**BUSINESS CASE STUDY ANALSYIS**

Case studies are used in business to help students develop decision making processes and skills to solve real-life situations without having to manage a real life business and hoping the problem occurs so that you can learn. In other words, it is more pragmatic.

We will be learning how to conduct a case analysis in class and then as a team you will conduct such an analysis in class.

**DEFINTION:**Business Dictionary (2017) defines a case study as:

“Documented [study](http://www.businessdictionary.com/definition/study.html) of a specific real-life situation or imagined [scenario](http://www.businessdictionary.com/definition/scenario.html), used as a [training](http://www.businessdictionary.com/definition/training.html) [tool](http://www.businessdictionary.com/definition/tool.html) in business schools and firms. Students or trainees are [required](http://www.businessdictionary.com/definition/required.html) to [analyze](http://www.businessdictionary.com/definition/analyze.html) the prescribed cases and present their interpretations or solutions, supported by the line of reasoning [employed](http://www.businessdictionary.com/definition/employed.html) and [assumptions](http://www.businessdictionary.com/definition/assumptions.html) made.”

**GUIDELINES:**There are a few guidelines to help the above situation be true:

1. **PERSONIFY ROLE:** You need to put yourself in the shoes of who the case is about. If you are the president you have different resources, tools, and timing than if you are the janitor even though you both might be trying to improve customer satisfaction.
2. **TIMELINE:** You should always make decisions based on the time of the case. If the case was 4 years ago, then you can only use data that was available 4 years ago. (Unless directed otherwise, use your research skills to find all the data the decision maker could have had access to back then).
3. **WHO:** Your first priority is to find out WHO the case is about so you know what role to take. Then read the case not as a student but as if you were in this role. (E.G.: as president of the company seek the information that matters to you as president).
4. **WHAT:** The next critical priority is determining what the main issue of the case is. State this as a problem with a question mark at the end. That way you will be trying to solve a question.
5. **WHEN:** You also need to know how long you have to make a decision (I.E.: how much time does the president have available in real life timeline – one hour suggests totally different resources and information opportunities than one month or one year).
6. **WHY:** Answer the question why it is so important for the WHO to solve the WHAT? Why does it matter so much/impact/results?
7. **HOW** to apply your time/resources to the case: Rank (with your subjective opinion) the Analytical, Conceptual and Presentation from 1 to 3 where 1 is easy and 3 is difficult. I.E.: If the a lot of the data is analyzed and provided for you the Analytical would be a 1. If you need to read a lot of course theories to be able to figure out how to solve the case then the Conceptual would be a 3. If the case is well organized and easy to follow it would be a 1; if it is all over the place and hard to figure out who the case is about or what it is about then it is a 3. These numbers help you decide where to place your time. For instance, if a lot of the analysis is already done there is no point in spending much time doing research. Whereas, if there is little data you might have to search the internet and statistical databases to gain insight into the company or industry.

Once you have followed the above you will be able to conduct a case analysis. There are many sources that talk about how to do case analysis such as from CENGAGE at <http://college.cengage.com/business/resources/casestudies/students/analyzing.htm> (retrieved March 13, 2017). However, most of these approaches have you reading a case over and over again. In our next module we will learn how “cheat per se” and conduct a short cycle analysis in less than 5 minutes. Additional time to complete the long cycle could take from 1-3 hours depending on the depth of your analysis.

The basic steps of reading a case using this methodology (IVEY method) are:

1. Read the first paragraph and last paragraph of the case. If it is well written you should be able to answer the WHO, WHAT, WHEN, WHY of the case analysis. (You may have to read the 2nd paragraph).
2. Next, read the FIRST LINE only of each paragraph. This gives you the flow and basic content of the case.
3. Next, review the layout of the case and any exhibits. You should now be able to answer the HOW as well as identify the IMMEDIATE and BASIC issues of the case. You will rank these as to I-IV.
4. Eventually you only want to solve the IVs in order to solve the main issue of the case.
5. CASE DATA ANALYSIS: notate any theories or course tools you can use to solve the case (with citations/references ready to use).
6. BRAINSTORM: Come up with ideas that might work (all ideas are good).
7. DECISION CRITERIA: MUST be done AFTER Brainstorm so as not to restrict ideas. However, this is probably one of the most critical components to building a solid case analysis. Use SMART criteria: Specific Measurable Attainable Realistic Time-Bound.
8. Now you can use your criteria to evaluate your brainstormed ideas to select a preferred alternative.
9. The last part of case analysis is JUSTIFICATION of your solution. In a Marketing case this often involves a Variance Forecast showing how things will change in the market based on your decision. This usually includes predicting net customer gain, products sold per customer, Contribution Margin per product sold all resulting in Total Revenues and Net Margins less expenses for your ideas/changes and finally a profit. Often this is provided in a 3-5 year plan as you may not break even for a few years. (THIS COMPONENT WE WILL NOT DO IN CLASS AS YOU ALREADY working on a forecasting assignment).

Review the [CASE PREP SHEET](https://web.viu.ca/weaverd/Mark160/Copy%20of%20case%20prep%20tool%20sheet.xlsx) to see the components of the SHORT CYCLE and LONG CYCLE discussed above. Please also note the sample [Variance Forecast](https://web.viu.ca/weaverd/Mark160/Variance%20Forecast.xlsx).

**References:**

<http://www.businessdictionary.com/definition/case-study.html> retrieved March 13, 2017

<http://college.cengage.com/business/resources/casestudies/students/analyzing.htm> retrieved March 13, 2017

*Learning With Cases*, 4th Edition (Book): Mauffette-Leenders, Erskine, Leenders, 2007 *(****ONLY AVAILABLE ON RESERVE IN LIBRARY****)* (ISBN: 978-0-7714-2584-4)