

Based on 2017 Q4 (A)

Brian Hanratty and his uncle Karl McCullagh set up a coffee and toastie café on Bull Island in Clontarf in 2017. They wanted Happy Out to be there for people to escape the city and chill out while sipping on some lovely coffees, munching away on tasty toasties and enjoying the sea breeze with (hopefully) the sun beaming down on their face... and then trying not to say "Happy Out!"

Outline the characteristics/ skills that you would associate with entrepreneurs. (20m)

MS: 4@5(2+3)

Innovative/creative

Create new ideas or processes, come up with new ways of doing things or new goods/services that don't currently exist.

Spotting a gap in the market and creating a good or service to exploit it.

Human Relations

Communicate effectively and get on well with people.

Having a good ability to network, build relationships, and be persuasive (negotiations) e.g. for extending credit periods when starting.

Proactive

Don't wait for things to happen, use initiative.

Planning by doing things e.g. college courses, now to use later when you need them.

Future Focused

Anticipate future trends/ outcomes/ needs/ gaps in market.

Look at what could exist, not what currently exists, and be able to visualise successful products/services where they don't currently exist.

OTHER:

Decisive Quick & Effective Decision Making, under pressure.

Risk Taking Take a personal & financial risk with no guarantee of profits.

Determined Confident in ability, resilient in tough times, has self-belief.

Based on 2018 Q4 (C)

Brian Hanratty set up a coffee and toastie café on Bull Island in Clontarf. Brian had worked in a "Big 4" Accountancy firm, but wanted to get involved in a start up where he could use his accountancy experience. He had thought he might go in to a Tech start up to use his college background, but ended up partnering with his uncle Karl McCullagh instead, opening Happy Out in 2017.

Outline reasons why a person might become an entrepreneur. (15 marks)
MS: 3@5(2+3)

Freedom to do new things.

Enterprise is all about taking a risk and doing something new. There is no job description for the entrepreneur. You are not under the direction of a manager, so the independence and freedom might suit some people.

Earn more income.

An employee earns a wage for being part of a business. They may also earn a commission. However, an entrepreneur keeps all profits made by the business. As the business grows their earning potential grows considerably.

Be their 'own boss'.

The entrepreneur leads a self-directed life in the business. They are not answerable to a manager.

See a gap in the market.

The entrepreneur may see a gap in the market for a good or service and be motivated to start a new business in an attempt to sell to this gap and make substantial profits.

Pro entrepreneur culture in Ireland.

Entrepreneurial activity is encouraged in Ireland. The Local Enterprise Offices (LEO's) offer huge support to local businesses with less than 10 employees, so this culture of enterprise may inspire or encourage someone to open up their own business.

Inspired by other entrepreneurs.

Someone may be inspired by a famous entrepreneur like Elon Musk, reading an autobiography, listening to them on a podcast or following them on social media.

They may also be inspired by a family member or friend that started their own business, and aspire to be like them.

Based on 2015 Q5 (C)

Brian Hanratty and his uncle Karl McCullagh set up a coffee and toastie café on Bull Island in Clontarf in 2017. They wanted Happy Out to be there for people to escape the city and chill out while sipping on some lovely coffees, munching away on tasty toasties and enjoying the sea breeze with (hopefully) the sun beaming down on their face... and then trying not to say "Happy Out!"

Discuss the key issues someone like Brian would have when setting up a coffee shop like Happy Out. (15 marks) MS: 3 @ 5 (2+2+1)

(NOTE 1: You should refer to Brian/coffee shops for the +1 as they are mentioned in the question)

(NOTE 2: The verb is discuss, so you should NOT use headings)

Choosing the right Location is essential for a coffee shop. The main areas with lots of footfall like shopping centres or the center of towns/cities will be very expensive and also have lots of competition. Choosing a location where there hasn't been a coffee shop already would be a risk for Brian.

Marketing their business well is important as its the main messaging new customers will see and remember. The brandname 'Happy Out' seems good as it makes you think it'll be an enjoyable coffee/toastie there. A business will need to carry out market research to make sure a market exists and also may need to pay a company to help develop their branding.

Finding Staff can be difficult, especially for a coffee shop like Brian's as they interact with the customer directly and need to be able to work under pressure in busy periods. A new entrepreneur might find it difficult to delegate work, so finding the right staff that they feel comfortable doing that for may be hard and take time.

Having Enough Working Capital to survive is important when a coffee shop starts trading. If its quiet and you don't take in enough cash you won't be able to pay bills in time and may lose suppliers or services like electricity.