ENTREPRENEURSHIP AND MANAGEMENT (GB 370) GENTRY TEST 1 PRACTICE (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE

https://gb370gentrytest1.examzify.com

Table of Contents

Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

• Practice answering questions under realistic conditions,

• Improve accuracy and speed,

• Review explanations to strengthen weak areas, and

• Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

1. **A tool for analyzing competition of a business, including 1) threat of new entrants, 2) bargaining power of suppliers, 3) threat of substitutes, 4) bargaining power of buyers, and 5) industry rivals.**
   A. Porter's Five Forces Analysis
   B. Strategy diamond
   C. VRIO analysis
   D. Realized strategy

2. **In startup finance, runway refers to how long the company can operate before needing additional funds given current burn rate.**
   A. The amount of time the startup can operate before needing more funding, given current burn rate.
   B. The total investment raised to date.
   C. The number of employees needed to reach profitability.
   D. The planned marketing budget for next quarter.

3. **In the normal innovation setup, which sequence is correct?**
   A. R&D creates>>>managers evaluate>>>customers pay
   B. Customers pay>>>R&D creates>>>managers evaluate
   C. Managers evaluate>>>R&D creates>>>customers pay
   D. R&D creates>>>customers pay>>>managers evaluate

4. **Which practice helps startups design effective teams and avoid common mismanagement pitfalls?**
   A. Hire for capability and culture, clarify roles and expectations, foster autonomy with accountability, and implement continuous feedback.
   B. Hire for capability and culture, clarify roles and expectations, but limit accountability and feedback to annual reviews.
   C. Hire for cost savings and speed, with minimal emphasis on culture or roles.
   D. Rely on informal processes and avoid structured feedback.

5. **Which term describes a plan of action from an intended strategy?**
   A. Emergent strategy
   B. Deliberate strategy
   C. Realized strategy
   D. VRIO analysis

6. Which pair of metrics determine the BCG Matrix position?

A. Market profitability and risk.

B. Market size and geographic reach.

C. Growth rate of the market and relative market share.

D. Price and cost structure.

7. If salaries go up, what tends to rise as well?

A. Inflation and interest rates

B. Unemployment

C. Productivity only

D. None of the above

8. Which statement describes qualitative market research?

A. Qualitative research uses interviews and observations to gain insights.

B. Qualitative methods involve controlled experiments and surveys.

C. Qualitative research relies on numerical data and surveys.

D. Qualitative research uses case studies and market segmentation to predict trends.

9. Which of the following best describes the two dimensions used in the BCG Matrix?

A. Growth rate of the market and relative market share.

B. Product pricing and marketing spend.

C. Geographic reach and production capacity.

D. Employee turnover and training hours.

10. Which term describes voluntary behaviors employees perform to help others and benefit their organization?

A. Environmental scanning

B. Stakeholders

C. Power distance

D. Organizational citizenship behaviors

Answers

1. D
2. A
3. A
4. B
5. B
6. C
7. A
8. A
9. A
10. D

Explanations

1. A tool for analyzing competition of a business, including 1) threat of new entrants, 2) bargaining power of suppliers, 3) threat of substitutes, 4) bargaining power of buyers, and 5) industry rivals.

A. Porter's Five Forces Analysis

B. Strategy diamond

C. VRIO analysis

D. Realized strategy

Porter's Five Forces Analysis examines the competitive pressures that shape an industry. It looks at five external forces: the threat of new entrants, the bargaining power of suppliers, the threat of substitutes, the bargaining power of buyers, and rivalry among existing competitors. Each force influences how easy or hard it is for firms to earn profits in that industry. For example, if barriers to entry are low, new rivals can flood the market and push prices down; powerful suppliers can push up costs; readily available substitutes can cap price levels; powerful buyers can demand better terms; and intense rivalry among firms can lead to price wars and reduced margins. Together, these forces determine the overall attractiveness of an industry and help guide strategic choices about where to compete and how to position a firm. Other frameworks focus on different angles. VRIO analysis is about a company's internal resources and whether they provide lasting advantages. The strategy diamond analyzes where, how, and with whom a firm competes, plus the sequence and logic of those choices. Realized strategy looks at what the firm actually does in practice, as opposed to what it planned. The five-forces lens specifically targets external competitive pressures in the industry.

2. In startup finance, runway refers to how long the company can operate before needing additional funds given current burn rate.

A. The amount of time the startup can operate before needing more funding, given current burn rate.

B. The total investment raised to date.

C. The number of employees needed to reach profitability.

D. The planned marketing budget for next quarter.

Runway is the amount of time a startup can operate before needing additional funds, given the current burn rate. Burn rate is how fast cash is leaving the business each month, so runway uses the current cash on hand divided by that monthly burn to estimate how long you can keep operating. This concept matters because it tells you when you'll need to raise more capital or take steps to reduce costs. The total investment raised to date doesn't tell you how long you can run without new funds, and the number of employees or a planned marketing budget aren't direct measures of how long operations can continue at the current spending pace.

3. In the normal innovation setup, which sequence is correct?

A. R&D creates>>>managers evaluate>>>customers pay

B. Customers pay>>>R&D creates>>>managers evaluate

C. Managers evaluate>>>R&D creates>>>customers pay

D. R&D creates>>>customers pay>>>managers evaluate

In this kind of innovation flow, the value is created first by R&D generating the product or technology, then management analyzes feasibility, potential market, and risks to decide whether to proceed, and only after that do customers pay for the offering. This sequence captures the logical steps from idea creation to evaluation to revenue: you don't get paid for something that hasn't been developed and validated, and you don't evaluate a project that hasn't been created yet. The other orders imply payment before there's a product, or evaluation before any development, which doesn't fit how a normal innovation cycle unfolds.

4. Which practice helps startups design effective teams and avoid common mismanagement pitfalls?

A. Hire for capability and culture, clarify roles and expectations, foster autonomy with accountability, and implement continuous feedback.

B. Hire for capability and culture, clarify roles and expectations, but limit accountability and feedback to annual reviews.

C. Hire for cost savings and speed, with minimal emphasis on culture or roles.

D. Rely on informal processes and avoid structured feedback.

Designing effective startup teams hinges on ongoing feedback and a balance between autonomy and responsibility. Hiring for capability and culture ensures the people not only have the skills to get the job done but also share the values that help the team collaborate well under pressure. Clear roles and expectations remove ambiguity, which is crucial in fast-moving environments where tasks shift quickly. When you empower people with autonomy, they can move fast and innovate, but that freedom must come with accountability so outcomes stay aligned with the business goals. Continuous feedback keeps performance improvements and course corrections timely, supports learning, and maintains engagement, preventing small issues from becoming big problems. Relying on annual performance reviews delays noticing misalignment or skill gaps, reducing responsiveness and morale. Focusing only on cost or speed at the expense of culture and clear structures tends to sow confusion and turnover. Informal processes without structured feedback miss opportunities to train, recognize good work, and fix problems as they arise.

5. Which term describes a plan of action from an intended strategy?

A. Emergent strategy

B. Deliberate strategy

C. Realized strategy

D. VRIO analysis

Deliberate strategy is the plan of action that comes directly from an intended strategy. It embodies the explicit choices about where to compete, what resources to mobilize, and how to execute the plan. This is the intentional roadmap that managers set out at the outset. Emergent strategy, in contrast, arises from patterns and opportunities that show up during execution, not from the initial plan. Realized strategy is what actually unfolds in practice, which may combine deliberate actions with emergent elements. VRIO analysis is a framework for evaluating a firm's resources and capabilities to see if they provide competitive advantage, not a plan of action.

6. Which pair of metrics determine the BCG Matrix position?

A. Market profitability and risk.

B. Market size and geographic reach.

C. Growth rate of the market and relative market share.

D. Price and cost structure.

The BCG Matrix positions an SBUs based on two metrics: how fast the market is growing and how strong the company's position is relative to its largest competitor. The market growth rate captures market attractiveness and future potential, while relative market share reflects competitive strength and economies of scale. Together, they determine where an SBU sits—Star, Cash Cow, Question Mark, or Dog—and guide resource allocation decisions. Other choices mix financial outcomes or scope metrics that don't set the BCG axes. Market profitability or risk are financial results, not the axes. Market size and geographic reach describe scale and presence but not the competitive strength relative to rivals. Price and cost structure are cost/price indicators, not the growth- and market-share dimensions used to place SBUs in the matrix.

7. If salaries go up, what tends to rise as well?

A. Inflation and interest rates

B. Unemployment

C. Productivity only

D. None of the above

Rising salaries boost workers' purchasing power, which tends to lift demand for goods and services. When demand grows faster than the economy can supply, prices tend to rise, creating inflation. As inflation moves higher, central banks usually respond by tightening monetary policy, which shows up as higher interest rates. Productivity isn't guaranteed to rise with wages, and unemployment doesn't have a simple, direct upward or downward move in this scenario; wage increases can occur even without corresponding productivity gains, and unemployment is influenced by many other factors. So the combination most likely to accompany higher salaries is inflation and higher interest rates.

8. Which statement describes qualitative market research?

A. Qualitative research uses interviews and observations to gain insights.

B. Qualitative methods involve controlled experiments and surveys.

C. Qualitative research relies on numerical data and surveys.

D. Qualitative research uses case studies and market segmentation to predict trends.

Qualitative market research focuses on understanding why people think and behave the way they do by gathering non-numeric data through open-ended methods. Interviews and careful observations are classic techniques because they let researchers explore motivations, feelings, and experiences in depth, capturing nuances that numbers alone can't reveal. This approach aims to gain rich insights and context, rather than measuring how many or how much. That's why describing qualitative research as using interviews and observations to gain insights matches the essence of the method. The other descriptions lean toward numerical data, controlled experiments, or forecasting with quantitative data, which align more with quantitative or mixed-methods approaches rather than the depth-focused nature of qualitative inquiry.

9. Which of the following best describes the two dimensions used in the BCG Matrix?

A. Growth rate of the market and relative market share.

B. Product pricing and marketing spend.

C. Geographic reach and production capacity.

D. Employee turnover and training hours.

The two dimensions measured in the BCG Matrix are the growth rate of the market and the unit's relative market share. The growth rate looks at how fast the market in which the business unit competes is expanding, signaling how much future potential there is and how aggressively you might invest. Relative market share compares the unit's strength to its biggest competitor, serving as a proxy for competitive power, pricing leverage, and economies of scale. Placing a unit on these two axes creates four categories that help decide where to invest, harvest, or divest. The other options describe factors like pricing, marketing spend, geography, production capacity, or HR metrics, which are not the axes used in the matrix.

10. Which term describes voluntary behaviors employees perform to help others and benefit their organization?

A. Environmental scanning

B. Stakeholders

C. Power distance

D. Organizational citizenship behaviors

Voluntary behaviors employees perform beyond their formal duties to help others and advance the organization are called organizational citizenship behaviors. These actions aren't required by job descriptions—they include lending a hand to coworkers, volunteering for extra tasks, supporting change initiatives, and taking the initiative to improve processes. Such behaviors boost teamwork, morale, and overall organizational effectiveness, even though they aren't part of formal performance metrics. The other terms describe different ideas: environmental scanning is about collecting information on the external environment to inform strategy; stakeholders are groups with an interest in the organization; power distance relates to how power is distributed and accepted within a culture. None specifically capture the discretionary, extra-role contributions that organizational citizenship behaviors describe, making this the best fit.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://gb370gentrytest1.examzify.com

We wish you the very best on your exam journey. You've got this!