

Entrepreneurship Building a Business

Chapter 3 Recognizing Opportunity

Section 3.2 Starting Versus Buying a Business

SECTION 3.2 After You Read Answer Key

1. Because an entrepreneur will put a lot of time and resources toward the effort, the business the entrepreneur starts or acquires should be compatible with his or her value system.
2. Reasons to start your own business will vary but may include the freedom to do things your way and the ability to build the company with fresh ideas and enthusiasm.
3. Answers should include three of the questions listed in Section 3.2.

Think

4. The entrepreneur enters a legal agreement to begin a new business in the name of a recognized company. He or she does not have to incur the risks associated with starting a new business. The business owner lacks the freedom to make independent decisions. In the other forms of business ownership, the business owner is independent.

Mathematics

5. Julia multiplies the cost by 5 and adds one dollar. $P = 5C + 1$.