

TECHNISCHE UNIVERSITÄT MÜNCHEN  
TUM School of Management  
Entrepreneurship Research Institute  
Professorship of Entrepreneurial Behavior  
Prof. Dr. Nicola Breugst

Summer Semester 2023  
**Exam: "Entrepreneurship"**  
**WI000984 or WI900005; Part I of module WI001185M**

**Your Name:**

**Your Immatriculation Number:**

**General remarks concerning the exam:**

- For the exam "Entrepreneurial, Strategic, and International Management (WI001185M)" there is a total of 120 minutes to answer the questions, i. e. two exam parts.
- If you write the exam "Entrepreneurship (WI000984 or WI900005)" only, there is a total of 60 minutes to answer these questions.

**This part includes only the questions for the exam "Entrepreneurship". For questions on Strategic and International Management please check the other part and their instructions.**

**Instructions for the exam "Entrepreneurship":**

- Your exam should consist of 8 pages (including this cover sheet). Please check for completeness!
- There are 35 multiple choice questions, all of which should be answered.
- In each question, exactly one answer can be seen as the best answer and is correct.
- Please answer all questions on the **SEPARATE ANSWER SHEET**.
- Please write your **name** and **immatriculation number** on this cover sheet AND the **SEPARATE ANSWER SHEET on top of the exam**. Please **SIGN** the answer sheet!
- The exam is a closed book exam. No additional materials (such as books, course slides, personal notes) are allowed. Please note that you must not keep mobile phones, smart watches, and any other electronic devices at your place.
- Leaving the auditorium during the exam requires the permission of the supervisor.
- Do **NOT** unstaple the exam sheets.
- Anyone caught cheating will fail the exam (grade „nicht ausreichend“ – 5,0).

Good luck!

—

- 1 The Sustainable Business Model Canvas is an extension of the traditional Business Model Canvas. What is true about the Sustainable Business Model Canvas?
- A The Sustainable Business Model Canvas additionally covers Values and Vision.
  - B The Sustainable Business Model Canvas additionally covers Cost / Benefit Balance.
  - C The Value Proposition building block of the Sustainable Business Model Canvas only focuses on Sustainable Development Goals.
  - D The Costs building block of the Sustainable Business Model Canvas is subdivided into Financial Costs, Environmental Costs, and Sustainability Costs.
- 2 The economist Joseph Schumpeter stated that entrepreneurship is the engine of economic growth and referred to the entrepreneurial process as "creative destruction". Which of the following is an example of "creative destruction"?
- A Amazon launching an online service that has changed how consumers purchase products across the world.
  - B Ridesharing apps allowing anyone to order a driver from their phone potentially making taxi services redundant.
  - C Services to download or stream music online revolutionizing the music industry and creating massive drops in CDs sales.
  - D All of the above.
- 3 When do we speak about a multi-sided business model?
- A When there is more than one customer segment.
  - B When a company generates revenues from customers who are not the primary user-base.
  - C When a company leverages several distribution channels.
  - D When the users of a product/service are also involved in the creation of the product/service.
- 4 What is true about the equity split in entrepreneurial teams?
- A Teams that split the equity late often rely on a backwards orientation.
  - B Teams that rely on vesting are less attractive for venture capitalists.
  - C Teams that rely on a forward orientation will particularly value the team members' commitment to the venture.
  - D Teams that split the equity equally can avoid conflicts around the equity distribution.
- 5 During a pitching event, an aspiring entrepreneur shows a highly emotional video including pictures and music instead of facts. The video ends with the claim that the venture will be the ideal solution for one of the "modern world's biggest issues". This is an example of:
- A The central route of persuasion.
  - B The peripheral route of persuasion.
  - C The emotional route of persuasion.
  - D The commercial route of persuasion.
- 6 According to the "Big Five" personality factors presented in the lecture, an individual who is friendly, non-competitive, and compassionate is likely to have:
- A A high score on introversion.
  - B A low score on conscientiousness.
  - C A high score on neuroticism.
  - D A high score on agreeableness.
- 7 Our guest speaker Dr. Gesa Biermann introduced her startup pina.earth to us. What is their value proposition?
- A Pina Earth enables forest owners to create and sell carbon credits.
  - B Pina Earth invented the voluntary carbon market.
  - C Pina Earth plants new trees donated by businesses.
  - D None of the above.



- 8 According to Klotz et al.'s (2014) Input-Mediator-Outcome framework of entrepreneurial teams, the team members' attitudes (for example, how do they think about the team) is considered to be part of:
- A Team processes.
  - B Action processes.
  - C Emergent states.
  - D Inputs.
- 9 Imagine you are an entrepreneurial manager at a German company producing baby food: Which change(s) in the environment might be an opportunity for you?
- A Chemicals found in your competitor's baby food that cause concerns in parents
  - B Ageing population in Western countries with a higher need for easily digestible food.
  - C Globally growing middle class including parents who want the best for their children.
  - D All of the above.
- 10 In order for an entrepreneur to get access to resources provided by business stakeholders, she has to communicate a strong vision. According to our lecture, what is true about this vision?
- A It is a projected mental image of the products, services, and organization a leader aspires to.
  - B It depicts an ideal and unique image of the future.
  - C It is a positive, general, and emotionally laden idea related to strong values.
  - D All of the above.
- 11 "Foot-in-the-door" is an important negotiation technique for entrepreneurs and corresponds to:
- A Escalating pattern of requests.
  - B Inducements that are withdrawn after a commitment is made.
  - C Making an extreme request and following it up with a more reasonable one.
  - D Increasing the offer or reducing the costs.
- 12 According to the lecture, which factors contribute directly to opportunity identification?
- A Knowledge, networks, and creativity.
  - B Creativity, knowledge, and socio-economic status.
  - C Personal income, networks, and knowledge.
  - D Changes in the environment, creativity, and technical skills.
- 13 What is process mining according to what we learned in our guest lecture with Celonis?
- A A purely data-centric analysis technique.
  - B The common overlap of process science and data science.
  - C A sub area of operations management.
  - D A sequence of event logs.
- 14 Task conflict in entrepreneurial teams is NOT characterized by...
- A disagreements about differences in viewpoints and opinions.
  - B interpersonal incompatibilities.
  - C better decision quality.
  - D increase in venture performance.
- 15 What are the benefits for entrepreneurial teams that have formed on the basis of strong ties?
- A They avoid one type of uncertainty, namely relational uncertainty.
  - B They are more likely to reflect about old and new roles.
  - C They enjoy more flexibility in search for potential partners.
  - D They tend to speak early about potential changes in their team composition.



- 16 When the augmented reality mobile game Pokémon Go was released in July 2016, it took only 19 days for the game to have 50 million users. Thus, it reached the threshold of 50 million users much faster than innovations such as airlines or electricity, which entered the market decades ago. Which of the following is NOT the reason for this achievement?
- A Global trend of digitalization.
  - B Freemium model of the game.
  - C First-mover strategy.
  - D Late-mover strategy.
- 17 According to our guest speaker Bennet Barth (Managing Director at RESPOND), what is important for entrepreneurs willing to build a sustainable venture?
- A Only focusing on reducing carbon emissions.
  - B Finding technical solutions without changing behavior or policies.
  - C Ignoring planetary boundaries.
  - D Adopting a system lens, since the sustainability crisis is complex.
- 18 According to the lecture, which of the following is a reason why entrepreneurship can benefit from taking a psychological perspective?
- A Because the entrepreneurs' cognitive processes, emotions, and psychological traits can shape opportunity recognition.
  - B Because firm-level processes provide a complete explanation for entrepreneurship phenomena.
  - C Because personality depends on the entrepreneur's current situation and can therefore potentially change how they exploit opportunities from one moment to another.
  - D Because there is a deterministic relationship between personality traits and success in entrepreneurship.
- 19 Social networks play an important role in entrepreneurship. According to Davidsson and Honig (2003), which of the following circumstances has the highest impact on an entrepreneur's success?
- A Being a member of a business network.
  - B Being encouraged by friends.
  - C Having parents in business.
  - D Having friends in business.
- 20 Our guest speaker Bennet Barth (Managing Director at RESPOND) talked about the distinction between zebra and unicorn companies. According to him, how do they differ?
- A While unicorns aim to scale their business as quickly as possible, zebras are looking for a more sustainable way to grow as a company.
  - B Unicorns are always more successful than zebras.
  - C Zebra companies can only be successful in the field of social entrepreneurship.
  - D None of the above.
- 21 A startup wants to create special chocolate bars and comes up with the value proposition that customers can create their own bars from a set of ingredients (i.e. customized chocolate bars). As an expert in the Business Model Canvas, what piece of advice are you UNLIKELY to give?
- A An online shop would be the most appropriate distribution channel because customers can select from the set of ingredients in the web shop.
  - B Supermarkets would be the most appropriate distribution channel because customers can compare the new chocolate bar to existing bars.
  - C A key partner could be a company that produces nuts and spices.
  - D If the startup wants to sell directly to the end consumer, it will need to include a budget for marketing in the cost structure.
- 22 Entrepreneurs are often characterized by a strong need for achievement. What is true about the need for achievement?
- A It is a preference for making decisions independently and being in control.
  - B High achievers have a high need for autonomy.
  - C It is an internal force that pushes people to engage in task-oriented behavior.
  - D High achievers believe that they can organize and effectively execute actions to produce certain outcomes.



- 23** Looking at the Business Model Canvas of LinkedIn discussed in the lecture, the LinkedIn Platform is probably LinkedIn's most important...
- A** Key Resource.
  - B** Value Proposition.
  - C** Revenue Stream.
  - D** Cost Structure.
- 24** In the early days of the Head Ski Company, it only produced and sold high-tech skis in the US market. Which of the following would, according to the Ansoff Matrix, NOT be an example of a diversification strategy for this case?
- A** Design and manufacture of equipment used to make skis.
  - B** Sell skis in diverse markets, such as Europe, Argentina, and Japan.
  - C** Open a chain of retail ski shops.
  - D** Ownership of ski mountains.
- 25** Which statement is true about the "total entrepreneurial activity rate" of a country?
- A** It is only high in countries with a high GDP/capita.
  - B** In most countries, it is above 50%.
  - C** It represents the success of entrepreneurs operating in a given country.
  - D** None of the above.
- 26** What is a potential use case of the product Jörg-Michael Weber (co-founder of ATLAS) and his co-founder are developing, that is ultra-light, safe, battery systems?
- A** Marine systems.
  - B** Mining.
  - C** Satellites.
  - D** All of the above.
- 27** According to the lecture, which mood can help entrepreneurs to analyze their opportunity holistically?
- A** A positive mood because it facilitates a global perception of the opportunity.
  - B** A negative mood because it facilitates a global perception of the opportunity.
  - C** A neutral mood because it facilitates a global perception of the opportunity.
  - D** A neutral mood because it facilitates a more detailed perception of the opportunity.
- 28** According to the lecture, John Osher, who is the inventor of the spin brush, can be seen as ...
- A** a failed entrepreneur.
  - B** a serial entrepreneur.
  - C** an entrepreneur following the causation approach.
  - D** a sustainable entrepreneur.
- 29** What is true about scale-ups according to Piaskowska et al. (2021)?
- A** They need to find a balance between exploration and exploitation.
  - B** They need to synchronize their internal organization with high growth.
  - C** They need to deal with decelerated product life cycles.
  - D** They need to build up a highly flexible and agile structure.
- 30** How is uncertainty defined according to Knight (1921)?
- A** The probability of an outcome is possible to calculate or is knowable.
  - B** The probability of an outcome is not possible to determine or is unknowable.
  - C** Uncertainty requires entrepreneurs to change their opportunity.
  - D** None of the above are correct.



- 31** An entrepreneur who is visually impaired realizes he has a different approach to food and tasting compared to all his friends who are able to see. He is convinced that our senses of smelling and tasting are sharpened if we are unable to see. Based on this observation, he starts a restaurant offering a "dining in the dark" experience, i.e., his customers eat in a restaurant without any light coming in. Which principle of effectuation offers the best explanation for this story?
- A** Start with your means.
  - B** Affordable loss.
  - C** Form partnerships.
  - D** Leverage surprise.
- 32** What is true about the effectuation in action cycle (Sarasvathy, 2001)?
- A** It starts with setting a specific goal.
  - B** The goal entrepreneurs choose to pursue should be ambitious and beyond their comfort zone.
  - C** Committed stakeholders can bring new means to the venture.
  - D** If stakeholders do not show any commitment, entrepreneurs will develop new goals.
- 33** When different target groups have apparently contradicting needs, these needs might be combined to generate new ideas or products. Which creativity technique works based on this principle?
- A** Analogical reasoning.
  - B** Conceptual combination.
  - C** The checklist method.
  - D** Closing the difference gap.
- 34** In one of our guest lectures, we had the pleasure to welcome Celonis, who are an outstanding example of a German decacorn. What exactly is a decacorn?
- A** A company that had 10 successful unicorn spin-offs.
  - B** A company valued at more than US \$1 Billion.
  - C** A company whose sales revenue grew by US \$1 Billion over the last decade.
  - D** A company valued at more than US \$10 Billion.
- 35** What is a key assumption of Barney's resource-based view of the firm?
- A** Some resources are inelastic in supply or costly to copy.
  - B** A firm's resources must be imperfectly imitable.
  - C** Resources provide a firm with a sustained competitive advantage.
  - D** All of the above.

## Musterlösung

1	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
2	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
3	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
4	<input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D
5	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
6	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
7	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
8	<input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D
9	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
10	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
11	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
12	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
13	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
14	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
15	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
16	<input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D
17	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
18	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
19	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
20	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
21	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
22	<input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D
23	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
24	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
25	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
26	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
27	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
28	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
29	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
30	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
31	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D
32	<input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D
33	<input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
34	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
35	<input checked="" type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D

MUSTER  
Nicht ausfüllen!