Case Interview Preparation Resources

Civic Consulting alliance

the engine
of public-private
collaboration

Contents

1. Overview of Interview Types
   a. Behavioral Interview
   b. Case Interview

2. Components of a Case Interview

3. How to Prepare: Recommended Case Interview Resources

4. Sample Case Interview

Interviewing for a consulting role at Civic Consulting Alliance includes two types of interviews:

	1. Behavioral Interview	2. Case Interview
Description	A one-on-one conversation during which the interviewer will ask questions about past experiences or hypothetical situations	A problem-solving discussion between the interviewer and interviewee that simulates a real consulting client engagement
Purpose	Helps us learn more about your background and personal experiences, including your: ▪ Motivations for pursuing a career in social change, ▪ Passion for driving positive impact for the City of Chicago and Cook County ▪ Experiences leading efforts and making a tangible impact	Helps us understand your problem-solving approaches, including: ▪ How you respond to complex and ambiguous problems, ▪ Your structured thinking process, and ▪ Your approach to effectively communicating your recommendations

1 Behavioral interviews

Interview Contents:
- We will ask questions to better understand your motivations for pursuing a career in social change and your passion driving positive impact for the City of Chicago and Cook County
- We are also interested in hearing about your experiences leading efforts and making a tangible impact, in any context (e.g., personal and professional)
- A behavioral interview provides the opportunity to ask questions about working at Civic Consulting Alliance, including your interviewer's personal experiences
- Sample types of questions:
  - Behavioral questions, which help us understand past behavior through open ended questions (e.g., "When was a time you persuaded a group to change their approach?")
  - Theoretical questions, which are situation-oriented to help us understand your ability to apply past experience and judgement to new scenarios

Conversational Interview Preparation Tips:
- We strongly recommend writing down responses to common behavioral questions to prepare for the interview
- An effective way to communicate prior experiences is to use the STARL method:
  - Address the situation/task (S/T)
  - Describe the action you took (A)
  - Explain the result (R) and your learning (L)

While behavioral interviews are very important, the remainder of these materials will focus on case interviews and case interview preparation tips

2 Case interviews

Who participates in case interviews?
- All interview candidates applying to client-facing consulting roles (Analyst, Associate, Summer Associate, Senior Associate, Associate Principal, and Principal) participate in case interviews

What are case interviews?
- Working with your interviewer over about 30 minutes, you'll analyze a client challenge (the "case") and develop solutions to the client challenge it poses
- Based on actual Civic Consulting Alliance projects, case interviews provide a mutually beneficial opportunity for us to see how you approach problems while you become familiar with our work
- Often, there are no right or wrong answers; instead, we're looking to understand how you respond to complex and ambiguous problems, your thinking process, and your approach for effectively communicating your recommendations

A case interview has four main steps:

1. Learn about the case context	▪ The interviewer will provide an initial overview of the case situation and the client's objective ▪ You (the interviewee) should verbally recap what you heard and ask initial clarifying questions about the objective
2. Structure your thinking	▪ Ask for time (1-2 minutes) to write out your approach ▪ Think through the main areas you would like to explore further to be able to give the client a recommendation (your "framework") ▪ Write out the framework and present it to your interviewer
3. Dig into the details	▪ Going through each area you identified in your framework, ask questions to better understand root problems and develop recommendations ▪ Note: your interviewer will provide additional data (e.g., charts) based on your questions
4. Make final recommendation	▪ Eventually, your interviewer will ask you to make a recommendation to the client based on what you learned ▪ Take 30 seconds to think through your recommendation. Start with a clear answer to the client's initial question and lay out supporting reasons, any possible risks, and next steps for the client ▪ State your recommendation to the interviewer

How to Prepare:
Recommended Case Interview Resources

- **Victor Cheng's "Case Interview Secrets"**
  - Famous for videos, articles, and newsletters on case study prep
  - www.caseinterview.com

- **Practice materials from major consulting firms** (McKinsey, BCG, Deloitte, etc.) and non-profit consulting firms (Bridgespan)
  - Websites for each of these firms provide practice cases and guidance on being successful
  - For example: https://www.bcg.com/en-us/careers/roles/consulting/interview-resources.aspx

- **Most importantly, PRACTICE**
  - There are books of sample cases all over the internet; you can research consulting case interviews on Google and/or YouTube to see sample cases
  - Many schools have consulting clubs, so you can see if your program has a case book available
  - It is strongly recommended to practice cases both alone and with friends in "mock interviews"
  - Note: even cases geared towards the private sector will use the same principles as Civic Consulting Alliance cases

SAMPLE Case Interview:
Urban Farming

Civic
Consulting
alliance

the engine
of public-private
collaboration

Context

The following materials walk you through a sample Civic Consulting Alliance case interview.

Each page is marked as **CANDIDATE** or **INTERVIEWER** . Candidate pages are the hard-copy pages that an interviewee would be handed during a real interview. Interviewer pages provide an overview of possible solutions and explain what the interviewer is evaluating at each stage.

Prompt: Urban Farming Case

Verbal prompt for the candidate:

"The South and West sides of Chicago currently face critical economic and health crises. These areas face high unemployment due to a lack of business investment and large food deserts due to the lack of access to healthy, fresh foods. Civic Consulting Alliance's client, the Urban Transformation Farm, has proposed a solution to these crises: to create a for-profit urban farm on the West Side. This urban farm would have the following characteristics:

- Employ community members that face traditional employment barriers (criminal record, employment gaps, etc.)
- Provide employees with an equity stake in the company
- Primarily produce Bibb lettuce, which has a selling price of $1.30/head
- Distribute produce locally to improve food access and reduce transportation costs

Our client has asked us to determine whether the proposed urban farm could be profitable within its initial year of operation, and, if so, draft a business plan.

How would you approach assessing the feasibility of this for-profit urban farm?"

Sample solution

After hearing the prompt, the candidate should repeat the objective, ask any clarifying questions, and then ask for time to write out their recommended approach (framework).
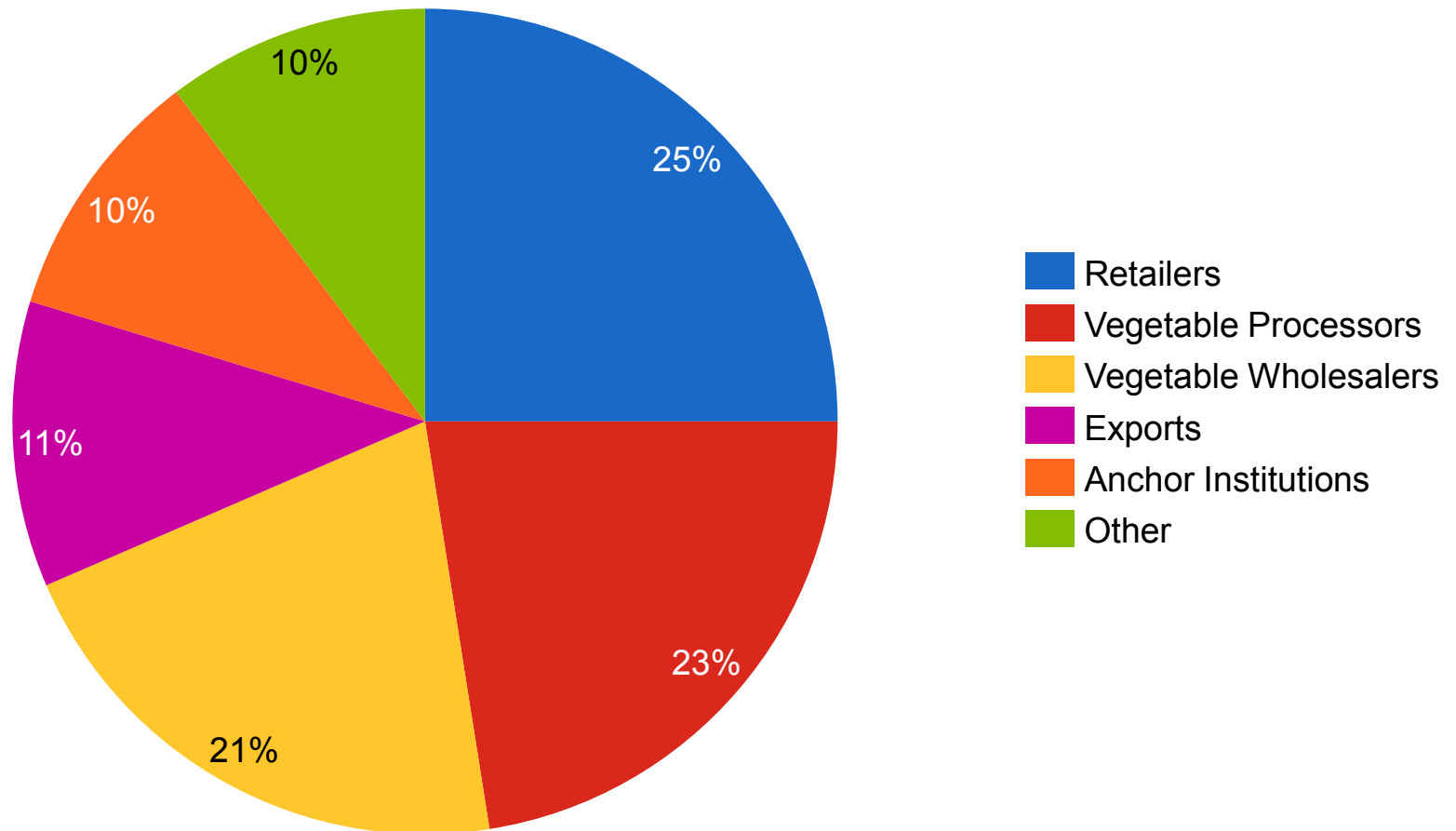
Good Answer

A Good answer will list out a number of the below potential items/questions, but in an unorganized fashion.

Great Answer

A Great answer will walk through a structured approach for assessing the feasibility of the urban farm. A potential framework is included below, and the answer should include some (not all) of the included questions. A great candidate will customize the framework to incorporate elements specific to an urban farm.

Customer (Produce-Buyers)	▪ What are the main customer types/segments (segment size, growth rate, % of total market)? ▪ What does each customer segment want? (Identify keys needs and behavior trends) ▪ What price is each segment willing to pay? (Determine price points and price elasticity/sensitivity) ▪ What is the customer concentration?
Product (Produce)	▪ What is the nature of product (think out loud about the different types of produce the farm could grow, each type's benefits, why someone would buy it)? ▪ What are the complimentary goods and substitutes?
Company (the Client)	▪ What are our client's existing capabilities and expertise? ▪ What would be the revenue and cost structure of the proposed urban farm? What is the initial investment cost? *Note: since this case involves profitability, the interviewee should specifically call out the profitability equation:* **Profit = Revenues – Costs** *(where Revenue = Quantity x Price and where Cost includes both fixed and variable costs)*
Competition (Other Farms, Suppliers)	▪ What is the competitor concentration (monopoly, competitive, market share concentration)? ▪ What are competitors' behaviors (target customer segments, products, pricing strategy, distribution strategy, brand loyalty)? ▪ What are competitor best practices (are they doing things we're not)? What are possible barriers to entry? ▪ What is the regulatory environment for urban farms?

Exhibit – Vegetable Farm Industry Sales

Pie chart legend:
- Retailers — 25%
- Vegetable Processors — 23%
- Vegetable Wholesalers — 21%
- Exports — 11%
- Anchor Institutions — 10%
- Other — 10%

How would you assess which are the most attractive customer segments?

Source: IBIS World Report: Vegetable Farming in the US. December 2015

Vegetable Farm Industry Sales: Possible solution

Additional information to be provided upon request:

- Definitions:
  - **Retailers**: Stores that sell large volumes of produce directly to consumers (e.g., grocery store)
  - **Vegetable Processors**: Industrial companies that process agricultural products into processed foods (e.g., corn syrup)
  - **Vegetable Wholesalers**: Companies that purchase large volumes of vegetables for re-sale to other retailers
  - **Exports**: Vegetables sold outside of the U.S.
  - **Anchor Institutions**: Medium-sized organizations that provide services to a particular geographic region (e.g., a hospital or university)
- The vegetable farming industry is highly disaggregated, primarily comprised of small family run farms, however 3.0-7.0% of the industry is comprised of large commercial farms that drive 30% of industry revenue.
- The vegetable industry as a whole is expected to grow at 1.9% annually, however, the locally grown produce segment is expected to grow at 9.0% annually through 2018 according to a study completed by AT Kearney.
- Locally grown produce commands a price premium over traditional produce by a range of 8-21%.

Good Answer

The candidate should verbally walk through the slide, explaining their thinking to the interviewer and asking clarifying questions if needed. The candidate will then assess the pros and cons of each customer type, identifying those that are most attractive.

Great Answer

The candidate should verbally walk through the slide, explaining their thinking to the interviewer and asking clarifying questions if needed. A great candidate will then brainstorm several criteria that can be used to assess attractiveness of the different segments (ease of entry for a new urban farm, price premium, required scale to enter these markets, etc.). After setting out criteria, the candidate should assess each customer type and identify the most unattractive/attractive.

Key insight: Anchor institutions are an attractive segment. For example:
- A small-scale urban farm could meet its needs (other segments require large-scale production)
- Local-focused nature of anchor institutions aligns with the client's mission to distribute produce locally (Prompt on Slide 10)

Exhibit – Annual Anchor Institution Demand

How would you assess Anchor Institution demand for Bibb lettuce?

	Chicagoland	Anchor
Romaine	73,545,201	7,354,520
Green Leaf	10,713,992	1,071,399
Red Leaf	5,992,572	599,257
Bibb	5,629,386	562,939
Kale	3,831,078	383,108
Basil	1,465,947	146,595
lbs	101,178,176	10,117,818
Heads	323,770,163	32,377,016

Produce for Human Consumption (Bibb Heads Per Year)	
Rush University Medical Center	35,152
CCHHS Stroger	24,128
Cook County Juvinile Detention Center	16,328
Museum of Science and Industry	3,240
Field Museum	32,250
Lincoln Park Zoo	34,856
BrookField Zoo	36,163
Shedd Aquarium	50,500
Art Institute of Chicago	38,500
Total	271,117

Produce For Animal Consumption (Heads Per Year)	
Lincoln Park Zoo	171,600
Brookfield Zoo	16,739
Shedd Aquarium	18,000
Total	206,339

Other	85,483

Total	562,939

Annual Anchor Institution Demand

Interviewer should provide slide 14 if interviewee asks for additional detail on Anchor Institutions' demand

Key Insight: Annual Anchor Institution demand for Bibb lettuce is 562K heads

Exhibit – Cost Structure (part 1)

There are two types of facilities that our client could use to grow produce: a warehouse or a greenhouse.

- A **warehouse** would use an existing industrial building as the site of the farm
- A **greenhouse** would be a specially-made new building to house the farm. A greenhouse would be more customized to farming and could provide higher yields

What do you think are some of the costs associated with each option?

Cost Structure (part 1): Sample Solution

Interviewer should provide slide 16 if interviewee asks for additional detail on the costs of the farm.

Good Answer:

Interviewee should provide several examples of costs associated with running an urban farm.

Great Answer:

Interviewee should specifically separate out variable and fixed costs and brainstorm examples of each. For example: rent, labor, utilities, equipment (e.g., shovels), raw materials (e.g., seeds).

The interviewee should also make hypotheses regarding the cost differences between the warehouse and greenhouse (e.g., greenhouse would have higher up-front building costs).

Exhibit – Cost Structure (part 2)

The fixed and variable costs for each option are included below. Please assess the profitability of each option.

	Warehouse	Greenhouse
Max Yield (heads)	90,000	1,480,000
Capital Cost of Container	N/A	N/A
Annualized Cost	N/A	N/A
Rent	$115,000	N/A
Module Cost (Per Module)	$45,000	N/A
Lighting Cost (Per Module)	$20,000	N/A
Annual Fixed Costs	**$180,000**	**$500,000**
Variable Cost Per Unit	$1.20	$0.96
Total Variable Cost	?	?
Total Costs	?	?
Revenue at $1.30/Head	?	?
Profit	?	?

18

Cost Structure (part 2): Answer Key

	Warehouse	Greenhouse
Max Yield (heads)	90,000	1,480,000
Capital Cost of Container	N/A	N/A
Annualized Cost	**N/A**	**N/A**
Rent	$115,000	N/A
Module Cost (Per Module)	$45,000	N/A
Lighting Cost (Per Module)	$20,000	N/A
Annual Fixed Costs	**$180,000**	**$500,000**
Variable Cost Per Unit	$1.20	$0.96
Total Variable Cost	**$108,000**	**$1,420,800**
Total Costs	**$288,000**	**$1,920,800**
Revenue at $1.30/Head	**$117,000**	**$1,924,000**
Profit	**($171,000)**	**$3,200**

Good Answer: In addition to accurately completing the quantitative portion, the interviewee should note that the warehouse is <u>very</u> unprofitable and the greenhouse is only barely breaking even.

Great Answer: The interviewee should also note that total Anchor Institution demand (per slide 14) is only 562K heads per year, meaning that the greenhouse is also unprofitable.

Conclusion

After interviewee completes the following sections and appears to be closing in on a final solution, the interviewer should provide the following prompt:

"The CEO of Urban Transformation Farm just arrived at the Civic Consulting Alliance offices, and she'd like to hear your initial recommendation. We'll be meeting her in about 30 seconds."

Good Answer:

Interviewee should take ~30 seconds to think through a final recommendation. When presenting, they should make eye contact and clearly state their recommendation, along with supporting reasons, any possible risks, and next steps for the client.

Great Answer:

Interviewee should take ~30 seconds to draw out their recommendation on a piece of paper. When presenting, they should make eye contact and turn the paper towards the interviewer. They should clearly state their recommendation, along with supporting reasons, any possible risks, and next steps for the client.

Although the interviewee's thought process should be weighted more heavily than a final answer, a great interviewee will specifically call out that the urban farm does NOT appear to be a profitable approach. They will ideally also suggest alternatives (e.g., explore growing a different product, look into possible cost reductions, explore other businesses that could promote local food access and employment).

After the interviewee has completed their recommendation, provide them with the following "wrap-up slide," which demonstrates the challenging nature of urban farming.

Exhibit – Competitor: Landscape

Profitable Farms: Successful farms typically operate hydroponic systems and have unique competitive advantages

Name	Location	Environment	Technology	Competitive Edge
Bright Farms	Rochelle, IL	Greenhouse	Hydroponics	Exclusive Contracts with major retailers, Central and Rural Location
Gotham Greens	Pullman	Greenhouse	Hydroponics	Established brand, No-Cost Land on Warehouse Rooftop
FarmedHere	Bedford Park, IL	Warehouse	Hydroponics	Focus on High Margin Crop (Basil)
Green Sense Farms	Portage, IN	Warehouse	Hydroponics	Partnership with LED Manufacturer; Central and Rural Location
Mighty Vine	Rochelle, IL	Greenhouse	Hydroponics	Difficult to grow hydroponic crops (Tomatoes), Rural Location
Green Spirit Farms	New Buffalo, MI	Warehouse	Hydroponics	Low Cost Electricity Agreement
Urban Till	Chicago, IL	Warehouse	Hydroponics	Proprietary Hydroponic Technology, Targets Restaurant Niche

Unprofitable Farms: Many failed attempts exist in this space; often, the company shifts to a non-profit

Name	Location	Environment	Technology	Status
Garfield Produce	Chicago, IL	Warehouse	Hydroponic	Operating as a Non-Profit
Greens and Gills	Chicago, IL	Warehouse	Aquaponic	Defunct
SkyyGreens	Chicago, IL	Warehouse	Aquaponic	Defunct
312 Aquaponics	Chicago, IL	Warehouse	Aquaponic	Defunct
Metropolitan Farms	Chicago, IL	Greenhouse	Aquaponic	Test Concept
Growing Power	Chicago, IL/Milwaukee, WI	Various	Various	Operating as a Non-Profit
Windy City Harvest	Chicago, IL	Outdoor	N/A	Operating as a Non-Profit
Growing Home	Chicago, IL	Outdoor	N/A	Operating as a Non-Profit