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

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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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.

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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!

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Questions

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1. Which term refers to a competitive advantage that will exist after all attempts at strategic imitation have stopped?

A. Institutional collectivism

B. Future orientation

C. PESTEL

D. Sustainable competitive advantage

2. Which description best captures the interpersonal roles of a manager?

A. Monitor and adjust budgets

B. Analyze market trends

C. Develop long-term strategy

D. Leader who encourages productivity

3. A virtual organization is best described as which?

A. A group centralized in one location with physical offices

B. An organization comprising independent contractors only

C. Its members are geographically dispersed and work via telecommunications yet appear as a single organization

D. A team that operates only in virtual simulations

4. Which statement about raising capital is true for corporations?

A. They can raise money by selling stock

B. They cannot raise funds externally

C. They have no liability protections

D. They avoid taxes completely

5. Which statement best differentiates opportunity-driven entrepreneurship from resource-driven entrepreneurship?

A. Opportunity-driven entrepreneurship begins with a set of available assets and searches for a market.

B. Resource-driven entrepreneurship focuses on creating a new market opportunity.

C. Opportunity-driven entrepreneurship seeks to exploit a market opportunity with an innovative offering; resource-driven starts from existing resources and constraints, building a venture around them.

D. Both approaches start with a clean slate and have no constraints.

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6. What is the primary purpose of the BCG Matrix?

A. To evaluate a portfolio of businesses.

B. To forecast currency fluctuations.

C. To design product packaging.

D. To measure employee performance.

7. Which framework assesses external macro-environmental factors including political, economic, social, technological, environmental, and legal factors?

A. SWOT analysis

B. Corporate strategy

C. Future orientation

D. PESTEL

8. Which concept denotes the competitive advantage that persists after imitation attempts have ceased?

A. Synergy

B. Institutional collectivism

C. Sustainable competitive advantage

D. Future orientation

9. An organization's culture map is built on the founder's experiences and includes symbols, stories, heroes, slogans, and ceremonies.

A. False

B. True

C. Not described in organizational culture concepts

D. Only applies to startups

10. What should you consider when brainstorming?

A. Who are my customers? What quantities will they buy? How will my product differ from competitors?

B. Which employees should be cut? How to reduce costs? Where to outsource?

C. How to maximize profits immediately? Which markets to exit? What color to paint walls?

D. What are legal constraints? How to reduce risk? Who are competitors?

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Answers

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

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Explanations

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1. Which term refers to a competitive advantage that will exist after all attempts at strategic imitation have stopped?

A. Institutional collectivism

B. Future orientation

C. PESTEL

D. Sustainable competitive advantage

Sustainable competitive advantage is a durable edge that persists even after rivals have stopped trying to imitate it. It rests on resources or capabilities that are valuable, rare, hard to copy, and not easily substitutable, making imitation costly or infeasible. Think of a brand with deep customer loyalty, a proprietary technology that's hard to license, or a network effect that grows stronger as more users join—the kind of advantage competitors can't easily replicate. In contrast, the other terms point to culture, planning for the future, or a framework for analyzing the external environment, none of which inherently guarantee lasting superiority.

2. Which description best captures the interpersonal roles of a manager?

A. Monitor and adjust budgets

B. Analyze market trends

C. Develop long-term strategy

D. Leader who encourages productivity

Interpersonal roles involve how a manager leads people, motivates the team, and maintains morale to boost performance. The description of a leader who encourages productivity is the best fit because it directly emphasizes guiding, inspiring, and supporting others to work effectively together. This captures the essence of interacting with and influencing people—the core of the interpersonal side of management. The other options focus on tasks like monitoring budgets, analyzing market trends, or developing long-term strategy, which are more about control, external analysis, or planning rather than leading and motivating the team.

3. A virtual organization is best described as which?

A. A group centralized in one location with physical offices

B. An organization comprising independent contractors only

C. Its members are geographically dispersed and work via telecommunications yet appear as a single organization

D. A team that operates only in virtual simulations

The main idea here is that a virtual organization coordinates work across geographic distances using telecommunications while presenting itself as one cohesive entity. Its members are scattered around different places and rely on digital tools—email, video conferencing, cloud platforms, shared systems—to collaborate, yet the organization maintains a single structure, brand, and set of processes so it feels like one company to both employees and customers. That combination of dispersed locations, constant connectivity, and unified operating presence is what defines a virtual organization. The other descriptions miss that unity across distance: being centered in one physical location describes a traditional, non-virtual firm; an organization of independent contractors only is too restrictive and doesn't necessarily imply a single, integrated entity; and a team that operates only in virtual simulations doesn't reflect real-world organizational operation.

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4. Which statement about raising capital is true for corporations?

A. They can raise money by selling stock

B. They cannot raise funds externally

C. They have no liability protections

D. They avoid taxes completely

Raising capital for corporations relies on external financing options, especially equity through selling stock and debt through bonds or loans. The statement that they can raise money by selling stock is true because issuing shares brings in cash from investors in exchange for ownership stakes, without requiring repayment like a loan. Corporations are separate legal entities that provide limited liability to owners, so shareholders are not personally on the hook for corporate debts. They can and do raise funds externally beyond the company's own funds, including issuing bonds and obtaining bank financing. They also pay taxes at the corporate level, and dividends to shareholders can be taxed again at the individual level, so taxes aren't avoided completely.

5. Which statement best differentiates opportunity-driven entrepreneurship from resource-driven entrepreneurship?

A. Opportunity-driven entrepreneurship begins with a set of available assets and searches for a market.

B. Resource-driven entrepreneurship focuses on creating a new market opportunity.

C. Opportunity-driven entrepreneurship seeks to exploit a market opportunity with an innovative offering; resource-driven starts from existing resources and constraints, building a venture around them.

D. Both approaches start with a clean slate and have no constraints.

Two different ways to approach starting a venture: some entrepreneurs begin by spotting a market need and then design an offering to fulfill that need, often with some innovative twist. Others start from what they already have—existing resources, assets, and constraints—and build the venture around those realities, using bootstrapping and creative reconfigurations. The best choice captures this contrast by saying that opportunity-driven entrepreneurship seeks to exploit a market opportunity with an innovative offering. It emphasizes starting with a demand or gap in the market and delivering a novel solution to capture it, which aligns with pursuing growth and market impact. In contrast, starting from existing resources and constraints and building the venture around them—leveraging what's at hand rather than chasing a new market escape route—defines the resource-driven approach. It focuses on what can be done with the current setup rather than what the market might require. The other options don't fit as well: starting with assets and searching for a market reverses the typical order; claiming resource-driven focuses on creating a new market opportunity misstates the inward, constraint-based starting point; and suggesting no constraints ignores the fundamental role constraints play in the resource-driven mindset.

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6. What is the primary purpose of the BCG Matrix?

A. To evaluate a portfolio of businesses.

B. To forecast currency fluctuations.

C. To design product packaging.

D. To measure employee performance.

The BCG Matrix is a portfolio analysis framework used to evaluate a company's set of business units or product lines and guide how resources should be allocated among them. It plots each unit on two dimensions—market growth and relative market share—creating four categories: Stars, Cash Cows, Question Marks, and Dogs. The primary purpose is to help management decide where to invest more, where to harvest for cash, and where to divest, in order to balance growth opportunities with cash generation across the portfolio. It's not about forecasting currency changes, designing packaging, or measuring employee performance.

7. Which framework assesses external macro-environmental factors including political, economic, social, technological, environmental, and legal factors?

A. SWOT analysis

B. Corporate strategy

C. Future orientation

D. PESTEL

Focusing on external macro-environmental drivers requires a framework that systematically breaks down broad forces into distinct categories. PESTEL does exactly that by examining Political, Economic, Social, Technological, Environmental, and Legal factors. This structured lens helps you identify opportunities and threats that exist outside the organization and use those insights to inform long-term strategy and risk assessment. It differs from SWOT, which combines internal strengths and weaknesses with external opportunities and threats without organizing the external factors into specific domains. Corporate strategy is about choosing where to compete and how to allocate resources, not a tool for scanning macro-environmental trends. While future-oriented thinking involves forecasting, it's not the standard framework for categorizing external drivers. In short, PESTEL is the best match for assessing those six external macro-environmental factors.

8. Which concept denotes the competitive advantage that persists after imitation attempts have ceased?

A. Synergy

B. Institutional collectivism

C. Sustainable competitive advantage

D. Future orientation

A sustainable competitive advantage is an edge a firm maintains over time because its valuable resources and capabilities are difficult or costly for competitors to imitate, even after those imitation efforts have stopped. This durability comes from elements that are hard to replicate, such as a strong brand with loyal customers, unique processes or routines, proprietary know-how, exceptional network effects, or access to exclusive distribution channels. When imitators can't easily copy or substitute these assets, the firm can continue to perform better for a longer period, creating persistent value. The other concepts describe different ideas. Synergy focuses on the greater value created when combining assets or units. Institutional collectivism relates to the degree of collective focus and shared norms within an organization or society. Future orientation deals with planning and valuing long-term outcomes. None of these inherently capture the lasting, imitability-resistant edge that defines a sustainable competitive advantage.

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9. An organization's culture map is built on the founder's experiences and includes symbols, stories, heroes, slogans, and ceremonies.

A. False

B. True

C. Not described in organizational culture concepts

D. Only applies to startups

This is true because a founder's experiences and values often shape the very fabric of an organization's culture, and that influence shows up in the culture's artifacts. Symbols convey what the organization stands for; stories communicate how things are done and what matters, often featuring past successes or failures that teach lessons. Heroes highlight the role models the organization wants others to emulate, while slogans distill core beliefs into memorable phrases, and ceremonies reinforce those beliefs through shared rituals. Together, these elements form a culture map that reflects the founder's imprint and the norms the organization uses to guide behavior. While culture can evolve, many firms retain that founder-driven foundation beyond the startup phase, so describing the map as rooted in the founder's experiences and expressed through these artifacts is accurate.

10. What should you consider when brainstorming?

A. Who are my customers? What quantities will they buy? How will my product differ from competitors?

B. Which employees should be cut? How to reduce costs? Where to outsource?

C. How to maximize profits immediately? Which markets to exit? What color to paint walls?

D. What are legal constraints? How to reduce risk? Who are competitors?

When brainstorming, focus on uncovering opportunities by thinking through who will buy your product, how much they'll buy, and how your offering will stand out from the competition. Understanding who the customers are helps you identify the real need you're solving and who you're targeting. Estimating quantities they would purchase gives a sense of market scale and potential demand, which guides what a viable solution could look like. Considering how your product differs from competitors helps you craft a unique value proposition and a clearer path to standing out in the market. The other ideas lean more toward operational moves or financial quick wins—like cutting costs, outsourcing, fighting for immediate profits, or managing risk—which are important but come after you've generated and evaluated potential ideas. So the best approach in brainstorming is to think about customers, demand, and differentiation.

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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!

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