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BrAINWARS'24
Case Study Competition

BrAINWARS: (Round 2)

You have been presented with an exciting new task, where you have the opportunity to leave a strong mark with your analytical prowess and business strategy skills.

Our new client, ZenSoft Inc., has been facing significant challenges, with a primary concern being a decline in their profits. As gleaned from a series of emails exchanged between ZenSoft and our case manager, Mr. Rohan Jain, we have a clearer context of their current situation and the related data.

Your task is to create a maximum of three PowerPoint slides using this information, focusing on identifying the potential reasons that may be driving this profit decline.

/ What are possible causes for poor performance?

/ What conclusions can we draw from our competitor strategy and client's situation?

Upon consultation with a fellow alumnus from your alma mater, you received valuable insight regarding Rohan's work style. He is known for his thoroughness and penchant for in-depth understanding, and he tends not to accept slides without comprehensive backing. Therefore, it would be beneficial for you to prepare additional backup slides and Excel files. These should meticulously explain your methodology, assumptions, and calculations underlying each of your conclusions. This will cater to Rohan's detailed-oriented approach and ensure that your analysis stands up to his scrutiny.

Dear Rohan,

I am delighted to work with you on this project!

We are embarking on a new project involving ZenSoft, a company that specializes in desktop applications. ZenSoft, since its inception in 1995, has enjoyed an enviable reputation in data handling and user experience enhancement. Although successful, they are currently navigating through challenging industry shifts and escalating operational costs that have resulted in efficiency reductions and slowed growth.

Despite earning a good reputation for its employee-centric policies and bagging the 'Best Place to Work for' award continuously for three years, ZenSoft now grapples with considerable business challenges. These chiefly include untenable operational costs, an aging application development technology stack, and protracted time-to-market cycles which has led to Zen launching only three new products last year.

The leaders at ZenSoft having recognized these issues, have sought our assistance in dissecting and addressing their business situation.

I kindly request your expertise on the matter. Your task would be to dig deep and unearth preliminary insights concerning ZenSoft's potential growth stimulators and factors attributing to its underperformance. An optimal deliverable would be a set of 2-3 succinct slides incorporating these crucial insights which can facilitate our initial meeting with ZenSoft's team.

My colleague, Lara, will connect with you separately to share further information regarding ZenSoft's performance, sourced directly from client data.

Please don't hesitate to clarify any uncertainties. Looking forward to your valuable inputs.

Best,

John

Zen Case Study: Mail from Client (2/2)

Dear Rohan,

I hope this message finds you well!

Drawing from the ZenSoft's database and industry resources, we have collated key company metrics and competitive landscape details that will come in handy for your analysis.

- Currently, ZenSoft's server cost is approximately $2.5 million per month for up to 125TB storage, with an average utilization of 70%. The typical application development cost stands around $500,000. One of their competitors, SoftGen, recently entered into a pact with a cloud server provider incurring costs up to $20 million annually for up to 150TB of monthly usage.

- GenTech dominates the market, leveraging its cloud-based technology, boasting a 30% market share as well as a remarkable application update cycle of one month and application development cost around $400,000. Meanwhile, TechDesk, a more traditional player in the domain, launches two new products a year.

- ZenSoft is currently bearing a rental expense of $200,000 per month to store and operate physical servers. Likewise, TechDesk also relies on physical servers, incurring monthly expenses of around $225,000. Both ZenSoft and TechDesk allocate approximately $1 million annually to manage IT staff handling physical servers

- TechDesk experienced a surge in employee attrition due to outdated tech systems and frequent server security violations, leading to low productivity. SoftGen also had to face challenges in form of server downtime brought on by connectivity issues with their cloud service provider

- Our interactions with ZenSoft's leadership have revealed a missed contract opportunity this year due to their lack of AI capabilities, storage capacity, and faster software update cycles required by the client. Meanwhile, SoftGen seized this opportunity and was rewarded with a contract, leveraging their industry-leading application development cost of around $350,000

- Furthermore, TechDesk recently faced adverse public sentiment via social media owing to reports of their substantial carbon footprint, generating around 200 tons of CO_2 annually. On the other hand, GenTech has been lauded as the "Most Innovative Company" for launching six new products this year

Do not hesitate to reach out should you require any further assistance.

Best wishes,

Lara