

Consulting Workshop: Case Study Interviews

*Strategy/Organizational Performance
Human Capital
Deloitte Consulting LLP*

September 16, 2005



Deloitte.

CONFIDENTIAL AND PROPRIETARY



Introductions & Objectives

Aaron Gutnick

Broad Dean Robert Duncan



**Deloitte CEO
Jim Quigley**



Introductions & Objectives	Aaron	2:00 - 2:15
Overview of Consulting	Eric	2:15 - 2:45
Interviewing Tips	Franco	2:45 – 3:15
More on Case Study Interviews	Reed	3:15 – 3:45
Break		3:45 – 4:00
Case Study Workshop	All	4:00 – 4:45
Group Presentations	All	4:45 – 5:45
Closing Discussion	Aaron	5:45 – 6:30



Overview of Consulting

Eric Trappen

What is Management Consulting?

The Institute of Management Consultants defines management consultancy as:

'the creation of value for organizations, through the application of knowledge, techniques and assets, to improve performance.'

And the role of a management consultant as:

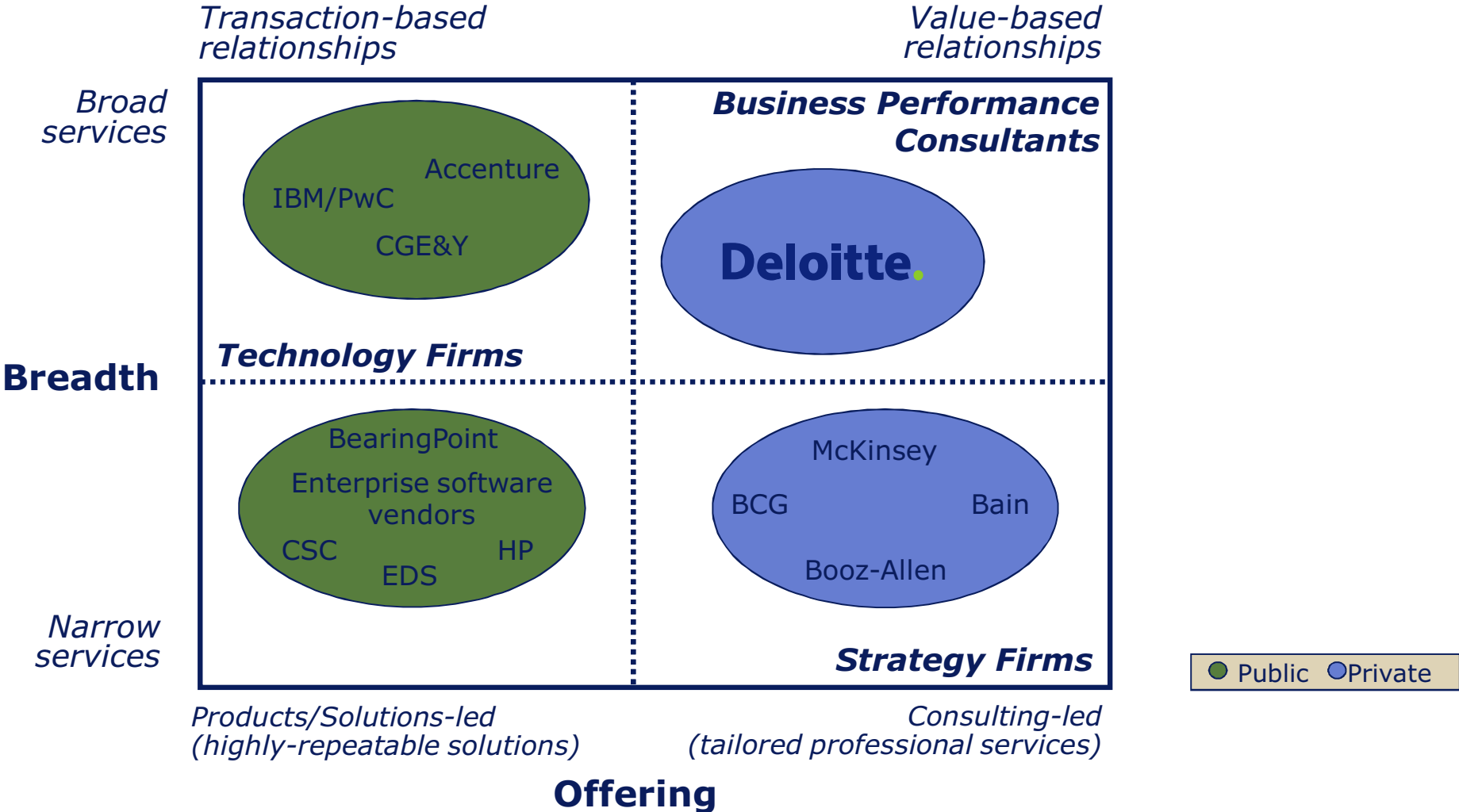
'an independent and qualified person with experience in management and/or other specialized fields, who possesses the ability to provide a wider expertise than is available within a single organization.'

Consulting is essentially entrepreneurial in nature and project-based. A consultant often works with various levels of management, as well as with employees at all levels. Work activities for management consultants on team projects vary, but some common activities are:

- taking responsibility for gathering and collating data;
- processing figures to be presented by senior colleagues to the client's senior management;
- interviewing clients and other individuals;
- researching external sources, such as the internet or other relevant databases;
- assembling and analyzing all available data, ensuring that they understand the nature of the problem;
- considering the range of possible options;
- developing specific recommendations and conclusions for the client;
 - conclusions should be objective, logical and based on facts that have been carefully collated and verified;
 - recommendations, however, are subjective and based on the consultant's background and experience;
- extracting information by asking relevant questions to ensure that important facts are not overlooked;
- clarifying issues;
- establishing priorities;
- reviewing assignment progress.

Marketplace Overview

We are business performance consultants – the alternative to the traditional strategy & technology firms.



We work hand-in-hand with our clients to make their business run better in the most practical, sensible ways possible.

Strategy and Operations



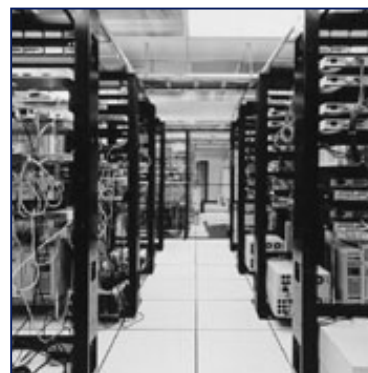
Human Capital



Enterprise Applications



Technology



Outsourcing



Firm Overview – Strategy & Operations

We help clients make major strategic decisions and implement improvements to business operations.

Strategy & Operations



- Corporate Strategy
- Mergers & Acquisitions
- CFO Services
- Operations Excellence
- Customer & Channel Strategy
- Supply Chain Strategy
- Corporate Real Estate
- Deloitte & Touche Corporate Finance (DTCF)

We help clients achieve exceptional business performance through their people by providing change, learning, human resources, and performance management services.

Human Capital



- Organization People Performance
- Change and Learning
- HR Operations and Technology
- Total Rewards
- Actuarial & Insurance Consulting

Firm Overview – Enterprise Applications

We help clients implement software packages that capture the information they need to make decisions and collaborate with other companies.

Enterprise Applications



- Program Management
- Business Process Redesign
- Business Case Analysis
- Vendor Evaluation
- Wide variety of technology related roles for leading package vendors (including Siebel, SAP, PeopleSoft, and Oracle)

Firm Overview – Technology Integration

We help clients' IT organizations solve business challenges through the integration of technology – as discrete services and comprehensive solutions.

Technology Integration



- Development Services
- Enterprise Connection Services
- Technology Architecture Services
- Enterprise Systems Management & Security
- Information Dynamics
- IT Transformation
- Inter-Networking

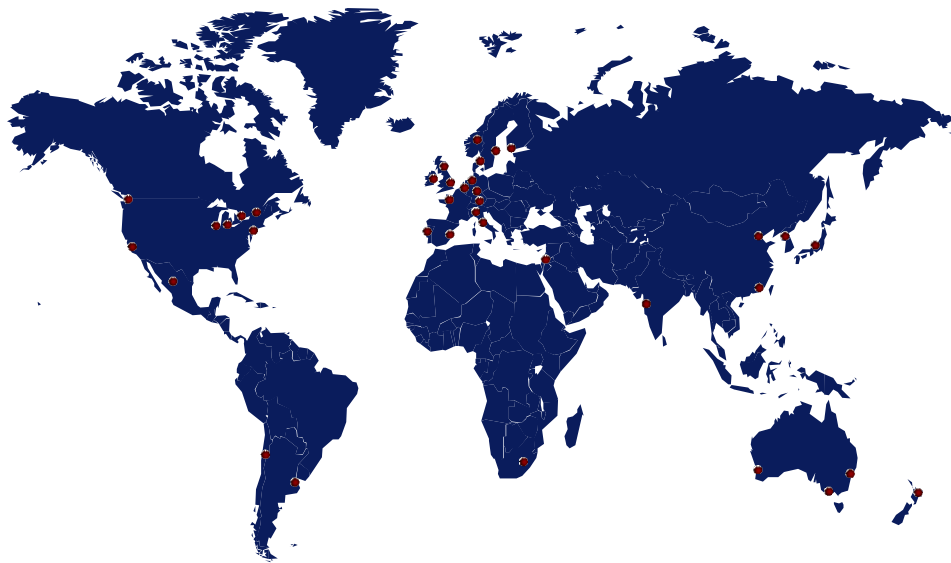
We help clients manage their IT functions and business processes so they can focus on core competencies and hone competitive strengths.

Outsourcing



- Technology Outsourcing
- Business Process Outsourcing

Firm Overview – Corporate Finance



- **Market Focused:** Deloitte & Touche Corporate Finance LLC (“DTCF”), a wholly owned subsidiary of Deloitte & Touche LLP, is a middle-market boutique investment bank (\$50M - \$500M transactions).
- **Global Reach:** DTCF has over 50 professionals across the US in Detroit, New York, Chicago, and Los Angeles. DTCF and the global corporate finance practices of Deloitte Touche Tohmatsu* have over 300 corporate finance professionals located in 30 countries worldwide.
- **Industry Focused:** DTCF has industry teams covering: Manufacturing, Consumer Products, Media & Entertainment, Financial Services and Private Equity.
- **Complete Solutions:** DTCF aligns itself with other Deloitte & Touche professionals to provide complete solutions for transaction needs.

DTCF combines the industry & financial service expertise of a bulge bracket I-bank with the high quality deal teams expected from a boutique firm.

A Day In The Life

- Number of years with Deloitte
- Level in the organization
- Where we've been
- Examples of what we've done since joining Deloitte



Interviewing Tips

Franco Girimonte

The following topics will be covered during this segment of the workshop:

- Interview factors
- Resume-based Interviewing
- Behavior interviewing
- Case study interviewing
- Other words of wisdom

Any number of factors influence the interview process and strategy.

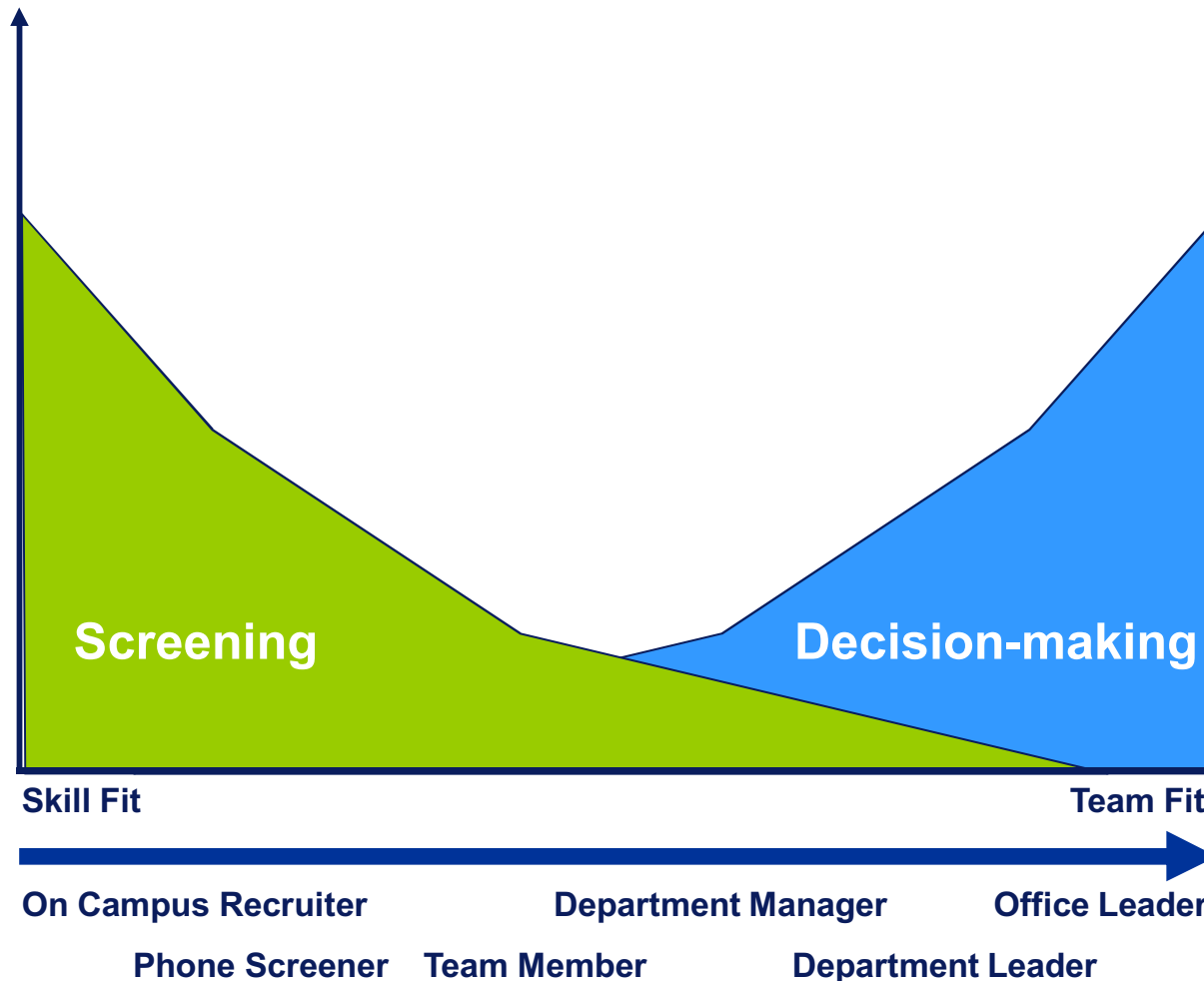
Common Factors	Consideration
Recruiting Organization	<ul style="list-style-type: none"> ■ Recruitment strategy (e.g. experienced hire, on-campus) ■ Turnover rate ■ Size and growth rate ■ Type of organization (e.g. profit vs. non-for-profit) ■ Vision and culture
Interviewer	<ul style="list-style-type: none"> ■ Interview role (e.g. receptionist, greeter, screener, team member, final decision-maker) ■ Interview style (e.g. formal) ■ Demeanor (e.g. talkative) ■ Past history
Type	<ul style="list-style-type: none"> ■ Standard Q&A interview ■ Case interview ■ Behavior interview ■ Scenario interview
Job Type	<ul style="list-style-type: none"> ■ Entry vs. executive level ■ Level of specialization or skill

Interview Factors

The level and type of preparation is different throughout the interview process.

Example Drivers:

- Do they match the skills needed?
- Will this person make me look bad?
- Are they misrepresenting their resume?



Example Drivers:

- Will this person fit in with the team?
- Does this person have potential?
- Will I have to fire this person one day?

To do well at your initial interview you will need to convince the interviewer you are technically qualified to do the job.

- Resume-based questions give an interviewer a chance to dig a little deeper into your background and at the same time test your critical thinking abilities
- Re-read your application, thinking through your own career and the questions they might ask you
- Anticipate the general questions which they will ask and also prepare some questions to ask them
- Take notes about what you did at each job, and the main message you want to convey through each bullet point on your resume
- Develop a short and succinct story for each bullet point that will provide compelling evidence to support those messages
- Can you tell somebody else—your parents, for example—about what you did without sending them into a coma? It may sound easy, but many people seem incapable of communicating what they know
- Talk about your past work with energy and enthusiasm

What is Behavior Interviewing?

- An interviewing method that allows you to talk about experiences from your past and describe how you dealt with them
- Allows for a conversation, not an interrogation
- Looks for lessons learned from past experiences
- Effectively probes beyond the facts to reveal abilities

Many students...

- Do not know what to expect from behavioral-style interviews
- Are not well prepared for this type of interview
- Do not perform as well as they could

Why Do Companies Use Behavioral Interviews?

- Past behavior is the best predictor of future performance
- Thought processes are revealed (logical or not)
- Patterns and tendencies become apparent
- Professional attributes are revealed
- Reduces the usefulness of “canned” answers

- *Traditional Style:* “Tell me about your class project.”

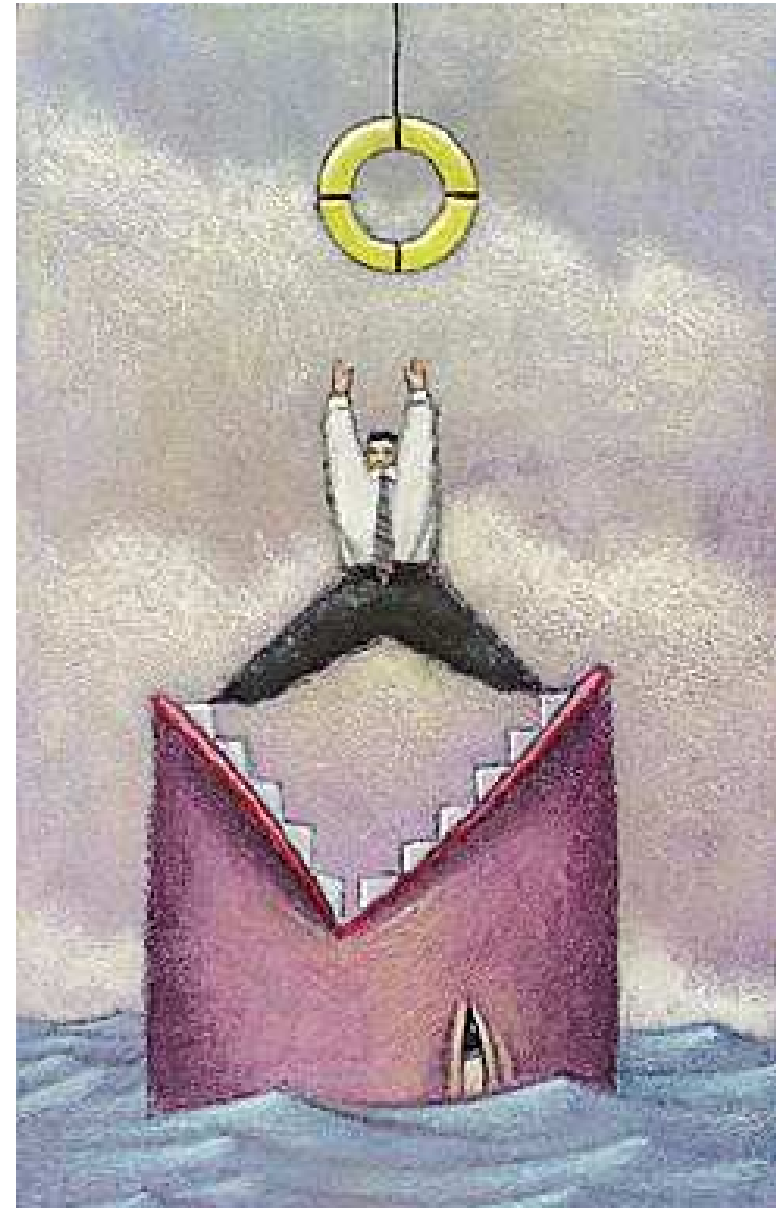
Behavioral Style: “How did you go about deciding on your class project recommendation? How did you evaluate the alternatives?”

- *Traditional Style:* “What was the most difficult decision you had to make as an officer in . . .”

Behavioral Style: “Give me an example of then you had to deal with adversity. How did you resolve it?”

How Can You Prepare for Behavioral Questions?

- Determine traits and behaviors you feel are important for the position
- Analyze your experiences and organize them into episodes
- Think of two or three past episodes that demonstrate each trait / behavior
- Decompose the experience further into Facts, Lessons, & Relevancy
- The following are examples of Teamwork episodes:
 - Case study work group
 - Team sports



Definition of a Case Study Interview

The case study interview provides the opportunity to employ structured thinking to reach logical and intelligent conclusions.

- In the case study interview the candidate must demonstrate his/her ability to deal, creatively, with complex and ambiguous business problems
- The hypothetical business issues or dilemmas involved require the interviewee to:
 - Analyze the situation
 - Identify key business issues
 - Summarize findings and take-aways
 - Outline next steps
- The case study interview is a critical part of the recruiting process at many firms

The purpose of the Case Study Interview is to assess diagnostic, analytical, and communication skills.

Diagnostic Skills

- Identify and prioritize important issues
- Craft a solution that is structured

Analytical Skills

- Create and follow a logical line of reasoning and analysis
- Make quick calculations intuitively
- Effectively synthesize information that is provided in the case
- Consider all implications when making recommendations

Communication Skills

- Listen effectively
- Demonstrate a growing depth of understanding by asking key questions
- Explain and defend ideas

Intangibles

- Be able to perform under pressure
- Convey a sense self-confidence
- Discuss topics outside main area of expertise
- Possess and leverage business acumen
- Think creatively

Styles Of Case Interviews...

The style of case will drive diagnosis, analysis, and resolution to the case.

Case Style	Description
Industry Analysis	<ul style="list-style-type: none">■ Gauge general industry knowledge and acumen■ Provide insight and knowledge of relevant industry issues in a business problem scenario
Market Expansion	<ul style="list-style-type: none">■ Supply insight and knowledge of relevant market issues, such as barriers to entry, competitive advantages, target marketing and general pricing strategies
Profitability and Pricing	<ul style="list-style-type: none">■ Allow for back-of-the-envelope calculations that test your understanding and accuracy of simple profitability and pricing models
Investment	<ul style="list-style-type: none">■ Determine whether you can recognize which types of business analysis is appropriate for specific investment decisions
Brain Teaser	<ul style="list-style-type: none">■ Logic questions that may be used to gauge creativity and problem-solving skills

Types of Case Study Interviews

While interviewers have a variety of case styles to choose from, most cases may be grouped into one of three types.

- **The Calculation Case – *(includes Brain Teasers and Profitability & Pricing)***
 - These cases are designed to evaluate the candidate's ability to:
 - ◆ Quickly make calculations, sometimes complex calculations
 - ◆ Logically approach problems
 - ◆ Make assumptions that are reasonable

- **The Problem Case – *(includes Market Expansion and Investment)***
 - This type of case touches on all aspects of the candidate's skill-set:
 - ◆ Identify and diagnose of the core issue or issues
 - ◆ Demonstrate an analytical thought process
 - ◆ Set a course of action
 - ◆ Complete all of the above in an organized manner in a time-constrained environment
 - Additional elements of the Problem case:
 - ◆ General business knowledge
 - ◆ Understanding of contemporary business trends
 - ◆ Ability to process and manage data from an unfamiliar industry

- **The Probing Case – *(includes Market Expansion, Investment, Profitability & Pricing and Industry Analysis)***
 - Probing cases are about listening carefully to and building a rapport with a client
 - ◆ Listen carefully to answers given by the interviewer
 - ◆ Utilize an evolving line of questioning to create depth of understanding
 - ◆ Be cognizant of verbal and non-verbal cues from the interviewer

Steps to take to increase chances of success.

- Listen to your interviewer, take your time and make sure you understand the question
- Ask questions to gather background information
- Develop an approach and a hypothesis and bounce questions off your interviewer to test them out
- Show the interviewer what you're thinking – talk through your thought process
- Be creative, don't force-fit a prepared answer
- Project confidence and professionalism
- Once you've identified some underlying problems, formulate recommendations and be prepared to defend them
- Finally, when closing your answer, define the problem, actions you would take, why you would take them, and the expected results

Factors that can cost you the interview / job.

- Being unprepared for the interview
- Poor handshake - always a bit of a no-no
- Saying unfavorable things about previous employers - the employer will be wondering what you will say about them when you leave their employment
- Not being able to communicate clearly and effectively
- Being aggressive or acting in a superior way – no one responds well to this
- Making excuses for shortcomings or failures




More on Case Study Interviews

Reed Bingaman

What are companies looking for in the case interview?

- Logical structuring
- Analytical ability
- Business acumen
- Communication skills
- Listening skills
- Creativity
- Confidence
- Grace under pressure

Overall Case Study Methodology

Cracking the case study requires a logical and methodic approach.

Step 1	Understand the issue; ask clarifying questions as needed
Step 2	Identify and test the underlying assumptions
Step 3	State your null hypothesis
Step 4	Select an appropriate analytical framework
Step 5	Use the selected framework to identify key business issues
Step 6	Summarize key issues and findings
Step 7	Outline your final recommendation and the expected final results or impact

Selection of an appropriate framework can provide a valuable tool with which to structure the approach to the case.

- Choosing a framework that is appropriate to the problem is integral to the process
- There are existing frameworks for analysis of many types of business problems



- It is not necessary to choose a “prepackaged” or “textbook” framework
 - The key is to have structure to guide analysis of the case

Types of Case Study Interviews

Each type of case may not fit neatly into a framework, but structure is always relevant.

- The Calculation Case
 - Includes Brain Teasers and Profitability & Pricing
 - These cases are more about basic logic, assumption setting and fast, accurate calculations
- The Problem Case
 - Includes Market Expansion and Investment
 - Depending on context of the case, applicable frameworks would include 7-S, 4Ps, 3Cs, and Porter
- The Probing Case
 - Includes Market Expansion, Investment, Profitability & Pricing and Industry Analysis
 - Almost any framework could apply, depending on the scenario provided

The calculation case is designed to demonstrate logical thought processes and comfort working with numbers.

- Using a logical process is the key to this case type

- General knowledge is helpful, but not a requirement
 - Example: What is the size of the market for toothbrushes in the U.S.?
 - One approach may be to begin by estimating the number of people in the U.S.
 - ◆ 281,421,906 per the 2000 census
 - A different approach must be utilized if this knowledge is not available

- When making assumptions they must be reasonable
 - Example: How many golf balls were sold in Nepal last year?
 - What percent of the population actually plays golf? Assuming 100% is not reasonable.

- Example of a calculation case:
 - How many dollar bills, lined up end-to-end, would it take to wrap around the equator?
 - General knowledge: Distance around the world along the equator = 24,902 miles / 40,076 km
 - General knowledge: 1 mile = 1,760 yards = 5,280 feet (1 km = 1,000 m = 100,000 cm)
 - Assumptions: Length of a dollar bill (actually 6.14 inches / 15.60 cm)
 - Do some math and include some rounding
 - The answer is: 256,969,172.64

The problem case is the most complex as it requires diagnosis, analysis and development of a recommended course of action.

- Accept the reality that this problem will not be “solved” in 30 - 45 minutes
- Use a carefully constructed approach
 - Listen carefully and take notes to fully understand the question
 - Create a plan for analyzing the problem
 - Communicate by asking questions and thinking out loud, but speak thoughtfully
 - Review and revisit throughout the process
 - ◆ The process is more important than the solution
- Interviewers will provide guidance in the form of hints, suggestions, or questions
 - The interviewer should be viewed as a partner rather than an adversary
- Business knowledge is helpful, sometimes even important for this case type
 - Example: The company in the case has high labor costs
 - Business knowledge: Low-cost country sourcing is among the latest trends and may be an option in the case
- Wrapping up
 - Wrapping up the case interview requires good verbal and non-verbal communication skills
 - Manage the amount of time that has been allotted for completion of the case
 - Make sure “closure” is a part of your structure
 - Depending on the case, contingent courses of action may be warranted

The probing case requires the candidate to work collaboratively with the interviewer to develop the case and its resolution

- Like the problem case, it will not be “solved” in 30 - 45 minutes
 - These cases emphasize diagnostic and communication skills
- The opening to the case is generally a question or broad issue requiring the candidate to determine what information is needed through interaction with the interviewer
 - Example: An apparel manufacturing client is considering entering shoes and accessories manufacturing. What needs to be considered before making the “go” decision?
 - Example: You are consulting for a distillery that produces a mid-priced vodka product and 2 different brands of mid-priced gin. Every year, their profits are shrinking. What could be causing this?
- The interviewer is both resource and guide
 - Pay attention to the words, tone and body language of the interviewer
- General business knowledge is important
 - Understand how to follow the money through an income statement or an assembly line
 - Knowledge of the latest trends may also be useful
- Wrapping up
 - In most cases the interviewer will call an end to this case, but not without determination of next steps
 - A course of action for this case is usually additional questions, studies, interviews, research, etc.
 - Be prepared if the course of action merits a specific decision

There are some general concepts that can help with all types of case interviews.

- Take a deep breath
 - Take a minute or two to structure your approach
 - Think before you speak
 - Speak what you are thinking
- Communicate
 - Ask questions
 - ◆ You have to know the question before you can provide an answer
 - ◆ Information is generally provided only when it is requested
 - ◆ Be ready to explain the logic behind your question if challenged
 - ◆ The ability to ask intelligent questions is a key professional skill
 - Show the interviewer what you're thinking – talk through your thought process
- Structure your approach
 - The key is organizing your questions and your thoughts
 - Only utilize a framework that is appropriate to the problem being assessed
- Logic should be MECE
 - Mutually Exclusive, Collectively Exhaustive
 - Structure of your argument is rigorous, non-overlapping, and complete
- When closing your answer, define the problem, actions you would take, why you would take them, and the expected results

There are some common mistakes that candidates in a case study interview should seek to avoid.

- Jumping into an answer too quickly
- Making assumptions without clarifying with the interviewer
- Focusing on the right answer instead of the right approach
- Selecting a framework that is not appropriate to the problem or relying on it too heavily
- Appearing flustered or frustrated
- Lacking confidence



Case Study Workshop



All

“Practice makes perfect” and “there’s no time like the present”.

■ Case Study Workshop

- The workshop will be divided into 4 groups at random
- There are 2 case studies
 - ◆ Each case study is of the Problem type
 - ◆ Two groups will get Case A and the other two groups get Case B
- Your group has 45 minutes to
 - ◆ Assess the case
 - ◆ Ask questions
 - ◆ Determine a course of action
 - ◆ Plan a presentation for your course of action – maximum length 10 minutes

■ Group Presentations

- Each group will give their presentation to the entire workshop
 - ◆ Groups with Case A will present back-to-back, then groups with Case B
- After both groups for a case have presented we will discuss the case and the presentations
 - ◆ Both case and presentation discussions are open to the entire workshop for participation and commentary



Group Presentations



All



Closing Discussion

Aaron Gutnick

Deloitte.

Member of
Deloitte Touche Tohmatsu