Problem Identification and Developing Recommendations

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Case Components

Case Success

Problem Identification

Recommendation

Implementation Plan

Financial Implications

Risk Considerations

Components

Agenda
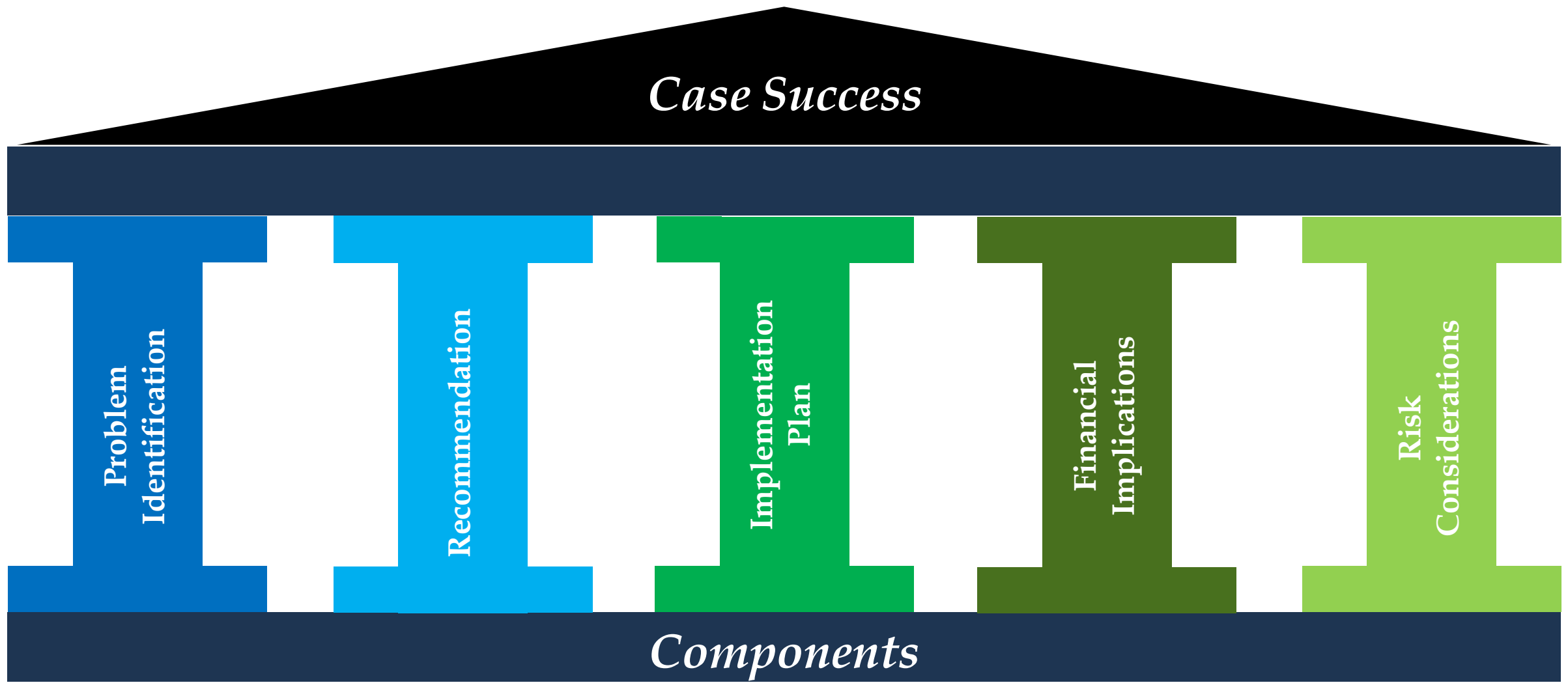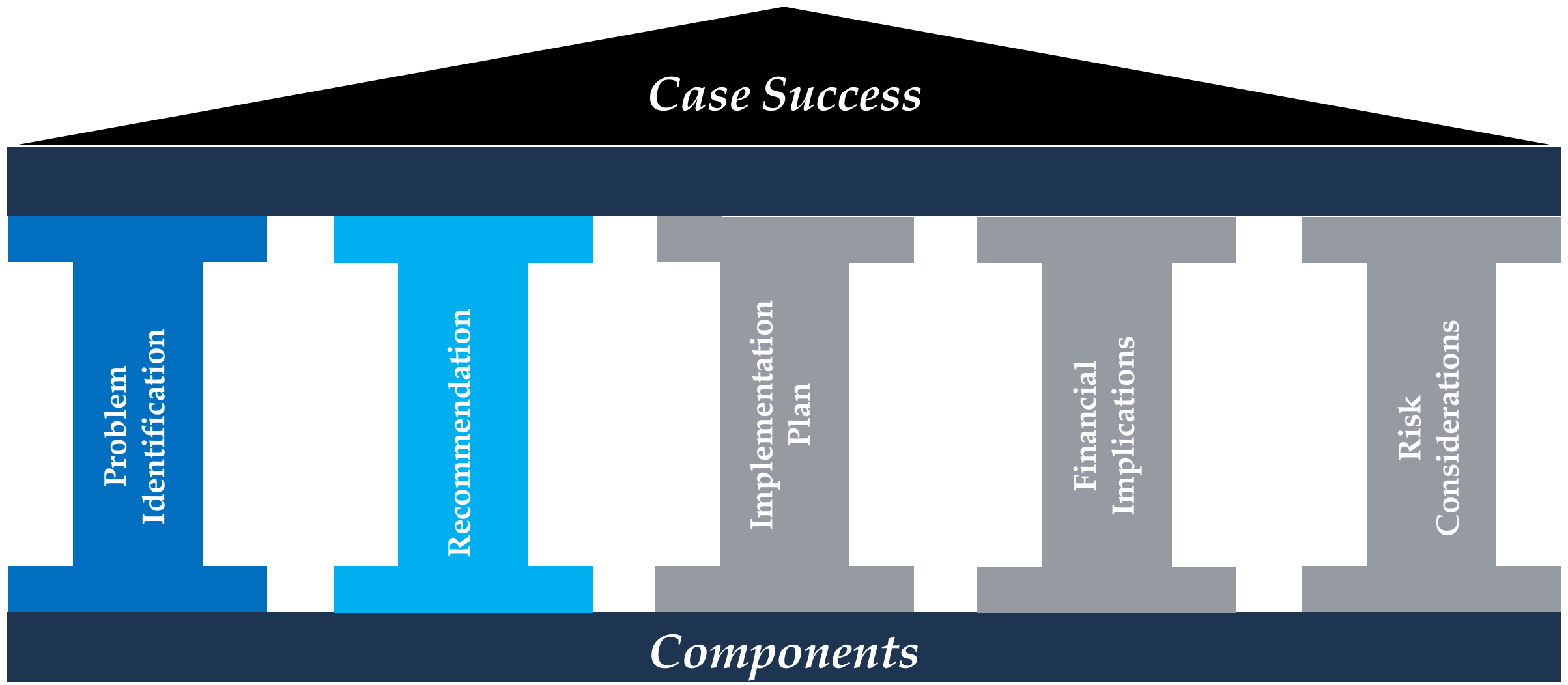
Case Analysis

Identifying Key Issues

Building Recommendations

Breaking Down a Case

Before Meeting with your Team

Early Team Meetings

Read over case twice

- First read-through is for context and familiarity
- Second time is in-depth; look for numbers, questions, and trends
- Company and Industry Analysis will often give most context

Develop a Game-plan

- Compare findings from prior case-readthroughs
- Highlight surface issues, drill deeper to find key issues & root causes
- Brainstorm plausible solutions to correct these issues

Recognizing the Case's Scope

Narrow Scope

- Case asks a specific question or is looking to push in a certain direction
- Analysts have less freedom; must stick to the path of the case to succeed
- Research is needed to differentiate from other teams and find creativity within structure

Broad Scope

- Case asks a series of questions that can all be answered in equal depth
- Often encourages more creativity and gives analysts freedom to choose
- Prioritize issues believed to be key, and dig deeper to narrow the scope

Identifying Key Issues

You *must* identify the problems **before** creating recommendations

Issues can come from within the company itself, or come externally from shifting industry trends or actions of competitors
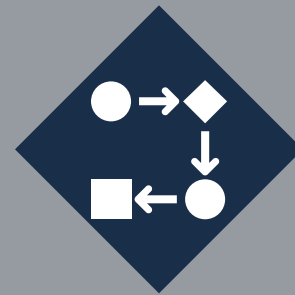
Use methods such as the 5 Whys or the Root-Cause Analysis to get from the surface to the core of the issues at hand

Piece together information provided in the case with outside research to see where the company struggles and why they are struggling

Building Your Fact-base

Company Specific
- Company Values, Mission Statement
- Recent Financial Performance
- Management/Ownership Changes & Corporate Governance
- Consolidations, Acquisitions, Divestitures

Industry Specific
- Key Competitors – Performance, Strategy Changes
- Trends within Industry (Automation, E-Commerce)
- New Regulations and other "Current" Events
- Important Metrics and Benchmarks (RevPAR, RevPAS, BPD)

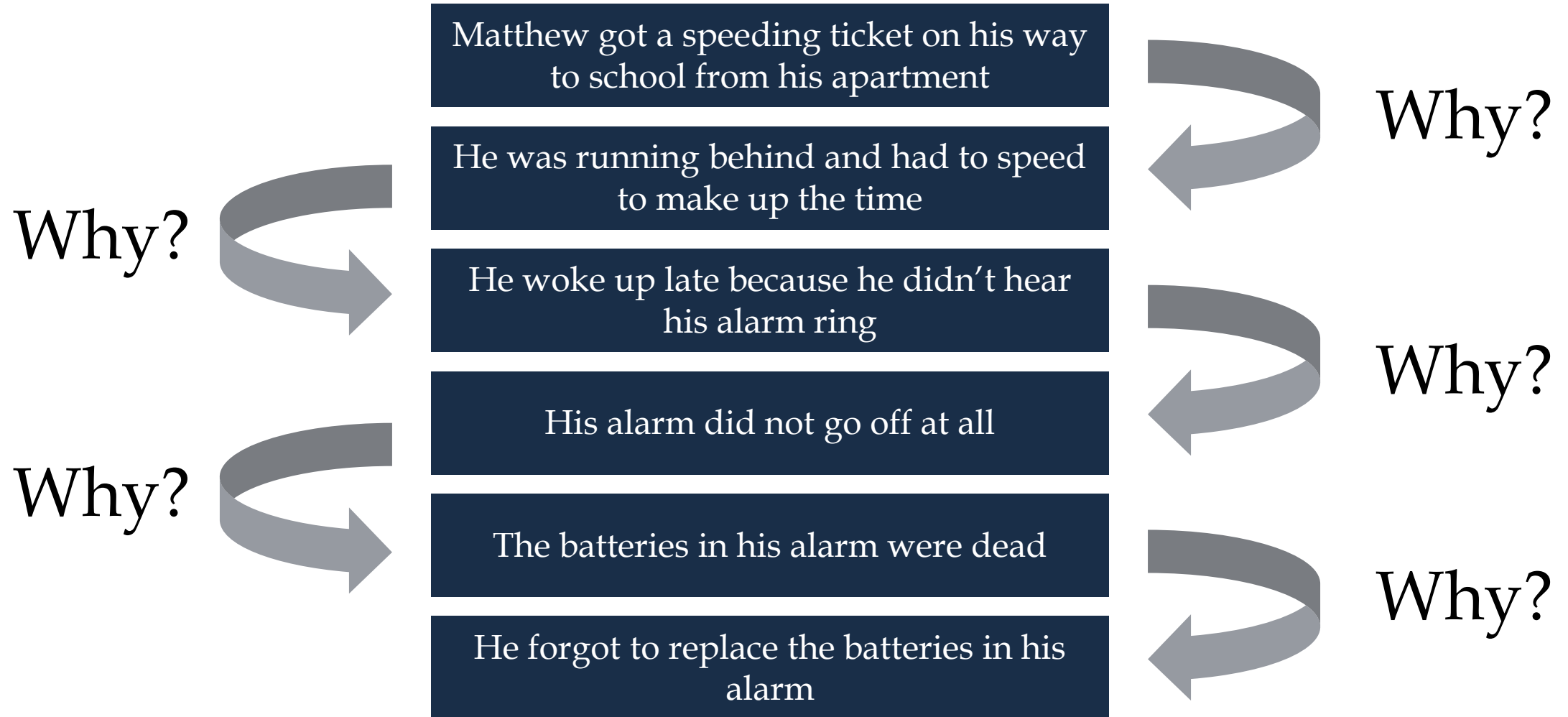**General Information**
- Current Economic Trends (Disposable Income, Consumer Spending)
- Geographic restrictions or concerns
- Legal or Regulatory issues pertaining to industry or country
- Environmental regulations or initiatives

> This information can come from the **case itself** or **external research**. **Research** is essential in *every* component of a case in order to achieve success.

5 Whys Method: A Practical Example

Matthew got a speeding ticket on his way to school from his apartment

Why?

He was running behind and had to speed to make up the time

Why?

He woke up late because he didn't hear his alarm ring

Why?

His alarm did not go off at all

Why?

The batteries in his alarm were dead

Why?

He forgot to replace the batteries in his alarm

Solving Key Issues

The final issue from the previous slide… "He forgot to replace the batteries in his alarm"

→

How can he solve this? **Invest in an alarm that plugs into the wall, or set a schedule to change the batteries every 6 months**

If this *root cause* can be eliminated (by a solution such as the one above), then all of the issues that stem from it will also be eliminated. This is known as the *root-cause analysis.*

Using a combination of these methods and a vast foundation of information, you will be able to identify what is wrong with the company and what causes it

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In order to start repairing the issues you have identified, you must again go to research to begin building a recommendation

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The recommendations you are providing must be backed in logic in each facet (operational, financial, technological) in order to be a successful solution

Building Your Recommendations

Ideally, there should be be **three** recommendations that aim to cover the issues previously outlined. These solutions can each tackle a different issue, or be allotted to the same issue depending on the circumstances.

Recommendation Do's:

Make sure that your recommendations address **both** short and long term issues

Align the recommendations with the company's **core values** and **mission**

Understand **every facet** of what you are recommending – not just buzzwords

Back up your recommendations with **logical** financial estimates and projections

Recommendation Don'ts:

Make decisions based on information outside of the case date

Contradict one recommendation with a different recommendation

Tailor your problems to your recommendations

Go against the CEO's vision for the company's future

Thank You!
Questions?

Tuesday September 24	Wednesday September 25	Wednesday October 2	Thursday October 3
Time: 7:00pm Room: AA G21 **IMPLEMENTATION AND RISKS WORKSHOP**	Time: 7:00pm Room: UU 103 **CASE FINANCIALS WORKSHOP**	Time: 7:00pm Room: UU 103 **POWERPOINT WORKSHOP**	Time: 7:30pm Room: LH 12 **PUBLIC SPEAKING WORKSHOP**

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