



GEB 6895

Guide to Conducting Harvard Case Analyses

Background and Requirements

The written Harvard case analysis is an integral component of this course. The three analyses you conduct will represent 28% of your total course grade. In addition, the case analysis (part 3 of the group project) that you and your teammates conduct represents another 14% of your grade.

The structure of the written case analyses is, in essence, a written version of all human decision-making processes. This decision-making structure is essentially the same, whether it is applied to a corporate strategic decision or choosing where you and your friends are headed for happy hour.

This handout, along with the material in your syllabus, and the readings from week 1 in the *Harvard Course Packet* packet, should prepare you to conduct effective case analyses.

Course Readings

Each Harvard case is closely linked to the course readings for the week. You will find that the Harvard case presents a “real world” view of a major topic or theme within the readings. I strongly suggest that you examine the course readings before you attempt to conduct a Harvard case analysis.

Style & Grammar

The analysis is a formal document. It should be written from the perspective and outside consultant writing to the organization’s top management.

Use complete sentences and do not write in bullet, list, or outline format. You cannot use any contractions, slang, improper grammar, and the like. Separate sections must have headings and all pages should be numbered following the APA guidelines (see the reference to the APA manual in your syllabus). The paper must be double-spaced, use 1” margins, and use a standard (Times or Times New Roman) 12 pt. font. Papers will be graded on grammar, spelling, and style in addition to content. One-half letter grade (5 points) will be deducted for each grammar and/or spelling error beyond three.

Case Analysis Structure

Basic Structure

Analyses cannot exceed 4 textual pages in length, *plus at least one additional page of written financial analyses in an appendix* (tables, graphs, charts, etc. do not count). Any case analysis longer than 4 pages will not be read or graded beyond the 4th page.

You should structure your analysis in the following manner:

- 1) A cover page with your name, the case name, the date, the course name and number
- 2) A 4-page maximum analysis that discusses the key strategic issue, alternatives, recommendation, and implementation/action plan
- 3) A 1-page financial analysis (in an appendix) whose results are included in the analysis where necessary (but almost always in the recommendation and implementation/action plan sections).
- 4) All work must be submitted as one integrated document ready to be opened and printed. Work submitted in multiple pieces will not be accepted and will be treated as late work per the syllabus guidelines.

Structural Elements in Depth

I'll skip discussing the title page, which is fairly self-explanatory, to cover the body of the paper in depth. As an outline, your analysis should contain the following:

- 1) A Key Strategic Issue/Problem Identification section (typically 1/2–3/4 page)
 - a) A brief background of key relevant information/facts pertinent to the case (usually no more than 3–4 sentences). Remember, the goal is not to summarize the Harvard case—we all have the case available to us.
 - b) 1–2 sentences *succinctly* describing the one primary key issue/problem facing the organization. *The statement should be direct and actionable*, e.g., the problem must be stated in some way that the organization can take action to solve the problem. *It should also be strategically focused, not tactically or operationally focused*. One (of many ways) to determine whether an issue is strategic is to ask yourself “what happens to the organization within the next 3–5 years if the issue is not addressed?” If your answer is “not much” then it is probably not a strategic issue.
 - c) 3–5 sentences describing the *best case*, *likely case*, and *worst case* scenarios if the strategic issue/problem is not addressed (i.e., no action is taken): 1–2 sentences for each scenario.
- 2) An Alternatives section to address the key issues (typically 1–1 1/2 pages). Alternatives must be *strategic*, and they must be *mutually exclusive*. For example, two alternatives for an issue could be to a) buy the competitor, or b) not to buy the competitor—obviously the organization cannot do both. *You will usually develop 2 or 3 alternatives in an analysis. Rarely, if ever, is “do nothing” or “continue to do what they are doing” a strategic alternative for a case.*
 - a) For *each alternative* briefly detail the alternative (1–3 sentences) and then:

- i) Discuss 2-3 strategic *advantages* of the alternative (1 or 2 sentences for each advantage)
 - ii) Discuss 2-3 strategic *disadvantages* of the alternative (1 or 2 sentences for each disadvantage)
- 3) A *Recommendation* section where you select 1 (and only 1) alternative from the list above as the recommendation (typically ½-¾ page)—this answers the question of “what should the organization do?”
- a) Describe 1-3 key decision criteria and/or assumptions, with rationale, that will serve as the basis of the decision. (2-3 sentences).
 - b) State the recommended course of action (from your list of alternatives) and possibly provide a little more elaboration of the recommendation beyond its description in the alternative section (1-3 sentences)
 - c) Describe why the recommended course of action is the best alternative and the weaknesses of the other alternatives that prevent them from being selected as the recommendation (2-4 sentences)
 - d) Describe the goals and objectives the recommendation (2-5 sentences). This *must* include: 1) a stated time frame for achieving; 2) appropriate specific goals (profit, market share, etc.); 3) expected costs and benefits.
- 4) A section discussing the *Implementation/Action Plan* (typically 1 ½-2 pages)—this answers the question of “how should the organization go about achieving the recommendation”. This is in many respects the *most important part of the entire case analysis*. This section describes how the organization should go about making the recommendation happen. This section needs to be described in as much detail as possible given the constraints in the case—when you are missing specific data, fill in using sound business judgment. Items to include (this is not necessarily a complete list):
- a) Description of specific activities that need to be undertaken
 - b) Assignment of responsibilities
 - c) Costs of each activity
 - d) Time frames for each activity
 - e) Measures of success/failure for each activity
 - f) Possible coordination issues
 - g) Possible obstacles/impediments that need to be considered/dealt with to successfully implement the recommendation
- 5) A *Financial Analysis* on a separate appendix page (1 page). The financial analysis should be approximately 1 page of *textual analysis* long, given the constraints of the financial information available in the case. *All case analyses must have a financial analysis, no matter how brief the financial information is presented in the case. Failure to include a financial analysis will automatically result in a 2-letter grade (20 points) deduction from the case grade.* The financial analysis should be an analysis, not a simple statement of facts. For example, it is not an analysis to simply state “The debt-to-equity ratio has been increasing during the past three years” [simple statement of fact]. Nor is it an analysis to state “The debt-to-equity ratio has been increasing during the past three years, which means that the company has been using more debt than equity to finance its operations” [definition as discussion]. Rather, a good analysis would be something like: “The company’s debt to equity ratio has risen from 1.1 to

6.4 from 1997 to 1999. This is caused by the company's vigorous plant building during the past three years and because management has chosen to take advantage of the relatively low interest rates in the debt market. However, this high ratio, compared to its industry, combined with the recent rise in interest rates, indicates that the company cannot use much more debt financing to pursue future growth plans." *Information derived in this appendix should serve as the basis of much of your thinking/insight in the body of the case, especially in the recommendation and implementation/action plan sections. Any recommendation and/or implementation/action plan that is inconsistent with, or fails to take into account the financial aspects of the case, is severely limited, and will likewise be reflected within your grade.*

Readings on Case Analyses

Your *Harvard Course Packet* contains an excellent reading on the case method, *The Use of Cases in Management Education* (#376240). It provides a good overview of the case method, and preparing for cases, but especially good discussing what constitutes a good problem statement

Two other articles not found in the packet are available directly for downloadable purchase from Harvard Business School Press (www.hbsp.harvard.edu). *How to Avoid Getting Lost in the Numbers* (#682010) is an excellent primer for those who feel uncomfortable with running the numbers in cases. *Action Planning and Implementation: A Manager's Checklist* (#481010) is an essential article for the whole case process, but particularly strong in listing implementation issues/concerns

Some Additional Thoughts and Comments

- 1) For the Harvard cases you do not do any outside research. For the team case, you will need to do outside research.
- 2) Harvard cases *must be limited to the time period in which the case occurs*. Many people want to employ 2001-2002 solutions to cases that take place in the early 1990s. For example, suggesting that the company establish an Intranet with desktop videoconferencing is impractical for a case occurring in 1990 since the technology, even in the year 2002 is still relatively new and untested. In general, Harvard cases contain all the information needed to conduct a case analysis—you should not step beyond the scope of the case in writing your analysis. For the team case, the time period for the analysis is today.
- 3) Some cases contain an abundance of information, while others contain a dearth of information—just like real world decision situations. One of the primary goals of case analyses is force you to make sound decisions with the information at hand—the emphasis is to develop quality decision-making processes, not “getting the right answer,” and you will be graded based on the soundness of your logic and business thinking. You will not be graded on whether you have the “right answer” since cases rarely have “one right answer.”
- 4) It is expected that you will “fill in” details (i.e., make reasonable assumptions) in a case analysis (particularly in the implementation/action plan section) as long as you are

exhibiting sound business thinking. It is not acceptable to simply create details that have no basis in reality or that do not exhibit sound business judgment.

- 5) As an outside consultant to the organization being analyzed, you cannot call for outside consultants to come in and study the problem, solve the problem, etc. within your case analysis. You also cannot call for the organization to form a team/task force, etc. to study the problem/arrive at a solution (this error typically occurs within the implementation/action plan section of the paper). *Remember, you are the consultant being asked to provide the answers.*
- 6) *Be as specific as possible*, especially within the recommendation, implementation/action plan sections, and the financial appendix.
- 7) Another primary goal of writing cases analyses is to communicate effectively and efficiently. Most senior managers do not have the time, nor will they make the time, to read a poorly stated and/or poorly thought-out analysis. A 4-page analysis requires that you write succinctly and clearly. Remember, every word counts.

Written Case Analyses Most Common Problems

Key Strategic Issues/Problem Identification Section

Vague or missing statement of the key issue

Poor or missing justification of why the issue is the key issue

Missing or underdeveloped analysis about the implications for the organization if the key issue is not addressed

Mistaken identification of a non-strategic item as a key issue

Providing scenarios based on the company doing something different instead of basing scenarios on if the company does not take action

Alternatives Section

Setting up “straw man” alternatives, i.e., alternatives that clearly will not be chosen as the recommend course of action

Missing or underdeveloped exploration of the disadvantages for each alternative

Making a “multi-part” alternative, e.g., “invest in new widget technology while expanding our market for gadgets in India.”

Putting elements of a desired course of action into both alternatives, thus violating the “mutually exclusive” rule, e.g., 1) start the new business and go international, and 2) go international.

Recommendation Section

Missing or underdeveloped statement(s) of decision-criteria

Missing or underdeveloped justification for the recommended course of action

Missing or underdeveloped discussion why the other alternatives are not preferred

Missing or underdeveloped clearly stated and specific goals, objectives, and expected results, e.g., time, financial, market share, organization structure, etc. Please note: this is the most common of all errors in case analyses.

Not considering organizational reality when specifying action plan, e.g., the plan clearly goes against organizational culture, organization cannot afford it, etc.

Not including the results of financial findings as the foundation of your recommendation

Implementation/Action Plan Section—the Most Important Section of the Paper!

Putting the onus on the company to do your work, i.e., stating that the organization should set up a task force/committee to explore an issue further/make a decision—remember, you are the consultant coming up with the plan...

Lack of sufficient explanation—why this course of action?

Over-reliance on soft implementation details instead of clear implementation details—whom? how? how soon? costs? responsibilities?

Not considering organizational reality when specifying action plan, e.g., the plan clearly goes against organizational culture, organization cannot afford it, etc.

Action plans that are unrealistic, e.g., not supported by the financials, time frame too ambitious to be successful, etc.

Not including the results of financial findings as the foundation of your implementation plan

Implementation sections that are far too brief—rarely, if ever, will an ‘A’ paper have an implementation plan less than 1 page long

Focusing too much on tactical or operational issues vs. strategic issues, e.g., detailing how a flier is going to look and how much it will cost to print...

Financial Analysis Appendix

Not integrating the results of your financial analysis into other sections of your paper

Financial analyses that tell, but do not analyze, e.g., “the quick ratio decreased from 1.3 in 1997 to .9 in 1999” — why? what does it mean?

Explaining by definition, e.g., “the current ratio declined from 1.3 in 1997 to 1.1 in 1999.

This indicates that the company has less assets to cover liabilities.” Why does the company have less assets, or possibly why does it have more liabilities?

Using vague statements when hard data is available, e.g., “the company’s net income has increased significantly over the past 5 years” versus “the company’s net income increased by 50%, from \$100 to \$150 between 1994 and 1999”

Not putting the financial analysis on a separate page

General Issues

Margins other than 1”

Excessive grammar or spelling problems

Not using, or incorrectly using, headings and subheadings

Lack of page numbers

Charts in graphs that are not in the correct format, e.g., using bar charts when line charts are more appropriate

Putting an item into an appendix and not referring to it in the case

Incorrect use of the APA citation method

Fonts other than the standard Times or Times New Roman, especially hard to read fonts such as headline fonts (e.g. Arial or Comic Sans)

Submitting multiple documents for an analysis instead of integrating all work into one document

Self-Evaluation

Feedback is a critical component for effective learning. Most courses use only one type of feedback: teacher to student. However, an equally beneficial form of feedback is self-evaluation. The process of self-evaluation helps you to critically reflect upon the strengths and weaknesses of your own work, plus it can assist the teacher in understanding where you feel comfortable and uncomfortable. In essence, it turns the feedback process into a two-way conversation between the student and the teacher.

To achieve this, you will complete a self-evaluation form for every case analysis you conduct this semester, as well as for all parts of the team case (in this instance, the team will complete the form). This form (see sample on page 8) is available on my GEB 6895 handouts page (opal.fgcu.edu/cfornaci/geb6895h.html). You must submit this completed form as a separate document, via e-mail, with each analysis you submit. *I will not look at the form until after I have graded your case.*

I will not grade your self-evaluation, nor does your self-evaluation count towards your case grade. However, a case submitted without an accompanying completed self-evaluation form will be treated as late and will be subject to the same procedures for late work as discussed in the syllabus.

I will return a copy of your completed form with your graded case. In many instances, the form will enable us to check your perception of your work against my perception of your work. On occasion, *I may adjust your grade upward (but never downward) based on your own evaluation—I am under no obligation to do so*, but your evaluation may alert me to what you perceive to be a strength or a weakness of your case that I did not see in my own examination of your work. At the minimum, the feedback form represents another channel for you and I to discuss your efforts.

GEB 6895/MG 780-FG Case Self-Evaluation Form

Name:

Date:

Case:

A) Briefly describe what you believe to be the three greatest strengths of your analysis and why.

1)

2)

3)

B) Briefly describe what you believe to be the three areas of your analysis that could be improved upon and why.

1)

2)

3)

C) Please write the number grade (0-100) you think you deserve on this case and provide a qualitative justification (not an effort-based justification) for why you believe you deserved this grade.