Level 1

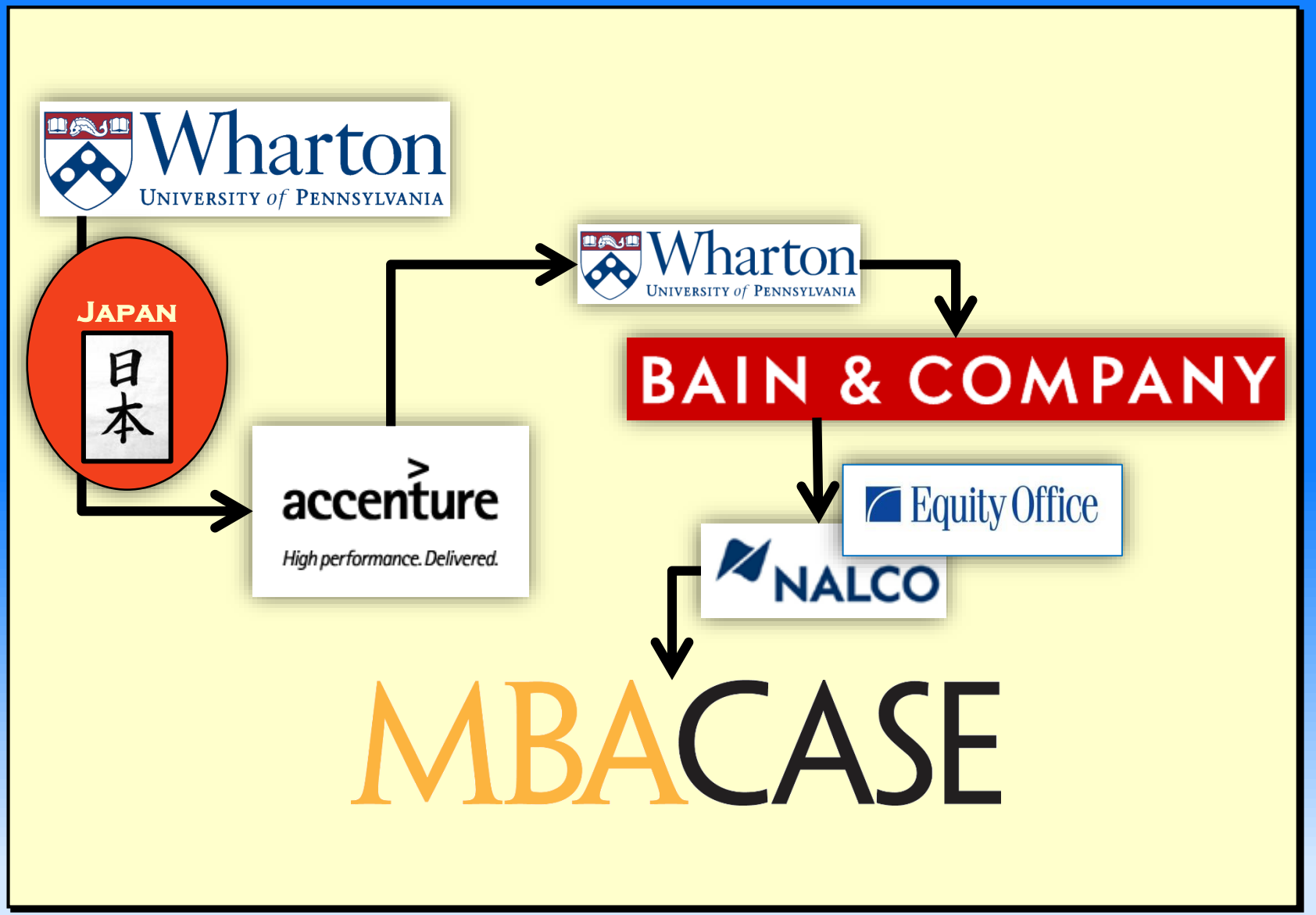
David Ohrvall
MBACASE

Agenda

CRACK THE CASE WORKSHOPS

Core Skills	Business Case Flow	Practice & Drills
60 minutes	**60 minutes**	**90 minutes**
Cases-what to expect	MBACASE Path	Data analysis
CSAI skills	Full case with video	Market sizing
Structuring with Block, Break & Ask	Structuring, Analysis and Integration	Mini case
MVM model		Math must haves
		Next steps

David Ohrvall



MBACASE Events

American University Cairo
Amherst College
Berkeley Haas
SDA Bocconi Italy
Boston College
Bowdoin College
Cambridge Judge
Carnegie Mellon Tepper
Case Western
Cass London
CEIBS Shanghai
Chicago Booth
Columbia
Colorado
Darden
Dartmouth Tuck
Duke Fuqua
Emory
ESADE
George Washington
Georgetown
Univ. of Georgia
Georgia Tech
Haskayne
HBS
HEC
Hong Kong UST
IE Madrid
INSEAD France
INSEAD Singapore
Iowa
Irvine California
IU Kelley
Kellogg
Maryland
McGill
Michigan
Michigan State
Minnesota
Nat'l U Singapore
U of North Carolina
Notre Dame
NYU Stern
Ohio State
Olin Wash. Univ.
Owen Vanderbilt
Oxford SAID
Pepperdine
Queen's SOB
Rice
Richard Ivey
Stanford
Texas
Thunderbird
Toronto Rotman
U of Southern CA
UCLA
UC Davis
UC Irvine
University of Wash
Wake Forest
Washington & Lee
Wharton
William & Mary
Wisconsin

CASES are EVERYWHERE

CRACK THE CASE WORKSHOPS

Consulting

- Strategic decisions
- Market entry
- Profit maximization
- Declining market
- Organizational redesign

Finance

- M&A transactions
- Private equity buy-outs
- Business sell-offs
- Time value of money

Marketing

- New product
- Lagging product
- New industry
- Branding remedies

Industry

- Airlines
- Health care
- Internet / telecomm
- Government
- Internal strategy

Companies emphasize different behavioral and technical elements

	Industry / Marketing	Finance	Consulting
Behavioral	• Show leadership and positive energy	• Show grit, confidence, and fight	• Show ability to be all things to all people
	• Can achieve long term goals thru cooperation	• Use insights and savvy to WIN!!!!!!	• Use data to prove points and persuade
	• Play well with others	• Get along with others	• Enjoy and can lead others
Technical	• "Think thru a situation . . ."	• Acct./Finance Basics	• Gen. business knowledge
	• Company and business sense	• Logic, deal and business sense	• Logic and business sense
	• Industry awareness	• Memorized and on the spot analytics	• On the spot analytical prowess

We'll be working on skills you can use in all your interview situations

	Industry / Marketing	Finance	Consulting
Behavioral	• Show leadership and **positive energy**	• Show grit, **confidence**, and fight	• Show ability to be all things to all people
	• Can achieve long term goals thru cooperation	• Use **insights** and savvy to WIN!!!!!!	• Use data to prove points and **persuade**
	• Play well with others	• Get along with others	• **Enjoy** and can lead others
Technical	• **"Think thru a situation . . ."**	• Acct./Finance Basics	• **Gen. business knowledge**
	• Company and **business sense**	• Logic, deal and **business sense**	• Logic and **business sense**
	• Industry awareness	• Memorized and **on the spot analytics**	• **On the spot analytical prowess**

But after today you'll need to go deeper in certain areas

	Industry / Marketing	Finance	Consulting
Behavioral	• Connect to the products • Know the role and your fit • Embrace the long term career path	• Know firm differences • Highlight your victories • Show you are ready to sacrifice	• Know office differences • Find client-like examples • Show you can flex and deal with change
Technical	• Know the products • Know recent strategies • Know the industry	• Mental math • Capex • Cash flow • Balance sheets • DCF • Debt/ equity • Working Cap • Depreciation • Goodwill	• Mental math • Growth rates • Present value • Slide reading • Break-even analysis • Market sizing math • ROI

How would you answer these business scenario questions?

CRACK THE CASE WORKSHOPS

Tech

"**What information** would you need to help develop the implementation strategy?

"Talk me through the options. What is your rationale for **choosing this application**."

"Our roll-out is **resource constrained**. What would you do first?"

"How would you determine if this product is worth **turning into an app**?"

How would you answer these business scenario questions?

CRACK THE CASE WORKSHOPS

Marketing

"Walk me through a **favorite marketing campaign** and why you liked it."

"Let's think through how to **increase overall brand awareness**."

"Let's **evaluate the roll-out** of our holiday scent air freshener. Should we do it next year?"

"Using the **4P's framework**, let me know how you would market a new line of high-end headphones."

How would you answer these business scenario questions?

CRACK THE CASE WORKSHOPS

Finance

"Let's walk through **a recent acquisition**. Name one that recently happened, what you think went well, and what should have done differently."

"I'll give you a million dollars. How **would you invest it and why**? What kind of return would you expect to get?"

"If you had to advise on a **merger between two food companies,** what would you want to know?"

"Think through **the trade-off** between these two investments."

How would you answer these business scenario questions?

CRACK THE CASE WORKSHOPS

Consulting

"Our client is **facing declining profits**. Should they shut down two of their five plants."

"A global beer company is looking at **acquiring** several smaller craft beer companies. **Should they do it**?"

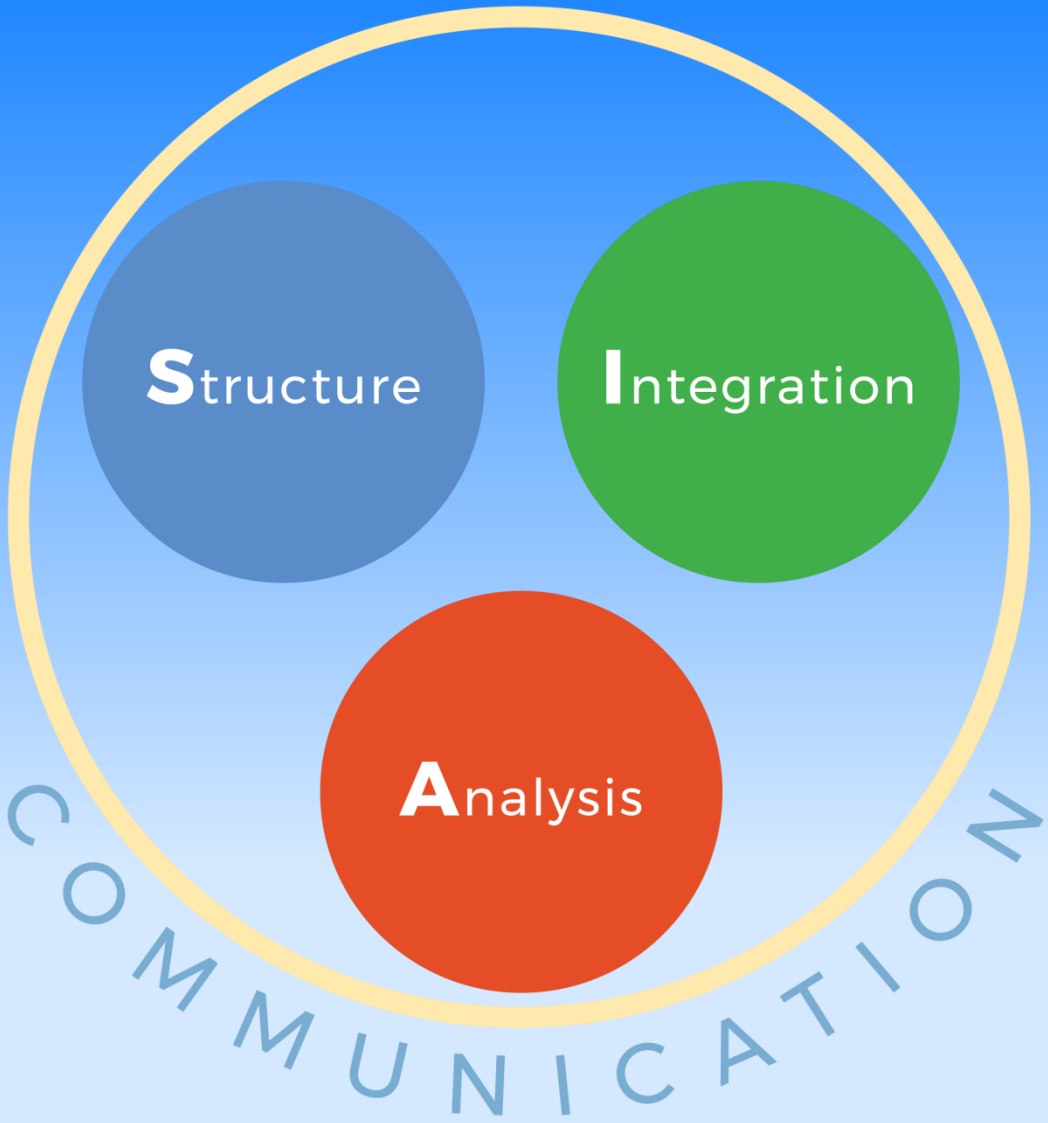
"We are working with a company who is facing increasing competition from **private label pretzels**. What should they do?"

participate

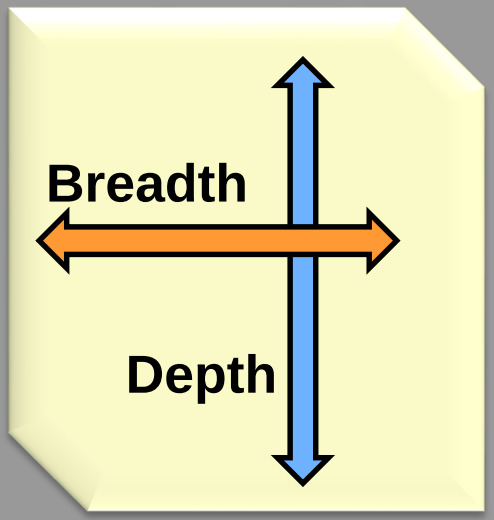
think long term

be serious,
have fun!

Cases test four key skills



Structure your thoughts with breadth and depth



- Expect your interviewer to test your breadth, "What else, what else?"
- Practice showing your depth of thinking with Block, Break & Ask

NYC Chocolate Store

CRACK THE CASE WORKSHOPS

Our client wants to open a chocolate shop in NYC.

Competitors	Financial Goals	Manufacturing	Store Operations
Direct (e.g., Godiva)	**ROI** ($, time to profit)	**Raw materials** (cocoa, sugar)	**Store location**
Alternatives (ice cream, flowers)	**Profit by product** (choc vs. candy)	**Production** (onsite or off-site)	**Store hours** (normal, special)
		Shelf life	**Employees**
What makes our product unique and will that advantage last?	**What's our 6 month and 12 month profit target?**	**Will we use our current suppliers or need to find local ones?**	**What is the daily foot traffic for potential locations?**

Amazon Prime

CRACK THE CASE WORKSHOPS

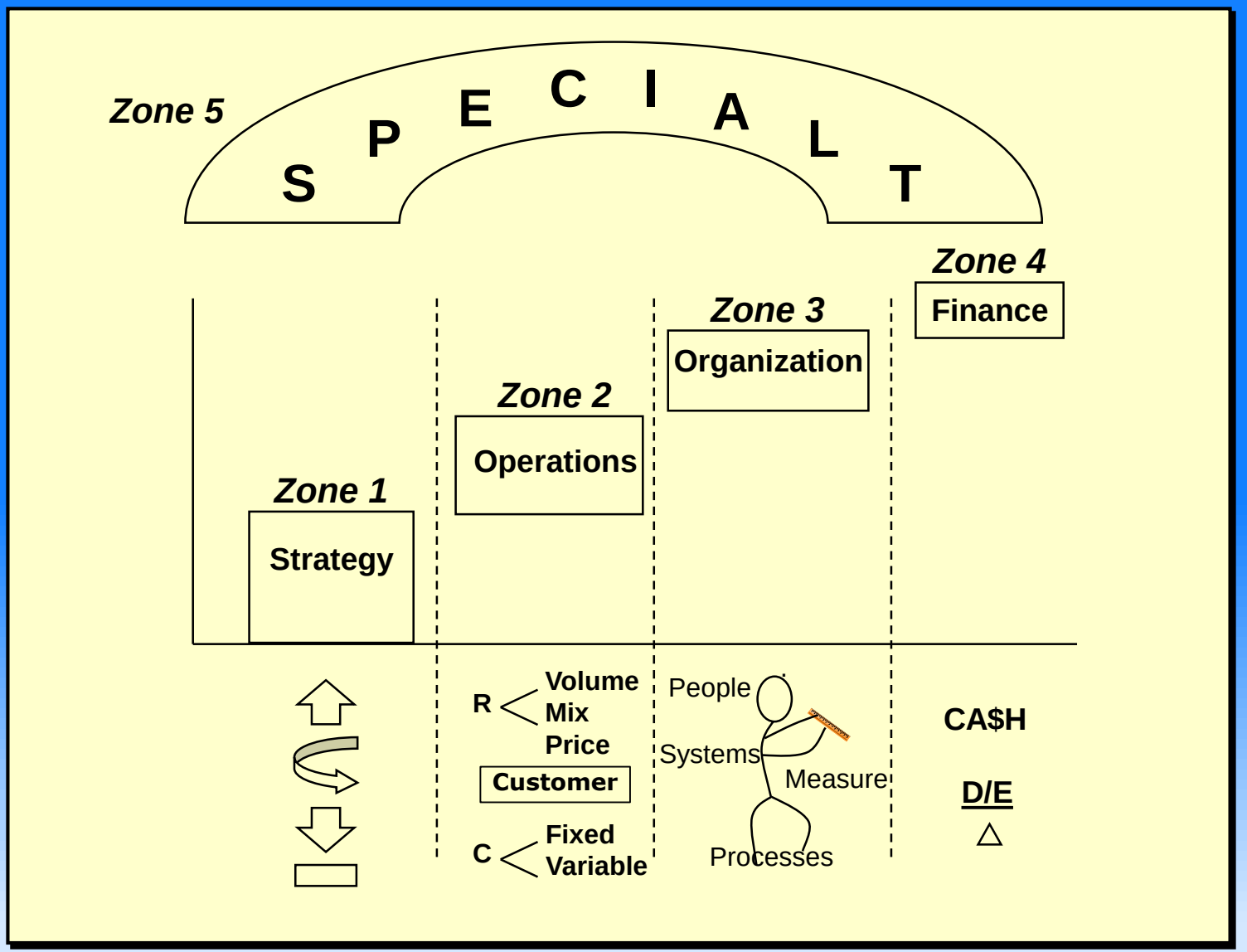
They need to ensure on-time delivery and profit.

Product Availability	Pick & Pack	Delivery
Products stocked in Amazon warehouses	Staffing levels	Ship method
Large vendors	Order size (single vs. mult. ships)	Load time
3rd party small sellers	Packaging materials used	Routing
⇩	⇩	⇩
Is performance worse for 3rd party sellers? Is inventory data accurate?	Do small warehouses have faster turns than large ones?	How do cost & on-time performance metrics compare? (FedEx, UPS, Amazon)

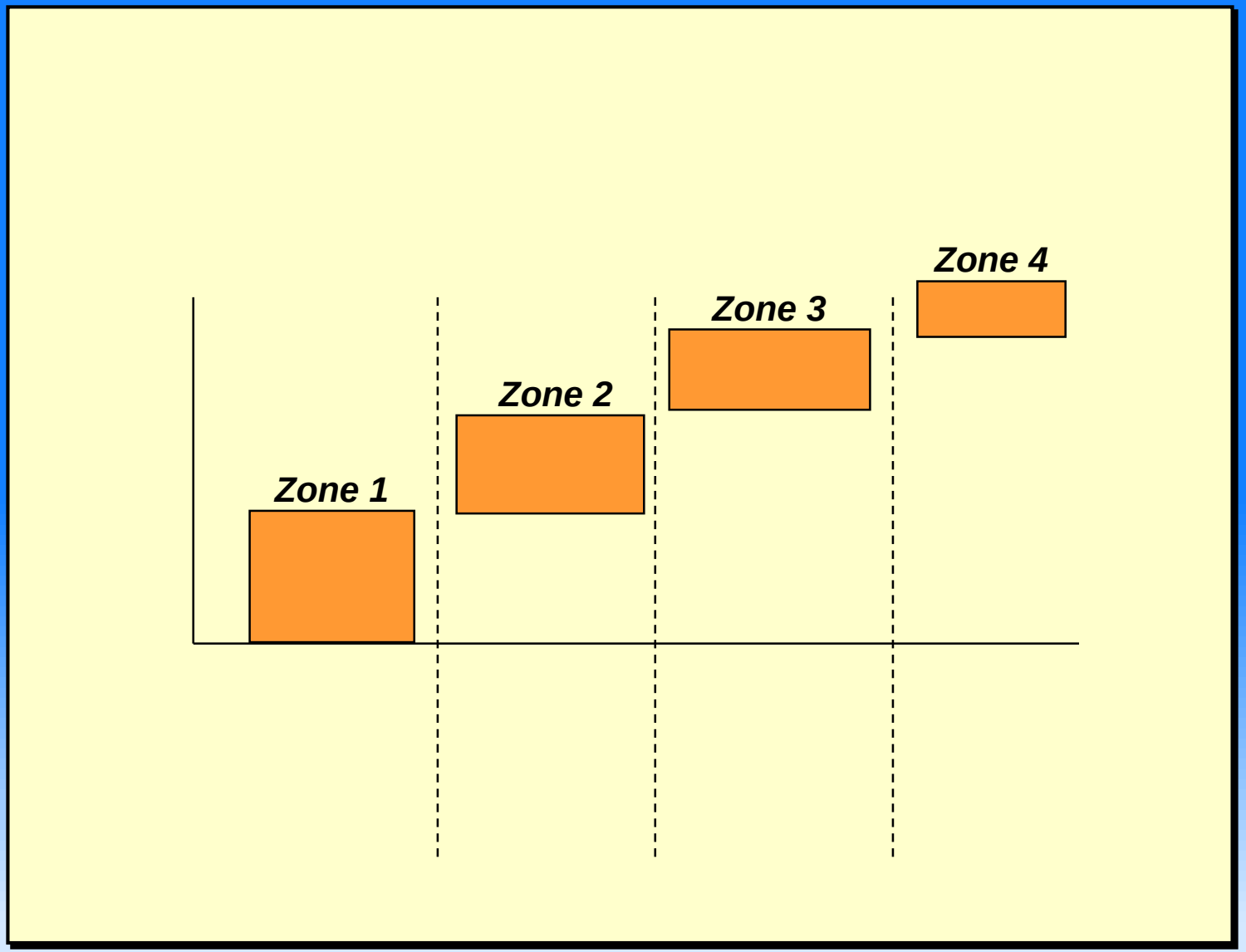
What's your objective with every case?

Maximize the Value of the Company

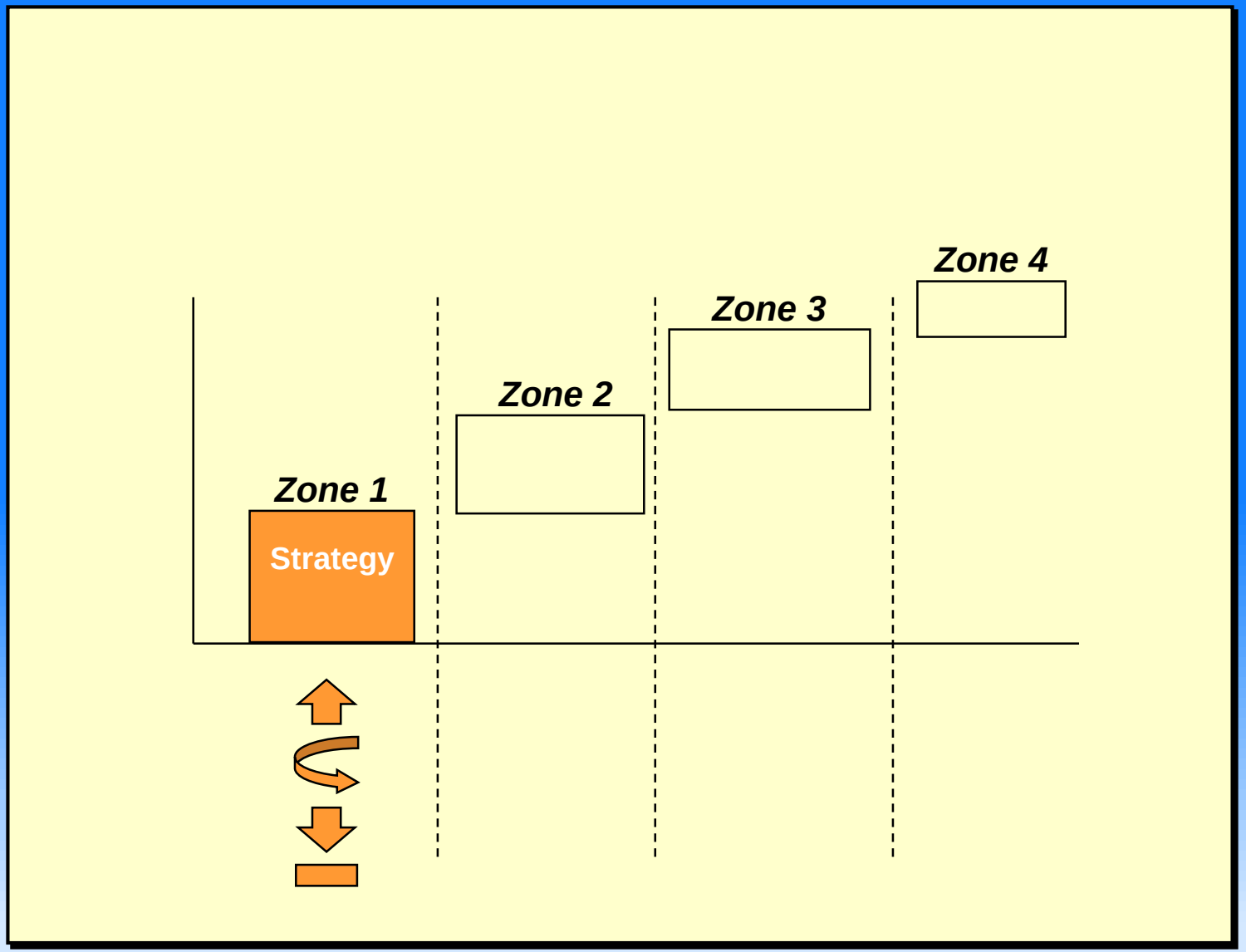
Develop a holistic way to think through problems (MVM Model)



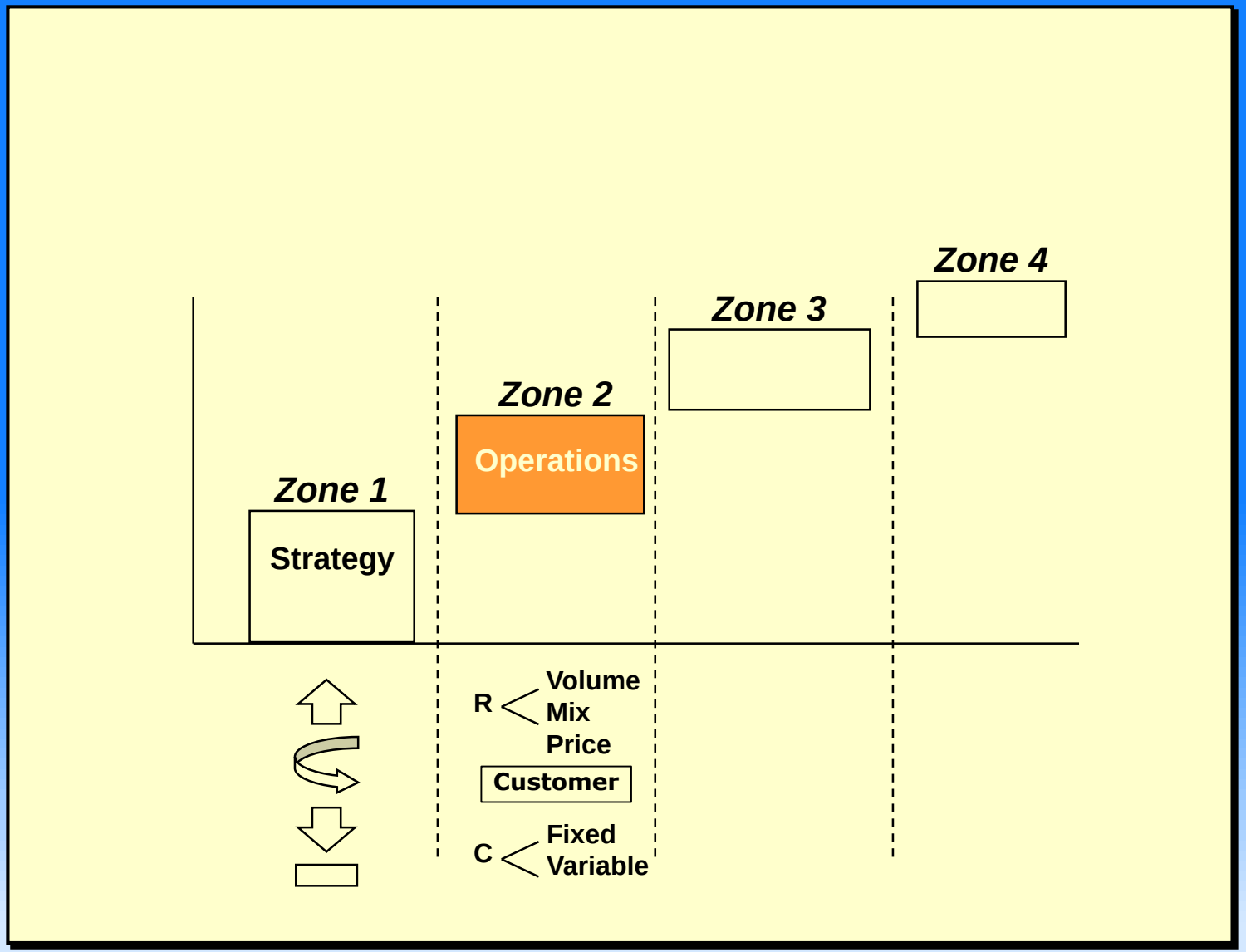
Waterfall – each zone adds value



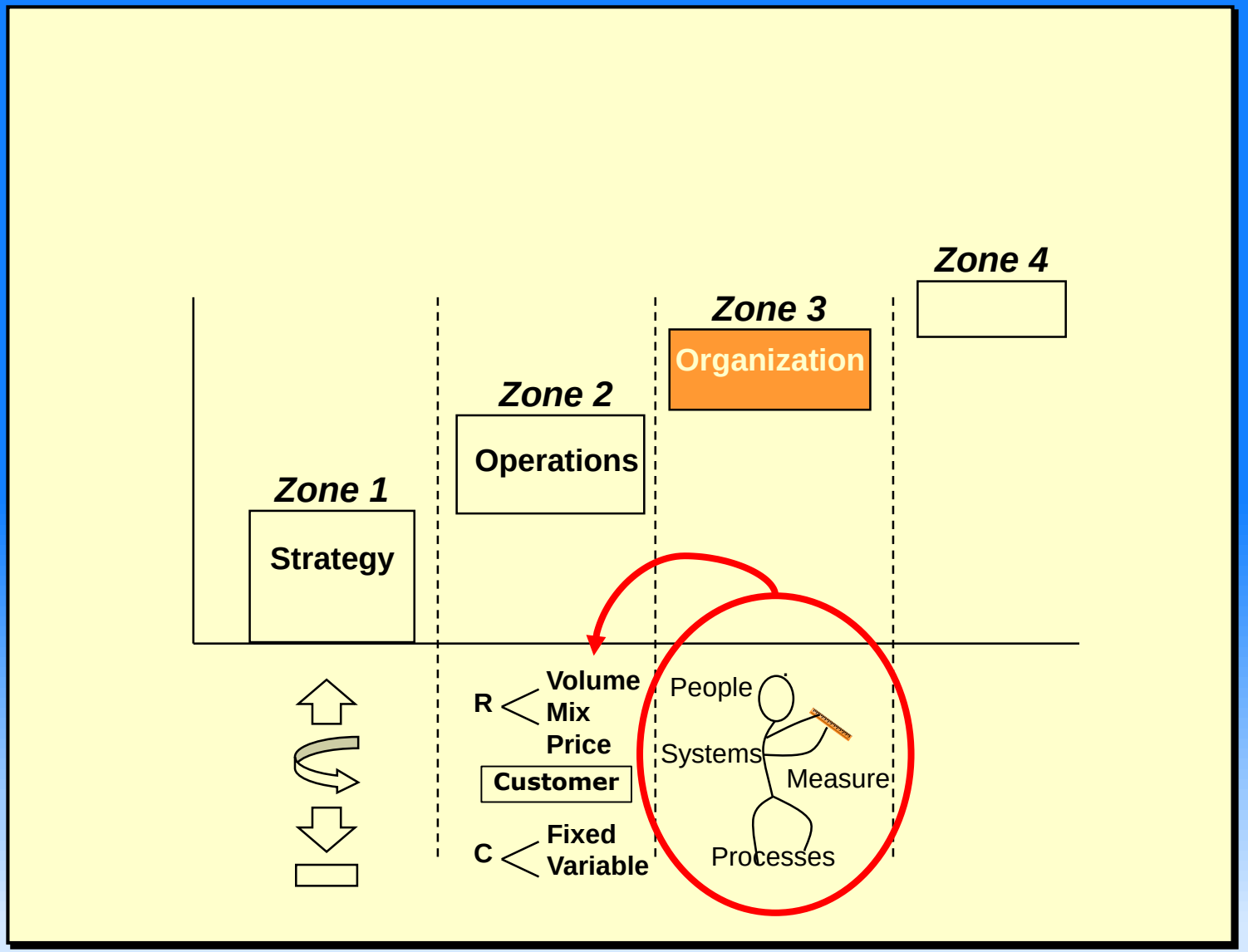
Strategy – increase, change, shrink



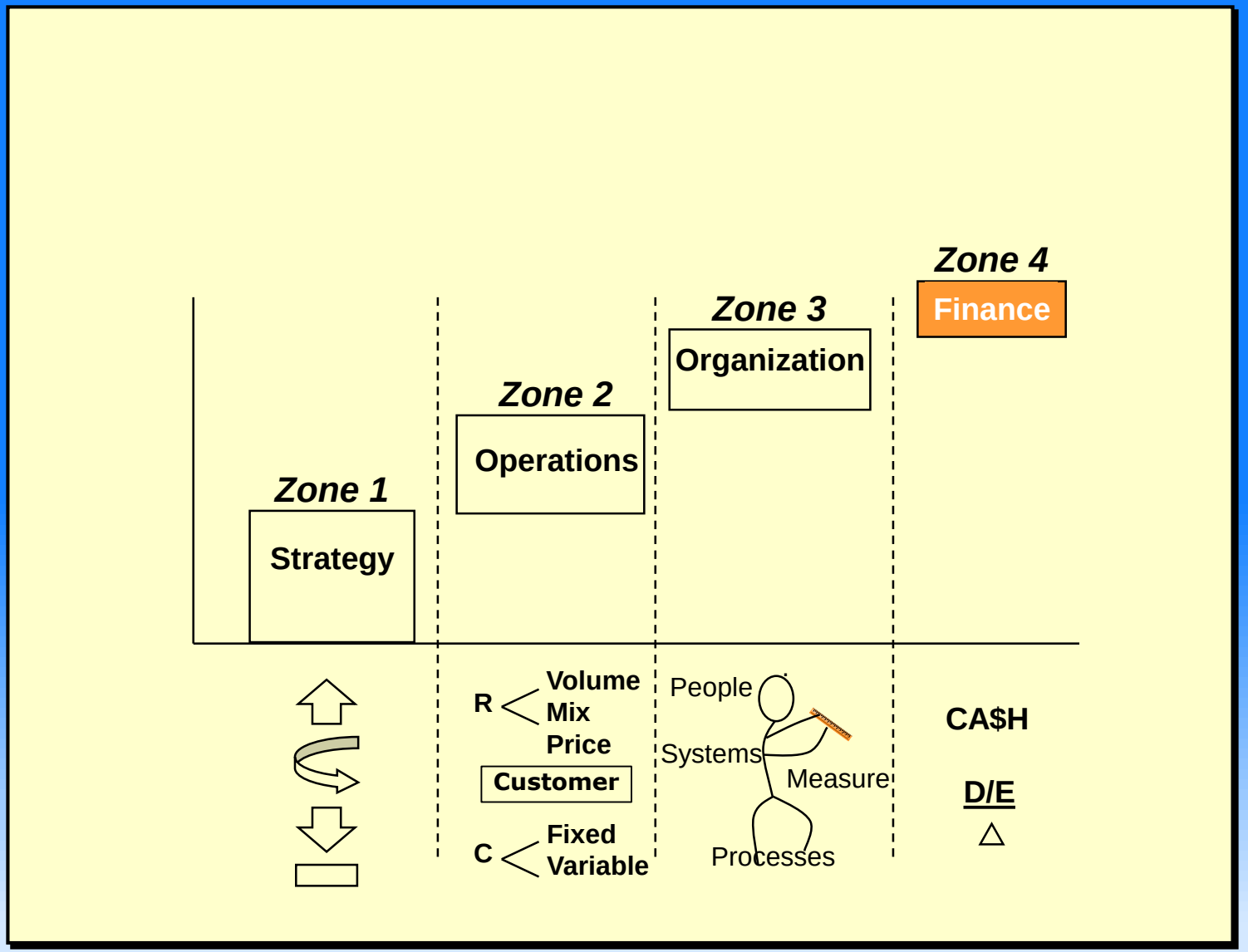
Operations – revenue and cost



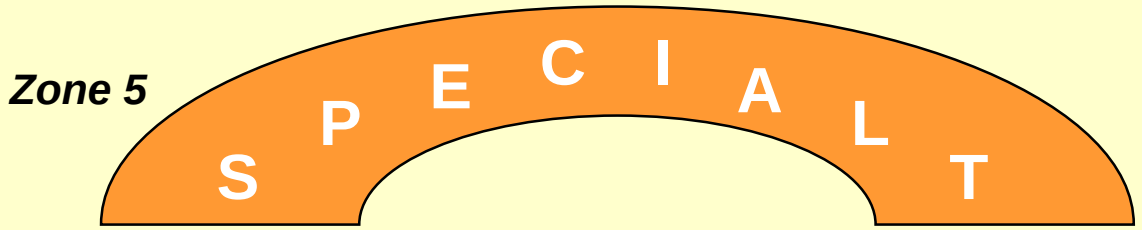
Organization – people, systems, processes and measurement



Finance – cash, debt, equity



External Forces – connect to business drivers



Suppliers

Technology

Public

Legal

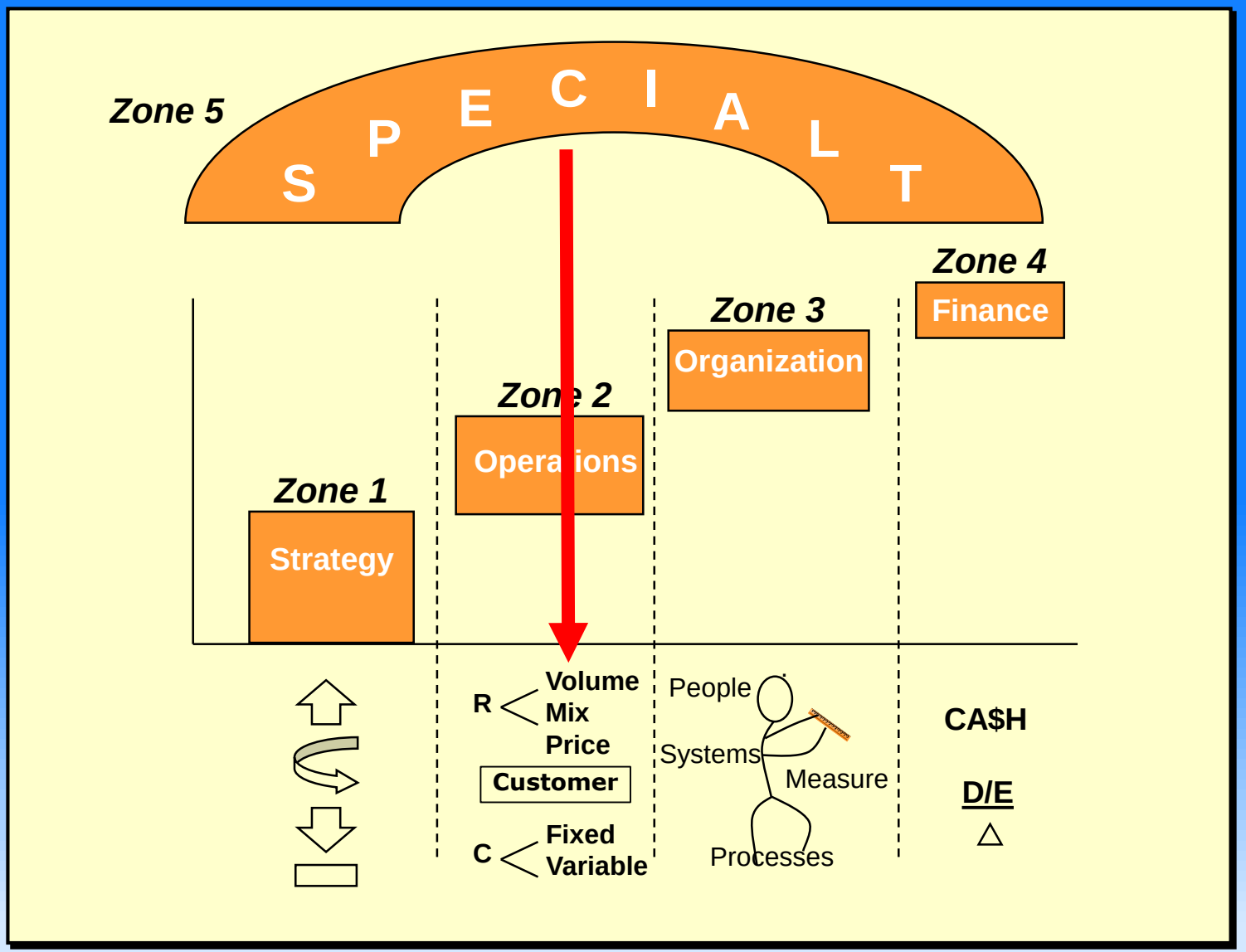
Economy

Auditing

Competitors

Industry

Maximum Value Model (MVM™)



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Let's do a case!

CRACK THE CASE WORKSHOPS

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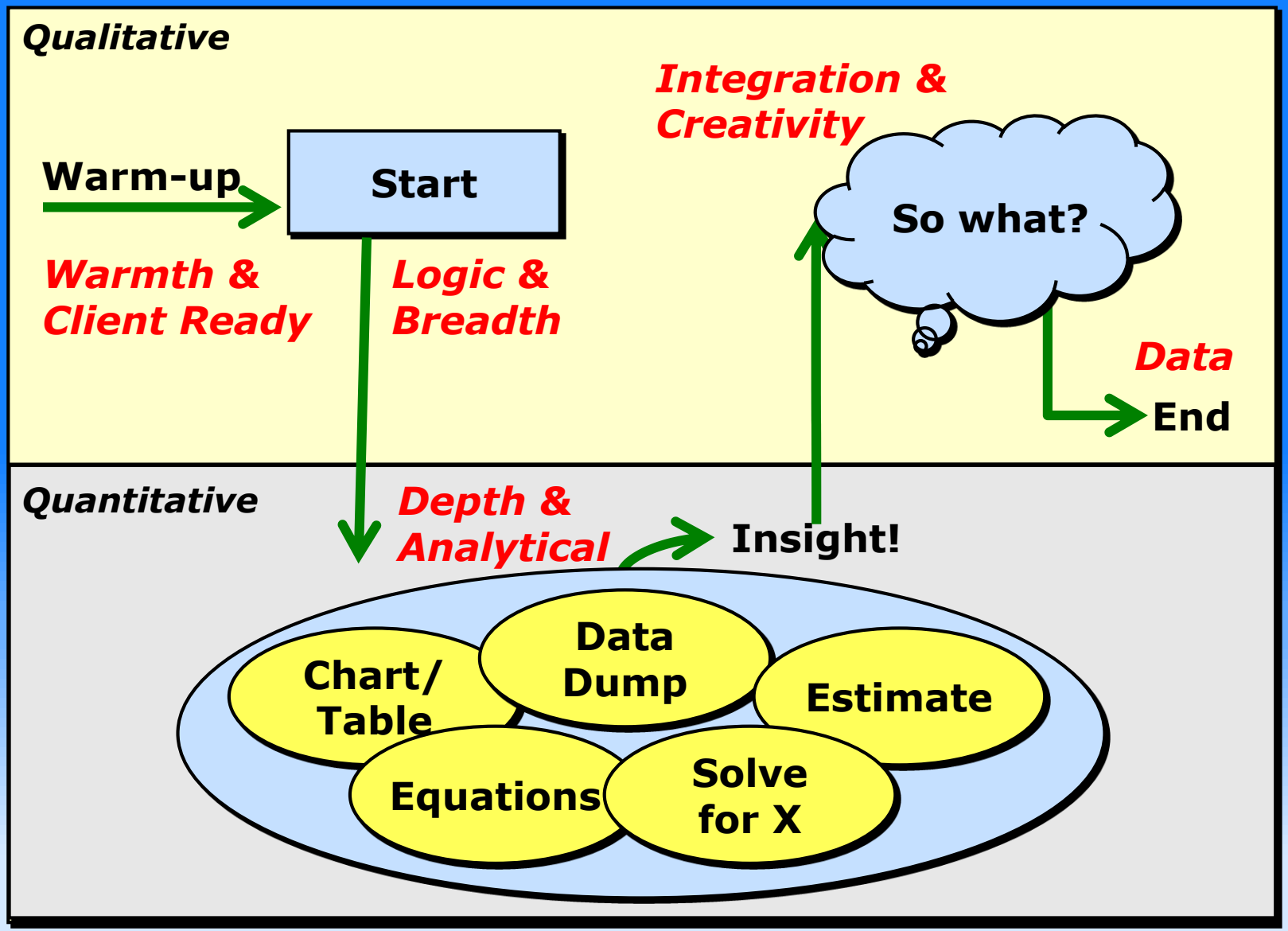
Most Common Business Cases

Strategy	Ops & Org	External Forces
Merge, Acquire, JV	✓ Maximize Profit	Competitor Attack
✓ Growth Strategy	Change Price	✓ Market Shift
✓ New Product/ Bus	New Processes	
New Market (Geo)	Restructure Team	

Most cases follow a similar pattern

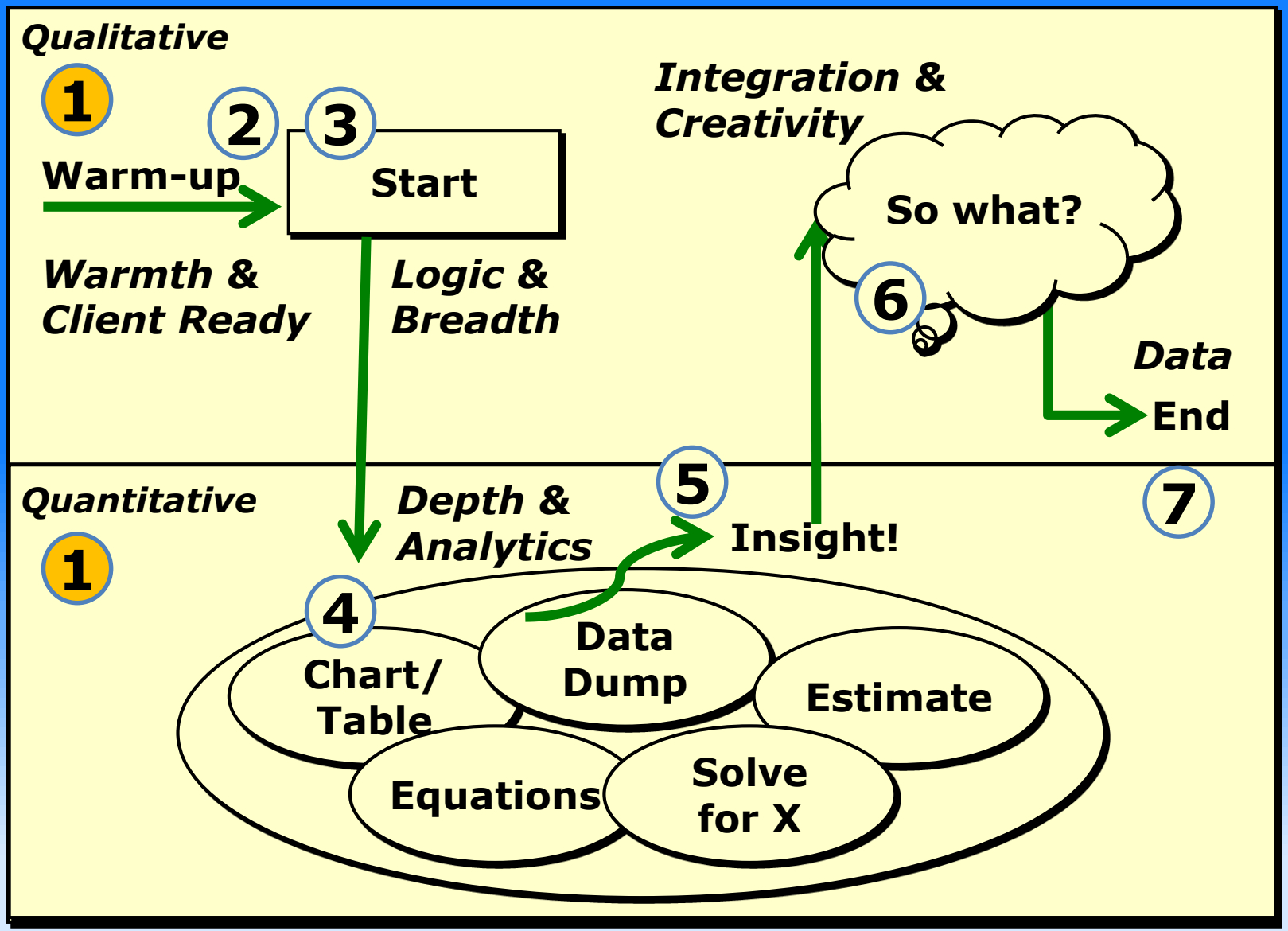
MBACASE Path



Full Business Case

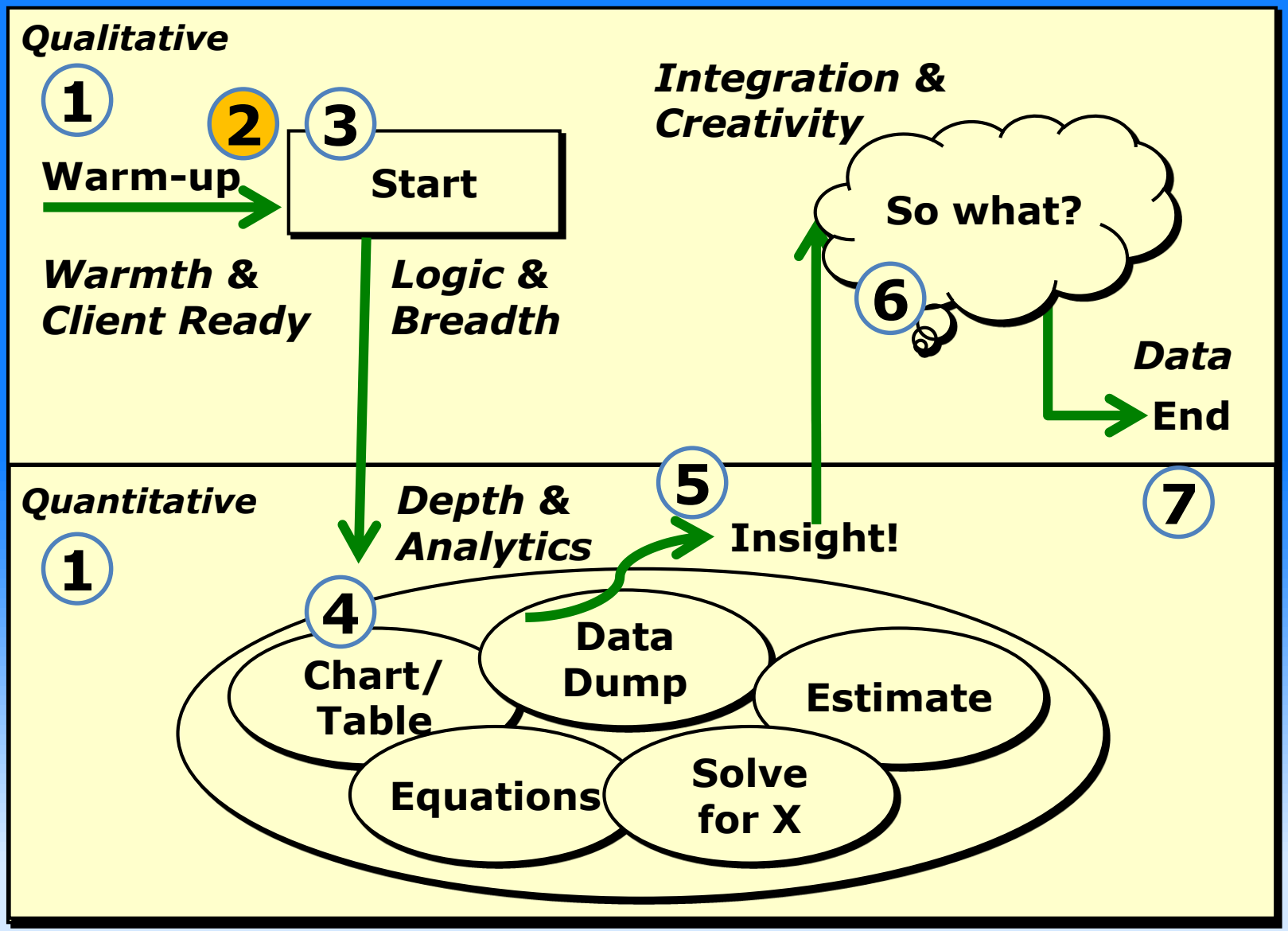
hIQ Tea

1. Show both qualitative and quantitative skills



2. Warm-up

2. Move Into the Case



2. hIQ Concept

2. hIQ Question

3. Recap: Situation, Complication & Task

3. Clarify, Ask for Minute, Plan

Use your plan to connect and explain

Facts

Data

Plan

Main Idea

Block A ***Block B*** ***Block C*** ***Block D***

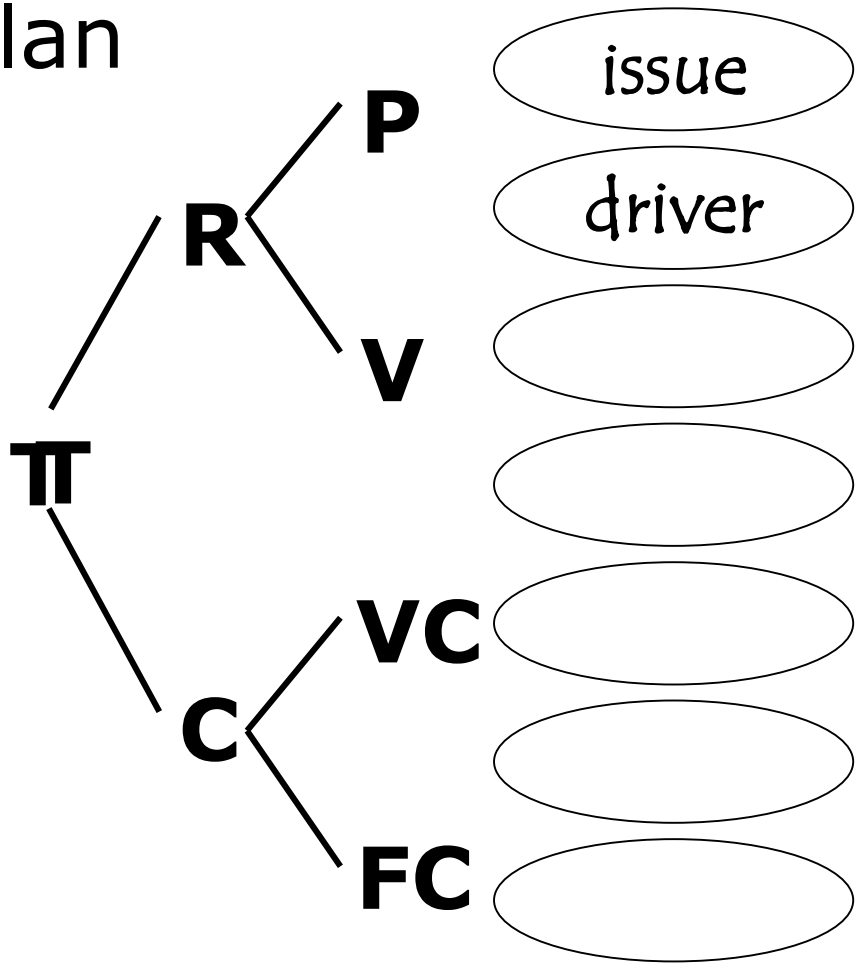
- ***Break – be case specific***
- ***Ask – what data matters? Be thoughtful.***

Use your plan to connect and explain

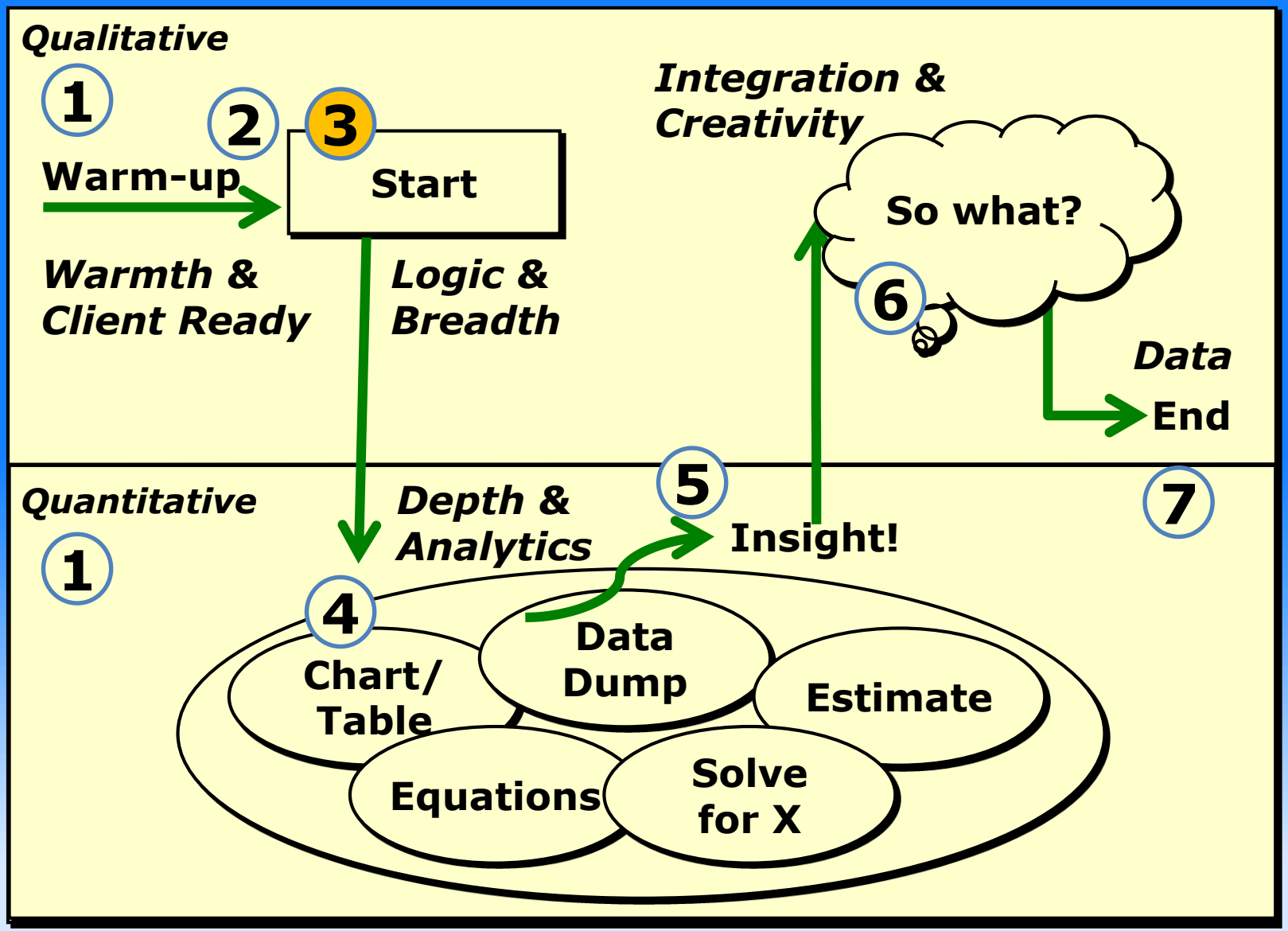
Facts

Data

Plan



3. Create Your Plan



3. Present Your Plan (Option A)

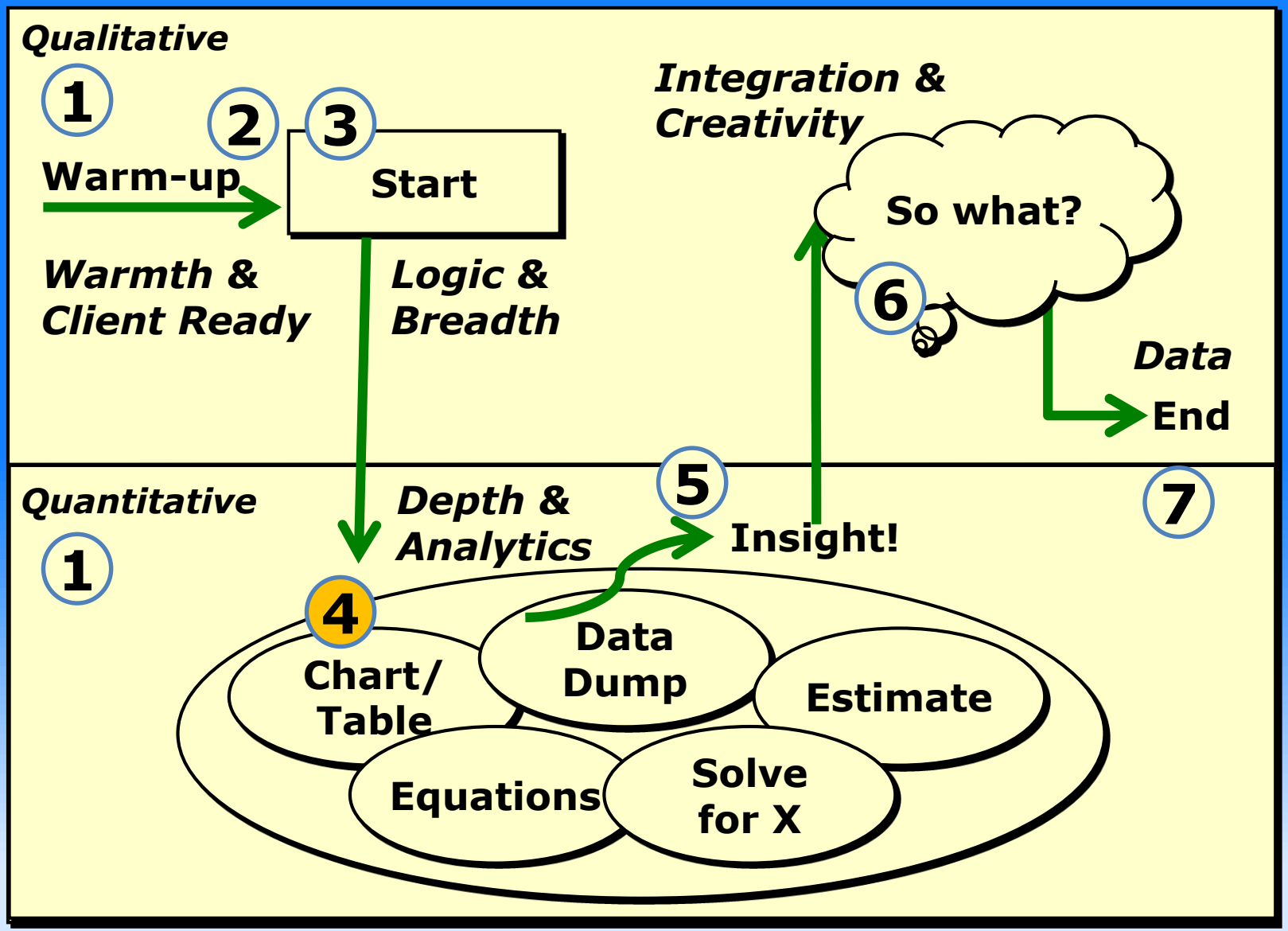
3. Present Your Plan (Option B)

3. What about your PLAN?

3. What do you MEAN?

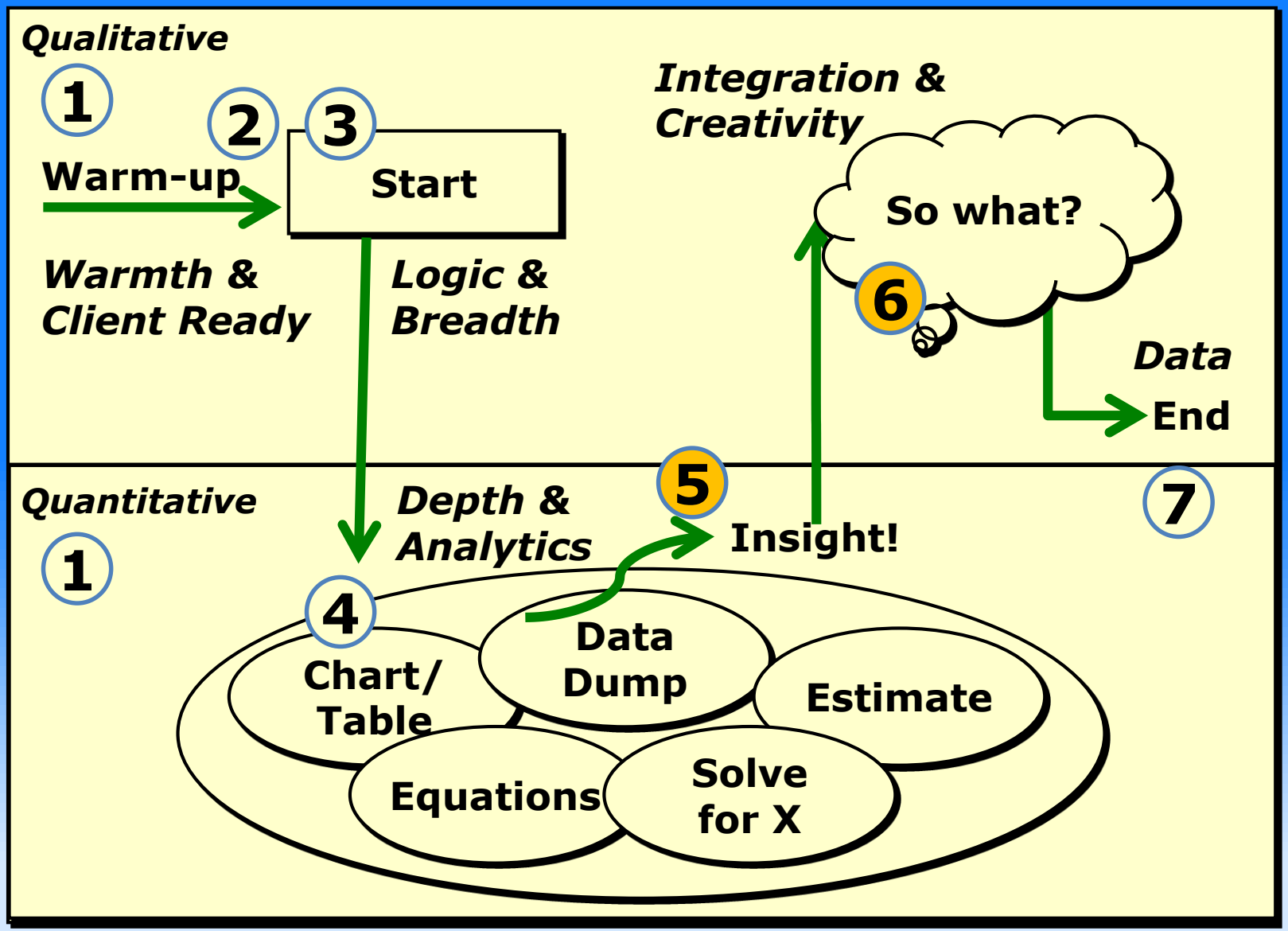
3. What about your DATA?

4. Dive Into Data



4. Talk Thru the Data (A)

5. Find Insights



5. Find Insights (B)

5-6. Use Data

7. Integrate and Wrap-up

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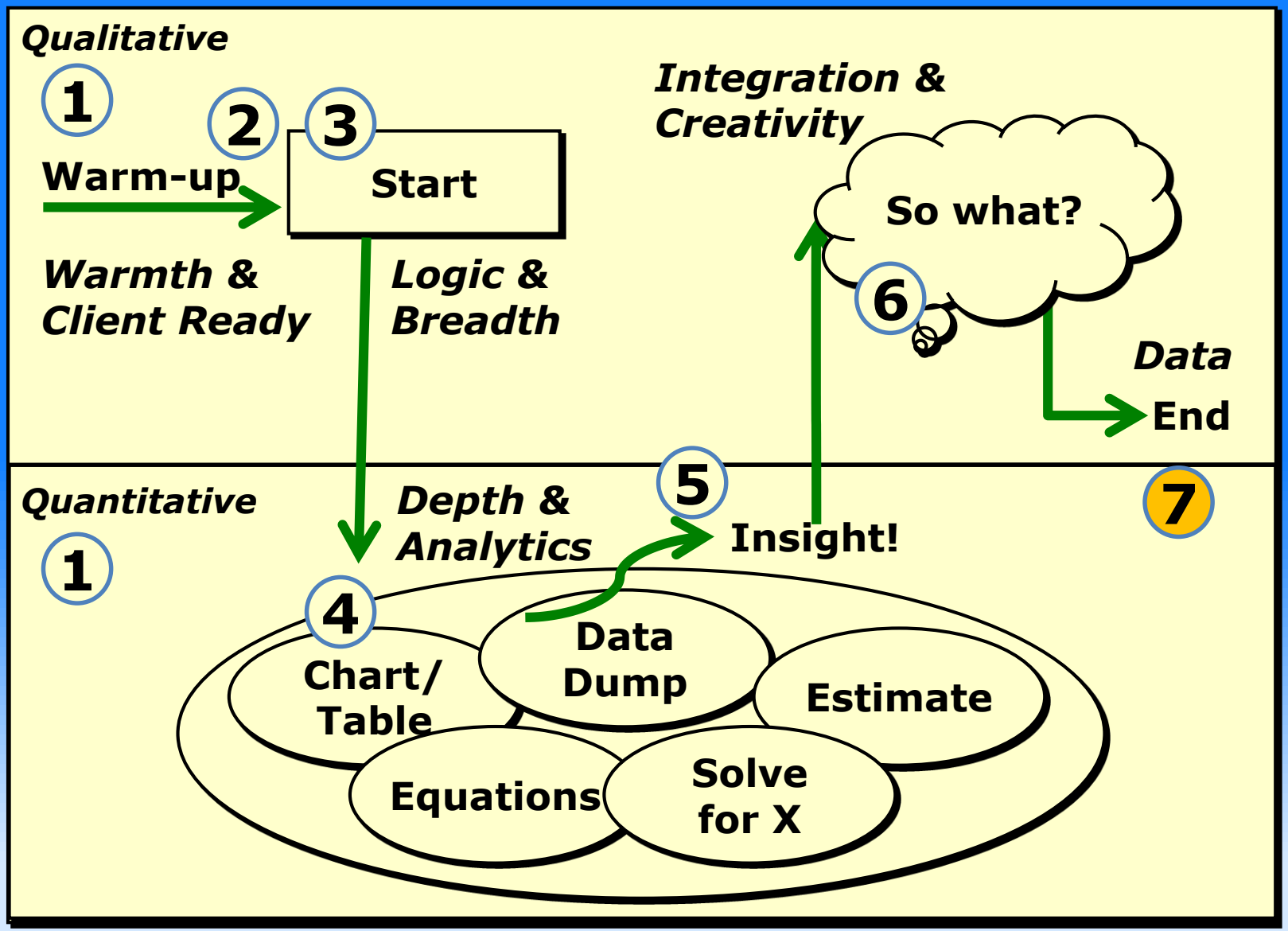
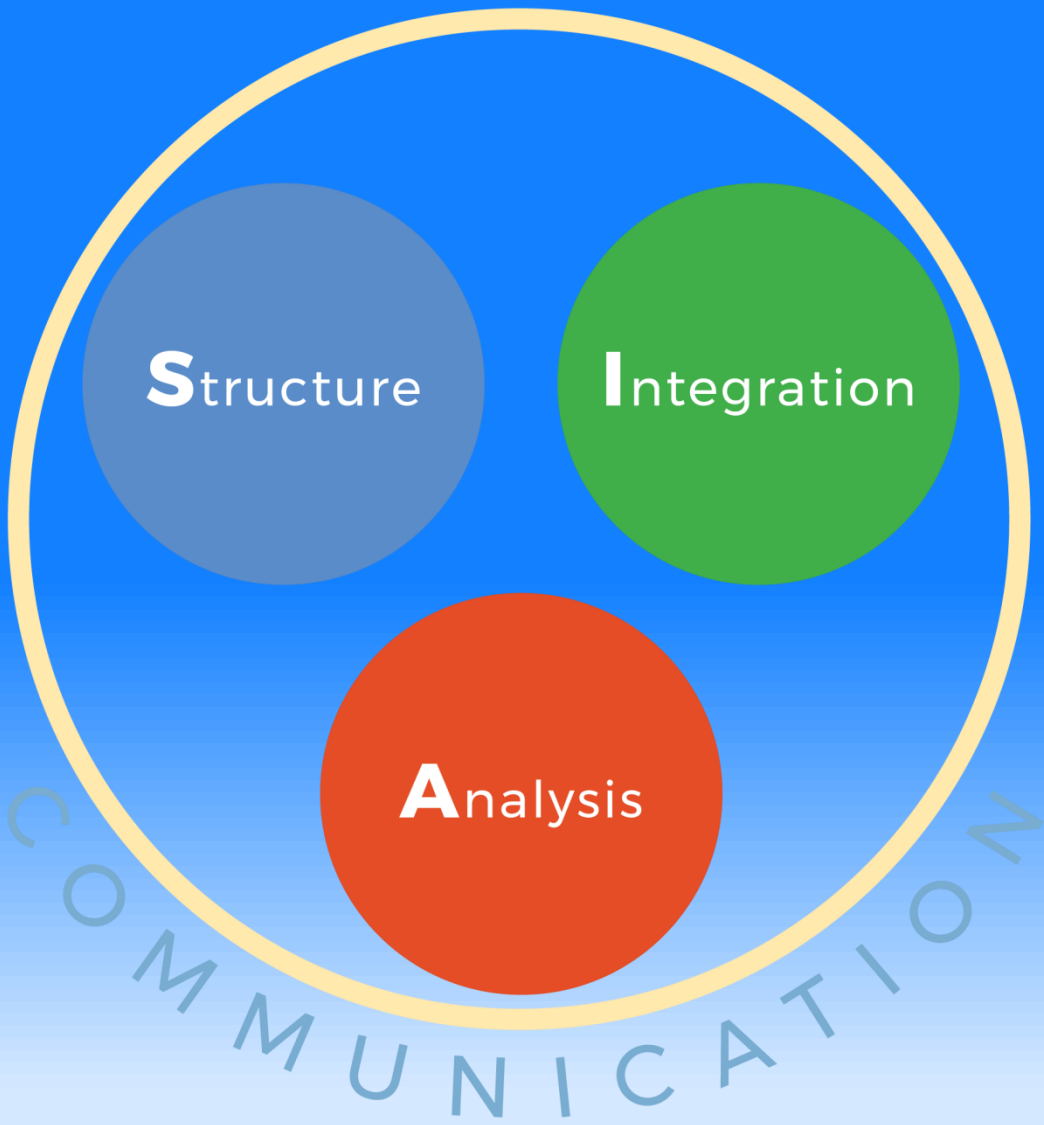
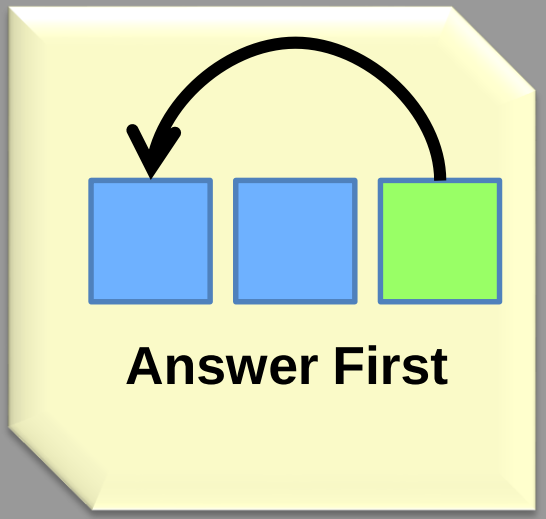


Cases test four key skills



Be Answer First!



- Bring the main point to the front
- Use data to engage your interviewer
- Apply Answer First to speed up your case communication

Create an IMPACT

I ndividual Contribution

M anage or Lead

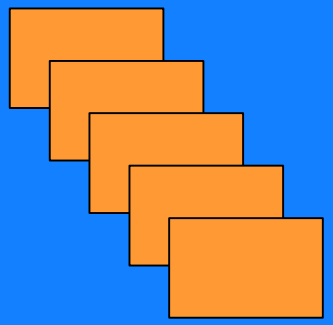
P ersuasion

A nalytics

C hallenge or Failure

T eamwork

Don’t forget your slides



Slides **Videos & Cases** **Homework**

Download today’s slides:

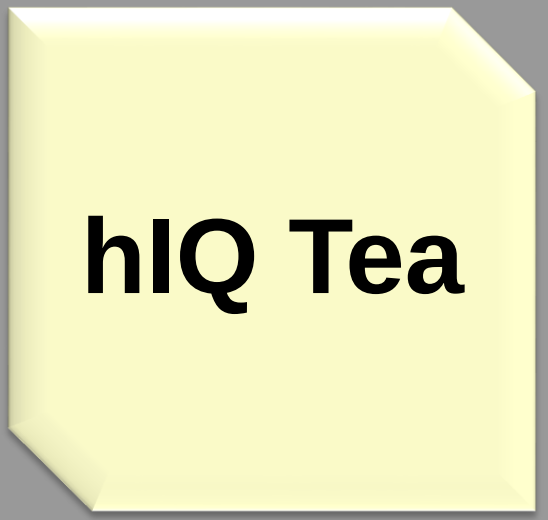
1. Text “CTC1slides” to 33-444.
2. Return text will ask for your e-mail only.
3. Enter your e-mail address.
4. We’ll e-mail you the slides!

MBACASE

MBACASE Resources

- Crack the Case System book with roadmaps, key concepts and drills
- 42 cases - free on MBACASE.com
- 160+ videos
- C4 on-line training

Recap



- Interviewers can be:
  - Demanding
  - Tricky
  - Confusing
  - Chatty
- Let's practice thinking on our feet and doing quick math

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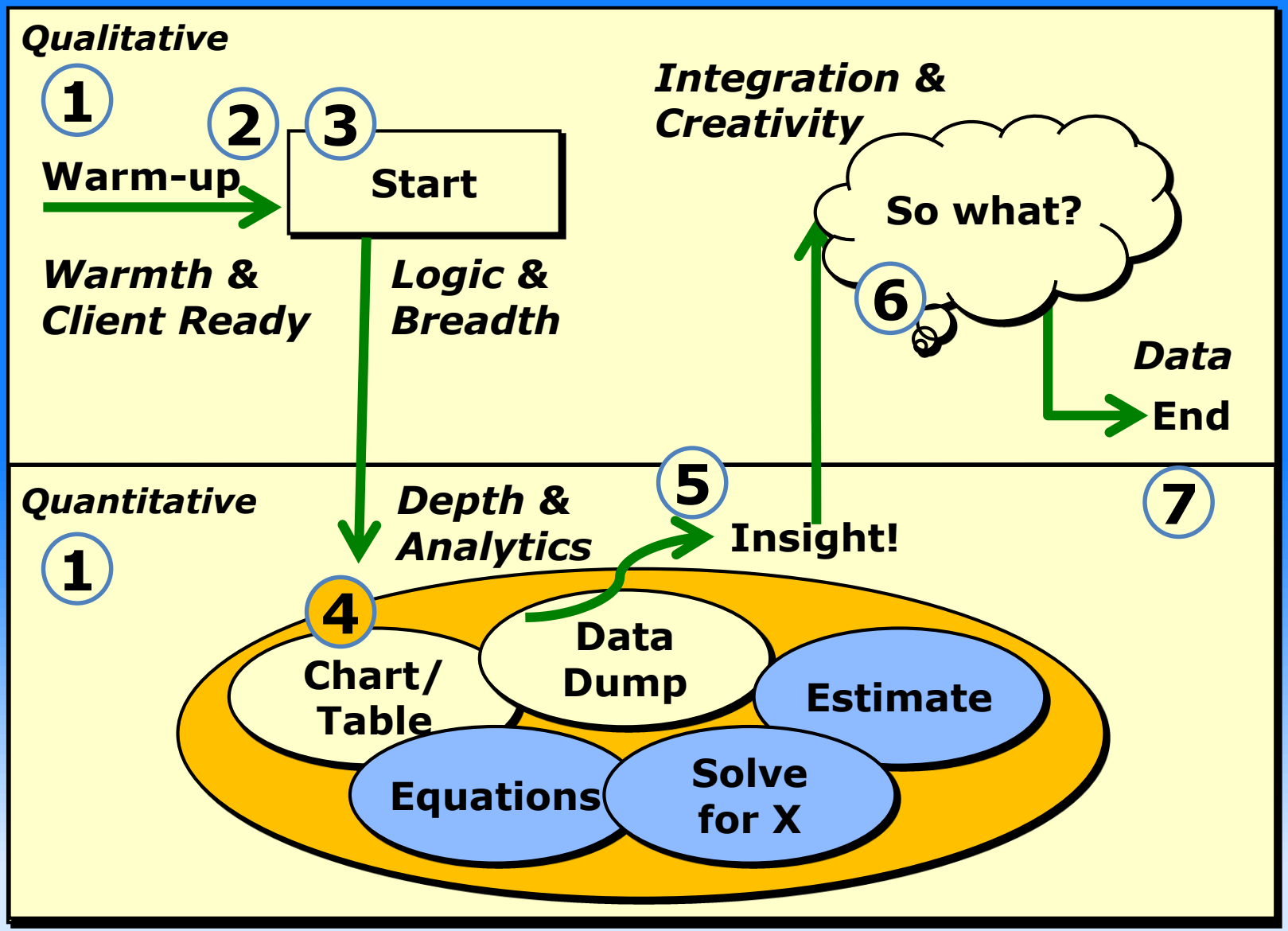
Let's do some analysis



Estimating is a priority

$ # %

Learn to manipulate simple numbers quickly.

Mentally prepare to go deep if necessary.

Towels Unlimited Inc.

- **Sales are $.5B. Profit margin is 30%. Profit may have fallen 30%.**

Total Rev	Total Costs	Total Profit	$ Goals
$500M	$350M	$150M	Stop the Bleeding!
100%	70%	30%	$45M ~10% Rev

- **simple equations**
- **break-even analysis**
- **charts and graphs**

Let's do a case!

CRACK THE CASE WORKSHOPS

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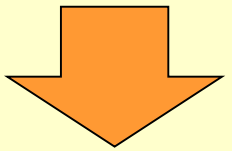
You need to SPEAK

Market Sizing/ Estimation Cases

- **Counting**
  - # of toothbrushes sold regularly
- **Measuring**
  - How many square feet of windows are in Seattle
- **Usage**
  - How fast do consumers go through a bottle of hair spray?



Comfort with ambiguity

SPEAK is a guide

S tate your assumptions

P ick your metrics

E stimate quickly with round #s

A ssess your approach and answer

K eep exceptions and next steps in mind

How much shampoo do people use in a downtown hotel each day?

CRACK THE CASE WORKSHOPS

State your assumptions

- We are counting hotel supplied shampoo only
- Downtown hotels have 20 floors
- Shampoo bottles from the hotel are 1 ounce
- 15 rooms per floor
- 75% average occupancy
- Customers open 1 bottle per day

Pick your metrics and approach

- Ounces or units of product used
- Metrics can include, time, weight or volume
- Approach is more difficult:
  - Population – Don't use this one every time
  - Observation – Like people entering a store

Estimate quickly and with round #s

- 20 floors x 15 rooms = 300 rooms
- 300 rooms x 75% occupancy = 225
- 225 x 1 oz bottles = 225 bottles per day

Assess your approach and answer

- 225 1 ounce bottles = 28, 8 oz bottles (visually makes sense)
- Very simple approach
- How else could you have approached it?

Keep exceptions and next steps in mind

- 60% of people use hotel shampoo
  - 225 x 60% = 135 bottles
- Some people take extra bottles from hotel
- Floor lay-out may vary
- Next steps:
  - Look into wall mounted pumps (less waste)
  - Consider 2 sizes of bottles
  - Are shampoo packets cheaper?

Partner Practice

Practice with 1 partner

Interviewer:

- **Give the case question and then go quiet**
- **Don't help too much, let the candidate work through the problem**

Candidate:

- **Remember to SPEAK**
- **Explain your logic and show your work**

After 7 minutes, stop, give brief feedback and switch. Do 2 of the 3 cases.

Recap

Market Sizing

- Work on the mechanics and explaining your logic
- Neaten up your notes and go faster over time
- Do 15 market sizing case to build confidence

Let's do a case!

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Mini-Business Case

Hank's Hardware

Recap

CRACK THE CASE WORKSHOPS

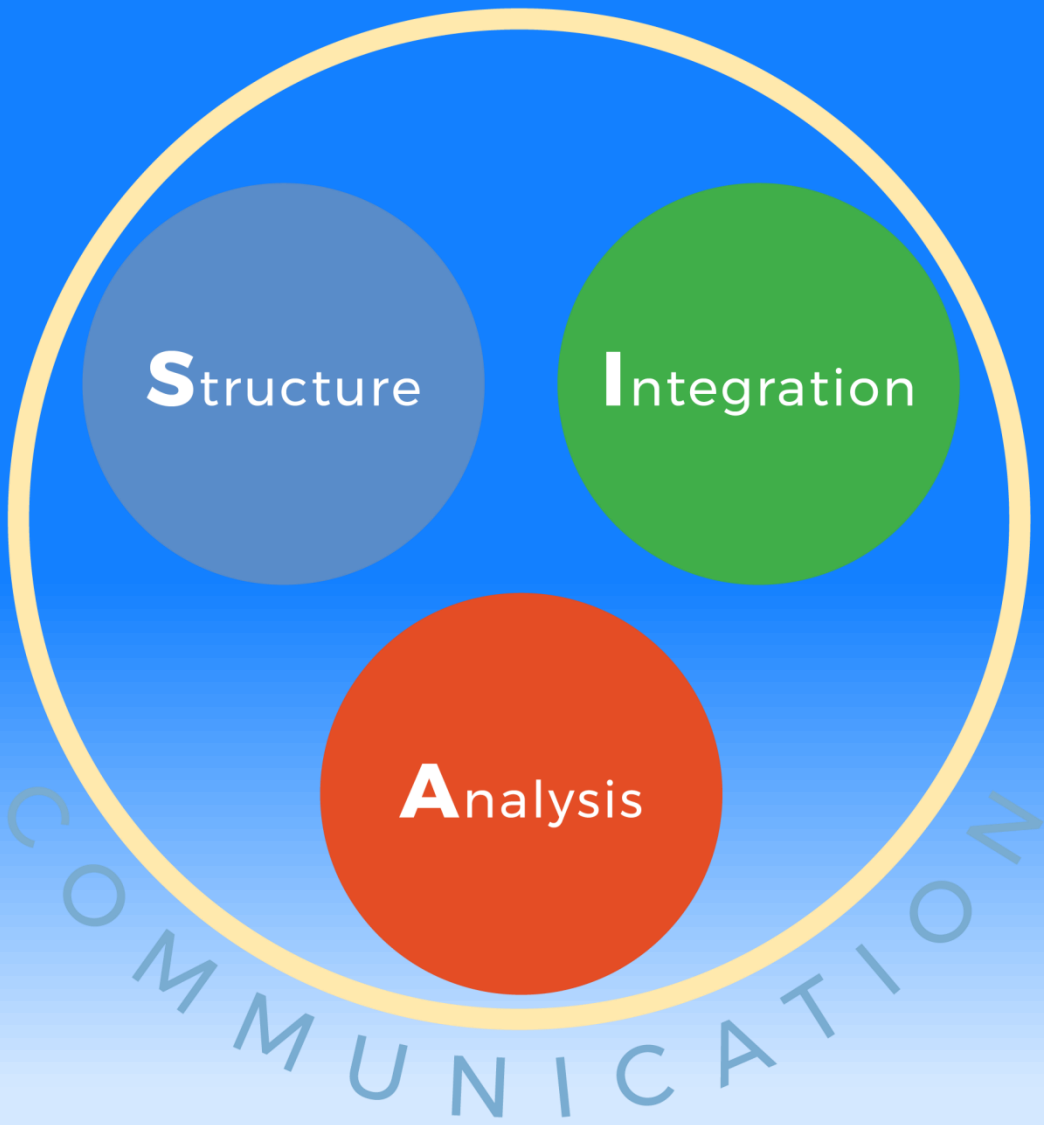
Hank's Hardware

- **Profit cases can have several layers**
- **Explain your logic, even when you think it's obvious**
- **Show breadth with your recommendation**

Math Must Haves

1. Estimating / Mental Math
2. Profit Equation (magazine drills!)
3. Break-even
4. Projected Growth Rate
5. Return on Investment / ROI

Cases test four key skills



Next Steps & Homework

1) Practice Block, Break and Ask – buy a business magazine
2) Build an integrated thinking model
3) Be Answer First, practice IMPACT stories
4) Do hIQ 2x, watch full video on mbacase.com
5) 15 market sizing, 2 ways (top down, bottom up)
6) Hank's Hardware, 2x
7) 10 profit trees
8) Math Must Haves, p. 14
9) 20 Case Starts, use video library
10) Peer practice, 15 cases w/ friends, 10 cases w/ strangers

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