

Regional Micro-Enterprise Credential: Business Startup Vocabulary

(Updated: June 12, 2017)

Term	Definition	Section
Elevator Speech	A clear, concise and compelling way to describe a business or new business concept in 30 seconds; a differentiating vision to encourage potential investors or employees to learn more.	Business Startup
Engaging Question	Open ended question that prompts more than a "Yes" or "No" answer. Engaging questions give entrepreneurs more information they can use to help them frame their differentiating offering and launch their business.	Business Startup
Go / No Go	The decision point at which an entrepreneur makes the final decision on whether or not to launch a new enterprise or abort the effort due to unfavorable market research or pro forma projections.	Business Startup
Launch Plan	A complete package that supports a "Go" decision by an entrepreneur to launch a new business. A launch plan would include an Elevator Speech, supporting Market Research conclusions, an Organizational Plan (including an organizational chart and a Human Capital plan for attracting talented team members), a Marketing and Sales Plan, and pro forma financial projections.	Business Startup
Marketing	How a business communicates to large numbers of customers, motivating them to learn more about the business and its offerings. Example: advertising is a marketing tool. (TV, Radio, Signs, Flyers)	Business Startup
Mission-Driven	When an entrepreneur's actions and decisions are guided by a set of beliefs about how he / she wants the business to succeed.	Business Startup
Business Ethics	Proper business behavior beyond complying with legal requirements. A simple rule guides business ethics, the same basic rule that should guide all human behavior: act towards your stakeholders as you would hope they would act towards you.	Business Startup/Ethics
Confidentiality	Individuals and companies often promise to keep information they learn secret. This promise is often formalized this promise by signing a Non-Disclosure Agreement (or NDA). Example: the bank signs an NDA when an entrepreneur submits lots of personal information on a bank loan application.	Business Startup/Ethics
Conflict of Interest	A situation in which an individual might take an action to his/her advantage that would be to the disadvantage of a person or company that believes this individual is serving them. Example: a customer tells a supplier in confidence that they're buying lots of a specific product to advertise a major sale in two weeks. It would be a conflict of interest for that supplier to go to competitor stores and use this information to get them to buy more of this product and put it on sale immediately.	Business Startup/Ethics

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Corporate Social Responsibility	<p>Actions entrepreneurs and companies take that go beyond their financial self-interest. These actions are voluntary, but often reflect the personal beliefs of business leaders about what their companies can or should accomplish. Many companies tie the actions they take for corporate social responsibility to initiatives that benefit their business. Example: the local pet store promises to donate \$1 to the local animal shelter for every pet owner who buys the pet food they have on sale over a weekend.</p>	Business Startup/Ethics
Fairness	<p>Treating stakeholders as the entrepreneur would hope others would treat him/her.</p>	Business Startup/Ethics
Intellectual Property	<p>Non-physical assets created by individuals or companies that hold the exclusive legal right to commercialize.</p> <ul style="list-style-type: none"> • A <u>copyright</u> gives the author the sole right to benefit economically from what he/she wrote. • A <u>patent</u> gives the inventor the sole right to benefit commercially from his/her invention. • A <u>trademark</u> gives the registering individual or company the sole right to benefit from a brand or image he/she created. <p>In each case the creator of the intellectual property has the right to benefit financially from his/her creation by selling the rights to (or “licensing”) their intellectual property to a third party.</p>	Business Startup/Ethics
Transparency	<p>The practice of operating openly and communicating fully, providing stakeholders with a clear understanding of how your enterprise operates.</p>	Business Startup/Ethics