“Summer Camp” Agenda

Monday: Intro to Consulting
Tuesday: Application Documents

Wednesday: The Case Interview

Thursday: Boutique Firm Alumni Panel
Friday: McKinsey Informational Q/A

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What are case interviews?
Why do firms use them?
Cracking cases (initial steps)
  - Process
  - Tactics
  - Anatomy of a case
Cases on the Brain
Practice
Next Steps
What are Case Interviews?

- Puzzles that can at first seem ridiculously vague:

  Your friend owns a mid-priced Italian restaurant in Lincoln Park. Though initially successful, profits have recently declined. Help her figure out why.

- They challenge an interviewee to ask **probing questions**
- ...and can be solved using any number of **frameworks**
- ......but they require **flexible thinking within frameworks**
- ........because interviewers are looking for **clear logic AND creative, thoughtful discussion**

(...also math).
Why do Firms Use Them?

- Case Interviews Examine a Candidate’s:
  - Ability to think systematically
    And to communicate thought process live
  - Response to pressure (and being wrong)
    Capacity to shift in response to information

- Above all, they’re a simulation of the work:
  The problems that you’ll face; incomplete information that needs to be unpacked; informed decision-making based on evidence; and responses to dead-ends.
Process: What to Expect

- (NB: Depends on the firm)
- Introductions (5-10 minutes)
- Case (20 – 40 minutes)
  - Get familiar with the diversity of problems
  - Length can depend on firm/round
- Wrap-up (5 minutes)
- Questions (5 minutes)
Parts of the Case

- Reading the case
  - Take notes; identify areas for exploration
- Asking clarification questions
- Setting up a framework
  - Take a minute before you start asking more
  - Lay out your thought process aloud
- Analytic questions
  - Keep the interviewer involved
  - Explore avenues until they dead-end
- Articulate the cause of the problem
- Recommend a solution (or two)
Cases on the Brain

- Is this kind of work actually interesting to you?
  - Do you enjoy...or dread...cases?
- Cases frameworks can help you identify areas of industry/non-profit where you *don’t need* expert knowledge—and where you might
- How can cases help structure your own work? Your own job search?
  - Systematic thinking
  - Creativity within structure
  - Cases (can) build a different intellectual discipline
Frameworks:
- There are many, many options
- 4C’s, 5P’s

Get familiar with frameworks, but choose what works for you, and always be flexible.
Profit = Revenue - Cost

Price (x) Quantity

Per Unit

Variable

Fixed

units sold

Labor

Materials

Profit:

Revenue = Price * Quantity

Cost:

Fixed Costs + Variable Costs

Variable Costs = Per Unit Costs * Quantity

Per Unit Costs = Labor + Materials

Initial:
- Italian rest.
- Lincoln Park
- Competition

Clarifying Questions:
- Product mix
- Customers
- Competition
- Historical data
TeleportCo has developed a "teleporter" - two booths connected with a hardwire over a long distance. You step into one booth and, when the devise is activated, are teleported instantaneously to the other booth.

How would you go about trying to price a round-trip ticket from New York City to London?
The client is a manufacturer of gourmet chocolates. They produce both custom designed chocolates, as well as commodity baking chocolates. They are known for their excellent service, which allows them to charge a price premium. Recently, their costs have decreased, their unit sales have increased, but their profit margin has decreased.
Next Steps

- Practice, practice, practice
- Groups of three are best
  - Interviewer and interviewee
  - Plus an observer
- Remember it’s possible to over-prepare...
Questions?
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