

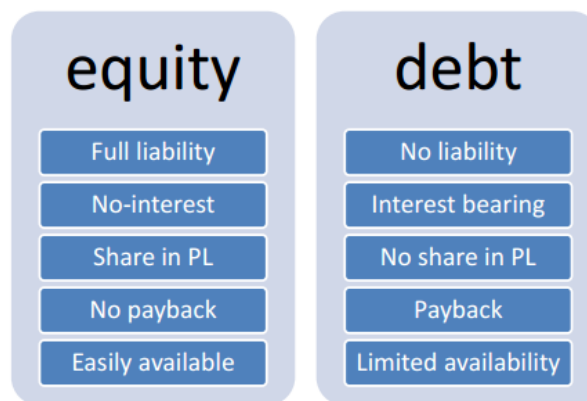
1. What are the characteristics of an entrepreneur? (Finance)

- a. Has innovative & creative thinking
- b. Is willing to take risks
- c. Is convinced of his ideas
- d. Can convince others of his ideas
- e. Is ready to put much effort in his attempt
- f. Is able to take criticism
- g. Is Open-minded towards new ideas
- h. Is able to act on occurring changes and challenges

2. What are the five main financing sources for a start up? (Finance)

- **Equity financing**: Private funds, Family/Friends/Fools, New Shareholders (venture capital, business angels, etc)
- **Hybrid financing** (Equity + Debt)
- **Debt financing**: Short-term (overdraft/Trade credit, customer prepayment), long-term (bank loan)
- **Retention of earnings**: self-explanatory
- **Divestment** (e.g. selling inventory)

3. What is the legal status of a financier regarding his external financing type? (Finance)



4. What are the basics of investment appraisal? (Finance)

- Static:
 - o Profit comparison (total revenue - total costs = total profit) : compare total profit
 - o Cost Comparison : compare total costs
 - o Return on Investment (ROI) = Profit/Capital invested (result in %)
 - o Payback period: which project will pay you back earlier?
- Dynamic:
 - o Present Value (PV) Method: $PV_2 = CF_0/(1+r)^0 + CF_1/(1+r)^1 + CF_2/(1+r)^2$
 - CF_x = Cash-flow at time $t=x$ (e.g. $CF_0 = -10,000$)
 - PV_y = Present value at time $t=y$
 - r = Discount rate (== Cost of capital)

5. What does the Financial Statement consist of? (Finance)

- Balance Sheet (assets vs. debt)
- Profit and Loss account (earnings vs. expenditures)
- Cash Flow Statement (inflow from sales – outflow from payment of salaries, materials, interest)
- Notes
- Status report

6. What are the three Business Model Components? (Business Models)

- Strategy (articulate certain goal → position in market)
- Business Model (how to create value)
- Tactics

7. What is business model design assessment? (Business Models)

- a. How well does value proposition fulfils customer's job?
- b. How many potential customers are there?
- c. How importantly needs this job to be done (costs justified)?

- Switching costs (how easy is it for customers to switch to another company)

- Scalability (how rapidly can you grow your business before you hit roadblocks)

- Recurring Revenue (sale results automatically in more sales? How evenly are revenues distributed over the year)

- Earn before you spend (Do you?)

- Getting others to do the work (how much are customers or third parties creating value for you)

- Protection from competition (Does your product provide built-in protection from competition?)

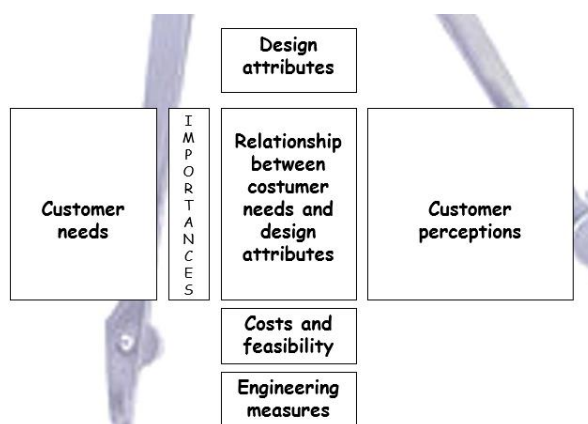
- Game changing cost structure (Is cost structure substantially better than competitor's)

8. Why do Business Models fail? (Business Models)

- a. Solving irrelevant job
- b. Flawed BM
- c. External Threats
- d. Poor execution

9. Explain five Concepts of customer orientation! (Lead User)

- Total Quality Management (TQM) / Quality Function Deployment (QFD) / House of Quality
 - o Improves communication in R&D by linking customer's opinion to producers & developers



- Beta-testing
 - o Later applied approach to determine if product does what it should in customer's view
- Concept testing
 - o ... involves customers in the conceptual design phase
- Consumer idealized design
 - o ... involves consumers in the conceptual phase of development and focuses on involving users early.
- Lead user method
 - o ... is composed of the lead-user concept integrated with market research techniques
 - o Four steps:
 - Specify lead user indicators
 - Identify lead user group
 - Generate concepts with lead users
 - Test lead-user concepts on ordinary users

10. What are the “Tools and Methods” of project management? (Project Management I)

4 phases	Project definition	Project planning	Project execution & project controlling	Project closing
Tasks	Clarify project scope & goals	Clarify when & how achieve the goals	Execute and control goal achievement	Finish, evaluate and key learnings
Tools & methods	Hierarchical goal structure Project valuation methods Project organization methods Project communication methods Project charter	Work Breakdown Structures (WBS) Activity sequencing Time management tools & Network plans Resource & cost management tools Risk management tools	Earned value analysis (EVA) – controlling Milestone-trend - analyses	Project handover procedures

- Tools and methods above have been developed mainly for large projects – but some are equally useful for start-ups and small and medium sized Enterprises (SMEs)

11. What are the potential risks for a start-up? (Project Management I)

- Project Environment risks (political, legal, environmental risks, such as disasters, war, ...)
- Company strategic risks (portfolio, investments, ...)
- Production related risks (development, sales, logistics, ...)
- Human Resource risk (recruiting, fluctuation, ...)
- IT risk (data security, availability, ...)
- Financial risks (liquidity, currency rates, ...)
- Other risks (legal risks, tax risks, ...)

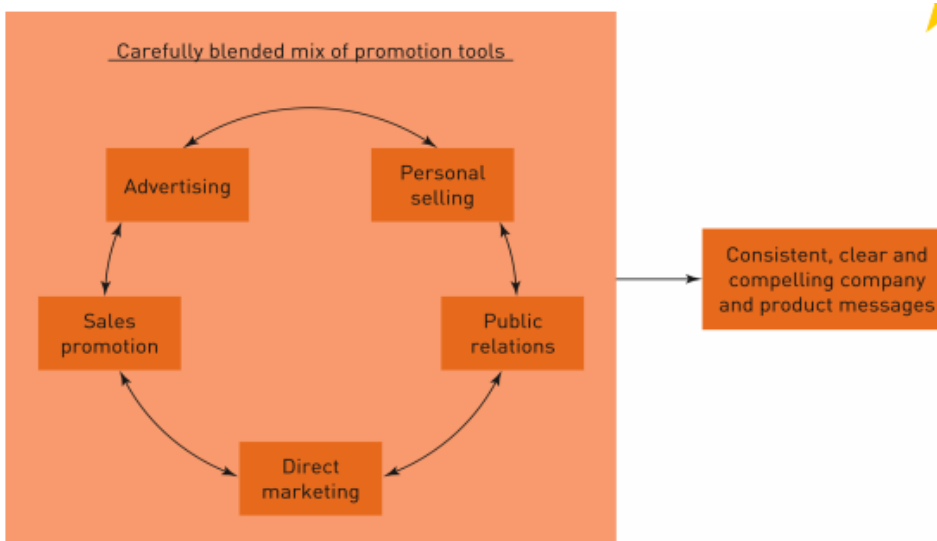
12. Explain the STP steps! (Marketing)

- Segmentation
 - o Geographic Segmentation (countries, states, towns)
 - o Demographic segmentation (Age, gender, ethnicity, income)
 - o Geo-Demographic (relation between both above)
 - o Psychographic (social class, lifestyle)
 - o Behavioural (consumer attitude, knowledge)
- Targeting
 - o Evaluate possible target segments (how do they match the product)
 - o Identify segments to be served
 - o What needs does the product fulfil
 - o How will they make the purchase-decision
 - o Where will they seek to buy?
 - o How often?
- Positioning
 - o Matching of company strengths and market opportunities
 - o 2 Components
 - Identification of a group of customers (target)
 - Position firm against the competitors (Unique selling proposition – USP)

13. What is the SWOT-Analysis?

<p><u>S</u>TRENGTHS</p> <ol style="list-style-type: none"> 1. Your team (people), 2. experience, 3. expertise... 	<p><u>W</u>EAKNESSES</p> <ol style="list-style-type: none"> 1. Missing competencies, 2. brand awareness (new brand)... 	<p>← Internal</p> <p>← External</p>
<p><u>O</u>PPORTUNITIES</p> <ol style="list-style-type: none"> 1. Positive external trends (e.g., lifestyle, regulations) 2. Entry strategy... 	<p><u>T</u>HREATS</p> <ol style="list-style-type: none"> 1. Low barriers of entry, 2. Plans by your competition, 3. Negative external trends (e.g., changing technology)... 	

14. What is the integrated Marketing Communication Plan? (Marketing)



15. What are the Effects of incentives? (Human Resource Management)

- Extrinsic incentives (indirect satisfaction of employees' needs, e.g. through monetary compensation)
- Intrinsic incentives (employees are satisfied by performing their job directly)

16. Which are De Bonos Thinking Hats? (Human Resource Management)

- White (Black sheet): objective focus on available information
- Red (Fire): subjective opinion, feelings, emotions
- Yellow (Sun): objective optimism, positive view
- Black (Judge's Robe): objective criticism, negative aspects
- Green (Plant): creative: vegetation, alternatives, new ideas
- Blue (Sky): overview & control of processes, meta-hat

17. What are the HRM Steps? (Human Resource Management)

- Status (social status of employees)
- Challenging (don't underchallenge or overcharge employees)
- Autonomy (Give workers freedom → increases intrinsic motivation)
- Features of CoPs (create groups with various background)
- Development of interpersonal relations
- Polarity (constructive conflict)
- Managerial encouragement (encouragement of employees by supervisors)
- Feedback