



IIMB Casebook



Vol. 5; ICON – IIMB Consulting Club



FOREWORD

This casebook documents the interview experiences of students across consulting firms to assist the students of IIM Bangalore in their preparation for case interviews during placements. The aim of sharing these experiences is to inform students about the case-interview experiences of past batches, and to accordingly help them prepare for their placements. The experiences listed below are not necessarily the best way in to handle case interviews. They only serve to give students an idea as to what to expect when they walk into a case interview. Every individual could have his / her own unique way of tackling consulting interviews, each of which could be correct.

This document has contributions from students who appeared for campus interviews conducted by consulting firms during summer placement process over the past five years. The interview experiences have been sorted firm-wise.

Special thanks to all the contributors and all the very best for summer placements!

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INTRODUCTION

Over a period of time, a career in consulting has become the *numero uno* aspiration for a majority of management students across B-schools in India and abroad. The adrenaline rush to solve a gamut of intriguing business problems faced by a wide spectrum of industries is enticing enough for most students to want to explore the intricacies of the consulting sphere.

Considering industry trends and student expectations, many consulting firms visit IIM Bangalore campus every year for the recruitment process; although the main thrust is on summer placements in different domains like strategy consulting, IT consulting, operations consulting and analytics. Experience across the globe has given evidence that an internship with consulting firms gives the student an insight into the industry on a real time basis and helps consulting enthusiasts make informed career decisions.

The selection process is predominantly based on resume-based shortlist, followed by case interviews. Thus, when the competition is amidst the best, it becomes imperative to have a fundamental understanding of the case interview process of major recruiters. The case interview processes of most of the companies are conducted in a similar manner and follow a similar pattern.

ICON, IIMB's consulting club seeks to equip IIMB's students with a sound understanding of the consulting industry and provide valuable insights into the entire process as they gear up to tackle the upcoming summer placement interviews. In a constant endeavor to practice learning by experience, the following pages present the "*as it is*" interview experiences of our contributors during their summer selection process at IIMB. This case interview guide aims to provide a preview into the summer selection process of top consulting firms like McKinsey & Co., Strategy& (formerly Booz & Co.), BCG, AT Kearney, Accenture, Bain & Co., Deloitte, Roland Berger etc.

ICON through this guide has endeavored to assist the students in understanding the consulting industry, the process involved in selection, the detailed preparation guidelines. The interview experiences will help the students develop a fair idea of what to expect in the interviews and how best to approach the probable case solutions.

WHAT TO PREPARE

A typical interview for a consulting firm is a mix of “case” and “fit”.

A. Case Preparation

Cases are arguably the most important aspect of any consulting interview. A good performance in a case puts you in a very favourable position with the firm; an excellent one virtually guarantees an offer.

A typical case is a business situation, requiring strategy formulation in order to fix a problem or enhance efficiency (optimization). It can vary from a detailed problem statement, supported by several facts to a one-liner conceptual statement with a very broad problem description along with few, if any, facts available. Case interviews are designed to help the interviewer assess the candidate on the following parameters.

- i. *Thinking process* – The interviewer constantly evaluates the candidate as the latter thinks through the problem
- ii. *Structuring* – This involves breaking down the problem into simple, logical components and structuring a broad approach framework.
- iii. *Analytical and Quantitative skills* – A typical case problem requires application of basic quantitative concepts, achieved through an analytical approach to the problem in hand.
- iv. *Demeanor* – In addition to the above, interviewer also judges the candidate on his poise and maturity.

Finally, cases also provide the candidate a flavor of the consulting world in terms of kind of work they can expect in the industry.

B. Fit Questions

The objective of these questions is to determine the degree of fit between the candidate and the firm. This part of the interview serves the following purposes:

- i. Helps interviewer know more about the candidate, his life-story and ambitions
- ii. Explore candidate's interests, and how they “fit” with those of firms
- iii. Assess how coherently the candidate can present himself in a conversation

In parallel to the above aspects, the candidate is continuously assessed on his communications skills as well. Typically, a very good performance in both parts, i.e. case and fit, is essential for a final offer. Very strong performance in one section can compensate for average performance in the other to a certain extent; but a minimum decent show in both aspects of the interview is mandatory to be considered for the next round/final offer.

HOW TO PREPARE

A. Case Preparation

i. Resources

- ICON Casebook
- Case examples provided on McKinsey, BCG, Bain, and other firm websites
- Casebooks from other business schools

ii. Case Study group

- Typically, a group of 3 – 4 PGP-I students to discuss cases and conduct case interviews among themselves
- A thorough preparation of 10-15 cases is recommended through this mode
- Ideally, all members should be focused on consulting as the career option. It ensures consistent, enthusiastic participation from all members throughout the preparation period
- Diversity / uniformity in academic background and work experience within a team do not matter
- What indeed matters is *group dynamics*, the amounts of trust members have in each other, so as to pass honest feedback to others and accept the same in a constructive manner. The purpose is lost if members do not believe in other members' sense of judgment and ability to pass on accurate feedback
- A couple of cases can be prepared with some other case study groups to break the monotony and, in the process, obtain varied feedback

iii. Miscellaneous

- Mock interviews and case workshops are also conducted by PGP-II students, typically the summer interns from consulting firms
- Self-study of solved cases, when group activity is not possible, is beneficial
- Knowledge of basic statistics, such as population counts, can prove to be enormously helpful
- One should not quit until he or she becomes 100% confident in case analysis
- Sector research, especially those in which interviewers specialize, can come in handy
- Equally important is to gain basic understanding of the sectors in which the candidate has undertaken any academic projects in the past

B. Fit Questions

i. Typical questions preparation

- A list of ~40 questions is generally circulated by the Placement committee towards the end of Term-I
- Interview questions from summer interview process of previous year should also be prepared.

ii. Company Research

- It's recommended to obtain a basic knowledge of the company operations, its history, culture and vision. It helps in aligning one's responses on appropriate lines as well as asking relevant questions during the interview
- Vault guides
- Limited help from mentors appointed by consulting firms (for shortlisted candidates only)
- Company's websites (and neutral sources as Wikipedia!)

WHEN TO PREPARE

Considering the importance of the entire process and the great deal of preparation required, sufficient time should be invested.

A. Case Preparation

Case preparations are done best in case groups of 3-4 people, which should typically be formed as the students begin their Term-II. This should give the students sufficient time of about 20-25 days for preparation before the summer's selection process kicks off. It is advisable that students form their case groups well within time so as to avoid last minute bottlenecks of not finding the right case partners.

B. Fit Questions

Another important aspect as discussed above is preparation of answers for the fit questions. Answers to these can't be framed at the last moment, as it requires great deal of introspection and successive reviews to frame the best possible answer. Hence, it is in the interest of the students to start working on the first draft as early as possible, preferably from the beginning of Term-II.

INTERVIEW PROCESS

The selection process has following stages:

A. Resume Short Listing

- All heads are looked at, and the base criteria need to be passed in each of the heads. The base criterion depends on the batch strength and is not an absolute cut-off. After crossing the base cut-off, 1-2 spikes are looked at. A *Spike* is defined as a unique attribute in a resume - something that is not shared by anyone else in the batch.

B. Interviews

- Number of interviews varies across candidates and companies
- The interviews for all consulting firms are mostly case based
- These are not stress interviews. The interviewer directs the candidate through the cases, providing leads and hints, to understand your approach to a particular situation.

As discussed in the last section, a typical consulting interview has two parts – “fit” and “case”. Generally, a consulting interview lasts for ~40 - 45 minutes, with following being the breakup

- Fit Interview: 15 – 20 minutes
- Case Interview: 20 – 30 minutes

i. Fit Interview

A fit interview is taken to assess your nature and check your suitability to the firm's work culture.

- Fit Interview involves personal questions – Typically of the kind “About yourself”, “Why do you want to join a consulting firm?” etc.
- A typical consulting interview starts with a few personal questions, lasting for 5 – 10 minutes
- This initial phase is used to establish rapport. These questions are used to gauge whether the candidate fits the company culture
- Personal questions can also be asked during and after the case, hence be prepared for a question when you are least expecting it
- The interviewer forms an impression of the candidate after going through the resume and tries to verify it during the interview based on the candidate's responses to these questions

- The fit questions are not directly addressed, but are asked through a chat session, where the interviewer will try to understand the kind of person one is. You are less likely to be asked direct questions like “How will you fit in the company culture?” Instead, if a certain consulting firm stresses on a team culture, you will be judged on how good a team player you are.

DO'S AND DON'TS OF A FIT INTERVIEW

DO's:

- Adopt a **calm and composed manner** throughout the interview – Consultants spend a lot of time in direct contact with the client where this aspect of the personality is very essential
- **Be yourself** – projecting a false image of being someone else does not work. The person on the other side of the table is a seasoned player and would easily spot pretense
- Present a **coherent picture of yourself** in an articulate manner
- **Be confident** – Nothing would compensate for shaky responses and a fumbling tone
- Be friendly and show that you can present your thoughts in a clear concise manner
- Consider case solving as a fun experience. The recruiter should be convinced that you enjoy the job
- Display a **good knowledge of the firm**, and how it fits in your career goals
- **Be honest** – Admit if you don't have knowledge of the topic interviewer wants to discuss
- Express your **own expectations and interests** with respect to the firm

DON'Ts:

- Get defensive when the interviewer presents a counter argument
- Feign interest in subjects just to impress the interviewer – artificial poses don't carry weight
- Appear confused about joining a consulting firm – your career aims should be clearly outlined
- Narrate stories that present contradictory images of who you are

Appear ignorant about the position or the firm for which you are being interviewed

ii. Case Interview

CASE

Consulting firms use cases to gauge how well the candidate will perform on the job and if he/she will like consulting as a job.

- The case is given as a 3-5 statement caselet
- The caselet is either number based or strategy based. (Guesstimates may be given either as a part of number based or strategy based case)
- The caselet gives the objective of the case

APPROACH

- Take 1-3 minutes to structure your thoughts. You are not judged on the final solution that you recommend; but on your approach to solve the problem
- Feel free to note down your thoughts, take your time to think before coming up with a solution

Make sure that you have touched upon all the areas concerned to the problem

- Make the session interactive by asking questions, instead of taking it as a test. The interviewer would guide you to the solution by giving hints if your approach is wrong
- Industry knowledge is not required - ask them questions about the industry, which are relevant to the case
- Making assumptions is a necessity- always confirm their validity
- Try to have your own approach to the problem. The standard frameworks can act as a guideline. They would not like rehearsed problem solving approaches
- Have your own style of how you are going to approach cases (top-down, bottom-up etc.)
- Make sure to listen to the information given properly, before asking questions; keep noting down any extra information given during the case discussion. You can take time to restructure your approach with the new piece of information given
- Industry knowledge on few important sectors as telecom, IT will be helpful
- Take your mistakes easily. Be calm and try to address the problem based on the hints provided to rectify any error made
- Make sure to summarize your findings and analysis so that the recruiter has a clear picture of your thought process

PARAMETER IMPORTANCE

Personal Questions	Very Important
Communication Skills	Very Important
Approach to Problem Solving	Very Important
Final Solution to Case	Important
Stress Level	Low
Guidance by the interviewer	Medium

iii. Practice Cases

- A Mobile Handset Manufacturing Company, which has 60% market share want to strengthen their position and understand where the growth will come from in the next 5 years
- A foreign bank wants to start credit card business in India. What options would you suggest?
- An upcoming BPO wants to understand the manpower crunch (Supply is less than demand) in the next five years
- An Indian youth channel wants to start a new music magazine. Is it a good venture?
- A VC firm needs market size for institutions for music and creative skills (on similar lines of NIIT for computer skills)
- Increasing efficiency and reducing costs for a call center setup
- Selling strategy for condensed milk and packaged milk products in India
- Infosys is starting BPO services, how would you control the attrition rate?
- Estimate the market for platinum and diamond jewellery in India for a European company.
- Feasibility of a corrugated cardboard carton manufacturer going into the paper business (profitability analysis)
- A Telecom call-center BPO couldn't cope up with the amount of calls it was getting. Figure out the multiple problems ailing the company and generate methods to solve all of them
- There is a coffee shop on the ground floor of a 40 floor building. Guess its monthly revenue
- A call centre wants to cut costs by 10 percent. What are the measures?

- Entertainment Company in music, planning to launch a magazine. Data given such as expected readership of other magazines, industry growth, competitor prices
- New heart hospital in New Delhi. It would cost X to set it up. What would be the break-even time for it?
- Call center – cut costs per employee by 0.65\$
- Tractor Company losing sales. 2-minute case. Write 5 possible reasons
- Chain of stores was losing business, identify the problem
- Petrol pumps, set up on highways. Suddenly, revenues were going down. What might be possible reasons?
- How would you make quizzing a national pastime? You are a consultant to the government
- Movie producer has come to you with four scripts. You need to choose one. Which one and why?
- What are the parameters you will use to evaluate?
- Confectionary major is planning to get into India. Should he buy a factory that is on offer, or should he enter on his own?
- TEM of mobile phones. Sales of your handsets have gone down. Your dealer says that this is because competitors' prices are better. What do you do?
- How much investment is required in infrastructure in India in the next 5-6 years
- An Indian private bank wants to go global. Which countries should it focus on and what should be its strategy?
- How much time would it take a 100 bed heart care hospital to break even and how many customers would they require to do so
- A box manufacturing company which made a better quality cardboard box (at a higher cost) as compared to local manufacturers. Analyze ways in which they could cut costs and communicate the value proposition of their product
- Various options that could be explored for a potential market entry (acquisitions, tie-ups, green-field etc) of an international chocolate and confectionery manufacturer in India
- A mobile handset manufacturer, which had a leading position in the market but its retailers were threatening to shift to other brands because they weren't making as much money on the sale of this brand. Examine possible reasons for this and suggest ways to overcome the problem
- Market Entry Strategy Case in Retail. Develop a 2 by 2 framework to evaluate the prospects of 3 lines of retail business – Baby Care Products, Soft Clothing like screens, bed spreads, etc. and Leather Accessories

- Guesstimate – demand for a Mosquito repellent band that can be worn on the hand in India

iv. Sample Case

Caselet: A Mobile Handset Manufacturing Company, that has 60% market share want to strengthen their position and understand where the growth will come from in the next 5 years.

Candidate: The market can be broadly classified on two parameters:

- GSM/CDMA
- Organized/Unorganized

Out of these, in India, a large part of the market is captured by the organized GSM segment.

Interviewer: Your assumption is correct. The client manufactures only GSM handsets. So let's consider only the organized GSM market.

Candidate: Within GSM, we can segment the market according to

- the price of the handsets (Low end to high end)
- the technology of the handsets

But the technology of the handsets is parallel to its cost.

Interviewer: Fair assumption. Use the price parameter

Candidate: Looking at the price parameter, the handsets can be divided into:

- Advanced Handsets: typical high priced handsets with PDA, e-mail etc.
- Middle Level: Handsets with good features like color display, camera etc.
- Entry Level: These are basic low priced handsets (B/W display, no additional features) which a customer would buy initially when he starts using a mobile phone

The urban market is currently saturated; people are currently in the middle level segment and will move on to the advanced handset segment.

The growth can come from the entry level market, if the rural market is targeted for the entry level handsets.

Interviewer: The rural market is huge in India. How will you identify the potential customers?

Candidate: We could evaluate the rural areas on three parameters:

1. Purchase power
 - a. These could be the rural areas which either have a rich agricultural base or have industrial areas.
2. Need for mobile phones
 - a. The need for mobile phones already exists in most regions. It will also occur in similar places. So a right target will be a place which has the need and also the money to afford it.
 - b. Places like Punjab, where farmers are prosperous; or Surat, where they have industrial areas, can be the targets, as people will have the need as well as the money to afford the mobile phones
3. Network Coverage by service provider
 - a. Currently there is good network coverage from service provider at all urban joints. So if we target the rural areas adjoining the urban areas, even these will have coverage, which means it will be easier to get coverage for these handsets

Interviewer: Are there any other rural areas apart from the ones in proximity of urban points which can be targeted?

Candidate: We could also include the rural areas adjoining the highways and railway networks which have complete connectivity. These areas will automatically have good connectivity too.

Interviewer: That should be fine.

MAJOR PLAYERS IN THE INDUSTRY

The following table provides an overview of the major players in the industry. DISCLAIMER: The data collated in this table is obtained from websites and feedback from past interns. Icon does not take responsibility for the accuracy of the data.

	<u>Accenture Strategy</u>	<u>Alvarez & Marshall</u>	<u>AT Kearney</u>
Global Scenario			
Consultants worldwide	2000	5000+ workforce	1700
Offices worldwide	NA	53	51
Countries present	NA	19	34
Staffing model	Regional	Regional	Global
# industry practices	3 broad service areas (management, system integration & technology consulting)	12	17
#functional practices	NA	10	11
India Specific information			
India office locations	Bangalore	Mumbai	New Delhi, Mumbai
Partners	50 partners	NA	13
Consultants	NA	NA	175
Managing Director	NA	Sankar Krishnan	Vikas Kaushal
Speciality	Comprehensive solution, beyond strategy, offered to clients	Restructuring, M & A, right-sizing and corporate turn-around	Strong operations and manufacturing presence
	Global brand recognition due to services outside consulting	NA	NA
Priorities	NA	NA	Oil & Gas, Consumer & retail, Industrial & Automotive, technology & telecom, metals & mining
Career progression	Consultant	Consultant	Associate
	Manager	Manager	Manager
	Partner	Partner	Principal
			Partner (Vice - President)

	<u>Bain</u>	<u>BCG</u>	<u>GEP Consulting</u>
<u>Global Scenario</u>			
Consultants worldwide	3100	4500	1500+ workforce
Offices worldwide	50	66	12
Countries present	32	40	NA
Staffing model	Office	Regional	NA
# industry practices	15	20	7 broad service areas
#functional practices	11	14	NA
<u>India Specific information</u>			
India office locations	New Delhi, Mumbai	New Delhi, Mumbai, Chennai	Mumbai
Partners	17	27	
Consultants	160-180	280	NA
Managing Director	Srivatsan Rajan	Neeraj Aggarwal	Mainsh Sharma
Speciality	Private Equity Strategic diligence	Devising strategy or portfolio	Procurement, supply chain transformation
	Provides 6 months externship period (not provided by other firms)	NA	NA
Priorities	Maintain & establish loyal client roster	Challenge Mckinsey's market leadership	NA
	Keep the lead in PE Work	Hold on to areas of strength: Financial services, Consumer goods & industrials	NA
Career progression	Consultant	NA	Consultant
	Case Team Leader		Manager
	Manager		Partner
	Principal		
	Partner		

	<u>McKinsey & Company</u>	<u>Roland Berger</u>	<u>Strategy&</u>
<u>Global Scenario</u>			
Consultants worldwide	8500	2400+ employees	3300
Offices worldwide	92	50	57
Countries present	52	36	30
Staffing model	Global	Central	Regional
# industry practices	22	26	16
#functional practices	8	27	8
<u>India Specific information</u>			
India office locations	Gurgaon, Chennai, Bangalore, Mumbai	Mumbai, New Delhi, Pune	Mumbai, New Delhi
Partners	40 (13 directors)	NA	2
Consultants	400	NA	60
Managing Director	Noshir Kaka	Wilfried Aulbur	
Speciality	Devising strategy or portfolio	Strong presence in Automotive sector	Energy (oil & gas), Power, FMCG
	NA	Largest consulting firm emerging from Europe	NA
	NA	Targetting a 3 fold increase in consultancy reach in next year	NA
Priorities	Market leader	NA	Establish differentiated value proposition
	Create deep impact	NA	NA
Career progression	Associate	Consultant	Consultant
	Engagement manager	Manager	Manager
	Associate principal	Principal	Partner
	Partner	Partner	
	Director		

CASE INTERVIEW EXPERIENCES – SUMMERS 2015

CONTRIBUTORS' PROFILES

Name	Company	Graduation		Work Experience		Resume Spikes(not in order)	
		Branch	College	Company	Duration (months)	One	Two
Gaurav Chauhan	Accenture Strategy	Mechanical Eng.	IIT Guwahati	Philips, Think3	60	Work Ex	Awards/ Extra currics
Shrirang Chilapur	Accenture Strategy	Mechanical Eng.	RVCE	RIL	11	Int'l internship	Acads & PoRs
Harini Rao	AT Kearney	IT	Coimbatore Inst. of Tech	EMC	30	Acads	Well rounded
Rushil Kaul	AT Kearney	Electronics & Comm	NSIT Delhi	ZS Associates	20	Work Ex	Extra-curricular
Kapil Mathur	Bain & Company	Civil Eng.	IIT Kanpur	SOM LLP	34	Work Ex	Awards
Nidhi Rai	Bain & Company	Civil Eng.	NITK	Credit Suisse	36	Work Ex	PoRs
Ankur Agrawal	BCG	Chemical Eng.	IIT Kanpur	Opera Solutions	9	Acads	Work Ex
Kshitij Chaudhary	BCG	Chemical Eng.	IIT Delhi	Diamond Consulting	22	Acads	Extra-Curricular
Vishwas Sharma	BCG	Civil Eng.	IIT Kanpur	ZS Associates	22	Dept Rank 1	Publication
Meenakshi Singh	GEP	Biomedical Eng.	NIT Rourkela	Sony India software	35	Dept Rank 1	-
Issac Jojy	McKinsey & Company	Civil Eng.	IIT Madras	ITC	36	Work Ex	Extra-Curricular
Ishita Kayastha	McKinsey & Company	BA (Econ.& Stats)	St. Xavier's	-	-	Acads	-
Karthik Krishna	McKinsey & Company	Electrical Eng.	IIT Madras	Irunway, Teeyenaar Foods	56	Acads	PoRs
Mohit Aggarwal	McKinsey & Company	Mechanical Eng.	IIT Delhi	Citigroup	36	Work Ex	Social start-up
Swapnika Nag	McKinsey & Company	Engineering Physics	IIT BHU	ZS Associates	12	Awards	PoRs
Sumedh Vidwans	Roland Berger	Mechanical	IIT Madras	Sabre Airline Sol.	40	Work Ex	Publication
Utkarsh Rustogi	Strategy&	Mechanical	IIT Kharagpur	Caterpillar	22	Acads	Work Ex

ACCENTURE STRATEGY

Gaurav Chauhan

Interviewer: Hi. How are you?

Candidate: Good morning, sir. I am fine. How are you?

pleasantries

Interviewer: So, please tell me something about yourself?

And I did

Interviewer: Let's talk about a case. So there is a tyre manufacturing company that wants to know whether it should enter India? So how would go about consulting this client.

Candidate: Sure, sir. Before I begin, our client is an international tyre manufacturer and wants to know if they should enter the Indian market. We need to formulate a plan for the same. Sir, do we have a time frame in mind? Also, can you tell me a little bit more about our client and its objective in entering Indian market?

Interviewer: You can assume it is a big manufacturer with the necessary wherewithal. They want to be a big player in India in the next 5 years.

Candidate: Sure, sir. I would begin by doing a market sizing to gauge market attractiveness.

Interviewer: Please go ahead.

Candidate: I am assuming, the client operates in personal automotive segment and hence I would try to do market sizing for 4 wheelers in India. Is that a fair assumption?

Interviewer: Yes, that is fine.

Candidate: I will assume India's population to be roughly 1000 million (eases calculation) which translates to roughly 200 million families assuming a family size of 5. Now, I would break this number equally among the 4 zones, North, West, East and South.

Interviewer: Do you think that is a fair assumption?

Candidate: Not really. Since, north and east have different population densities. Do you want me to assume different numbers?

Interviewer: No, go ahead.

Candidate: So assuming roughly 50 million families per zone. Based on census, 30% of our population lives under poverty line and hence can be excluded from this calculation. From the remaining 70%, I would assume that 50% people would only be able to afford 2 wheelers which leaves us with 20% which is roughly 10 million. Assuming, similar number for all zones, I would assume 40 million cars pan India.

Interviewer: Don't you think that is a little too much?

Candidate: Yes, sir. I still have to amortize purchase over the lifetime. So assuming a lifetime of 10 years since in India people keep cars longer, I would assume that 40 million /

10 = 4 million new cars are purchased every year. This means a market size of 16 million tyres per annum. Is there a specific market share we are looking at in 5 years?

Interviewer: Okay, so that's our per annum requirement in India. You can assume any market share that a dominant player would aim.

Candidate: Assuming market competition and the time it take to grow business, I would assume a market share of 2% in the first year when we start operations, which would linearly reach 20% in the 5th year. This will make us one of the big players in India.

Interviewer: Okay. What other things would you consider in this analysis?

Candidate: I would also look at the capital requirement for the company – whether they are going for Greenfield or taking over some plant. I would also look at tying up with car companies because they are the ones who would be our main customers. For this, I would look at their current contracts and timelines and look at offering them better deals.

Interviewer: And what else?

Candidate: I would also look at suppliers for raw material, rubber etc. And see if good deals can be struck at the onset.

Interviewer: Any other things?

Candidate: I would also look at the regulatory aspect since transport and regulatory associations are active in this area.

Interviewer: Good. I think we have covered decent ground.

Candidate: Thanks sir.

Some questions on resume, post which I was asked to go for the second round. This round was about resume and personals and was taken by the HR head and Partner.

Shrirang Chilapur

Interview 1

(The interview was a market entry problem with real names of the players, so some industry knowledge was essential. The interviewer was a consultant at the firm. It went on for 45 minutes)

The interview starts with pleasantries, the tension of day zero, etc.

Interviewer: Let's start with the case. What do you know about the civil aviation industry in India?

Candidate: The civil aviation industry in India is one of the largest in the world, probably the third or fourth largest market. The modernisation of airports, the increase in business and corporates, travel preferences moving towards air travel, and the advent of low cost carriers has led to the boom of this industry.

Interviewer: Can you think of a couple of key business drivers in this industry?

Candidate: On top of my mind, hassle free booking of tickets, availability of tickets on all common sites, providing good passenger experience, competitive rates, connectivity between cities, adherence to schedule, etc.

Interviewer: You spoke about the advent of low cost carriers in India. Can you tell me how it has changed the industry?

Candidate: Before 2000s, we had few players, like Deccan and Jet, and a couple of other local carriers. Most of them were expensive to travel with, and flying was for the elite. After that, players like Kingfisher, Indigo, SpiceJet have come in and are providing services at highly competitive prices.

Interviewer: How do they do that?

Candidate: As per my knowledge, these are the reasons:

- Ease of regulations have decreased costs to enter the market compared to pre 2000s
- Cost savings on frills – food is paid for separately, baggage costs separately, cramming up more seats leading to lesser leg space, etc.
- Availability of aircraft renting options – many investment banks are getting into this. This reduces capital investment needed. I think Kingfisher has mostly rented aircraft.

Interviewer: Does Kingfisher fall into the cost saving category?

Candidate: No. It falls under the premium category. They differentiate based on service provided, and their prices are higher.

Interviewer: What categories of players are there in the market?

Candidate: Please allow me to think for a minute.

(Doodled with a price vs. service 2x2, that looked somewhat like this and explained the positioning of each airline briefly)



Interviewer: Are you aware of the latest entrants in the airline industry?

Candidate: Yes. Tata's Vistara and AirAsia are planning to enter (they were in induction phase at that time)

Interviewer: Supposing the Tata group is your client. How would you advise them to enter the market?

Candidate: (After thinking through for a minute's time) I would like to analyse the Company, the industry, the competitors in that segment and the customer segment it wants to target to start with.

Interviewer: We have spoken about the industry. Please elaborate on the rest.

Candidate: OK. Firstly, the Tata Group and Singapore Airlines bring together the best capabilities.

Here I knew some facts of the Tata group and how it has excelled in most of the businesses it has ventured into, the synergies of the group companies and its inspiration to come in the aviation industry. However, I did not know much about SIA, so I requested the interviewer to help me out, which he did. I then elaborated on how the two companies could have synergies.

Interviewer: What strategy do you suggest to tackle competitors and gain customers?

Candidate: I have heard that Vistara wants to enter the premium segment. Is that true?

Interviewer: Yes.

Candidate: In that case, the only competitors are Jet and Air India (KF is no more a player). Shall I go ahead?

Interviewer: Yes.

Candidate: Let us look at the services Jet offers and the customers it caters to. Jet charges higher prices, but it offers a premium flying experience. It gives free meals, offers quicker check-in times, has India's best frequent flyer program called Jet-Privilege, and it has a very good footprint. It attracts the business traveller and the wealthy traveller. People look at travelling in Jet as a special experience (compared to the service of Indigo and SpiceJet).

So Vistara will be catering to almost the same customer segment. Hence, providing all of the above will be just the first step in building the brand. *(I then provided a few additional ideas the carrier could offer, which the interviewer seemed to like)*

Interviewer: I like your ideas. But do you think it will be enough? Tata has always been associated with lower prices. How about reducing the prices to the level of Indigo/SpiceJet?

Candidate: I think lowering the prices will have the following effects:

- Financial burden on the firm, immediately after it launches. It is manageable as Tata has deep pockets, but not sustainable in the long run
- Users may get confused with Tata's offering (premium or not-premium)
- The price point in the minds of consumers will get set at that level for Vistara. So if they increase it later, it may have a negative effect and reduce customers.

Interviewer: So what do you suggest?

Candidate: Start off with promotional offers so that the actual prices are visible and the consumers know that it is discount and that the actual prices are similar to Jet and Air India.

Sway them with all-round excellent service. Give offers to fly again. *(Add 2-3 more minutes of suggestions)*

Interviewer: Ok that was a great interview. As a personal opinion, do you think that Vistara will do well?

Candidate: With the current price war and increasing fuel and airport costs, almost no player is making profits, except probably jet. If anyone has the deep pockets to enter the industry, it is the Tatas. Even then, I don't see them making any profits for the first few years.

Interviewer: OK thank you.

(Interview 2 was with a Partner on the crude oil market; the case was on a public sector firm's future expansion strategy: expanding in India vs. expanding abroad. This was asked because of my experience in the oil industry)

(Overall takeaways: Industry knowledge is very important, at least to an extent where you can have a decent discussion. Prepare for this in groups. Especially know your relevant industries (the ones you have an undergraduate degree in, or worked in) like the back of your hand. Always ask questions when you assume. Let the interviewer know if you don't know a particular piece of info, it's not a crime. He will gladly provide the relevant information. Structuring your answer is as important as the answer itself. It helps you get brownie points, especially if your answer is slightly out of track)

AT KEARNEY

Harini Rao

Interview I – Numbers Case

Caselet: A Hypermarket chain is planning to open a store in Bannerghatta. Estimate the expected monthly sales in the first month.

(This is a quant based hypermarkets case. They were looking at the breadth of factors considered, not the depth)

Candidate: First I would like to estimate the demand. This can be approached at by considering the population of Bangalore, which is about 4.2 million people. We can now narrow this population by splitting it in 3 ways: Area Split, Age Split, and Income Split. Should I continue with this approach?

Interviewer: Yes, please go ahead.

Candidate: Considering the area split first, Bangalore can be divided into 10 major localities, including Bannerghatta. Assuming an equal distribution of population among these 10 localities, Bannerghatta will have $1/10^{\text{th}}$ of the population, i.e. 0.42 million.

Now, assuming the same age split statistics apply to this region, as those of India, I would consider the 18 to 60 years old population segment. This makes up about 50% of the population. I am not considering people below the age of 18 years, because they either have no money, or don't spend it in hypermarkets. I am not considering people above 60 years, because they generally make their purchases from nearby stores, instead of hypermarkets. Are these assumptions good to go with?

Interviewer: Sure, we can work with these.

Candidate: Okay, so this leaves us with a population of 0.21 million. Now, using the income split, 40% of this population will be in the middle and higher income group, which should be the relevant consumer base for a hypermarket. This brings it down to 84000 people. Dividing this number by 4, we get the number of families (assuming 4 to be the average size of a family). Thus, 21000 families.

Now, assuming that a family spends about Rs.2000 – 3000 on groceries in a month.

Interviewer: Let's work with Rs.2000.

Candidate: Sure. We should also consider that people buy only those groceries from a hypermarket that can be stored at least over a week, for example, vegetables, pulses, sugar, etc. They would typically not buy milk or bread from a hypermarket. Also, they purchase other products like electronics.

(The interviewer concluded the analysis here)

Interviewer: Okay, that should give us a good estimate of the potential demand. What else would you consider?

Candidate: We should look at the footfall to the store. Are there any other hypermarkets in the area?

Interviewer: Yes, there is one another hypermarket. It is a comparable brand.

Candidate: Then we should divide the target group by 2. However, we could also consider that during the first month, the new hypermarket would conduct several promotion activities. People will be attracted by these activities and also by curiosity to check the new store. Thus, for the first month, I would split the target group 60% to 40% between the new and the old hypermarkets respectively.

Interviewer: Great job. That should be sufficient to estimate the sales.

Interview II – Creative Game

Interviewer: I will give you a statement, a situation. You have to come up with a back story that explains the situation. You can ask me 20 questions, to which I will only answer in a Yes or a No.

Statement: There is a naked man in the middle of the desert with a straw in his hand.

(I approached it by dividing the statement into 3 parts:

1. Why is the man naked?
2. Why is he in the middle of the desert?
3. Why does he have a straw in his hand?

I asked questions trying to solve the above parts step by step)

Candidate: Is he alone?

Interviewer: Yes

(I tried to then answer the question, why is alone?)

Candidate: Was he there with a group before?

Interviewer: Yes

Candidate: Was he left behind by force?

Interviewer: No

Candidate: Did he lose a bet?

Interviewer: No

(I realised this may be related to the straw)

Candidate: Is this piece of straw short?

Interviewer: Yes

Candidate: Were these people in some difficulty, where they picked straws, and the person with the shortest straw stayed back?

Interviewer: Yes

Candidate: Did they have a mode of transportation, and did the rest of the group leave in the same vehicle?

Interviewer: Yes

Candidate: Thus, N came and (N-1) left. Is that correct?

Interviewer: Yes

Candidate: Did the vehicle have a technical failure?

Interviewer: Yes, but this information might be misleading.

Candidate: Was there anything else around him? Like other people's clothes?

Interviewer: Yes, but again this information could be misleading. You have solved 90% of the case. What is your hypothesis of what must have happened?

Candidate: There is a group of people who came in a car. The petrol tank must have started leaking. So, they needed clothes to stuff the tank, to stop the leak. They must have picked straws to decide whose clothes that would be. Probably, the weight of the passengers was also a factor, so they had to leave the guy behind.

(Now I think the situation must have been this:

The problem wasn't with the fuel tank, but may be a tire was losing air. They must have decided to offload weight from the car. So they offload some weight every few kilometres. First, the suitcases, then, the clothes that they were wearing. Then finally they picked straws to decide which guy should be left behind.)

Interview III – Hypermarkets Case (not quant based)

Interviewer: The sales of a hypermarket have tanked. Could you think of the possible reasons?

(I thought this meant that the sales have decreased. However, this in fact meant that the sales have stagnated.)

Candidate: Have the sales decreased only for us, or for others as well?

Interviewer: No, the sales have not gone down. They have stagnated.

Candidate: Have the sales stagnated only for us?

Interviewer: Yes.

Candidate: Have the sales stagnated only for this branch?

Interviewer: Yes.

Candidate: Have there been any major changes in the last one year that led to this?

Interviewer: No. Don't think of the typical, obvious reasons. Can you think of something else?

Candidate: Have there been more competitors that have sprung around us?

Interviewer: Yes.

Candidate: Has the footfall stagnated, or have the purchases gone down?

Interviewer: The footfall hasn't increased year on year.

(I concluded that this means that competitors are setting up in newer malls with high footfall)

Candidate: Is customer service a problem?

Interviewer: Yes.

Candidate: Is the industry as a whole losing out?

Interviewer: No.

Candidate: Is the variety of the stock a problem?

Interviewer: No.

Candidate: Is inventory planning a problem?

Interviewer: Yes, the store is experiencing frequent stock outs.

Candidate: Is parking a problem where the store is located?

Interviewer: Yes.

Candidate: Is promotions a problem? Is the store not promoting itself enough?

Interviewer: No. Okay, these problem areas are well rounded. Thank you.

Rushil Kaul

Case 1: Your client is an Indian automobile manufacturer. They have recently doubled their production capacity...but are not happy with their sales in the Indian market. Their market share has fallen from 20% to 12% in the last few years and India is a stagnating market. Please suggest what factors you would look at while expanding to overseas markets.

Approach: The problem statement was pretty long but the case was a simple market entry analysis really.

Candidate: Our client is an Indian automobile manufacturer. Despite doubling their production capacity, they are faced with stagnating sales and their market share has gone down by 8% (down to just 12%). Now they want to expand to overseas markets and would like our help in analysing which markets are attractive. Is there any other objective?

Interviewer: Nope that is the only objective.

Candidate: Alright. I just need a few clarifications regarding our client. What kind of automobiles do they manufacture?

Interviewer: For the purpose of this case, only consider commercial 4-wheelers.

Candidate: Okay. And in the Indian market, are there any particular regions where they have a very strong presence (North, South etc.)? I'm asking this to understand if expanding in India is also an option for reviving sales.

Interviewer: They have a strong national presence. And no. I don't want you to think of ways of expanding in India. Just focus on expanding to foreign markets. What are some of the factors that you will consider? Give me a generic approach first.

Candidate: Sure. Just give me a minute to structure my thoughts.

Interviewer: Of course. Take your time.

Candidate: (after about a minute). Alright to assess the attractiveness of any market, I would want to look at 4 key things:

- 1) Understanding the Market: i) What is the size of the market?
ii) What is the growth like?
iii) Are there any trends?
- 2) Customer Analysis: i) Which segment am I going to target?
ii) What is my value proposition and what are the possible substitutes?
- 3) Competitor Analysis: i) The number and size of all competitors
- 4) Barriers to entry: Government Regulations, Suppliers, distributors, Capital required etc.

After that I'd also want to look at how I'm going to enter:

- 1) Whether I want to start from scratch
- 2) Acquire a smaller player
- 3) Have a Joint Venture

Interviewer: Good. Now assume that we have market data available (population, number of automobiles sold, trends in the automobile industry, regulations) for all the major countries in the world. How will you go about identifying the right country to enter? Assume that the client only wants to enter one market/country right now.

Candidate: (after thinking for 5-10 seconds): So the first thing I'd want to look at is the size of the market. In the sense I would want to know whether the demand in the market is large enough for us to enter. Can you tell me what our current production capacity is and how many cars are we looking to sell overseas?

Interviewer: Assume that 2 million cars are sold in India every year. And that our initial production capacity was 200,000 cars a year.

Candidate: Alright. Can I assume our market share will stay constant at 12%?

Interviewer: Yes we expect it to stay at that level in the foreseeable future.

Candidate: Okay. So that means 12% of 2 million. We should be able to sell some 240,000 cars in India. Our production capacity is now double and stands at 400,000. Would it be fair then to assume that we wish to sell around $(400,000 - 240,000) = 160,000$ overseas?

Interviewer: Yes. How will you proceed further?

Candidate: Since we're an established player in India and have 12% market share, optimistically, even if we capture 5% of a new market, we would have done extremely well. So I'd only look at markets that are greater than 20 times 160,000 (automobiles sold per year).

Interviewer: 5% is a little too optimistic but I like the approach. Okay now assume only 5 markets are big enough. – U.S. UK, China, Japan and Australia. How will you decide now?

Candidate: We should look at our target segment of consumers? What kind of price range do we want to play in. Also look at what competitors exist in that segment? *(went into a bit of a monologue here about how we should assess customer preferences in different markets)*

Interviewer: Assume that we sell cars in a variety of price ranges and all markets are equally competitive. Would you want to consider anything else?

Candidate: Okay I'd take a closer look at barriers to entry. What kind of government regulations exist and what are my supplier options.

Interviewer: Okay the U.S. and Australia have left hand drive vehicles only and we don't want to modify our production lines to accommodate for that. In the U.K. , you have to set up your own manufacturing facility if you want to sell cars. In China, there is no such restriction but you have to procure 50% of the parts from local Chinese suppliers. In Japan it's the same except you only have to procure 20% of the parts from local Japanese suppliers.

Candidate: Hmm. I guess that rules out U.S. and Australia completely. I guess it doesn't make too much sense to set up a completely new manufacturing facility just now right after we just doubled our capacity so that rules out U.K as well (interviewer nods). Procuring 50% parts from China may just bring down our manufacturing costs (if we are fine with the quality) but it might upset our relationships with suppliers in India. I guess with this information, Japan seems like the most feasible target market right now.

Interviewer: Very good. That's correct. Now just go through all your notes, take some time to think and tell me if you had to solve the case again, would you change the order of the questions you asked me to get to the answer.

Candidate: Yes I would first begin with barriers to entry (especially government regulations first). That's the first and most important filter that should be applied I guess because it could completely rule out some markets that are probably big enough or have the correct target consumers but are just not feasible to enter because of regulations. So we won't waste any time analysing size and trends when it'll eventually be pointless. Then I'd go with the order of questioning that I followed.

Interviewer: Very good!

BAIN & COMPANY

Kapil Mathur

Interview 1 – A Numbers Case

Caselet: *This case is about a tech startup in 2009. The target customer segment is the ageing population in the developed world (US, UK, Australia etc.). Our client will provide tech support for laptop users in these countries by setting up a call center in India. We will market our service on the internet and the clients can call us on the toll free 1-800 number listed on our landing page. We will help them to fix the issue with their laptops over the phone. How will you go about pricing this service?*

Candidate: *[I asked a few questions about the company, its business model and value prop., existing competition etc. to understand the context for further analysis. Interviewer gave general information about what kind of services Dell provides when you buy a laptop from them and for how long. He also explained the kind of issues we can tackle over the phone – say someone accidentally uninstalled a driver, we can help them fix it. Then I listed down three ways to price the service – benchmarking with comppt., cost-based, and value-based – and asked for relevant numbers].*

Interviewer: I want you to focus on cost-based pricing. Here are the numbers, listen carefully.

- Search engine marketing will cost us \$0.5/click each time someone clicks on our ad. that shows up in search results.
- This click will take you to landing page which provides our toll-free number to call on.
- 1/10 people who visit the page will call us.
- When someone calls us for the first time, we will follow a 'serve to sell' strategy, which means that we will solve their current problem for free and then we will make a pitch to them to buy our service. Each call of this kind will last 1 hour long on average and will cost us \$12/call (everything included). 1/10 first-time callers will subscribe to our service.
- Once a caller subscribes to our service, he will call us 6 times a year on average. Each of those calls will be around 1 hour long and will cost us \$10/call to serve

Candidate: I quickly calculated the cost of serving **one** subscriber annually:
 $= [0.5 \times 100 + 10 \times 12 + 1 \times 10 \times 6] = \text{\$230/subscriber/yr.}$ *[The interviewer specifically asked me not to write down any calculations and just do mental math]*

How much margin do we want to keep on revenue/subscriber?

Interviewer: 20%

Candidate: Ok then we should charge **\\$287.5/subscriber/yr** for our service

Interviewer: Good. Now, say Dell sees us providing this service and has decided to soon (in a year or so) enter the space and provide the exact same service at **\\$225/subscriber/yr**. To compete with Dell, you'll need to bring down your price to **\\$200/subscriber/yr**. How do you stay profitable now?

Candidate: *[Profit = Revenue – Cost].* I can start looking at cutting down my costs first.

Interviewer: Of course, assume you are barely able to meet your costs at this price. What else?

Candidate: I'll start looking at revenue then. *[For a start, Revenue = price x vol. x variety. I started jotting down several ideas, thinking out loud and rejecting them if they didn't make sense. Narrowed down to 2 ideas].* Variety brings to mind product mix. We should look at alternate revenue streams i.e. **cross-selling**

Interviewer: Exactly. What would you cross sell?

Candidate: Anti-viruses, other software that enhance performance of laptops *[gave several examples.]*

Interviewer: Cool, What else?

Candidate: Well, the other idea in my mind is that we should focus on **renewal** or repeat customers – making them stick with us.

Interviewer: *[Smiling]* Why?

Candidate: Cost of serving them will be lower – no need for initial clicking cost or 'serve to sell'. In fact, the cost of serving renewed subscriber will be just \$60/yr. *[Then gave several ideas about how we can make them stick with us and not move to Dell. Some more mental calculations on pricing for renewed subscriber].*

Interviewer: Great, can you summarize?

Candidate: *[I did the same. The focus here was on mental math and ideation]*

Nidhi Rai

Case: PE Client – BPO Industry problem

Interviewer: Hello Nidhi. How are you doing today? First case interview of the day. Are you nervous?

Candidate: I doing very well. A little nervous but I think that's a good thing. How are you?

Interviewer: I am doing great. Very excited to be back on campus after almost a decade. (Continues with a lot of small talk about himself). So tell me about yourself.

Candidate: (Give my rehearsed introduction.)

A little cross questioning about my hobbies is done.

Interviewer: OK. So let's get started. I have a case for you. The problem statement is - A PE Client wants to start a 2 week project based in the US. They are keen on investing in a BPO in Gurgaon which is the 2nd largest player in its space (Commercial dealing and Finance). The general concern is about the macro economic conditions in the country. They believe that man power is going to be an issue wrt to quality and numbers. They believe that this is a risk. Evaluate the risk and return.

Candidate: (I repeat the main points of the problem for clarity and ask for a minute to think over the issue)

Candidate: Could you tell me a little more about the PE client?

Interviewer: Sure. The PE firm is a mid-sized firm. This is their first investment in India and for the next 3-4 years they plan to turn their focus to the IT industry.

Candidate: Could you tell me a little more about the BPO they are looking to invest in?

Interviewer: This is a diversified firm. They generally recruit graduates and have a thorough training program.

Candidate: Thank You. Could you also tell me how the BPO Industry is doing in India.

Interviewer: So currently the industry requires 1 mn graduates annually. 20% is met by lateral recruitments and the rest are fresh graduates.

Candidate: So I understand that if we can size the market of the fresh graduates and highlight the risks that the PE client may have and allay their fears we will be able to convince the client to invest in India.

Interviewer: Correct. So can you size the market for me?

Candidate: Sure. So I would like to work with sizing the fresh graduate market first. I would like to assume that the total number of metro, tier 1, 2 and 3 cities in India is 25. I would like to take the city of Bangalore because I am comfortable with it and to simplify it I will divide it into North, South, East and West. From this I will pick South Bangalore.

Interviewer: That sounds good. Now how will you estimate the graduates?

Candidate: I would like to assume that there are 5 big colleges with a graduating batch of 500 each and 15 medium and small sized colleges with a graduating batch of 300 each in South Bangalore. This gives me a total of 7000 fresh graduates in South Bangalore.

Interviewer: Alright. That sounds like a fair number. How will you proceed?

Candidate: Would it be safe for me to assume that of the big colleges only 20% would be interested in a BPO college.

Interviewer: Yes.

Candidate: Ok. So that gives me 500 fresh graduates will to join the BPO. From the small and medium, we can assume that 60% of the graduates are engineers, 20% of the graduates are doctors and others make up the rest of the category. I would like to assume that 50% of the engineers may be interested in joining, 20% of the medical students might be interested and the BPO recruiting team will be interested in only the top 20% of the other colleges. This gives me a number of 3000 people in South Bangalore. This would give me a total number of 3,00,000 graduates available for recruiting by the BPOs.

Interviewer: Ok. That sounds right. Now can you tell me what we can tell the client?

Candidate: So with 3,00,000 fresh graduates available, we can safely assume that the crème de la crème will be interested in joining the top BPOs. Since our client is interested in the 2nd largest player in the market, they should not face any issues with regard to the quality and headcount of employees.

Interviewer: Alright. Sounds good. So how do you think this case went?

Candidate: (After some thought) I think it was okay.

Interviewer: I think it was very good. We'll see you in the next round. Thank You

Candidate: Thank You

BOSTON CONSULTING GROUP

Ankur Agrawal

Here is the detailed dialogue I had with the BCG recruiters during the 3 case interviews in Summers. I have tried to produce a narrative of the events that occurred on the D-Day to highlight the overall experience and also in between I have pointed out the key takeaways for someone who is preparing for case interviews.

Interview 1

I first interviewed with a Senior Principal in the firm. Given it was the first interview of the day, I was both excited and anxious, however the interviewer was friendly enough and made sure I was at ease in the beginning itself.

Interviewer: Hi Ankur! Have a seat, how are you feeling? Would you like some tea?

Candidate: No, Thank you. I am fine.

Interviewer: Ankur, I can see in your resume that you have been academically very bright throughout. So, what is the secret to that?

Candidate: Sir, I have always been very hard working and I have always enjoyed performing better than others. Also, my school teachers have been instrumental in shaping up my confidence that I can go way ahead in life.

Interviewer: Okay. I have heard about your school, CMS. What is so special about it?

Candidate: Sir, there is a lot of focus on providing value based education which instils leadership and confidence in the students. Also, the school aims at holistic experience including international stints. (Proudly) It has the record for the largest number of students in a single city..!

Interviewer: That's great! So, Ankur tell me one thing you remember about being Head Boy of your school.

Candidate: Sir, of all the activities I remember my active involvement in the International Mathematics convention which saw our school winning lot of competitions, something that was unprecedented.

Takeway: *Be prepared to speak about each and everything mentioned in your resume.*

Interviewer: Okay Ankur. Should we do a short case analysis? If yes, which sector would you like to work on IT hardware or Defence?

Candidate: Sir, I would prefer IT industry.

Equally clueless, I chose one of them. Usually, such choices are not given by interviewers.

Interviewer: Our client is an IT service provider and they have hired us to cut down on their costs. What all can be done to improve the situation?

Candidate: Okay, to be clear our client is a major IT service provider and their costs have to be reduced. Sir, just to get more perspective, is there any reason behind the client's strategy to reduce costs. Have the costs increased in the past or the industry has become price competitive.

Interviewer: That's right, in the recent couple of years, many competitors have increased and the price points have gone down. The client is looking to bring down costs to maintain its margins.

Candidate: Okay. That is helpful. Major costs in software development include hardware costs, employee costs, SG&A costs, rent/lease etc. I believe hardware and employee costs form the major portion of the company cost sheet.

Interviewer: Let us look into the employee costs.

Candidate: Sure sir. I would like to ask if some analysis has been done to assess if the client has optimum number of employees in the organisation basis the number of projects in pipeline.

Interviewer: The CEO communicated to me that there are 60 projects already in pipeline and they are falling short of bandwidth to complete them.

Candidate: Interesting, so to summarise the client has a pipeline of projects which it is unable to take up and it is also hurt by high employee costs. (*Thinking aloud*)

Interviewer: Precisely.

Candidate: Is the company able to deliver projects in time. If no, then there is some issue with the productivity of the employees.

Interviewer: Good! The client has faced significant delays in its project delivery.

Candidate: Sir, can I assume that manpower utilisation as the metric to evaluate productivity of companies in the sector? Also, I wanted to know if other competitors in the industry are facing a similar issue with delay in projects. If it is a client specific problem then by improving the utilisation cost per project can be controlled and more projects can be completed per year.

Interviewer: No, the industry is in its growth stage and there is no delay of projects. The productivity of our client is lesser than competitors and our client wants to know how they can improve the utilisation and churn out more projects annually. Yes, you can use the utilisation matrix to analyse the productivity.

Candidate: Sure sir. Do we have any information on the current productivity levels of the organisation?

Interviewer: I would like you to estimate that for me.

Candidate: Sir, I would need data on the # of employees in the organisation and the time required to complete each project.

Interviewer: Here is the data you need for the analysis.

He showed to me a sheet of paper with the below information.

	# of hours per project (S1)	# of hours per project (S2)	# of hours per project (S3)
Design	60	70	80
Development	60	80	110
Testing	50	70	70
Cost per hour	100	80	60
Team size	10	20	30
Projects completed in 2014	130	150	90

Candidate: Sir, couple of observations here - It appears that S1 is the senior-most class of employees since they are able to complete the same project in lesser hours. Also, the S1 class of employees seem to be much more efficient than the S2, S3 class. There is only incremental difference in the performance in the S2, S3 class of software developers.

Sir, I would like to ask if the employees are specialised in either of Design, Development or Testing. And the # of hours in the sheet given is the ideal time or the actual time taken by the employees?

Takeaway: HR cases can involve calculations too...

Interviewer: No, the employees are well versed with each stage of software development and all 60 of them can take up any task. Each project is allotted to either of S1, S2, S3 class of employee. Aforementioned gives the ideal time which an average employee takes to complete a project.

Candidate: Sir can I take a minute to calculate the total capacity of projects that can be completed by the employees given their performance levels. Based on the actual projects done, we can arrive at the utilisation level.

Interviewer: Sure, go ahead.

Candidate: Assuming 10 working hours for each day and 250 working days in a year, the total man hours available is 2500 per employee.

	S1	S2	S3
Time for 1 project (hours)	170	230	260
Projects per employee	~15	~11	~10
Ideal no of projects	150	220	300

% utilisation (based on completed projects)	90%	70%	30%
Total cost per hour	1000	1600	1800
Cost per annum(INR)	25 L	40 L	45 L
Overall utilisation	~60%		

Candidate: Based on the above calculations, it is clear that the overall utilisation of the company is hurt by the inexperience and under performance of the S3 class of employees.

Interviewer: So, what would be your suggestion to the company at this stage?

Candidate: I would give 3 recommendations to the company:

1. Invest in the training of the S3 class of employees to improve their efficiency and reduce the time taken by S2, S3 employees in completing a project.
2. Hire better talent through campus recruitments, job portals.
3. Allocate projects based on the competency of individuals to increase efficiency of the employees.

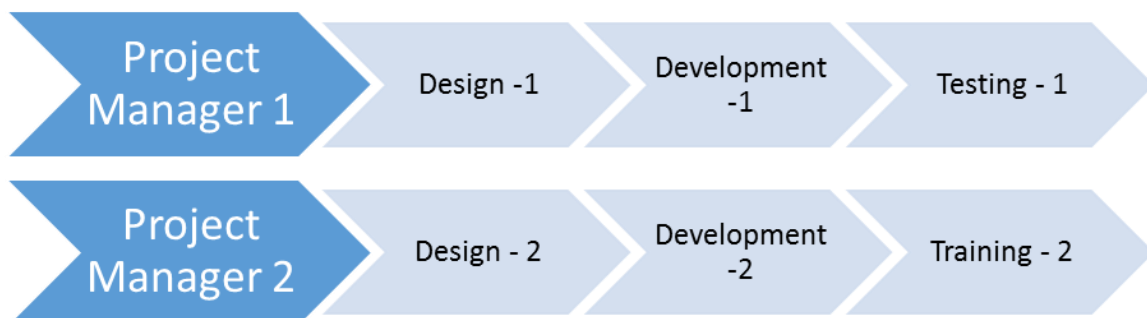
Interviewer: There has already been significant investment done in training & development of employees. What else can we do here? The employees are trained extensively in each aspect of software development.

Candidate: *thinking with a pause...*

Candidate: May be the company should switch from a project based model to a functional model whereas the employees are focussed in a particular stage of software development and develop a competence over a period of time.

Interviewer: Can you draw an organisational structure for the same?

Candidate: The organisation structure will be as drawn.



Based on initial evaluation and interest, the employees can be asked to involve only in either of Design, Development or Testing stage. Working on design of multiple projects for the same function would exponentially improve the learning curve of the S2, S3 employees thus reducing the time in which they complete their task. Also, the more experienced S1 employees can be utilised in the project management and they can oversee the effort of the developers involved in design, development and testing phase of a project. Job

enhancement based on experience would be an incentive for employees to work hard and perform better.

Interviewer: Thanks Ankur. You can wait outside.

Interview 2

Note: This case experience rather than practice should be taken as reference as to how to handle the situation when you are really grappling with the case

This one was with a Senior Partner in the firm in the practice area of Financial Services.

Interviewer: Good Morning Ankur, take a seat. How has the day been for you so far?

Candidate: Thank you sir! The day has been good so far. This is my second interview of the day and I think my first interview went well.

Interviewer: Okay. You have been editor to college magazines. Do you also write?

Candidate: Yes, sir I write sometimes however, mostly that is for my own sake. I kind of use it as a medium to give vent to my thoughts.

Interviewer: Good. Ankur, do you use a debit card?

Candidate: Yes sir. I do have a SBI card. I use it quite often.

Interviewer: And do you have other savings bank accounts apart from SBI?

Candidate: Yes, sir I have an account with PNB, however I do not use it that often.

Little did I realise that the case revolved around the above statement of mine.

Interviewer: Our client is a large PSU Bank and is losing out on profitability. We have been hired to solve the problem for me. They have currently 20 million savings/fixed deposit account.

Takeaway: Take very careful note of each and every data thrown at you.

Candidate: Sir, is this an industry wide phenomenon or only our client's profitability has declined?

Interviewer: No. Let us just focus on the client only.

Candidate: Sure. So, can I assume that the interest rates and CRR regulations etc. are same for competitors and there have been no major changes?

Interviewer: Yes, absolutely.

Candidate: Sir, since this is about profitability I would like to first look at the revenues and then the costs to understand what could be troubling the company.

Interviewer: ok.

Candidate: Sir, give me a moment to lay down the revenue and cost drivers for a bank.

Revenue	Cost
<ul style="list-style-type: none"> • Interest income • Commissions • Brokerage income 	<ul style="list-style-type: none"> • Interest expense • Loan defaults • SG&A, Utilities • Advertising • Employees • Insurance premium

Candidate: (showed him the paper), Sir these are the areas I would like to inspect to assess the profitability.

Interviewer: (little unsure...) Okay, let's go ahead with your approach.

Later I realised it was a cookie cutter not at all suitable for the context.

Candidate: Sir, I am trying to understand if the interest income from our investments/loans has declined or there is a decrease in the brokerage income in the past few years. This might have affected the company's bottom line.

Interviewer: I don't think that has been a problem for us. In fact, our loan portfolio has increased with the launch of the loan advisory portal.

Candidate: Sir, have the overall revenues declined over the past year or it has increased?

I should have asked this first before jumping onto the revenue drivers.

Interviewer: I think our top line has been steady. Look, Ankur I think the case is not really going in the right direction. Can you rethink about it!

I thought he is just trying to create pressure so wanted to complete the analysis of cost drivers as well.

Candidate: Sir, should I look into the cost drivers? I might find something there.

Interviewer: (almost uneasy....) Go ahead!

Candidate: Sir, has the default ratio increased, have we written off more debt this year than previous years?

Interviewer: Look Ankur, I think we have spent a lot of time and we are not really going anywhere. Would like you to take a deep breath and think of an alternative approach. If it helps let me tell you that the total money currently deposited lying in the savings bank account of the client is INR 5000 Cr.

Candidate: Okay... Can I take a minute to pause here.....

Though the interviewer was calm and supportive, I guess I was now under a little pressure (okay may be I was totally clueless and nervous as to what I should do!) I spotted the no of accounts opened written in the corner of the page and suddenly realised I had not used that information at all.

Candidate: Sir, INR 5000 Cr deposits and 20 million accounts that makes INR 25000 deposit per person.

Interviewer: (same uneasiness...) Ankur, are you sure of the figure!

Candidate: (*checking the math...*) Sorry, sir it is 2500 per person. Now that I am looking at this number, I think I completely went wrong on my approach.

Interviewer: okay! Now that you have realised that can you quickly tell me where we went wrong, what would be the new approach and what would be your hypothesis. We don't have much time left.

Candidate: Sure sir, I think I missed out on the customer perspective totally in the beginning and our how our services might have affected our old/new customer base. My alternative approach in that would have been to understand the various customer segments and see if we are losing out on our customer share either the existing ones or the new ones.

Interviewer: Customers is fine but you still haven't got it completely. What if I tell you that new customers are daily opening our account?

Candidate: In that case, as I calculated earlier INR 2500 per month means that they are not saving enough money in our bank. To further diagnose the problem, I would like to isolate accounts which have been dormant for more than a year. Some of the possible reasons for this could be:

1. Poor service as compared to competitors
2. Low Interest rates
3. Poor income of a certain set of customers
4. Alternate investment options for customers

Interviewer: Now we are talking sense. Can you also tell me how dormant accounts could be hurting the bank?

Candidate: Sir, this would happen in three ways:

1. This might hurt the liability side of the balance sheet of the bank. Less deposits would require the bank to look for alternate sources of funds for asset management.
2. Bank's liquidity and solvency would also be affected.
3. The bank would unnecessarily bear the cost of carrying dormant accounts.

Interviewer: Thanks Ankur. You can go now.

I was fairly confident that the interview could not have gone worse. The confident admission of wrong approach and laying down the alternate one would have been possibly my saving grace because I was asked for a third interview.

Takeaway: Do not lose temper and never let nervousness come on your face. It is not really necessary to crack the case, most of us don't manage that in 20-25 minutes. Important is to keep your calm, use your common sense and keep looking for hints from the Interviewer. Also, try to think aloud so that the Interviewer can steer you in the right direction if required.

Interview 3

After waiting for about 10 minutes, I was escorted to meet a Partner in the firm. I was told he was from IIM Bangalore and had recently made a Partner. Also, I was given a feedback that I need to buckle up on my quantitative skills and I was always mindful of that during the interview.

Interviewer: Ankur, Good to see you! Without wasting any time let us get to business immediately. Our client is a pharmaceutical major in and is looking to enter the snow melter

liquid chemical market in US. They need us to estimate the market size and how they should enter the market.

Candidate: Sir, to make sure I have understood the context clearly, our client is a pharmaceutical company and they are considering expansion into snow melter liquid chemical market in the US. I am required to estimate the markets size, analyse the current market players and decide whether to enter or not enter the market.

Interviewer: That's correct!

Candidate: Sir, if I may inquire any particular reason why they want to enter the market.

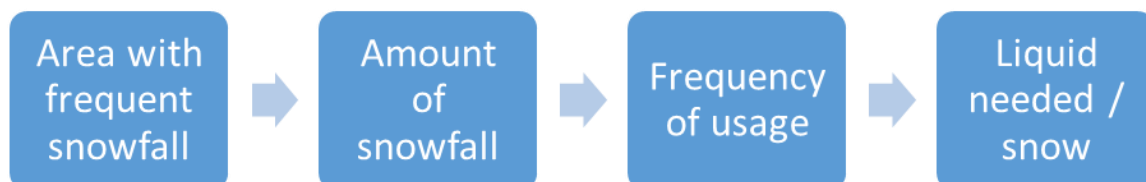
Interviewer: They think that there is a large opportunity in the market since the market share is quite fragmented, however they are not sure how big the opportunity size is.

Candidate: Okay. I would like to first like to take a shot at estimating the market size and then think of the business opportunity. I would like a moment please to jolt down.

Interviewer: Sure, go ahead and let me know what information you need.

A minute's pause...

Candidate: Sir, I would first understand the market area – regions where there is regular snowfall and the product is most likely to be used. Areas with scanty snowfall are less likely to use the product as the weather would self-clear the snow (*Demand side estimation*). Then, based on the average snowfall in these locations (thickness * volume) I would estimate the amount of snow that needs to be thawed. Based on the frequency of usage per year and the amount of liquid needed to thaw per unit volume of snow, I should be able to estimate the volume of chemical needed in the market. Please let me know if this approach is correct.



Volume of liquid needed = Area * snowfall amt. (height) * frequency (per annum) * Liquid /unit snow

Interviewer: Okay. How do we reach to an approximate area where it snows heavily?

Candidate: Well I am aware of approximate area of India and I would assume that USA is roughly 3-4 times our country's size. Further I would need a weather report indicating areas with above average rainfall.

Interviewer: So, can you calculate the area for me.

I knew it was coming!

Candidate: Sir, assuming India is a double triangle shaped body,

Area = $2 * (1/2 * \text{base} * \text{height})$.

Base = East to west length = 2500 km

Length = $(\text{North} * \text{South length}) / 2 = 1200 \text{ km}$

Area of India = 3,000,000 km²

Area of US = 10, 000,000 km²

Sir, do we have the reports or should I assume a fraction of the area would be our target market?

Takeaway: Due to paucity of information, you may have to take assumptions, however before assuming make it clear you know the real source of data. In some cases, interviewers do carry necessary reports and data.

Interviewer: Assume 70% area is under consideration. The snow is thawed 20 times in a region on an average, average rainfall is 100 cm and per unit (metre cube) snow 10 mL of liquid is required. Can you quickly estimate the volume needed every year?

Candidate: Sure sir.

$= 7000000 \times 1000 \times 1000 \times 1 \times 20 \times 0.01$

$= 7000 \text{ billion} \times 20 \times 0.01 \text{ litres}$

$= 1400 \text{ billion litres}$

Sir, what is the cost per litre of this liquid.

Interviewer: 6\$ per litre.

Candidate: Okay, that makes the overall industry roughly 10\$ billion in size.

Interviewer: You sure, the industry size is this big. Check for the zeroes.

Candidate: (Checking the calc. for moment) Yes, sir I think I am right.

Interviewer asking you to recheck your calculations can be either a check of your confidence or you might have actually fluked. In my case, I knew he was checking my confidence.

Interviewer: So, Ankur what is your understanding should our client enter into the market or not?

Candidate: Sir, I would like to understand the current distribution of players. Who are the major players and what is the industry growth rate?

Interviewer: The industry has 8-10 players currently and none of them have a share of more than 8%. There is not much happening in the industry, margins have also saturated.

Candidate: Okay. Interesting! I am trying to understand that given a fragmented industry, our client might want to consolidate its position and emerge as the market leader. However, I am bound to think otherwise given the industry has reached its maturity.

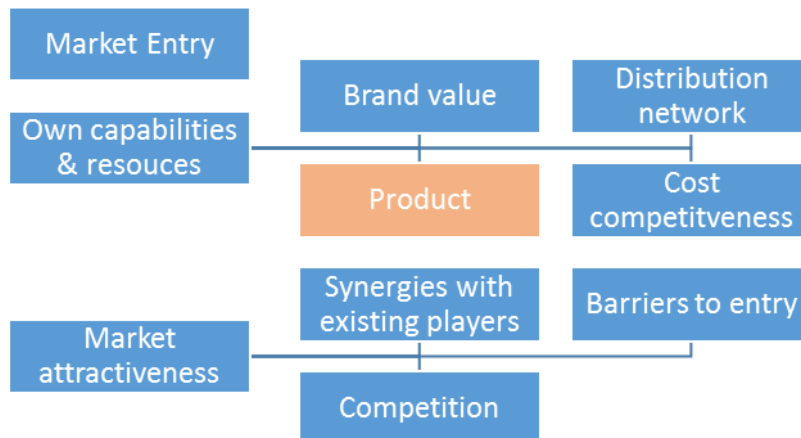
Interviewer: That is correct.

Candidate: Sir, I think I need to take a pause to assess if I have analysed the complete situation.

Interviewer: Sure!

Takeaway: Be prepared to apply frameworks in between of the case. In this situation, I had talked about the industry and the companies but forgot to ask about the Product because I did not propose any framework while discussing.

A possible structure to think about market entry could be as follows:



Candidate: Sir, I am trying to think why the company wants to enter the industry. Is the product that they are offering any different?

Interviewer: There you are, so our client has come up with a patented solution in an independent research which thaws snow using lesser amount and this would bring down the cost of thawing. So, given the scenario, how should the client enter the market?

Candidate: The client could either enter independently, acquire small sized players in the market, or do a joint venture with one of the major competitors. I would suggest given the inexperience of the client and the Industry and the strong R&D support, it would be better if the client goes into a Joint Venture with a couple of the existing local players using their B2B local distribution network and building strong product capabilities through its R&D focus.

Interviewer: Great! Ankur. That will be all. You can wait outside.

Kshitij Chaudhary

Interview 1:

I had heard that the interviewers generally start with some chit chat to reduce the candidate's stress level. This is generally true but in my case, the interviewer decided to directly start with a case. So one should be mentally prepared for this. The case was a profitability case for a hotel franchisor.

Interviewer: So Kshitij, I have gone through your CV. Let's assume we know each other and directly get started with the case.

Candidate: Sure. (It was a little unnerving to not get a chance to introduce myself)

Interviewer: The client is the CEO of a hotel franchisor with revenues close to \$600 mn. They are seeing declining revenues. The client wants us to find out why the revenues are falling and what can be done to revert this.

Candidate: (I confirmed the problem statement and then went on to get some information to understand the context better). I would like to ask a couple of questions before I begin to solve the case to understand the client and the context.

Interviewer: Sure Kshitij.

Candidate: Is the client the owner of a hotel who has taken a franchisee or is he the franchisor?

Interviewer: He is the franchisor.

Candidate: Where is the client located? And what kind of hotel segments are we looking at? I mean Budget hotels, 5 star hotels, 4 star etc.

Interviewer: The client is located in the USA and the franchise deals in budget hotels and the lower end of the spectrum at that.

Candidate: Thank you. Since when has the client been facing declining revenues?

Interviewer: 2-3 years.

Candidate: I would like to take a couple of minutes to structure my thoughts

Interviewer: Sure Kshitij. Take your time

Candidate: (I thought for a couple of minutes and then came up with a simple structure). So the revenues for a franchisor are a function of Average Revenue earned from a franchisee and the number of hotels it has signed a franchisee deal with.

(I drew the above structure and showed it to the interviewee).

Interviewer: Ok

Candidate: The revenues can decline if the average revenue per franchisee falls or if the number of franchisees signed fall.

Interviewer: That sounds right

Candidate: So have we seen a decline in Avg. Revenue per franchisee?

Interviewer: No

Candidate: So no. of franchises signed up with us must have fallen. Have we seen that happening?

Interviewer: Yes. Many of our hotel partners have decided to terminate the contract with us.

Candidate: Ok. So, now this can again happen due to three reasons. Either the market itself is not doing well. Or the hotel franchisees might be going independent. Or they might be switching to competitors.

Interviewer: We do see hotels moving to a competitor franchisor. What might be some of the reasons?

Candidate: The hotels are typically looking for more profits. They would like to take the franchisee of a chain which helps them get more profits.

Interviewer: That is right. So hotels have been complaining that they can earn **10\$ per room** more if they tie up with a competitor.

Candidate: Ok. Can I take a couple of minutes to think.

So revenue generated by the hotel is a function of the Avg. Price of the room, no. of rooms the hotel has, occupancy levels, number of days the hotel operates in a year and % revenue shared with the franchisor. No. of rooms and No. of days are not dependent of the franchisor that the hotel has signed up with. So, somehow the competitor must be able to give the hotels a better deal at Avg. Price and occupancy or they might be giving a better revenue sharing deal.

Interviewer: Good. Average Price and occupancy are related factors as you might have guessed. If Price is increased then occupancy will fall.

(After this there was a discussion on how the franchisor helps the hotels by training the managers on how to handle different booking portals such as Makemytrip. A more skilled manager may be able to go for better dynamic pricing on these portals leading to higher profits. So the problem was that the franchisor had a centralized training system for hotel managers. As a result the hotel managers missed a lot of training sessions as it was a hassle to travel far. The solution is to go for a decentralized training system).

Above are the offerings that a franchisor offers a hotel. Training was the issue in this case.

Interviewer: So let us do a simple guess estimate on this case. A training session costs \$200,000. In a centralized training system, 1 trainer can train 200 hotel managers in a session while in a decentralized training system, a trainer can train 50 hotel managers. Which one would be more profitable for the franchisor given that there are 5000 hotel partners with 100 rooms each?

Candidate:

Centralized training system: Cost is $1/200 * 200000 * 5000 = \5 mn

Decentralized training system: Cost is $1/50 * 200000 * 5000 = \$20 \text{ mn}$ but there will be additional revenue of $10\% * 10\$ = \1 per room per day (mentioned above that training can increase revenue for hotels by 10\$ per room per day. 10% of this is shared with the franchisor)

Additional revenue: $\$1 * 5000 * 100 * 300$ (Assuming that a room is occupied on 300 days in a year on average) = \$ 150 mn. Clearly, decentralized training system is more beneficial.

Interviewer: Good. The numbers are all cooked up but essentially we did a very similar calculation to recommend the decentralized training system to the client. Now suppose that you want to present a summary of your work today to the CEO of the client in 2 minutes. Can you take a shot?

Candidate: (I summarized the case going through the main points and assumptions)

(It was a pretty long interview, about 45 minutes. In summary, I was tested on structure, ability to handle pressure, quant skills and communication skills in just one interview)

Vishwas Sharma

Interviewer: Hi Vishwas, how are you?

Candidate: I'm good. Thank you sir.

Interviewer: Let's start with the case, shall we?

Candidate: Sure

Interviewer: Ok, so our client is a mining firm in South Africa, who are looking to improve their profits. Simple enough, right?

Candidate: Got it. But I would like to ask a few questions.

Interviewer: Go ahead.

Candidate: Since I am unaware of the general background of this market and the firm. Could you please tell me more on the market trends, market positions of various players etc.?

Interviewer: Sure. So the market is currently stagnant with a mere growth of ~1% YOY. There are many players in the market but no market leader. Each player has 7%-15% market share overall.

Candidate: Ok. Next I would like to have more information on our operations. What metal is it that we mine?

Interviewer: Assume it's Mica.

Candidate: Ok. Next I wish to know whether we own the mines or are we an intermediate player in the value chain. Could you please let me know more about what processes are we involved in?

Interviewer: Good question. So we own the mines ourselves. There are numerous processes involved in the business, which are as follows in this order: Drilling, extraction, purification, trucking, transportation and selling.

Candidate: Got it. May I ask if it is a B2B business model where we sell the extracted ores to other firms, or directly to customers?

Interviewer: Why do you ask?

Candidate: I ask because there may be some revenue side levers such as pricing, and cost side levers such as marketing etc. which may be explored.

Interviewer: I think we can safely ignore the selling efforts as a part of this case.
<This was a cue for me that the opportunity lies somewhere within the operations efficiency and cost structure of the firm>

Candidate: Please give me a few mins to structure my thoughts.
<I took a few minutes. Meanwhile the interviewer went out and came back with a cup of coffee. By that time I had drawn the typical cost structure and diagram of the value chain>

Interviewer: So Vishwas, where are we?

Candidate: Yes. So I would like to begin by analysing costs incurred in the value chain. I think that the operations efficiencies should be looked at first. There may be some fixed costs such as machinery, administrative costs, salaries, as well as some variable costs such as the manufacturing costs themselves like electricity, fuel, transportation, cleanup costs etc. Do you want me to look more deeply into these?

Interviewer: Ummm... That may be one way but let's start by analysing the value chain itself.

Candidate: Sure. Let me start with drilling and extraction. Are we using the most efficient processes designed to reduce costs?

Interviewer: Yes we are. Actually all of our processes are up-to-date with respect to technology.

Candidate: Ok. So then in order to enhance profits, is it possible to increase the extracted volumes by increasing the workforce or run-time for the mill?

Interviewer: Good point but no. Carry on.

Candidate: Ok. Next we have purification. Since you mentioned the technology is not an issue, is it fair to assume that purification processes will also be robust enough?

Interviewer: Ok. You can assume that.

Candidate: Alright. Next we come to the transportation. I would like to know how the extracted ore transported to the purification facilities. Is it through trucks? Also, in what form is it transported?

Interviewer: Yes. We used trucks. Regarding the form, it is just like any other rock or pebble form

Candidate: Ok. Next I would like to question the no. of trucks and their run-time frequency. Do we own these trucks as well? Or are they acquired on a lease basis?

Interviewer: Good question. So we have leased these trucks from a local contractor, on a fixed contract basis.

Candidate: Ok. Does it mean that he provides a fixed number of trucks per day etc.? Or it's a flexible limit?

Interviewer: The contractor provides his trucks to many other players in the market. Terms of the contract are the same for all.

Candidate: Ok. Then I assume it would be difficult to negotiate any different contracts. Next, regarding their run-time frequency, have we seen inventory pile-ups at extraction zones, because of delays in transportation?

Interviewer: Yes, that has been the case.
<That was the catch of this case>

Candidate: Ok. In that case, I believe that removing the inefficiencies in transportation due to over-reliance on the services of this external contractor can help us in generating more profits. I would like to advise the firm to either negotiate with a different contractor or buy their own trucks. Buying own trucks would be advisable in the longer run, to remove external dependencies.

Interviewer: Good. Any other suggestions?

Candidate: The firm may also look to revise the terms of contract to increase the no. of available trucks to get a higher run-time frequency, though it may be a difficult proposition.

Interviewer: Good. That would be all, thank You. All the best.

Candidate: Thank You.

GEP

Meenakshi Singh

What is the potential market size for cab services in Bangalore?

Sir, I would like to approach this problem by dividing the customers into two broad categories:

1. **Business Travellers:** Regularly use cabs for commuting to office
 2. **Leisure Travellers:** Book cabs for travelling to malls, restaurants hospitals (basically anywhere other than office)
- The demand of cabs for the former stays relatively stable over a workweek, whereas, it is variable for the latter category.

Business Travellers:

From my limited knowledge of Bangalore, I would like to divide it into 5 major business districts: Electronic City, Outer Ring Road, (BTM, JP Nagar, Jayanagar), Indra Nagar, Kormangala. Assuming the average no. of organizations in each of these areas is

Total Area of Bangalore	750 km ² (approx.)
Assumption	The 5 biz. dist. cover half of Bangalore's area
Average Area per biz. district	$750/2*5 = 75 \text{ km}^2$
Assumption	15 organizations per biz. district
Average Area per Organization	5 km ²
Population Density	Interviewer gave me some no. (X ppl. per km ²)
Assumption	40% of the office goers commute by cabs
No. of business travellers in Bangalore	$0.04*5*X$
Assumption	Every traveller books an individual cab
No. of cabs used for office travel	Same as no. of business travellers in Bangalore

The interviewer stopped me from continuing with the Leisure Traveller category. He later explained that he was expecting the answer to be in terms of the average no. of trips taken by the driver per day however, this approach brought in a fresh perspective.

NOTE: The panel is not concerned with the accuracy of the figures (The same is reflected very well from my intermediate figures😊): They want to understand if a candidate can break a bigger problem into smaller no. of structured problems. The logical flow of thought and a structured break-up of the problem is what they look in a candidate. Ensure that you confirm your assumptions with the interviewer, as and when you make them.

MCKINSEY & COMPANY

Issac Jojy

Interviewer: A bank is facing reduced customer satisfaction. Can you please tell me what could be the possible reasons?

Candidate: Is this a retail bank or a non-retail bank?

Interviewer: Retail Bank

Candidate: Can you please tell me how customer satisfaction is measured?

(Thinking – Always quantify the problem first. Do not jump into the solution)

Interviewer: We have been receiving a lot of complains in the customer feedback register placed near the Bank ATM

Candidate: Can I reduce the problem to customer's journey to ATM and out? Are you ok with that approach?

(Thinking – Always get the buy-in from the interview about your approach)

Interviewer: Yes that is ok.

Candidate: Can I take a couple of minutes to think?

Interviewer: Sure

Candidate: So these are the possible reasons I think could cause the customer to complain. (MECE) Are there any other elements to be considered?

(Get Interviewer buying again)

External	Internal
Car Parking - ATM location very congested	ATM Process - Complicated process - Bad User Interface
Outside Ambience - Dirty - Noisy	Ambience - AC not working - Smelly
Security Guard - Behavior	

Interviewer: No, this looks fine.

Candidate: So have four options. Do the customer complains show any trends in relation to these?

Interviewer: You can exclude the external parameters. I just wanted to see if you cover all options.

Candidate: Ok. Now I am going to proceed by restricting the scope to internal parameters only. Is that ok? *(Create a connection to solve the case collaboratively)*

Interviewer: Yes

Candidate: Do we have any data to show problem with any internal factor?

(Do not ask about particular aspect. First ask the data availability)

Interviewer: Ambience is not an issue.

Candidate: Then it looks like an issue with the ATM process. Can I drill down further on that?

Interviewer: Ok

Candidate: I need a minute to think please.

If I was the customer these are the 3 main steps I follow:

1. Insert ATM Card
2. Make transaction
3. Get cash

Is there any issue in any of them?

Interviewer: Yes getting cash is a problem.

Candidate: So cash availability should be the issue. This could be because of no cash or denominations.

Interviewer: Correct. A lot of times cash is not available and customers get an error. Give me some recommendations to solve this issue

Candidate: Can I understand what the current system in place is?

(Whenever you are asked for recommendations ask for current system in place to avoid repetition of solutions that might already be there)

Interviewer: The bank does weekly data analysis, based on which vendor replenishes the cash twice a week.

Candidate: Is the vendor putting in cash according to contract terms?

Interviewer: No he is not. He sometimes misses replenishing the cash.

Candidate: The following are the recommendations:

1. Get a new vendor
 2. Multiple Vendors so you have backups
 3. Ensure current system enforced by imposing penalty based contract
- Do you want me to think on other lines?

Interviewer: No these recommendations sound good. Thank you.

Ishita Kayastha

Interview 1

The first interview was with Noshir Kaka, the MD of McKinsey India, over a Skype call. It started off with him asking me to introduce myself. This went on for a good 5-7 minutes.

Interviewer: Let's give you a case outside your comfort zone, something you haven't experienced at all?

Candidate: Sure! I'm always up for a challenge.

Interviewer: There are 3 large companies in the IT space – say Cognizant, Infosys and Igate with annual turnovers of \$8.5 bn, \$6.5 bn and \$2 bn respectively. They service large banks for technology systems. Their sales productivity figures are \$16 mn, \$8-10 mn, and \$6-8 mn. What is causing this difference in sales productivity? Why is one company able to get twice as much?

Candidate: Firstly, how is sales productivity calculated? Per person or per hour of work?

Interviewer: Sales Productivity = Revenue/ Salesperson

Candidate: Okay. Since I have no prior knowledge about this sector, I would like to know a little more about the functioning and revenue models of these firms.

This conversation went on for a while, and I asked him basic questions about IT services. Realizing that this would take a little time, he decided to change the case question. I kept remained calm.

Interviewer: What sector would you be prefer?

Candidate: Anything that I have been exposed to would be fine – Retail, Hospitality, Tourism

Interviewer: Okay, let's pick a retail case.

(At this point, someone walked in to the room to tell us that time was up. The interviewer asked for 5 more minutes)

Interviewer: Zara has been experiencing a 2 – 5% loss of sales in India over the last year. What could be the possible reasons? You have 2 minutes.

Candidate: I can think of 3 possible reasons, from the time of manufacturing to the time of purchase by the customer. First - customization of products for the Indian consumer. They need to have the right styles and colours, that will appeal to the Indian market. The fit of the garment and sizes need to be tailored as per Indian requirements. Second – Availability of products. This will depend on the method of procurement, i.e. whether products are manufactured abroad and shipped to India, or manufactured in India and distributed within the country. Third - management at Zara stores. There should be uniformity across the country. Bad management in a particular city or circle could be the reason for drop in overall sales.

Interview 2

The second interview started off with brief pleasantries, and chit-chat about how the first round went, after which we started off with the case.

Interviewer: There is a Telecom company in the Philippines, in South East Asia. It has done well in the past, growing at a rate of 5-10%. However, it has stagnated in the last 1-2 years.

Candidate: Firstly, is it a Telecom Infrastructure company or Service Provider? And is this the company's primary source of revenue?

Interviewer: Service Provider. Yes, it is the core business.

Candidate: I would like to break this down into external and internal factors. External factors would cover the overall environment of the Telecom industry in Philippines, while internal factors are more specific to the company, such as revenue streams, pricing, and customer segments.

Interviewer: Okay, go on.

Candidate: I would like to know if other competitors are experiencing the same problems. If so, it could be an industry wide-problem, which can be attributed to external factors.

Interviewer: Yes. The market has declined. What could be the reason for this?

Candidate: I would like to explore this in the following aspect:

Demand	Supply
Changes in macroeconomic environment leading to decrease in purchasing power Sudden shift in consumer demographics – lesser people using telephone services	Increase in the number of competitors Government regulations imposing restrictions on service Substitute services entering the market

Interviewer: New competitors have entered the market. The government has banned promotions. There has also been a trend towards mobiles, with fixed lines decreasing.

Candidate: Okay, and are these competitors local or international companies?

Interviewer: Local.

Candidate: I would like to look along the following lines:

- Product – Do new competitors offer better network coverage, more packages and VAS
- Service – Better customer service? More payment options?
- Pricing – Are they priced lower?

Interviewer: The new entrants are offering services at a 20% discount.

Candidate: That would force the other companies to lower their price, leading to Price Wars. As a result of this, the industry is declining. Our client is experiencing stagnation due to declining market share and revenues due to the low prices.

Interviewer: Good. How can they now improve their position?

Candidate: With such low prices, competing on prices is difficult. Thus, the company should aim to differentiate itself.

- Provide incentives to customers through long-term contracts
 - Tie-up with companies like Apple (phones sold on discounted prices only on specific network)
 - Acquire a smaller telecom company with different reach
 - Increase Value Added Services, Online features.
-

Karthik Krishna

<Opening chat for a few minutes - we got on quite well and it helped. If you have the right rapport and attitude interviewers are happy to help you along! 😊 >

Interviewer: We are short on time, so let us jump into the case. There is a public sector bank, which is facing service issues in its branches. What will you do?

Candidate: What sort of complaints is the bank facing?

Interviewer: Long waiting time at the branches

Candidate: Are the number of customers of the bank comparable to other similar sized banks?

Interviewer: Yes customer size is comparable but service is bad.

Candidate: *(Thinking that I need some more context)* Can I understand the bank location and the customer profile?

Interviewer: It is a typical branch in a city. Assume that the customer profile at a branch is similar for all banks.

Candidate: *(Thought I had enough to visualize the problem, so done with opening questions)* Could I have a minute to think about it? *(Thinking)*

I have some possible reasons that could lead to bad customer service:

1. Bad processes as compared to other banks
2. Poor computer systems or technology
3. Poorly trained staff
4. Complicated branch layout

Interviewer: The reasons you have given are good but none of these is the problem as these are all standard in the banking industry

Candidate: OK ... *(Realized that I had obviously not understood the problem yet)*... I want to take a step back. What are the customers complaining about?

Interviewer: *(Looking more attentive)* that it takes them a long time to get anything done at the branch.

Candidate: *(He just repeated the same thing from earlier – from this and non-verbal cue I got the sense that I should probe better)* Is it the time required at the teller window which is long?

Interviewer: No.

Candidate: So it is the footfall that is higher as compared to the other banks!

Interviewer: *(Smiling)* Yes. Why do you think that is?

(Was thinking that I could have structured this more eloquently into the previous question itself.

Total Wait Time = Time per customer X No. of customers, or something like that.

“Damn It!”

Candidate: *(thinking hard...silently!)*

<While writing this now I realize that I choked because I wasted time self-evaluating during the interview.>

Interviewer: *(Prompting me)* What are the different ways banks serve customers?

Candidate: Oh... Maybe the other services are not so good so people are forced to visit the branch. For example, online banking and phone services – are they comparable to other banks?

Interviewer: No, not many customers use the online services. Why do you think that is happening?

Candidate: Maybe it's a technology-related issue, or not enough advertising, or the processes are too cumbersome?

Interviewer: Let us look at the technology, how will you solve that? Why do you think people are not using the online platform?

Candidate: Maybe it's not user-friendly?

Interviewer: That can be fixed, what could be a more fundamental reason? ... Do you use online banking?

Candidate: Yes.

Interviewer: Do your parents use internet banking?

Candidate: Hardly. *(Could not figure out where we were going with this...beginning to panic)*

Interviewer: Do your parents use Flipkart?

Candidate: Yes ... but Flipkart started with cash on delivery and eventually built trust. ... *(I was wondering whether he fed this to me! Thank you, kind Sir. Meanwhile, interviewer is looking at me like “So...?”)* So, here the bank's customers are yet to trust the security of the online services. The bank will need to strengthen security measures and ensure that the customers are aware of its online services and that they are secure.

Interviewer: *(Big smile)* OK. We are out of time. Can you quickly synthesize our discussion?

Candidate: A public sector bank is providing poor customer service because too many customers are visiting its branches in person. The main reason for this is that their online

platform is not being used by their customers as they do not perceive it to be secure. Therefore, there is a need to strengthen and communicate the safety of their online platform.

<Didn't think I synthesized it too well. Came out wondering whether I botched the whole thing up. But it was slightly rushed was it not? And the interviewer was smiling a lot at the end, so maybe I did OK?

This is typical mental chatter going on at this point. It never helps! 😊

Mohit Aggarwal

Interview 1

Interviewer: Tell me about yourself in not more than 2 sentences

Candidate: After graduating from IIT Delhi, I worked with Citigroup Markets in Mumbai and London for three years. I have been actively involved in social entrepreneurship in the education sector for the last 7 years and would like to go back to social entrepreneurship after a couple of years' experience in consulting.

Interviewer – If I look at your resume, it looks like you are lying!

Candidate: What????

Interviewer: It nowhere says you have worked in London!

Candidate: Can I please take a look?

This is not my resume! This is the other Mohit Agarwala from our batch!

(All sorts of questions were flashing in my mind. Did they shortlist the other Mohit? Am I wasting my slot 1 here? In the meantime the interviewer figured out that they somehow got the wrong resume and indeed, I was the one they had shortlisted. He tried to calm me for a couple of minutes after this fiasco. The point is irrespective of whatever happens don't lose your calmness!)

Interviewer: Shall we start the case? It is a very simple case.

Candidate: Sure

Interviewer: My client is a telco player in Middle East and the profits have been declining for the last two years.

Candidate: Just to ensure that I got the problem, we are looking for the reasons for decline in profits of our Middle East Telco client.

Interviewer: Yes

Candidate: Before starting the case, I would like to get some more information about the market and the player. I will first seek information for the external environment and then go to internal environment.

Interviewer: Fair enough. Go ahead

Candidate: How is the overall market doing? How has the trend been over the years for the industry overall?

Interviewer: The demand has continued to rise at a steady rate. The market seems good.

Candidate: Is the market very fragmented or concentrated? Who are our competitors and how are they doing?

Interviewer: There are quite a few players in the market. In general all the players have taken a hit in the last few cycles.

Candidate: Ok! So, the market demand is overall good and still the players are losing profits. Is there any particular segment in which telco players are losing money – calls, internet, VOIP etc.?

Interviewer: No, they are losing money in all the segments.

Candidate: Ok! So almost everyone in the market is losing money in telco business though the demand is not decreasing.

(Repeating the statements helped the interviewer understand my line of thought and gave me time to think of the next step)

Candidate: There can be two plausible reasons 1) Prices are in general decreasing and 2) The costs are increasing, ceteris paribus.

Interviewer: Indeed the prices seems to be decreasing. What can be the reasons for this?

Candidate: I will list down a couple of points and then we can go into details of any of those. Can I take a couple of seconds to list down the points?

Interviewer: Sounds good.

Took 30 seconds break

Candidate: 1. Number of customers are same but people are switching to cheaper products like VOIP, internet rather than calls

2. Competition in the industry is increasing

3. There is a price war going on in the industry

(Cut- in between by the interviewer)

Interviewer: Bang on!

OK, Can you elaborate a bit on point 2 and 3?

Candidate: 1) Given that you mentioned there are quite a few players in the market, most of them would be trying to undercut each other.

2) The industry seems lucrative in general, because of which a lot of new players are entering the market.

3) There have been changes in Government regulations because of which barriers to entry have reduced.

Interviewer: Good job. Thank you

Interview 2

Interviewer: *(Looking at my resume)* All good Mohit?

Candidate: Yeah. By the way this is not my resume. Here is the correct copy.

Interviewer: This is the one we shortlisted. Don't know how did this happen. Apologies

Candidate: No problem

Interviewer: I don't like to get directly into a case, but given the paucity of time do you mind doing a case? Actually, it is not a case. I am meeting a CEO day after tomorrow and would just like to have your inputs for my meeting.

Candidate: Sounds interesting.

Interviewer: I am meeting a CEO of a big FMCG company. Everything is good, apart from the fact that the CEO is taking a lot of time in decision making. I have to advise him on what should he do.

Candidate: So, the company is doing well financially. The right decision do get taken, but the decision making process takes a lot of time. Is that what is happening?

Interviewer: Yeah, the company is financially doing well. The problem is with the CEO. The overall decision making process is fine.

Candidate: OK! As the problem looks quite open-ended, can I ask you a couple of question to get more info about the case?

Interviewer: Shoot

Candidate: Is the problem with all the decisions the CEO makes – including the ones he decides on his own and those that are made by his subordinates, which only requires a green signal from him?

Interviewer: Almost everything.

Candidate: *(Not sure how to start and trying to take time)* So the decision making process is fine and the CEO is a problem. Can you tell me a bit about the CEO – his education background, his past experiences, how is he as a person?

Interviewer: Education background is irrelevant. In term of work, he has been in FMCG industry for the past 34years and know in and out of the industry. He is very highly respected in the industry and has joined our client a year back.

Candidate: Cool. So has his performance been like this even before or just after joining our firm?

Interviewer: He was really good in the old firm. He takes a lot of time in this firm. Give me five reasons for this.

Candidate: 1. He is not yet accustomed to the systems and processes of the firm

2. Cultural mismatch 3. He wants to live upto his past record and is being over-cautious.

Interviewer: Lets discuss more on points 3 and then 2.

Candidate: Ok, for point 3) He doesn't want to take any wrong decision and thus wants to double check each and every thing he and his subordinate are doing – someone like Bezos.

Interviewer: and point 2

Candidate: I will list a couple of points for this 1) Atmosphere: Very fast moving vs laidback culture

2) Organisation structure: Highly mechanistic vs organic

3) Trust: There was very strong trust culture in his previous organization. May be in the current organization there are norms like that every decision needs to be passed by a senior or something like that

4) Coordination: Lack of co-ordination between different departments.

5) Failures may not be taken very negatively in the previous organization – something like Google

Swapnika Nag

Interview 1

[The interview was supposed to be a video conf., but due to connectivity issues happened on a call]

Interviewer: Hi Swapnika, I'm Kshitij – a partner with the McKinsey Gurgaon Office.

Candidate: Hi Kshitij

Interviewer: So, have you had any interviews before this?

Candidate: No, it's the first interview of the day.

Interviewer: Good. Tell me a little about yourself.

[Talked a little about my background – college, work-ex etc. He was quite interested in the pharma consulting experience in ZS– hence the pharma case.]

Interviewer: So Swapnika, let's start with the case. Say a new player wants to enter the US pharma market – how should the company proceed with the same?

Candidate: Understood. Do you mind if I take a few minutes to jot down some thoughts?

Interviewer: Sure.

Candidate: I solve all my market entry cases in the following way :

1. Understand the objective of our entry – geographical expansion?, profitability?
 2. Divide the structure into - *Should we do it ? & How should we do it?*. The first is to understand if the market is attractive & the next is the implementation strategy
 3. Should I do it – This is further subdivided into - Attractiveness, Expected Returns, Feasibility/Risks, Synergies
- Attractiveness – Understand *Customer segments* (size of segments, customer trends etc), *Frequency & Volume* (durable/non-durable good?), *Influence factors* (affordability, awareness, pre-requisites etc)
 - Expected Returns – Would the product be profitable?

- Feasibility/ Risks – Further divided into *Internal*, & *External*.
- Internal - Impact on current products (cannibalising?), Manufacturing capacity (is there enough to handle new markets?), Finance (are we funded properly?), Technology (if tech heavy, do we have the expertise?)
- External – Market (are there any entry barriers?, what is growth, size & life cycle of the market?), Competition (how heavy is competition?, how is their product different? etc), Substitutes/Complements (does our product have any substitutes/complements), PESTLE (Political, Economic, Social, Tech, Legal & Environmental issues if any)
- Synergies - Are there any synergies with my existing markets, distribution or products that can be exploited?

4. How Should I do it – Address risks, Exploit synergies, Entry Strategy (Quite extensive again – wasn't discussed in the case)]

Candidate: Kshitij, is the company still gauging the attractiveness for entry, or has it decided on entry & is looking for an implementation strategy?

Interviewer: *Let's say it's still gauging the attractiveness. Can you take me through the structure you have in mind?*

Candidate: Sure, this is how I'd go about it [took him through all the steps of the “*Should we do it?*” part, highlighted below are the points he really liked]

1. (While discussing customer segments) For an organized market like US, the customers for a pharma company are doctors, & not the patients directly. And a doctor's prescriptions are heavily influenced by the insurance companies. Insurance companies cover the cost of some drugs fully, some partially & don't cover the cost of a few. So it is essential that the tie ups with insurance companies be strong for the drug to take off

2. (While discussing the L of PESTLE) Another important feature of US pharma markets are the price caps on certain drugs. If the client's drug falls in the category, then the profitability could take a hit. Have to keep this in mind.

Interviewer: Thanks Swapnika, you did well.

Candidate: Thanks Kshitij, hope you have a good day.

[P.S - Not all parts of a structure are relevant to all cases. Use your judgement for the same]

ROLAND BERGER

Sumedh Vidwans

Interviewer: Our client is an airline who is making a decision on whether to introduce paid in-flight Wi-Fi or not. How would you go about making this decision for the airline?

Candidate: Ok, so the answer will depend upon different factors: country in which the airline operates, domestic or international operations, low-cost and full-service. Shall I make assumptions and move forward?

Interviewer: No, you ask me questions and I will tell you the required information

Candidate: Ok. Is this a low cost airline or a full service airline?

Interviewer: Umm, this airline is still in the planning phase, they could go either way.

Candidate: Ok, do we know if they will be based in which country and will they be domestic or international?

Interviewer: Yes, they will be based in India and they will be running domestic flights only.

Candidate: Ok, are they going to be focused on metro cities or smaller cities?

Interviewer: Mixture of both.

Candidate: What will be speed of the Wi-Fi and will there be any download limit?

Interviewer: As fast as your home internet, no download limit.

Candidate: Will it be based on satellite or based on a carrier (Vodafone / Airtel) or some other technology?

Interviewer: It is not decided yet.

Candidate: Okay. Can you give me a minute?

Interviewer: Sure

(After a slight pause)

Interviewer: Remember it is about paid Wi-Fi

(This was the interviewer giving hint to me. I was focusing on Wi-Fi not so much on the paid part).

Candidate: Okay, how much will be the per hour charge?

Interviewer: Okay, we have some data for this, we know it will charge 100,000 INR per hour for this system to run.

Candidate: Okay, thanks for giving me the variable cost. What about fixed cost of the equipment and hardware to be given?

Interviewer: Don't worry about fixed cost

Candidate: Ok. Can I assume that the number of seats on the plane are about 180 as is the case of most Indian carriers – 30 rows x 6 seats?

Interviewer: Yes.

Candidate: Ok, then even if we consider a best case scenario of all seats being filled and all passengers decide to avail the service, then the cost per passenger per hour will be almost Rs. 520.

Interviewer: Ok, what is your conclusion based on this number then?

Candidate: I think the cost is prohibitively expensive. Most of India domestic flights are about 2 hours. Few are about 2.5 hours. I think there is a very small segment of people who will feel the need to check their email in that 2.5 hours. Most people will be ok with using their mobile data packs before and after the flight. Also, the cost of Rs. 520 is assuming a best case scenario. In a more realistic scenario, the cost will increase even more.

Interviewer: So, in what scenarios will such a system likely succeed?

Candidate: I think on longer duration flights, say 6 hours or more, more people will likely avail such a service. Also, the type of planes used for such long flights are also bigger and hence cost will also reduce per passenger.

Interviewer: Okay thanks, you can go have your second round interview now.

STRATEGY&

Utkarsh Rustogi

Case 1:

Interviewer: (breaking some ice) How have you been since morning? How many interviews have you faced till now? How was your first interview?

Candidate: It has been all pleasant. Hope this one goes well too.

Interviewer: Let's start with your case for today. Let's say we have to set up a new airport in Bangalore. What is the estimated number of parking spots that would be required?

Candidate: Looking at the current space availability in the city, I think the new airport would be located outside the city and it would take about 1 hour to reach the airport from the city. Also, assuming that the airport is of the same size of the existing airport, it would be handling about 350 flights in a day. Are these assumptions correct?

Interviewer: Yes, please continue.

Candidate: With 350 flights per day and about 160 passengers per flight, the airport will serve about 56,000 passengers per day. Among these 56,000 passengers, I would assume 70% of the passengers to require taxi services, 20% passengers to have their friends and families drop them off and the remaining 10% passengers to be travelling on a day trip to keep their cars in the parking. Also, I would assume that the flight arrival and departure are uniformly distributed.

Interviewer: Looks ok. Go on.

Candidate: First I would like to estimate the parking requirement from taxis. 70% of 56,000 is about 39,000 people which translates to about 1600 passengers per hour. Let's assume that out of these 1600 passengers, about 600 people will share a cab with 2 people per cab, 150 people with 3 people per cab and the remaining 850 people with single person per cab. This takes the total cab requirement to 1200 cabs per hour. Day trip passengers would account for another 230-250 cars. Hence, total parking required would be for about 1500 cars.

Interviewer: Sounds good. Let's stop here.

Case 2

Interviewer: For every student that gets placed, IIMB charges a price and on differential basis. How are the prices decided?

Candidate: Well, the institute provides a lot of services to companies during the placement time. It provides for rooms and infrastructure, basic necessities such as tables, chairs, water bottles etc. It also takes care of refreshment needs of the recruiters.

Interviewer: Do you know how much the institute charges for every student placed?

Candidate: it's about 1 lakh per student selected on Day 0.

Interviewer: Do you think that amount is justified over a set of chairs, tables, rooms and refreshments?

Candidate: No sir, but the institute must also look at how competing institutes charge for their students. I would expect Ahmedabad and Calcutta to also charge similar amounts.

Interviewer: But why is there a differential pricing?

Candidate: Well sir, it is believed that the students who get placed on day 0 are better in comparison to the ones that are left out. Hence the institute charges a premium to the companies based for the privilege of hiring earlier.

Interviewer: Yes, this sounds logical.

CASE INTERVIEW EXPERIENCES – SUMMERS 2014

CONTRIBUTORS' PROFILES

Name	Company	Graduation		Work Experience		Resume Spikes	
		Branch	College	Company	Duration (months)	One	Two
Venkat Iyer	AT Kearney	CSE	NITK Surathkal	Goldman Sachs	11	PORs	Extra-Currics
Akanksha Trigun	Bain & Co	Electronics Engg.	IIT BHU	Nvidia Graphics	22	PORs	Awards
Ekansh Nayal	Bain & Co	Electrical & Electronics	BITS Pilani	KK Birla Group	10	Acads	Awards
Saumya Misra	Bain & Co	ECE	NIT Bhopal	BHEL	24	PORs	Extra-Currics
Ankit Agarwal	BCG	Electrical Engg. (Dual)	IIT Delhi	NA	NA	Int. Internships	Well rounded
Gireesh Gera	BCG	Industrial Engg.	IIT Roorkee	Nestle	24	Acads	Work Ex
Jincy James Patrick	BCG	Civil Engg.	NIT Trichy	Mu Sigma	12	Extra-Currics	Acads
Loveenia Gulati	BCG	Civil Engg.	PEC	CH2M Hill	36	Work Ex	Acads (M.S.)
Amit Rao	Booz & Co	Mech. Engg.	NITK Surathkal	Mahindra	22	PORs	Work Ex
Kumar Dhruv Soni	Booz & Co	Electrical Engg.	IIT Bombay	Ericsson R & D	11	PORs	Awards
Vinit Gawande	Booz & Co	Electrical Engg.(Dual)	IIT Bombay	Halliburton (26), Schlum. (24)	50	Int. Experience	Publication
Karthik Ram	Deloitte	BBA	Symbiosis Pune	KPMG (13), TFI(23)	36	PORs	Awards
Ranjani Rajagopalan	Deloitte	Biotech.	NIT Warangal	Wipro Tech	22	DAAD Schol.	Work Ex
Sujitha Paramasivan	Deloitte	Information Technology	Coimbatore Institute of Tech	Mu Sigma (12), Dell(23)	35	Acads	Awards
Akshay Goenka	McKinsey & Co	Chemical Engg.	BITS Pilani (Goa)	Wells Fargo (12), Oracle (24)	36	PORs	Work Ex
Rupali Jain	McKinsey & Co	Commerce	SRCC	Deloitte	9	Awards	PORs
Sonali Jain	McKinsey & Co	Commerce	SRCC	Deloitte	9	Awards	PORs
Vivek Yeliseti	McKinsey & Co	Electrical Engg.	IIT Delhi	Schlum. (8), Auronova (13)	21	Awards	PORs
Soumya H.	Roland Berger	Architecture	NIT Trichy	L&T Const.	22	Work Ex	Awards

AT KEARNEY

Venkat Iyer

Interview 1:

[The interview was a guesstimate problem and the interviewer was a Manager with the firm]

Interviewer: Let's get started, we'll do a market sizing case. I want you to predict the market size for premium biscuits in India.

Candidate: I would like to get a clearer understanding of the problem at hand before I start. Should I solve for market size in terms of monetary value or number of consumers?

Interviewer: Let us solve for the monetary value of the market say for a month.

Candidate: I am assuming that by premium biscuits is any biscuit which costs more than Rs. 30 per pack. Is this a fair assumption?

Interviewer: Yes, go ahead.

Candidate: I would like to segment the population based on rural/urban divide. Then segment based on income of the households and then based on age distribution

Interviewer: Alright, sounds good, go ahead.

Candidate: The population of India is approx. 1.2 Bn, with a rural urban divide of 70%: 30%. I would like to focus only on the urban population and neglect the rural population for the problem at hand.

Interviewer: I don't think you should completely ignore rural population. Let's say 2% of premium biscuits are consumed by the rural population.

Candidate: After this, I would segment by income into 3 buckets. (up to 1Lakh, 1-10Lakhs and 10+ Lakhs) and this split up is approx. 15%, 75% and 10%.

Interviewer: This is not exactly true, but go ahead.

[At this point for each income group, I got the number of Indians who fall under each group for urban, and there was the 2% for rural]

Candidate: I would like to do an age profiling of the Indian Population. The population distribution of India is like the shape of an inverted funnel. Can I go ahead with this? *[He*

corrected me saying that it isn't exactly like an inverted funnel, it is wider for the younger ages and tapers quickly as the age becomes greater than 30-35.]

I made a tree with three levels, segmented the population and calculated how much of premium biscuits each of the segments would use and the rate of consumption using necessary assumptions. What he was trying to test here was the structure of the approach and what all aspects I considered. He didn't have any idea of the market size for premium biscuits either.

[Takeaways: Be methodical, explain each step and correct them if he mentions so. Listen carefully to what the interviewer says, they always speak something useful. Be neat with the approach and quick with numbers.]

Interview 2:

[The interview was with another Manager of the firm. It was very open ended.]

Interviewer - If you were the CM of Karnataka, tell me a 3 bullet point agenda of what you would want to change. *[The interview was more focused on me having to defend whatever stance I took]*

Candidate: I request you to give me a minute to think about this. (Later) My three point agenda would be improve the healthcare situation in the state: in the line of what Jayalalitha had done for TN. Second, provide better agriculture/irrigation equipment/financing, etc. facilities to the farmers. Thirdly, speed up infrastructural changes and proactively improve on them on a speedy basis.

Interviewer: These are good points. But why not boosting the IT services industry more since that is the prime business in Bangalore? Also, I think a very pertinent issue is that of corruption. Do you think this should not feature in your agenda?

Candidate: I feel that the IT services industry is already very prominent in Bangalore and things will expand on its own with companies wanting to set up offices in Bangalore. And IT services is predominantly urban, I took a more holistic stance for the state as such. Secondly, I totally agree to your concern about corruption. It is something that cannot be eliminated completely with me being the CM. I can enforce certain check points but people will definitely find ways around it. When you asked me the questions, I thought of implementable issues and prioritized them. Corruption came to my mind too.

[The rest of the interview was just debating about the issues that he raised and the ones that I did. I hadn't thought that such an interview would happen, but must say was better than a regular case interview.]

Interview 3:

[Again not a regular case interview. Tell me about the current state of the global economy. It was a 20-25 min discussion on different countries and the problems facing the global economy at that time.]

BAIN & COMPANY

Akanksha Trigun

Interviewer: So here is a problem I faced recently. A client who is a big 'women apparel' retailer came to us with this margins problem. They saw a constant sales growth but there was a cost problem in the retail side. How would you look at the problem and identify it?

Candidate: Well, first I would like to understand more about this retail chain. Where does it operate what does it specifically sell and what is the retail side model.

Interviewer: What do you want to know first?

Candidate: Please tell me about the geography of operation and the products.

Interviewer: Ok. They are a chain in the USA, they sell women merchandise and they are present in the entire country.

Candidate: Do we sell only through our own stores or we display in other super markets?

Interviewer: Good question. But let's just assume that we ONLY sell through our stores.

Candidate: Ok! I would take a minute and think through this.

[I understood that he wanted me to look at the cost side of things. So, I made a cost breakup structure of fixed and variable costs. Listed down the few fixed costs like Land lease,

electricity, machinery, design, sale, salaries and a few variable costs like raw material, transport, etc. The interviewer was constantly studying my drawings]

Candidate: Ok, to look at where we are losing money more than usual I would look at these cost components.

Interviewer: I would want you to concentrate on the salary part of it.

Candidate: Perfect! [*I sensed that he wanted me to ask questions now*]. So, first, I would like to understand the structure of the retail side of this business as in where all do we pay salaries. The few things that come to my mind are – the retail shops service staff, maintenance staff. I would want to go a level up in the value chain and understand the salaries that we pay.

Interviewer: Ok, So there are 4 layers in the value chain. The regional sales heads (4), divisional sales heads (10), territory heads (16), shop sales heads (60).

[Drew a pyramid like structure to show hierarchy at each level]

Candidate: Do we have data about the salaries at each level?

Interviewer: Yes. Regional sales heads (\$350), divisional sales heads (\$300), territory heads (\$280), shop sales heads (\$100)

Candidate: [*drew the salary cost incurred at each level*]

Regional Sales head	1400
Divisional sales	3000
Territory sales	4480
Shop sales	6000

I see that the Shop and territory level salary expenditure is higher. I would look at this part.

Interviewer: How would you look at it?

Candidate: Well I would try to determine if these are fair. To do that I would like to see how the competitor in similar business is doing? To compare efficiencies I would look at ours and their revenue per head. I would make my processes lean and I would also asses why I need so many levels of sales personals. Maybe prune out the layer which do not add value.

Interviewer: Indeed, in the real case we looked at the competitor and saw that they had 5 people manning per store were as we had 6 people manning each store. What would you do with this information then?

Candidate: Then I have zeroed in on the problem. The problem could be in the efficiency or in the training. I would analyze why we needed six instead of 5 in the 1st place and asses my capabilities in training my employees, number of hours they put etc. I would look and see if the customer volume we handle is the same, more or less and take appropriate actions.

Interviewer: That's good. Thanks! Can I hold on to this sheet you have been working on?

Candidate: Sure! Pleasure meeting you.

Ekansh Noyal

Caselet 1: HP is our client which is a major player in the laptop business in the US. Currently, it largely depends on laptop sales for its revenues. An average user in the US replaces his/her old laptop in 4-5 years. However, the company has information that due to voltage fluctuations, improper handling and other such reasons, the consumer demand for servicing and spare parts is increasing. It is also known that only 5% of HP users contact HP for repair services. Others prefer to go to local service centers.

Interviewer: Could you list the types of repairs/services a user could need?

Candidate: Sure sir. I would first categorize the repairs/after sales service into: software and hardware.

I could further categorize them as:

Hardware – Service post accidental damage, Replacement of malfunctioning parts, Service post damage due to overheating/power fluctuations

Software – Antivirus related issues, Software freeze issues and issues related to software activation

Interviewer: In which of the two types of services mentioned do you think the profit margins would be higher?

Candidate: I believe the margins are higher in software services. Because once completed, the software only requires periodic updates. A small team of software experts work on it and capital investments are low compared to the hardware end. Moreover, I do not believe HP manufactures all the laptop hardware pieces and the share of 3rd party vendors would also eat into the hardware profit margins.

Interviewer: Can you think of any other reason why software services would be convenient and profitable for HP?

Candidate: Sir, many of the software related issues can be handled online by trained servicemen using technologies like remote desktop connection, skype etc. For this reason software services could be more convenient for HP.

Interviewer: Yes, that is right. Now can you suggest two new revenue streams for HP?

Candidate: I would recommend the following:

- Annual Maintenance Contracts (If not available already)
- Online antivirus/ scanning services

Interviewer: Assume AMC already exists. Keeping in mind that the storage capacity of a laptop is limited, what other revenue streams would you recommend?

Candidate: Yes sir. Since the storage capacity is limited, the company could provide online storage services similar to Dell's online backup, Dropbox or Google drive.

Interviewer: Can you give me a common name for this technology?

Candidate: Sir, I believe it is called cloud storage or cloud computing.

Interviewer: Ok. Thank you.

Caselet 2: A company has 5 brands. Previous year's financial performance has been given below for each brand. Currently, the company spends Rs. 50 crores on each brand as "marketing expense". It is known that an increase of Rs. 1.5 crore on marketing (of a particular brand) increases the revenue from that brand by 2%. [*Unavailability of original data from the case. Numbers chosen for ease of explanation*]

	Brand 1	Brand 2	Brand 3	Brand 4	Brand 5
Sales(cr)	100	150	125	75	100
COGS (as % of sales)	25	50	40	5	10
Other expenses (cr)	25	10	25	22	40
Marketing expense (cr)	50	50	50	50	50

a) On which brand(/s) should the company increase its marketing expenditure?

On calculation, we see that the only Brand 5 shows an increase in profit with increase in marketing expenditure. The other brands either show no increase in profit or show a decrease in profit. Hence the company should increase its marketing expenditure on Brand 5.

b) Company cannot generate funds from outside. How can the company fund the additional marketing expense (analyze the table)?

After calculations, we see that only Brand 2 has positive profit currently. This profit from Brand 2 can be utilized for marketing of Brand 5.

c) Mention any one learning on business decision making from the case.

A diversified firm should shut down brands/ products that are not profitable and invest more in the ones generating profits.

Saumya Misra

Caselet 1: Case about a telecom infrastructure provider whose profitability was declining. The objective was identify the reasons for this decline.

Candidate's approach: By discussing the state of the industry, recent trends, technological changes, competitors etc., the reason was identified as the introduction of new routers in the market which could serve both 2G and 3G networks in contrast to earlier ones which were either 2G or 3G models.

Caselet 2: Case about an IT giant where although employee strength had increased, the cost incurred currently was lesser than that incurred in previous years (which is a positive sign) and the objective was to find the reason behind this change.

Candidate's approach: Upon asking pertinent questions, I discovered that the reason was better planning in deployment of employees to project, matching skill sets of people with projects and deploying more people on site

Caselet 3: Case about market entry by a telecom services provider in India introducing machine to machine (M2M) technology.

Candidate's approach: This was a general discussion over which consumers would benefit the most, how will commercial firms use this technology and why would they be interested. What way should it be priced?

Caselet 4: Case about a software solutions provider (basically an agency that resolves software issues in personal computers over phone).

Candidate's approach: This was a calculation intensive case to determine the pricing of service. The discussion further extended to ways in which this company can retain its customers.

BOSTON CONSULTING GROUP

Ankit Agarwal

Caselet: The client is a global consumer electronics manufacturer with a strong presence in India. They intend to start a new business model of direct selling of consumer electronics like TV, home theatre, etc. Design a pilot for their national rollout.

Candidate's approach:

1. Identify current methods of sales
 - Self owned
 - Retailers

2. Identify the target customer segments
 - Wide consumer base
 - Targeting premium electronics to up-segment consumers by direct selling
3. Identify representative place for conducting pilot
 - Tier-1 – eg. Delhi
 - Large number of target customers
 - Better feasibility of conducting pilot
 - Location – eg. up-segment locality (say, in South Delhi)
 - Retail selling happening in Delhi
 - Easy to compare with existing methods to take a decision
4. Understand profitability of existing and new method

[Evaluation narrowed down to a 1 month pilot on direct selling of TV]

 - Price – 30,000
 - Distributor Costs – 10%
 - Dealer Costs – 15%
 - Cost of TV – 15,000
 - Expenses for direct selling
 - Salary costs per person = 15000
 - Other selling expenses per person = 5000
5. Define evaluation metric to decide on national rollout of direct selling
 - Aim of pilot - Higher profitability from direct selling
 - Metric – No of monthly TV sales per employee (“N”)
 - Profit per TV from traditional method = Price – Dealer costs – Distributor costs – TV costs = 7500
 - Profit per TV from direct selling = Price – TV Costs – Direct Selling Costs = 15000 – 20000/N
 - For direct selling to be profitable, $N > 3$ (decision criteria to be checked after pilot for national rollout)
 - Risks
 - Direct seller becomes face of the brand – premium nature needs to be ensured – better sales force - salary costs may increase – N may increase

- % conversion as opposed to no. of sales should also be high – skilled sales team – salary costs may increase – N may increase
-

Gireesh Gera

Interviewer: A truck manufacturing company has a new truck in development. Help it decide if it should launch the truck. If yes, what is the price premium it can charge over competition? And assume there is enough demand for trucks.

Candidate: Sure. Sir can you help me with the description of the truck and its usage?

Interviewer: It is a standard 20 T truck, same as competition and is designed to carry refrigerators from the warehouses to nearby dealerships.

Candidate: Ok Sir. Could you tell me the differing features of the truck and what aspects is it different from the standard truck of competition?

Interviewer: Well, this truck has many advantages over the existing trucks of the competition. First, it has an air conditioned cabinet, a music system and a bed for the driver to sleep. All these are absent in the current trucks of the competition. Also, it requires minimal effort to drive, so only 1 person is enough per truck.

Candidate: OK Sir. I'll begin with quantifying the various benefits that the new truck has over competition. Sir, is it safe to assume that the current trucks run for 16 hours a day with 2 persons (driver and helper) operating the truck. And that they sleep for the remaining 8 hours.

Interviewer: Yes, that is correct.

Candidate: In that case, we can potentially run this truck for 24 hours with 2 drivers. Each driver can drive for 12 hours and the other can sleep comfortably on the bed in the AC cabin. They don't have to stop on the road to sleep in the night. This means 50% more capacity utilization.

Interviewer: OK well, what else?

Candidate: Could you help me with the dimensions of the new truck's loading area and if they are different from the current trucks?

Interviewer: The new truck has 20 ft X 10 ft X 15 ft (length, width, height) loading region vs 18 ft X 10 ft X 8 ft for the current trucks.

Candidate: Also, could you help me with the weight of each refrigerator?

Interviewer: Weight is not an issue. Refrigerators are filled basis space available.

Candidate: Ok. Assuming a refrigerator size of 2 ft X 2 ft, we can fit 5 more refrigerators per truck in the new trucks. Assuming we can't stack refrigerators on top of each other, the greater height of new truck won't be of use. Could you tell me how many times on an average a truck would go from the warehouse to the dealers and the distance covered?

Interviewer: A truck has 5 trips every day with one way distance of 50 km on an average.

Candidate: Ok. [*Then showed annually how many extra refrigerators could be transported*].

Interviewer: Also, there is a difference in the mileage. The new truck is 14 kmpl vs 12 kmpl for the existing truck. Also, the tyres in the new truck last for 15000 km vs 5000 km for the existing truck.

Candidate: [*Showed him the annual savings per truck on fuel*]. Could you let me know the difference between the cost of each tyre during replacement?

Interviewer: Current tyres cost Rs. 5000 each. The new truck tyres will cost Rs. 10000 each.

Candidate: Is it safe to assume that the life of the truck is 10 years and that there are 6 tyres per truck?

Interviewer: Yes, that is fine.

Candidate: [*Then showed 10 years savings on tyres*]. Sir is there any other difference between the 2 trucks?

Interviewer: Yes, the new trucks are faster. They drive at 40 kmph vs 30 kmph for existing ones.

Candidate: So this would mean faster delivery and more number of round trips. [*Then showed how many more return trips each truck could make annually*].

Interviewer: Any other thing?

Candidate: Sir there are the intangibles like comfortable cabin, air conditioning, music player, etc. which will improve the efficiency of the drivers.

Interviewer: Ok. Now you have all these numbers. How do I decide truck pricing basis these?

Candidate: You see the savings under each of these heads annually and multiply by the life of the truck. That is the maximum premium that the company can charge over the price of the standard truck by competition.

Interviewer: Would the company be able to charge such a premium? What are the hurdles?

Candidate: No they won't be able to charge the exact premium as calculated as the entire value is not visible to the customers who would mainly be the transporter companies giving services to refrigerator manufacturers. The upfront cost is very important to them. However with educating them and showing them the value, the company can charge a premium somewhere in between the value created.

Interviewer: Ok. Thank you.

[Basically, the interviewer was giving me more and more factors to work upon and wanted to see how quickly I could find out & calculate the value implications of those features.]

Jincy James Patrick

Interviewer: A mine in South Africa wants to improve its revenue. They mine an ore which contains lead and zinc. They currently export to East Asia. But competition is increasing and so is demand. How will they go about increasing their revenue?

Candidate: How is this product sold – as in what is the cost, concentration and in what form.

Interviewer: Cost is irrelevant. It is sold in a concentrate form which usually has 20-25% zinc. Prices are fixed for this concentration.

Candidate: Can we charge a higher price after increasing the concentration – say make it 40%. We can ask for almost double the price. How expensive would it be to increase the concentration?

Interviewer: It would be difficult to attain that level of concentrate with the current facility. Up to an increase of 5% is possible but that will not improve the price significantly.

Candidate: Alright. Can you draw the process? The process of extraction and concentration. All the steps involved and the resources used.

[Interviewer draws a detailed diagram. Explosives being placed in the mines. Bombing. Drilling equipment. Followed by trucks to transport. And then chemical process to extract.]

Candidate: What is the capacity of each of these and what is the current utilization?

Interviewer: The trucks and the drill are working at 100% utilization. The chemical process has unused capacity.

Candidate: So basically the trucks and drilling machines are the bottleneck. How expensive is it to buy this machinery?

Interviewer: Cost is not a problem but the equipment will come only after a year.

Candidate: In that case, the best option would be to rent trucks and drilling machine (if that is possible) for now and commission a new drilling machine which will come later. The mine can operate on the rented machine in the mean time.

As for the trucks, if it is more economical to keep using the rented ones, do not buy new ones.

Interviewer: Ok. Thank you.

Loveenia Gulati

Interview 1

[The interviewer had a sheet with some data about a truck manufacturing company (Company X). During the course of the interview, he suggested to refer to the sheet to answer questions.]

Caselet: Identify a market enter strategy *[How to sell, in simpler words]* for Company X *[company resembled Volvo]*. The truck manufacturing market is a mature market with existing major players like Tata and Ashok Leyland.

Candidate's Approach:

The existing players cannot be competed against based on pricing and discounting strategies. Also, trucks of Company X were not as fuel efficient. There is duopoly in the market with Tata and Ashok Leyland having national pockets, strength and fleet.

Think what the customer wants - Provide him with more choices.

Possible offerings of Company X - Warranty, Value, Cost benefit, Extra sleeping berth, Wider axle implying more load carrying capacity, after sales-service.

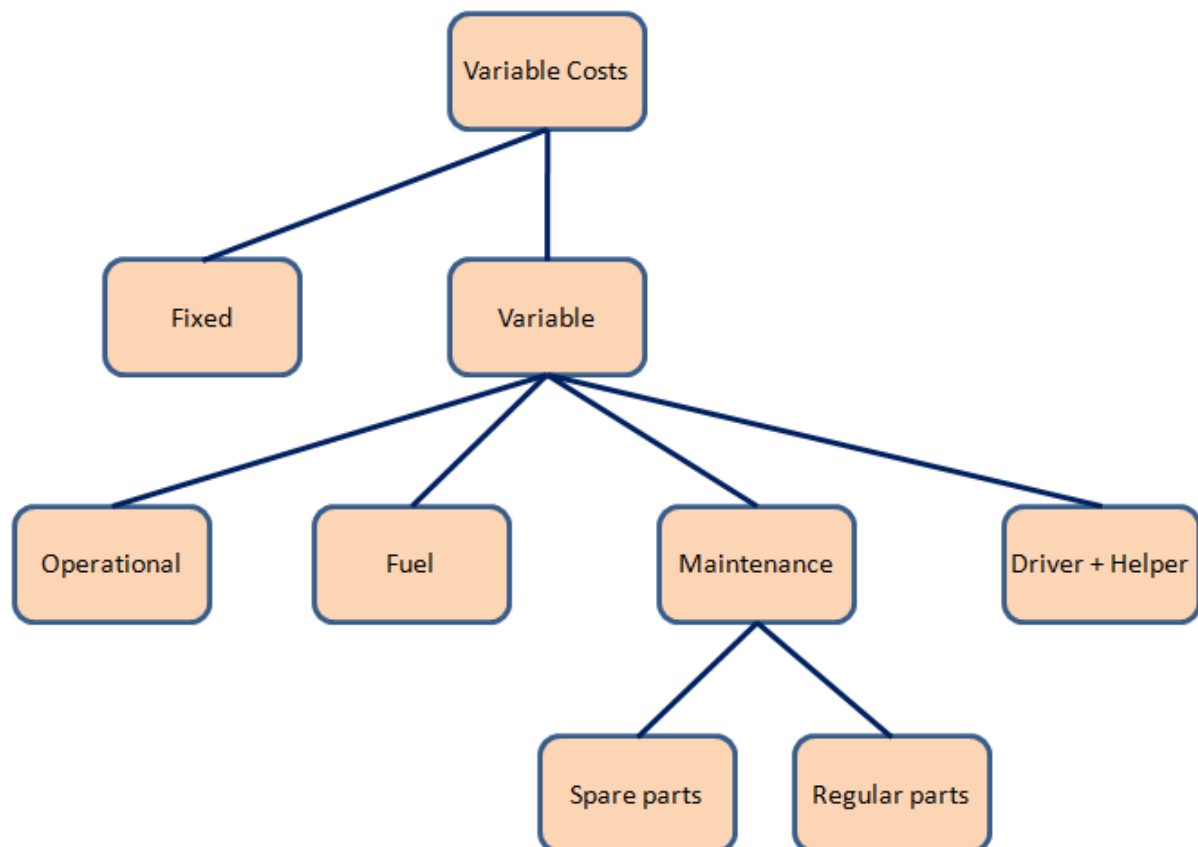
Follow-up question:

[Interviewer referred to his note with diagram and data]

Do a cost analysis for comparing two products, where Product A is from Company X and Product B is from a major rival company (based on data given in sheet)

Candidate's Approach:

Calculate both fixed costs and variable costs. While fixed costs are given, variable costs can be broken down based on the following tree structure.



On calculating, it was found that cost was relatively same in both the cases.

[Part of final answer not covered: Product A may also have a resale value]

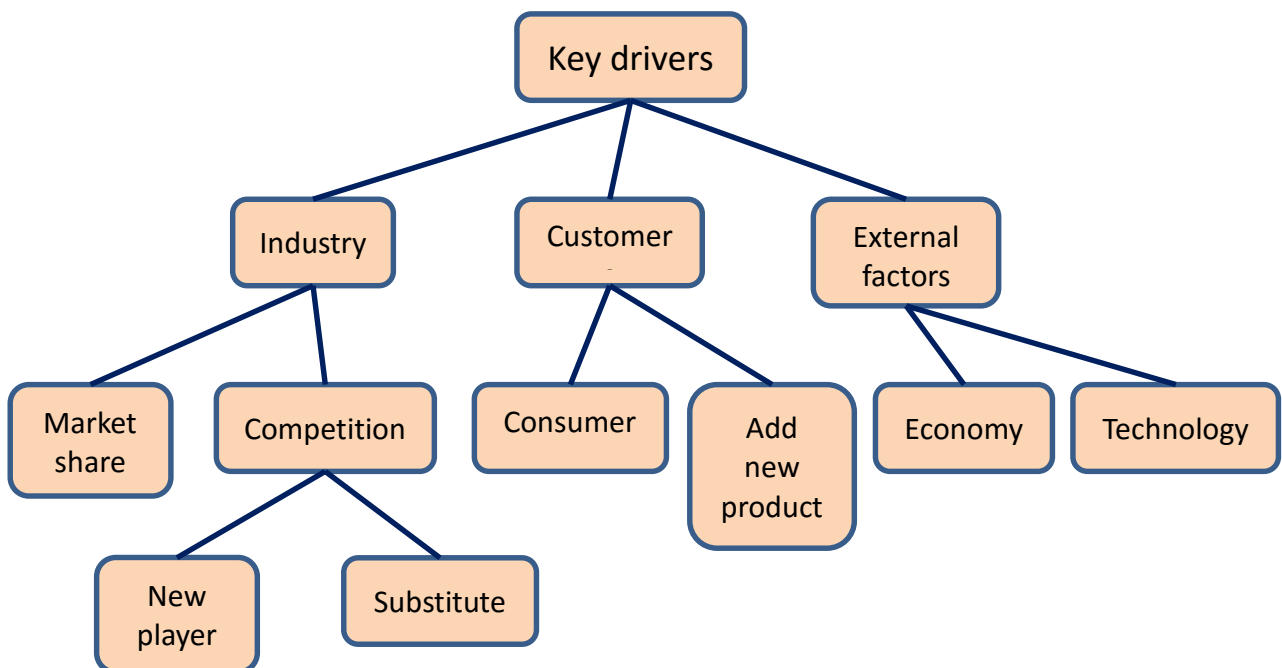
Interview 2

Caselet: Run a diagnostic of Bank X on the retail banking side. The bank has a growth rate of 10% in its savings account segment where as the market growth rate is 20%.

Candidate's Approach:

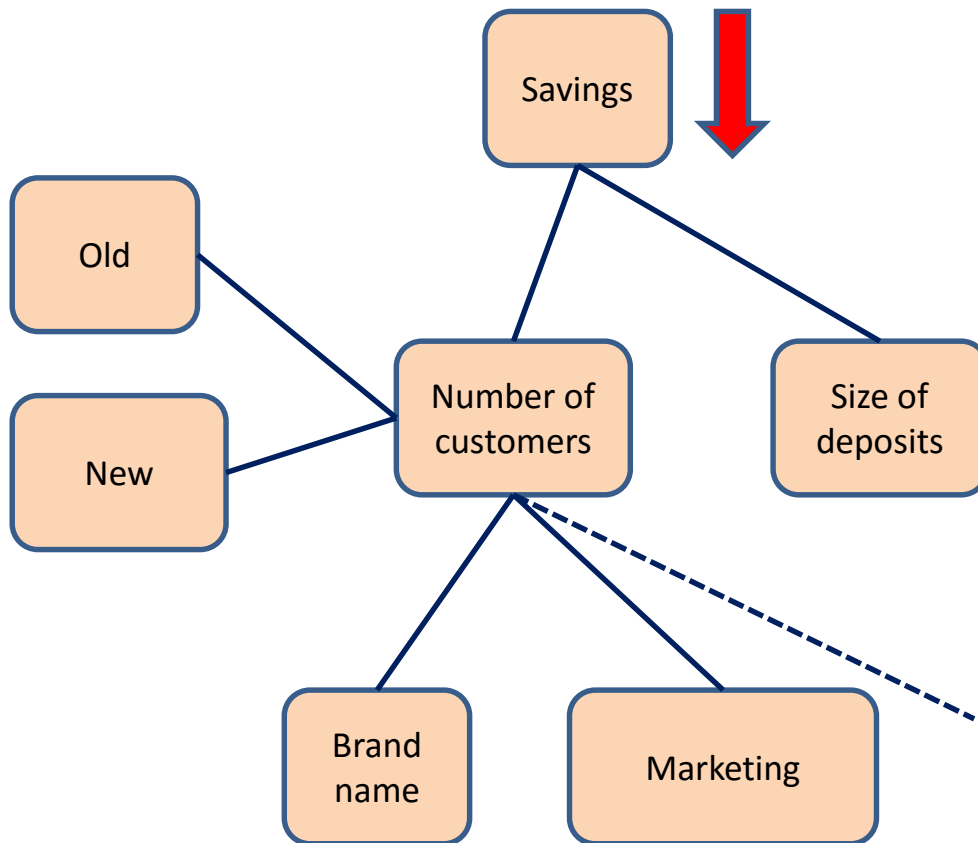
I broke down the problem into several sub-parts to identify what could be the possible reason.

Below is a tree structure of how the break-down looked like -



Interviewer: Can you probe into the branch of customers? [He showed some data from which it could be interpreted that it wasn't the other two factors]

Candidate's Approach: The structure shown below gives an idea of the reasons for drop in savings by breaking it down further



Upon further discussion, the interviewer pointed out that the drop was actually because of marketing reasons and their front line interfacing with customers had deteriorated.

The discussion pursued a while on how the issue could be fixed.

DELOITTE STRATEGY & OPERATIONS

Karthik Ram

Caselet: Deloitte is consulting an Indian health care manufacturing company who wants to enter the US market. Design a market entry strategy for the company.

Candidate's Approach:

I asked for the data points on states in US where the company is looking to enter.

[Interviewer gave growth data and the kind of markets prevalent in each state]

I chose state where there is less monopoly and the market is fragmented. These states also showed some growth potential for new entrants.

Interviewer: What type of customers will you choose?

Candidate: Market has to be divided into segments based on the amount of usage. Within segment choose individual groups.

[One interviewer played the role of a Government regulator with subjective questions on entering markets]

Some calculation had to be done to find out growth potential. Data was provided for calculating number of people in terms of usage and present penetration of competitors.

Interviewer: What should you consider about your client company before suggesting these ideas?

Candidate: We must know the life cycle of our own company. We must also know that their niche is. *[The company was a growing Indian player]*

Sujitha Paramasivan & Ranjani Rajagopalan

Caselet: Deloitte is consulting for an Asian company that wants to enter the health care equipment manufacturing market in the US. The client is new to both the country and the market segment. The client has multiple product categories to choose from. *[Data available on multiple product categories for the company to choose from]*

Which product should the company go with? Design a market entry strategy for the company.

Candidate's approach: Sir, to design a market entry strategy, I would want to look some data on the states in US the company is looking to enter, including the competitor data and competitor market share for each product

[Interviewer gives data on kind of markets, competitors and growth for products in each state]

Interviewer: Any other parameters you would consider?

Candidate: Sir, I would also want to look at profitability of each product segment

[Interviewer gives data on profit margins for each product segment]

Interviewer: Anything else?

Candidate: Since we have covered market size, competitors & profitability, I would also want to look at legal regulations specific to this market

Interviewer: Why do you think this parameter is important?

Candidate: Sir, since regulations & laws in Asian countries and the US are widely different and we are looking at the healthcare segment, I believe data on legal regulations would be relevant.

[Interviewer gives data on legal regulations specific to each product in different states]

Interviewer: Anything else you would want to look at?

Candidate: Sir, I would want to look at internal capabilities too. Do we have the capability to manufacture all these products with precision?

[Interviewer very happy with this new approach]

Interviewer: Why this approach?

Candidate: Sir, the equipment that the company is planning to manufacture are all high tech. If we do not have the internal capabilities to get into a particular product segment, the analysis would be pointless.

Interviewer: That is interesting. For now, we will assume that your client can manufacture all the products/equipment with precision. Could you analyze all the data available and let me know which product your client should choose?

Candidate: I analyzed the data – only one product has a clear cut advantage in all segments. It has few competitors in high density states. It shows high profitability and the legal environment is conducive to its launch. I suggested the same.

Interviewer: That is it. Thank you.

[Deloitte does not give you all the data upfront. They wait for you to ask for it. This is to understand your approach. If you miss any parameter while analyzing, the data sheet will not]

be given to you. In the end, the approach is more important than any amount of number crunching one would do]

MCKINSEY & COMPANY

Akshay Goenka

Caselet 1: You are the MD of a large firm that is looking to acquire a mid-tier pharmaceutical company. How would you go about it?

Candidate: Could you help me answer a few questions like:

- What kind of a pharmaceutical firm are we?
- What kind of firm are we looking to acquire?
- And why?
- What markets do we currently operate in?
- Are we looking to acquire firms internally or externally (in terms of markets)? [*This was to understand if the acquisition is for integration in terms of some capability or is it just money driven*]

Interviewer: Ok, say yours is a private equity firm and not a pharmaceutical firm. How would you go about it now?

Candidate: Could I take a minute to structure my thoughts?

Interviewer: Sure.

Candidate: Firstly, we should do an internal analysis of the firm and external analysis of the market. And the same for the company we are looking to acquire.

Internal: What are our strengths and weaknesses? Are we currently in a position to invest? etc

External: Is this a good opportunity? , Do we have better investment opportunities currently? Etc

For the company we are looking to acquire:

Internal: Is the company growing? How is the management? What is the competitive advantage?

External: Is the market conducive for continuous growth?, How are the peers/competitors doing?

Secondly, if we believe the company is going to grow, we need to analyze what is driving the growth:

- Is it the patents the company currently holds?
- Is it because it is ramping up production?
- Is it in another country that is showing rapid growth?

Based on this we can come up with a valuation - an initial valuation and a projection for five years.

Thirdly, we should look at exit options. If we are looking to sell it how should we sell it & who should we sell it to, when is the right time for exit?

Also once we sell it, what do we intend to do with the money, will we re-invest? *[This was one step more than they expected and the interviewer was really happy about it]*

[It is best to give a comprehensive list of all the approaches you would take and then ask the interviewer if it sounds good to go. In the interest of time, interviewers generally ask you to focus on one approach/ lever]

Interviewer: That is a comprehensive list *[sounds happy]*. Can we talk about how you would go ahead with the valuation?

Candidate: There are multiple approaches one could take

- Value the company in terms of its market capitalization and stock price
- Value it as a sum of its parts i.e look at all the businesses/sectors the company is in – separate intellectual capital, separate property and assets and value them
- Do a comparable company analysis. This information can be used to determine a company's enterprise value and to calculate other ratios used to compare a company to those in its peer group.

Interviewer: Would you dump the firm in the end? How would you evaluate exit opportunities?

Candidate: First approach - At the given point, when evaluating exit opportunities, I would look at all opportunities to re-invest. If there is a better investment that would make more money, I would go ahead with that without being emotional.

Second approach – A more emotional way of looking at it is if I feel that there is hidden potential in the firm that is not coming out in the numbers, say because they have spent much in R&D and I would expect it to show results only in a few years, I would stick with the company.

Interviewer: That sounds good. Let us get you to the second round.

Caselet 2 (with Director Rajat Dhawan): Estimating the cost of India's Mars Mission

Interviewer: Have you read about the Mars mission?

Candidate: Yes, a little.

Interviewer: How would you go about estimating the cost of the mission?

Candidate: Ok. I would first look at different cost levers for such a mission

- cost of equipment
- cost of personnel
- cost of R&D
- cost of operations

To estimate the cost of the equipment, I would first estimate the size of the rocket then look at different parts on board (including what would be left behind in the orbits) *[guesstimate number]*

- Amount of fuel required *[I asked the interviewer about the cost of jet fuel in the market - guesstimate number]*

- Number of personnel - Is it a manned or unmanned mission, how many people in R&D, how many people at the launch station? *[guesstimate number]*

- Cost of setting up the launch station. *[guesstimate number]*

Interviewer: Don't you think they have many of these already?

Candidate: Sorry, skipped my mind. If you don't mind I would like to take a few minutes and divide these into what they would already have and they would not have.

[I divided them into two verticals and started working out the costs. Along the way, I remarked that the cost seems small. NASA spends like 20 times this]

Interviewer: *[Gets excited & speaks about how he personally met Madhavan and how ISRO is doing a remarkable job]* Good. Let's get together for coffee someday and discuss this further.

[More case interview related tips from Akshay Goenka can be found at:

<http://www.gradstory.in/gradschool/consulting-consulting-10-tips-success-iim-student-akshay-goenka/>*]*

Rupali Jain

Interviewer: How has the day been for you?

Candidate: It's been good so far. I am excited as I have got the opportunity to interview with the company which topped my preference list.

Interviewer: Good. Let's begin the case.

Caselet: There is a telecom company which manufactures Base Station Antennas and its revenues have declined by 30% over the past 2 years. You have to identify:-

- Why the revenues have declined?
- What shall be the future projections (say for 3-4 years) of the revenues?

Candidate: Began with clarifying questions like understanding the product (base station antennas), the scope of operations of the telecom company, its position in the market, competition, industry overview.

Interviewer: Detailed explanation about the product and the telecom company followed by facts like- The company is a market leader with 60% share; the industry is growth oriented; onset of competition from foreign players from China & Europe

Candidate: Is the declining revenue a trend across the industry & competitors or is it specific to the client only? What is the setting of the case- Location & Time period?

Interviewer: Not an industry-wide trend. Specific to our client only. India and the time when 3G licenses were issued.

Candidate: Broke the problem into two heads.

Decline in Revenue can be because of :-

INTERNAL FACTORS	EXTERNAL FACTORS
Fall in Price	Technological change
Fall in units sold <ul style="list-style-type: none"> • Contracts with buyers over • Modifications in existing contract clauses/Terms with the buyers • Unable to tap new buyers • Renewal of existing contracts 	Foreign Player's preferred
Life of the antennas(Product Life cycle)	Other competitor's Growing

Intrinsic Flaw in the antennas/Product quality	Government Regulation changes/Taxes
Problem in distribution network(Understanding Point-of-Sale for antennas)	3G License scam
Product mix/types of antennae sold and fall in revenue because of which type	Better Substitutes available
Defamation/Tarnished Reputation of the Client owing to some accidents/inappropriate BOD decisions leading to fall in units sold/prices	

Interviewer: Understood all the mentioned points and gave inputs at places about whether that point was relevant or not to solve the problem of the caselet. Asked me to give weights to the above parameters on the basis of their importance in solving the case making use of the information he provided. Also asked:-

How will you decide which among the two i.e. Price and Volume has a greater impact on the fall in Revenue? Say prices have fallen by 10-15%.

Candidate: Let 10 units be sold for 10 rupees. Client's revenue= Rs 100. Since prices have fallen by 10%, so the total revenue on 10 units will be 90 rupees. However, revenue has declined by 30% i.e. it is Rs 70. Therefore the remaining fall of Rs 20 in revenue is due to fall in quantity sold.

Interviewer: Good. Thank you.

Sonali Jain

Caselet: Calculate the revenue of a Barista Lavazza store at Bangalore Airport from 6 to 7am at any given day.

Candidate: Sir, I will first look at the factors/decision-variables that will influence the estimation of revenue. They would be:

- The time of the day for which we need to calculate the revenue (6-7am, as given)

- The no. of flights taking off/ landing/ stationed during that period
- No. of people waiting at the airport post security check(both passengers & airport staff)
- Product mix at Barista
- Pricing at Barista
- The number & type of restaurants/ eating joints at Bangalore Airport

Interviewer: Yes, the parameters chosen are appropriate. Could you focus only on passengers and not on personnel?

Candidate: Sure. I would split the problem further into that of volume and price. The price would depend upon what a typical consumer's basket of goods bought at a coffee shop contains. I will assume an average price for the basket (say Rs.300). After this, I would want to estimate the number of passengers who will visit that coffee shop.

And calculate assuming:

- Capacity of the airport to station aircrafts(passengers for them could be waiting)
- The number of flights which take off in an hour(assuming a flight takes off every 5 mins, so 12 flights in an hour)
- Seating capacity of a plane- based on economy & business class, the number of rows in a class & seats per row including seats for flight crew
Economy ~ (30 rows) * (6 seats per row) = 180 seats
Business: ~ 20 seats (assumption)
Total = 200 seats

I will then multiply the number of flights with the seating capacity. This number should be reduced based on the occupancy rate (assumption) and further reduced based on the conversion rate of people visiting Lavazza (assumption). The final number would be **x**.

Interviewer: That sounds like a reasonable number. Thank you.

[Interviewer understood all the mentioned points, kept on agreeing to clarifying questions and gave inputs at places about whether that point was relevant or not to solve the problem of the caselet. All in all, I was able to give an approximate number to the question and interviewer seemed satisfied by the approach.]

Vivek Yelisetti

Interview 1

Caselet: There has been a good growth in the media industry. One of the companies is diversifying into hyper local newspaper. It is planning to run a pilot for the same in Chandigarh. How will you choose an area within Chandigarh?

Candidate: Before proceeding into the case, can you explain what exactly the hyper local newspaper is for? Is the company already into the business or does it have to start afresh? *[I asked a few similar questions about the company and its business to understand the context for further analysis].*

Interviewer: The newspaper is primarily to cater to the local needs of Chandigarh. It would be a weekly newspaper. The company is new to the business.

Candidate: This is how I would like to proceed into the case analysis. First, I would identify the qualities that the company is looking for in its audience; identify various sources of revenue, the type of paper to be launched and such existing newspapers if any. Starting, are there any specific qualities that the company is looking for in its audience?

Interviewer: Nothing as such. What are the qualities that you consider are important?

Candidate: Weekly Newspapers are normally categorised by the affordability, the population reach, their preferences and age - like retired people, housewives, and may be youth. As the revenues for such kind of newspapers are through advertisements and they depend on the reach and circulation, it is extremely important for the company to target such a sector where you maximise the revenues. Is that assumption right?

Interviewer: Go ahead.

Candidate: Given the target audience of retired people and housewives, the revenues can come from food supermarkets and restaurants in the area.

Interviewer: What do you think retired people and housewives look for?

Candidate: Housewives might look for offers on household items, recipes, for discounts on fruit juices etc - jewellery, some coaching centres and tips regarding health and education for their children. The retired people might be looking for events like concerts that they can indulge in during their free time.

Interviewer: Alright, so which area to target.

Candidate: We shall identify the area which has a lot reach in Chandigarh, an area which has lot of retail stands where the newspaper circulation would be maximum, an area which has good infrastructure – good roads, restaurants etc where businesses would be maximum.

Interviewer: Cool, Can you quickly summarise the points?

I did the same. It was a short 15 minute interview.

Interview 2

[The interviewer was doing his own work sitting in a corner. I went into the room and sat but he was busy doing his own work. A minute or so passed. I initiated the conversation – asking which office he works in, which sectors etc. He said he has few mails to send and asked about Wi-Fi in campus and campus life. Then he came to the table and then mentioned about his sectors etc. and that's how the case got started.]

Caselet: Our client is from the consumer space. It is a fast moving FMCG. The CEO is newly appointed. He visited some stores recently and found low on-shelf availability of products. He wants to analyse why is it so.

Candidate: Asked a few details about the FMCG company and the kind of products to get an understanding of the type of business. Then I told him that I would analyse the supply chain to identify the problem. He asked me to go ahead with it.

Candidate: I drew this regular diagram {Raw Materials – Plant – Warehouse – Distributors – Retailers – Consumers}. Is there any problem with the availability of raw materials or manufacturing techniques due to which there is a delay of distribution or any recent plant failures or shutdowns?

Interviewer: No. Nothing like that.

Candidate: How are the products distributed – to warehouse and from there to distributors?

Interviewer: The products are sent daily to the warehouse and from there through small trucks every month. The distributors DBSR's – They go every week to visit all the stores in the area.

Candidate: How many stores does a distributor has to cater to?

Interviewer: Approximately 10-15 in an area. On an average a DBSR spends 3 hrs in a shop taking orders etc.

Candidate: Assuming, a DBSR spends 25 hours in a week (5 days *5 hours) working on this – client relations, taking orders etc, a DBSR would cover roughly 8 stores – there by not able to reach out to all the stores – leading to a low on-shelf availability.

Interviewer: Good analysis. So what to do?

Candidate: The Company has two options – Increase the number of DBSRs' if it takes that much time for the order – or Reduce the time spent in each shop – In order to do this, incentivise the DBSRs so that they cover all the stores in the area etc.

Interviewer: Thank you. How are the placements going on?

[It was a short simple case. But I felt they tested me on whether I could start off a conversation with a random person and whether I could take initiatives.]

ROLAND BERGER

Soumya H.

Interviewer: Hi, so could you please tell me about yourself?

Candidate: Hi, I am Soumya, an architect. [*Gave basic intro about myself, work experience, extra-curriculars, PORs, everything included*]

Interviewer: That's interesting, an architect, who worked on a project site. So tell me, do you know how much were the profit margins for your company?

Candidate: Well, I could tell you how much they were for my project. We were working on a 12% margin. I must tell you that, although I was a designer, I was also given the responsibility of planning and billing and hence I had access to these numbers.

Interviewer: Good, that's good exposure. So how big was this project did you say?

Candidate: INR 246 Crores

Interviewer: Ok. So, how much was the ROCE on your project? Do you know what ROCE is?

Candidate: Yes, ROCE is Return on Capital Employed. Could you give me a few minutes, so that I could work out the numbers?

[*Paused, worked out the numbers*]. In terms of the capital employed, I would consider the assets; I am not considering the liabilities because we worked with very small credit periods of less than 30 days with their suppliers. [*Gave the figures estimating the rent of plant and machinery on the project site, and the cost of other materials on the site. I knew the value of some of the resources on site, and used industry standard thumb rules to assess the others, and stated all of these to the interviewer*].

The ROCE measures the Operating Profit as a percentage of capital employed. [*It's very important to walk your interviewer through every single step, every single assumption etc; they do not care about your answer, but the process*]

Interviewer: Ok now that you have a number, do you know what it signifies?

Candidate: It shows the efficiency of the use of the capital employed to generate profits.

Interviewer: And what is your conclusion, was your project making good use of the resources?

Candidate: Well Sir, I cannot say that without knowing what the industry standards are in the construction industry.

Interviewer: Ok. So how many companies have you applied to?

Candidate: This is the only consulting firm that I have applied to.

Interviewer: [Smiles] Or is it the only one you got shortlisted for? I am just kidding. So what do you want to do?

Candidate: Sir, I see myself in the marketing domain. I would like to be in the top notch marketing companies such as HUL and P&G

Interviewer: Ok, and do you have any questions for me?

Candidate: Yes sir, the only thing I know about Roland in India is about the Jaguar deal. Your global website spoke about consulting in the consumer retail sector which really interested me. However, the Indian website seemed to be heavily focused on the automotive sector. Could you educate me a little more about Roland, particularly about its India operations?

Interviewer: We came to India in 2012. We have worked with a few conglomerates, and are in the process of growing our business. It just so happened that we could gain a great access into the automotive sector. We are one of the top most consulting firms in Europe, and by nature not as media savvy like our American counterparts, so you know much less. We have 3 offices, in India - Mumbai, Delhi, and one coming up in Pune. Your interest in the consumer retail is great but we don't know how fast we will be able to get there.

Candidate: Ok. Thanks for that.

Interviewer: Soumya, I think I really like you. Most importantly I like the fact that you are not desperate for this job. I will put my best word for you, but I have another Principal coming to have a word with you before we take the final call.

[Meeting with Principal 2 was a casual discussion where he asked only about me work ex, and my strong and weak subject areas. I did not consider myself strong in both finance and analytics, and conveyed the same. He asked me if I could make good PPTs, and I said I was very good at it. He concluded by saying, that his partner had left him with little choice by putting in a strong recommendation for me. I thanked him at the end of the interview.]

STRATEGY& (FORMERLY BOOZ & COMPANY)

Amit Rao

Interview 1

[The interview started with a lot of PI questions. We spoke a lot about my work experience and thereby the case also was related to the company I worked for.]

Caselet: A multinational automobile company wants to launch its electric vehicle in India. How should it go about it? How should it price it?

Candidate: First I would try to understand the company *[Since I had worked for the company anyway, knew everything necessary, I asked nevertheless to check.]*. Then I would like to do a customer & product analysis.

Interviewer: Yes that's right. I want you to find out what car should they offer and to whom?

Candidate: *[Did market segmentation and identified which segment is likely to buy]* I will now identify what this segment will want from this vehicle. Factors that they will look at include

- Mileage
- Price
- Convenience of travel
- Licence/ Ease of documentation
- Environmental issues
- Others

[Initially I had missed out the first point, but he hinted me at it and I got it]

Interviewer: Okay. You seem to have got all the requirements. Now how will I position my product to meet these needs?

Candidate: Use promotions to state the fact that mileage will be substantially lesser for electric vehicles, almost Re.0.5/km compared to fossil-fuel vehicles Rs.10/km. No maintenance. Do road shows to grab people's attention. Price it such that it replaces a smaller vehicle like Nano or scooters like Activa. Give extra battery for emergency situations. Give boot space/ foldable seats options. Get pumps to have charging stations. Launch it primarily in cities with good infra since these vehicles are not made for rough roads. Touch the environmental sensitive aspect during promotions. *[Gave a few more options]*

Interviewer: That's sounds good. Now let's look at the pricing

Candidate: I believe that cost based pricing is the best way to go about this.

Interviewer: That won't be entirely right. Can you think of a better way?

Candidate: I will calculate how much an average family spends on a car of same size and compare it with an electric car.

Interviewer: That would be the correct way to do this. [*Gave data about average monthly travel, maintenance costs, fuel charges etc.*]

Candidate: After the calculations, it turns out electric car is expensive than a petrol car due to very high battery replacement cost. Hence we need some government relaxations for taxes so that the benefit can be transferred to the buyer.

Interviewer: Okay. That's good. I will send you to the next round.

Interview 2

[*Again a lot of personals were asked here for almost 15mins. Somewhat repetitive.*]

Caselet: Our client is diabetes solution provider in Vietnam. Wants to increase market share. How will he do it?

Candidate: I will want to do an industry analysis. [*Did Porter's 5 forces, took 2 minutes to write it down and then explained each aspect*]. Can you tell me more about the client?

Interviewer: Our client has 70% market share. Has the most effective remedy for diabetes currently. All other players are fragmented and provide temp solutions which are cheaper and not that effective.

Candidate: Okay. Essentially we will be selling these drugs to the doctors? Or do we sell them to the chemists?

Interviewer: Well, that's a good point. What do you think?

Candidate: Since, it's a serious ailment I believe that these medicines will be availed through chemists but only on doctors' prescription. So we need to target this market. Since they are knowledgeable themselves, it is easy to educate them about our product. Do we have any as such direct substitutes?

Interviewer: That's correct. Besides exercise and diet control nothing as such. How do you think will the market expand?

Candidate: The market will grow as more people are made aware of the product. It doesn't have to do with more people getting affected by this disease.

Interviewer: Yes, that's what I was looking for.

[Then we did further analysis on revenue streams and costs to see if we can increase the profitability in some way. Turns out that they were importing some aspects of the drug and we came to a conclusion that since we have a got market share its best to invest in a facility at Vietnam]

Interviewer: Okay. That will be all.

[Both interviews went for around 45 minutes. I was given the offer after 2 rounds itself. I believe PI is as important as Case prep. They look at your clarity of thought, communication skills and passion to do consulting.]

Kumar Dhruv Soni

Caselet: Company A is an established player in the airline industry. In recent years, A has started facing financial issues. Company has hired you as a consultant, how would you go about suggesting a turnaround for them?

Candidate: Since A has been an established player in the industry, recent facing financial issues means either their profits are declining or growth is not to the expectations.

Interviewer: That's right, in fact company has started incurring lose since last 3-4 years.

Candidate: I believe either the costs have been shooting up or there is not enough demand in the market.

Interviewer: yeah, but what do you think?

Candidate: Let's look at both of them, first I would like see what all costs are involved and if any of them have been shooting up in last couple of years. Then I would like to look at the revenue side and see if prices or demand has declined in recent years.

Interviewer: Well as far as prices are concerned it has always been very competitive market. What do you think about demand?

Candidate: I can comment if we can see how has been the industry performance in recent years and if any other airline is also facing the similar issues.

Interviewer: Well, as far as the industry is concerned, there are lots of competitors and the performance varies. However, the financial issues of A are more severe than any other player in the industry.

[Got the hint that problem is specific to A and should analyze the costs]

Candidate: I believe analyzing the costs incurred in airline operations for A would give a better picture.

Interviewer: You are right, so how do you go about it from here?

Candidate: We first list different costs involved, then see factors affecting each of them and if any of the costs are shooting up in recent years for A.

Interviewer: That sounds good. But how would you go about listing the different cost heads?

[I listed the cost heads for an airline as per below while following the conversation]



Candidate: Well, I think of it as if I am running an airline company. First I will have to buy the aircraft, which counts for initial borrowing or investment, hence the interest to be paid on the capital. Then I will have to pay rent to the airports.

Interviewer: What else?

Candidate: Then there are costs regarding fuel, salary to the employees, additional services offered on the flight as well as regular repair and maintenance costs and... *[Interrupted by the interviewer]*

Interviewer: That's good enough for the analysis. So Dhruv actually the fuel prices are going really high for A, in fact all the airline companies. Do you have any suggestions for them?

Candidate: Actually there are couple of ideas which can be implemented based on the situation. To start with, not relying on single supplier. Have short term contracts, which would give opportunity to negotiate acceptable price variation range at each renewal. Having multiple supplier would increase the bargaining power for sure and hence better price negotiation. What can also be done is, create incentives for suppliers and provide opportunity to grow their business and negotiate price reduction in return. For example co-branding with Airline or use the same supplier for other business of company A.

Interviewer: Thanks Dhruv, that sounds good.

Vinit Gawande

Caselet: A pharmaceutical company has come up with a new diabetes drug and is looking to enter the diabetes market in Vietnam. How would you go about the same?

Candidate: First, we need to estimate the potential market size to see if it is viable.

For estimating the size, I will start off by assuming the population of Vietnam to be roughly 100 million (i.e 1/10th that of India). Then assuming that around 5% of people worldwide have diabetes, I would arrive at the number of diabetics in the country.

Assuming 5 million is a good size of the target market, I would start collecting data on the diabetic population of Vietnam. The entire potential market will not be the target immediately. We should only target people who are aware of them being diabetic.

Interviewer: But how would you get the data for the same? A country like Vietnam would not have organized data available.

Candidate: Maybe reach out to the national/ state health departments to get a record of the same. The records would give us an idea of

- Number of people with the knowledge of they being diabetic
- Number of people who can afford the shots

Interviewer: Sounds like a reasonable approach. Thanks.

CASE INTERVIEW EXPERIENCES - SUMMERS 2013

CONTRIBUTORS' PROFILES

Name	Company	Graduation		Work Experience		Resume Spikes(not in order)	
		Branch	College	Company	Duration (months)	One	Two
Pushkar Aggarwal	Bain & Co	Electrical	IIT Kanpur	ITC	22	Work-Ex	Academics
Aashish Dattani	Mckinsey & Co	Dual Degree CSE	IIT Madras	Strand Life Sciences	22	Academics	Awards
Ritesh Agarwal	BCG	Electrical	IIT Bombay	ITC	23	Academics	Aditya Birla Scholarship
Abhay Kumar	Mckinsey & Co	Integrated MSc. Mathematics	IIT Kharagpur	ITC	24	Work-Ex	Academics
Madhur Bansal	Mckinsey & Co	B.Com (H)	SRCC	NA	NA	PORs	Extra-curriculars
Ishaan Puri	Mckinsey & Co	B. Tech. (EE)	IIT Kanpur	ITC	24	Work-Ex	Academics
Nikita Garg	Mckinsey & Co	Maths & Compt.	IIT Guwahati	NA	NA	Academics	PORs
Ishan Vishnoi	Boston Consulting Group	Comp. Sci.	BITS Pilani K.K Birla Goa Campus	Oracle India Pvt. Ltd	10	Academics	PORs

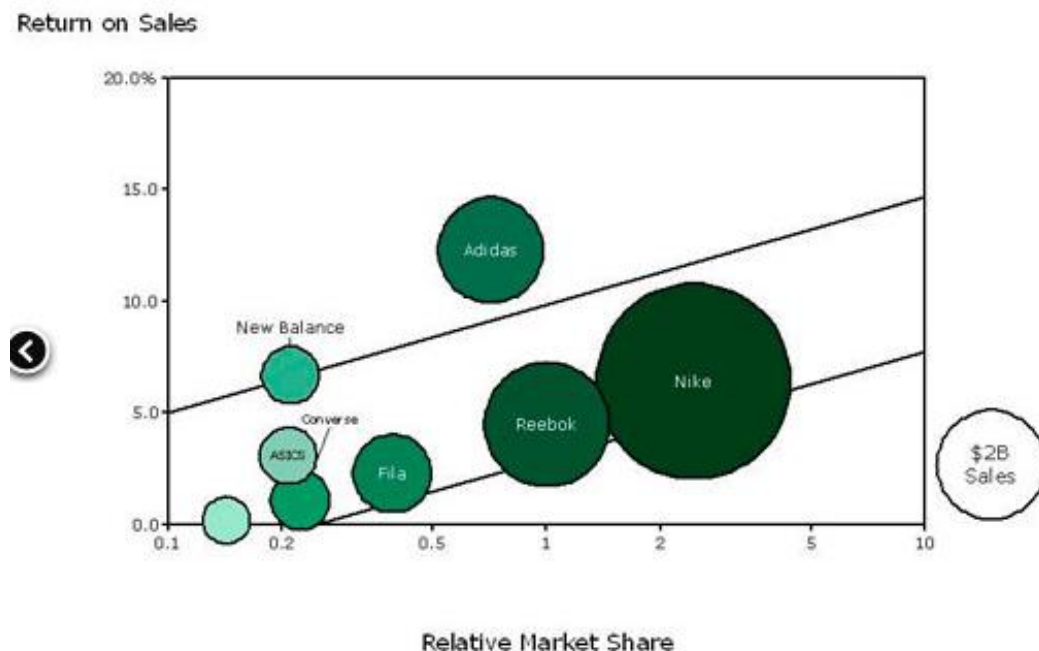
BAIN & COMPANY

Pushkar Aggarwal

Interview 1

The first interview wasn't one case, but smaller discussions on graphs, charts and financial data showed by the interviewer on a laptop screen. The interview started off with general chitchat about high stress level on Day 0

Interviewer – Shall we get started? (Turns around his laptop showing a bubble chart) What do you infer from this graph? (It was a ROA/ROS vs RMS graph, example below)



Candidate – This is the first time I am seeing this kind of a chart. I can see that the Y-axis is Return on Sales but I am not sure what Relative Market Share means. Could you guide me through it?

Interviewer – The Y-axis is correct, the relative market share is the ratio of that company's market share to the share of the largest competitor. However, for the market leader, it is the ratio of its share to the 2nd largest player.

Candidate – Ok, and the bubble size reflects the actual number of sales?

Interviewer – Yes

Candidate – Looking at the graph, I can say that Nike is the largest player in the market, with a size almost twice of Reebok, the 2nd largest competitor. However, Adidas is an outlier, generating a higher return than both Nike and Reebok. Also, beyond these three players, there are no major players. Thus, the market is highly concentrated.

Interviewer – If Reebok were our client, what advice would you give them?

Candidate – Let me think about that for a minute. (Pause) I can see two paths for them. Either they can try to move up the Y-axis – by focusing on increasing return to sales or try to move up the X-axis – trying to capture a larger market share.

Interviewer – What do you think is more suitable?

Candidate – Seeing that Nike is such a dominant player, I would focus on increasing my return to sales, which Adidas shows can be achieved in the industry.

(Moves to a second slide and shows me a profit and loss statement for two hospitals)

Interviewer – Hospital #2 is our client, what would you recommend, looking at these statements?

Candidate – Could you tell me, what is the market position of Hospital #1? I mean, why have we focused on them for comparison?

Interviewer – Hospital#1 is the most profitable hospital in the area

Candidate – If we compare the two statements, we can see that Hospital #2 has similar revenues but a higher cost than Hospital #1. Thus, we should focus on identifying cost-cutting opportunities.

Interviewer – Ok, what specific suggestions would you give?

Candidate – Looking at the major deviations from Hospital 1 again, I would focus on doctor's salaries, consumables and insurance cost.

Interviewer – How would you reduce cost in these heads?

Candidate – We could look at multiple options

1. For doctors – We should look at rationalizing number of doctors; maybe we have too many on staff. Further, the type of doctors may be focused too much on specialists, driving up the costs. A benchmarking should be done for the salary structure as well, to see if the pay could be rationalized.

2. For Consumables – A benchmarking study will give us a better idea of cost. Then, we can look better procurement practices, including centralized purchasing, single vendor development, etc. to reduce cost.
3. For insurance – there may be overlapping insurance policies on the different facilities. We might be over-insuring due to an unduly high-risk assessment. Also, we might be able to renegotiate a better deal with the insurance provider, using this data as a benchmark.

(We then discussed the feasibility of some of these ideas till the end)

Interview 2

Interviewer – What are you planning to do after your MBA?

Candidate – (gave a small overview of my career plan, mainly used as a icebreaker)

Caselet: *Are you aware of Starbucks' recent entry into India recently? (I said yes). Let's say they have appointed us as advisors, and they are looking to expand into Bangalore. What would you recommend?*

Candidate – To be clear, we are looking at Starbucks entering into the Bangalore city market through setup of coffee cafes in Bangalore city? (Interviewer said Yes). Since this is a specific question, I would first like to understand the background. Could you tell me the expansion strategy, and what is the aim of their expansion into Bangalore?

Interviewer – I agree. Right now, Starbucks is looking to setup a flagship store in Bangalore to establish a foothold into the Bangalore market.

Candidate – So we need to figure out how to establish one flagship store in Bangalore. Am I correct? (Interviewer said yes) Can I take a minute to structure my thoughts? (Pause) So, I would like to look at the case on these dimensions –

- Identify location for flagship store
- Setup costs involved with the store
- Day-to-day running costs
- Sales and marketing

I assume product choice, pricing is fixed as per Starbucks standards. Is there any head you want me to start with?

Interviewer – Why don't you start in terms of importance?

Candidate – Starting with location, we will need to identify the following:

- First, identify the locality in Bangalore – probably in high-end commercial market areas towards the centre of the city. As per my experience, the main commercial areas are MG Road, Koramangala and Indiranagar. We should look at customer footfall density in each of these areas, to choose one.
- Second, decide to setup a store on the high street (main road) or one in a mall. I would suggest a flagship store, since it is more premium. Further, it doesn't limit the customer population to people who visit the mall.

Interviewer – How many people would visit the store in this location?

Candidate – Should I do a first-principle estimate or there is any data available?

Interviewer – Yes. You could use first principle estimate.

Candidate - I would like to do a day-by-day hourly estimation. The first thing is the capacity of the café. In my limited experience of cafes, a typical café would suit around 50 people.

Then I assume, on a typical weekday, the timings are from 11am to 11pm. During this, occupancy will be,

	Weekday	Weekend
11am-1pm	30%	70-80%
1pm-3pm	70-80%	90-100%
3pm-6pm	50%	70-80%
6pm-9pm	90-100%	90-100%
9pm-11pm	40%	60-70%

Assuming, a person spends an hour on average in the store, we can calculate the total number of people in a week – 850 (weekday-350+ weekend 500)

Interviewer – what do you think will make up the setup and running costs?

Candidate – the setup costs will involve –

- Initial interiors of the store
- Machinery and utensils for the store
- Setting up a supply chain for the store
- Product launch costs – events, etc.

The running costs will be –

- Rental for real estate – including seating, kitchen, employee space
- Employee costs – for servers, cooks, cleaners, manager, security guard
- Maintenance
- Advertising costs – including promotions, signboards, radio ads
- Cost of coffee – We can look at average margin/cup from existing stores. Assuming, same products are being sold and no extraneous costs are present.

(This was followed by a detailed estimate of some of these costs, which involved breaking them down a level further. The focus was on the process of estimation and not the final number)

Interviewer – That’s great, one last question. What do you think competitor response will be to Starbucks entry?

Candidate – They have the following options

- Engage in a price war by cutting prices – but its not sustainable and not good for anyone. Further, Starbucks is a premium player and hence, price war won’t be applicable to them
- Develop stores to emulate Starbucks experience and products – like developing premium stores and range of coffees to prevent migration of customers.
- Start aggressive advertising and customer loyalty programs

Interviewer – Sounds good. Thank you.

BOSTON CONSULTING GROUP

Ritesh Agarwal

Caselet: A cement company wants to decide which markets to sell its cement in. Help them do this.

Candidate: So, as I understand, I need to help this company decide which markets to serve. I am assuming the company is looking to maximize profits here?

Interviewer: Yes, you should maximize profits.

Candidate: Is the company a regional firm or a national firm? What geographies does it operate in?

Interviewer: Consider an Indian company deciding what quantities to supply in which markets in North India.

Candidate: Ok. Before starting, I would like to know whether the company has multiple cement-manufacturing units.

Interviewer: Yes, consider the firm has 3 units spread across 2 states in the North. Also, cement firms use warehouses to supply markets.

Candidate: Thanks. I would like to take some time here and think my way through.

Interviewer: Sure, go ahead.

(Took a minute here)

Candidate: Okay, so here is how I am going to attack this problem. In order to maximize profits, I will look at the price that I can earn in a certain market versus the cost of serving that market. I assume the price will be given for a market. The cost will depend on various factors: *Cost of transport from the manufacturing unit to the warehouse which is distance * cost per km, Cost of transport from the warehouse to the demand point, and cost of storage in the warehouse.* Then, I will try to maximize profits. Is this okay?

Interviewer: Okay, what are the constraints you need to keep in mind?

(Here, I realized that this conversation was turning into a linear optimization problem – Second term: QM II. Thank you Professor Sastry)

Candidate: *(After a minute.)* There will be three constraints for this: First, the total supply from a manufacturing unit should not be more than the capacity of the unit. Second, the total quantity that can be sold in a market should be less than the market demand. Third, the total quantity supplied by a warehouse should be less than warehouse capacity.

Interviewer: Assume that each warehouse can be built as large as required; warehouse capacity is a choice and not a constraint. Anything else you need to do?

Candidate: Well, this turns into a linear programming problem. Solving this, we will get the answer: how much to sell in each market, where to open warehouses, which market to supply from which unit.

Interviewer: Okay, then write this problem on a paper with the objective function and the constraints.

Candidate: *(Writes and hands over the paper)*

Interviewer: Good. But there is another important constraint you have not considered.

Candidate: *(A little panicky)* I am not sure which one. Can you help me with this?

Interviewer: Will the price in a market remain fixed, or does it depend on something?

Candidate: *(Sorry look)*

Interviewer: Go back to your basic economics. The amount that you try to sell in a market changes the price that you can get in the market.

Candidate: Yes, the demand curve, but I assumed that the price is given for a market.

Interviewer: No, try to model this as a constraint in the linear problem.

(Tried to build in the constraint, the interviewer seemed partially satisfied with the answer)

Interviewer: Okay, no problem. You have solved most of the problem. Just the last part needs more thinking. Anyways, good job! Thanks.

Ishan Vishnoi

Caselet: Our client is a company ABC which wants to start a new venture revolving around supply chain management for small kirana stores in the villages of the country. Our client wants us to evaluate how feasible this model is and what can be possible areas of concern.

Candidate: Sir, before I begin, I would like to ask a few questions. I understand that the consumers for this company would be the village kirana stores. But where do they plan to source the supplies?

Interviewer: The supplies will be taken from large wholesale retail chains like Metro.

Candidate: Alright, and I believe that they will have a hub and spoke model, where a central town/city will act as warehouse and then they can distribute to each of the kirana stores?

Interviewer: Yes, that is correct.

Candidate: Can I take a few minutes to understand what could be the possible areas of concern?

Interviewer: Sure.

(Take 2 minutes to think about the possible concerns that could be there in the model)

Candidate: Sir, I would like to take a look across the value chain step by step. First of all, would like to take a look at the possible issues that can arise from the suppliers end. Some of the issues that I could think of were discount margins and availability of credit. Should I explore these issues in detail?

Interviewer: No, that is not necessary. Why don't you focus on the issues from the customer – village kirana store – side?

Candidate: Sure Sir. From the customer side, I think the most important issues will be – product variety, credit facility and replenishment cycle. Have I missed out on anything?

Interviewer: Do you think they will be willing to accept a model like this?

Candidate: I think that also depends on what kinds of margins we are offering them. Better prices and higher variety of goods will be the motivation for them.

Interviewer: Alright. Regarding your point on product variety, what kinds of products would be needed?

Candidate: Sir, I think grocery products would be the main requirements in these stores. Apart from these, FMCG products can also be used. Agriculture products will also be useful in such stores.

Interviewer: Hmm, do you think you are missing out on something?

(Take 2 minutes to think)

Candidate: Yes Sir, dairy products will also be an important part of this. This would include milk packets, curd and cottage cheese.

Interviewer: Yes, that is correct. Could you think what kind of problems can be there in this?

Candidate: Sir, dairy products are difficult to transport. They need to be consumed within a day of production due to lack of proper refrigeration facilities.

Interviewer: Correct. Could you suggest a few ways to tackle this?

(Candidate suggests a few ways like smaller spokes, use of mini-refrigerated facilities in the hubs of every district and tying up with local producers of dairy products in the villages)

Interviewer: Alright. One final question, the suppliers give us a credit window of 2 weeks. But the village kirana stores demand a credit window of 4 weeks. By assuming some interest rates, could you estimate what issues this might lead to?

(Candidate uses the time value of money concept, along with opportunity cost analysis to come up with rough numbers)

Interviewer: That is all. Thank you.

MCKINSEY & COMPANY

Aashish Dattani

Caselet: *Company X has newly entered the BPO business in India and wants to set up its first call center in India. How many employees should it hire? Assume that company X is currently going to serve only one client.*

Candidate: I will break-up the day into 3 shifts of 8 hours each. Can I do the requirement analysis for each shift independently?

Interviewer: Yes. You need not count the common administrative staff across shifts (e.g. HR, security, support etc.) in your calculations.

Candidate: In each shift, there are two kinds of employees: call center operators and managers. Can I assume a constant operator-to-manager ratio?

Interviewer: You can assume an operator-to-manager ratio of 12:1

Candidate: The number of operators required in a given shift depends on these factors:

1. Average time taken to service a call (including post-call processing) and
2. Average number of calls you would expect to receive per minute

Interviewer: Are you sure it is average number of calls? Do you want to service only ~50% of the calls you receive?

Candidate: Sorry. It depends on the maximum number of calls expected at any point of time during that shift.

Interviewer: Good. But generally clients do not want all 100% of their calls to be serviced. It is usually ~95%. Can you reason why?

Candidate: The incremental cost of servicing the extra 5% of calls might be much higher than the revenue generated from those customers.

Interviewer: Can you draw a graph showing the trade-off?

Candidate: Service-level on X-axis and cost/revenue on Y-axis. Drew two curves: Linear revenue line and exponential-looking cost curve. Intersection point is target service level

Interviewer: Thanks Aashish. That's it for now.

Ishaan Puri

Interview 1 (Partner interview)

Caselet: Our client is the owner of a factory which is being built. A dashboard needs to be created for him. What all do you think would he be interested in and why?

[So this is a slightly unusual case since it was more like a general discussion about what all would be useful to the client, rather than solving a problem]

Candidate:

- Budgeted vs. actual expenditure till date and reasons for deviation
- Project schedule vs. actual completion
- Status of work and purchase orders and reasons for delay
- Present exchange rate and forecasts
- Regulatory developments

The candidate included reasons as to why these would be useful to the client.

[Evaluation: The evaluation was based on the basis of coverage, relevance etc]

Interview 2: (Partner interview)

Caselet: Our client is a BPO operator and his profits are falling. We've been called to help him. How would you go about it?

Candidate: Are the costs increasing?

Interviewer: Yes

Candidate: What about revenues?

Interviewer: They are constant

Candidate: The cost driver of a typical BPO are salaries paid to the hourly employees. Have the salaries increased?

Interviewer: Yes

Candidate : Is the increase due to increase in number of hours or increased new hires?

Interviewer: The BPO has had increased number of people joining the company in the last few months

Candidate : Assuming the business volumes have been the same, hiring more people means average productivity is going down. This could be either because personnel were getting less efficient, or some of the staff was on the bench.

Interviewer: There are lot of people on the bench right now

Candidate : The increase in the number of people on the bench could be attributed to the attrition plans of the BPO.

The company should create detailed plans on hiring and attrition. It should check if paying by the hour actually works or if there is a better way. Other recommendation would be to reduce salaries for those on the bench, better forecasting techniques as far as attrition is concerned and focusing on reasons for attrition.

Nikita Garg

Interview 1

Interviewer: A German manufacturer of trucks is operating in the US. The company has been facing declining profits over the past 2 years. Identify the reasons and then we can talk about what could be done.

Candidate: First, I would like to enquire more about the manufacturer and its operations. Is the manufacturer operating out of the US or some parts are imported from Germany or any other country and assembled in the US?

Interviewer: All operations are being carried out in the US. It has been in the US for quite some decades and is a market leader.

Candidate: There could be two aspects to the reasons for declining profits: (wrote them down on the paper)

- Internal: Cost, Volumes, Prices, Sale schemes
- External: Industry growth, Competitors, Regulation (if any), State of the economy

Starting with the first, has there been any increase in the cost of operations?

Interviewer: No. The volumes and prices of new trucks have also remained the same.

Candidate: Ok. Since volumes and prices have remained the same, can I assume that revenues are the same?

Interviewer: Let's not make any assumptions just now.

Candidate: Ok. Not assuming that revenues have remained constant and exhausting all the internal factors, has the firm recently introduced any schemes or discounts or has there been in any change in the sales model of the firm?

Interviewer: The firm introduced a buy-back scheme in which you can sell your used trucks to the firm for an appropriate price. The scheme was introduced 4 years back.

Candidate: As I understand, the firm has been seeing falling profits for the past 2 years. Which is the current year we are talking about in the case?

Interviewer: You can take the current year to be 2011.

Candidate: A look at the external factors and the years under consideration hint at the recession in the US economy as one of the reasons behind falling profits.

Interviewer: Go ahead.

Candidate: As you mentioned earlier, the volumes and prices have remained the same but we can't assume that revenues have been the same as well.

So one of the reasons could be that the general demand for new trucks has declined because of the slowdown in the economy but the numbers of existing users of trucks exchanging their old trucks for new ones have increased. Hence there has been no major change in volumes but the revenue from a sale (New Truck Price – Old Truck Price) has declined. Thus, prices and volumes and costs have been the same, but revenues have declined leading to declining profits.

Interviewer: Good.

Candidate : Thank you.

Abhay Kumar

Case-let: Estimate the number of 4G users in India in 2020.

Candidate: I would like to look at this problem from demand and supply side, i.e. the potential users for 4G Network and the availability of the network. Would that be fine?

Interviewer: Sure. Go ahead.

Candidate: I am assuming the current population as 1.2 billion and a growth rate of 2% till 2020. Do you think that is a fair assumption?

Interviewer: Sounds fine.

Candidate: That makes the expected population to 1.4 billion. Could you suggest the current mobile penetration rate?

Interviewer: Assume it to be 80%

Candidate: Since the market penetration is high, there is little room for further penetration. So, by 2020 it could be 85%.

Interviewer: That sounds a little low. Consider it to be 90%

Candidate: Okay. Let me now consider this 90% population belonging to Rural and Urban, with Rural at 60% and Urban at 40% in 2020 (which is higher than current 30% urban due to

continuing urban migration). Can I now start eliminating the pockets of population which will either not have 4G enabled phones or will not use 4G.

Interviewer: Sure

Candidate: First, I will remove 60% rural population. Within urban, I will remove Kids (<12), which would be almost 25% population, considering uniform distribution and the fact that 50% of our population is below 25. Then I will remove Old (>60), which would probably be 10% of the population. We are now left with 65% of urban population, from 12-60 ages. The last segment to remove would be urban poor from this range, say 10%, leaving us with 55% of urban population. Do my assumptions sound relevant?

Interviewer: I would rather have 15% of the urban population removed from 65%, leaving you with 50% of urban population.

Candidate: Okay. So, 50% of the urban population would translate to 50% of 40% of 90% of 1.4 billion ~ 250 million. I am assuming a rounded figure for ease of calculation.

Interviewer: That is fine

Candidate: Now looking at the supply side - 4G is currently only in one city. And by 2020, it would only cover metros and tier-1 cities. Assuming a uniform distribution of urban population and 40% of the urban population of 250 million would be in metros and tier-1 cities in 2020, we would have 100 million potential users. But this is independent of the price point. Could you suggest average price of 4G services?

Interviewer: Assume rupees 5,000/month

Candidate: This price would reduce demand even in urban areas. I imagine only white collar working professionals and businessmen (age 25-60) and rich students (age 12-25) could afford it. Can I assume that 25% of the 100 million belong to working professionals and businessmen category and 5% belong to rich students category.

Interviewer: Sure

Candidate: So putting all the numbers together, it boils down to 30% of the 100 million I calculated earlier. Essentially, 30 million users.

Interviewer: That sounds like a fair approximation. Thank you

Madhur Bansal

Caselet: An MNC banks wants to venture into the microfinance business in Bangalore. What all should they be looking at?

Candidate: I would like to start with the assumption that their microfinance model i.e. the interest structure is such that the business can be profitable. Will that be a fair assumption?

Interviewer: Sure, go ahead. But what all factors should this interest charge consider?

Candidate: Well, apart from the cost of funds, this would include the risk of default (which is usually high in micro finance), administrative expenses for reaching out to the expectedly large customer base and profit margins.

So, now I would like to look at the market potential, the competition in the region, and what all will be the requirements for the bank

Interviewer: Fine. Let's look at the market potential first.

Candidate: So I would like to use the population base as the anchor for the market potential.

Taking the population of Bangalore and dividing it by 4 (average family size), we can do a first level cut using income level as only the lower income groups will avail microfinance. Then we would have to normalize the figures taking into account the people who would have a job, willingness to take loan, etc. *(This went on for some good five minutes and I ended up one a number)*

Interviewer: What all reasons can you think of for taking such a loan?

Candidate: Since the amount of the loan is small, these would be ideally taken for things like buying a stall or a rickshaw. *(Discussed various other avenues)*

Interviewer: Ok. So this is in terms of people, let's talk money.

Candidate: Ok. So an average microfinance is around 15,000. *(Multiplied the figure with the guesstimate figure to calculate market potential.)*

Interviewer: Good. So what do you think will be the interest income on this?

(The interview got over after a brief discussion. We also discussed qualitative factors like what all will be requirements by the bank to give loans to such people, risk factors, etc.)

CASE INTERVIEW EXPERIENCES - SUMMERS 2012

CONTRIBUTORS' PROFILES

Name	Company	Graduation		Work Experience		Resume Spikes	
		Branch	College	Company	Duration	One	Two
Avinash K	Accenture Management Consulting	Civil	NIT Trichy	NTPC Ltd.	34 months	Academics	Work Experience
Saurabh Arora	Accenture Management Consulting	Chemical	IIT Kanpur	Indian Oil Corporation (Operations)	23 months	PORs	-
Mohana T Rajan	Bain	Mechanical	NITK Surathkal	None	None	Academics	-
Shobhana Raja	BCG	-	College of Engineering, Guindy	Dell Force 10 Networks	11 months	Academics	PORs
Saurabh Bansal	BCG	Biotech	IIT Roorkee	Grant Thornton	11 months	Academics	Awards/Achievement
Shantanu Chaudhary	BCG	-	IIT Bombay	1.Capgemini Consulting 2.Boston Analytics	29 months 18 months	PORs	Extra-curriculars
Amitansu Kar	Booz	Computer Science	BITS Pilani	D. E. Shaw & Co.	47 months	Awards	Work Experience
Nishant Katoch	Deloitte Strategy & Operations	-	IIT Kharagpur	ITC	47 months	Extra-curriculars	Work Experience
Dhruv Shah	Global e-Procure	B.Tech (ICT)	DA-IICT	Deloitte Consulting USI	11 months	PORs	Extra-curriculars
Vishwas	Global e-Procure	Mechanical	NIT Surathkal	Tata Motors	22 months	PORs	Extra-curriculars
Kartik Yeleswaram	Global e-Procure	Mechanical	BITS Pilani-Goa Campus	BHEL	21 months	Work Experience	PORs
Soumil Srivastava	McKinsey	Mechanical	IIT Kanpur	None	None	Academics	PORs
Mohd Qasim	McKinsey	Production & Industrial	IIT Delhi	Caterpillar	35 months	Academics	Work Experience
Rajamayoor Sharma	McKinsey	Electrical & Electronics	BITS Pilani	None	None	Academics	Extra-curriculars
Karthik Manivannan	McKinsey	Mechanical	PSG Tech	Deloitte Consulting	34 months	Academics	PORs
Ramya George	Siemens Management Consulting	Computer Science	NIT Trichy	ZS Associates	23 months	Academic awards	PORs

ACCENTURE MANAGEMENT CONSULTING

Avinash K

Caselet: *An electric utility located somewhere in Eastern Europe wishes to improve its operational performance. How will you, as a consultant, go about it?*

Candidate: What is the fuel type? How old is the plant?

Interviewer: It is a thermal plant (using coal as fuel). The plant is about 15 years old.

Candidate: Since it is a thermal power plant, we first need to understand the grade of coal used. The higher the grade of coal, the higher the calorific value of coal and higher is the energy output. We need to assess the quality of coal that is locally available and if local coal is of low grade then we need to look at importing higher grade coal.

Interviewer: Fair Enough. What other parameters will you look at?

Candidate: Is the plant located close to the sea?

Interviewer: How is it relevant?

Candidate: A sea side plant will use sea water as feed water in the boiler (to produce steam that ultimately drives the turbine, thereby generating electricity). Though sea water may be deionised, there can be residual salts present in the water. If this water is used it may lead to scaling, corrosion of tubes and frequent breakdowns.

Interviewer: That is a good point. They were indeed a sea side plant.

Candidate: As far as operating parameters are concerned, I will also look at the number of unplanned shutdowns in the plant. Every time there is a shutdown, it takes 2 to 3 days to bring the plant back on stream. This would affect the annual plant utilisation. I would compare these parameters with other plants in the country to benchmark this plant's performance.

Interviewer: Okay. That was a very comprehensive analysis of the case. Thanks and I am recommending you for next round of interview.

Saurabh Arora

Caselet 1: A heavy commercial vehicle manufacturer is considering introducing a new commercial vehicle in light-medium segment? How should they go about the launch?

Candidate: There are two parts to the problem:

- 1) Marketing of the new product
- 2) Supply Chain for the new product

Marketing:

- What could be the uses the vehicle can serve?
- Who could be the potential users?
- What should be the mode of communication to them?

Supply Chain:

- How is the current supply chain like? (In terms of dealers)
- What are the supply chain requirements for this vehicle?

What are the changes that one needs to make to the current supply chain?

Caselet 2: You are in a flight with Mr. Mukesh Ambani. What will you suggest to him to improve his refinery business?

Candidate: I enlisted down some important parameters, which one should be aware of in refinery operations and what are the best practices to increase efficiency.

Then, I stressed upon the domestic and international avenues which a refiner should keep an eye on in the wake of changing Government and business scenario.

BAIN & COMPANY

Mohana T Rajan

Caselet: A metro is being set up in a city like Bangalore. What factors will you take into consideration before pricing a ticket?

Candidate: I shall first look at the various costs and revenue associated with a metro.

Interviewer: Sure, go ahead. What would you consider to be the main expenses involved?

Candidate: The one-time expense is the setting up of the infrastructure required.

Interviewer: Essentially, the capex is never fully recovered and since it is a govt. undertaking. Thus, it isn't taken into consideration while pricing tickets.

Candidate: In that case, the metro officials must make sure that every metro run must at least break even and the opex involved must be taken into consideration.

Interviewer: Ok, in that case what are the various opex involved?

Candidate: The main expenses are the wages for the staff - the driver, security and ticketing personnel. The energy required for running of metro and the air-conditioning must also be considered.

Interviewer: Now let's look at the revenue buckets.

Candidate: The direct source of income is from tickets. Another source is advertisements in the stations and trains. The third source is the stalls that are inside the stations.

Interviewer: Now, let's see what other factors you will take into consideration while pricing a ticket.

Candidate: The main reason people use the metro is that it is cheaper than other modes of transport, well apart from bus transport. Metros have no traffic and thus would be time saving, as compared to other modes like road transport using auto-rickshaws.

Interviewer: Very good, so finally how will you price the ticket?

Candidate: The ticket would obviously be priced based on the distance - number of stops. The opex and getting a quantitative feel of how much value people place on their time, we can get a good idea of the prices. This would be offset by additional revenue through advertisement and other commercial activities within the metro station and trains.

Interviewer: Excellent. That's it for now.

BOSTON CONSULTING GROUP

Shobhana Raja

Caselet: *An FMCG company, which is into food products, is experiencing reduced stock availability of 75% in their depots. This is impeding their growth. What should it do?*

Candidate: As per my understanding, 25% of the orders from distributors do not get fulfilled. Are these stock-outs specific to one particular brand or common across brands?

Interviewer: This is a common issue faced across all brands.

Candidate: Fine. It could be a supply side issue. Can you tell me the production capacity?

Interviewer: There are 12 manufacturing sites. I don't think it is a supply-side issue.

Candidate: In that case, some of the other reasons could be:

1. Seasonal demand for the product from the consumer
2. Poor demand forecasting
3. Poor stock deployment norms - Eg: Insufficient safety stock requirements at depots
4. Distributors not planning their orders sufficiently
5. Inefficient logistics resulting in stock not reaching depot on time

Interviewer: Of these factors, can you look into demand forecasting?

Candidate: Sure. Is there an estimate of forecasting accuracy of the company?

Interviewer: The company has a good national-level forecasting accuracy.

Candidate: Okay. I think there is a chance the depot-level forecasting accuracy is low.

Interviewer: Yes. The depot-level accuracy is 40-50%. The traditional ways of forecasting have not worked. What should the company do?

Candidate: The Company should use an automated tool (Eg: SAP) to manage the process.

Interviewer: Thanks Shobhana. I think we can wrap up.

Saurabh Bansal

Caselet: *An international packaged foods company operating in India is facing stiff competition from domestic players. Design their future strategy to tackle this issue?*

Candidate: Can you give me a brief idea about the company?

Interviewer: You can assume it to be one of the biggest food companies. It has been operating in India for a long time and has enjoyed a leadership position in food items like chips, wafers and other snacks. This position has been threatened by some Indian players.

Candidate: How has the company positioned its products in India? Is it a premium/high quality player or are its prices comparable to local Indian players?

Interviewer: The prices of our client's products are roughly 10-20% higher.

Candidate: Since we are talking about packaged foods, I am assuming that some of the Indian players are attracting customers because of relatively lower prices with quality not being a significant deterrent to purchase. Does this assumption sound reasonable?

Interviewer: Fair enough, go ahead.

Candidate: Is there a significant difference between our client's products and the products of these new competitors?

Interviewer: Yes, our client entered the Indian market with products that have been successful in other countries, with slight tweaks to cater to India. But the essential form has remained the same. The Indian players however, have introduced more ethnic products.

Candidate: Has our client's position been threatened by competitors in the domain of chips/wafers?

Interviewer: No, but the overall volumes have declined because of substitution with other snacks.

Candidate: (Took a minute to organize before responding) With the key issue being declining volumes, the client has to look at ways to target customer segments other than premium product buyers. It has to prevent customer shift to other foods. Would you want me to go a level deep into this?

Interviewer: Sounds good. What would be your recommendations to the client?

Candidate: I think our client should focus on a two pronged approach for growth. Firstly, the client can look to leverage on its economies of scale to expand to more points of sale and gain an aggregate volumes advantage over smaller Indian players. Secondly, the client can launch another brand with a more Indian line of products that would appeal to the Indian taste. The new brand should be associated with high quality and should maintain the premium position of marginally higher prices than competitors. The rationale behind this is to maintain the premium quality brand and cater to the segment buying Namkeens/Bhujias etc.

Interviewer: Can you think of ways by which the new brand you discussed can come about?

Candidate: We can probably do a detailed market study to identify flavors/forms that appeal to large customer segments and introduce an assortment of products under a new brand. Alternatively, the client can look at acquisitions of smaller players and build on that leveraging parent company scale/expertise. It can also look at a partnership model if it finds itself constrained for resources.

Interviewer: Sounds great. I think we have discussed the major heads.

Shantanu Chaudhary

Caselet: *A large diameter steel rod manufacturer is launching a new product from its stable which is small diameter steel rod. Do they need to build a warehouse after the launch of this new product? If yes, where?*

Candidate: Currently, does the manufacturer have a warehouse for the large diameter steel rod?

Interviewer: No, they deliver it directly from their factory.

Candidate: Does the factory have a large warehouse attached to it?

Interviewer: No.

Candidate: So are these large diameter steel rods made-to-order?

Interviewer: Yes.

Candidate: Will the target customers for the new product remain the same as for large rods?

Interviewer: May be, you tell me.

Candidate: I would like to think about a few industries that may be potential customers of small diameter steel rods, may I take a minute?

Interviewer: Sure. Go ahead.

Candidate: I think construction, automobile and railway industries could be a major target. Could you help me identify the industry with which their current competencies align best?

Interviewer: Yes, the industries you mentioned could be their targets, however they are looking at the growing construction business in India through various residential and commercial projects.

Candidate: In that case, would I be right in assuming that these rods would be used as reinforcements to go along with the concrete for building structures?

Interviewer: Could you think of any other major use of small diameter rods in construction?

Candidate: May be window fittings in buildings, to name one.

Interviewer: Ok, let's not go there; you assumed correctly that reinforcements are a major part of steel usage in construction.

Candidate: Is there anything special that our client is trying to manufacture other than the normal steel rods used as reinforcements in construction?

Interviewer: Yes, they are planning to manufacture the same small diameter rods that are normally used in reinforcements for construction.

Candidate: Considering this product is common, am I correct in assuming that there would be several players in the market competing for this space?

Interviewer: Yes, there are many players already in the market.

Candidate: For a common product, I would like to think that this product should be made-to-stock rather than made-to-order, so that the construction clients' orders are not lost to competition whenever there is a potential deal on the table.

Interviewer: Yes, you are thinking on the correct lines. Go ahead.

Candidate: In that case, it would make sense to have a warehouse for storing the made-to-stock inventory.

BOOZ & COMPANY

Amitansu Kar

Caselet 1: *One of the leading players in the Indian airline industry wants to re-paint the exteriors of its entire fleet. How many litres of paint would be required for this?*

Candidate: I have some follow-up questions. Does the airline have international flights?

Interviewer: No. Consider it to be a leading domestic player.

Candidate: Fine. Do we have an idea about its reach - number of cities covered?

Interviewer: What do you think would be a reasonable estimate?

Candidate: Since, it's a leading player, it would have a wide reach - say around 20-25 cities.

Interviewer: That's a good estimate.

Candidate: To arrive at an estimate of its fleet size, I would find out the # of planes required to cover its network of cities with an estimated # of frequency per day. I have segmented the cities into two buckets – Metros (Tier1) and Tier 2/3 cities.

Tier 1: Delhi, Mumbai, Kolkata, Chennai, Bangalore, Hyderabad (Total: 6 in number)

Tier 2/3: Ahmedabad, Pune, Jaipur, Lucknow, Bhubaneswar etc (Total: 15 in number)

Interviewer: Fine.

Candidate: I assume there would be direct flights (to and fro - twice per day) between all Tier 1 cities, direct flights (to and fro - once per day) from Tier 1 cities to some Tier 2/3 cities (say half of them) and some direct and some hopping flights between some Tier 2/3 cities. Is it valid assumption?

Interviewer: Sounds like a valid assumption.

Candidate: (Reading out loud while calculating on paper)

Among Tier 1 cities: $6C2 = 15$ combinations. Avg travelling time = 2 hrs. To and fro plus waiting time = $2+2+2 = 6$ hrs. Twice per day = 12 hrs.

I guess a plane can't be used for more than 12 hours per day. Hence, 15 planes would be required.

Between Tier 1 city and Tier 2/3 cities: $6C1 * 15C1 = 90$; Not all combinations for direct flights would exist. Let's take 1/2 of this. That makes it 45.

Avg travelling time (to and fro) + waiting = 6 hrs. Flying time per day per plane - say 12 hrs. ($6*2$). So, planes required = $45/2 = 23$

Among Tier 2/3 cities: Say direct flights for 5 cities and they cover remaining cities as hopping destination. $5C2 = 10$ (similar calculation as above)

Hence fleet size = $15 + 23 + 10 = 48$. Is this a good approximation?

Interviewer: Yes, very good. So, how many litres of paint would be required?

Candidate: The fleet would comprise of different types/sizes of planes. The ones connecting the metros would be bigger than the ones for Tier 2/3 cities. Do we have information on size of the planes?

Interviewer: Well, what do you think would be fair estimate?

Candidate: For the purpose of estimating paint required for exteriors, I can assume the plane to be in the shape of a cuboid.

Length: Bigger planes have generally 30 rows of seats. Each row say occupies 3 feet. $30*3=90$ feet plus cockpit plus restrooms space = ~ 120 ft

Breadth: $3*2$ seats in each row. $\sim 6 * 1.5$ feet each + separation distance = ~ 12 ft

Height: Interior height = one persons height (6 ft) + allowance of say 2ft = 8 ft. External height might be double of this = ~ 15 ft

Interviewer: Sounds good. Let's stop the problem here.

Caselet 2: *We are a leading global consulting firm operating in India. Recently, we heard that another global player is entering the Indian market. What do we do?*

Candidate: I am assuming our objective is to maintain as much market share as we can?

Interviewer: Yes - that's a fair assumption. Go ahead.

Candidate: Could you tell me the competitive landscape of the Indian consulting industry?

Interviewer: There are 3 major firms. Apart from that, some small players also do exist.

Candidate: What are the market shares of each?

Interviewer: Well you can consider one firm to have 40% share, the other 30%. We have around 20% share. And, the rest 10% is made up by small players.

Candidate: Okay. Are the other firms doing something to keep this new player out?

Interviewer: That's a good question. But, let's concentrate on our strategy.

Candidate: We should follow a two pronged strategy:

1. Protecting existing clients
2. Getting new clients

Since, consulting entails repeat business, we should mainly focus on protecting our existing clients. At the same time, we should increase our marketing efforts to get new clients.

Interviewer: Sounds good. Could you tell me how you could protect existing clients?

Candidate: Essentially, we need to raise the switching costs. Three points that I can think of:

1. Deliver our work really well so that it wouldn't make sense for them to switch.
2. Know the client well, their existing issues and pitch for solutions to those.
3. Incentivise and give them some benefits to re-sign us for another job/task.

Interviewer: Sounds good. Let's stop here.

DELOITTE STRATEGY & OPERATIONS

Nishant Katoch

Caselet: *An Indian mobile handset maker wants to target rural markets. There are over 500,000 Indian villages not all of which can be chosen. What framework should they use to select suitable towns/villages?*

Candidate: (I asked for some time to jot down my points) I think we need to look at their potential customers, competitors.

Interviewer: What competitors and which customers?

Candidate: Maybe we could look at regions that are close to cities that would be easier to catch.

Interviewer: True, but this is a minor factor.

(After this I mentioned factors like villages with a great profile of outstation workers, villages without existing telephone network etc.)

Interviewer: Yes, you spoke of a lot of disjointed points but let me help you, why don't you think of demand and supply factors. So what is the first demand factor?

Candidate: The population

Interviewer: Precisely, in fact it is one of the best filters.

In the rest of the interview, other factors like village connectivity, literacy levels etc. were discussed.

I suggest you to be confident, improvise on frameworks and learn to pick up negative signals early on in your interview.

GLOBAL E-PROCURE

Dhruv Shah

Caselet: *A company has designed a new golf ball which can potentially last forever (can withstand any amount of wear & tear). How should it be priced?*

Candidate: What does the company manufacture? Do they already have a golf ball offering?

Interviewer: They manufacture sports equipment and yes, they do have a golf ball offering.

Candidate: Ok. What are the types of golf balls available in the market?

Interviewer: There is very little variety, but there are two major firms (apart from this company) that manufacture golf balls. A golf ball would be priced in the range of \$10-15.

Candidate: My approach would be to first understand the value add this product brings. For that, I would estimate the typical number of golf balls used by an average user in his lifetime (discarded due to wear & tear) and the average loss rate of balls during play. Our product addresses the former issue only. Then I would compare it to the value a normal \$10-15 ball gives (in terms of average life), and arrive at a price point for the new ball (by extrapolation). Next, I would like to know the cost of manufacture - to get an idea of the operating margin.

Interviewer: Yes, but what would you do with the margin?

Candidate: So the margin (difference in price computed and cost incurred) can be reduced - given that consumer acceptance would be low for a new product. We can divide the surplus between the producer and consumer. In order to fix the price, I suggest we could conduct consumer surveys to get an estimate of the willingness to pay within the arrived range.

Interviewer: But who do you include in this survey?

Candidate: Regular members at golf clubs could be a good starting point.

Interviewer: Sounds good. So go ahead now with your pricing analysis.

Candidate arrived at guesstimate for average number of balls used in a lifetime. E.g. playing from 20-60 age (US context), plays 3 days a week, average plays per ball, factor in number of balls lost in a year etc. and finally comes with a price estimate.

Vishwas

Caselet 1: *A large construction company is to build a high-rise office complex in Mumbai, but faces heavy costs in sourcing material. Suggest how or why?*

Candidate: Rising commodity prices due to construction boom in India is a possible reason. Can the company explore alternative options such as plastic concrete or building bricks made from recycled plastic?

Interviewer: Fine, green materials is one suggestion, but not practical.

Candidate: How much material does the company source within India? How much from outside?

Interviewer: There is very little sourcing from outside India.

Candidate: Do they have any long-term contracts with suppliers? Can they negotiate terms?

Interviewer: Yes, they have long-term contracts for a few materials. Can you guess what could be the terms of such a sourcing contract?

Candidate: The Company would have arrived to the supplier through an RFQ or Reverse Auction process, correct? They would have received quotes from many suppliers?

Interviewer: Yes, that is a fair assumption

Candidate: So, the contract negotiated would have details of the price and an inflationary adjustment factor?

Interviewer: Yes, go on. What could be the other conditions in the contract? The interview went along these lines till many concepts in strategic sourcing and supply chain management were covered.

Caselet 2: *A large Indian car manufacturer has huge revenues but poor profits. How would you approach their problem?*

Candidate: Clearly, their costs are too high. If I name various cost heads, would you suggest which ones I should explore further?

Interviewer: Go ahead and name a few cost heads

Candidate: Material costs (unsatisfactory relationship with suppliers, escalating commodity costs), R&D costs, production costs, recent investments and related costs of capital, import costs - which one should I explore?

Interviewer: Explore each one of those and explain the technicalities.

(After that was completed) Could there be any reason other than the costs?

Candidate: Are there any heavy duties (taxes) that the Company is paying?

Interviewer: Can you illustrate what kind of heavy taxes could be levied?

(After that was completed, I was asked to elaborate on any other reasons for low profits)

Candidate: Could it be that the Company was not charging an adequate premium on the product?

Interviewer: So, why would any Company do that? Could you list a few reasons?

Candidate: Competitive market, poor industry profitability, Company has commitment to customers to sell at lower prices (like Nano), heavy exchange offers or discount schemes affecting profitability, month-end schemes to reach sales targets hitting profitability.

(Reasons affecting profitability) The Company may not be making good use of its customer service channel. This is usually a profit centre. The company should check its spare parts sales and annual maintenance contracts (AMCs)

Interviewer: How would an AMC affect profitability?

Candidate: An AMC for a defective product would mean free replacement and hence, the Company loses money on them. It could also be that the AMC business is not doing well and the Company is spending on the business. This could pull down profits.

Interviewer: What about spare parts business? How could that be critical? How does a Company manage that vertical?

Candidate: The mark-up on the cost at which it is procured may not justify expenses. There are costs of maintaining warehouse, paying the service provider, transportation (FOC) costs, packaging costs, cost of schemes in the market, promotional material in the retail markets.

Interviewer: Ok, you have covered the details fairly exhaustively. Thank You!

Kartik Yeleswaram

Caselet: A Fortune 500 packaged foods company is facing a consistent rise in MRO costs for its plant in England. How can sourcing strategy be changed to mitigate this?

Candidate: What are the different categories of MRO components? How is total MRO expenditure distributed across these categories?

Interviewer: MRO components can be classified into 75 categories on the basis of functionality, required quality and criticality. These vary greatly with respect to expenditure per unit and frequency of purchase.

MCKINSEY & COMPANY

Soumil Srivastava

Caselet: *A car tire manufacturer is looking to enter the market for truck tires. Should they go ahead with this?*

Candidate: What is the current market structure for truck tires and the current product mix of the client?

Interviewer: The market is mostly concentrated and has 4 major players currently.

Candidate: I am going to focus on any unique competitive advantage that the client might have in the market if it decides to enter.

Interviewer: The client will be able to use its advanced production processes (which were being used for cars) to manufacture better quality tires which will have better performance characteristics such as dry/wet traction, force variation and would last longer.

Candidate evaluated whether the truck tire market would actually value such characteristics, the expected revenues and costs. After profitability analysis, recommended going ahead with the launch of the product. Candidate was also asked to evaluate any softer aspects of the market entry.

Mohd Qasim

Caselet: *An Indian IT company wants to enter the health care segment in the US. It has two options either to develop software for hospitals or for insurance companies.*

Candidate: Could you please elaborate on the use of IT in the health sector?

Interviewer: In US, health care is primarily cash less and insurance based. To run this effectively, both hospitals as well as insurance companies require systems to process the claims.

Candidate: So, health institutions would require the software to process patients' billings while insurance companies would need it to process hospitals' claims. Am I right?

Interviewer: Yes

Candidate: What is the objective for the IT company to enter US market?

Interviewer: To expand and increase revenue

Candidate: (Asked for a minute to think) We can come up with some critical parameters to evaluate the two alternatives.

Interviewer: And what would they be?

Candidate: We need to look at the competition, market size, growth prospects of health care and insurance sector, margins, company's current expertise, time to implementation, regulations and required investments. We need to prioritize these criteria.

(Interviewer asked to explain some of these parameters. He provided some data on each of the above parameters and based on which insurance sector turned out to be the preferred one.)

Interviewer: Fair enough. What about the implementation? How should the company go about it?

Candidate: Three alternatives can be considered- starting alone, forming an alliance with an existing player or acquiring another company based on its current expertise, capital availability, familiarity with the country, business relations and time it would take to enter the market.

Rajamayyoor Sharma

Caselet: *Estimate the number of flights in the air in India at any given time.*

Candidate: One way of estimating would be to narrow down the number of people using flights in each city.

Interviewer: Could you think of a different approach? You do not have any data regarding no. of aircrafts each airlines has or any other information from the airports, to help you.

Candidate: Alright. Could you give me some sort of indication as to what sort of methodology you want me to use?

Interviewer: Try and look at the constraints that would limit the no. of airlines in the air.

Candidate: There are multiple constraints, one of them being the no. of airports we have. Would that be correct?

Interviewer: Fair enough. Let's take only the major airports, i.e. the metros, Bangalore and Hyderabad.

Candidate: Sure. So we have 6 airports to consider. Within each airport, we can study the constraints, figure out the major bottleneck in each and this would help us decide the no. of aeroplanes in the air.

Interviewer: Try and look at a single largest constraint that would be present across all airports and then see how it affects our estimates.

Candidate: The single largest constraint could be the time on the runway, as each airport has only 1 or 2 and each runway can accommodate only one aeroplane at a time.

Interviewer: Good. Now, how can you estimate the no. of flights in the air, once you have figured out the biggest bottleneck?

Candidate: Let's assume that each flight takes 2 minutes on the runway. So there can be about 30 flights that can take off or land in an hour. Will that be a correct assumption?

Interviewer: Sure. Now, how would you convert this rate of take- off or landing into no. of flights in the air?

Candidate: If we assume an average flight time of say 2 hours, all flights that take off in the first hour will land in the third hour. So roughly 2 hours multiplied by 30 flights per hour should be the no. of flights in the air from each runway. This, multiplied with the number of runways would give us an approximate number of flights in the air in India.

Karthik Manivannan

Caselet: *One of the magazine companies is diversifying into local evening newspaper. It is planning to run a pilot for the same in Chandigarh. How will you choose an area among 4 prospective areas within Chandigarh (Eg: Indira Nagar Times etc)*

Candidate: (I asked a few initial few questions about the company and its business to understand the context for further analysis).

Candidate: Are there any important qualities that the company is looking for in its audience?

Interviewer: None is specific. But who do you think are the customers for such a newspaper?

Candidate: Mainly retired people, house wives and may be teenagers could be included. Given that such newspapers are usually free of cost and revenues are mainly through advertisements, the area that is chosen should have enough local businesses which will gain through these ads. Is that a right assumption to make?

Interviewer: Yes that is right. Can you tell me what such businesses might be?

Candidate: Given the target audience, I can think of apparel retailers, food supermarkets and restaurants.

Interviewer: What do you think retired people look for?

Candidate: They might be looking for leisure events, for e.g. a carnatic concert or any social event that they can indulge in during their free time.

Interviewer: Fair enough. What about housewives?

Candidate: Recipes, offers & discounts in apparel/cutlery and jewellery might be of their interest

Interviewer: What else do house wives look for? (Hinted me towards mothers)

Candidate: Mothers might look for health tips for their kids. Some newspapers carry advertisements regarding tuitions and summer sports camps, which might interest them!

Interviewer: Alright, Good then. Can you quickly summarise the points that we have discussed and factors to be taken into account?

Candidate: <I summarized the above points >

Interviewer: Ok, cool thanks!

SIEMENS MANAGEMENT CONSULTING

Ramya George

Caselet 1: *A heavy engineering product company sells standard & customized products and services. Their current organization setup includes a product vertical and a service vertical. Each of these verticals has their own dedicated sales force. What are the structural problems that you foresee in this organization setup?*

Candidate: Could you please elaborate on the product verticals.

Interviewer: The product vertical carries a huge portfolio of products – simple as well as complex. The service for each kind of product may vary from preventive maintenance to repair in nature.

Candidate: One of the possible problems could be the tedious process involved in ordering products, because of the multiple talk-points for the customer.

Interviewer: Any other problem that you can think of?

Candidate: There might be an increase in company's service response time because of lack of internal co-ordination between product and service verticals. Since there are separate sales force teams for each vertical, the scope of pro-actively monitoring service requirements is reduced.

Overall implication with the current setup was contribution to top line was being driven more by product volume than service volume. The company had a legacy of products installed in the market and hence a huge service potential. Given the current internal situation, the service potential was highly untapped.

The solution suggested was to have 3 verticals – product, service and sales. The sales vertical acts as a common link between product and service as well as drives service volume in the market.

Caselet 2: *How would you estimate the market for flanges in India?*

Candidate: As I did not have much idea about the product, I clarified the product usage upfront. The uses ranged from construction to manufacturing to automation industries. I

followed a demand-side estimation in which I classified the market into B2B and B2C. At this point, the interviewer stopped me from going further into numbers and we then discussed key distribution tie-ups possible.

CASE INTERVIEW EXPERIENCES - SUMMERS 2011

CONTRIBUTORS' PROFILES

Name	Company	Graduation		Work Experience		Resume Spikes	
		Branch	College	Company	Duration	One	Two
Siddharth Parthasarathy	AT Kearney	Mechanical	IIT Madras	ITC	34 months	Positions of Responsibility	Work Experience
Shovik Banerjee	AT Kearney	Computer Science	NIT Warangal	Microsoft	23 months	Positions of Responsibility	Awards
Deepak Nanwani	A & M	Chemical	IIT Guwahati	-	23 months	-	-
Aditya Mukherjee	Bain	Computer Engineering	NTU Singapore	Continental AG	42 months	Media and Literary Achievements	Entrepreneurship
Mansi Baranwal	Bain	IT	NIT Allahbad	Yahoo!	36 months	Positions of Responsibility	Awards and achievements
Shivani Pal	Bain	Electrical	IIT Kharagpur	-	-	Academic	Extra-curricular achievements
Piyush Bhartiya	BCG	Metallurgy	IIT Roorkee	Schlumberger	46 months	Work Experience	Academic achievements
Rachit Chandra	BCG	Computer Science	BITS Pilani	-	-	Leadership	Awards
Ritesh Ritolia	BCG	Electrical	IIT Roorkee	ITC	24 months	Work Experience	Scholastic achievements
Anurag Oak	BCG	Chemical	IIT Delhi	HUL	47 months	Work Experience	Academic achievements
Arpit Nanda	BCG	Computer Science	IIT Delhi	Capital One	8 months	Scholastic Achievements	Positions of Responsibility
Subhodeep Ghosh	Booz	BE (ECE) MSc (Physics)	BITS Pilani	Cypress Semiconductors	23 months	Work Experience	Research achievements
Aritra Das	Booz	ETCE	Jadavpur University	PWC	34 month	-	-
Arijit Sarkar	McKinsey	Electrical	IIT Bombay	Lehman and SughaVazhvu Health care	46 months	Academic Achievements	Work Experience
Ayesha Jaggi	McKinsey	B.Com (hons)	SRCC	Lehman /Nomura	23 months	-	-
Jitesh Khanna	McKinsey	IE	IIT Kharagpur	ITC	24 months	Scholastic Achievements	Positions of Responsibility

AT KEARNEY

Siddharth Parthasarathy

Caselet: Estimate the market size for an automobile repair chain in India

Candidate: Automobiles include commercial and personal vehicles. Personal could be further split into 2 wheelers and 4 wheelers. What is our client's focus?

Interviewer: Four Wheelers

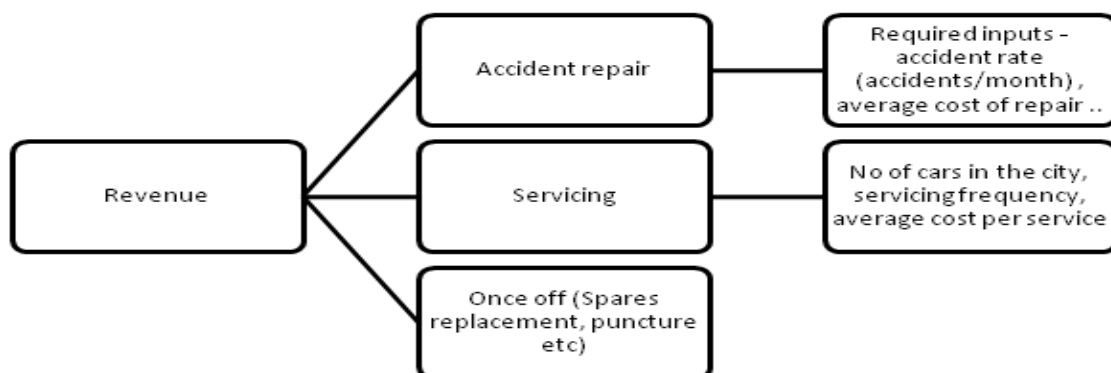
Candidate: Is the client focusing on all the markets or the metro markets alone?

Interviewer: Our client is interested in metro markets

Candidate: I would like to start the estimation of market size with Delhi as the start case and extend it to other metros

Interviewer: That would be fine

Candidate: (I took a minute off the pen down my approach, which was pretty much like this)



We could broadly classify the revenue stream as shown (using the paper) , we may also include insurance also.

Interviewer (interrupted): Why not

Candidate: Of these revenue streams, I would safely assume 80% of the revenue would be through service stream and would want to focus on this stream. Is the approach & assumption fine or would you want me to consider other areas as well

Interviewer: This would be fine, go ahead

Candidate: (ran through the following calculations with the interviewer on paper with commentary)

Delhi's population is around 10Mn, 20% would be SEC A and another 30% in SEC B (Socio economic class). It would be safe to assume Sec A will have two cars per household and sec B will have one car per house-hold.

Assuming 4 people form a household, No of cars in Delhi would be $10 \times 0.2 / 4 + 10 \times 0.3 / 4 = 1.25$ Mn cars in Delhi. Each car is serviced every quarter on an average

No of services in an year = 5 Mn

Cost per service would closely be around Rs 2000

Interviewer (interrupts): I get your approach, I know how you will proceed. Good work!

Interviewer: Tell me about you work experience

Candidate: Talked a bit on my work-ex.

Interviewer: Any questions for me

Candidate: I don't think I have any questions

Interviewer: Great, Thanks, That brings us to the end of the interview!

Shovik Banerjee

Caselet: *A private equity firm is considering buying a stake in the BPO unit of a financial services company. The firm is employed on a 4-5 week project to evaluate the proposal. Do you think it is a good idea to buy out a stake in the unit?*

Candidate: The evaluation would require us to look into multiple facets and parameters. Would you like me to list the out for you?

Interviewer: Fair enough (clearly he is looking for a comprehensive set to see if all options would be considered by me)

C: Let me list out various factor grouped together under five primary categories – market attractiveness, company attractiveness, competitors, exit options and external factors. (I list out 5-6 factors under each category)

I: (Appears satisfied with the listing) Ok let's leave that aside. Let us assume you have considered all the alternatives. If I asked you to pick one hot button, which would it be?

C: I would want to look at the profitability of the unit in terms of its revenue and costs (fixed and variable)

I: Great. Let's go ahead with the revenues aspect.

C: I would assume that BPOs primarily have voice and non-voice services. However, these could be rendered to multiple clients. Which sectors does the unit specialize in?

I : The BPO specializes in financial services as it was set up by a bank. The market is fairly large, about a \$100 bn globally. (Randomly throws numbers regarding the industry in general to distract my attention)

C: Do we have information regarding the revenue split between voice and non voice services?

I: For every \$8 dollars it earns for non-voice services, the BPO earns \$4 for its voice services. Billing is done on a per contact basis.

C: Non voice services seem to be generating more revenues than voice on a per contact basis. I'm curious about the volumes for each that the unit handles.

I: Good you asked. About 75% of it's per contact volumes come from voice services.

C: (After a quick summary of the case facts) The revenues seem quite steady, however, I would like to know where the cash flows come in from i.e. who are its clients for its voice services.

I: Almost 80-90% of its volumes stem from the holding bank itself.

C: Prima facie, it looks like the BPO won't have enough business once the bank sells it, it might not be a good idea for a PE firm to invest in it unless it has a larger portfolio of clients in the pipeline.

I: That's what we told them as well.

C: (Looking back at the list I had initially drawn out) Are you sure you don't want me to go through the remaining items listed down?

I: (Smiles) It's fine, you are good to go for the next round. We don't believe in complicated frameworks anyways!

ALVAREZ & MARSHAL

Deepak Nanwani

Caselet 1: *A cement company is facing a problem of reduced margins and their performance is last 3 years has been very poor. You are hired as a consultant to identify the possible reasons and solve the problem*

After asking questions to develop basic understanding of their operations and the geography they operate in, candidate approached the case as below:

Candidate: Is there a major change in competition, is there any new product launched?

Interviewer: No change

C: Are other companies also facing the problem of reduced margins?

I: No, their margins are the same

C: Is there any rise in material costs or other regulatory changes which have increased the costs?

I: No, had it been the overall change, other companies would have faced the same problem.

C: So, this cost increase is definite to their firm. I will start with identifying different cost buckets. These specific costs can be advertisement cost, transportation cost, distribution cost.

I: consider transportation and distribution under one bucket and go in detail

Conclusion:

After going in the details of their distribution and warehouse strategy, candidate identified that the company was basically a south India based Cement Company which was trying to expand in North India. But the warehouses they were going for were not leased and they were on lease basis. This was one of the factors responsible for increasing their costs.

Second issue was their distribution. They were trying to expand without a comprehensive hub and spoke model and without identifying key target regions.

Suggestions to improve the situation:

1. Regional Warehouses, Hub and spoke model for distribution
2. Go for regions with high demand density, identify target regions and stop supply to regions which are not concentrated
3. Tie Up with Construction companies

Caselet 2: *There is a US based confectionary brand trying to launch a new breakfast cereal. Explain the product strategy they should go for.*

C: I will start with identifying cost buckets.

I: Is there a product already available? You should not assume that product is already available.

Candidate listed 5 areas of focus: Target Segment Identification, product development, Branding

Strategy, Distribution Strategy, and Pricing Strategy and explained each of them in detail

Interviewer gave numbers on product development costs, advertisement budget etc. and candidate was asked to find out the break even volume.

Overall, most of time candidate was asked to explain without much guidance.

BAIN & COMPANY

Aditya Mukherjee

Main tips: The Bain cases I encountered were comparatively longer, with more direct analytical questions asked, including graph and accounting interpretation for data shown on laptops. Interviewers were very relaxed and friendly and gave guidance when necessary.

Caselet: *A hospital chain is looking to expand and wants to start a new hospital. Tell me the key things that affect profitability that they should look at.*

Candidate: The analysis can be broken up into cost and revenue drivers. On the cost side, factors to consider would be:

- Usage of reusable equipment such as gloves, thermometers, hospital gowns etc benchmarked against peer hospitals, sourcing discounts possible
- Costs in different specialties, equipment required for them and the break-even period, doctor/surgeon costs in different domains and geographical areas
- Nursing and maintenance staff costs per bed benchmarked against peer hospitals, staff attrition costs

Interviewer: That's good, and on the revenue side?

C: The market for different specialties in different geographies, and the price points at which different medical services will be accessible. This will depend on price-points offered by competitors in the locality. There will have to be deep analysis of which specialties to open in the hospital depending on estimated market since it will tie back to break-even period and amortization of equipment.

I: Alright, any other revenue drivers?

C: Sale of medicines will be another large contributor to revenue. Sale of medicines prescribed by different specialties can go into deciding which departments to open. Moreover, (*luckily remembering snippets and terms from case done in strategy class*) it is important to be able to convert IPD to OPD since OPD margins are typically higher than IPD.

I: Ok. What about prices? You mentioned competitor's price-points. What else will determine the prices you can charge?

C: (*Completely blank*) Let me just take a minute to go over the main drivers and see what I've missed.

(*Repeating some of the key drivers for prices*) The specialties, competitors, internal cost and amortization needs, paying capability of customers.

I: Which depends on?

C: Location (with a happy sigh)!

I: Exactly

C: (*Digging in*) In fact, location will be a major factor of success for a hospital. Channel dominance in a service like hospital or hotel depends on taking up the limited number of good properties in major cities.

I: Exactly. Alright so let us take the general issue of expansion of a hospital chain. Suppose you met Malvinder Singh in an elevator, what will the things be that you tell him for revolutionary growth? If you only have 60 seconds to talk to him.

C: I would tell him to focus on bulk sourcing, attrition.

I: *(Interrupts)* No, I don't want cost-tweaking. I want revolutionary ideas. For 10x growth

C: *(Wondering if case preparations were any use at all)* I'll just take a *(another)* minute.

I: Take your time. Give me something radical.

C: *(After a lot of thinking)* They can tie-up with high-end realty. All these construction projects aimed at high-end homes that are happening – they can tie up to build in hospitals. Takes care of channel dominance.

I: Ok. Anything else?

C: They can also use their scale to go into the field of medical testing.

I: Ok great. *(Opens laptop and shows their Balance Sheet and P&L)* So here are the accounts of a typical hospital. How many days will it take them to break-even *(He used a different term but clarified it upon asking)*

I went through the calculation with him, clarifying different items in the sheet to make sure I'm not making any wrong assumptions. He was very helpful and prompted generously.

I: Ok that's great. Any questions for us?

I asked something.

Mansi Baranwal

Introduction: Interviewer who is a partner introduces himself. Reads resume and asks about two-three points mentioned there – details, future plans, etc. Then, asks the question.

Caselet: *A construction equipment manufacturer is showing no growth in profits for the past 3 years. This quarter, the profits actually declined. What are the things that I should look at to determine the problem?*

Candidate: The way I understand the case is... (Repeats problem in own words). Then asked a few questions about the company's product portfolio, if the trend is industry wide or company specific, etc

(Picks up paper and pen) If you could give me a moment to structure my thoughts.

Interviewer: No that's ok. I don't want you to draw the framework on paper and all that. Just tell me, what are the areas that could be problematic and why?

C: (Don't remember exact details) Started by using the classic revenue and cost framework. Went on to describe the possible constituents of costs and revenue and problems that might be there.

Used the following framework: -

Revenue ->

1. Revenue streams (prices, niche, differentiation)
2. Product demand (market size, growth, segmentation)
3. Competition and substitutes (market share, price, promotions, growth)
4. Environment (technology, regulation, economic)

Cost ->

1. Fixed (depreciation/rent, salaries, marketing, maintenance, interest, etc)
2. Variable (materials, manufacturing, labor, freight, inventory)

The important thing here is to say only the things that are relevant to a construction company and also say them in terms of a construction company e.g. depreciation on the equipment and manufacturing units; Differentiation in terms of use of equipment, scale of operation, longevity, material used, weight bearing capacity; Segmentation could be big infrastructure companies, builders, individuals). Say as many relevant things that come to your mind. They don't expect you to know anything about the construction industry as such. Also list some of the related problems that might be happening with each of the component. Be brief and crisp.

I: Very well. Can you tell me some other ways of looking at where the problem might lie?

C: Then I elaborated using components from other frameworks such as

1. Industry analysis (size, growth, segmentation, lifecycle, players, shares, strengths, differentiation, pricing, external factors, buyers, suppliers, substitutes, etc),
2. Product analysis (past sales trend, volume, price, USP, portfolio, strengths, weaknesses, service, warranty, bundling, patents, substitutes, seasonality)
3. Market strategy (distribution, advertisement, value proposition, suppliers, promotions, competitors response, etc)
4. Customers (need, value, segmentation, growth)
5. Growth strategies (market penetration, new product development, new markets)

Again keep making it relevant to a construction company and how this component could be posing a threat to the profitability. Be brief and crisp.

I: All right, now consider that you fixed the profitability problem and the company has asked you for some recommendations to improve their business. I don't expect you to know much about the construction industry. Just tell me some generic improvements that they could look at.

C: *This is an open-ended question and you could answer anything. They will look at how well you think on your feet.*

I don't remember most of the things I recommended. I do remember saying something about financing deals, differentiating product portfolio with smaller equipments for small building projects in cities and heavier machines targeted at infrastructure companies, developing a renting agency for individuals and small companies, mobile equipment mounted on trucks, etc.

Shivani Pal

Caselet: *A San Francisco based credit card company wants to enter India. What should be the key considerations for this market entry venture?*

Candidate: There are two aspects to deciding the viability of the market entry:

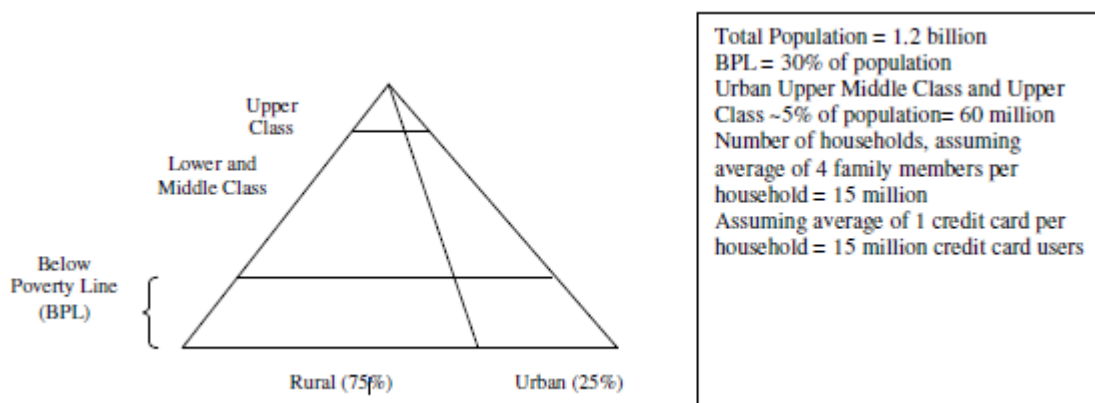
- a. External: Market size, Industry growth, Competitors, Regulation(if any)
- b. Internal: Financing the entry, Sources of Revenue, Cost of Operations

To assess the market attractiveness, I'd like to first understand the external factors starting from estimating the market size, industry growth and competitive scenario in that order. Then

I'll move onto discussing the internal factors with revenue streams, the cost of operations and finally the finances for entry such as debt/equity/leveraged buyout.

Interviewer: Ok. How do you propose to estimate the market size of the credit card users in India?

C: We can look at the demographics of India in the form of a pyramid:



I: Let's now move to the internal factors. What do you think are the sources of revenue for the firm?

C: The primary sources of revenue for the credit card company would be interest on the outstanding credit owed by the consumers, late fee if user fails to pay minimum amount by the due date, annual membership premium(if any), commission from the merchants and advertising charges from vendors issuing promotional deals with the credit card company.

I: And what would be the internal costs to the card issuers?

C: Besides their borrowing costs on capital from larger banks, the credit card issuer's major costs would come from their "uncollectable" or "write-offs". Many of the users could be declared delinquent after a certain credit period. Other costs would be Rewards such as Frequent Flier program, free dining and hotel stays etc.

I: Great. Thanks a lot.

C: Thank you.

BOSTON CONSULTING GROUP

Rachit Chandra

Caselet: *A steel products company is diversifying into new products. Should the distribution network of the company change?*

Candidate: What is the current product mix of the company? What is/are the new product(s) that would be launched?

Interviewer: Currently, the company only manufactures boiler-plates for very large boilers and hulls for ships. The new product to be launched is TMT bars targeting the entire country.

C: What is the plant network of the company currently? Is it expected to change with the launch of TMT bars?

I: Currently, the company has one plant near a port city, as the port is a hub for shipbuilding. The plant has spare capacity and hence the decision to produce TMT bars.

C: One final question, is the company planning to distribute the TMT bars to a nationally distributed set of retailers/whole sellers? Or is the company looking to distribute the bars in bulk to a national distributor?

I: The plan is to own the distribution at a national level. What do you suggest?

C: I would assume that the market for TMT bars would be spread all over the country as they are used in construction. In such a case, the plant located at a port city, would be servicing far-flung markets.

Till now, the client has been distributing high value-low volume products to concentrated markets in and around the plant. To set-up a distribution network to distribute the bars nationally doesn't seem like a good idea. I do not think that they would have the in-house capability to set such a distribution network.

I: Interesting that the first reason you give is based on organization capability and not analytical reasoning. Can you give me one more reason why the client should not own the distribution?

C: Am I right to assume that margins in this product would not be huge? (*Interviewernods*) In such a scenario, owning inventory in a national distribution network doesn't make sense. Price fluctuations can have severe consequences on the profitability. The risk should not be borne by the company.

I: Are you sure you don't want to apply a framework? (*Smiles*)

C: I can if you want me to...

I: No I think we are done. Best of luck for the next round!

Ritesh Ritolia

Caselet: *A conglomerate which missed the IT revolution is now trying to open an IT company. Tell me what are the things the conglomerate should give to this company and what are the things it should not give?*

Candidate: Can you give me a brief idea about the conglomerate?

Interviewer: You can assume it to be among top 10 business houses in the country. They have a diversified portfolio and are growing rapidly.

C: What is the motive behind this diversification?

I: Mainly profits. The conglomerate believes that the sector would be profitable in future. I don't want you to get into deep numbers. You may just give me a qualitative idea.

C: The primary resource will be finance or the startup capital. To identify other key resources, I would want to go ahead by taking P&L statement of an IT company and see how the conglomerate can help with each item of the statement. Does this seem ok to you?

I: Fair enough, go ahead.

C: Starting with the Revenues, the conglomerate can help the subsidiary in two ways:

- a. Internal Projects: Since the conglomerate is among the top 10 business houses in India, it is fair to assume that it will have huge IT expenditure. The routine work can be outsourced to the subsidiary. However, the critical-most jobs should be status-quo for now.
- b. Branding and relationships: The conglomerate can introduce the subsidiary to its key business contacts, who can be potential customers.

I: Ok.

C: Now moving to the costs side, I see two major cost heads for an IT firm – employees and real estate. Is it a safe assumption to make?

I: Yes, you may consider these are the biggest cost heads and ignore the others.

C: Coming to real estate first, the conglomerate can lease out space in its existing offices and buildings to the new firm. This way it can save on startup costs and lead time.

Now talking about employees, the conglomerate's branding may help the firm in getting talent at entry and middle levels. A big conglomerate will give them a sense of security not Associated generally with a new firm.

I believe that the top management should be mix of people from the IT industry and conglomerate's existing resources. Especially functions like finance and control should be from the existing setup.

I: Is there anything else which can be important in terms of employees that the conglomerate can offer?

C (had to think hard, a minute break): The conglomerate can offer functional expertise in forms of employees from the existing companies who can act as functional consultants. This can also be a core competency for the IT firm and help them get a foothold in the market.

I: Great. I think we have discussed the major heads. Anything that you want to ask?

C: No, nothing as of now. Thanks.

I: Thanks Ritesh.

Anurag Oak

Caselet: *An automotive distributor wants to enter India. What should be its market strategy?*

Candidate: Can you give me a brief idea about the automotive distributor?

Interviewer: Please be more specific.

C: Where is the distributor based and what cars does it want to sell?

I: The firm is Japanese and it is a subsidiary of an automobile manufacturer. The distributor exclusively sells cars of its parent company.

C: Is the automotive manufacturer already selling in India?

I: Yes. They are a global major and had entered India 3 years ago. They had been selling the cars through collaboration with a cohort of local distributors.

C: Can you give me more information on the type of cars sold by this firm and where it wants to sell through this distributor?

I: The auto firm sells premium cars and has a set of popular brands. It wants to sell specific premium cars. Their focus is on metro cities and that is its target market.

C: How does the distributor make money? I believe there will be sales margins and revenue through car service. Am I right?

I: Yes. The distributor gets 10% margins on sales. The total market for premium cars is given as Rs. 100 Cr. Based on the information, following details about a city, give me a market strategy.

- a. The city divided into 4 zones
- b. Two zones have lots of existing cars and rich people. Other zones less car less people
- c. Services contribute more than sales to revenue.

- d. Two client bases corporate and individual

C:

- a. Services is actually greater sales in revenue
- b. Land rentals in areas with more cars is very high
- c. For corporates relationship selling.
- d. For individuals test drive
- e. For sales have sales force targeted at these segments which visits clients
- f. For services again have service force which goes to client
- g. Put up showroom in cheaper areas

Arpit Nanda

Caselet: *A telecom company wants to enter the rural sector. What would be the key things they should focus on for this venture?*

Candidate: The major differences between the urban and rural sectors are :

1. Population Density
2. Purchasing power

Taking population density first, the sparse population of the rural areas makes it more difficult to cover them, since efforts to tap them would need to increase. This would increase the costs to cover this area.

Interviewer: *What costs are we talking about here?*

C: I can think of two major cost heads that would increase if the client moves into the rural areas.

1. **Infrastructure costs:** A lot more towers would need to be established to cover the same number of consumers as in a city.
2. **Sales and Distribution costs:** Since the shops would be further apart, the costs of distribution to these remote areas would increase.
3. **Publicity costs:** Similar to infrastructure, the number of hoardings/banners etc to capture the same number of eyeballs would be much higher in rural areas due to sparse population density in comparison to urban areas. Although costs for such

promotion would be cheaper in the rural areas, the trade off is something the company must be aware of.

I: *That is correct. Considering sales and distribution, apart from the increase in costs because of moving into remote areas, what other issues can you think about?*

C: Another issue could be of inventory management. Since these are remote areas, it would be very costly to service them regularly. But another limiting factor here would be the retailer's working capital.

Since SIM cards and recharge coupons are not very fast moving items, they would be in the retailer's inventory for a longer period of time. Most retailers in rural areas stock all kinds of household items

together, and they would not want to lock up their working capital into a slow moving product if they can buy FMCG goods which give them much higher inventory turnover. This might lead to supply outages in the rural areas, and limit our sales.

I: *Good. As a matter of fact, these costs do increase, but they have become essential, since the urban markets are saturated, and thus some of these investments need to be incurred. ARPU (Avg revenue per User) is an important metric used in the telecom industry to account for revenues. Could you tell me the relationship between ARPU and reach for a telecom operator who is just breaking even?*

C: In case of break even,

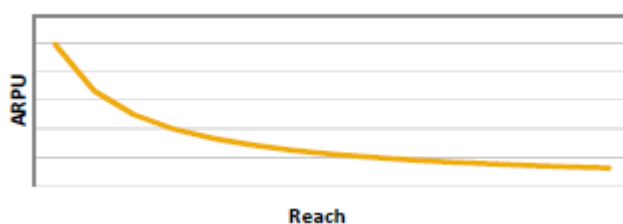
$ARPU * \text{No of customers} = \text{Costs}$

$\text{No of customers} = \text{Reach} * \text{Mkt Size}$

So, for break even,

$ARPU * \text{Reach} = \text{const.}$

Hence they have an inverse relationship, and the graph is parabolic.



I: *If one was over the graph, one would be in profit, and if one is below the graph, one would be in a loss.*

If our client is in a loss, what are the ways to move up to a profit?

C: There are 3 ways to do that:

1. Move up the Y axis: This would mean increasing ARPU. This cannot be done by increasing prices, as purchasing power of the rural customers is lower. So, the ways to increase ARPU in the rural areas should be through Value added services such as information about weather, crop prices etc available through SMS and phone.
2. Move along the X axis: This would mean increasing reach. This is through coming up with increasingly popular products which address the rural needs, thus helping in expanding the base of users.
3. Pull the curve down: One can also move into profits by reducing the fixed cost investment by investing into newer and cheaper technology, or taking advantage of scale to reduce infrastructure and other costs. This would also help the company make profits.

I: *Great. I think that more or less completes the case. Any questions for us?*

C: No, nothing as of now. Thanks.

I: *Thanks, all the best.*

BOOZ & COMPANY

Subhodeep Ghosh

Caselet: You happen to meet the CEO of the Wall Street Journal at the JFK airport and he is contemplating entry into the Indian market. With one billion dollar revenue per year and a 50% market share in the US, it is the largest newspaper in the US, by circulation. The CEO wants to know if India would be a good market considering the entire buzz about emerging economy in India and its impressive year-on-year GDP growth. He says he has two months to go for the annual meeting where he would ideally want to make this proposal about entering India. He wants you to first tell him if it is a good idea to enter India and if yes, then how and in what capacity.

Candidate: As far as I understand, WSJ falls into the category of business newspapers which primarily covers American economics and international business articles. So is that a right assumption to make that WSJ, if it enters India would be covering Indian economics and the news would be more catered to the Indian audience?

Interviewer: *Of course, Yes. WSJ is looking to enter India with local content, however they would ideally want to leverage their international stature and have a strong international section.*

C: Considering this in mind, may I know the business daily market size in India, or rather how it compares to the US market

I: *So I don't have the exact numbers, but I can give you some relative numbers. The US market size, in terms of circulation, is almost 10 times the Indian market size. BTW, can you name some of the Business dailies of India?*

C: The popular ones are Economic Times with the largest market share, then Business Standard, Mint etc.

I: *Okay, keep going.*

C: So is it safe to assume that the US market size is 10 times that of India even in revenue streams or is there is a huge difference in the price points in the two markets.

I: *Well, they are priced at the same level based on the buying power in the two markets. Is there something you should be looking at?*

C: Yes, the first thing would be the currency conversion factor and how that accounts to determine the different market sizes

I: *Exactly, taking into account the currency conversion, the US market is about 50 times the Indian market size.*

C: So to summarize this, the US market is 50x of the Indian market. And as WSJ has a 50% share of the US market, WSJ's business itself is about 25x the entire Indian market available.

This makes India look like not such a tempting market to enter. However I have an opinion on this extremely small market size for business daily in India in spite of having one of the largest newspaper markets in the world. And that is probably due to the fact that the share of English newspapers is small as such compared to the local languages and then within English newspapers, the share of business dailies would be further smaller due to relatively smaller share of corporates in the country.

However, this being the case, it presents a huge opportunity for growth in this segment, since as more of India develops, more and more readers would migrate to English newspapers and more so to English business newspapers. Keeping this in mind, do we have any numbers on the potential growth in US and India?

I: *Good analysis. Let us assume that the growth in US is about 1% and that in India is about 15%.*

C: If this is indeed the case, then the actual calculations would show that even with the 15x growth, it would take a much longer time for India to catch up with US, mostly because the base for growth in India is much smaller (about 50 times smaller) than that of US. But, even then, the US market with this slow growth shows that the market is almost saturated and if WSJ is looking to expand, then what are the potential options apart from India and what are the market size/growth estimates for those markets.

I: *Let us concentrate only on India for now.*

C: Okay. So given the high growth rate, India does seem to be a good market to enter, however there is a lot of analysis that remains to be done in terms of competition, distribution etc.

I: *Okay, now it's been one month since you met the WSJ CEO and now you happen to meet him again at the London airport. He asks you what the current status of the analysis is. What would you tell him?*

C: The brief summary would be that the current market size in India is about 25 times smaller than the business that WSJ does in the US itself. However, with the on-going economic boom in the country, the market is expected to grow at a rate of 15% that is 15x that of the US market. This presents a huge opportunity for WSJ to enter since the market is very ripe and expects a lot of readers to shift to business dailies in the near future.

However, analysis with respect to competition is pending, especially with Economic Times which comes right after WSJ in terms of circulation globally. The other analysis would be on how to position WSJ in India and figure out how it could differentiate itself from the other business dailies, by leveraging its huge parent in the US. For example, a very strong international section with articles from all across the globe is something where WSJ can really differentiate itself.

Also, pricing is a key feature in this industry. But then again, business dailies exercise the maximum margins as the target is not that price sensitive. So it would be interesting to see how much of the margins can WSJ get based on its international brand image.

The last aspect would be that of distribution since that is a huge aspect in terms of dailies. This would highly depend on how WSJ segments its target market and its promotion strategy.

I: Okay, good. I was about to ask where do you think WSJ can bring in some value on the table but you covered it well when you spoke about the 'International section'. So I would wait for analysis to complete and let's fix up a meeting in our HQ in a month's time. Thanks for the good work and looking forward to the interesting results.

C: Okay thanks.

Aritra Das

Caselet: *Your client is a major player in the Indian coal tar business, located in eastern India. Their primary product is Coal Tar Pitch (CTP) which is used as a binder in the Aluminium industry. With the demand for Aluminium growing strongly, the market for CTP is looking quite attractive, and as a result, foreign players are planning to enter the market. On the other hand, the supply has become tight with the rise in prices of coal tar in India. In addition to this, a recent controversy involving the mining major Sterlite has also affected the client's business. You have been hired as a consultant to evaluate the strategic options available to your client and identify options that it can avail in order to sustain its leadership position.*

Candidate: Can you kindly give me a brief idea about the coal tar business, CTP and the source and uses of CTP?

Interviewer: *Coal tar is a by-product generated while processing coking coal into low ash metallurgical coke in a recovery-type coke oven plant (e.g. a steel plant). Coal tar accounts for around 3.5-4% of coke produced. Coal Tar Pitch, which is manufactured from this Coal Tar, is used as a binder in the Aluminium industry – as a coating on the anodes used for electrolysis in Aluminium extraction process.*

C: Ok. And the controversy regarding Sterlite, which you were mentioning – was it the recent Nyamgiri Hills controversy with the Sterlite bauxite mines?

I: *Exactly. That is the one I mentioned. Sterlite is a major customer for our client.*

C: Then that would mean, due to halting of bauxite mining, the associated Aluminium plant is also not functioning and hence there has been a demand side shock for our client.

I: *Yes, that is correct.*

C: Ok, coming back to the case, let me first summarize it: The client, a major Indian coal tar player, is currently facing the following threats:

1. With the Indian market looking attractive, the international players are trying to enter the market and set up facilities in India. Alternatively, they may also be trying to export CTP to the customers in India
2. Coal tar feed stock has become tight and their prices have increased
3. Following the Nyamgiri Hills controversy, Sterlite has halted / reduced production in its Aluminium manufacturing unit in Orissa, which was a major buyer of CTP from your client

I: *Perfect. Please go ahead.*

C: I would like to look at the case from the following aspects: the company, its competitors, the product, the buyers, the suppliers, barriers to new entry, pricing & promotion and also other factors such as substitutes, regulatory constraints if any etc.

I: *Looks fine to me. Let me also mention here, that there are no presently available substitutes to CTP and hence the pricing and promotion are simple. And as such, there are no regulatory constraints in this business.*

C: Fine. Now looking at the company, as you mentioned, it is a market leader in the coal tar business in India. Can you give me an idea about the market share of the company in India? Is it present only in India or is present elsewhere? Also, if possible, can you give me an idea about the turnover and margin enjoyed by the company?

I: *Ok. The company is present only in India. Let us for now focus only on the CTP product. It has a 60-65% market share in India. The annual revenue of the company amounts to Rs. 500 crore and it enjoys an EBITDA margin of 30%. Bain Capital holds a 25% in the company.*

C: A 65% market share and a 500 crore revenue would indicate that it dominates the market and would enjoy sufficient economies of scale. Can I make an assumption that there are no other major players in the market?

I: *Yes, that is true. The next 10 players account for up to a mere 5-7% market share.*

C: Is there any differentiating factor that puts the client ahead of its competitors?

I: *Most other competitors are European and US players, who export their CTP as a dried powder. Our client on the other hand enjoys benefits around logistics, using which it can deliver liquid pitch to the customers.*

C: In that case, I would assume that this benefit can only be enjoyed when the customer locations are located nearby to the CTP manufacturing plants. This can again imply that most of its buyers / customers are located in eastern India.

I: *Yes, that is correct.*

C: Ok, now coming to the suppliers – since coal tar accounts for a very small fraction of the coke produced, the revenue contribution of coal tar sale to the suppliers would not be very large. Also, there would be multiple other uses of coal tar other than CTP manufacturing, which would further reduce the bargaining power of our client.

I: *Exactly. In fact, coal tar contributes to hardly 1-2% of the total revenue of a steel plant.*

MCKINSEY & COMPANY

Arijit Sarkar

Main tips: I only had one case, which was more of a free flowing discussion than directed to any particular solutions. The interviewer was willing to let me take it anywhere as long as I put forth some structure.

Caselet: *A medical devices is looking to expand 3X in the next 5 years. If you were in the company, what are the questions you would ask?*

Interviewer: I am not going to provide any answers. Kindly tell me your thought process.

Candidate: In order to achieve a 3X growth, I would like to look primarily at topline growth, as my assumption is cost reduction would not be the primary driver. Is that fair?

Interviewer: All right, let's proceed with that assumption.

C: In that case, I would like to figure out what are the kind of products that this company makes.

I: Alright, let's say they are largely into higher end medical devices used for critical life saving applications, such as pacemakers and cardiac stents.

C: Great, so in order to understand the potential sources of breakthrough growth, we would have to look into the characteristics of primary customers in order to determine current and future market size.

I: Ok. What characteristics would be of interest?

C: I believe that even though the patient pays for these devices, the consulting doctor would have a big role to play in determining which particular device is appropriate. Given that some consolidation is happening, hospitals might be important as well, though in India, most surgeries requiring devices that you mentioned would have doctors as stronger determinants than hospitals, as patients follow specialist doctor advice more than hospitals.

I: That is partially correct but changing.

C: All right, so I would probably segment the market according to urban centres, as Tier I, II, III cities.

Smaller cities would be unlikely to have a major hospital industry able to support volumes of critical devices like stents and pacemakers. In larger cities, my primary customer group would be hospitals, and I would focus my sales force and market research to understand the key factors which determine purchase.

I: What are some factors you could think of?

C: Quality and reliability should be major, with cost as a secondary driver.

I: Anything else.

C: (*Clueless*) Perhaps the vendors' ability to source inventory rapidly would let hospitals maintain lower inventory and reduce their costs?

I: (*Interrupts*) Good. Now any other macro questions that you think would affect their strategy?

C: (*Realizing I'm not even halfway done with my questions and this is a sign to speed up*) I believe the increasing consolidation of hospitals would be important in defining the strategy. (*Buying time while I think of something*). Now since we have primarily looked at market sizing elements, I would also like to know about market share. What is the competitive landscape like?

I: Well there are 3-4 other major players, but devices are a small component of their portfolio, and they're unlikely to have focused strategies. What else?

C: (*After a lot of thinking*) Perhaps the client can look into optimizing pricing as a lever. What are margins like?

I: Margins are healthy, and all players price similarly. It is difficult to differentiate quality and hence pricing between the 5 major players. Though the market is price-inelastic on the whole, the choice between the device brands would have price as an important decision variable, and

we cannot increase or decrease prices substantially without hurting ourselves and possibly our competitors.

C: Perhaps the rise of organized insurance can be an important factor, as they would influence which device to buy, as these are expensive devices?

I: That's a great point. Thanks for discussing the case. Now tell me, which element of this case strikes you as remarkable?

C: Umm, err....

I: Did you have Kotler as your marketing book?

C: We actually do, but in this term.

I: (*Noticeably warming up*) Oh, is that so? In my campus it was a first term course. Very well, then you might not be aware, but through your questions you might have realized that influencers are very important in this industry.

C: (*AHA!*) Yes, that's probably true.

I: Thanks, Best of Luck.

Ayesha Jaggi

Caselet: *An Emergency Response Force (ERP) needs to be set up as a PPP. What is the magnitude of the problem in terms of the emergencies in India? (The question focused largely on estimating the number of emergencies in India)*

Candidate: To begin with estimating the emergencies in India it would be best to first define and lay out the scope of an emergency:

1. Broadly, an emergency would be an event that would require immediate attention and a typical response time would be within 2-4 hours.

2. The scope can be narrowed to include emergencies of the kind of road accidents, trauma and heart attacks etc. or broadened to include natural calamities, terrorist attacks etc.

Interviewer: *In specific, our client will be setting up an ERF for road accidents. Would it be possible to estimate that number?*

C: We could look at estimating that number by dividing road traffic in the following manner

A	B	C	D
High Traffic City ~ High Probability of Accidents	Moderate Traffic Cities ~ Moderate Probability of Accidents	Low Traffic Cities ~ Low Probability of Accidents	Highways ~ High Probability of Accidents

Each of the types described above would have a different frequency and probability of accidents occurring.

Let us say that the total number of cities are in the ballpark range of 5000 and the split between high, moderate and low traffic cities is 500, 1500 and 3000 cities. If this assumption is accurate could I proceed with calculating the number of accidents in a city in a day?

I: *Sure, lets proceed, for the moment though lets only concentrate only on the urban or more developed cities*

C: Sure, if we take the total population of India to be roughly a billion, roughly 25% of the population will be concentrated in a developed or urban city, which comes to about 250mn people.

I: *Let's take the accident rate to be 0.15% for this group.*

C: So, on an average about 0.15% of this population will be involved in a road accident in a day which translates to 0.375mn?

I: *Fair, and suppose our ERP is to be set two years from now?*

C: In that case we could assume a growth rate over the calculated number and project a 2 year forward estimated number.

I: *Let's assume a growth rate of 10% a year*

C: Sure, then 2 years hence we the estimated number would be 0.45mn

I: Great. If the accidents reported at each call centre are 1% of the total accidents and each accident will make 5 calls, how many calls would we receive?

C: At a rate of 1%, each unit would roughly get calls for 4500 accidents and at the rate of 5 per accident that would be 22500 calls

I: And if each ER unit can handle 15 accidents what would be the requirement of the number of ER units?

C: At 4500 accidents, we would require 300 ER units.

I: Great, with that we can wrap up this case. Do you have any questions?

C: Sure, No questions, Thanks!

Jitesh Khanna

Caselet: The government of Bhutan wishes to revive its tourism industry which is currently facing the problem of high seasonality and highly variable returns even in peak seasons. What would be your strategy to help them solve these issues?

Candidate: Asked for the split of various types of tourists that visit Bhutan, and developed it with some inputs from the interviewer as:

1. Nature lovers
2. Therapeutic tourists
3. Geographical researchers
4. Religion based tourists

Interviewer: What should be your strategies for each of these sections?

C: Develop a framework to analyze the possible issues with various sections and what should be the target advertising media to penetrate each section.

I: *So elaborate more on how we can increase our reach to these sections of tourists?*

C: Trade consortiums and fairs, govt. tie-ups, advertising in public media etc.

I: *These are okay, but they require a lot of cash, and the govt right now is cash strapped, can you suggest some economical yet effective mechanism to boost tourism?*

C: Agency models and tie-ups with travel agents based on a revenue sharing principle. They bear some parts of the cost and get a share of the revenues in return.

I: *So tell me which country should we ideally target if we wish to boost religious tourism, and why?*

C: I think Western European countries like Germany would be a good potential base due to a high concentration of religious scholars and researchers in these countries coupled with higher spending capacities.

I: *Great. I think we will stop here as you seem to have touched upon the major key-points. Will let you know about the rest of the process pretty soon. Do you have any questions for us?*

C: No, nothing as of now.

I: *Fine then, all the best.*

C: Thanks a lot.

ALL THE BEST FOR YOUR PREPARATIONS

-Team ICON