road blocks, he/she is said to have identified the problem.

b) Explain any three objectives of the above identified concept.

Objectives of problem identification:

- i. It should clearly state the problem
 - ii. Identify target group facing the problem
 - iii. Find the market acceptability of the solution to the problem
- c) Mention any two uses of the above identified concept.

It helps the entrepreneur to:

- I. Bring out new products in the market
- II. Understand the problems and needs of the market
- III. Be creative
- IV. Increase employment generation
- V. Increase national income (of the country)

[2015-16]

5. East west airlines are planning to expand over the next five years. The following would be taken into consideration by the east west airlines before expanding the business. Change in population size and fashion, Concern about the impact of carbon emissions from jet engines, noise, and resistance to airport expansion. Political unrest, exchange rates, taxation (For example, VAT on fuel) landing rights in foreign countries. Oil prices, terrorism, economic boom or depression (airline revenues are very sensitive to business traffic) Engine efficiency, new aircraft being planned, better and cheaper video conferencing. Health and safety regulations, consumer legislation (For example, compensation for cancelled flights), safety and security legislations.

a) Identify the above mentioned entrepreneurial concept [2015-16]

Ans: Business Environment: PESTEL (Macro Factors)

b) Quote the lines from the given paragraph and classify them.

POLITICAL- Political unrest, landing rights in foreign countries, terrorism

ECONOMIC- exchange rates, taxation (For example, VAT on fuel), Oil prices, economic boom or depression (airline revenues are very sensitive to business traffic)

SOCIAL- Change in population size and fashion

TECHNOLOGICAL- Engine efficiency, new aircraft being planned, better and cheaper video conferencing.

ECOLOGICAL- Concern about the impact of carbon emissions from jet engines, noise, and resistance to airport expansion

LEGAL- Health and safety regulations, consumer legislation (For example, compensation for cancelled flights), safety and security legislations

6. Bill Gates, who as an undergraduate at Harvard, developed BASIC for the first microcomputer. He later found Microsoft in 1975. During the 1980s, IBM contracted with Gates to provide the operating system for its computers, a system now known as MS-DOS. Gates procured the software from another firm, essentially turning the thirty-dollar pair of jeans into a multibillion-dollar product. Microsoft Office and Windows operating software now run on about 90 percent of the world's computers. By making software that increases human productivity, Gates expanded our ability to generate output (and income), resulting in a higher standard of living for all.

Identify the concept and explain it in detail.

Ans: Creative Efforts (Idea Field)

There are basically five ways in which creative ideas can be generated:

1. Develop a new product or service.
2. Improve an existing product or service
3. Find a new process or resource for manufacturing a product.
4. Find new markets for existing products or services.
5. Find a new use of an existing product or service.

7. A very useful concept to bear in mind is that, most often creative products and services are born as results of problem solving. Someone found that while tightening screws, over tightening often resulted in damage to the fixtures. Here was a problem and the solution came in the form of a self-adjusting screwdriver which prevented over tightening. Similarly when doctors found monitoring of dosage of medicine to be administered to patients on a regular basis through traditional methods using a syringe cumbersome, a pharmaceutical firm developed a new process of implanting the required medicine in the patient for constant discharge of regulated and required dosage in to the blood stream. In the light of the above given details, Explain the various ways in which these ideas may be generated.

Ans: Creative efforts:

1. It is identified as improving existing product or service since self-adjusting screwdriver was developed to solve the problem of over tightening of screws.
2. Similarly, when doctors found monitoring of dosage of medicine to be administered to patients on a regular basis through traditional methods using a syringe cumbersome, a pharmaceutical

firm developed a new process of implanting the required medicine in the patient for constant discharge of regulated and required dosage in to the blood stream- Find a new process or resource for manufacturing a product

8. Mr. Shaleel understands that generating ideas is relatively an easy exercise, especially if it is done in groups. However, this process can also become a wild goose chase because all ideas need not necessarily become sound business opportunities.

What are the steps taken by Mr.Shaleel to assess in terms of the potentiality of the opportunity?

Ans:

- Product identification
- Application and use
- Level of operation
- Cost
- Competition
- Technical complexity
- Annual turnover and profit margin

9. One of the keys to business success is to anticipate what the market will want or need before the entrepreneurs are aware of it themselves. Since it's unlikely for an entrepreneur to see into the future, there is a 'best way' to anticipate what the market will want or need.

a) Identify the "best way" an entrepreneur will undertake to understand the market.

Ans: Trend Spotting

b) What are the different ways of doing it?

Read trends

Talk trends

Watch trends

Think trends

10. An entrepreneur senses the opportunities, analyses it and scans the environment, conducts SWOT analysis .He also collects a number of ideas and these ideas can be streamlined by developing awareness for different ideas. This will help the entrepreneur in enlarging the scope of thinking, at the same time structuring the ideas conveniently for reference.

a) Identify the concept mentioned in the above paragraph

Ans: Idea Fields

b) Explain the various sources of the concept mentioned in the above paragraph

- Natural resources
- Existing products
- Market driven ideas
- Trading related ideas
- Service sector ideas
- Creative effort of the entrepreneur

11. Aditi started her boutique business near an industrial area and she was not getting clients as she had expected. What are the factors which have been ignored before starting the boutique? Suggest the various factors that she has to look into before venturing into business.

Ans: Aditi started her boutique business near an industrial area and she was not getting clients as she had expected because selection of a product depends on many factors such as:

- Demand
- Supply and nature of competition
- Cost and price of product
- Project innovation and change

12.Mr. Arvind had always wanted to manufacture an innovative, energy efficient fan. He was looking into various options and has finally narrowed it down to one option. He understands that the entire idea would have to follow a process. Identify and explain the process.

Ans: Idea and opportunity assessment

- Product identification
- Application and use
- Level of operation
- Cost
- Competition
- Technical complexity
- Annual turnover and profit margin

13.State the steps in the ‘Creative Process’ after the ‘stage of preparation’? [sample paper-2014-15]

Ans:

- Idea germination
- Preparation
- Incubation
- Illumination
- Verification

14.Disha, a graduate of Horticulture from Kurushetra University came across a barren land near Solan when she visited this place. Disha was fond of strawberries and was inquisitive to understand the reason why strawberries could not be grown there. She was informed by the local authorities that the land was infertile for raising strawberries. She took this as a challenge and believed in its success. Best quality strawberries now mark the beauty of that barren piece of land.

(a) Identify and explain the ‘idea field’ from where the idea has been generated.

ANS-Natural Resources

(b) Also explain and give one example each for four other idea fields which may generate useful product ideas.

- Existing products or service: Improved packaging in chips to retain freshness
- Market driven ideas: Need for smart phones or need for online tutoring services
- Trade related ideas: Flipkart
- Service sector ideas: Haldiram or any hotel or restaurant
- Creative Efforts: Netflix or Amzon Prime { Any 4} [sample paper-2014-15]

15.For a viable venture to be born, an entrepreneur is required to apply his knowledge, skill, competencies and creativity strategically to market’. Identify the requirement to be complied with by these factors for successful processing of an idea into opportunity. (Pg.17) 1 MARK

[Sample paper-2015-16]

Ans: Strategic positioning is required to convert an idea into an opportunity (given in page 17)

16.Why does an entrepreneur need to scan environment? Explain. [sample 2015-16]

Ans: In a rapidly changing environment, one rule of thumb applies: If you don't adapt, you don't endure. This

is the core idea behind environmental scanning. Definitions of the term refers to the means by which organizations gather information on changing conditions and incorporate those observations into a process where necessary changes are made. The right information, combined with the right adaptations, can determine an organization's future viability. If an entrepreneur is not aware of the environment surrounding his/her business, he/she is sure to fail.

17.Explain any three sources which lead to the emergence of basic ideas.

[sample2015-16]

Ans:

- a) Problems: When a problem exists, an idea leads to a solution to resolve that problem, it emerges as a business opportunity.
- b) Change: A change in social, legal, technological aspects etc. leads to new opportunities to start a business.
- c) Inventions: New products or services leads to new business opportunities.
- d) Competition: Competition often results in emergence of new and better ideas that result in new business opportunities.
- e) Innovation: Creating new things of value as well as new and creative processes that add value to the existing products or services. For example, computers to tablets.

18.What is meant by “Problem Identification”? State it’s any four uses and also give an example. [2015-16]

Ans: A problem is a roadblock in a situation, something that sets up a conflict and forces you to find a solution. When an entrepreneur identifies such a road block, he/she is said to have identified the problem.

Ans: Uses are:

1. Bring out new products in the market
2. Understand the problems and needs of the market
3. Be creative
4. Increase employment generation
5. Increase national income (of the country)

19.The process of generation of ideas’ can be streamlined by developing awareness about it and this work as the convenient frames of references for this.

(a) Identify the concept stated in the above lines.

Ans: Idea Fields

(b) Explain any three sources of the concept identified which are used by an Entrepreneur.[2015-16]

- Natural resources
- Existing products
- Market driven ideas
- Trading related ideas
- Service sector ideas
- Creative efforts

20.A Young man, Vivek wants to start a business. He is not sure of the type of business he should start. His friends suggested him to seek the help of professionals. He contacted a professional who asked Vivek to pay a big amount for providing the reports and industry updates. Therefore he decided to search for the reports and industry updates himself. He started looking for the required information and reports on different web- sites regularly. He also interacted with people for the type of products they would like to use in future. In addition to this he visited trade fairs, malls, exhibitions etc. to assess the on-going trends. Identify and state the way Vivek is using for spotting the trend. Also state one more way which will help Vivek in starting his business.

Answer:

- Read trends: Reading reports and going to websites to gather information
- Talk trends: He interacted with people to know products they would want to use in the future
- Watch Trends: he visited trade fairs, malls, exhibitions etc. to assess the on-going trends

There is one more way that will help vivek start a business is think trend that involves him to absorb and think about what he has read, heard and observed and starts to make connections in observations that will give him new insights about business. [SP 2018]

21.Ragini has a degree in robotics and she loves to design products. She started her career in Robotech which uses high end technologies in all their products. Her job profile profile included travelling a lot. While travelling her often noticed that disable people have difficulty in maneuvering their wheelchair from one place to another because in some places ramp is not provided and there

is no way they can walk up the stairs.

She came up with an idea of a wheelchair which can be used on stairs easily. She decided to quit her job and start a new company. She realized that her idea was the first stage in the process of innovation.

Identify the concept and explain the steps in the process.

Ans: Creative process

- Idea germination
- Preparation
- Incubation
- Illumination
- Verification

[SP 2018]

22.Hina, was manufacturing beauty products and was always on the lookout to improvise her products. She used social media and online surveys to understand the latest trend in customer needs and overall in the cosmetics industry. Through the surveys, she understood that the customers prefer natural ingredients like 'Multani Mitti' or neem in place of chemicals in the beauty products. Responding to the customers' needs, she developed a 'Multani Mitti' cum neem face pack' in an attractive package. It was highly priced as she knew that the customers will be ready to pay the price for the quality. Her face pack was an instant success. Identify the 'Way' in which Hina spotted this trend. [Sample paper-2014-15]

Ans: Think Trend

