

Structured Approach to Cases

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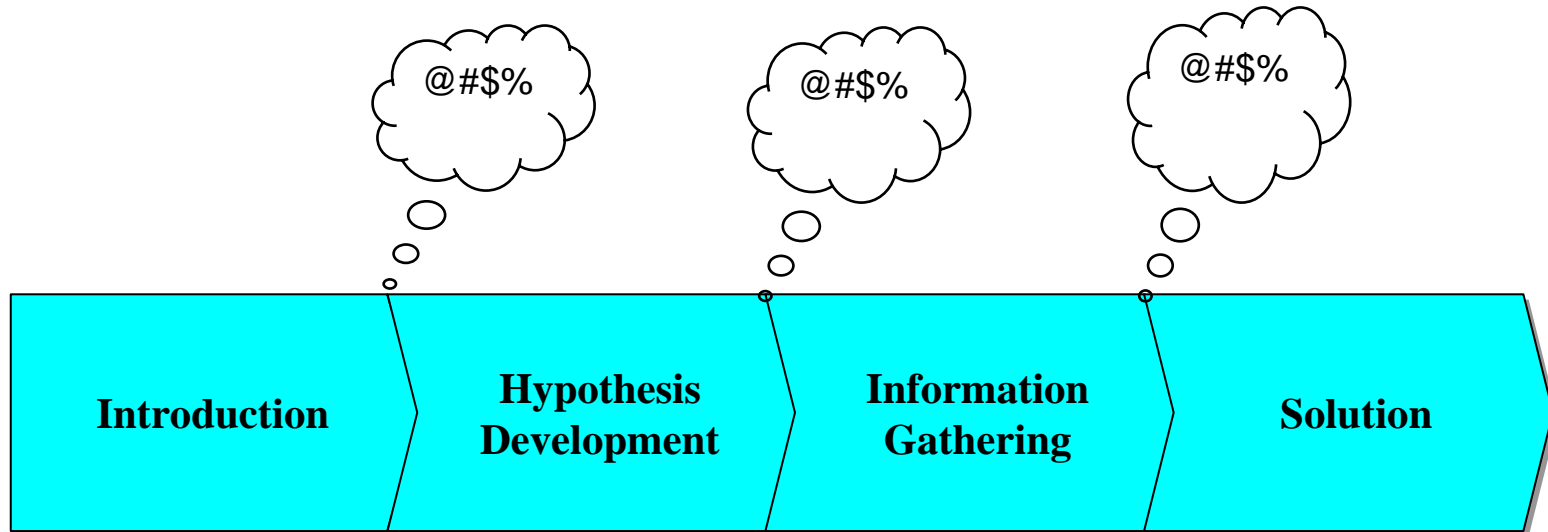
The Case Interview Roadmap, MECE, & Logical Breakdown

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Sample Case

Hypothesis driven problem solving

Case Interview Roadmap: The Flow of a Case Interview



Activities:

- Interviewer Provides Introductory Information about the Case
- Ask Clarifying Questions

- Develop hypothesis
- Create a MECE Issue Tree

- Fill in the gaps in Information
- Formulate a Response to the Problem

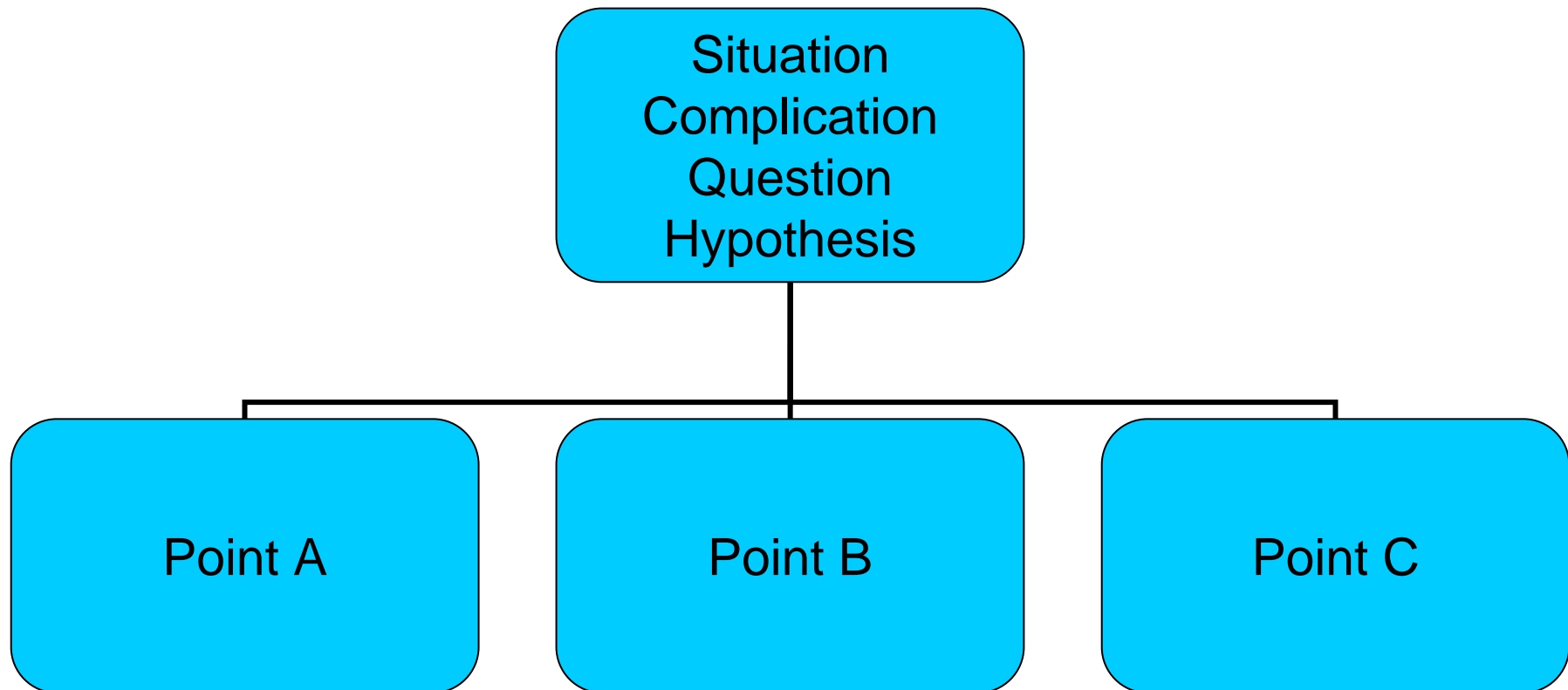
- Restate Critical Points of Issue
- State Solution
- Be Succinct and Crisp

➤ Transition Statements Between the Phases Will Help Your Interviewer Understand You

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Remember Minto¹ – The Pyramid Principle

- Structured communication is a very important part of case interviews.
- Combined with strong logical reasoning will prove your abilities for a case

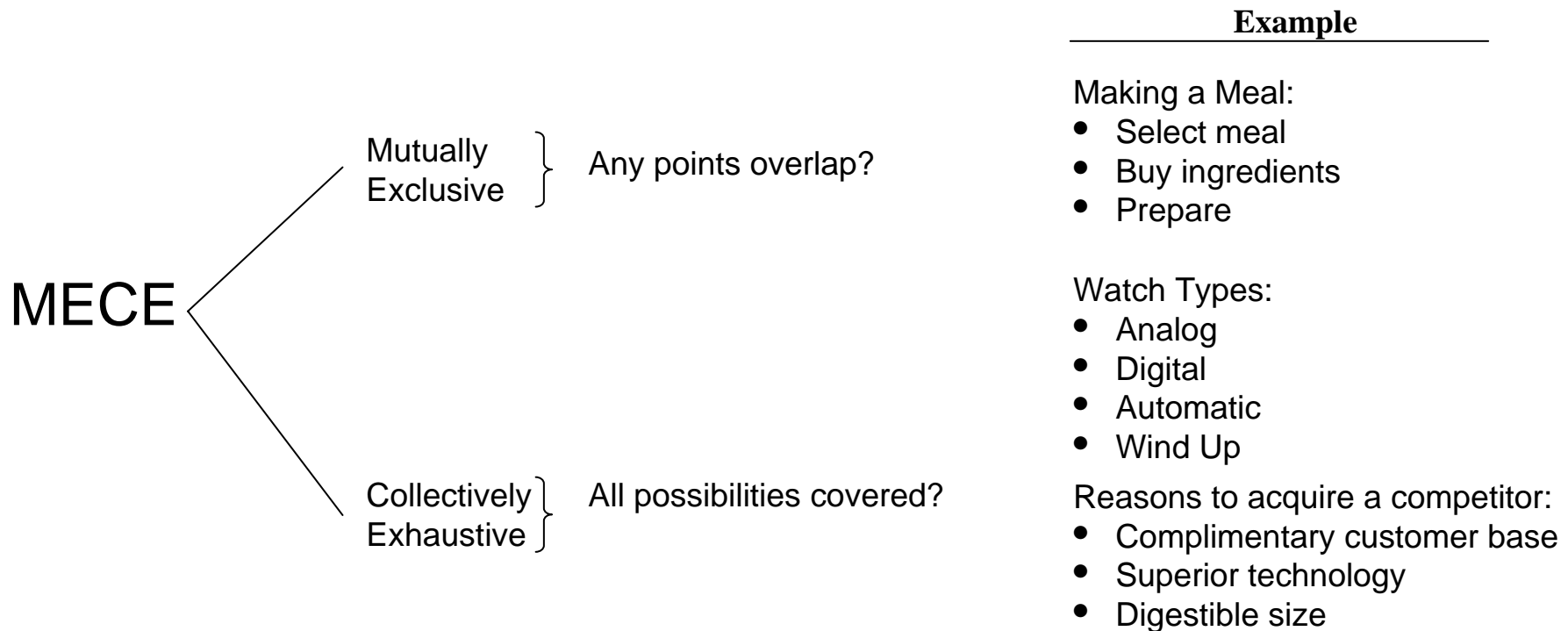


➤ **Summarize the situation, complication, and question to be answered in the beginning**

¹ Minto, Barbara. The Minto Pyramid Principle: Logic in Writing, Thinking and Problem Solving. Minto International, London 1996.

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The Importance of Mutually Exclusive Collectively Exhaustive



➤ Being MECE Builds Logic Into your Response, and Helps Drive Logical Communication

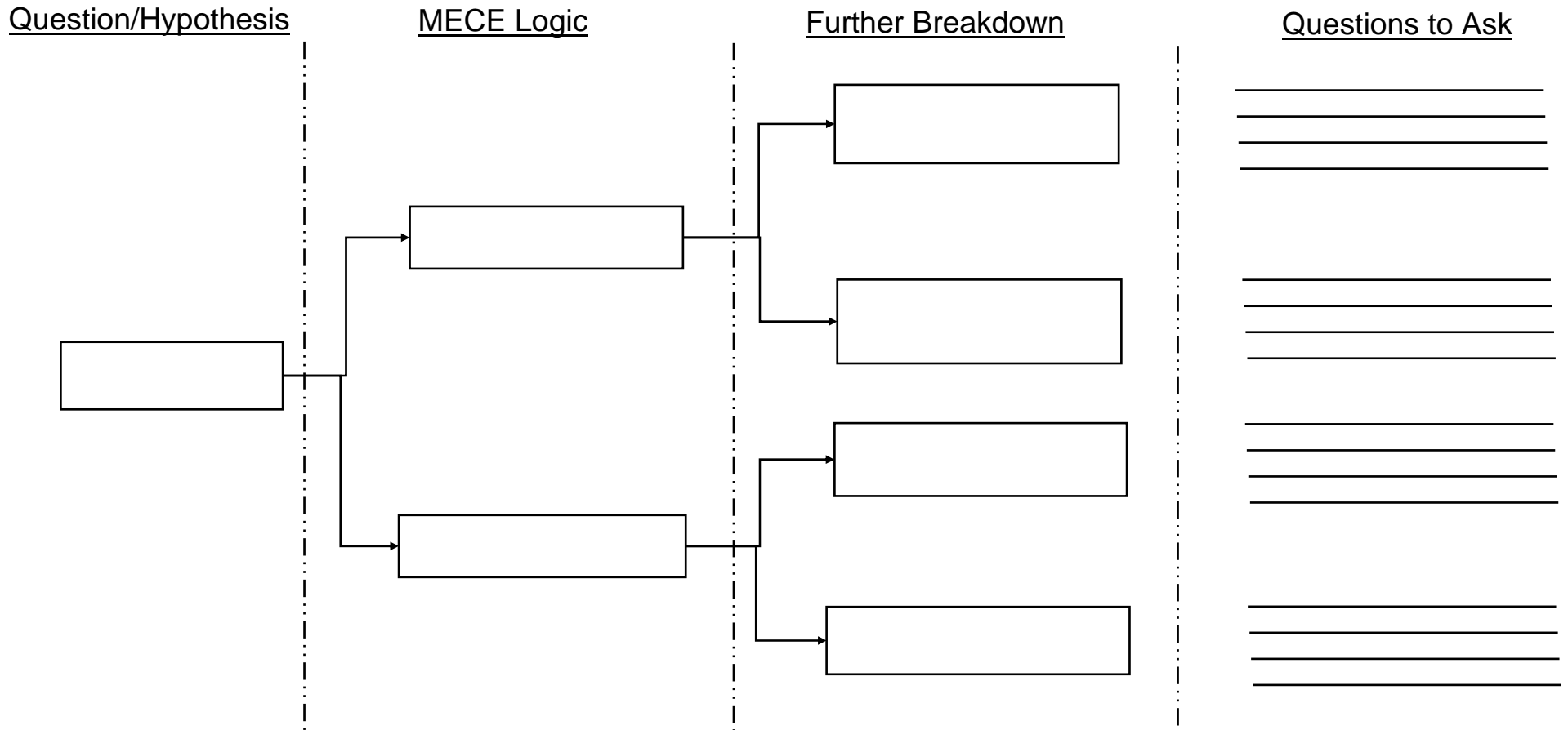
Which Belong to a MECE Grouping?

1. St. Louis
2. Philadelphia
3. Amazon
4. Sierra Nevada
5. Bogotá
6. Calgary
7. Panama City
8. Seattle
9. Santiago
10. Mississippi
11. Andes
12. NYC

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Build Out Your Issue Tree

- The next step is to build a MECE Issue Tree

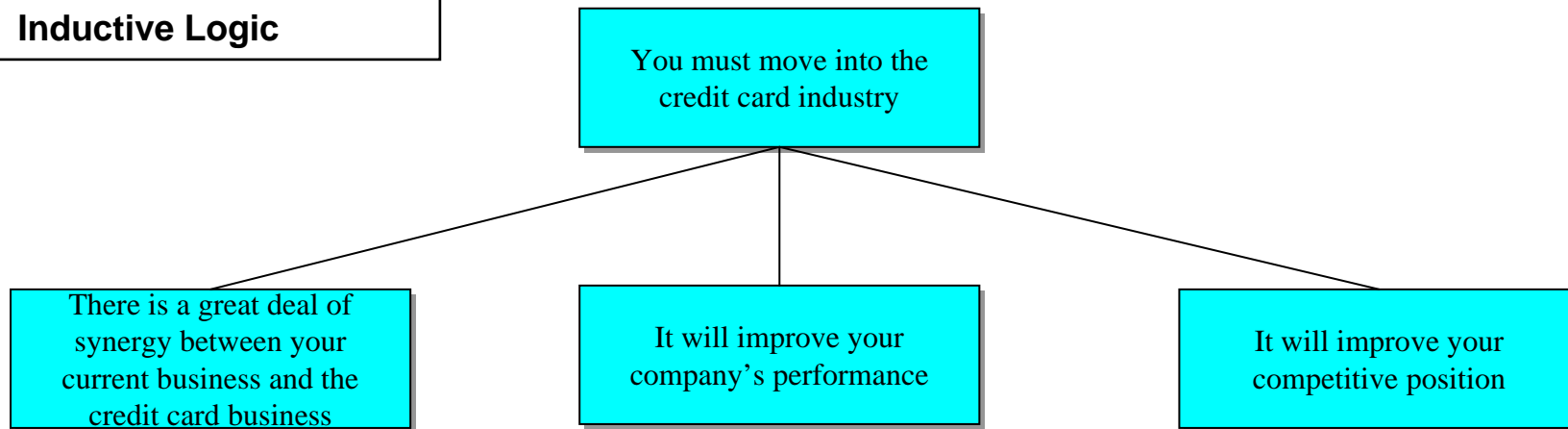


➤ Breakdown the issue into logical categories and begin asking questions

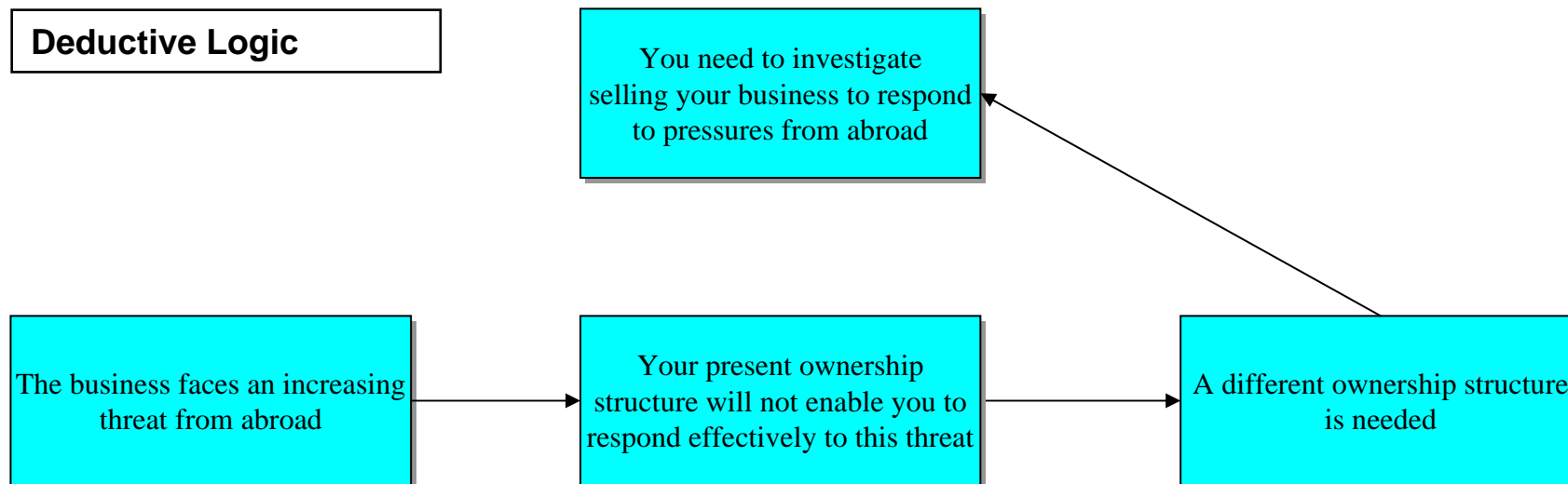
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Finish the Case By Tying Together Findings with Logic

Inductive Logic



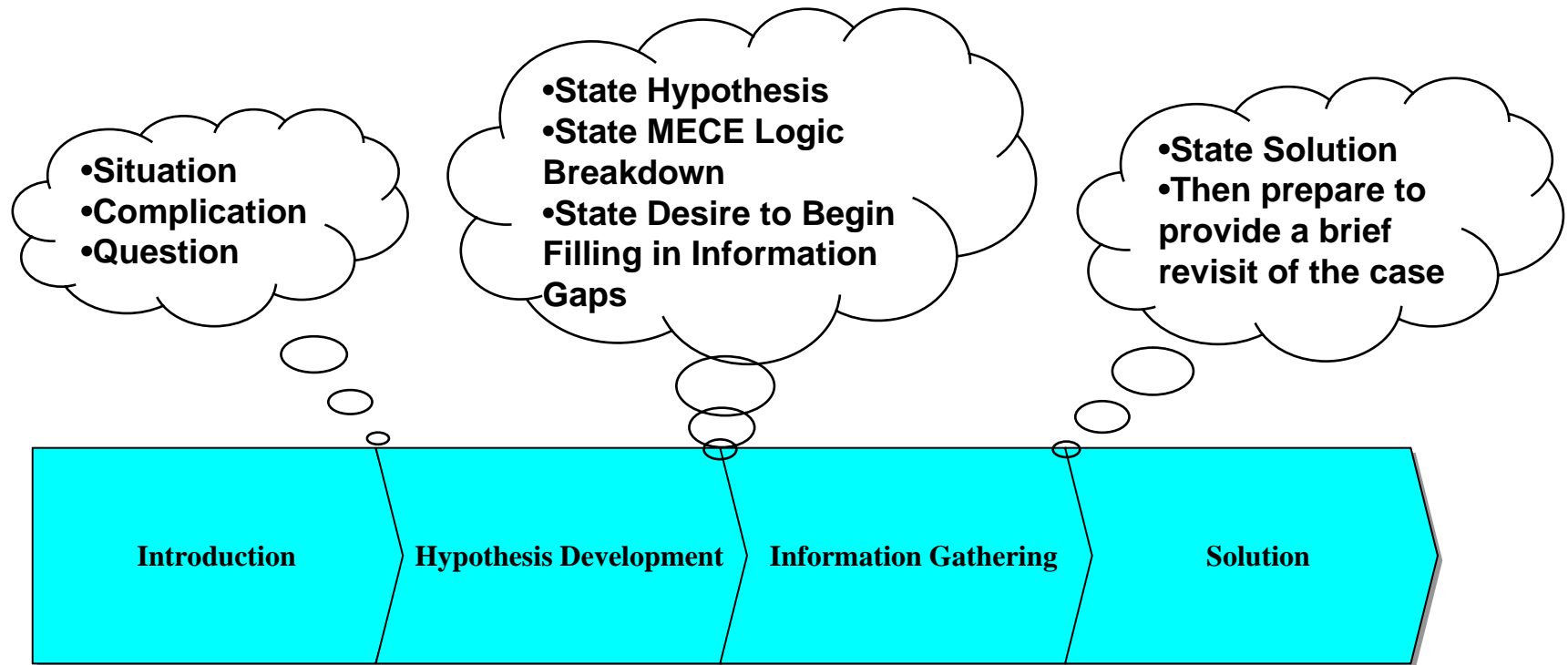
Deductive Logic



➤ Always close with reviewing the situation, complication, question, hypothesis, and highlights that led to the answer.

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Sample Case

Practice Makes Perfect

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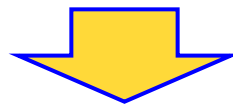
Drug Co. has hired xxx Consulting Company

Situation

- Drug Co. is a privately held retail drug store chain located in the Northeast
- Drug Co. has 40 locations
- Drug Co.'s business model is to be located in smaller towns where competition may be limited
- Drug Co. also differentiates itself by offering compounding service
- We are hired to identify problem(s) and recommend solution(s)

Complication

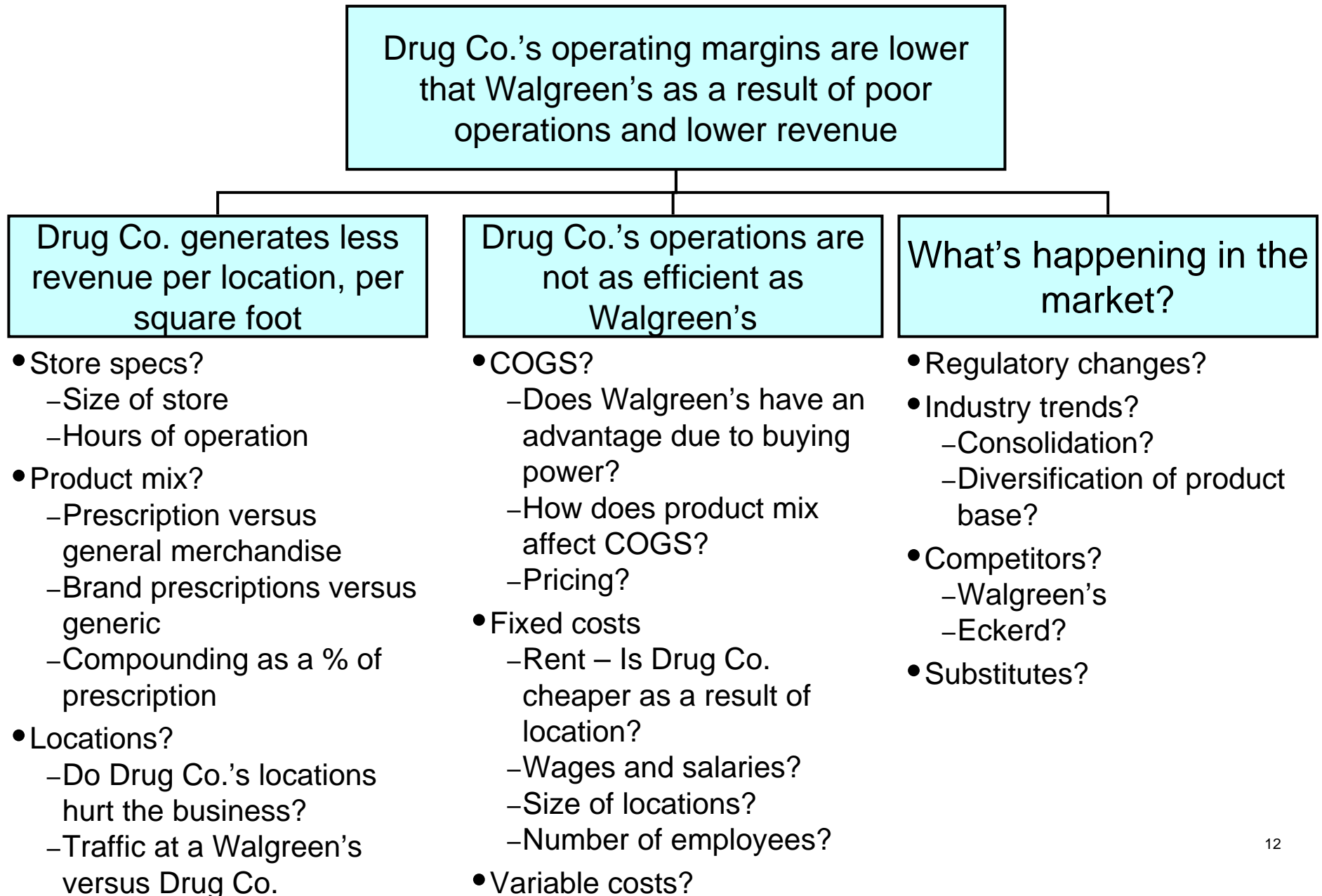
- Private equity company recently purchased Drug Co. and is exploring options to create value; would like to exit within 3-5 years
- Drug Co. lags against its chief competitor, Walgreen's, in terms of operating margin (5.7% versus 2.5%)



Key Questions

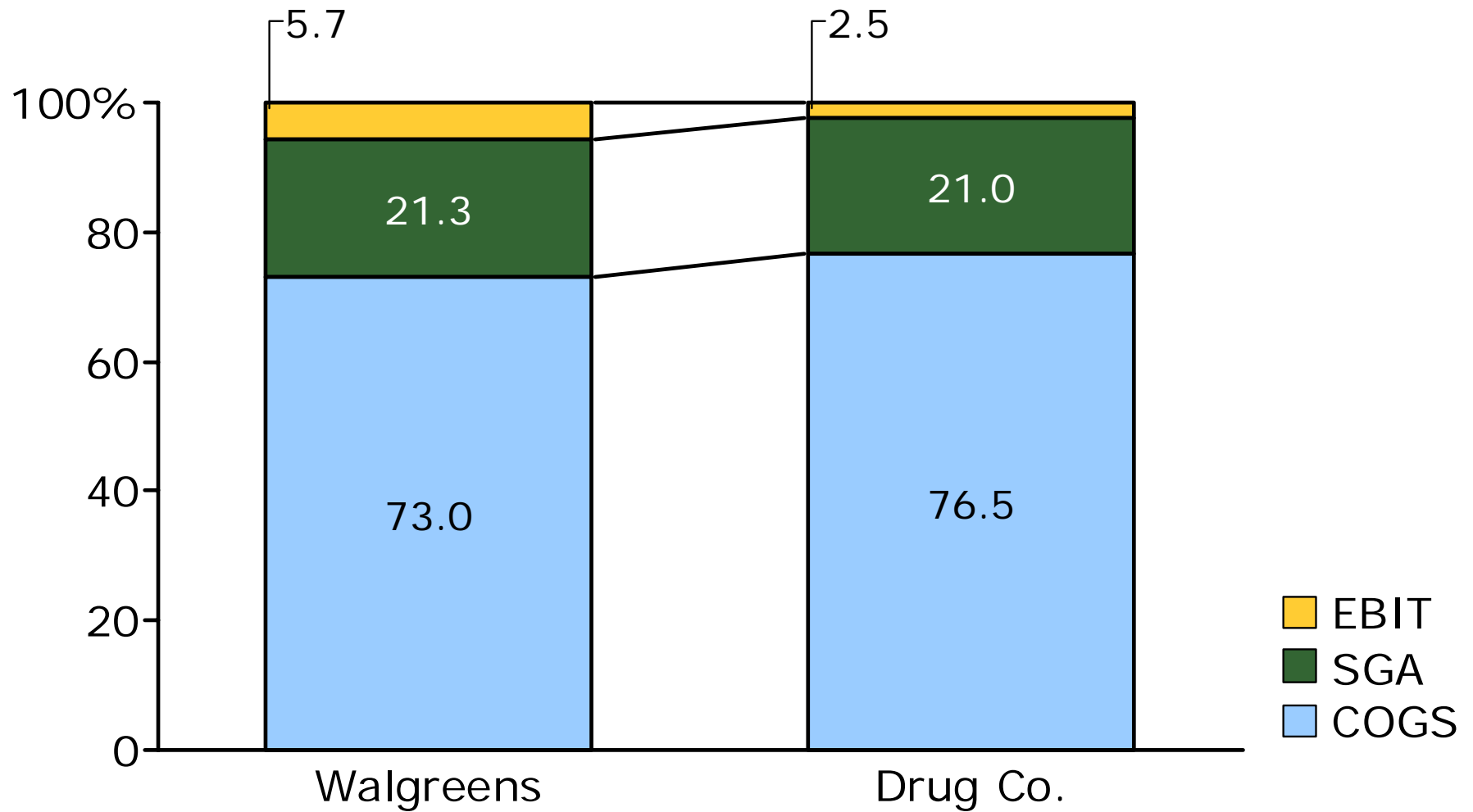
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Hypothesis tree



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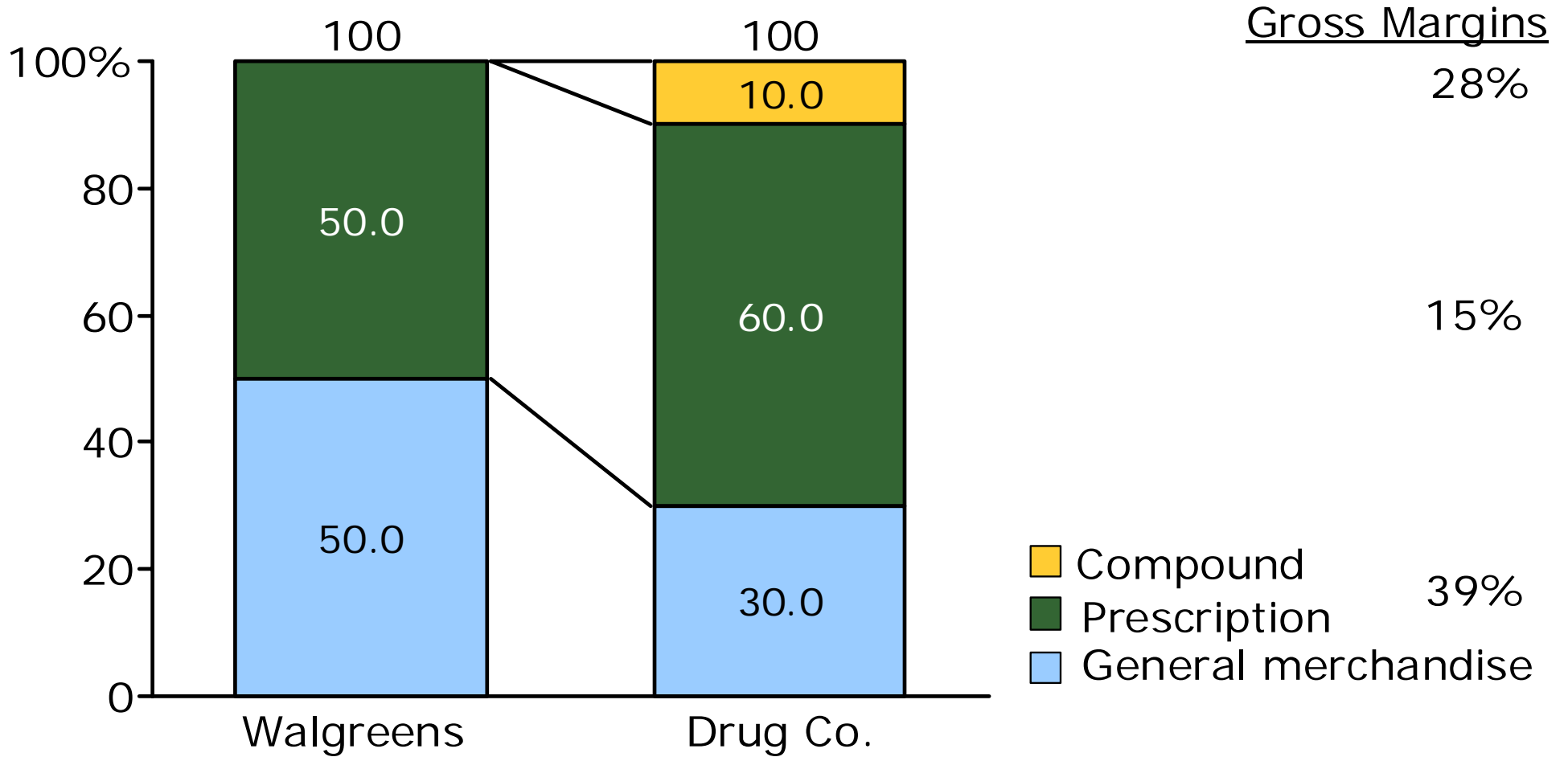
Walgreen's is more profitable than Drug Co.



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General merchandise has the best margin

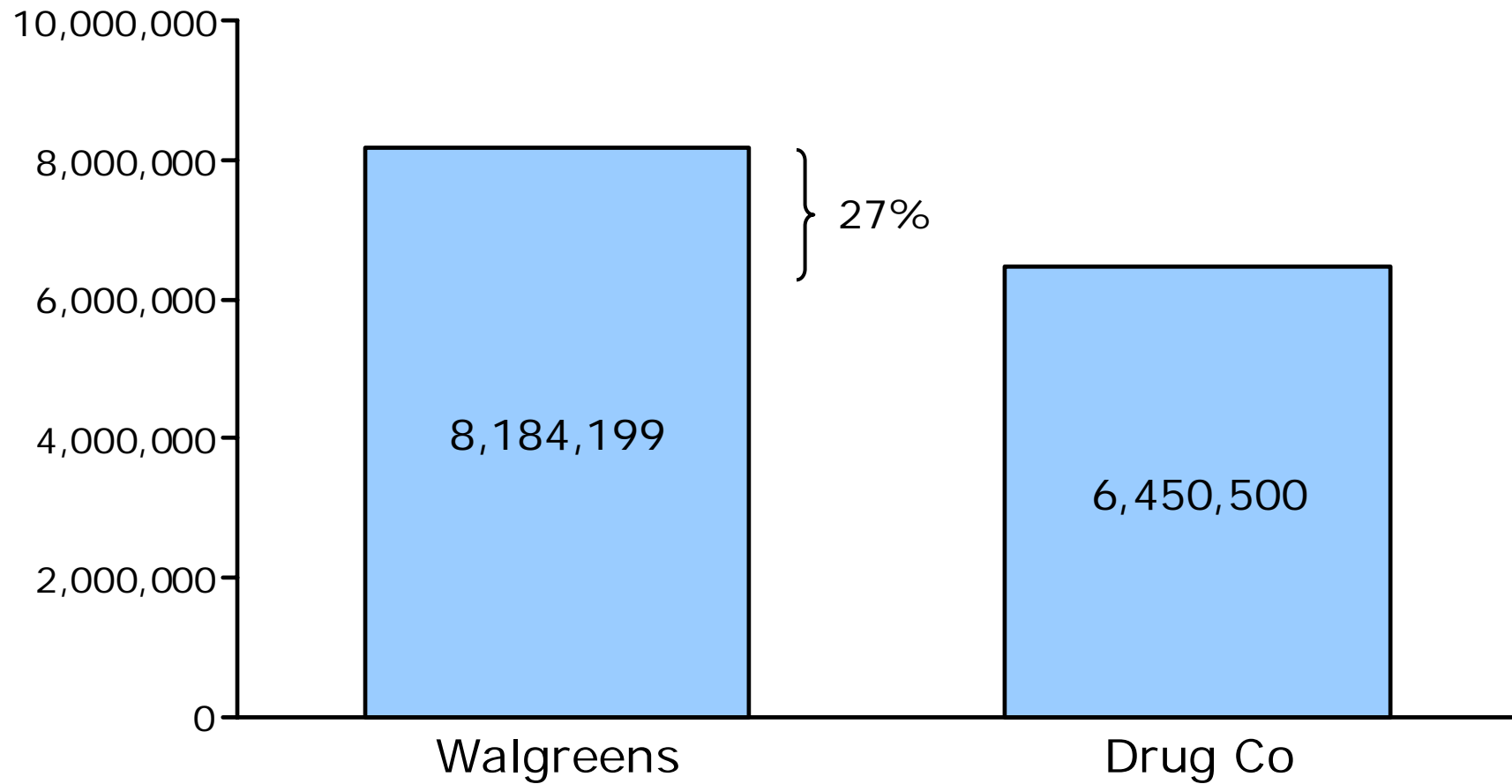
Product Mix



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Walgreen's sells more per store

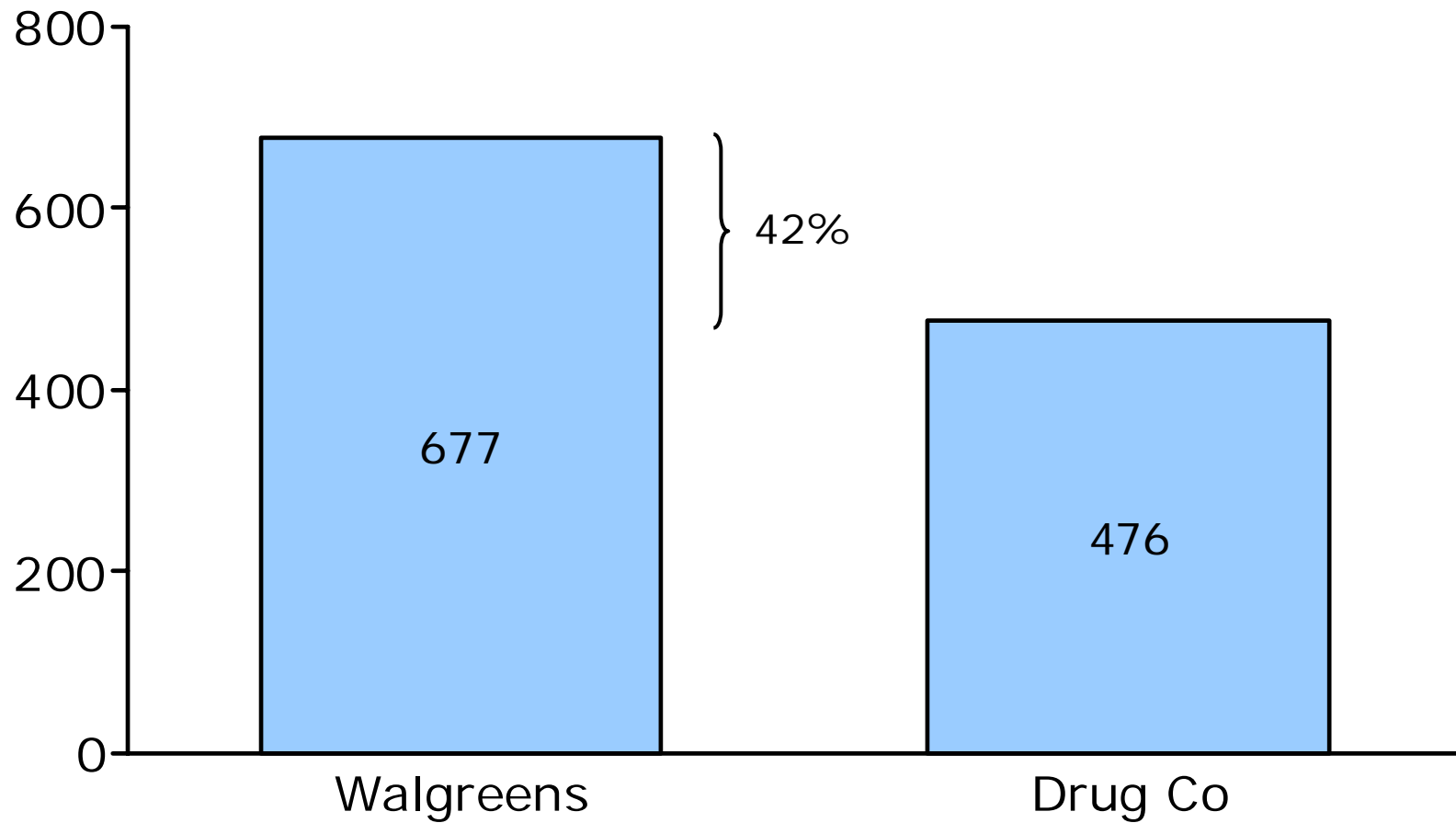
Sales per store



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Walgreen's sells more per square foot

Sales per square foot



Hypothesis driven problem solving

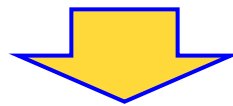
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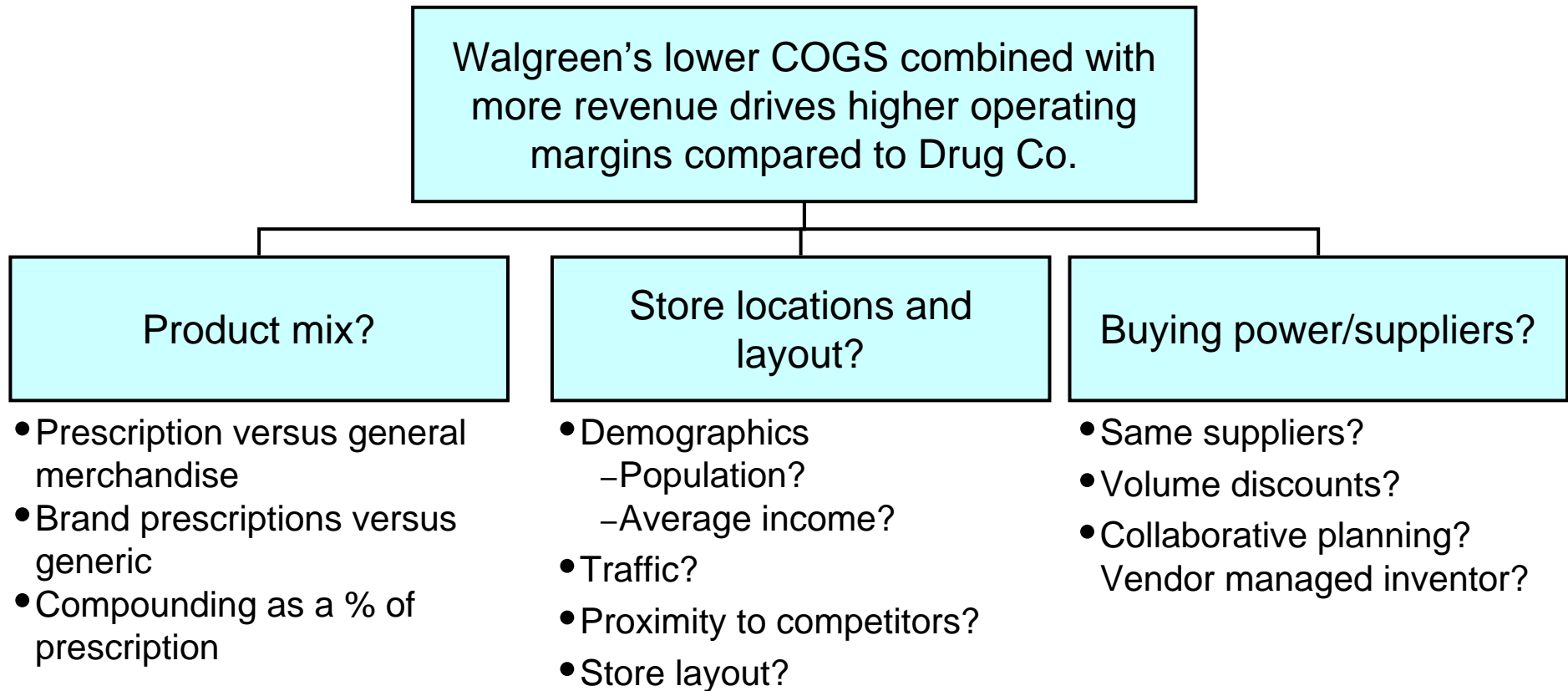


Key Questions

- Do locations have anything to do with the revenues?
- What does product mix do to the operating margins? More specifically, to the gross margins?
- Does Walgreen's have any cost advantage when it comes to suppliers as a result of volume?

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Hypothesis tree



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Important Points

1. Practice, Practice, Practice
2. Approach the Case Methodically
3. Learning and Understanding Frameworks only Provides Basic Business Knowledge, and is Only a Baseline – Never Directly Reference a Framework
4. Effective Communication of your Methodical Approach to the Case and the Answer will Differentiate You
5. Keep the Case Roadmap in Mind

Hypothesis driven problem solving

Important Points to Remember

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4 Effective Communication of your Methodical Approach and Answer to the Case will Differentiate You.

5 Keep the Case Interview Roadmap in Mind