

Case study assignments

Case studies are brief narratives presenting a business situation or problem requiring your thoughtful assessment and recommendation. Some case studies involve real-world companies and situations while other cases are fictional. Be aware that, just like in real-world situations, the cases do not always present the all of the necessary information in a complete or well-organized fashion.

Your careful preparation is necessary both for you to contribute to class discussions and for you to get the most out of the comments of your classmates.

Writing assignment. For each of the twelve case studies assigned, you should prepare a brief memo meeting these requirements:

1. Memo header will be composed of four lines as follows:
 - The “To” line should read: To: Michael Giberson, BECO 4310-006
 - The “From” line should read: From: [Your Name]
 - The “Date” line should read: Date: [Assignment Date]
 - The “Re” line should read: Re: [case title]A sample memo follows these instructions.
2. The memo header will be followed by a break (either a horizontal line or a line break).
3. The first paragraph in the body of the memo summarizes the “big picture” problem or situation faced in the case study. State clearly and briefly the nature of the problem faced.
4. The second paragraph presents your recommendation for action. State clearly and briefly which of the available courses of action ought to be pursued in the case.
5. Finally, explain your recommendation. Here you may (a) summarize any calculations or other analysis helpful in explaining your recommendation, (b) briefly explain the principle or concept that helps makes sense of the situation, (c) and so on.
6. Hand-written assignments will not be accepted.

Note that some cases are short and relatively simple and others are longer and more complicated. There is no uniform “right length” suitable for all twelve cases. In points 3 and 4 above I ask you to “state clearly and briefly” the needed material. For the explanation, too, you should be clear and brief, though you may present more than one paragraph as needed to explain your recommendation.

Do not turn in spreadsheet print-outs. If you need to present quantitative results as part of your explanation, do it either in tables or in the text of your memo as appropriate.

You are encouraged to discuss and analyze cases with your classmates. However, *your written memo must be your own work, must be in your own words, and must reflect your own views on the case.*

Grading. To gain full credit for these assignments, case memos must be (a) turned in on paper at the beginning of class on the assigned dates; (b) formatted as required; and (c) and reflect your original, careful and competent assessment of the case.

Twelve cases will be discussed this semester. For 10 of the 12 cases you will receive full credit if your memo is complete, on time, and appears minimally competent. I will quasi-randomly select 2 of the 12 memos for more careful review. You will get full credit on these two memos if they are complete, on time, and provide an excellent assessment of the case. The 10 cases are worth 2 points each and the 2 carefully reviewed cases are worth 5 points each in your overall course grade.

You will not know in advance which 2 of your memos will be selected for more careful review, and therefore the only strategy that assures you of a full credit is to do excellent work on each memo.

For further guidance, please review the sample case memo and the assignment grading rubric on the next page.

Advice. Note that you can find many of the cases already analyzed on line. If you can find case analyses on line, so can I. In this context I repeat: *your case memos must reflect your original work.*

How to prepare for case discussions

There is no one correct way to prepare a case. However, the following approach has proven effective for many students:

- First, read through the case once quickly to get a sense of the situation and the key matters faced by the key character in the case. Many cases will put you into the role of a particular character, or as advisor of a character. Figure out who this key character is and the challenge this character faces.
- Second, re-read the case more carefully, identifying the most significant information provided in the case, noting the data available.
- Third, write yourself a note summarizing the basic issues of the case and listing possible courses of action.
- Fourth, consider how the information presented in the case (along with other assigned readings, class discussions, and possibly outside readings) may help you choose between the possible courses of action. If crunching some numbers is needed, make notes on your calculations.
- Finally, draft the memo in the format required.

Please note. Each student should be prepared to, if asked, begin class discussion of a case with a simple summary of the case situation, including identification of key characters and the key decision or challenged faced in the case.

Further note that case memos must be turned in at the *beginning* of class, *before* we discuss the case in class. Please bring in notes and/or a second copy of your memo to provide a foundation for your contributions to the class discussion.

SAMPLE CASE STUDY MEMO

SAMPLE CASE STUDY MEMO

To: Michael Giberson, BECO 4310-006
 From: J. K. Rowling
 Date: January 17, 2014
 Re: The Indian Mall Shoe Store

1

The opening of the Mall at Turtle Creek has resulted in an immediate and significant drop off in customer traffic at Indian Mall. Some Indian Mall retailers have already closed, others will likely follow, and therefore the loss of customer traffic is likely permanent. The Indian Mall Shoe Store has seen a significant loss of sales, and a resulting shift from profits in the months before Turtle Creek opened to losses in the months after the competing mall opened. The Indian Mall Shoe Store now must consider whether it should remain in business or shut down.

2

I recommend the owners of the Indian Mall Shoe Store continue operating at a smaller scale at present, but continue to explore alternative opportunities for their investment as business at the Indian Mall is expected to continue to fall.

3

Table 1 below summarizes the changes in revenues and costs expected to come about from closing the store based on accounting results for a month before the opening of Turtle Creek and results for a month after the opening. The table suggests that closing the store will result in the loss of \$75,670 in revenue and in the reduction of costs by \$76,274. Overall, if we take the results as indicative of future performance, the owners would save \$604 per month by closing now.

4

Ultimately reduced customer traffic at Indian Mall will make it no longer profitable to operate at that location, but by reducing costs it should be possible to keep the store open for a few more months. During that time the owners should explore the possibility of opening a shoe store in a new location and other opportunities for their investment of time and capital. Table 2 summarizes projected changes in revenues and costs based on a reduction in operations at the current store. Cutting back will involve reducing hours and staff, so may further reduce revenue. However, the reduction in costs should be greater than the lost revenue leading to positive expected value from remaining open.

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Table 1: Closing the store

| Decision: Close the store | | |
|---------------------------|----------|------------|
| Decrease in Revenues: | | (\$75,670) |
| Decrease in Costs: | | |
| Cost of sales | \$43,889 | |
| Ads | \$8,515 | |
| Mailings | \$3,750 | |
| Payroll | \$20,120 | \$76,274 |
| | NET: | \$604 |

NOTE: Based on information in text.

Table 2: Cutting back on operations

| Decision: Continue at smaller scale | | |
|-------------------------------------|---------|------------|
| Decrease in Revenues: | | (\$15,000) |
| Decrease in Costs: | | |
| Cost of sales | \$7,500 | |
| Ads | \$2,000 | |
| Mailings | \$1,500 | |
| Payroll | \$5,000 | (\$16,000) |
| | NET: | \$1,000 |

NOTE: Author's calculations developed from information in text and additional assumptions.

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Notes:

1. Memo header in the format required by the assignment (followed by a break, which can be a line or just some white space).
2. The first paragraph summarizes the “big picture” challenge in the case study.
3. The second paragraph presents the recommendation for action.
4. The recommendation is explained.
5. Information from the case relevant to the explanation is repeated correctly.
6. Original additional analysis is presented to support the recommendation made.

Case Study Memo Grading Rubric

| Component | Weak Below Expectations | Satisfactory – Good Meets Expectations | Excellent Exceeds Expectations |
|--|---|---|---|
| Header | Incomplete or includes errors, does not follow instruction | Header is complete, correct, and in the required format | --- |
| First Paragraph / Summary and Introduction | The introduction is incomplete or inaccurate and fails to show basic understanding of case. | The introduction adequately summarizes the case study situation with a focus on the key topic of interest. | The introduction demonstrates a clear grasp of the case and describes the situation clearly and insightfully. |
| Second Paragraph / Recommendation | No clear recommendation provided. Recommendation fails to respond to the case conditions. | The recommendation is stated simply and clearly. Recommendation reflects understanding of the case. | The recommendation is stated directly, carefully, and clearly. Recommendation reflects insight into the case. |
| Analysis / Justification / Supporting Information | Explanations are unclear, fail to reflect an understanding of the case. Mistakes in simple calculations. Explanation fails to actually support the recommendation made. | Explanation provides clear support for recommendation, reflects an adequate understanding of the case, and displays good knowledge of course concepts. No glaring mistakes. | Explanations provide clear and complete support for the recommendation, reflects good or deep insight into the case, and employs course concepts with sophistication. |
| Typical result: | C or worse | B | A |

Finally: Details matter—grammatical errors, typographical errors, poorly presented tables, and so on—can result in your paper being downgraded. While the focus of the assessment will be on your substance (clarity of your introduction, recommendation, and justification; the insightfulness of your analysis; the proper application of course concepts), appearance matters too.