

CASE STUDY APPROACH

Effective Case Analysis

16-03-2019

Objectives of Case Analysis

- Application of theoretical concepts
- Development of managerial skills
- Use of disciplined problem-solving process
- Group discussions afford multiple context and perspective opportunities
- Deal with ambiguity

The goal is not to arrive at one right answer but to learn how to journey toward an answer effectively and efficiently

Model for Effective Case Analysis

Case Analysis Process

1. Framing



What are the objectives?

- Identify the key question
- Flip through the case
- Skim read the case
- Carefully read the beginning and end

2. Labeling



What are the facts?

- Label the facts in the margins of the case:
- General (GEN)
- Industry (IND)
- Competition (COM)
- Strength (STR)
- Weakness (WEA)

3. Summarising



What is important?

- Summarise the facts
- Eliminate unimportant
- Eliminate redundant
- Mark most important

4. Synthesising



What are the options?

- State the 1-3 key questions
- Identify options (MECE)
- State decision criteria
- Summarise pros/cons

5. Concluding

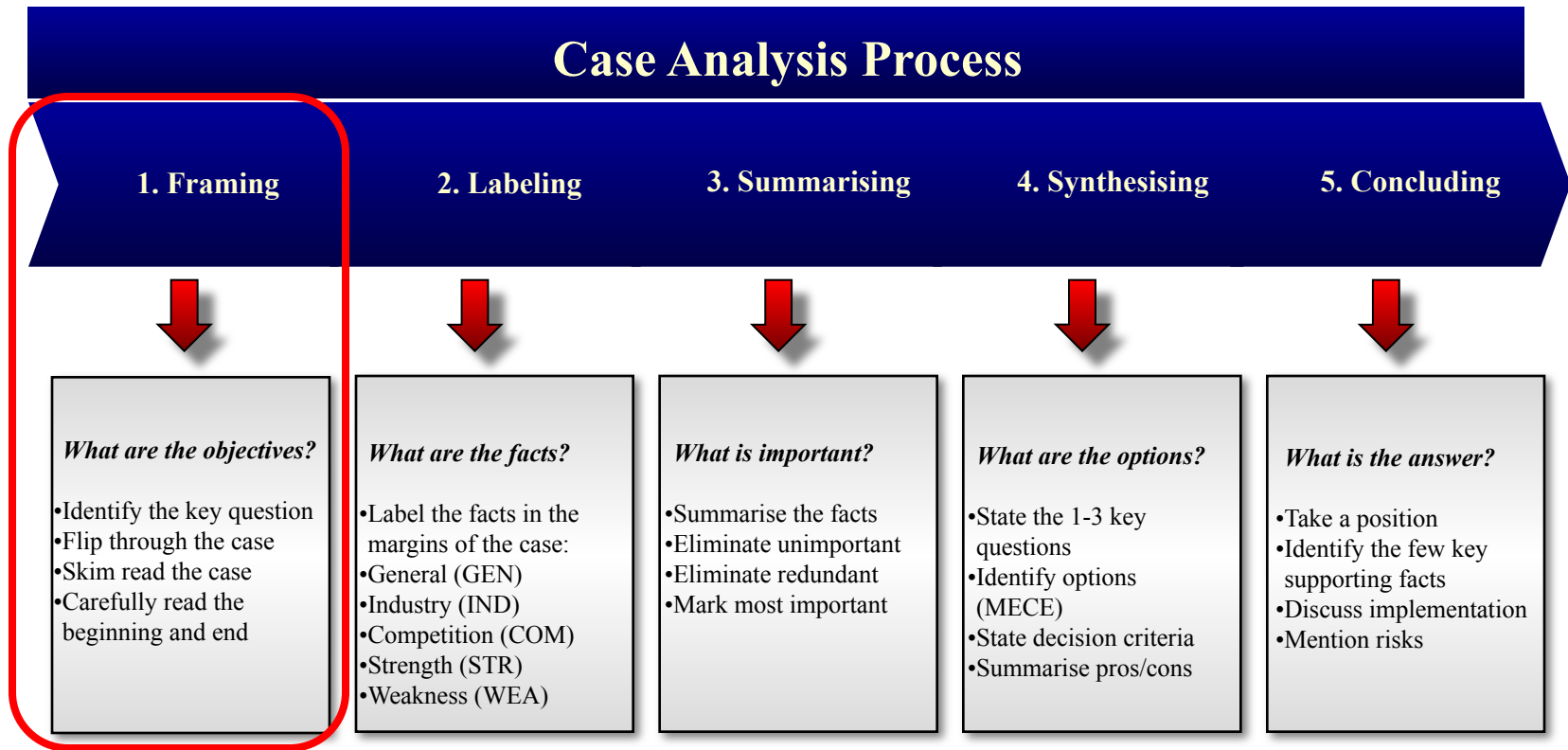


What is the answer?

- Take a position
- Identify the few key supporting facts
- Discuss implementation
- Mention risks

The key to good case analysis is to break down the case facts into a clear, understandable and useful form

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Phase 1 – Framing

Key Question: What are the objectives?

STEPS	TIPS
Identify the key question (what is the assignment, discussion questions, and purpose of this case study)	<ul style="list-style-type: none">• Pay attention to what the Professor says as the case is introduced• Understand the context of the case in terms of material from the textbook
Flip through the case (in less than 5 minutes, look at the big picture of the case and the overall components)	<ul style="list-style-type: none">• This is literally intended to give you a look at the overall contents of the case• Conclude as to the general nature of the case – quantitative/qualitative, technical/general, long/short, etc.
Skim read the case (in less than 15 minutes read the intro and end of each paragraph and skim all exhibits)	<ul style="list-style-type: none">• Don't bother marking up the case at this point• Focus on getting the 'gist' of the paragraphs without reading every word (find the 1-2 primary sentences and understand how other sentences support them)
Carefully read the beginning and end (every case has an important intro section and ending section)	<ul style="list-style-type: none">• Some of the most important information about the framing of the case comes in the beginning and end• Realize that every story has a situation, complication and resolution (try to find the key issues to solve)

Case Template - Framing

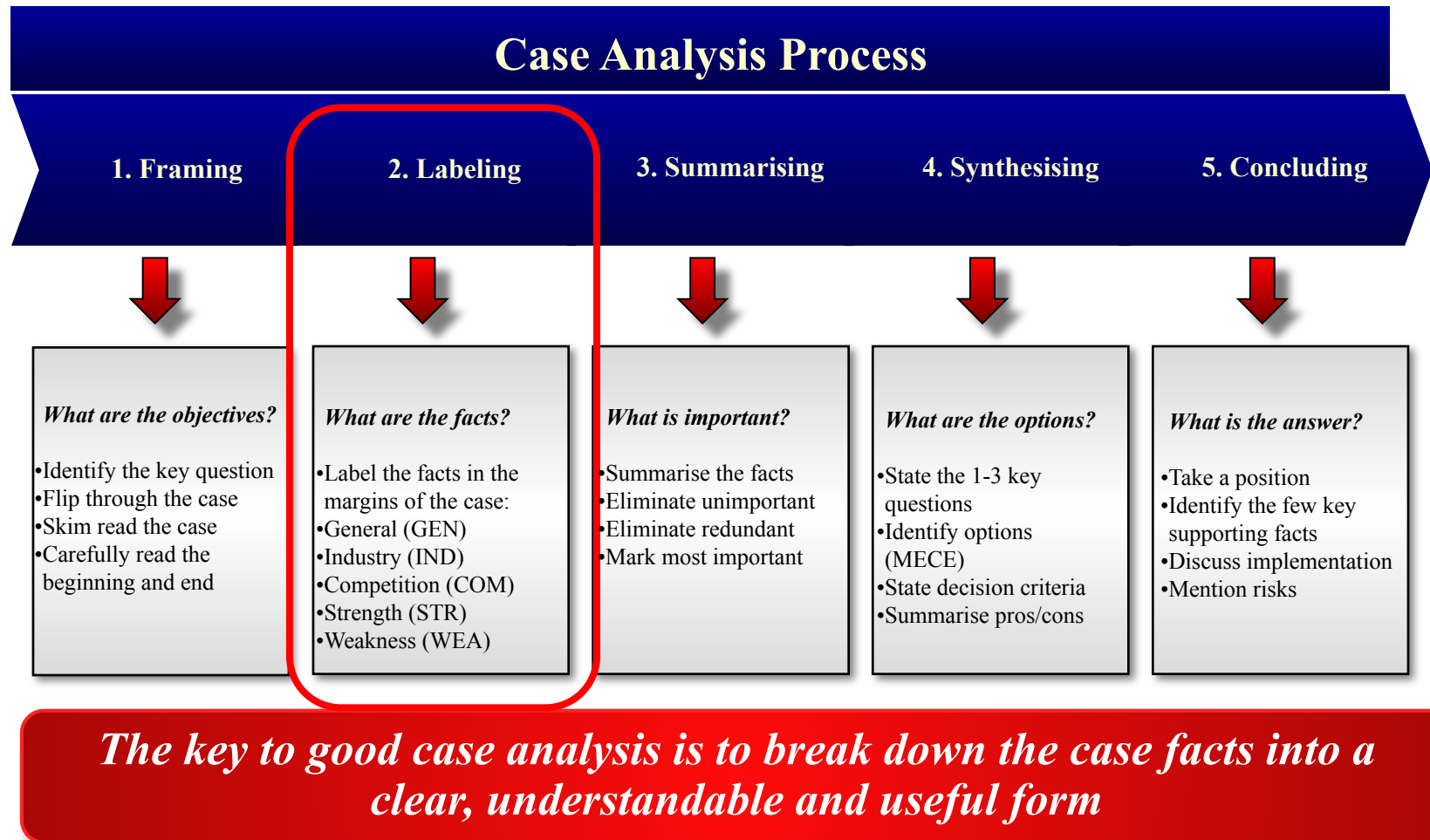
Key Question:

Flipping and Skimming:

Beginning of Case:

Ending of Case:

Model for Effective Case Analysis

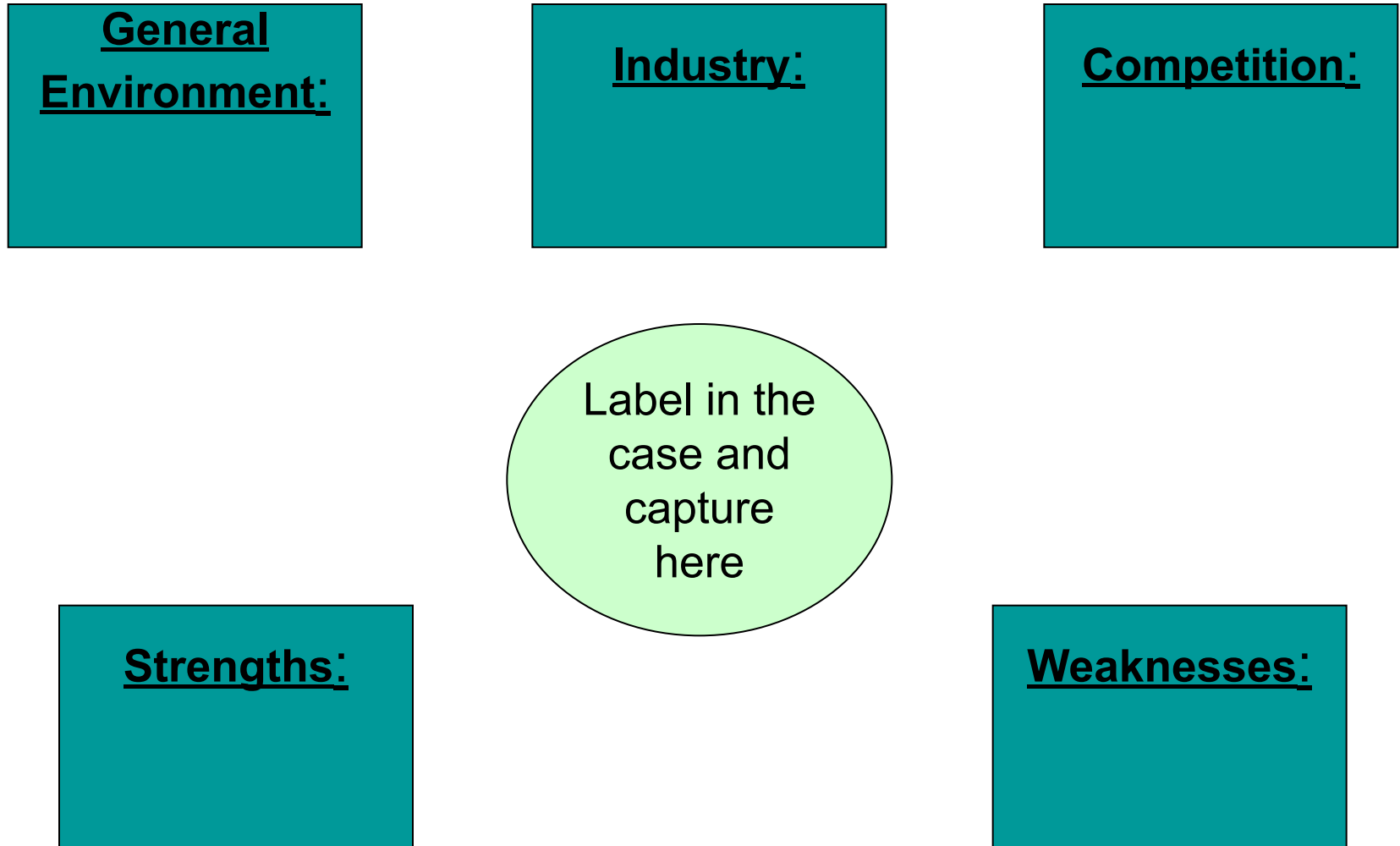


Phase 2 – Labeling

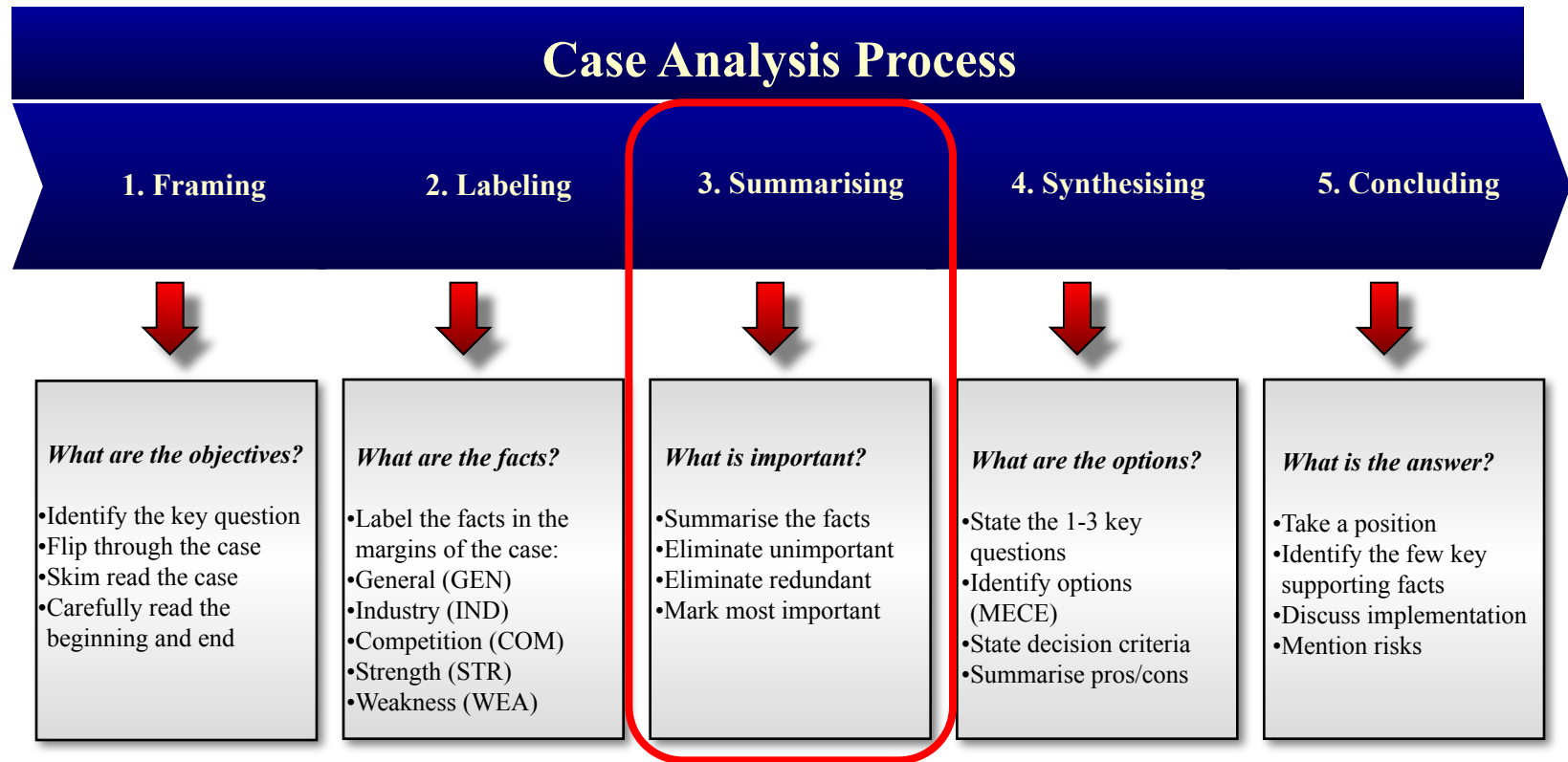
Key Question: What are the facts?

STEPS	TIPS
Label the facts in the margins of the case (using the nomenclature below, label the facts in the case)	<ul style="list-style-type: none"> •Use abbreviations as indicated •Underline the key sentence in the paragraph
General – GEN (general issues include the macro environment beyond the industry as well as customers and overall trends)	<ul style="list-style-type: none"> •Review a checklist of the types of issues beforehand •Remember that this is not company or industry specific – examples are social, economic, ecological, technical, and political issues (STEEP)
Industry – IND (this pertains to any issues that affect the specific industry under study – not companies or general environmental issues)	<ul style="list-style-type: none"> •Examples include industry consolidation, profitability, general strategies, differentiation, market growth, etc. •This does not include individual competitor data
Competition – COM (specific identification and data related to competitors in the stated industry)	<ul style="list-style-type: none"> •Examples include names of competitors, market share, profitability, and specific strategies thereof •Start thinking of the key dimensions by which you can compare your company with competitors
Strength – STR (any facts that appear to be positive for the company under study)	<ul style="list-style-type: none"> •Even if you are unsure if this will ultimately be positive, include it as a strength if the case mentions it
Weakness – WEA (any facts that appear to be negative for the company under study)	<ul style="list-style-type: none"> •Be very careful to identify as many weaknesses as possible as they drive strategies •This is of the organization only – not industry level

Case Template - Labeling



Model for Effective Case Analysis



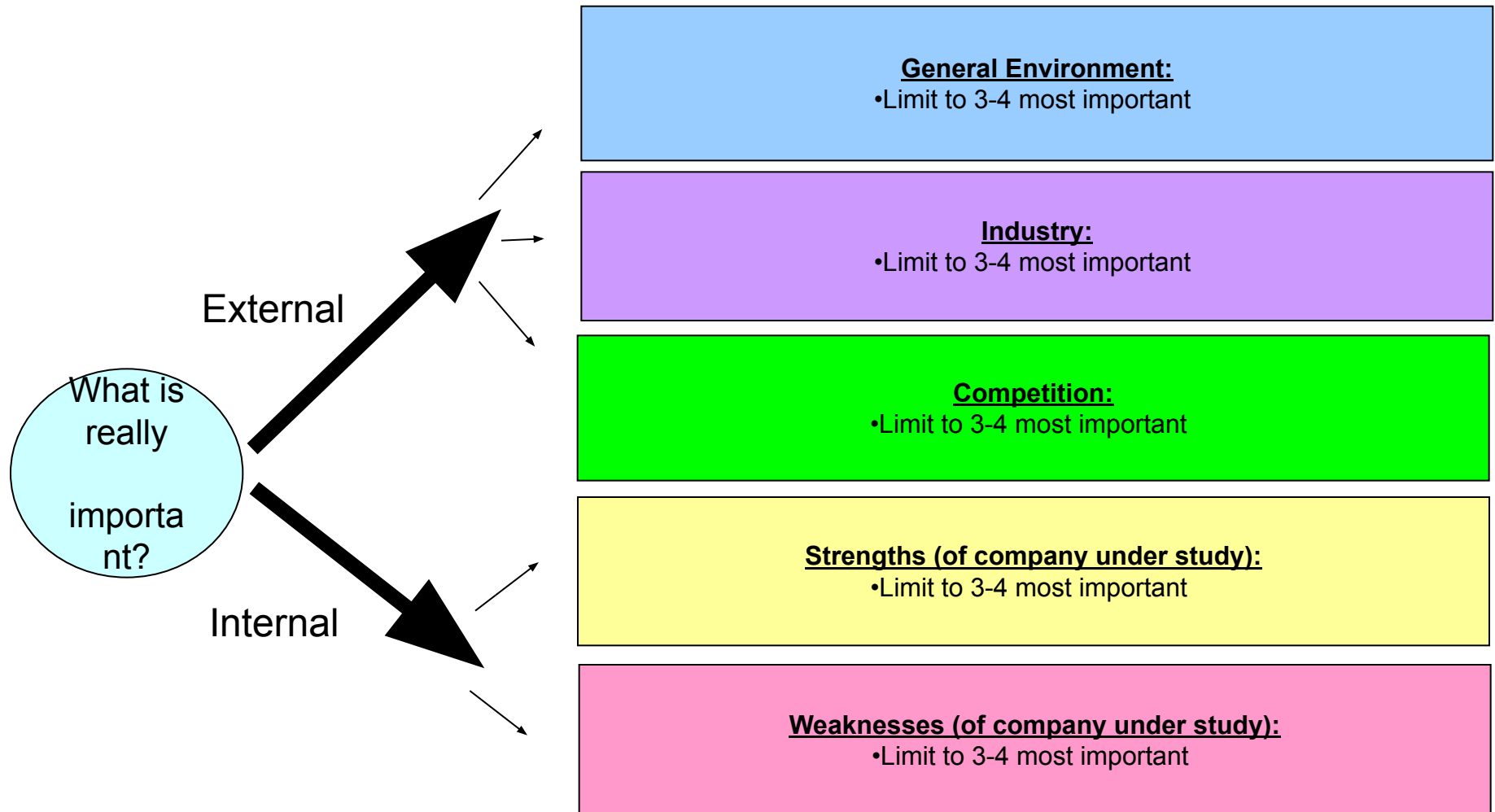
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Phase 3 – summarising

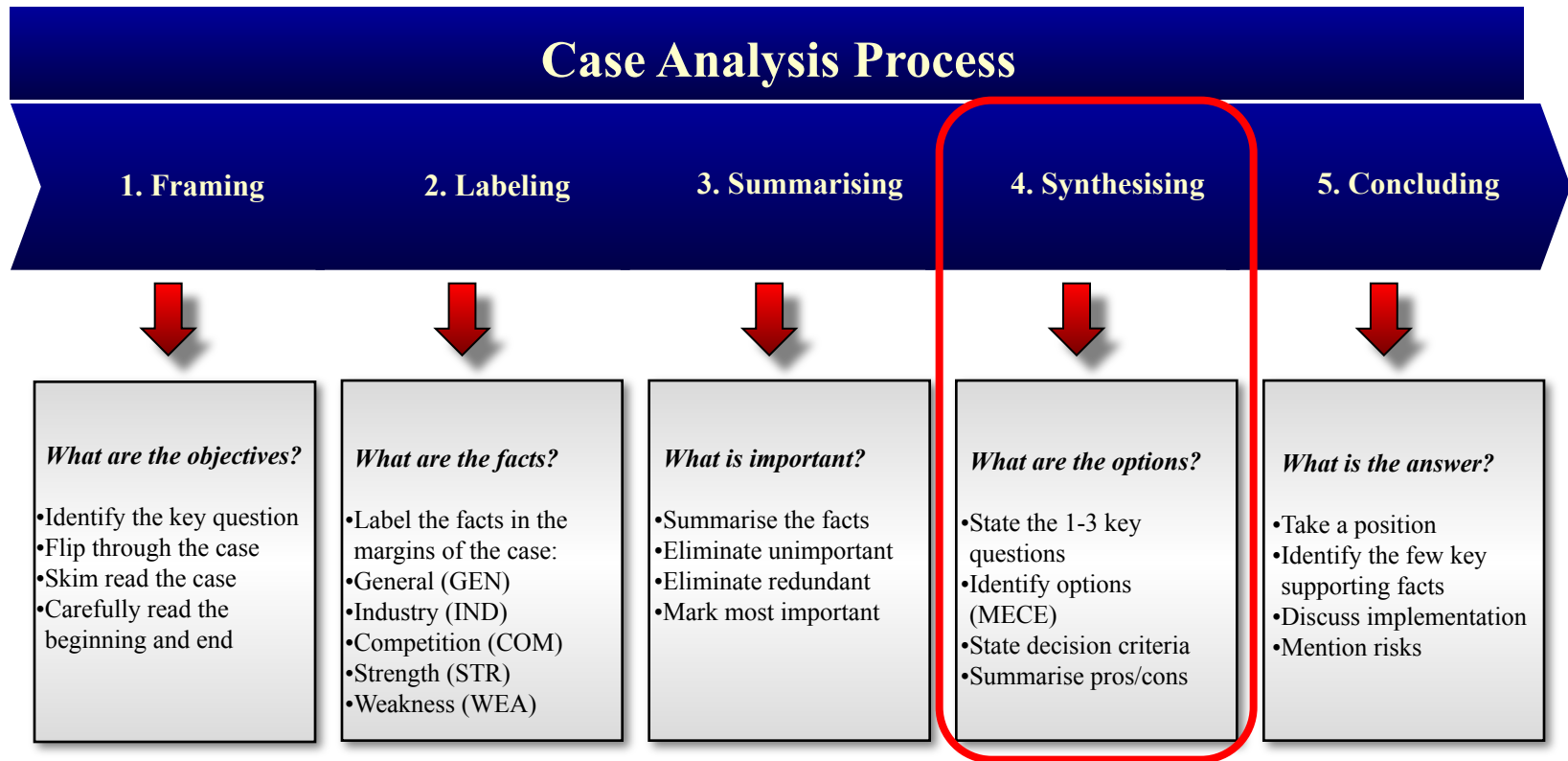
Key Question: What is important?

STEPS	TIPS
Summarise the facts (the overall goal here is to pull out the key facts that have been marked in the case)	<ul style="list-style-type: none"> • This process can take some time, but do not attempt to include everything that has been marked • Set up some blank templates to be filled in by using the material covered in the respective textbook (common frameworks are STEEP, Porter's 5 Forces, 3 Cs – company, customers and competition, 4 Ps – product, price, place and promotion, & financial ratios)
Eliminate unimportant facts (think of this as creating two piles - important vs. unimportant facts)	<ul style="list-style-type: none"> • This is one of the hardest elements to effective case analysis, but perhaps the most important • As you sort through the facts, ask 'so what' about the fact and try to calculate if you think it may change the final answer
Eliminate redundant facts (as you go, you will begin to see redundancy in the facts, so eliminate and combine related facts)	<ul style="list-style-type: none"> • As you pull out a fact for the summaries, mark out related facts throughout the case to avoid redundancy • Don't stress about not including something – you can always come back to the case at a later point
Mark most important facts (highlight the most important facts)	<ul style="list-style-type: none"> • In the end, the conclusion will be based on a few critical data points; the key is to start looking for these facts as you go • Use a highlighter or coding system to mark key facts

Case Template - Summarising



Model for Effective Case Analysis



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Phase 4 – synthesising

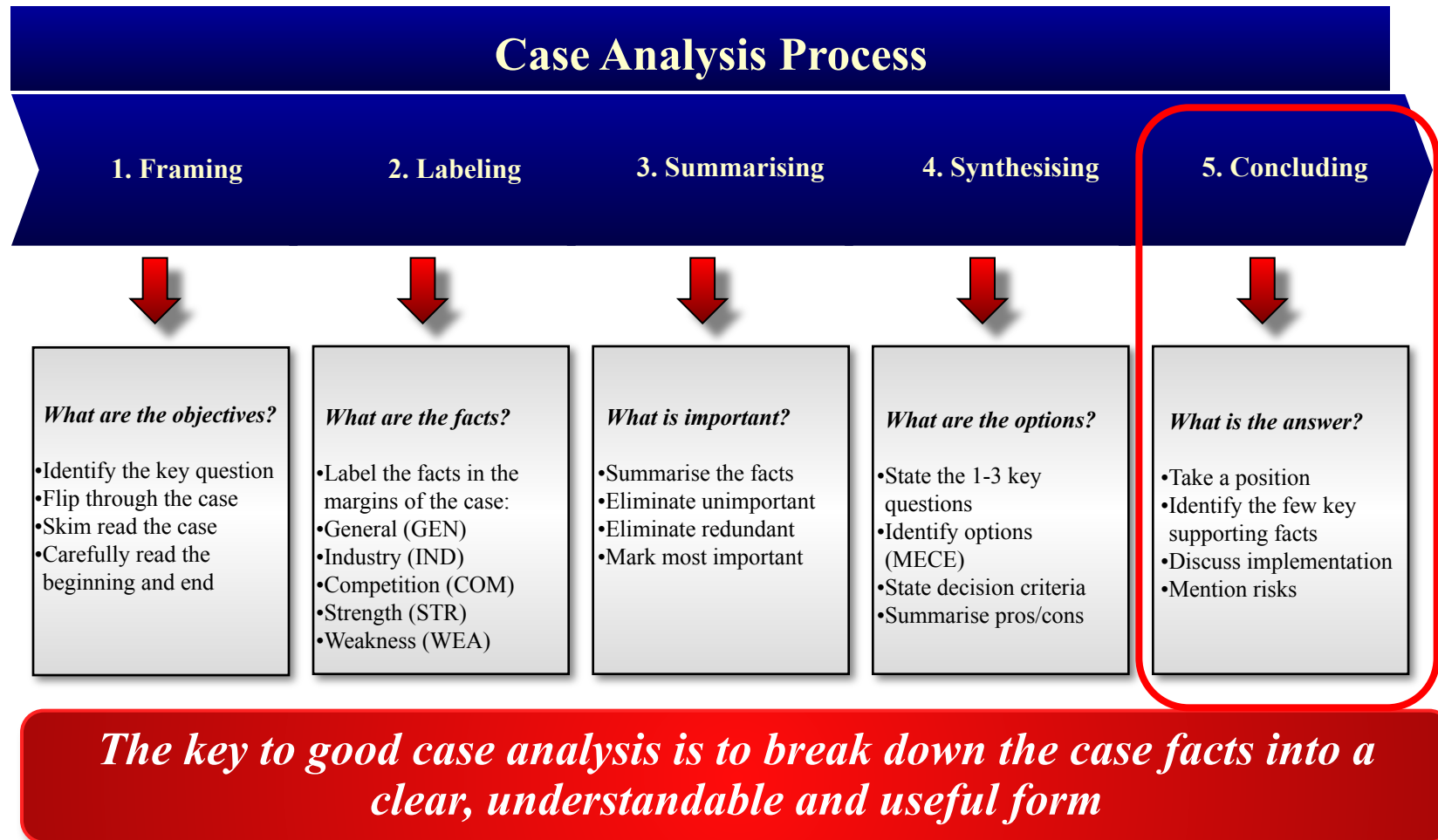
Key Question: What are the options?

STEPS	TIPS
State the 1-3 key questions (decide what the few key questions to the case are, note that it may be that there is only one key question)	<ul style="list-style-type: none"> • Go back to the key questions identified in the first step • Do not include more than 3 key questions (otherwise they likely are not 'key')
Identify options - MECE (for each question, list out the options or alternatives, using the MECE format as described in tips)	<ul style="list-style-type: none"> • MECE stands for 'Mutually Exclusive, Collectively Exhaustive' • Examples of MECE are timing-day/night; profit-revenue/expenses; expand overseas – yes/no; etc.
State decision criteria (an important step is to identify the few dimensions that will be used to decide between options/alternatives)	<ul style="list-style-type: none"> • This is a step that many people skip and as a result, it is difficult to reach a decision • Explicitly state the decision criteria before deciding (examples include profit, market share, growth, impact on shareholders, implementation effort, timing, fit with overall vision, etc.)
Summarise pros/cons (list out the support for and against each option/alternative)	<ul style="list-style-type: none"> • Review the summarised facts to find support for and against alternatives • Prioritize the pros and cons based upon decision criteria

Case Template – synthesising

Question	Option / Hypothesis	Decision Criteria	Pros	Cons

Model for Effective Case Analysis

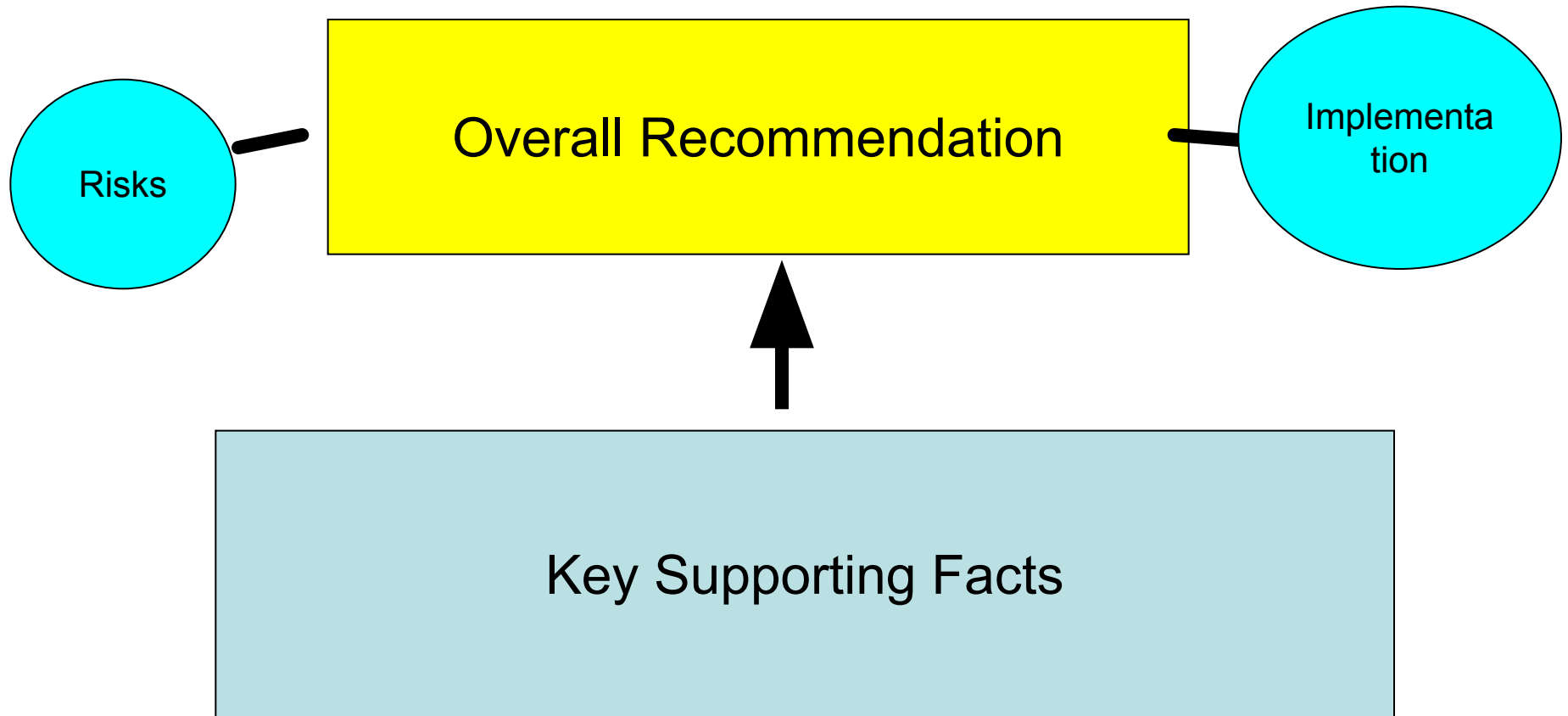


Phase 5 – Concluding

Key Question: What is the answer?

STEPS	TIPS
Take a position (this is the exciting end to analysis; the first step is to decide what the best supported answer is to the key question)	<ul style="list-style-type: none">• Don't be afraid to take a stand even if you feel that you do not have enough data – any position is better than no position• Avoid the typical compromise solution (pursue both of the alternatives)
Identify the few key supporting facts (pull out the most important support from the summaries and pros/cons analysis)	<ul style="list-style-type: none">• The best arguments are clear statements that are supported by 2-3 key data-based observations• Be very familiar with the underlying assumptions, facts, and numbers when you present in class
Discuss implementation (one way to differentiate a good case analysis is the consideration of what it would take to implement the recommendation)	<ul style="list-style-type: none">• Think in terms of the few key action steps that must be taken• A checklist for consideration includes changes in staff, style, systems, structure, shared values, and skills
Mention risks (the final step is to identify risk and contingencies that may be encountered if the recommended course of action is pursued)	<ul style="list-style-type: none">• This is the chance to show that you have completed a thorough analysis and considered what may go wrong• Do not underestimate the power of the caveat!

Case Template - Concluding



Final Tips

- The key to success in case analysis is to take a structured approach to organising and using facts
- It is easy to get carried away with too much data and lose sight of the need for a clear story with a few supporting ideas
- Prepare for multiple outcomes and see the pros and cons
- Use hypotheses to focus analysis but do not get personally attached to one 'possible solution'
- In strategic management, there is no one right answer, but there are better and worse ways to present ideas
- Be structured, objective and thorough and you will succeed