WHAT IS A CASE STUDY INTERVIEW?

Consulting firms tend to focus on four types of interviews:

1. **Screening:** A short 30 minute interview to determine if the candidate has the qualifications for the job.

2. **Behavioral:** Interviewers will ask how the candidate responded or acted in past experiences. Many companies focus on the candidate's ability to communicate that information in a clear manner.

3. **Technical:** Questions focus on the specialized skills related to the position.

4. **Case studies:** Case studies are descriptions of real or hypothetical business problems. Candidates are expected to understand, analyze, and recommend solutions to these problems. Consulting or business-oriented companies may require a case interview.

A case study mirrors the work that consultants do day-to-day – this is usually the most critical part of the interview for consulting companies!

- For more details in preparing for the first three types of interviews, check out the interview tips handout: http://www.careerengr.umd.edu/students/interviews

HOW TO PREPARE FOR THE INTERVIEW

READ THE JOB POSITION TO DETERMINE WHICH TYPE OF CASE STUDY YOU WILL RECEIVE

- Are you applying to a technology, business strategy, finance, management, business development, or other specialized position? Each area has its own case study topics, questions, and format.

UNDERSTAND THE COMPANY'S BUSINESS AND CORE VALUES

- Each company is looking for candidates that share its general mindset. Be aware of the culture of the firm, the professional strategies of the firm, and the core values.

  Ex: If you are applying to an advisory firm, the case study will probably target your ability to make unbiased decision-making advice, not your ability to implement or create the technology. If you are applying to a Systems Integration position, it is heavily technology based, and will require you to demonstrate the ability to understand the technology.

  Ex: If a core value is "people network", and you receive a question you can't answer, you could always mention that you would reach out to your people network for resources to help you best approach the scenario.

Figure 1: Focus Areas of Consulting Firms

This chart is slightly outdated because companies move into different areas over time, but it does give a general idea of focus areas.

FIND AND READ THE APPROPRIATE PRACTICE MATERIAL

- Deloitte and other companies have spelled out their exact case study material online. If you complete the tutorials and study the mentioned material, you'll know enough to understand the case studies.

- If you don't have a direct resource from the company, study comparable material. Check www.glassdoor.com to find out what questions and topics other interviewees have had.

- Friends who have participated in case interviews can be an excellent resource, especially since they are more up-to-date with what kinds of questions and cases the companies are using. Business students, in particular, tend to have some case interview experience.

PRACTICE, PRACTICE, PRACTICE!

- After you attend our interview techniques workshop, you can schedule a mock case interview with our career staff.
- There are tons of sample cases online. As a start, check out our sample cases and the links at the end of the handout!

TIPS FOR THE INTERVIEW

- **Make it a business discussion, not an interview.** Rather than approach your interview as a question-and-answer session, engage in a thoughtful and insightful conversation with your interviewer that demonstrates your business judgment.
- **Ask critical, probing questions throughout the interview.** Many cases tend to provide scant details and incomplete descriptions of the hypothetical business scenarios, so you will need to ask questions in order to get all the important facts and make an accurate conclusion. Don't make assumptions, at least without voicing them aloud to the interviewer.
- **Use silence appropriately.** Don't be afraid of silence; it is a good idea to take a moment to organize your thoughts before you begin. Just make sure not to remain silent for too long; the recruiter wants to hear and understand your thought process.

- **Your interviewer is there to help you.** It is okay – or rather expected – to ask for direction and clarification. Just don't use it as a crutch; recruiters will want you to connect the dots, rather than paint a picture for you. Furthermore, make sure to pause every so often so your interviewer has a chance to course correct. If he or she gives you advice, take it – assume it's intended to be helpful!
- **You don't need to know everything.** Don't panic if the answer is not apparent. There is not one right answer or approach to a case; usually there are several credible approaches and solutions. Rather than "being right," focus on providing a thoughtful, structured response. Don't worry about having a lack of industry knowledge; be effective with the knowledge your have and rely on common sense to guide your hypotheses.
- **Create organized, structured, and logical arguments.** Start off by describing the steps you will take, waiting for your interviewer to affirm your framework and initial hypotheses before you jump in. Using a structured response will help you in creating a thorough, articulate response, without rambling and forgetting key ideas.
- **Be prepared for anything.** Some consulting firms can be very friendly, but others want to determine your ability to remain calm. They might not give you verbal or body cues to validate your responses, and may even appear to disapprove. Don't worry – it could be that they want to see if you are confident.
- **Relax and remain confident.** You can't control the topics or format that the interviewer chooses, but you can control your response. Even if you don't know the material, remain calm and speak well. Apply the knowledge you do have to form your best guess and stand behind it. Never respond with "I don't know."
- **Demonstrate your communication and people skills.** Project confidence, energy, and interest. This is not just an opportunity to demonstrate your analytical, problem solving, and more technical skills, but also a predictive measure of how you would interact with co-workers and clients.
- **Apply math effectively.** Be prepared to set up equations and do the math, using rounding and approximations to aid you. Recruiters will want to see your comfort with numbers.
- **Be pragmatic.** When you are at the end of the case and need to make a final recommendation, mention any potential concerns. Does your solution make sense in real life? What are the risks? How can they be overcome?

IN ADDITION TO YOUR ABILITY TO ASK PROBING, CRITICAL QUESTIONS AND DEVELOP ANALYSES YOU WILL LIKELY BE EVALUATED IN THE FOLLOWING AREAS:

- **Poise**
  - Are you confident in your answers?
  - How do you handle yourself when you make a mistake?
  - Do you perform well under pressure?
- **Communication**
  - Are you articulate in communicating your thought processes and conclusions with others?
- **Flexibility**
  - As situations change and new information becomes available, are you able to adapt your thinking to new data or an emerging environment?
- **Friendliness/ Attitude**
  - Will clients and coworkers enjoy spending long hours with you?
- **Other Intangibles**
  - Do you display energy and drive? Do you show initiative?
  - Do you manage time effectively? Do you demonstrate decisiveness?
  - Do you convey a genuine interest in the career and the firm?

FRAMEWORKS

Frameworks are used to structure and break down standard business problems, remaining a critical tool in the case study analysis. That being said, you should avoid the rigid use of a specific framework; interviewers often complain that candidates force-fit their cases into off-the-shelf frameworks. Ideally, after you are comfortable with using frameworks and solving case studies, you will construct your own custom frameworks. Following are a few examples of frameworks:

Note: It's NOT about how many frameworks you know or even how "fancy" they are. Focus on learning the basics and ensure that they are applied appropriately!

BUSINESS SITUATION FRAMEWORK

- **Customer:** What are the customer segments? What does each segment want? What price does each segment want to pay? What is the distribution channel preference for each? What is the relative customer power?
- **Company:** What are the company's capabilities and expertise? What is the cost structure of the company? What are the distribution channels of the company?
- **Competition:** What are the market shares of the leading players? What are some unique competitor behaviors? What are the existing barriers to entry and who holds them? Where is this industry in its overall lifecycle?
- **Product:** What is the basic value proposition of the product? What is the product lifecycle?

MERGERS & ACQUISITIONS "FIT" FRAMEWORK

Use this framework when Company A is looking to acquire or merge with Company B, and the two companies are different. This framework determines if there's a good fit; it doesn't answer the question IF it's a good idea to merge/acquire.

	Customers	Products	Company	Competition
Company A				
Company B				
Company A+B				

PROFITABILITY FRAMEWORK
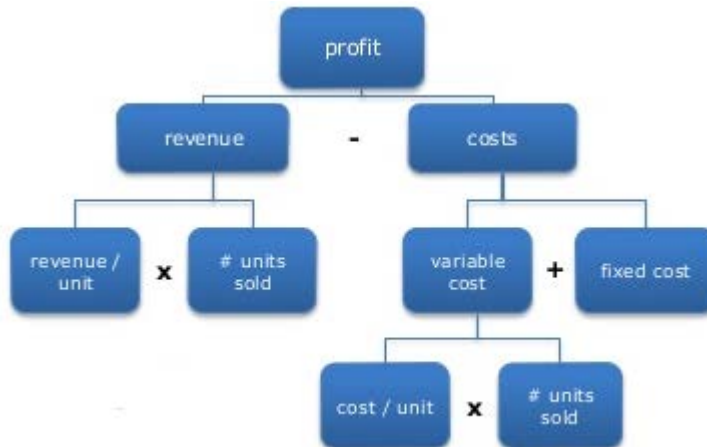
OTHER POPULAR FRAMEWORKS INCLUDE:

- The 4 P's (Product, Price, Promotion, Place)
- The 3 C's (Customers, Company, Competitors)
- Capacity Change
- Porter's Five Forces
- McKinsey 7-S Model

For more information on frameworks, consult the resources at the end of this handout.

CASE 1: DELOITTTE

BUSINESS SITUATION

Deloitte has just been approached by a larger retailer, Sell-More Inc., which is experiencing high turnover. In recent years, Sell-More has grown quickly through the acquisition of several small boutique retailers. Sell-More has done little to modify its benefits offerings, despite the recent growth and workforce transition resulting from acquisitions. Sell-More wants to significantly reduce turnover, which should cut costs and possibly increase sales – both of which are challenges in the current economy. Deloitte has been engaged to help better align Sell-More's rewards strategy with their talent management strategy in light of its current HR programs and performance management system. You have just been hired and are expected to be on site Monday morning for project kickoff.

KEY CONSIDERATIONS:

- Many Sell-More employees spend a lot of time working on the acquisition of these small retailers, on top of the work required by their regular jobs.
- Benefits, including providers, are different at each of the acquired retailers.

Sell-More wants to reduce the costs associated with its workforce. How would you approach this project?

QUESTION 1: WHERE ARE THE KEY OPPORTUNITIES FOR SELL-MORE TO REALIGN ITS REWARDS STRATEGY AND TALENT MANAGEMENT STRATEGY?

A great answer will think of other talent management considerations, such as current HR programs (training, development, compensation, benefits, and perquisites), recruitment of targeted demographics, or staffing to find trends in the type of employee to leave (i.e. night shift, manager, working overtime, etc.), then apply rewards related solutions to these areas such as sign-on bonuses, retention incentives, or changes to overtime pay policy.

QUESTION 2: HOW HAVE RECENT ACQUISITIONS AFFECTED SELL-MORE AND WHAT CAN BE DONE TO MITIGATE ANY RELATED PROBLEMS?

A great answer will discuss the acquisitions in the broader context of Sell-More's business strategy and desire to resolve high turnover, potentially increasing sales and cutting costs; this might include a discussion of better integration of systems and processes to improve morale and efficiencies, the realization of synergies to reduce HR administration costs, or a discussion about the business need to address current acquisition problems (perhaps in light of the economy, turnover will decrease and Sell-More should wait to address integration problems).

QUESTION 3: WHAT FACTORS MIGHT BE CONTRIBUTING TO THE HIGH TURNOVER AND HOW WOULD YOU ADDRESS THEM?

A great answer will look beyond the information given to think of other possible causes, especially those related to their M&A infrastructure as well as their talent management and total rewards strategies. Is the current performance management system effective? Is the business set up to continue absorbing companies with their current staff level (or do they need dedicated M&A resources to develop and operate under specific strategies/processes)? Is the workforce primarily school-aged or retirement-aged? Is turnover higher among Sell-More or acquired employees? What positions have the highest turnover and what are industry trends? How long do employees stay? Is training effective?

QUESTION 4: WOULD YOU ADVISE SELL-MORE TO CONSOLIDATE BENEFITS PLANS, WHY OR WHY NOT?

A good answer will focus on the monetary implications of consolidating and possibly discuss the timing and expiration of current vendor contracts. A great answer will also consider the impact changes to benefits could have on corporate culture, especially as they relate to employees retained from the acquisitions.

CASE DEBRIEF

It is important that the candidate think of the broad implications of talent management in terms of HR programs and disjointed systems. The candidate should consider both the causes of high turnover, like the acquisitions, and the desired results for Sell-More, reducing costs and increasing sales. While the case can be approached from many directions, it is important that the candidate remains aware of the bigger picture and how individual actions and changes will affect the client and its employees.

A STRONG CANDIDATE WILL:

- Keep on task, relating issues to the main objectives stated at the beginning – realigning rewards with talent management strategy
- Think through all the possible causes of Sell-More's current HR problems, including those that may not have been stated, in order to provide the most complete solution possible

CASE 2: MCKINSEY & CO.

CONTEXT:

Our client is an electronic warehouse selling all kinds of electronics and home appliances. It was founded in 1990 and currently owns 375 stores located in all major cities across the US.

They have a healthy profit margin and represent a major player in the electronics retail market, but the CEO hired us to help them grow even quicker.

Recently they opened a number of smaller conceptual stores and these stores are less profitable than the regular ones.

We have the task to help them grow aggressively while maintaining the profitability.

INTERVIEWER: WHAT ARE THE KEY AREAS TO INVESTIGATE IN ORDER TO DETERMINE WHY THE NEW STORES ARE NOT PROFITABLE?

A GOOD ANSWER WILL IDENTIFY THE FOLLOWINGS:

- **Revenues:**
  - Type of products sold in these stores
  - Assortment
  - Number of customers entering these stores
  - Type of customers (income levels, family status, etc.) and how the assortment in the stores meets their needs
- **Costs:**
  - As related to the volume sold (mainly fixed costs)
  - Labor costs; maybe higher trained personnel
  - Distribution costs (from suppliers to the store)
- **Competition:**
  - What is the presence of competition in the area
  - What kind of stores the competition has in the area
- **Other:**
  - Number of hours open
  - Type of stores
  - Location of the stores
  - What are the customer's needs and how our client manages to meet them

INTERVIEWER: HOW MANY STORES DO THEY NEED TO OPEN IN ORDER TO SECURE A 20% MARKET SHARE IN 5 YEARS?

INFORMATION TO BE PROVIDED UPON REQUEST:

Current electronic Retail Market = $150B
Current Market Share = 10%

Electronic Retail Market in 5 years = $200B
Aggressive growth would mean achieving 20% market share in the next 5 years.

(for simplicity of the calculation take into account that the current stores are all of the same revenue size and the future ones will have the same average revenues; the candidate should realize that this calculation would be different if that was not being considered)

CURRENT STATE:

Market = $150B
Market share = 10%
$\Rightarrow$ Revenue = 10% * $150B = $15B
$\Rightarrow$ Revenue per store = $15B/ 375 = $40M

IN 5 YEARS:

Market = $200B
Market share = 20%
$\Rightarrow$ Revenue = 20% * $200B = $40B
$\Rightarrow$ Growth needed in revenues = $40B- $15B = $25B
$\Rightarrow$ No. of stores needed = $25B / $40M = 625

INTERVIEWER: IS THEIR CURRENT STRATEGY A SUCCESSFUL ONE?

A good candidate will realize that the result is not feasible (they have 375 stores from 1990 – 18 years)

INTERVIEWER: HOW CAN THEY ACHIEVE THEIR OBJECTIVES?

POSSIBLE OPTIONS:

- Open only the old type of stores
- Choose locations with a specific type of inhabitants (income, family status, hobbies, etc.)
- Introduce new products and use the customer database to sell them
- Implement marketing campaigns, loyalty cards
- Make contracts with schools, institutions, hotels, etc.
- Become a distributor for small electronics stores
- Raise prices on non-price-sensitive products
- Acquire/merge with a competitor
- Get into other channels like online sales, door to door sales
- Start selling services (repairs, installations, etc.)

NOW IT'S YOUR TURN

HOW WOULD YOU APPROACH THESE CASES? WHAT CLARIFYING QUESTIONS WOULD YOU ASK?

1.) A small customer service oriented educational travel organization recently purchased an expensive software package for marketing, application, enrollment and risk management of up to 2500 students per year. The organization did not anticipate the hidden costs of server space, training and maintenance of the software, so they have not seen the profits they were led to believe they would see in the first two years. They are not sure whether to continue using this software or to try a new administration system.

2.) Your client is a U.S. defense contractor that manufactures the Mohawk Light Fighter Jet for the British Royal Air Force. The company has produced the $20 million fighter jet for the past 12 years. The British government has decided to put the contract out to bid, however, and to win the program, the client's purchasing agents have estimated, the company will need to cut its costs by 5 percent. It has asked BCG to help it reduce costs.

3.) Your client is a public educational institution that needs to upgrade its student information system. The current system was built in the 1980s and is well out of date. They need to present a proposal to the regents next month on how they will upgrade the current system in the most cost-effective way.

ADDITIONAL RESOURCES

SAMPLE CASES & TIPS:

- http://www.streetofwalls.com/finance-training-courses/consulting-case-study-training/intro-consulting-case-study-training-program/
- http://www.slideshare.net/zcfan/2008-wharton-case-guide
- Search "consulting club casebooks"

FRAMEWORKS:

- *Case in Point* by Marc Cosentino
- http://de.slideshare.net/PrepLounge/crack-the-case-workshop
- http://www.caseinterview.com/case_interview_frameworks.pdf
- http://mconsultingprep.com/case-interview-frameworks/

SOURCES

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Which Business Development Partnerships Are Right for Your Company? Digital image. Granada Partners, 2014. Web. 10 Dec. 2014. <http://www.granadapartners.com/relationships.php>