

Student number: \_\_\_\_\_

Work-project Team name: \_\_\_\_\_



## **Applied Entrepreneurship**

Fall Semester 2022/2023

### **INDIVIDUAL WRITTEN EXAM**

Please find below the exam questions to answer. You must answer all of them in the corresponding answer space. Read each question carefully and answer in the best way you can by recalling what you have learned during classes, your coursework projects, and your readings. You will find the weight of each question next to it.

All the answers must be given in **English**, which is the official language of the course. This is an open-book exam, so you are allowed to use physical/digital books, your notes as well as your computer during the exam.

Keep in mind that the space for all your answers is limited to the allowed space (tip: structure your answers before writing them down) and that it is your responsibility to manage the available space. Neither text written outside the allocated space nor text in non-readable handwriting will be considered as part of your answer.

The total time available for the exam is **90 minutes**. In the end, we advise you to review all your answers and check if you have identified each page with your student number/team name.

Thank you very much.

We wish you good work.

Miguel Muñoz Duarte

Mariia Murasheva

**Question 1. (2 points – 200 words)**

“ *Startups are inherently chaotic. The rapid shifts in the business model is what differentiates a startup from an established company. Pivots are the essence of entrepreneurship and the key to startup success. If you can't pivot or pivot quickly, chances are you will fail.* ”

- Steve Blank, Silicon Valley Serial-Entrepreneur

During our course, we discussed the differences between established companies' “corporate way” and the “entrepreneurial” start-up methodologies.

1.1. How would you describe the core differences between them? Illustrate with examples whenever possible.

1.2. During the hands-on work project, many teams struggled to embrace a real lean start-up agile philosophy. Please reflect on your own case, assess your performance and explain how your group managed this dichotomy.

**Question 2. (3 points – 300 words)**

The best start-up mentors and key-opinion leaders insist on advising like “forget about business planning and PowerPoint project management” and “build stuff that people want,” reinforcing that finding a fit is fundamental for early-stage new venture creation.

We've learned about Problem/Solution Fit and Product/Market Fit during the course. Describe the importance and differences between these concepts taking into consideration the Customer Development Process, and illustrate with examples from your own work project.

**Question 3. (4 points – 300 words in total)**

Pinky Gloves is a German start-up that created a “tampon disposal glove.” The lightbulb moment for Pinky Gloves came after the male founders spent time living with women, where they realized there was “no good solution when it comes to the disposal of tampons.” They said they made it their “mission to find a solution that makes life easier for all women” during their periods. They particularly wanted to create a “safe feeling” for women and offer something “appealing and stylish.”

Pinky Gloves went into the German 'shark tank' / 'Dragons' den' TV show and eventually got a 30k investment from one investor. After the public airing of the show, there was a huge controversy on social media, with many women asking where the demand for such a product really came from. Are women really craving something like Pinky Gloves to handle their menstrual waste? Is this truly the greatest unmet need around menstrual or female health?

Great products usually solve critical problems, and it's unclear what and whose 'problem' Pinky Gloves were really trying to solve.

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3.1. What could have gone wrong with Pinky Gloves, and how could it be avoided?

3.2. Looking back to your project, what risks do you foresee, and how could you have mitigated them through validation? Explain what kind of experiments you did, you should have done, or you would recommend doing.

**Question 4. (2 points – 200 words)**

“While surveys are useful. I would much rather invest in getting out of the building to do more insightful research and understand what people are really doing, not what they are saying”

We tend to overestimate what can be obtained with desk research, surveys, and statistics. We also underestimate what can be learned by getting-out-of-the-building searching for insights and prototyping to test and learn.

Discuss the sentence above, relating it with the different phases and different degrees of “fidelity” (or level of realism and detail) to validate assumptions.

**Question 5. (2 points – 200 words)**

Many times, what makes or breaks a start-up is not the market, the idea, not the business model, or even the lack of funding. It all boils down to the human side of entrepreneurship, one of the most critical determinants of success.

What role do the entrepreneur profile and the team dynamics play in the success of a start-up, and how can they be managed effectively?

**Question 6. (3 points – 300 words)**

The journey of the Applied Entrepreneurship work project during the semester had its ups and downs, as well as a lot of learnings during validation and business model testing.

6.1 Discuss the performance of your team and yourself during the course in this regard. What did you guys do right, and what could you have done better... or at least differently?

6.2. Imagine you have a friend/colleague who is thinking of starting a business. If you had to mentor him/her, what would be the top 3 (three) pieces of advice you would give him/her, considering your learnings during this course?

**Question 7. (4 points – 400 words)**

"Start-up funding is a necessary evil for many entrepreneurs. But the best way to fund a company is to always be raising money from Venture Capital firms. The more you can raise, the better." - Silicon Valley Entrepreneur

When discussing start-up funding, we've covered several different sources and debated which is the recommended one. Please comment on the statement above and relate it to a specific case you know and with other alternative funding sources available.