

Chapter 5 Entrepreneurship

Section 5.1 Rewards and Challenges of Entrepreneurship

Section Summary with Key Terms and Academic Vocabulary

Rewards and Challenges of Entrepreneurship An entrepreneur is a person who recognizes a business opportunity, tests it in the market, and gathers the resources necessary to start and operate a business. Entrepreneurs make or sell products or services to meet consumers' wants and needs. Some advantages of being an entrepreneur include being the boss, doing what you enjoy, having the opportunity to be creative, building an enterprise, and possibly making a substantial income. Challenges include getting start-up funds, risk of failure, and having an uncertain income. Small businesses are important to the U.S. economy because they provide goods and services, and jobs.

Key Terms _____

small business An independently owned business that usually has the owner as its manager

virtual business or dot-com company A business that operates on the Internet

Academic Vocabulary _____

area A geographic region

significant Of a noticeably or measurably large amount

research To collect information about a particular subject

estimate To determine roughly the size, extent, or nature of