

Name _____

The One-Person Show: Understanding Sole Proprietorships

Open-Ended Response Questions

1. Explain how a sole proprietorship's simplicity can be an advantage for someone starting a small business.
2. Discuss the concept of unlimited personal liability in a sole proprietorship and why it's a potential drawback.
3. Can you provide an example of a business that might thrive as a sole proprietorship, considering its advantages and disadvantages?
4. What steps could a sole proprietor take to mitigate the limitations of a sole proprietorship and enhance their business's growth potential?

