Case Interview Preparation

Oregon Business Consulting Group
Background

What is a Case Interview?

• In the most general sense, a case interview is the analysis of a business question
• Case interviews are commonly used in many interviewing processes, however are especially prominent in consulting interviews
• There are generally two types of case interviews that consulting firms will use
  • Quantitative Assessments
  • Hypothetical Situations
Types of Case Interviews

• Quantitative Assessments
  • These questions assess a candidate’s analytical and mathematical skills
  • Two main types:
    • Mathematical questions
    • Estimation

• Hypothetical Situations
  • These are generally a hypothetical business problem given to a candidate to assess their ability to problem solve and break down an issue
  • Five main formats:
    • Candidate led
    • Interviewer led
    • Written
    • Presentation
    • Group

• The OBCG primarily uses candidate led business cases that incorporate quantitative elements
What is the Purpose of the Case Interview?

- The case interview is used to test primarily analytical and problem solving skills, but to also look at other important traits and characteristics, including:
  - Problem Solving
  - Energy
  - Attention to Detail
  - Organization
  - Flexibility
  - Intelligence
  - Presentation Skills

- At many consulting firms such as these, the case interview is the primary deciding factor for job candidates.
When preparing for the case interview, understanding of MECE is very important

- MECE is used in the OBCG as a way to break down problems, whether in a case scenario or during client projects
- **Mutually Exclusive, Collectively Exhaustive**
  - An approach used when breaking down a problem facing the case company

**Mutually Exclusive:**
No overlap of information

**Collectively Exhaustive:**
Problem is fully described and covers all necessary information
Below is an example of how to break down profit under MECE

• 1st: Break down into revenue and expenses, which do not overlap so they are mutually exclusive, and they are the two elements of profit so are collectively exhaustive

• 2nd: Use this logic to further break down profit into more elements, as seen below

In this simple example, since no information about the company is known, this is as far as we can go down. If we were to know specifics about a company’s revenues and expenses, this tree would need to be much larger to be collectively exhaustive.
How MECE can be used in a Case Interview

• In a case interview, the interviewer will give only a very general sense of the problem or issue the case company is facing. These could include:
  • Why are our profits falling?
  • How can we grow our market share?
• When attempting to solve problems such as these, it is important to determine a possible root cause of the general problem
• MECE is a method that allows for this to be done
A Waffle company is experiencing profitability problems

- Break this down to find out what could be the potential causes of their profitability problems
- 1\textsuperscript{st}: Draw out issue tree that is MECE, as seen earlier
Example

A Waffle company is experiencing profitability problems

• 2nd: Explore each element of the problem
• Questions may include:
  • Have they changed their price recently?
  • Have their costs changed recently?
  • How have sales changed recently?
• These questions allow you to better understand the issue, and the interviewer can provide you with information that was not previously given
Example

A Waffle company is experiencing profitability problems

• 3rd: Based off of interviewer’s responses, continue to ask further questions.
• If interviewer says, “Sales have dropped recently” in response to your questions, further questions can be asked to find the ultimate problem
  • Did a new competitor enter the market recently?
  • Have they altered their product recently?
  • Have there been any changes within the overall economy?
A Waffle company is experiencing profitability problems

• 4th: Draw final conclusions, and present recommendation to interviewer
• The interviewer reveals that recently the company made changes to their product
• Based off this information, you can draw a conclusion of their profitability problem
  • “The recent product change has caused a decrease in sales because the changes do not appeal to the consumers in the market”
• Using this conclusion, present a recommendation for the company going forward. An example could be:
  • “Since the recent product change, sales have decreased because consumers do not like the new product. I would suggest conducting market research to determine what consumers are looking for in the product, and adjusting the product to meet consumers needs in order to increase sales back to the original levels”
Overview

The Case Interview is a vital part of the consulting interview process

• Most consulting firms use the case interview as part of the interview process
• OBCG conducts case interviews to look at skills that can’t be portrayed through a resume or other application documents
• MECE is a very important tool when breaking down a problem in a case or in a project for a client
  • Successful application of MECE can lead to success when solving simple or even complex business problems