

LCLM4006 revision quiz – Q&A

1. What is the primary aim of the LCLM4006 Enterprise & Entrepreneurship module?
 - a) To teach students how to manage large corporations
 - b) To develop awareness of enterprise and the skills required to set up a successful business
 - c) To focus solely on theoretical aspects of entrepreneurship
 - d) To prepare students for careers in finance
2. Which of the following is NOT a learning outcome of the LCLM4006 module?
 - a) Identify and evaluate a business idea
 - b) Design an appropriate business plan
 - c) Manage a multinational corporation
 - d) Understand entrepreneurial opportunities
3. What is the definition of entrepreneurship according to the module?
 - a) The activity of managing a large corporation
 - b) The activity of setting up a business or businesses, either for profit or not
 - c) The process of investing in stocks and shares
 - d) The study of economic theories
4. What is an entrepreneurial opportunity?
 - a) A chance to invest in the stock market
 - b) A set of circumstances that creates the need for a new product or service in a market
 - c) A government grant for small businesses
 - d) A job offer from a large corporation
5. Which of the following is a key stage in the entrepreneurial process?
 - a) Idea generation
 - b) Stock market analysis
 - c) Corporate restructuring
 - d) Mergers and acquisitions
6. What is the purpose of a business plan?
 - a) To secure funding from investors
 - b) To define the goals of the business and describe how they will be achieved
 - c) To manage employee performance
 - d) To analyze stock market trends
7. Which of the following is NOT a common section in a business plan?
 - a) Market research and analysis
 - b) SWOT analysis
 - c) Employee salary details
 - d) Financial projections
8. What is the main advantage of a Limited Company (LTD)?
 - a) Unlimited liability for the owners
 - b) Tax efficiency and limited liability
 - c) No need to register with Companies House
 - d) Complete control by a single owner
9. What is a sole trader?
 - a) A business owned and operated by one person
 - b) A business owned by multiple shareholders
 - c) A government-funded enterprise
 - d) A non-profit organization

10. What is a key disadvantage of being a sole trader?
- a) Limited liability
 - b) Unlimited liability for debts
 - c) Tax efficiency
 - d) Professional status
11. What is a Community Interest Company (CIC)?
- a) A for-profit company with no social mission
 - b) A social enterprise focused on addressing a social or environmental cause
 - c) A government-owned corporation
 - d) A charity that does not reinvest profits
12. What is market segmentation?
- a) Dividing the market into subsets of customers who share common characteristics
 - b) Merging two companies into one
 - c) Analyzing stock market trends
 - d) Creating a new product without market research
13. Which of the following is NOT a type of market segmentation?
- a) Demographic segmentation
 - b) Behavioral segmentation
 - c) Financial segmentation
 - d) Geographic segmentation
14. What does PESTEL analysis stand for?
- a) Political, Economic, Social, Technological, Environmental, Legal
 - b) Product, Economy, Society, Technology, Environment, Law
 - c) Planning, Execution, Strategy, Technology, Environment, Logistics
 - d) Profit, Expenses, Sales, Technology, Environment, Legal
15. Which of the following is an example of an economic factor in PESTEL analysis?
- a) Inflation rates
 - b) Social media trends
 - c) Environmental regulations
 - d) Technological advancements
16. What is crowdfunding?
- a) A government grant for startups
 - b) A method of raising funds from a large number of people, typically via the internet
 - c) A loan from a commercial bank
 - d) A personal investment from family and friends
17. What is the role of a business angel?
- a) To provide loans to large corporations
 - b) To invest personal money in a small business in exchange for a minority stake
 - c) To manage government grants
 - d) To provide legal advice to startups
18. What is bootstrapping in the context of startups?
- a) Launching and growing a business without external help or capital
 - b) Securing a large loan from a bank
 - c) Merging with another company
 - d) Selling shares to venture capitalists
19. What is the primary focus of entrepreneurial marketing?
- a) To compete with large corporations on advertising budgets

- b) To understand the market and customers with limited resources
- c) To focus solely on online marketing
- d) To ignore customer needs and focus on product development

20. What is the purpose of a cash flow forecast?

- a) To predict future stock market trends
- b) To estimate the future financial position of a business
- c) To analyze employee performance
- d) To plan marketing strategies