McKinsey&Company

Mckinsey Interview Experiences
ISB Consulting Club
Class of 2006

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Shankar Prasad

Name	S Shankar Prasad
Company Interviewed With	McKinsey & Co.
Name of Interviewer and designation	Rohit Pathak, Engagement Manager
Round (First/Second/Third round)	First, Interview #1
Personal interview questions (with indicative answers if you choose to share them)	Started with PI. The PI was more of a chat than an interview. It went on for more than 15 minutes. The discussion was almost entirely out of my resume, centering around 1. My academic record 2. Why I chose to do an MBA at this stage. 3. What I was handling at HLL 4. Why consulting?
Narration of the case interview (please be as descriptive as possible)	Suppose a leading FMCG company, say HLL, wants to enter the baby food category in India. How will you decide whether to enter and if you decide to enter, how to enter? I first clarified as to what we mean by baby food (this was the first food supplement for babies – for simplicity assumed to be in the age bracket 1-2 years), what is the time frame we are looking at (immediate) and what is the primary motivation for considering this category (growth) I divided the analysis into 3 parts: • Market attractiveness, further sub-divided into size, growth, profitability and investments required. • Competition (could have been part of attractiveness) • Strategic fit & capabilities sub-divided into brands, technology and distribution to begin with. Size analysis (potential market) was done the standard way: birth rate, then number of children in age bracket, number of times a day baby is fed, gms per feed, times average price of market leader (Cerelac) per gram. The market size thus calculated came to Rs. 6000 crores. Interviewer was looking for me to say that this looked unreasonably high – which I did. So I was given additional data on average spending per day from which the answer came to Rs. 1500 crores *potential*. This sounded more reasonable. I guess it was also a way to test if I was comfy with order-of-magnitude FMCG numbers, given my background. Next I explored the growth potential, profitability and the market share of competition – all positive. Nestle was the competitor to beat. Overall, decision was to enter. Then we discussed various aspects of branding in baby food,

	consumer choice drivers, and whether any of existing HLL brands could be used or a new brand should be launched and the pros and cons. Had a somewhat detailed discussion on technology and options for HLL (develop in-house, buy from outside, JV or takeover an existing player). Distribution channels, again linked to consumer buying behaviour was explored. This discussion drew a lot from my previous experience as well as marketing fundas from courses. At the end, I summarized recommendations along each of the dimensions: 1. Enter the market 2. Consider a brand extension, be aware of safety problems and backlash on existing brands 3. Technology a bottleneck – consider teaming up with smaller cos. 4. Existing channels should suffice.
What do you think went right for you in the in this interview?	1. Connected well with interviewer 2. Demonstrated knowledge in the sector I come from, comfort with numbers and awareness of marketing fundas.
What do you think went wrong in this interview?	I think because the case was from the same industry where I come from, I went a little too fast at places, without stopping to explain my thinking.
Any tips for the future batches based on this interview experience.	1. Know your industry well 2. Don't make any assumptions (what is baby food?) 3. Having a feel for order-of-magnitude numbers helps 4. Be prepared for a discussion-mode PI – can look deceptively simple, but don't forget that you are being evaluated on everything you say.

Name	S Shankar Prasad
Company Interviewed With	McKinsey & Co.
Name of Interviewer and designation	Dr. Shirish Sankhe, Partner
Round (First/Second/Third round)	First, Interview #2
Personal interview questions (with indicative answers if you choose to share them)	Started with PI. Questions like: 1. What has been your most significant accomplishment to date – academic and work ex? Why? 2. What role do you assume in teams? 3. About my role at HLL.
Narration of the case interview (please be as descriptive as possible)	It was a seemingly open-ended public policy case. *Nowadays we read about aiming for 10% growth in the economy. I need to understand from you, in a "mathematical" way:* *1. Why is 10% growth required?* *2. What should be our approach to go from 7.5% growth to 10% growth?* I think there are many ways to solve the case. I took a first principles approach and started at a very macro level. My initial framework was: what should be the objective of the government/economy? It should be: welfare of the people. Where does welfare come from: availability of merit goods & services, jobs for everyone, controlled inflation and freedom of thought, expression etc. Then I wanted to link economic growth to these objectives and explain how 10% growth would achieve this objective. And then the second question would be answered by looking at the three segments of the economy (agriculture, industry and services), looking at the bottlenecks and suggesting solutions. After agreeing on this framework, I started off with how economic growth is required to create jobs. Looking at the pool of unemployed workers, additions per year, the desired rate of reduction of unemployment, to arrive at the number of jobs to be created per year. Then looking at the TFP equation for GDP and trying to link it to employment. Didn't have to work out all the numbers, just show the approach. Didn't discuss the other aspects, moved on to the "how". Started with agriculture. What are the problems? I identified land reforms, low productivity and lack of value addition. Had a long discussion on how to create jobs in the agri sector – it turned out that we should not try and increase the growth rate of agriculture from the current 2% but instead, focus on creating jobs for the agricultural labourers outside of agriculture (industry, services). This leads to the issue of how to educate and train. Then the discussion went off the case and into general public policy.
What do you think went right for you in the in this interview?	1. Structured approach to a seemingly open-ended case. 2. First principles approach.
What do you think went	Should have read up more on some fundamental things like land

wrong in this interview?	reforms and other things about the Indian economy. This was a hot media topic but I felt I was under-prepared.
Any tips for the future batches based on this interview experience.	1. Understand macro-economics well 2. Form your own views on the economy and on other "hot" things and *practise* articulating them. 3. Twice during the interview, I was led into a trap. I quickly realized it and backtracked without getting deeper into the mess. Watch out for traps and change course provided you are convinced that you are wrong.

Asish Mohapatra

Name	Asish Mohapatra
Company Interviewed With	McKinsey & Co.
Name of Interviewer and designation	Rohit C Pathak
Round (First/Second/Third round)	First Round – 1st interview
Personal interview questions (with indicative answers if you choose to share them)	We started the interview with a 3-4 minute chat about how painful it can be in the morning to travel and start working right away (He had just arrived). He then quizzed me about leadership instances at work and in academic career; then I took him into what he believed leadership was. We had a long chat about why leadership was important in consulting. We also spoke about how I was to translate a very explicit form of leadership displayed at work (I was leading operations in a factory) to an implicit environment (like consulting). We talked about what leadership skills are transferable and ones which are not. I think the skill that was being tested here was how comfortable I was with the interviewer in the beginning. It was important to engage him in a fruitful conversation that is argumentative but not confrontational. I think basic presence and communication skills were being tested here. Overall, the whole experience lasted about 10 minutes, and when he was convinced that I was comfortable enough, we went into the case.
Narration of the case interview (please be as descriptive as possible)	The case was about a global heavy vehicle manufacturer. The firm was planning to enter India; my job was to devise a strategy for it. A simple case to begin with I thought, but I knew very well that the challenges are higher in a simple case. I started off with a simple framework (nothing great, decided the marketing mix and the way to enter – organic was the better route). I also identified the capabilities of the manufacturer that could be transferred to this setting. This went on for about 10 minutes. Here it was important to structure the problem well, following a MECE structure. I also shared some experience of a project with him that we had done in Competitive strategy project that we had done on cars and shared some uniqueness of the Indian market with him. I am not covering this in detail as it was pretty standard and I just had to do the basics right. Then he told me to size the truck market in India. I told him that I will follow the stock method of analysis, by which I will estimate the number of trucks currently in operation throughout India. Since I was doing a demand side analysis, I divided the trucks into

variable loads (where capacity utilization is less than equal to 100%) or fixed loads (construction equipment carriers, petrol loads, car containers, etc.). He said that they normally don't do it this way but he wanted me to proceed as he found it interesting. Then, he told me that he wanted me to do it for the car carriers for paucity of time. I went ahead and assumed a certain number of carriers that are bought every year (the number wasn't important, I assumed 1000 for ease of analysis). I understood the supply chain from him and he explained the dealer system to me. Then, I told him that I will assume steady state, as in the number of cars sold are the number of cars manufactured and distributed. I then divided it as per the number of manufacturers, number and location of manufacturing locations, distance, speed distribution, capacity of trucks, capacity utilization, number of hours driven in a day, maintenance days and the average number of days that a truck is driven in a year to arrive at the number of trips made and hence, the number of trucks that were plying. It was important to note that the trucks generally came back completely empty. I also told him that the transporters will like to keep some number of trucks on a standby. He asked me to estimate that as well. I gave him a framework to analyze that. I gave him a framework depending on locations, routes, failure time and MTBFs. He was ok with that. The case was extremely quantitative and was very intensive numerically. I also did a ==sensitivity analysis== on one of the parameters showing him that the whole estimate was sensitive to a few parameters.

Then, I told him that if I link both the cases together, then it gives me an interesting sight into what value proposition the truck manufacturer can give to the Indian transporters. I told him that let's look at each of the variables that I had estimated earlier and see whether we can reduce them. Then, I said that we can try to increase the mileage and increase the size of the truck as well. Then, I told him that both the things might be inversely related. It can also be done that the truck speed can be increased on the back journey. Maintenance days can be decreased. He asked me for a few creative recommendations, which I gave – I don't really remember them now but the method was as stated above.

Then, ==he asked me for a feedback about the case and discussion overall.== I told him about how different the case would have been had the case between about variable loads. He was ok with it.

He then told me to ask him a question. I asked him about the project specifically and to what detail McKinsey went. I also asked him ==how McKinsey keeps a tab on how clients implement suggestions.== The overall case lasted about 25 minutes. I then linked it with one of the questions asked in the personal interview. I told him that it is a challenge that line managers like us will face in a consulting environment, wherein we do not necessarily get to implement. Then, I shared a few jokes that I had played with consultants (mostly technical) and how it might be my turn to be on

	the receiving end now.
What do you think went right for you in the in this interview?	I think one of the key facets was to make the case completely seamless, wherein I linked both the PI and cases and both the cases together. Structuring was very important and I think, I did them ok. Rohit also complimented me on the fact that I could think of multiple dimensions during the interview. The other thing was to make the interviewer comfortable, which I did by bringing in my own experiences from work and sharing jokes at the end. Needless to say that Rohit was very supportive and a very good listener.
What do you think went wrong in this interview?	I think I spoke a little too much. I also was too comfortable for comfort! After the interview, I felt I had spoiled the whole thing.
Any tips for the future batches based on this interview experience.	It is important to be your natural self in the interview. Comfort with numbers is absolutely crucial. It is also important that when using creativity, structure should not be lost. Never shoot ideas of the hat, always be structured. It is important to see and address the body language of the interviewer. The basic thing that works is that one should focus on bringing out one's strengths in the interview. My strengths lay in creativity, structuring and quick calculations (which I specifically tried to bring out in the interview). Your strengths (preparation will yield that) could be very different and you should try to bring them out. It is very important to remain cool after the interview since one might get a feeling that he's not done well but the results could be just the other way round!

Name	Asish Mohapatra
Company Interviewed With	McKinsey & Co.
Name of Interviewer and designation	Shirish Shankhe, Partner
Round (First/Second/Third round)	First Round – 2nd interview
Personal interview questions (with indicative answers if you choose to share them)	We started the interview with a conversation about my career at IIT and my times in Cuttack (Orissa), my hometown. He was hooked onto my JEE rank and asked me why the number was unique. I don't think he wanted a particularly great answer but he wanted to check my ability to think on my feet. He asked to give him 5 different uniquenesses. He also asked me why Cuttack wasn't doing as well as a Bhubaneswar. To this I replied taking geographic, political, cultural and economic reasons into account. We then discussed about my Summer Project with Reckitt Benckiser (this was an automation project with a FMCG major). He asked me to explain the labor implications of implementing automation. He then went ahead to ask me my experiences in dealing with unionized labor at ITC. He was also interested in one of the papers that I had written about BOP and presented at XLRI. This was about how to bring your best people to the BOP. He asked me to explain the paper and then told me to explain how useful it can be to the corporate world. My observation had told me that he was very practical and won't like flowery answers that this is the idea of the millennium! I gave him all the strengths and weaknesses of the idea (and real ground level ones) in implementation. After that he asked me why I was looking forward to a consulting career. I told him that it links well to my long term goal, which is leading a NGO. I told him that this is one of the reasons that McKinsey stands out for me as a firm, with all the public policy and pro-bono work. We discussed a bit about India's policy change from the '50s to the '70s. I gave him some funda about what I had seen in the Commanding Heights video, though he was doing most of the talking. He was visibly happy with the fact that I said public policy (Later I realized that he specializes in public policy at McK) and told me that he will give me a case on it. The whole experience lasted 15 minutes.
Narration of the case interview (please be as descriptive as possible)	He started off the case asking me what I knew about the Bharat Nirman Project. I told him that my knowledge is limited to what I have read in the papers over the past few weeks and I do not know in detail about it. He told me that this case will enhance my learning about the challenges facing somebody working in public policy. The case was about rural electrification. He said the objective of the central government has now shifted to putting an electric bulb in every Indian home by Feb, 2008. He asked me how the Government should go about it.

	I started off telling him that the idea looked unrealistic to me. Assuming that 1 billion is the Indian population and 65% lived in villages, 650 million is the current rural population. Assuming that there are 5 members per rural household, there are 130 million households. Then assuming that 30% of rural India is electrified, 91 million households remain. We just have two years, which is approximately 700 days. Even if we work throughout, 1.3 lakh households have to be electrified every day. This is by no means easy. Add to this fact that there is huge geographic dispersion and the current state of the SEBs, the plan looks unviable. I told him that I found it impractical. To this he replied saying that most public policy projects are such. They lack thinking about the design phase itself. He asked me to go ahead with the problem assuming it is doable.

I approached the problem saying that I would see the project from three standpoints – economic, organizational and operational. On the operational point, I would divide the project into generation and T&D phases. On the economic standpoint, I would look at the ways and means to fund this project. On the organizational front, I would like to see who would own this project. Here, he told me that the question should not be treated like any other consulting case and he is looking for completely creative solutions.

I asked him whether I should go ahead with the analysis the way I had structured or he wanted me to do something different. He replied that he is looking for specifically the Generation area.

I told him that when it comes to generation, there are four issues that need to be looked at – Performance of conventional energy generation units, New conventional energy units, isolated units and non-conventional sources of energy. He said that I should discuss the non-conventional energy sources first.

I told him that I was aware of solar, wind and bagas (sugarcane by product). He asked me to describe the economics of Solar. I showed it to him that at the current rate, it's unprofitable.

Then, we went to Wind energy. I told him that the issues to look for here are technology, fixed costs and practical viability (availability of areas) where they can be installed. We discussed each one of them in greater detail from then on.

I told him that when it comes to buying technology, it would be very costly and technology transfer has to be on a mutual basis. Then, we went it to the details of the windmill technology and its advantages in the Indian context. He was doing most of the talking here.

He asked me to do a commercial evaluation of all these technologies. I did the same considering three parameters – speed (because the industry has an externality effect), cost and future viability (to incorporate learning curve effects). After shedding some light on each one of them, he asked me to move on to the funding aspect in generation.

I told him that the money here can be drawn from four areas – government, Indian private, Foreign players and debtors. I told him how each one of them was different (most of the logic was thought on the spot)

	We then discussed about the amount of privatization that should be allowed. I was of the opinion that wherever private participation is allowed, it should be in both R&D and generation. Having only one of them was not of any use. He didn't agree to it and he was of the opinion that we weren't ready yet. We closed the interview on an argumentative note.
	He asked me to ask a question at the end. I asked him what kind of persuasive powers consultants enjoy when it comes to public policy projects. He smiled and gave me a lot of insight into public policy consulting. He appreciated the fact at the end of the interview that I could make people talk.
	The whole experience lasted close to 20 mins.
What do you think went right for you in the in this interview?	With seniors, I think it is very important to listen. It is also important to observe as you go along the interview process that every interviewer is looking for a particular skill or dimension in your personality. I think in my case, it was creativity, which I displayed in the discussion about windmill technology. It is also important that whenever you give a radical thought, you should back it up by sound strong logic.
What do you think went wrong in this interview?	I think I didn't control the interview; more often than not, I thought that I had stuff to speak but could not let it out
Any tips for the future batches based on this interview experience.	Keep your cool. Show a good understanding of the things happening around you (may not be knowledge, but an opinion usually helps). Do not try to throw facts when they amount to nothing!

Name	Asish Mohapatra
Company Interviewed With	McKinsey & Co.
Name of Interviewer and designation	Nigel Andrade, Engagement Manager
Round (First/Second/Third round)	Second Round, 1st Interview
Personal interview questions (with indicative answers if you choose to share them)	He asked me about the problems that dealing with a union entails. There were a few more specific questions about my resume, in which I had to describe the work I did. I spoke for some time – maybe 2 minutes. Then he asked me the kind of preparation that our batch had done for consulting. I gave him some feedback about how the interview workshop process done by McKinsey could have been better and how different it was from other colleges (stressing on poor institutional memory and ways to deal with it). He asked me what my last case was about. When I told him that it was about public policy and I had like it. He said that he also wanted me to do a case in that. The whole conversation lasted close to a little over 10 minutes.
Narration of the case interview (please be as descriptive as possible)	An extremely short case. It lasted less than 10 minutes. He asked me what a government could do to improve the banking policy of a third-world country. To begin with, I told him that there is no generic answer and the policy has to be case specific. I also told him that I got a feeling that he was speaking from personal experience. He said that I was right and asked me to take the case of Bahrain. He asked me what I knew about Bahrain and its banking industry. I told him that I knew it was a Muslim country and was staunch in protecting Muslim values (I used to collect stamps; I knew that they did not have a word of English – I told him that). Then he gave me a good overview about Bahrain (lot of tangential stuff) and told me that the Finance minister was worried that the industry might lose it. He told me it was majorly into fostering corporate banks. To begin with I told him that it was a case of B2B marketing and banks would stay if they get a good value proposition in Bahrain. But then, if they get a better value proposition elsewhere, they'll shift. He said I was right and asked me to think ahead. I asked him who these banks were. He told me that they were the Middle East bases of MNC banks. I asked him why the banks were there in the first case. He told me that it was centrally located and had liberal laws. I analyzed the geography and told him that what struck me was the fact it was close to Dubai. I asked him why not Dubai? He told me that there was an announcement by the Dubai officials that they would make their policies freer than Bahrain and would make it a free trading zone. I inferred from this saying that this might be a symptom of the real issue but wasn't the actual problem. To this, he agreed.

	I told him that first of all I need to analyze the Dubai threat more closely. I told him first that we need to establish whether Dubai's threat is credible or not (look at their history and look at the economic impact). He asked me to assume that they can do it. Then, I told him to look at the value proposition (including the switching cost to Dubai – local knowledge, skill base) that Bahrain provides and compare to the value proposition that Dubai gives. I told him that it is important to keep a futuristic view in mind. Then, I told him that what strikes me about the case is the fact that in this industry, it is very important to build your local clientele and not rely on foreigners. He said fine. Then, I quizzed him about how developed was Bahrain's retail and corporate banking was. I told him that it would relate very closely to the economic development was in Bahrain. I told him that I felt that the real issue with Bahrain was the fact that the industry relied too much on MNCs without first satisfying local demand. I told him that I would like to create a policy keeping this in mind. He asked me to stop the interview then and there.
What do you think went right for you in the in this interview?	I think I struck a chord with Nigel very soon. I thought he was looking for some specific skills of structuring and problem identification.
What do you think went wrong in this interview?	The interview was too short to commit any mistakes. I thought I had become too comfortable having met the interview earlier (he had come down to ISB twice). A bit of formal attitude would have helped. But I must admit that I was shocked when the interview was over in 15-20 minutes.
Any tips for the future batches based on this interview experience.	Thinking on your feet is extremely important at the beginning of the case. First think commonsensical and then get on to the regular consulting case analysis. One way of dealing with a person you know is to use your previous experience with him (in any which way).

Name	Asish Mohapatra
Company Interviewed With	McKinsey & Co.
Name of Interviewer and designation	Parikshit Jain
Round (First/Second/Third round)	2nd Round, 2nd Interview
Personal interview questions (with indicative answers if you choose to share them)	I was told at the beginning that I won't have a case. He asked me to ask a few questions that I felt were relevant. I asked him how McKinsey makes the environment conducive for knowledge sharing. He gave me a few inputs. I told him what I had read about McKinsey's ==knowledge management== in a HBS case. He heard it attentively. He then gave me an idea about the state of affairs now and particularly in India. I asked him about how sharing gets linked to performance initiatives. I also asked him how other firms (esp. consulting) do it. He then asked me to narrate a few instances about ISB. I told him that any education program is incomplete without pranks. I told him a few pranks that I had played on a few friends in ISB (and vice versa)
Narration of the case interview (please be as descriptive as possible)	No case
What do you think went right for you in the in this interview?	I think I showed that I had done my homework well.
What do you think went wrong in this interview?	Hardly any questions from his side.
Any tips for the future batches based on this interview experience.	Be your natural self and try to gauge the interviewer's body language when telling a story.

Ruchi Bansal

Name	Ruchi Bansal
Company Interviewed With	Mckinsey
Name of Interviewer and designation	**Oliver Ramsbottam** Associate Partner with the Corporate Finance Practice in the Firm's Shanghai Office. **My take**: Likes a lot of detail in the case and makes it very calculation intensive. Seeks more than one approach to do all types of analysis. Relatively stiff.
Round (First/Second/Third round)	First, First interview
Personal interview questions (with indicative answers if you choose to share them)	– Run me through your resume. – Are you comfortable working in teams? What kind of team size have you led? – Give me a team work example where you faced a problem and how did you resolve it – Why consulting?

Narration of the case interview (please be as descriptive as possible)	How would you evaluate the first year revenue potential for a new investment in the business of leasing cranes for commercial buildings in Beijing? The interviewer gave a background that commercial building activity was coming up at a frantic pace in Beijing.
	
	Clarificatory questions:
	Are there any investment constraints on capital investment?
	What is the investment horizon?
	
	Structure:
	– Identification of revenue streams
	– Estimation of demand for the identified revenue streams
	– Determining competitive landscape for similar services being provided by existing competition and potential competitors
	– Based on the above analysis and specific competence area of the Company, determine the market share that the new Company could achieve in one year's time.
	
	Revenue streams:
	– Income from renting/leasing of cranes
	  – Regular
	  – Overtime
	  Income was basically broken up into - Price X Volume. Since the price could vary significantly across the regular and overtime streams, I identified these discreetly.
	– Ancillary services from the business
	Interviewer asked me to concentrate only on regular income from leasing of cranes.

	Demand estimation (Volume – Number of buildings) The interviewer asked me to identify three approaches in which demand estimation could be done. This was further broken down into new infrastructure and replacement infrastructure. Again, here the interviewer asked me to concentrate only on new infrastructure. – Top down approach – Using Macroeconomic factors Growth rate expected in the region → Level of infrastructure investment required to sustain expected growth rate → Number of new investments in building for given investment → Supply constraints in terms of area available, number of construction companies, manpower required, capital/credit availability etc. to be accounted for → Determine number of buildings that are expected to be constructed in the next one year – Bottom up approach – Using Supply based factors Determine the real estate space available for development → Identify area that could be developed in the next one year based on other supply constraints → determine the number of buildings that would be developed given average building size (based on historical data and regulatory guideline) in the next one year. – Using analyst data We then decided to crack the numbers using the second approach: The buildings have to be developed in a square real estate space measuring 3 sq. km. (assume end to end coverage) Regulatory requirement – Only 1/3 can be developed Average building size - 150 x 150 sq. m Number of buildings that can be developed: (1000 X 1000)/(150 X 150) = approximately 49 (7 X 7)
What do you think went right for you in the in this interview?	Not much actually!!
What do you think went wrong in this interview?	– Few irrelevant opening questions which the interviewer questioned why I was asking? – Adopted a supply side approach rather than a demand driven approach for revenues, initially – Lack of structure to anticipate all parts of the problem – Apparent discomfort with calculations
Any tips for the future batches based on this interview experience.	Since PI + Case appears to be a compensatory model, If you haven't done well in one, try and do well in the other if you have the chance to.

Name	Ruchi Bansal
Company Interviewed With	Mckinsey
Name of Interviewer and designation	**Tilman Ehrbeck** Partner in North America office in 2002. He recently transferred to Delhi office to join McKinsey's regional leadership team. **My take**: Easy to make conversation with. Leaves the problem and case analysis very open ended and appreciated at a more strategic perspective
Round (First/Second/Third round)	First, Second interview
Personal interview questions (with indicative answers if you choose to share them)	– Run me through your resume. – Why consulting? – A discussion regarding corporate social responsibility function in organizations (this was borne more out of my interest in the area)

Narration of the case interview (please be as descriptive as possible)	A small hospital chain is looking to expand geographically. What would be the decision criteria / metrics that you would look at to prioritize the locations?
	
	Few clarificatory questions:
	– What kind of hospital is this? General or specialist? General
	– What kind of reach does it currently have? One metro
	– Is the amount of investment a constraint? No
	
	I structured the problem essentially in two parts:
	▪ As a financial problem, trying to derive the maximum net present value from investment in each geography/location
	  – Revenue: Market potential which would require demand estimation, existing penetration by existing players and opportunities to take share from existing players based on this hospital chain's competencies
	  – Costs: Cost involved in entering each geography since these are likely to be different.
	▪ Strategic decision to pre-empt competition in terms of resources such as location, doctors as well as customers since capacity utilization is one of the major drivers in this business.
	  – Analysis of competition, both existing and potential(based on competitive intelligence)
	There was discussion regarding demand estimation in each location.
	Population → Income classification → Disease incidence in relevant income bracket (no numbers, just a discussion)
	
	We discussed alternatives if disease incidence data is not available. I suggested we could draw benchmarks from similar countries where this data was available or data from developed countries during their developing stage.

	Remaining was an open ended discussion. The interviewer then asked me to make an assessment, based on my general knowledge and reading, about the locations I would consider this hospital should foray into.
What do you think went right for you in the in this interview?	Kept a strategic perspective, which I gauged from the interviewer's style.
What do you think went wrong in this interview?	Did not make the problem structure MECE – Mutually exclusive and collectively exhaustive. Also, my judgment about the hospital's future course of action was fuzzy. I did not take one view but rather presented alternatives.
Any tips for the future batches based on this interview experience.	Gauge the interviewer's intent!!

Name	Ruchi Bansal
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Rajeev Lochan Engagement Manager in Mumbai Office. **My take:** Easy to make conversation with. Very encouraging throughout the interview. Personal interview seemed to affect the overall judgment and his eagerness to help out in the case.
Round (First/Second/Third round)	Second, First interview
Personal interview questions (with indicative answers if you choose to share them)	– Give me a leadership example? – What are the two qualities you value in a leader? – Describe a situation of failure in team leadership? What did you learn from it? How would you prevent such a situation from occurring again?

Narration of the case interview (please be as descriptive as possible)	Life Insurance Company which has been in India for a few years wants to understand whether there is a real opportunity in this business in India and what are the strategic options available to it.
	
	Structured the problem in the following way:
	– Determine the market size
	– Identify the degree of regulation in the industry and its impact
	– Identify the current levels of penetration & therefore the existing potential
	– Determine the level of existing and potential competition
	– Based on own strengths identify the strategic options as below:
	   – Exit market
	   – Stay in market – to determine whether to operate on scale or niche
	
	We proceeded with market sizing:
	No of houselholds → No of households with required income capacity → Percentage of income saved → percentage of saving used on insurance
	
	The interviewer then focused on whether the market opportunity was only as much as the current sizing or whether there was potential to improve the same. We explored this line of thought.
	
	Major reason for life insurance policy in India : Savings
	Then we analysed what uses are the total savings of an Indian household put to:
	– Deposits
	– Mutual funds
	– Real estate
	– Insurance (12%)
	– Others
	
	Deposits & mutual funds represented a clear opportunity for increasing the market size for insurance. I identified that we could

	use data from other developing markets to understand the savings behaviour and potential for insurance. Interviewer clarified that in similar economies about 30% saving were being spent on insurance. Calculated the real market opportunity with 30% savings and identified that opportunity exists given the current levels of penetration.
What do you think went right for you in the in this interview?	There were a lot of estimates that the interviewer was looking for (no. of households), most of which I had a fair idea of. Persistence completely paid off!!
What do you think went wrong in this interview?	No knowing much about the sector (insurance) worked against me in this one. I had identified market sizing to be done on the basis of individuals, it turned out it works better on the basis of households. Further, I should have changed focus to why the company had not been doing well so far instead of looking at it as a market entry case.
Any tips for the future batches based on this interview experience.	Persistence!!!

Name	Ruchi Bansal
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Rohit Pathak Engagement Manager **My take**: Easy to make conversation with. Very encouraging throughout the interview.
Round (First/Second/Third round)	Second, Second interview
Personal interview questions (with indicative answers if you choose to share them)	– Run me through your resume. – Why consulting?
Narration of the case interview (please be as descriptive as possible)	**Case 1** The case was relating to the baby food segment (product like cerelac) market in India for which the potential was visibly huge since 80-90% of the children in the 1-2 years old segment who this segment serves lacked the nutrient requirement and 40-50% the calorie requirement. The interviewer wanted the following things to be done: – Identify the market potential for this segment – Delineate the marketing plan for a fast moving consumer goods player (like HLL) to enter this industry **Market sizing:** Population (1 billion) $\rightarrow$ Children in the 1-2 years old segment (1.5%) $\rightarrow$ Identify daily requirement per child (80 gms per day) $\rightarrow$ Determine pack size to calculate market for number of packs (400 gms) $\rightarrow$ Requirement came to 1.08 million packs of Rs 100 each i.e. Rs 108 billion. I also identified that we would need to identify the future potential going forward as well through the population growth rate and more importantly growth rate in the Children in the 1-2 years old segment due to the favorable demographics in India. A proxy for that could be taken to be the birth rate. (we did not build this into the calculation) The interviewer informed me that the market was served only to the extent of Rs 1 billion. I identified that the reason was that monthly expenditure required was Rs 600 (80 gmsx30 daysxRs 100 per pack/400 gms per pack) whereas the average spending capacity of the parents of these children on this food was Rs 200 per month. Therefore, pricing was a critical barrier. **Marketing plan:** Build the following non compensatory structure for the marketing plan i.e. the final reach of the product would be a function of the

following three variables:
% of Aware population X % of population that can afford the product X % of population that is reached by the distribution channel = Market share

I then explored ideas for improvement of each of these:

Increasing awareness: Through the following three initiatives:
- Tying up with Non governmental organizations involved in reaching this segment
- Information dissemination by tying up with the extensive Public health infrastructure (since the Government is likely to have an incentive in such an initiative)
- FMCG's own publicity initiatives such as media, radio etc.

Increasing affordability:
Internal measures: Identified major cost components where cost reduction measures could be taken:
- Raw materials: 30% of cost
  Using recipes of local product variants with same nutrient and calorie value which utilize lower cost raw materials.
- Manufacturing : 20% of cost
  This cost could be reduced through product innovation
- Taxes & duties: 15% (refer external measures)

External measures: Seeking relief from the government on various tax components in the cost structure. This could shave costs to the extent of 12-15% (since the Government is likely to have an incentive in such an initiative)

Availability: Being a major FMCG player, it was assumed that the Company has a sufficient and capable distribution network. (I had clarified this early in the discussion)

Case 2
Market sizing for a drug used during surgeries in ICU

Determine the number of hospitals that would have ICU →
Determine the number of ICUs → Utilisation % of the ICUs (60%)→
Proportion of surgeries which require the use of this drug (30%)→
Average usage per day (Rs 5000 per day)

Number of hospitals & ICU rooms
Determined a tiering based on the number of beds in the hospital:

	Beds	ICU/Hosp.	No.	ICU rooms
Tier 1	> 500 beds	50	10	500
Tier 2	100-500 beds	20	30	600
Tier 3	< 100 beds	1000	2	2000
Total				**3,000 approx.**

Market size: 3,000 x 60% x 360 x 30% x 5000 = Rs 9 billion

What do you think went right for you in the in this interview?	Being able to structure the case solution well worked for me here. The interviewer was particularly encouraging that point forth.
What do you think went wrong in this interview?	I think I jumped the gun to a solution in the case which I should have avoided. However, I later rectified this by putting structure to the solution.
Any tips for the future batches based on this interview experience.	You need to put structure for problem diagnosis as well as case solution. Clearly very helpful and puts across a structured thinking process all throughout!!

Name	Ruchi Bansal
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Noshir Kaka Principal and the global Practice leader of the Business Process Offshoring and Outsourcing Practice of McKinsey and Company. **My take**: Enjoyed the general discussion, not very case oriented. Personal impact seemed to be a more critical factor.
Round (First/Second/Third round)	Second, Third interview
Personal interview questions (with indicative answers if you choose to share them)	– Why consulting? – Long term goals? – A general discussion regarding the placement policy at ISB, changes from previous years and its impact on the School going forward
Narration of the case interview (please be as descriptive as possible)	The Tatas Rs 100,000 car requires substantial cost reduction measures from the Rs 150,000 Indica materials cost. How will you go about analyzing the cost reduction plan? Structure: – Identify the various cost components and proportion of costs they represented. – Determine cost components which are avoidable due to fewer facilities/accessories that are likely to be provided than in the Indica. Identify cost reduction from this. – Explored cost reduction possibilities for all materials components based on 80/20 rule We discussed the following options for each component (engine, axle& gear, auto components & plastic body parts) : – Aggregation benefits due to larger scale at which these cars will be manufactured. The interviewer mentioned these had already been exhausted to the maximum possible. – Explored whether each of the components were manufactured internally or externally. Wherever possible, identified cost differentials between internal and external manufacture. The interviewer informed me that there were significant cost differential in in-house and third party manufacture in case of axles & gear, in-house production cost being significantly lower. I tried to veer the discussion towards possible reasons for cost differential, however, the interviewer asked me to consider corrective action for this problem. We then discussed following two corrective actions: – All axle & gear production could be transferred in-house. However, I identified that this was already running to capacity. Therefore, this was considered as a long term option and identified that significant investment would be required to consider this option.

	– Work with the suppliers to transfer best practices from in-house production to the supplier to reduce his cost of production. Interviewer terminated the case discussion at this point saying that we had figured out the general format in which to proceed which was sufficient.
What do you think went right for you in the in this interview?	– Cracked the case in no time (finally!!) – Discussion regarding the placement policy at ISB really perked things up since this was the last interview for him at the end of a long day. Since Noshir was involved in ISB policy making, this topic brought things into a discussion mode.
What do you think went wrong in this interview?	Not much. Just that it was not the best time to interview either for me (9th for the day!) or for him (probably Nth!), visibly so.
Any tips for the future batches based on this interview experience.	Gauge the interviewer's mood and try to change course/track accordingly.

Name	Ruchi Bansal
Company Interviewed With	Mckinsey
Name of Interviewer and designation	**Nigel Andrade** Nigel Andrade is an Engagement Manager in the Mumbai office of McKinsey & Company.
Round (First/Second/Third round)	Third, First interview
Personal interview questions (with indicative answers if you choose to share them)	Clarified to me the objective of the interview being to test my quantitative skills. Questions were: – Run me through your resume. – Why consulting? – What are the key things you would look out for while making a decision to choose your employer?
Narration of the case interview (please be as descriptive as possible)	Cheque processing facility of a bank had the following operation: Receive cheques at branches, collect all cheques, send then to a processing centre and processing centre would enter all cheque details in the system forward the cheques to RBI clearing house. RBI now requires scanned images of the cheques instead of physical copies. There are two options available to meet this requirement: – **Option A**: Receive cheques at branches, scan at branches, send scanned images to the processing centre as and when they were scanned. Processing centre would enter all details as earlier and forward the images to RBI clearing house by 4 p.m. – **Option B**: Receive cheques at branches, forward physical cheques to the processing centre by 10 a.m. PC would scan as well as enter all cheque details and forward the images to RBI clearing house by 4 p.m. How will you evaluate which option to choose from? First up, I clarified cheques from how many locations were being aggregated at the processing centre. The interviewer clarified that there were 150 branches. I discussed with the interviewer that I would like to analyse the problem along two dimensions: – Time taken under both options – Incremental cost to be incurred under the two options The interviewer suggested we should restrict our analysis to cost under the two options. The interviewer asked me to identify the various cost heads that may be involved in the two scenarios which we zeroed down as follows: <table><tr><td></td><td>Option A</td><td>Option B</td></tr><tr><td>Scanning equipment</td><td>Rs 5,000 per machine (150 machines)</td><td>Rs 50,000 for a single high processing ability machine</td></tr></table>

	Courier cost of cheques	Rs 10 per day per branch for 300 working days	-
	Cost of additional bandwidth	Rs 3,000 per branch	-
	Cost of manpower allocated to the task	0.5 persons per branch. Cost of personnel: Rs 300,000 p.a.	0.3 persons per branch. Cost of personnel: Rs 300,000 p.a.

After doing a costing analysis under both the options, I concluded that taking only costs into account, Option B would be more cost efficient.

The interviewer asked me to make an assessment of which of the above two options I would take. Here I brought in some operations perspective on aggregation of scanning process at the PC.

What do you think went right for you in the in this interview?	I was not uncomfortable about the fact that I was being tested for a particular skill. In fact, I acknowledged that I expected to be tested on this. In the case, there were clearly two parts: – Quantitative cost benefit analysis – Qualitative analysis As per bare facts given by the interviewer I could have left the case at a quantitative analysis stage. Ability to bring in some operations perspective in the qualitative analysis was what clicked.
What do you think went wrong in this interview?	I had made an initial assessment that the analysis should be done in terms of incremental cost per cheque, which had a redundant step since the number of cheques under both options were same.
Any tips for the future batches based on this interview experience.	Genuine inclination to want to solve the problem has to come across. Most of the time, number of questions you ask and how persistently you are at it reflects that. So keep at it!!

Name	Ruchi Bansal
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Samba Natrajan Partner
Round (First/Second/Third round)	Third, Second interview
Personal interview questions (with indicative answers if you choose to share them)	Leadership exmaples Discussion about grade non disclosure policy (he grilled me on this a bit, given I supported grade non disclosure even though I was a grader(supposedly!))

Narration of the case interview (please be as descriptive as possible)	This one really rattled me…especially at that stage of the process. Very intense case interview.
	Client is a Financial planning & management software company with the following revenue streams
	Products:
	– Large enterprises – highly customized, large business customers, direct sales force used
	– SMEs – industry specific package- sold through dealers/ distributors
	– Individual customers through regular off the shelf retail channels.
	Services: IT consulting – maintenance & support
	
	Question 1: Declining revenue and profitability. What kind of data analysis would you perform in order to identify the source of decline?
	   a. Products vs. Service
	   b. Along large, SME, Individual customer base under products
	   c. Geographical segments
	   d. Sales force effectiveness analysis
	   e. Industry segment wise analysis
	   f. Whether we are losing old customers or not getting new customers
	
	Question 2 Assume Enterprise segment is losing revenue. What hypothesis can you generate …Broke these down into two parts:
	Internal causes:
	Product based + People based (developers,salesmen)
	   a. Lack of scalability of the product
	   b. Perceived quality of product/service not optimum
	   c. Sales force incentives not appropriate
	   d. Lack of ability to technical staff to understand customer requirements.
	
	External causes: Explored these on the following three lines
	Competition + Customers + Context
	   a. Change in requirement of consumers/obsolescence of product

	b. Competitor actions on pricing c. Changes in customer industry regulation He asked me to come up with atleast 15 reasons, don't know how many I came up with, but I tried to think along this structured fashion. Question 3 : Suppose you find out that the sales force has been spending more time selling simpler product to SME than attend larger customers…enterprise product needs greater effort. what would you do…? Identified the indifference point for the sales men between the two incentive structures and accordingly change incentive structure… Did the calculation and then he asked me for other ways in which it could be implemented other than through change in incentives.
What do you think went right for you in the in this interview?	The persisted with the interview through it sure didn't look like it was going too great. Kept thinking aloud while the interviewer continued to push me!!
What do you think went wrong in this interview?	The fact that I continued to think at a relatively strategic level whereas the interviewer required me to think at ground level. Thankfully I clarified this in the middle of the interview. Personal interview was good, grade non disclosure sparked off a good discussion which I thought clicked well with the interviewer
Any tips for the future batches based on this interview experience.	Think aloud whenever hypothesis driven interviews are posed at you…and persistence pays!!

Gaurav Balhara

Name	Gaurav Balhara
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Dr. Shirish Sankhe (Partner)
Round (First/Second/Third round)	First Round
Personal interview questions (with indicative answers if you choose to share them)	1. Biggest Academic achievement (rank 3) and why academic performance was not good at IIT 2. Views on rolling placement process versus one week placement process 3. Leadership instance outside work (talked about Vice captain IIT D badminton team) 4. Why I joined Evalueserve?

Narration of the case interview (please be as descriptive as possible)	The government of India wants to electrify all the villages. Can this task be achieved?
	Initial clarification
	Asked if there are any resource constraints and in what time we have to achieve this task. He simplified by saying time is not a consideration and resources are limited and hence part of problem was to raise resources.
	Case Structure/ Discussion
	I made the following structure:
	    1. Resources
	        a. Public
	        b. Private partnership
	        c. Special purpose vehicles
	    2. Current level of rural electrification
	        a. Segregate states based on low density and high density
	    3. Regulatory constraints
	        a. Role of government. To be a regulator or also an implementor
	    4. Political costs in changing laws
	        a. Eg Will Left parties support privatization
	Based on the above I suggested we will evaluate whether a centralized or a decentralized model should be followed.
	
	He was happy but then said he was more interested in evaluating ground realities i.e. So I said, there are three parts to electrification.
	    1. Increasing generation through
	        o Thermal
	        o Hydel
	        o Alternate sources
	        I said will concentrate on thermal as India as huge coal reserves they can be used more efficiently

	2. Transmission
	  o Who will lay down poles and cables. How will players be compensated
	3. Collection:
	  o Who takes responsibility? Private player or government.
	  o Tariff structures. Who will decide private player or government
	==*I completely missed that collections in India are low due to corruption.*==
	After the interview, I asked him whether this target is achievable. His take was that it is very difficult and Mckinsey is still evaluating various approaches. Hence this case is not supposed to have one answer.

What do you think went right for you in the in this interview?	Listening carefully to interviewer and expanding on his points. Following a down to earth approach as he was more interested in discussing ground realities (e.g. if capacity needs to be increased, then which states should get power generation projects. What should be the evaluation criterion?)
What do you think went wrong in this interview?	I had a very nervous start as this was my first interview. I could have done much better in PI questions.
Any tips for the future batches based on this interview experience.	In middle of my case, he told me to set aside my structure and just have a discussion. This was unexpected but not necessarily a bad thing. So do not get fazed. Also show by discussing policy implications (such as reaction of left parties to privatization), you can bring a wow moment in your case. *Apply a layer of commonsense in your discussion.*

Name	Gaurav Balhara
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Noshir Kaka (Partner)
Round (First/Second/Third round)	First Round (second interview)

Personal interview questions (with indicative answers if you choose to share them)	I had a 20 minute PI as Noshir knew CEO of Evalueserve (my last company). So there were a lot of questions around Evalueserve.
	5. Leadership example that you are proud of.
	6. Why did Marc (CEO) open EVS?
	7. What are the main challenges for EVS now?
	8. Had discussion around development of ISB (Noshir was involved in writing the business plan of ISB). How it has emerged and whether it has measured to his expectations.
	Many of these questions can be asked to people who have worked in startups/ growing organizations (EVS was 70 people strong when I joined them and within 2.5 years the employee strength was 600). So the challenges of a small vs. big, fledgling vs. growing organization are very diff. Some points I gave were (I do not know if it helps but you will get a flavor of some answers in this regard):
	    1. Challenges facing EVS today:
	        a. Increasing face to face communication between top management and new employees (I was fortunate enough to work with Marc but new employees do not get this chance and this has contributed to increase in employee turnover)
	        b. Increasing interaction between sales executives and teams (majority of sales executives had not even visited EVS offices and hence did not understand pressures of people working on projects)
	        c. Recruitment (EVS recruitment quality had dipped as now team leads/ AVPs who were not competent enough did this task. I admitted that I was conducting interviews and I thought that I needed 2-3 years of mentoring to be really effective)
	Note that none of the above mentioned are really big points but they are original ones. Hence be honest, think hard about your experience and do not be shy to mention even seemingly small things as independent thought is what really matters.
	I also took these questions as small caselets Interviewers sometimes will not mention that they are starting the case. In such situations do the following:
	    1. Keep it at the back of your mind a situation like this can arise (could be a discussion around placement process at ISB or any other topic under the sun)
	    2. Be structured in your communication. Again one mistake people do is that they apply structure only during cases. It is important to apply structure during PI as it makes the communication lucid, increases impact and makes it easier

	for the interviewer to understand you.

Narration of the case interview (please be as descriptive as possible)	A very small case (10 minutes)
	Tata Motors wants to build the 1 lakh car. Advise them how to do it?
	
	Initial clarifications:
	1. Current cost structure:
	    a. Engine: 20%
	    b. Chassis, Gear box etc: 25%
	    c. Body: 25%
	    d. Tires, glass etc: 30%
	2. ==Time frame== to achieve this task: He said time is not a factor as this is a really difficult thing and Ratan Tata would be happy if this can be achieved
	Hypothesis:
	I said that there was no one dominant head on which I should concentrate and hence we should do the following:
	1. Explore generic ways to reduce cost
	2. Then arrive at decision criterion to apply a method to a particular cost component
	
	1. ==Generic ways to reduce cost:==
	    a. Reduce price (Economies of scale and scope)
	    b. Reduce Volume of material to be consumed (with price being constant)
	    c. Redesign (say the engine as requirement for a low income person are different. For eg. He might just be happy with a 600 cc engine vs a 1200 cc engine)
	    d. Use substitutes (say plastic/ polymers rather than metal)
	2. Decision criterion to apply a particular method to a particular cost component
	    a. Degree of tech involvement (more suitable for engines and hence this really suggests that we should redesign the engine and may be use some substitutes)
	    b. Degree of commoditization (more suitable for body and can also use substitutes)
	
	Here I concluded that multiple methods could be applied to a cost component and hence this makes our task that much harder. Here he stopped me and said he was happy with the analysis

What do you think went right for you in the in this interview?	1. Very good discussion on my work experience. This is where I really got his attention. 2. Saying original points and saying them confidently. I guess my belief in EVS business model and passion was what really impressed him 3. Case: Formulating the right hypothesis. I knew form his body language that I was on the right path
What do you think went wrong in this interview?	Nothing really. Probably my best interview on the day.
Any tips for the future	1. Case: I had initially said that based on a criterion, I will apply

batches based on this interview experience.	only ONE method to a particular cost head (no reason why I assumed this). But based on our discussion, we could apply a mixture of 2 methods (he said apply the 80:20 rule). So it is okay to change your initial stand based on the discussion (it's a blunder to stick to your initial assumptions especially if the discussion proves the assumptions wrong) 2. PI: Rohit Kapoor had told us, recruiters come here recruit humans and not gods. So it is ok to say simple things but say them with conviction

Name	Gaurav Balhara
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Katrien Zondag (Recruitment officer – BTO Asia Pacific) She was also a consultant in Europe.
Round (First/Second/Third round)	Second Round (first interview)
Personal interview questions (with indicative answers if you choose to share them)	9. In this round, I did not have much PI. It was a discussion on Offshoring and Outsourcing (O&O) / BTO practice as Katrien is involved with this practice. 10. Again she did not ask any questions but was giving me a lot of gyan on O&O, types of projects, how they add value to clients (gave me a couple of examples) and opportunities
Narration of the case interview (please be as descriptive as possible)	Client is a meat manufacturer operating in Europe. Their profits are falling for the last two years. *Initial clarification* 1. Company has two products a. Hams b. Sausages 2. Only 3 players in the market. Client has 40% market share and other two players have 30% each. Clients market share has been falling (indicating that it is a revenue problem) 3. She also said that market size is not growing substantially *Case Structure/ Discussion* 1. Revenues a. Product mix i. The process to manufacture hams and sausages is very similar. Sausages are made from scarps left over from hams. b. Price * Quantity (explained in the sections below) 2. Costs a. Fixed i. Allocation of overheads such as CEO salary ii. Asked how fixed costs can be allocated. I said based on 1. Revenues 2. Volume 3. Number of employees in a division b. Variable i. Raw materials (she said there was no scope to reduce this) 3. Customers a. Drivers of purchase i. Only price. ii. Quality of product is not a differentiator. Retailers were not ready to pay more for better quality products iii. No Value added service can give any competitive advantage

    iv.   I concluded that this was a <mark>commodity product in a stable market</mark>

    b.   Customers are retailers who buy the meat, and sell it as their private label product

4.   Competition
    a.   No new product was introduced in the past
    b.   No new channels were entered by competition
    c.   Competition had reduced the price of sausages by only $0.01. The customers (retail outlets) were so sensitive to price, that they were switching to competitor products (to both hams and sausages. So a wrong pricing decision in sausages had let to not only decrease in sales of sausages, but also affected sales of hams as consumers, in this case retailers, preferred to buy from one supplier to reduce their transaction costs.

The client did not also decrease the prices as they did cost plus pricing in the following manner:
1.   Price = Fixed cost + Variable cost + Margin
She gave the following information:

% of total revenues

	Current	2 years ago
Hams	80%	70%
Sausages	20%	30%

	Fixed	Variable	Margin		Price
Hams	0.8	3.2	0.2	=	4.2
Sausages	0.6	0.4	0	=	1

Competition decreased price of Sausages by $0.01

Allocation of fixed costs (salaries was the main component) was done based on revenues by products.

The flaws in this method are
1.   <mark>Fixed costs should not be a part of pricing decision</mark> (Basic managerial accounting funda)
2.   With this method, their margin on sausages is 0. Hence they can not reduce prices according to this method.

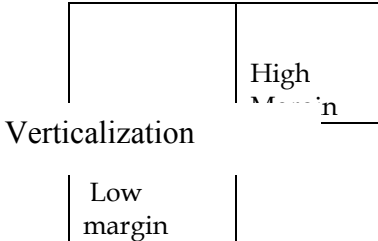|	Variable	Margin	Margin (in %)		Price
Hams	3.2	1	31%	=	4.2
Sausages	0.4	0.6	150%	=	1

I said if you exclude the fixed costs, then in % terms, sausages have a much higher margin. <mark>So there is a lot of scope in decreasing price.</mark>

Recommendations
1.   Exclude Fixed costs from pricing decisions
2.   Reduce prices in sausages
3.   As process to manufacture both products is same, make one person in charge of both products. This will ensure that pricing decisions are made in a rational manner. The whole problem cropped up as fixed costs had to be allocated between 2 products

and there were 2 line managers for the two products.

After completing the case, she said there were many other aspects to this problem. These were:
1. The client was operating in a small European country and had 4 plants. So closing down some of the plants was an option. (had enquired about this but she said that we should neglect it for the time being)
2. They could also look at ==entering foreign markets in Europe to boost sales== (I had enquired about this)
3. Also, the sausage process was not efficient. So to improve it they could benchmark it to their ham operation. Apparently the ham process was very efficient (she did not give reasons for why it was more efficient, probably because it accounted for 80% of revenues and hence received more attention). This was new insight to me as one always benchmarks a process to competitors, or to processes of similar products etc. ==But internal benchmarking was new to me.==
4. This was a family owned business and not a listed company. Hence there were a lot of cultural issues which they had to resolve in terms of best management practices, mindset of the employees etc.

What do you think went right for you in the in this interview?	This finally turned out to be an accounting case and deriving a worn pricing decision, its implications from an accounting point of view and also the incentive of line managers were not aligned with the overall strategy. The key was to ask the right questions and listen carefully to what the interviewer was saying. Also she wanted me to interpret the data (even though it was simple data) and derive business implications.
What do you think went wrong in this interview?	A couple of times I jumped the gun. I directly started giving business implications with out completely analyzing the data (I used to do this during practice also). It was also because the data was simple. But consciously try to curb this even on simple assumptions ad the method by which you arrive at a solution is really important and you are evaluated on the process of the case discussion.
Any tips for the future batches based on this interview experience.	Just listen to what the interviewer says. She clearly wanted me to go to accounting and she dropped enough hints during the initial stages of the interview. Also, even though she was from BTO practice, she gave me a commodity product case. So the background of interviewer/ interviewee really does not matter. What they are looking for is the ability to analyze a problem from the case facts.

Name	Gaurav Balhara
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Nigel Endrade (AP)
Round (First/Second/Third round)	Second Round
Personal interview questions (with indicative answers if you choose to share them)	11. Why Mckinsey? 12. Any questions regarding consulting and choice of companies in the consulting space? Again I had no PI questions and this was a short interview.

Narration of the case interview (please be as descriptive as possible)	An Indian conglomerate opened an IT company in Delhi and they have failed miserably. You are hired by the client to diagnose the situation and turn around the company.
	
	Initial hints: It was clear from his narration that a drastic approach was required and the client had completely got the strategy wrong.
	
	Initial clarifications:
	1. Who is the Indian conglomerate and why did they enter the IT space?
	    a. Family owned business and hence there is lack of best management practices
	    b. They entered the IT space as it offered significant growth potential (diversification). They launched this business in 2000.
	2. What are their products/ services?
	    a. Products
	        i. Healthcare (10-20% revenues)
	        ii. Knowledge management (20% revenues)
	    b. Services
	        i. Application Development and Maintenance (ADM) (60%-70% revenues)
	At this point, I said I was not well versant with economic drivers of IT industry specifically the 2 product segments and ADM. He took time to explain the following:

	Healthcare	Knowledge Management	ADM
Share of revenues	10-20%	20%	60%-70%
Market	Small market	Small market but growing	Mature, stable market
Competition	Many players	Less players	Large players with established track record
Margins	Huge	Huge	Low
Drivers of purchase	Not known	Customer needs to be educated	Established track record

I concluded that

	1. Healthcare business should be shut down, as it is a small market with a lot of players and there is no differentiation in products. This was despite the fact that this business had high margins. He said that margins are going down due to competition and the product becoming a commodity. 2. KM is a real option. Company should retain this and put money in taking customers up the learning curve. The parent is a conglomerate and resources should not be a problem. 3. ADM: The client needs to develop a track record. This can be done by doing free pilots for clients, leverage contacts from other business to sell services. *(In the feedback after the case, he said the best thing was to sell services to the existing business within the conglomerate. The Client tried this but the other division rejected them on quality concerns)* He then wanted me to explore how only services business could be expanded. He said services can be sold on 1. Specialization of a service which can be sold across verticals (e.g. desktop migration) 2. Verticalization (e.g. some mercury simulation service for auto industry) Specialization Verticalization High Margin Low margin He was happy with this matrix. In the feedback he said that my analysis was good but there was one thing I had missed. ==Instead of completely shutting down healthcare services, it could have been used to set up captive centers for companies and this could be spun off as an advisory service in offshoring practices.==
What do you think went right for you in the in this interview?	Good analysis, and ability to analyze a problem of an industry with which I was not comfortable. (I had mentioned explicitly to Nigel that I did not have a good understanding IT industry). Also kept the interview conversational which was a good thing.
What do you think went wrong in this interview?	No big blunders in this interview.
Any tips for the future batches based on this interview experience.	Nigel likes aggressive approach in the case. So do not hedge you answers. Once I got the crux of the case, he was very helpful and in fact led me to different aspects of the case.

Amandeep Bedi

Name	Amandeep Bedi
Company Interviewed With	McKinsey
Name of Interviewer and designation	Mr. Nigel Andrade
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	1. Recount any Leadership Experience – resume based 2. Questions on Grades etc 3. Why ISB?

Narration of the case interview (please be as descriptive as possible)	Client is a PSU Bank. Currently the account opening process takes between 60 minutes- starting from the time he comes to clerk counter to the time customer leaves with Passbook, Cheque-book and account number. **How will you cut it down to < 10 minutes and still deliver all the 3.** Drew a complicated process map.
	
	Basic facts given at start of case:
	Current process (60 minutes) : The clerk interacts with customer to provide him the account opening form, does the first round scrutiny, does the KYC, sends form to officer for approval, officer approves, clerk opens account & creates account number & passbook, sends to officer to approval , officer approves, clerk creates the cheque book, sends to officer to approval , officer approves. Clerk hands over the Account Number, Pass book and cheque book to customer.
	
	Facts shared (shared by Nigel only if you ask)
	• Customer is issued form and he submits a filled up form to clerk = 15 minutes
	• Scrutiny of form = 10 minutes
	• KYC takes 5 minutes
	• Each approval loop with officer takes – 10 minutes (3 loops= 30mins)
	• Approval cannot be done by Clerk as per union rules
	
	Key Issues :
	Methodologies recommended
	a. Break down the process into various smaller steps. Do a time-work-motion study to understand the component steps. Then do a pareto (80/20) and attach the areas which consume the most time.
	b. Break down the process into various smaller steps. Classify each step as
	   1. Adds Value to Customer from a/c opening perspective
	   2. Non Value Add – can be minimized, not eliminated
	   3. Non Value Add – can be eliminated.

	By experience, 80% of the time is Non Value add (2&3). Do a Pareto within that and work out the various ways of reducing time. Solutions 1. I had recommended an Internet based system where major customer information and checks would happen online and only a mandatory KYC (Know Your Customer) process would take place onsite. 2. McKinsey had (a) Combined the jobs of the clericals and officers (b) Used Pre-printed blank welcome kits with cheque books, pass books & account numbers. (c) Only KYC was done onsite (RBI regulations)..account names were incorporated subject to KYC confirmation. Ramifications 1. Banking Unions (PSU): How will they react to job rationalisation/ eliminating clerical roles ? 2. If you combine the roles (clerk & officer) and make the officer do it…wont your salary bill increase…since the initial clerk to officer ratio (5:1) is now (0:5). What emerged is that in most PSUs, experienced clerks earn similar or more to officers. Hence not much of wage impact.
What do you think went right for you in the in this interview?	1. Positive frame of mind. 2. Hit on the few key time reduction areas immediately. (Suggested that account opening forms be made available in the open, so customer does not need to come to counter-saves 15 minutes in 1 block!!) 3. Defined 2 generic approaches to solve the problem. 4. Had a great discussion after case analysis. Was able to link it up with my work experience.
What do you think went wrong in this interview?	Need for a better structure. Should have put my thoughts together better. Possibly nervousness of R1. This was observed by Nigel, but I think he cognized for it.
Any tips for the future batches based on this interview experience.	Stay Confident & Cool Take control of the Case discussion. If the interviewer presents information in a user-unfriendly or non standard manner, ask him to do it in the way you want to or ask him to help you out in mapping the information in your framework. (Told by Nigel himself)

Name	Amandeep Bedi
Company Interviewed With	McKinsey
Name of Interviewer and designation	Dr. Shirish Sankhe
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	1. Why Isb? 2. Examples of Leadership experience? Your role in it ? 3. What is your leadership style – said a few things and also mentioned that I was learning. 4. Resume based : what is lean manufacturing ?

Narration of the case interview (please be as descriptive as possible)	Client is a no 1 boiler manufacturer in India. His profit margins are at 11% while industry expectations are at 15%. Help him out in reaching this target.
	
	Tried to evaluate product mix, profitability etc. – Client makes a wide span of products. But interviewer was not interested in specifics. Wanted me to identify the key cost & revenue drivers
	
	Costs
	    1. Are we sourcing Raw material effectively & cheaply? Can we go to china etc?
	    2. Can we re-evaluate Make vs Buy option for all products in the Bill of Material.
	    3. Are our products over- designed? Do they consume more raw material than competition.
	    4. Do we have higher fixed costs- new investments, labour<> variable costs?
	    5. Do we have economies of scale for all products, parts etc?
	
	Was told to identify sources of revenue to increase margins
	    1. Change product mix
	    2. Evaluate newer- more profitable markets
	    3. Brand your own products (the client is a manufacturer for others, not seller) → refer to brand and market creation costs.
	    4. Service Business – Repair, Spares & Consumables (Missed this out completely- was finally hinted by interviewer)
	
	Conclusion: Services were neglected by client. Potential revenue source. Client has a large installed base of customers. So he can do this business better, build service model and capabilities.
	Options
	    1. Sell Maintenance contracts with boilers
	    2. target installed base of boilers
	
	I had added that he can widen his base by targeting all brands of boilers (assuming differences were not significant). Service is a high margin business since operations at units are hampered leading to

	production losses in the event of boiler failure.
What do you think went right for you in the in this interview?	Identified multiple revenue options & cost cutting options (except the one he was looking for..). Built well on information/ hint he provided on service. Was able to expand scope of service.
What do you think went wrong in this interview?	Missed out the Service aspect of the business, which was a key revenue source neglected by the company.
Any tips for the future batches based on this interview experience.	Stay Confident & Cool even if you miss the above fact. Move on and build on it. Relate the case or elements of it with work and discuss it. Show Energy during the interview. !!

Name	Amandeep Bedi
Company Interviewed With	McKinsey
Name of Interviewer and designation	Noshir Kaka
Round (First/Second/Third round)	R21
Personal interview questions (with indicative answers if you choose to share them)	1. Example of Leadership experience.

Narration of the case interview (please be as descriptive as possible)	**Case 1**
	Client is a music company (RPG-Saregama). It was not making money.
	Revenue side- affected by Music piracy and music channels. They affected price and sales negatively
	
	Cost Side – Producers still sold music rights at higher prices. Since music producers are few- their consolidation hurt the music industry bad.
	
	Additional facts : All big banners like Yashraj films etc end up making losses for the company due to high music right costs.
	Typical successes / margins have been in low (B/C segments with films like Murder etc)
	
	Analysis
	Structured case as Customers, Suppliers and Competition.
	Option1 – Increase revenues
	While analyzing customers- not much information available- no segments→ based on discussion, generated multiple sources of revenues for music industry
	    a. CD/Cassettes
	    b. Radio / TV rights – do not provide full song clips to channels. Only teasers. If song is a hit, channels would ask for it and thus can pay for it.
	    c. Internet- Streaming rights
	    d. I-pod type devices
	    e. Ring tones
	
	Told to explore the cost options in details.
	Option2 – Decrease costs
	Me :Proposed Risk sharing / royalty based mechanisms.
	NK : All the big banners do not agree to it
	Me : But we can get the smaller producers to agree… (NK agreed that it can be explored)
	NK: Why do these companies deal with big producers when they make losses? What is important in the buyer industry structure
	
	After some discussions…arrive at the structure – Big producers (A

type) and Small Producers (B&C types)

Possible reasons I could come up with include-

Me: Possible reasons can include
 a. Long term relationship in the industry
 b. A large number of smaller successes subsidizing the losses from larger ones
 c. ==Association of music companies with big producers offers them clout in the industry to deal with smaller producers…they can thus negotiate better deals with B&C type producers.==

NK : Yes …the big banners are like loss leaders.. they help music companies in getting better deals from smaller producers. And also, the industry is very relationship driven…some of the deals are purely based on established long working relationships.

Case 2 :
Your client is Tata Motors. The Direct material cost of Tata Indica is Rs 150,000. The basic design is same for the 1 lakh car. How can you bring the cost down to Rs 75000…outline the basic levers

Structured it into 4 areas
 a. Rationalise the vendor base to get economies of scale and scope.
 b. Rationalise parts across platforms of vehicles to get further economies
 c. Rationalise design – Certain parts might be over designed or inefficiently designed leading to increased costs on account of excess materials or additional processing (labour, overhead etc)
 d. Evaluate every part from a Make or Buy perspective. This would enable focus on core areas and help gain cost advantage in sourcing items like Tyres, O Rings, Nuts-Bolts etc.

After that he wanted to do a numbers/ quant check on me…so the example was extended to calculate certain % values.

What do you think went right for you in the in this interview?	Did cases pretty decently. Was able to structure case 2 pretty decently (in my opinion !!)..
What do you think went wrong in this interview?	Could have structured the RPG case better. Was progressing through the case with a very fixed frame…should have prioritised areas of discussion with Noshir. Spent too much time discussing Revenue sources- useless from case perspective.
Any tips for the future batches based on this interview experience.	1. Prioritise issues for discussions with the interviewer. 2. Be prepared for anything!! This round had 2 cases , no PI (1 q only)

Name	Amandeep Bedi
Company Interviewed With	McKinsey
Name of Interviewer and designation	Parikshit Jain
Round (First/Second/Third round)	R22
Personal interview questions (with indicative answers if you choose to share them)	5. Why Isb? 6. Examples of Leadership experience? Your role in it ? 7. What is your leadership style – said a few things and also mentioned that I was learning. 8. Resume based: what is lean manufacturing ? 9. Explain a particular point on the resume? Impact of what I did. 10. Grades : Explain them 11. Leadership experience from IIT. Was I proud of my performance at IIT…vis a vis ISB? 12.
Narration of the case interview (please be as descriptive as possible)	NO CASE!!
What do you think went right for you in the in this interview?	
What do you think went wrong in this interview?	
Any tips for the future batches based on this interview experience.	

Name	Amandeep Bedi
Company Interviewed With	McKinsey
Name of Interviewer and designation	Oliver Ramsbottom , Associate Principal, Shanghai Office
Round (First/Second/Third round)	R23
Personal interview questions (with indicative answers if you choose to share them)	2. What are your Strengths? 3. What motivates you?

Narration of the case interview (please be as descriptive as possible)	**Case**
	Client is a confectionary manufacturer making chocolate bars. In the 1980's it had a mfg base in UK. However, in early 90s it set up another facility in France. During mid 90's the business faced decline in revenues and profitability. What could be the reasons / hypothesis and what would you recommend?
	
	Enquired about the basic details
	    a. Product mix – single chocolate bar
	    b. Supply- demand check → Demand has been declining. No problems in supply side.
	
	Discussed the Revenue- Cost equation.
	Revenue can go down by the following
	    a. Competition introducing newer/ better/cheaper products
	    b. Changing customer behavior- more health conscious people/ availability of substitutes/ imports etc
	    c. Any changes done to product flavour/ taste etc..which can turn off customers.
	
	Cost :
	Discussed the standard Fixed and Variable costs. Was asked to break it down further.
	Variable – Raw Materials, Distribution etc
	Fixed – Depreciation, Capacity Utilisation etc
	
	a. Fixed Costs – New plant – higher depreciation costs. + **Degree of capacity utilisation (** this was reason 1)
	UK – mfg capacity = 15 mn units / year
	    Actual production = 700,000 units per month
	    approx 55% capacity utilisation
	
	France – mfg capacity = 20 mn units / year
	    Actual production = 650,000 units per month
	    approx 39% capacity utilisation
	
	These numbers were generally thrown around to evaluate my comfort with numbers.

Interviewer himself jumps to part (b)

b. Variable Costs

Fact 1 Raw material costs are 25% of Sale price vs 20% for competition

1/ Asked Oliver on the supplier base (local, import & no of suppliers) and amounts sourced. Decreased revenues could have decreased our sourcing economies. OK with this…wanted more reasons….

2/ Checked if both were importing same quality of material. We could be using better quality products compared to competition.

3/ Checked ==if we hedged these items while procuring…==**(Key Point 2)** Competition was obviously doing this better and saving costs.

Fact 2 Our Distribution costs are 15% of sale price vs competition 10%

Key differentiators could be…

We have our own trucks ..competition uses 3rd party suppliers

1. More costs on account of people, fixed costs of trucks + empty trucks coming back (Low utilisation)

2. We send part loads…competition does not worry since his transporters can optimize on truck load thru other customers.

c. General calculations

Another round of quant check. Thrown some numbers to calculate cost per unit of the 2 factories (UK & France)

Each unit has 200 employees x 40 hrs/week x 50 wks /yr

UK wages = $ 15/ hour

France Wages = $ 20 / hour

After this told to calculate profitability of each unit at both locations given Raw material = 25% of sale price ($ 2/unit).

Total numbers check

Recommendations
1. Rationalise the production quantities at each unit - would depend on the overall inward and outward transportation costs also..apart from capacity utilisation. (Excess transport costs in serving new markets would need to be checked for)
2. Use excess capacity for producing 3rd party chocolates. Also evaluate if factory can be re-tooled / flexible to manufacture other products apart from chocolate.
3. Shut down 1 plant. –
   a. See how efficient it would be operationally. No backup/ excess capacity would then be available as a strategic/ contingency resource.
   b. Also potential trouble on the political front – example if French unit was shut down, there could be a political fallout as well as French customers might boycott your products. (cited Mittal-Arcelor)
   c. Union issues- long term dispute- can dilute brand value of

	business.
What do you think went right for you in the in this interview?	Cracked the Case. Discussed the implications of the recommendations to include potential political fallouts (cited Mittal-Arcelor example)
What do you think went wrong in this interview?	
Any tips for the future batches based on this interview experience.	Be prepared for all sorts of numbers/calculations…take time out in case there are huge calculations…I did that…small calculations were done verbally. Interviewer also wanted to check if I could come up with all types of hypothesis on various facts. Be prepared to think creatively and use your common sense to remove non relevant stuff.

Name	Amandeep Bedi
Company Interviewed With	McKinsey
Name of Interviewer and designation	Ramesh M
Round (First/Second/Third round)	R31
Personal interview questions (with indicative answers if you choose to share them)	4. Examples of Leadership 5. What was your contribution? What did you do different? 6. Are you happy with your life path? What would you go and change? 7. Why ISB? Why ITC? Why not MBA after IIT? 8. Biggest achievement!! What did you do? 9. What other interviews I had and was appearing…Which was the best one till now… 10. How was Mckinsey's interview different from BCG ? Fairly detailed PI

Narration of the case interview (please be as descriptive as possible)	Client manufactures auto forgings @ 200 per day. Increase it to 400 per day… How?
	Enquired if market demand was justified to double output…Market would be able to accommodate 200 additional units.
	
	Wanted me to identify key levers. After a lot of round-about and false steps…learnt that current capacity utilisation was 33% only!!
	Ramesh wanted a list of things to check …this is what I discussed..
	   a. Maintenance time records– Breakdown & Planned
	   b. Setup/ Changeover times on a/c of high product variety
	   c. Non availability of Material
	   d. Non availability of Labour – absence/ unmanned breaks
	   e. Shut down due to utility failures (electricity etc)
	   f. Quality related losses.

What do you think went right for you in the in this interview?	Salvaged the situation. Did not start well
What do you think went wrong in this interview?	Missed out critical capacity utilisation points.
Any tips for the future batches based on this interview experience.	Be prepared to be grilled

Name	Amandeep Bedi
Company Interviewed With	McKinsey
Name of Interviewer and designation	Samba V
Round (First/Second/Third round)	R32
Personal interview questions (with indicative answers if you choose to share them)	Went off to case after basic chit chat on the number of interviews etc I had faced in the last 2 days…

Narration of the case interview (please be as descriptive as possible)	This seemed a test of whether I could do hypothesis and do some basic math.
	Client is a Financial planning & management software company.
	3 product lines + 1 service line.
	   1. Large enterprises – highly customized, large business customers, direct sales force used, consultants needed, sold at CEO/CIO level.
	   2. SMEs – industry specific package- sold thru dealers/ distributors etc to anyone who wants to buy
	   3. Individual customers thru regular retail channels.
	   4. IT consulting – pre/ post support
	
	Question 1: Revenues are declining. What hypothesis would you generate to identify sources of decline…
	   g. Along segments mentioned above
	   h. Geographical segments
	   i. Industries
	   j. Existing vs New Customers
	
	Question 2 Assume Enterprise segment is losing revenue. What hypothesis can you generate …(asked to generate 15…came to 11) Just think out aloud and discuss ..some of the hypothesis discussed were
	   d. Changes in regulations
	   e. M&A in the industry..customers hesitate to buy
	   f. Customers think a better product is in the wings and don't buy the existing one…
	   g. New product is complicated …has greater cost and training needs.
	   h. Sales force not qualified etc.
	
	Question 3 : Suppose you find out that the sales force has been spending more time selling simpler product to SME than attend larger customers…enterprise product needs greater effort. what would you do…?
	   1. Track sales and channels actively
	   2. ==Change incentive structure…==
	
	What actions would you take and implications of those…

What do you think went right for you in the in this interview?	Salvaged the situation. Did not start well
What do you think went wrong in this interview?	
Any tips for the future batches based on this interview experience.	Think out loud with the interviewer.

Simran Khara

Name	Simran Khara
Company Interviewed With	McKinsey
Name of Interviewer and designation	Sujith
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	11. Tell me about yourself 12. Contemporary Indian fiction authors and their books (As it came up in 'Tell me about yourself')
Narration of the case interview (please be as descriptive as possible)	**Case** Client is a philanthropic foundation with a corpus of $ X million. It wants to invest in India with a view to help curb AIDS spreading (Patient Care was ruled out). Help it decide: HOW + WHERE + HOW MUCH Facts provided when asked: - Estimate of population afflicted on a Pan India basis - Main Source of infection was STD and hence for the purpose of the case I was to concentrate on this alone - Estimate of segment sizes (Sex Workers, Wives and Migrant Labor/Clients of Sex Workers) and the percentage afflicted - Which Indian states is it concentrated in? - What is the cost of a detection test? **Analysis** Stuck to the structure provided by the question of How, Where and How Much? It was more of a discussion where I suggested different plans for 2 of the segments (Sex Workers and the Clients, Wives ignored as it was agreed that using protection after marriage was not acceptable by most men in this strata) Testing in the 'Sex Workers' was to be shelved for the first part of the plan as the incremental benefits were small given that they had a very high percentage of affliction. Suggested that the plan be rolled out 5 states to begin with and in areas having brothels near construction sites (migrant labor) and highways (truck drivers were a major part of the clientele) How much? To be tackled by setting milestones that the foundation set to

	achieve in terms of 'slowing down spreading of AIDS' in terms of spread after program introduced vs. spread with natural rate) <mark>using some publically available estimates of expenditure involved in such programs.</mark>
What do you think went right for you in the in this interview?	Kept dialogue going throughout and when asked to do a consistency check on numbers, I didn't get particularly flustered and caught it asap.
What do you think went wrong in this interview?	I didn't cross check that the two estimates at Pan India level and those obtained by a segment wise analysis were not tallying. Hence, one segment was understated in terms of affliction percentages.
Any tips for the future batches based on this interview experience.	1. Take your time, don't rush

Name	Simran Khara
Company Interviewed With	McKinsey
Name of Interviewer and designation	Nigel
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	13. What does leadership mean to you? 14. Is Leadership given or taken? 15. Why ISB after LSE? 16. I don't see leadership on your resume, am I missing something?
Narration of the case interview (please be as descriptive as possible)	**Case** Client is a PSU Bank; savings account opening takes 60 mins. (Entire Chain of Activities was given as an Exhibit with time and sequence involved) Reduce this to 15 mins. It was a 10 mins case as the PI was long. **Analysis** 1. Identify Critical Path 2. See which activities can be moved off/performed simultaneously/ performed by customer (perhaps at home)/performed beforehand (printing of cheque books)/performed by others (outsourced) 3. See which activities can be simplified, e.g. Form filling took 15 mins (It was a 15 page form, so simplify and shorten form) NA: Why do we need the teller? Why can't the officer do the work for the teller? (This would mean slashing off 6 mins of the process as the officer would not need to verify again)
What do you think went right for you in the in this interview?	He seemed satisfied with the analysis and pointed out that I structured well. In the personal interview part, he again pointed towards a consistency in resume and answers.
What do you think went wrong in this interview?	
Any tips for the future batches based on this interview experience.	1. Be honest in all your PI answers, as the inconsistencies are very apparent on the other side of the table even if you have rehearsed your answers to perfection.

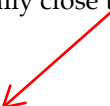|	
Name	Simran Khara
Company Interviewed With	McKinsey
Name of Interviewer and designation	Rajiv Lochan
Round (First/Second/Third round)	R2
Personal interview questions (with indicative answers if you choose to share them)	17. What would you do differently at ISB if you could start over?

Narration of the case interview (please be as descriptive as possible)	**Case**
	Client is a bank looking to set up a 100 ATM network or operate it on a contract. What would be your advice to the CEO?
	
	Additional facts provided when asked: <mark>Real Estate</mark> + <mark>Machine + IT Network + Utility Costs</mark> on a monthly basis when owned and run by the bank as well as the annual management contract fee when outsourced
	
	Analysis
	To study the differences in Costs between 'Owned and run' and 'Outsourced' (Owned and then leased out to different banks was not an option)
	
	It was just a numbers case after the basic costs were identified, from the costs angle alone 'Owned and Run' was a better option.
	
	RL: Other than the compelling numbers, what might be the advantage of 'owned and run' over 'outsourced'
	
	Me: <mark>Maintenance and service levels can be controlled more effectively</mark>
	
	RL: For what reasons would you favor outsourcing over owned and run?
	
	Me:
	
	   a. Fact that cost estimates are current and these could be revised downwards as the outsourcing vendor acquires scale
	   b. Not a core function/the usual outsourcing arguments

What do you think went right for you in the in this interview?	He seemed happy with the discussion after the numbers.
What do you think went wrong in this interview?	Initially I assumed the contract fee to be for all 100 ATMs, and then RL asked me to re-check the numbers and I asked for clarification

	as to whether it was a per ATM fee. Should have asked upfront instead of assuming.
Any tips for the future batches based on this interview experience.	1. Take your time, don't rush

Name	Simran Khara
Company Interviewed With	McKinsey
Name of Interviewer and designation	Shishir
Round (First/Second/Third round)	R2
Personal interview questions (with indicative answers if you choose to share them)	18. Questions regarding Thesis in LSE 19. Questions regarding ELP on estimating cement demand and regression (part of ELP)
Narration of the case interview (please be as descriptive as possible)	**Case** Estimate Gasoline Consumption of Cars in Mumbai in one year. **Estimation involved:** - Population of Mumbai - Average Income - Number of Cars (This was estimated using an 'affordability ratio' –-> using the average price of a car, average life of a car and fuel and service expense required, an average operating expenditure p.a. on a vehicle was found. And this operating expenditure would be less than 20% of Household Income, hence assuming a normal distribution of Income, an estimate of number of cars was found) - Average Distance Traveled per vehicle - Average Mileage
What do you think went right for you in the in this interview?	Don't know if it counts but I had a fair idea of the average Income figures and differences across states; as questions like "What is the average income of Mumbai?" were being met with "What is the average income of India, do you think Mumbai will be different, by how much?"
What do you think went wrong in this interview?	
Any tips for the future batches based on this interview experience.	

Gautam P Chhugani

Name	Gautam P Chhugani
Company Interviewed With	McKinsey
Name of Interviewer and designation	Parikshit Jain
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	13. Examples of Leadership experience? Your role in it ? 14. Resume based : Looked at auto-components industry on my resume and said he would give me an auto-comp case.
Narration of the case interview (please be as descriptive as possible)	Client is a leading auto component manufacturer. It wants to increase profits in the next few years and wants to reach a target of $5bn in revenues. It is currently ay $1bn. I suggested there are 2 basic ways to do so: - Increase volume - Increase value add and thus margins (elaborated below) **Clarifying questions** Me: Asked what was the core capability of the manufacturer and the kind of products it manufacturers. PJ: Forging and forged components Me: Geographic presence? PJ: India and some acquisitions in Europe. Me: Is it into auto- comp outsourcing business? PJ: Yes Me: Increase Volume as follows: I said can we assume is it meeting demand? *Was asked to make assumptions and proceed.* Now I moved into a monologue – coz I gathered that's what he wants **Increase volume:** - So I said if we know it is lagging in demand, we should explore expansions options – add domestic capacity, acquire capacity externally – (also a increase value add option – refer below) - Enhance product offering (all types of forged components based on core forging capability) - Increase share of wallet (Does a single OEM outsource all types of auto-components) ; Have we exploited any potential to cross sell – if he is buying powertrain (engine) components, should he also buy axle and chasis components from us - External acquisitions: Dual shore manufacturing – have a low cost mfg base in India and China, acquire plants in Europe and America which has good customer

	relationships – thus improve customer intimacy by being geographically close to customer and improve share of wallet **Increase value add:** - Any change in product mix – make more of critical safety components which provide higher margins - Provide full end to end support – from design of components to testing – make attempts to support the entire life cycle of car platforms – this will also enhance value add and thus margins (Explore options to acquire or build R&D centers) - Compare costs in India and China, add capacity in China, if it reduces costs and enhances margins PJ: This should be enough.
What do you think went right for you in the in this interview?	Fully exploited my industry knowledge but yet kept the structure simple. Even when my points were not Mutually exhaustive and collectively exhaustive (MECE), I highlighted the overlap and showed I was aware.
What do you think went wrong in this interview?	It was more of a monologue and not a discussion, but I guess Parikshit was not checking my ability to engage , but just checking my ability to think clearly.
Any tips for the future batches based on this interview experience.	Anything on your CV could be turned into a case. Spend lot of time thinking and reading about companies and industries mentioned on your CV. Whats good/bad about industry? How are companies exploring growth options and so on?

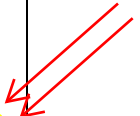|	
Name	Gautam P Chhugani
Company Interviewed With	McKinsey
Name of Interviewer and designation	Rajeev Lochan
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	None
Narration of the case interview (please be as descriptive as possible)	Client is an insurance company. They want to know how big is the insurance opportunity in India? Finally, given the size of the opportunity, what would you recommend as the next steps. Me: Let me ask the usual clarifying questions, is the company into life insurance or non-life? Private company or a public company? RL: Life insurance, the client is a private company. Me: To understand how big the opportunity is I would want to estimate the size of the insurance market. RL: In what denomination you would estimate the market. Me: $ mm of life insurance premium RL: Great. So go ahead and do it. Me: Rajeev, before I get into the number work, it will be useful to pictorially or graphically understand where does India stand on insurance penetrations relative to the world. RL: How would you do that? (*It seemed he was very open to new ideas as seen from his body language coz he always sounded excited to hear something new*) Me: You plot all the countries by insurance penetration ratios and see where India is in the stage of evolution in the insurance market RL: How would you define the penetration ratio? Me: Insured population by Insurable population RL: Great. Now lets get to the number work. Me: I took some time to think at this stage. Usual method: Indian population, 30% urban, for now lets focus on the urban market, % of people who cannot afford insurance, I suggested if insurance premium exceeds a particular% of your annual income, then its not affordable, such population should be excluded or alternatively people below the poverty line. I suggested we could break down the population by Income class. As we discussed, it stood out that age cannot be a right basis, as people get their children insured and old people can also be insured albeit at a higher premium. RL: Great, let us assume you have done all that and the total size of the market comes to $210mm. LIC's market is 180mm and has 80% market share. So what would your conclusion be? GC:(*I wasn't very fluent at this stage …..somehow I got a bit confused at this stage…no particular reason…probably I wasn't thinking calmly enough…. Later, with some push from RL…this is what I concluded…*

	*GC:*Ok, so total insured market is then 180mm/ 0.80 which comes to approximately \$205mm. Insurable market is \$210mm. So penetration ratio is very high close to 95%. This leaves private insurers a market of only \$5mm to pursue. So now how many private insurers are there? RL: 12/13 GC: Fine, then it is evident that private insurers are competing quite hard and each has a very miniscule share of the private market….and the nature of the game is to arrest market share from LIC, which may be very difficult. RL: We have now run out of time, so what would you suggest to the company? Me: As of now, the market is very small and competitive for the private insurers. Going forward, the client would have to arrest market share from LIC and would have to do it better than other private players. ==So the key question client should ask itself?== - Do I have enough distribution capabilities to gain market share from LIC…coz in Insurance distribution pipeline is most critical. (Things like alliances with corporates, third party distributor alliances etc) - Secondly, Insurance being a capital intensive business, due to solvency ratios, and unexpected insurance claims, ==do I have the deep pockets to sustain this market till I become profitable?== – high shelf life before break even in insurance business - Finally, Do I have the ability to offer innovative and customized insurance products to attract the customers?
What do you think went right for you in the in this interview?	- A great engaging conversation - Stayed calm inspite of not getting an answer…kept pushing my nose
What do you think went wrong in this interview?	- Fumbled a bit on number work (It will useful to mention at this stage not surprisingly….my next round with Mck involved heavy number work)
Any tips for the future batches based on this interview experience.	- Power of good communication skills and engagement….You may not be reaching the answer…but by showing enough enthusiasm and energy about solving the case…..you allow the interviewer to help you a lot. - Second, I made up for the not so sharp number work in my synthesis and recommendation. I did not restate facts, based on what I concluded and my industry knowledge, I suggested value added insights and recommendations. - Lastly, knowing a bit about the industry helps you quote the right metrics like insurance penetration ratios, distribution pipeline etc (Doesn't substitute pure problem solving skills but allows you to sound sensible)

Name	Gautam P Chhugani
Company Interviewed With	McKinsey
Name of Interviewer and designation	Oliver Ramsbottom
Round (First/Second/Third round)	R2…..I had expressed my preference for Corporate Finance and Strategy…..Oliver was a partner heading recruitment for CF&S Asia.
Personal interview questions (with indicative answers if you choose to share them)	None
Narration of the case interview (please be as descriptive as possible)	Our client is a Chocolate confectionary manufacturer started in 1980. It did quite well till 1990. Post 1990, it has seen a revenue slowdown and a profitability slowdown. Can you help them figure out why? Me: I drew the usual profitability tree. Revenue and costs I took him through volumes (Market size, market share, production) Price changes, if any? Variances in costs ? OR: Fine, lets look at the costs Me: Let me list down the various heads of costs Variable costs: Direct material, labour, variable overheads Fixed costs: SG&A including distribution costs, interest costs, I also highlighted the overlap. OR: Fine, let me provide you some data. Write it down. Raw material costs (% of revenue) For the client is 25%, for competitors 20% Distribution cost (cents per bar): For the client 0.25c and for the competitor 0.15c. Let us explore the distribution cost first. Me: How does the client distribute its products? Oliver: It has its own distribution infrastructure….the trucks, manpower etc. Me: So can I say the client does distribution in-house. So do our competitors not do it in-house? Oliver: Yes, you are right, the competitors are outsourcing distribution. What do you think is happening here? Me: ==Is it that distribution agent is operating at a higher scale coz he is sourcing the business from various manufacturers. If yes, then this could be the cause of difference in cost.== Oliver: That's right. What else? Give me one more reason for difference in distribution cost. Me: ==Is it that transporters are making more number of trips, since our batches of production are small or not synchronized?== Oliver: Fine, give me one more. Me: On what basis do transporters charge us? Oliver: Based on hourly rate. Me: This leads me to the hypothesis, that they ==may be spending lot==

of time waiting, at the factory without doing any productive work.
Oliver: You are thinking right.....go on
Me: Phew! Is it that turnaround time per truck is too high compared to our competitors.
Oliver: Why do you think that is happening?
Me: Distances are too far from our customers or our suppliers. We are not located at the optimal distance from either customers or suppliers.
Oliver: Great, now lets talk about the raw material cost.
Me: So what kind of chocolate is this? Like a Mars bar or something?
Oliver: Perfect.
Me: So let me list down the ingredients ……..Milk, cocoa, and sugar would be the main ingredients
Oliver: So lets talk about each ingredient separately.
Me: Milk is a commodity…..
Oliver: Is Milk a commodity? Is it traded?
Me: No, its not traded, so its not a commodity (This was my clue….thankfully I picked it up…..you will see below how it was a useful)
Oliver: Go on…think specifically about each ingredient
Me: Cocoa and sugar are commodities.....because they are traded.
Oliver: So?
Me: After a pause of thinking......... Have the prices gone up of late? If yes, " They are not hedging the commodity costs"
Oliver: Excellent...You are right...either they are not hedging it or not hedging it as much as they should.
Me: yah....may be not even things like long term supply contracts.
Case part II:
Oliver: Great fresh page………note down these numbers…..gave me a full profitability statement to make for 2 factories….one in UK and one in France…..with capacity utilization to be calculated, units produced, price, RM costs as % of revenue, Labour based on per hour etc.
Me: I did the numbers in a very traditional school boy like fashion, did not try any quick calculation tricks…..was very transparent and vocal about my calculations …..helped a lot in showing my comfort with numbers
Oliver: So what is your conclusion?
Me:

	UK	France
Capacity utilization	54%	39%
Profitability %	46.2%	33%

This shows a correlation between profitability and scale utilization.
Oliver: So what would you suggest?
Me: Why don't we integrate the facilities…. I did a ball park calculation to see if capacity in UK would be enough to handle production in both UK and France. However, there could be a downside to shutting plant in France…
Oliver: So what are the downsides?
Me: Transportation cost, labour retrenchment cost, loss of customer

	intimacy in France resulting in loss of certain customers…Oliver kept saying what else….i kept giving him more and more reasons Oliver: Only one thing you missed out real option value, if the French market picks up again… Me: Ya right….I agree. Oliver: Thanks Gautam. Excellent. I liked your idea of integrating capacity. I am very happy with the way case has turned out.
What do you think went right for you in the in this interview?	- Oliver kept pushing and I did not give up. I picked up the clues right….eg. Hedging of raw material costs, distribution cost etc. - Showed number work very clearly on paper and spoke aloud while calculating
What do you think went wrong in this interview?	- Honestly, Cant think of anything….my best interview for the day…..was not asked a single case after this.
Any tips for the future batches based on this interview experience.	- Very closely watch the words of the interviewer so that you pick up the clues……write as clearly as you can on paper.…..it helps you organize your thoughts clearly. - Again, enjoy the process…treat it like a learning process…..will help you specially with an interviewer like Oliver…who keeps pushing for more and more reasons and is never satiated.

Name	Gautam P Chhugani
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Noshir Kaka
Round (First/Second/Third round)	Round 2
Personal interview questions (with indicative answers if you choose to share them)	1) leadership experience/situation 2) perseverance
Narration of the case interview (please be as descriptive as possible)	No cases. As I was told later, if they are satisfies with the problem solving aspect you may no longer be quizzed on case interviews.
What do you think went right for you in the in this interview?	1) Use the Challenge-Action-Impact framework to prepare answers for teamwork, leadership etc. Prepare beforehand. 2) Keep telling yourself…. So what? When you prepare these kind of answers 3) Don't sound rehearsed for such questions. Pick up something, you are genuinely proud of….It will show through.
What do you think went wrong in this interview?	-
Any tips for the future batches based on this interview experience.	- Noshir knew a lot of people from JPMorgan, my prior workplace. Its good to be able to talk about common people, it just improves the conversation….again nothing substitutes for being genuine and enthusiastic in personal interviews.

Pranjal Jain

Name	PRANJAL JAIN
Company Interviewed With	Mckinsey
Name of Interviewer and designation	Mr. Noshir Kaka, Partner, Heads the BTO practice
Round (First/Second/Third round)	Round 1, 2nd interview
Personal interview questions (with indicative answers if you choose to share them)	1) Example of leadership experience • My experience of factory start up with HLL. Special focus on the people (their recruiting, training, etc.) aspect of it. 2) Why was it that you didn't make it thru with mck the time you interviewed (I had interviewed while at IITK in Dec 2002 for analyst post) • Here I could point out the way I have changed in the last 3 yrs both while working with HLL and by doing my MBA (focus on peer learning). I gave an example of the way I currently understand the position of HLL, with specific mention to its annual result (had been announced just 3 days back on 14th feb); I had done some basic numbers (ratios) and could comment on the performance with a mention of the way ahead as it should be for HLL 3) Was asked about my views on ISB and the way ahead for it. • Usual suspects, resident faculty; more international students
Narration of the case interview (please be as descriptive as possible)	SAP India has not been able to expand its operations as it has not been able to hire the right number of people, so ramp up was not possible, help out its HR dept. Did some same checks with simple questions to understand the situation better. Drew a funnel (which represents the hiring process), input to which is applicants and output is selected candidates. Understood the drop outs (people eliminated) at various stages. Concluded that the process can not be made less stringent, so the only way out is to increase the input to the funnel. Looked at input as market share of a product (dependent on 3 factors, Awareness, Availability and Purchase intention, MARKSTRAT funda). Checked if it's a fair way to look at it. The interviewer was pretty satisfied with it. Awareness: 2 segments, fresh college grads and IT professionals working in other firms who might like to apply to SAP. Realized that awareness level is low on campuses and the IT Pros of other firms are not being targeted at all. Remedy: Campus promotion events, tie ups with schools the way Infy et al are having, start a referral programme, start blogs, etc.

	Availability: Very poor interface to apply on, extremely low bandwidth of HR dept. takes a month to process applications and by that time the applicants are no longer interested or already have jobs. Measures suggested here. Purchase Intention: No problem here. The quality of work is great and the brand name of SAP is great. In the end, synthesized the case. I believe I was able to structure the case very well and that really helped a lot. 2nd Case: Tata 1 lakh car, need to lower the cost of parts in car to less than 75 K. Structure made, being from a manufacturing background I tried to leverage on my wok knowledge and presented my analysis: • Might have to use an alternate MoC (Material of construction), think plastics/composites. • Tie up with a global vendor like GE to get the MoC • Have all yr auto ancillary suppliers gear up to the challenge of using the MoC • Centralized purchasing done by Tata Motors for all ancillary suppliers so as to get economies of scale • Rationalize the components being used, get rid of useless components used in the car (I missed out this point and was driven towards it)
What do you think went right for you in the in this interview?	My energy level created very positive vibes from the very beginning The structuring of the cases was good The way I could point out the change (for the better) that I have undergone since the time I last interviewed with Mck. My leadership examples was pretty strong In the end I asked him about the Mck NASSCOM report (I had read it cover to cover) and wanted to know his views on Indian top 5 IT cos becoming USD 10 Bn firms. He was happy with the question and gave his views.
What do you think went wrong in this interview?	Could have been succinct in the cases, at times had to be pushed to drop a point and move ahead.
Any tips for the future batches based on this interview experience.	Personal Questions: Prepare very well. The way I see it, write a 10-12 page essay about yourself which really is a representation of your true self. It should not be swayed by the firm or the kind of job you are interviewing for. It helps to serve as a key for all personal questions and having it all together ensures that there is no contradiction in any answer. It worked very well in my case. (Thanks to an ISB/Mck Alumnus for this advice)

Name	PRANJAL JAIN
Company Interviewed With	Mck
Name of Interviewer and designation	Nigel, Associate Partner (BFSI and IT Verticals)
Round (First/Second/Third round)	Round 2, 2nd interview
Personal interview questions (with indicative answers if you choose to share them)	None, it was pointed out in the very beginning that only 1 case was to be administered. I was asked to ask him questions about work/Mck. I asked him about his failures at Mck.
Narration of the case interview (please be as descriptive as possible)	Client is India's largest PSU bank (Client name cant be disclosed ☺) Due to recent RBI strictures, cheques can't be delivered physically to a clearing house, so an alternative scheme is to be drawn up. I some how confused this whole system with RTGS and started blabbering out of that when I was checked by Nigel. (Lesson: Never ever assume anything, if you do, make sure you check it with the interviewer).
	There were basically 2 schemes which were drawn up with regards to cheques processing and movement of information/data. They were to be compared, a result had to be arrived at and an optimal one (possibly a third one was to be suggested).
	I went about drawing the 2 schemes (what appeared to be child's play initially was extremely tough). By the end I was thoroughly confused between the schemes as they had so many elements to them. I requested for more time and drew them neatly (that is something not very natural to me) and on different sheets of paper. Then I concluded that we need to do a cost benefit analysis (with the constraint of acceptable service level) and I went on to identify the cost drivers. They included manpower cost, cost of hardware like scanners, bandwidth cost (for electronic flow of images), cost of courier and the constraint of service level. At this stage I was getting lost due to excess information and was asked to stop and synthesize the discussion we had had till that time before proceeding further.
	Then we did establish the merits of one network structure over the other and I was then asked to arrive at an even better network. The interviewer left me alone in he room for some time to help me think and I could arrive at an alternate network. Upon discussion it was found that I had not taken care of the service level and my design was not feasible.
What do you think went right for you in the in this interview?	It was somewhat of a pressure interview and my not cracking up and taking my own sweet time to give my analysis helped me. Also some prior knowledge of cheques handling (Thanks to Rohit

	Kapoor) also did help.
What do you think went wrong in this interview?	I could not think creatively and could not come up with the most optimal network structure. Coming up with that would have been the "wow" factor.
Any tips for the future batches based on this interview experience.	Never crack in a pressure interviewer, if the case is difficult and the interviewer is asking you to speed up and move when you are not really done with an issue, DO take your time.

Gaurav Bansal

Name	Gaurav Bansal
Company Interviewed With	McKinsey
Name of Interviewer and designation	Noshir Kaka, Partner and worldwide BTO head
Round (First/Second/Third round)	First
Personal interview questions (with indicative answers if you choose to share them)	Why Consulting? Some questions about my previous work with Inductis.
Narration of the case interview (please be as descriptive as possible)	I never realized when my case started; he was asking me the model on which Inductis works, and slowly moved towards what are the challenges for a company like Inductis in expanding. Only when he said "Or let's say the CEO of JP Morgan, Kevin, or the CEO of Infosys comes to you and says that they wanted to expand their offshoring strength from 250 to 400, but they were not able to scale up.", did I realize that my case had started! I politely asked him, "Is this a case, or I should be answering just on the fly?"; to which he replied – "Whatever you deem correct. Okay, lets consider it a case". I came up with the following issues: 1) They are not getting quality CVs 2) There are too many companies wooing the skilled people we want 3) There are some problems in meeting the expectations of the workers – challenging work , work-life balance and growth opportunities 4) Where do our workers go after leaving us 5) Is there some problem with the HR department It turned out that the 5th point was one of the major problems. Then I was given another case – "Mr Murthy is contemplating to expand globally and set up centers in US because India gets only $30bn out of the total $800 bn offshoring/outsourcing market. What are the pros and cons?" The most important negative point I identified was that that the ==cost arbitrage would not be there.== Noshir then asked me to focus on advantages, and I came up with the following: 1) ==Proximity to the client== 2) ==Cultural affinity== 3) ==Better domain knowledge as you are working where the action is taking place== 4) Lower telecom costs and hurdles 5) Political benefits – Democrats are totally against moving jobs to Asia, and hence such a move would be politically hailed
What do you think went right for you in the in this	This was the very first interview oat 9am on Day 0, so we were able to strike a chord while knowing each other before getting into the

interview?	cases.
What do you think went wrong in this interview?	Nothing I guess.
Any tips for the future batches based on this interview experience.	Biggest learning – your case can start anytime without you being explicitly told. This is really true for McK interviewers especially. Also, they don't always look for structuring – when I was starting to jot down some points for my 1st case, Noshir told me not to worry about structure and clarificatory questions and other formalities; he said "I know you would be master in all this, so I just want recommendations and issues which will add value to the client".

Name	Gaurav Bansal
Company Interviewed With	McKinsey
Name of Interviewer and designation	Oliver
Round (First/Second/Third round)	First round – 2nd interview
Personal interview questions (with indicative answers if you choose to share them)	1) Tell me about yourself 2) Leadership example 3) Why MBA? Why ISB? 4) Why Consulting? How does it fit in your goals?
Narration of the case interview (please be as descriptive as possible)	Your friend lives in Beijing, and is observing the commercial/office buildings being built these days. He is contemplating getting into the business of leasing cranes to constructors. What do you think of this idea? The rough framework I told him I would follow is: 1) The market opportunity 2) Competition 3) Contacts, especially with suppliers of cranes 4) Investments in this business 5) Risks going forward After a little discussion on each of these, he told me that this is an estimation case, and I have to estimate the market size of this business in $ terms. There can be several ways to go about it, and I took the following one: 1) An average building is built on a square of side 70m 2) Assume Beijing to be a square of side 20km 3) Out of the total are of 400 sq.km, 50sq.km is used for commercial purposes 4) 80% of this, ie 40 sq. km is the area on which a building is actually build (the rest 20% for roads, lawns, parking lots etc) 5) This gives about 8000 buildings which can be built 6) Assume in the next years, a total 2000 buildings will be build, 400 each in every year 7) A building construction requires 3 cranes in the initial 4 months, 2 cranes in the next 4 months, and 1 crane in the last 4 months, completing in whole 1 year 8) A crane costs $50,000 per month Doing all the calculation should give the total annual market size of approximately $480 million.
What do you think went right for you in the in this interview?	I think he was pretty happy with the structuring of my case.
What do you think went wrong in this interview?	At about a couple of places, I made calculation mistakes while trying to do all the calculations mentally
Any tips for the future batches based on this interview experience.	

Name	Gaurav Bansal
Company Interviewed With	McKinsey
Name of Interviewer and designation	Katrien
Round (First/Second/Third round)	Second round – 1st interview
Personal interview questions (with indicative answers if you choose to share them)	Right in the beginning of the interview, Katrien told me that they are looking me for the BTO practice; for the next 20 minutes we discussed how BTO practice is similar to/ different from "generalist" practice, but I politely refused to work in BTO practice because I wanted to work in various industries rather than focusing on IT; moreover, one can always jump from generalist role to BTO, though the other way round might be a bit difficult (to me it seems!).
	Though this discussion did not have any direct PI questions, I ended up telling, in detail, my short-term/long-term goals, how Consulting fits in, why MBA etc etc.
Narration of the case interview (please be as descriptive as possible)	She gave an actual situation she met in China on one of her projects: A meat manufacturer in Europe, selling only ham and sausages, has been seeing declining profits for the last 2 years. So what could be the reason behind it?
	I did the following analysis step by step:
	1) What specific did we do 2 years back? – Nothing was the answer.
	2) Have the customer tastes been changing? – No, the market was stable
	3) How is the competitive landscape? – 2 competitors, each having 30% mkt share, while we have 40%.
	4) Revenue-Cost analysis: It turned out that the volumes of sausages was going down, while it was constant for ham. The reason was that one of the competitors was selling sausages at 99cents a kg, while we sold at $1/kg; also, we sold ham at $4.2/kg.
	The issue then shifted to the question – how was the competitor able to sell sausages at 99cents a kg? While analyzing the cost structure, it emerged that sausages were being sold at break-even! Now the question was – if they are zero margins in sausages, then how could lower sausage sales trigger a decline in profits? I asked some more questions about how they were manufactured, and found that the following process is followed: the company buys chunks of meat, makes ham out of them, and the small, leftover pieces of meat are used to make sausages. Hence, when the sales of sausages went down, it was because they were not able to sell the leftover meat at $1/kg they bought the raw meat at.
	This rang the bell of 'cost allocation'; why should sausages me allocated the costs for leftover scrap meat at the same rate as that of

	good meat used in ham? Well, one reason unearthed. Actually, there was a bigger reason; the indirect labor costs (salaries of CEO, managers etc) were being allocated very irrationally – though a ham was being sold at 4.2 times the price of a sausage and involved more processing and personnel time, both were allocated the same costs! In fact, a sausage was being allocated a total of 60cents for indirect labor costs, though a ham was being allocated only 80cents. I synthesized the case by explaining how cross-subsidization was happening, how this could be because of the shrewdness of the manager of ham operations and the naivety of the manager of sausage operations. It turned out that this was exactly the reason behind all this.
What do you think went right for you in the in this interview?	I think the initial talk about BTO practice broke the ice; also, the fact that I was very frank about not joining the BTO practice even if it meant not getting an offer from McKinsey, actually went in my favor. The best thing about this interview probably was that I solved the case in 7-8 minutes which really impressed her.
What do you think went wrong in this interview?	Nothing.
Any tips for the future batches based on this interview experience.	Keep in mind how much time you would have for the case; As we had lost 20-25 minutes discussing BTO, I was well aware that no way would I get much time as this was a 30min interview. Hence I quickly went through all possible issues, and zeroed in on the relevant one.

Name	Gaurav Bansal
Company Interviewed With	McKinsey
Name of Interviewer and designation	Nigel Andrade
Round (First/Second/Third round)	Second round – 2nd interview
Personal interview questions (with indicative answers if you choose to share them)	After a general chat, Nigel told me that since I had done very well in previous three cases, he saw no point in having a case interview, and hence would just like me to answer two questions: 1) Give a leadership example 2) What is the passion in your life, and how are you working towards it?
Narration of the case interview (please be as descriptive as possible)	No case
What do you think went right for you in the in this interview?	I think the fact that Nigel told me that I had done well in previous interviews, and that McKinsey is very bullish on giving me an offer, paved the way for a more friendly chat.
What do you think went wrong in this interview?	Nothing.
Any tips for the future batches based on this interview experience.	I was not well prepared for the second "passion in your life" question, though I was able to handle it pretty well in the end. Learning – well, prepare your PI well.

Sandeep Mohan

Name	Sandeep Mohan
Company Interviewed With	McKinsey
Name of Interviewer and designation	Noshir Kaka
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	20. Why Consulting & Mckinsey? 21. Examples of Leadership Experience 22. Challenges faced in the client environment (I was a project manager handling projects at the client site) 23. Why not cricket as a career ? (used to play for the state team) 24. Key strengths

Narration of the case interview (please be as descriptive as possible)	**Case 1**
	I had worked in the healthcare industry for the last 2.5 years of career with Infosys. Noshir made a case on the spot for the software industry and healthcare.
	
	Nandan Nilakeni approaches you for advice on a product that can be created for the US healthcare industry. How do you analyze the situation?
	
	Analysis
	Since healthcare industry value chain has many players, structured case as focusing on the healthcare providers. Confirmed with Noshir. Bucketed the IT drivers into market trends, government regulation & operational efficiency.
	
	Market trends
	Discussed the broad trends in the US healthcare industry
	    f. Climbing health care costs
	    g. Government encouraging customers to take more responsibility for their health care spending
	    h. Creation of tax deductible Flexible spending accounts
	    i. Consumers transitioning to customers (earlier customers were the payers – employers)
	    j. Need for more robust means of identifying customers and their medical history to manage chronic diseases
	    k. More consumer directed health plans being purchased
	    l. Importance of **customer relationship management systems** for health care providers (which currently doesn't exist/ limited versions)
	
	Noshir quizzed about the apparent lack of IT systems in US HC

	providers. Asked me to explore historical reasons
	Me:
	   1) Misaligned incentives for the providers vis-à-vis accrual of benefits from IT usage. Major beneficiaries are insurance companies
	   2) Practicing Physicians less likely to make IT investments
	
	Government Regulation
	Discussed high cost of regulation in the health care industry (14% of total health care spend)
	Discussed HIPAA regulations as an example
	
	NK: Will the providers be able to meet the deadlines set by HIPAA ?
	Talked about the security and portability aspects of HIPAA, Timelines for each phase etc
	Me : Compliance will drive some of the major health spending. Ease of enhancement for regulatory compliance will be one of the important aspects of the IT product.
	
	Operational Efficiency
	Me: Accidental deaths from inefficient and error-prone processes within hospitals. Operational efficiency to be improved. Importance of IT systems like CPOE, EHR gaining importance. Potential to reduce errors. Standardization of processes within hospitals increases scope for productization.
	
	NK: To summarize, what are the most important aspects which favor product development as opposed to customized application development in the health care industry ?
	Me: Standardization of requirements is one. Regulatory compliance is another.
	
	Asked if I have any questions.
	Discussed about the trends in IT off-shoring. Asked him about the next wave of off-shoring from Infrastructure management business and how well prepared the Indian players are to meet this challenge in his opinion ?

What do you think went right for you in the in this interview?	The topic of discussion was my backyard. Had in-depth discussion of some of the issues
What do you think went wrong in this interview?	Should have focused more on the customized application development Vs product development angle from the very beginning. This should have been brought out for all the areas of discussion. Also since it was a case created spontaneously by Noshir, I believe he was looking for some very high level drivers for product Vs customized development decisions. Probably I might have gone a little too detailed in some of the areas.
Any tips for the future batches based on this interview experience.	

Sridhar S

Name	Sridhar Sankararaman
Company Interviewed With	McKinsey
Name of Interviewer and designation	Dr. Shirish Sankhe
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	Entirely acads based questions; abt grades; which is best acad performance—why?; worst – why?
Narration of the case interview (please be as descriptive as possible)	Client is a no 1 boiler manufacturer in India. He is now witnessing reduce profits. Advise Laid out the structure--- Client (his product lines, pricing, distribution channel), competition (change in competitors, their strategy wrt product lines, distribution), Customers (size, preferences), Industry (regulatory, new technology) and cost dynamics (fixed, variable, etc).Interviewer was happy with the structure and said he wanted hypothesis as to why is he losing profits: • New competitors have come up with diff technology for boilers –NO • The market size for boilers has shrunk (due to changes in the industry they have been rendered redundant) • Price war in the industry – reduced profitability – YES Then I explored how the competitors are offering a lower price. After delving through each item on cost structure, Supply chain, etc; it appeared that it was bcoz the competitors used a new technology to manufacture boilers --- This tech required LESS raw material (steel) per unit of boiler boz the manner in whch Steel was being cut (he gave some technical gyaan) -boy….this took some time to get to…infact interviewer helped out here !!!
What do you think went right for you in the in this interview?	Was able to expand scope of problem – structured well
What do you think went wrong in this interview?	Better grades may have helped to talk home abt
Any tips for the future batches based on this interview experience.	Stay Confident & Cool even if you miss the above fact. Move on and build on it. Show Energy during the interview. !!

Name	Sridhar Sankararaman
Company Interviewed With	McKinsey
Name of Interviewer and designation	Abhishek Maheshwari
Round (First/Second/Third round)	R2
Personal interview questions (with indicative answers if you choose to share them)	PI – general talk – feel good
Narration of the case interview (please be as descriptive as possible)	Airline industry — reduced profitability I gave the structure, identified the drivers and was beginning to explore each item ---he said that he was happy with structure and gave me another scenario where an airline had 2 options either to fly: Brazil to US Brazil-Argentina-US I explored the pt to pt vs hub and spoke model….we went thro the numbers and looked at the opportunity costs to finally chose the right strategy. I also looked at non-fin aspects like strategy and future growth before choosing the option. He asked me to list adv and dis adv of both models. I drew a model and explored that for 10 routes, pt to pt needs 45 aircrafts (10 C 2) while hub and spoke needs only 10. Also identified positives and negatives in other aspects such as costs, customer perception, time, target segment impact, load factor (utilization rate), pricing, etc Incidentally the actual opinion he said was similar to my recommendation.
What do you think went right for you in the in this interview?	KEPT COOL…a smiling face…looked like a discussion than an interview Structured well
What do you think went wrong in this interview?	Could have been more comfortable with numbers – maybe faster ☺)
Any tips for the future batches based on this interview experience.	Be ready for pep talk, good opportunity to create feel good

Name	Sridhar Sankararaman
Company Interviewed With	McKinsey
Name of Interviewer and designation	Rajeev Lochan
Round (First/Second/Third round)	R2
Personal interview questions (with indicative answers if you choose to share them)	PI – general talk Work exp, why MBA, why ISB, why not Inv Banking, etc
Narration of the case interview (please be as descriptive as possible)	International Courier company-losing market share Standard structure— • product mix (packages of all sizes), distribution network pricing, • competition, • customer segment (attributes they look for: time, safety of packet and prices; convenience – centres for collection-touch points), • industry dynamics, • cost structure (esp fixed), etc Identified problem as local couriers eating market share due to lower costs Recommendation: As Fixed costs are high; increase volume business by: • Alliances with Low cost couriers (but quality of service is an issue) • JV s (would help as equity stake) • Acquisitions (highlighted both positives and negatives) Reduce costs internally (explore using excess capacity on other airlines instead of using your own airlines for low volumes)
What do you think went right for you in the in this interview?	KEPT COOL…a smiling face…looked like a discussion than an interview Structured well
What do you think went wrong in this interview?	I thought my best interview – they seemed to think otherwise—this was my last interview with Mck (did not make it to round 3)
Any tips for the future batches based on this interview experience.	Be ready for pep talk, good opportunity to create feel good

Name	Sridhar Sankararaman
Company Interviewed With	McKinsey
Name of Interviewer and designation	Ramsbottom (he a CF guy. Shanghai)
Round (First/Second/Third round)	R1
Personal interview questions (with indicative answers if you choose to share them)	Entirely experience based questions; did not miss any line of CV on work exp (as I had Fin work exp)…Why not Inv Banking….
Narration of the case interview (please be as descriptive as possible)	I want to start a crane leasing biz in China….estimate my annual profits for next year I Assumed: No regulatory issues, no replacement of cranes with better equipment for 1 year First zeroed in on city, then city space, available free space, plausible for construction next year. Identified alternative pricing strategies—ie per diem, per contract, on/off season rates (less in rainy,etc) Lots of numbers given (area—square kms, rates, etc)– he wanted me to calculated to the nearest dollar…. Made a calculation mistake (while using square root for area estimation)…but keep ur cool ..they are looking at approach He then asked me to convert the final answer ($33,85,263) to the nearest pound sterling (DON'T LOSE your cool…)..I used 1.8 as conversion rate to convert it (did not carry a calci☺))) At the end I asked few questions on M&A issues in China (I had read up on this after the interview schedule was out)..this helped to impress him as he was based in the Corp Fin group in China
What do you think went right for you in the in this interview?	KEPT COOL… Stated assumptions clearly and got them approved from interviewer Was able to expand scope of problem – structured well
What do you think went wrong in this interview?	Should NOT goof up on number calculations
Any tips for the future batches based on this interview experience.	Keep Stay Confident & Cool even if you miss the above fact. Move on and build on it. Show Energy during the interview. !!

Arun Neelkantan

McKinsey – 1st round

<u>Case 1:</u>

Your client is a ham and sausage manufacturer. Their profits are decreasing. How do you fix it?

Main Points:

Profit equation – the revenues were decreasing. Not much had changed with the costs. The customer demand has been increasing but your market share has been decreasing. There are 2 competitors in the market. The customers are the retailers and they give contracts based on a bid system. You are being consistently underbid by your competitors. The main decrease in revenue has been from the sausage segment while the ham segment has done well. There might be several reasons why you are being underbid – the competitors have a lower cost structure or they might be willing to take a smaller markup, the quality of product might be different, the service provided might be different etc.

The main reason was that our costs are higher. The cost for ham is 4$/kg of which 20% is Fixed and 80% is variable. The cost for sausage is 1$/kg of which 60% is Fixed and 40% is variable. ==The fixed cost allocation was based on number of units and so the allocation was not proper. 80 cents was allocated to ham and 60 cents to sausage.== So you can try to reallocate fixed costs to the ham to reduce the cost in the books and so to reduce the bid price.

Will the reallocation result in profits – it depends. The reallocation will increase the costs of the ham and so decrease the profits. However, the reduction is cost of the sausage will give us increased business.

<u>Case 2:</u>

How do you determine the cell phone penetration in the Indian market in 2010?

Main points:

There are several ways to do this – one is to just ==extrapolate== based on the recent past. Another way is to ==compare== with another country (say China) and account for the differences in GDP etc and determine the penetration. Another way to is do a grass roots analysis to obtain the penetration.

==Grass roots== – I divided the market into urban and rural. Then based on the age groups I assumed a % of users of cell phones, summed them up and obtained the penetration. The key points to consider when determining the usage are – cost of cell phone, income level, need for cell phone, tower service (can you provide service to rural areas) and cost of service.