

Case Interview Preparation

Oregon Consulting Group



Lundquist College of Business



Oregon Consulting Group

Exceptional Value for Clients, Transformative Experiences for Students

Agenda

Case Interview Overview

- ▶ What is a Case Interview?
- ▶ Types of Case Interviews

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- ▶ Problem-Solving
- ▶ MECE
- ▶ Communication

Examples

- ▶ Quantitative Assessment
- ▶ Hypothetical Situation

Other Tips

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What is a Case Interview?

In the most general sense, a case interview is the analysis of a business question. They are used in a variety of industries, though are most prominent in consulting interviews.

The Oregon Consulting Group uses a 30-minute case interview to test candidates' analytical and problem-solving skills. The case interview also tests attention to detail, organization, communication, and adaptability.

In the interview, expect about 20-25 minutes for a case interview question similar to the examples in this deck. There will also be 5-10 minutes of additional questions or brainteasers.

Types of Case Interviews

There are generally two types of case interviews that consulting firms will use:

Quantitative Assessments

Questions that assess a candidate's analytical and mathematical skills. These generally include mathematical questions and estimations.

Hypothetical Situations

Questions that pose a hypothetical business problem to assess a candidate's ability to problem-solve and break down an issue. They can be either candidate-led or interviewer-led.

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Problem-Solving In Cases

Cases are extended problem-solving processes. Candidates are given a problem and tasked with proposing a solution.

How you approach the problem is everything. Show the interviewer that you solve problems in a mutually exclusive, collectively exhaustive (MECE) way.

Key Considerations

- ▶ Make sure your assumptions are well thought-out, informed, and logical
- ▶ Share your hypotheses with the interviewer and test them as you go
- ▶ Be structured and organized with your thoughts and problem-solving

MECE in a Case Interview

In the interview, the interviewer will give only a general sense of the problem or issue the company is facing. When attempting to solve problems like this, it is important to determine the root cause of the problem. MECE is a method to do this.

Mutually Exclusive

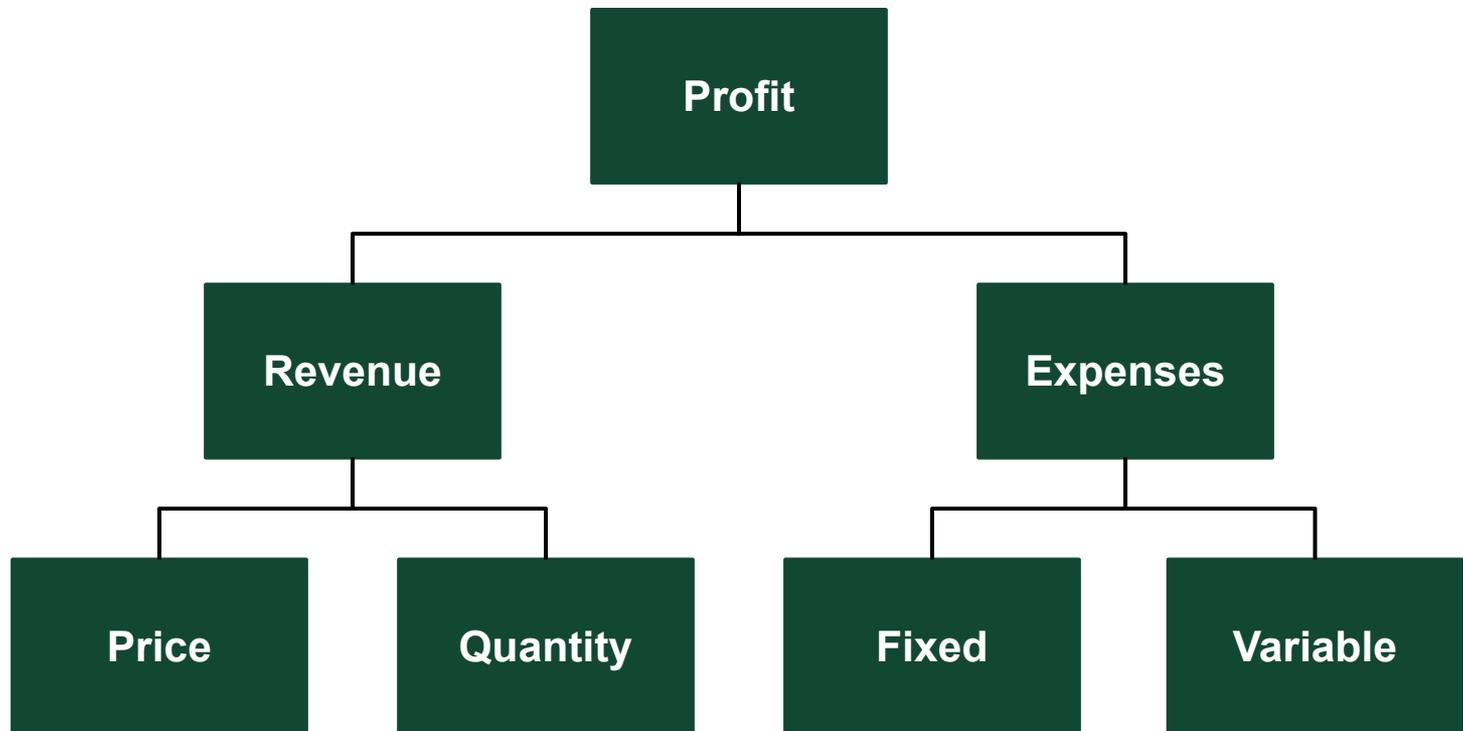
There is no overlap of information

Collectively Exhaustive

Problem is fully described and covers all necessary information

MECE in a Case Interview

Below is an example of how to break down profit in a MECE way. Start by first breaking profit into revenues and expenses, which are both mutually exclusive. From there, break both revenues and expenses down further. Continue this process until you have been exhaustive with the available information. (Since there are no numbers or specifics for this example this chart is as far as we can go.)



Communication in a Case Interview

Effective communication is a combination of structured thought and personal expression.

Key Considerations

- ▶ Explain how you will solve a problem, then solve it — *provides a window into your logic*
- ▶ Vocalize your insights (ah-ha moments) — *demonstrates ability to add value*
- ▶ Summarize and draw conclusions — *allows the listener to follow your logical thread*
- ▶ Start with the answer, number the reasons, be concise — *helps with clarity*

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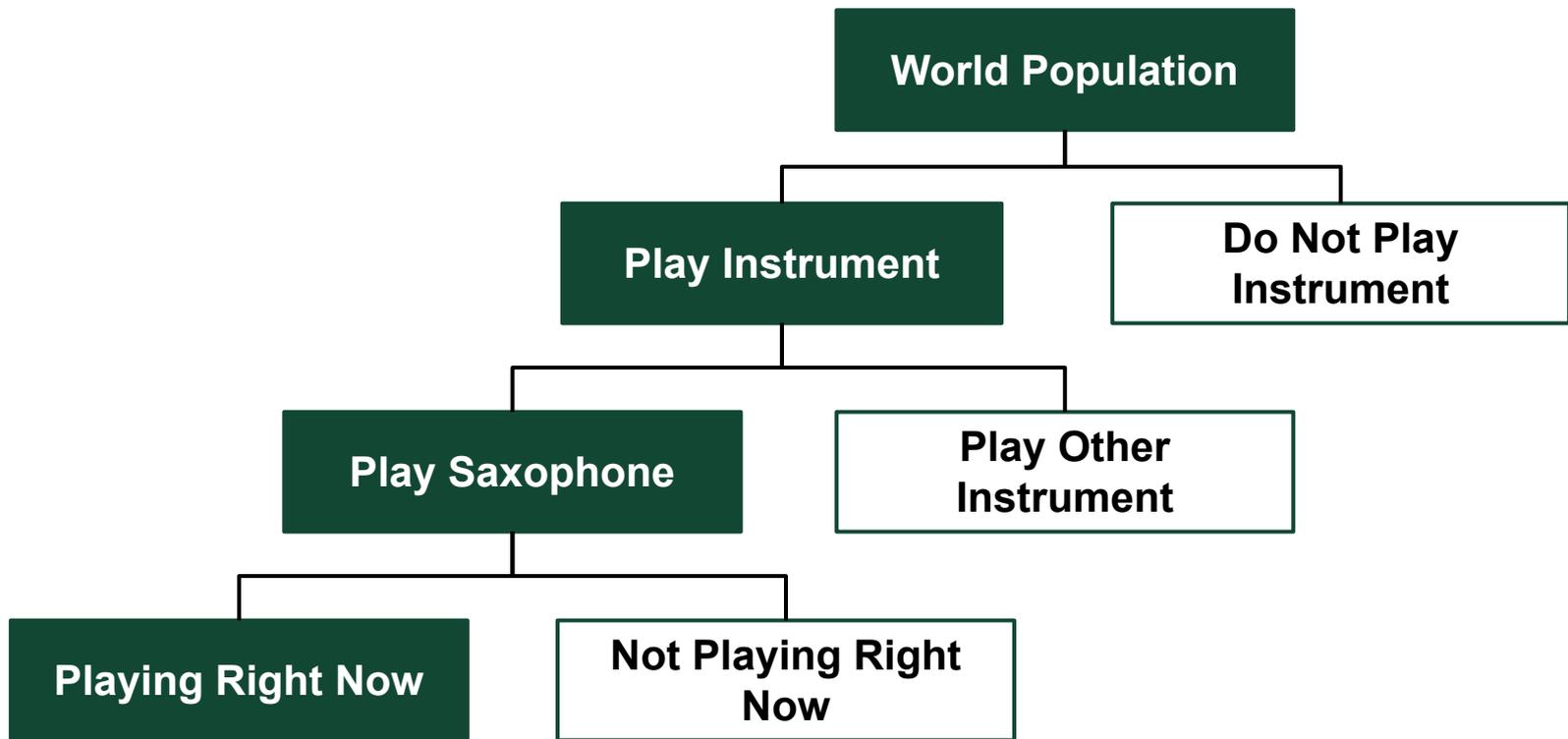
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Quantitative Assessment Example

How many people are playing the saxophone in the world right now?

Below we summarize the problem using a graphic that demonstrates how to break down the information in a more visual way. The next slide outlines the steps you would take to reach a population estimate.



Quantitative Assessment Example

How many people are playing the saxophone in the world right now?

Breaking down this problem requires many assumptions. A logical and MECE approach are important to use.

Step 1: A top-down approach will be easiest to use. With this approach, you start big and work your way down to a small number. Let's start by saying there are roughly 7 billion people in the world.

Step 2: After starting with the total population, it would be reasonable to next make an assumption of how many people in the world play an instrument. Let's assume that 5%, or 1 in 20 people, play an instrument. Of the 7 billion people, this gives us 350 million people who play an instrument.

Step 3: Now that we know how many people play an instrument, we want to determine what percentage of instrument players play a saxophone. We can reasonably assume that 1% of instrument players regularly play the saxophone. Some may play it exclusively and some may play it in combination with other instruments, but on average 1% play it regularly. This gives us 3.5 million people who play a saxophone.

Quantitative Assessment Example

How many people are playing the saxophone in the world right now?

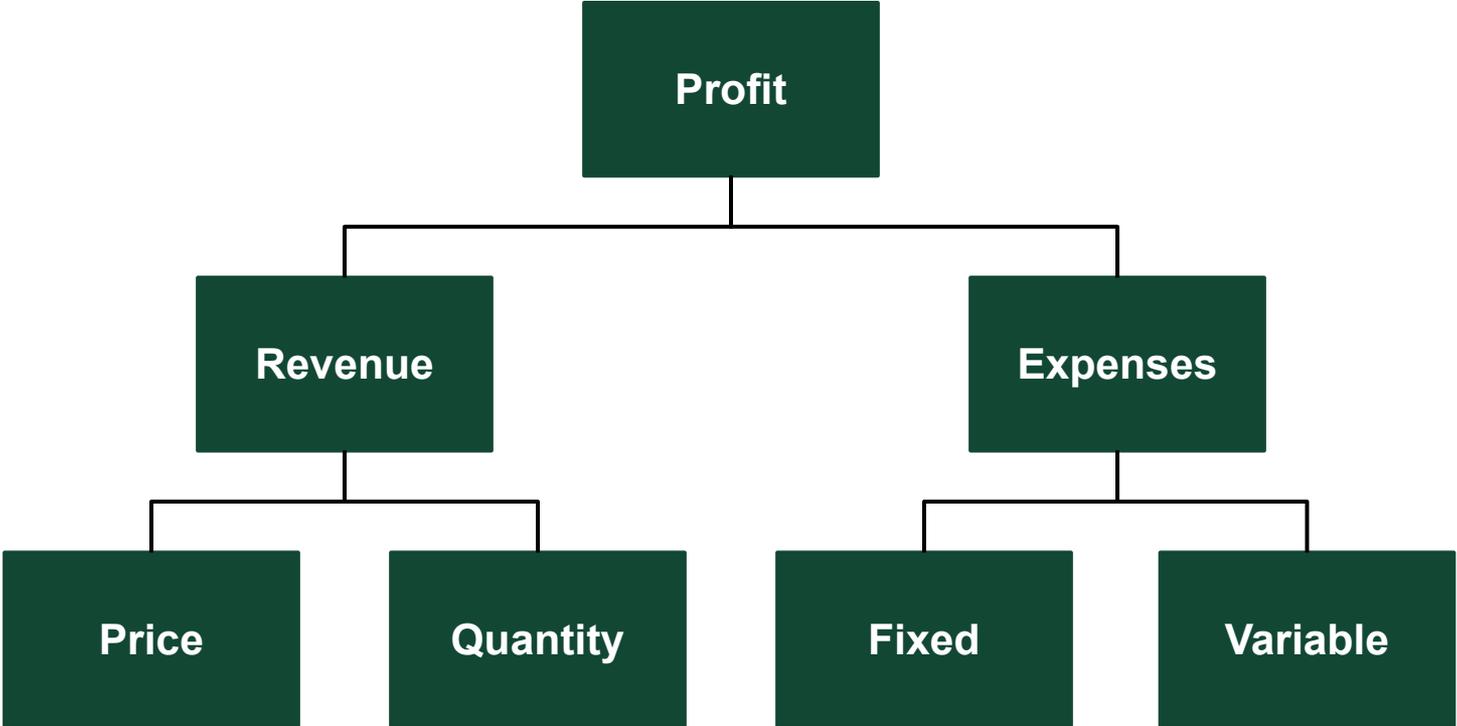
Step 4: We have determined the number of people who play the saxophone regularly, but we now need to estimate how many are playing right now. It's fair to assume that each saxophone player practices for an average of 1 hour per day, every other day. This is equivalent to 30 minutes per day, or $1/48$ of the day.

Assuming that at any given time, $1/48$ of saxophone players are playing the saxophone, we can now make our final calculation. We will round to $1/50$ to make the calculation easier. Multiplying $1/50$ by the 3.5 million saxophone players gives us 70,000 people who are playing the saxophone right now.

Hypothetical Situation Example

A waffle company is experiencing profitability problems. Break this down to find out what could be the potential cause of their profitability problems.

Step 1: Draw out the MECE profitability tree, as seen earlier:



Hypothetical Situation Example

A waffle company is experiencing profitability problems. Break this down to find out what could be the potential cause of their profitability problems.

Step 2: Explore each element of the problem by asking questions.

For example, you could ask the following questions:

- ▶ Have they changed their price recently?
- ▶ Have their sales changed recently?
- ▶ Have their costs — variable or fixed — changed recently?

These questions are a good starting place to help you better understand the issue. The interviewer will provide you with information that was not previously given that can help you focus or further explore different elements of the problem.

Hypothetical Situation Example

A waffle company is experiencing profitability problems. Break this down to find out what could be the potential cause of their profitability problems.

Step 3: Based off the interviewer's responses, continue to ask further questions.

For example, if the interviewer responds to your questions with "Sales have dropped recently," you can ask further questions such as:

- ▶ Did a new competitor enter the market?
- ▶ Have they altered their product recently?
- ▶ Have there been changes with the overall economy?

The interviewer may not have information to respond to each of your questions, so be structured and organized in how and what you ask to gather necessary information.

Hypothetical Situation Example

A waffle company is experiencing profitability problems. Break this down to find out what could be the potential cause of their profitability problems.

Step 4: Once you have asked questions and gathered more information about the problem, draw final conclusions and present a recommendation to the interviewer.

For example, if the interviewer reveals that recently the company made changes to their product, you could draw a conclusion of their profitability problem such as:

The recent product change has caused a decrease in sales because the changes do not appeal to consumers in the market.

Then, using your conclusion present a recommendation for the company going forward. For instance, you might recommend the following:

Since the recent product change, sales have decreased because consumers do not like the new product. I suggest conducting market research to determine what consumers are looking for in the products and adjusting the product to meet consumers' needs in order to bring sales back up to the original levels.

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Communication

- ▶ Speak slowly and be organized and structured in how you explain your reasoning or thought process, ask and answer questions, and present conclusions and recommendations
- ▶ More than reaching a correct answer, we are interested in seeing your problem-solving process and logic so make sure to walk us through assumptions and be creative when you can

Additional Preparation

- ▶ Watch case interview examples and videos on YouTube
- ▶ Schedule a practice case interview with the LCB career center