



Note to the Student : How to Study and Discuss Cases

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Abstract. This note summarizes an introductory approach by which the novice student can approach the process of preparing to discuss—and discussing—teaching case studies. The tips for preparation are centered around : (1) setting the right attitude ; (2) framing good « infrastructure » ; and (3) simply executing well. The presentation is framed as a message directly to the student.

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Get a good idea and stay with it. Dog it and work at it until it's done, and done right.

Walt Disney

You enroll in a “case method” course, pick up the book of case studies or the stack of loose-leaf cases, and get ready for the first class meeting. If this is your first experience with case discussions, the odds are that you are clueless and a little anxious about how to prepare for this course. That’s fairly normal but something you should try to break through quickly in order to gain the maximum from your studies. Quick breakthroughs come from a combination of good attitude, good “infrastructure,” and good execution—this note offers some tips.

1. Good Attitude

Students learn best that which they teach themselves. Passive and mindless learning is ephemeral. Active, mindful, learning simply sticks. The case method makes learning sticky by placing you in situations that require invention of tools and concepts *in your own terms*. The most successful case students share a set of characteristics that drive self-teaching:

1. **Personal initiative, self-reliance.** Case studies rarely suggest how to proceed. Professors are more like guides on a long hike: they can’t carry you, but they can show you the way. You must arrive at the destination under your own power. You must figure out the case on your own. To teach yourself means that you must sort ideas out in ways that make sense to you, personally. To teach yourself is to give

yourself two gifts: the idea you are trying to learn, and greater self-confidence in your own ability to master the world.

2. **Curiosity, a zest for exploration as an end in itself.** Richard P. Feynman, who won the Nobel Prize in Physics in 1965, was once asked whether his key discovery was worth it. He replied, "...[the Nobel Prize is] a pain in the...I don't like honors...The prize is the pleasure of finding the thing out, the kick in the discovery, the observation that other people use it [my work]—those are the real things, the honors are unreal to me."¹
3. **A willingness to take risks.** Risk-taking is at the heart of all learning. Usually one learns more from failures than successes. The banker, Walter Wriston, once said, "Good judgment comes from experience. Experience comes from bad judgment."
4. **Patience and persistence.** Case studies are messy, a realistic reflection of the fact that managers don't manage problems, they manage messes. Initially, reaching a solution will seem to be the major challenge. But once you reach *a* solution, you may discover other possible solutions, and face the choice among the best alternatives.
5. **An orientation to community and discussion.** Much of the power of the case method derives from a willingness to *talk* with others about your ideas and/or your points of confusion. This is one of the paradoxes of the case method: you must teach yourself, but not in a vacuum. The poet, T.S. Eliot, said, "there is no life not lived in community." Talking seems like such an inefficient method of sorting through the case, but if exploration is an end in itself then talking is the only way. Furthermore, talking is an excellent means of testing your own mastery of ideas, of rooting out points of confusion, and generally, of preparing you for professional life.
6. **Trust in the process.** The learnings from a case-method course are impressive. They arrive cumulatively over time. In many cases, the learnings continue well after the course has finished. Occasionally, these learnings hit you with the force of a tsunami. But generally, the learnings creep in quietly, but powerfully, like the tide. After the case course, you will look back and see that your thinking, mastery, and appreciation have changed dramatically. The key point is that you should not measure the success of your progress on the basis of any

1. Richard P. Feynman, *The Pleasure of Finding Things Out*, Cambridge, Perseus Publishing, 1999, page 12.

single case discussion. Trust that in the cumulative work over many cases you will gain the mastery you seek.

2. Good Infrastructure

“Infrastructure” consists of all the resources that the case student can call upon. Some of this is simply given to you by the professor: case studies, assignment questions, supporting references to textbooks or articles, and computer data or models. But you can go much farther to help yourself. Consider these steps:

1. **Find a quiet place to study. Spend at least 90 minutes there for each case study.** Each case has subtleties to it, which you will miss unless you can concentrate. After two or three visits, your quiet place will take on the attributes of a habit: you will slip into a working attitude more easily. Be sure to spend enough time in the quiet place to give yourself a chance to really engage the case.
2. **Get a business dictionary.** If you are new to business and finance, some of the terms will seem foreign; if English is not your first language, *many* of the terms will seem foreign if not bizarre. Get into the habit of looking up terms that you don't know. The benefit of this becomes cumulative.
3. **Skim a business newspaper each day; read a business magazine; follow the markets.** Reading a newspaper or magazine helps build a *context* for the case study you are trying to solve at the moment, and helps you make connections between the case study and current events. The terminology of business and finance that you see in the publications helps reinforce your use of the dictionary, and hastens your mastery of terms you will see in the cases. Your learning by reading business periodicals is cumulative. Some students choose to follow a good business news website on the Internet. These have the virtue of being inexpensive and efficient, but they tend to screen too much. Having the printed publication in your hands, and leafing through it, helps the process of *discovery*, which is the whole point of the exercise.
4. **Learn the basics of spreadsheet modeling on a computer.** Many case studies now have supporting data available for analysis in spreadsheet files, such as Microsoft Excel. Analyzing the data on a computer rather than by hand both speeds up your work, and extends your reach.

5. **Form a study group.** The ideas in many cases are deep; the analysis can get complex. *You will learn more, and perform better in class participation by discussing the cases together in a learning team.* Your team should devote an average of an hour to each case. High performance teams show a number of common attributes:
 - a. Members commit to the success of the team.
 - b. The team plans ahead, leaving time for contingencies.
 - c. The team meets regularly.
 - d. Team members show up for meetings and are *prepared* to contribute.
 - e. There may or may not be a formal leader, but assignments are clear. Team members meet their assigned obligations.
6. **Get to know your professor.** In the case method, students inevitably learn more from one another than from the instructor. But the teacher is part of the learning infrastructure too: a resource to be used wisely. Never troll for answers in advance of a case discussion. Do your homework; use classmates and learning teams to clear up most questions so that you can focus on the meatiest issues with the teacher. Be very organized and focused about what you would like to discuss. Remember that teachers like to learn too: if you reveal a new insight about a case or bring a clipping about a related issue in current events, the professor and student both gain from their time together. Ultimately, the best payoff to the professor is the “aha” in the student’s eyes when he or she masters an idea.

3. Good Execution

Good attitude and infrastructure must be employed properly—one needs good execution. The extent to which a student learns depends on how the case study is approached. What can one do to gain the maximum from the study of these cases?

1. **Reading the case.** The very first time you read any case, look for the forest not the trees. This requires that your first reading be quick. Do not begin taking notes on the first round; instead, read the case like a magazine article. The first few paragraphs of a well-constructed case usually say something about the problem—read those carefully. Then quickly read the rest of the case, seeking mainly a sense of the scope of the problems, and what information the case contains to help resolve them. Leaf through the exhibits, looking for what information

they hold, rather than for any analytical insights. At the conclusion of the first pass, read any supporting articles or notes that your instructor may have recommended.

2. **Getting into the case situation. Develop your “awareness.”** With the broader perspective in mind, the second and more detailed reading will be more productive. The reason is that as you now encounter details, your mind will be able to organize them in some useful fashion rather than inventorying them randomly. Making linkages among case details is necessary toward solving the case. At this point you can take the notes that will set up your analysis.

The most successful students project themselves into the position of the decision-maker because this perspective helps them link case details as well as develop a stand on the case problem. Assignment questions may help you do this; but it is a good idea to get into the habit of doing it yourself. Here are the kinds of questions you might try to answer in preparing every case:

- A. Who are the protagonists in the case? Who must take action on the problem? What do they have at stake? What pressures are they under?
- B. In what business is the company? What is the nature of its product? What is the nature of demand for that product? What is the firm's distinctive competence? With whom does it compete?² What is the structure of the industry? Is the firm comparatively strong or weak? In what ways?
- C. What are the goals of the firm? What is the firm's strategy in pursuit of these goals? (The goals and strategy might be explicitly stated, or they may be implicit in the way the firm does business.) What are the firm's apparent functional policies in marketing (e.g., push- versus-pull strategy), production (e.g., labor relations, use of new technology, distributed production vs. centralized), and finance (e.g., the use of debt financing, payment of dividends)? Financial and business strategies can be inferred from analysis of financial ratios and a sources and uses of funds statement.

2. Think broadly about competitors. Mark Twain wrote in *A Connecticut Yankee in King Arthur's Court*, “The best swordsman in the world doesn't need to fear the second best swordsman in the world; no, the person for him to be afraid of is some ignorant antagonist who has never had a sword in his hand before; he doesn't do the thing he ought to do, and so the expert isn't prepared for him; he does the thing he ought not to do; and it often catches the expert out and ends him on the spot.”

- D. How well has the firm performed in pursuit of its goals? (The answer to this question calls for simple analysis using financial ratios, such as the DuPont system, compound growth rates, and measures of value creation.)

The larger point of this phase of your case preparation is to broaden your awareness of issues. Perhaps the most successful investor in history, Warren Buffett, said, “Any player unaware of the fool in the market, probably is the fool in the market.” Awareness is an important attribute of successful managers.

3. **Defining the problem.** A common trap for many executives is to assume that the issue at hand is the real problem most worthy of their time, rather than a symptom of some larger problem that *really* deserves their time. For instance, a lender is often asked to advance funds to help tide a firm over a cash shortfall. Careful study may reveal that the key problem is not a cash shortfall, but rather product obsolescence, unexpected competition, or careless cost management. Even in cases where the decision is fairly narrowly defined (such as in a capital expenditure choice), the “problem” generally turns out to be the believability of certain key assumptions. Students who are new to the case method tend to focus narrowly in defining problems and often overlook the influence which the larger setting has on the problem. In doing this the student develops narrow specialist habits, never achieving the general manager perspective. It is useful and important for you to define the problem yourself, and in the process, validate the problem as suggested by the protagonist in the case.

4. **Analysis: run the numbers and go to the heart of the matter.** Virtually all finance cases require numerical analysis. This is good because figure-work lends rigor and structure to your thinking. But some cases, reflecting reality, invite you to explore blind alleys. If you are new to finance, even these explorations will help you learn.³ The best case students develop an instinct for where to devote their analysis. Economy of effort is desirable. If you have invested wisely in problem definition, economical analysis tends to follow. For instance, a student might assume that a particular case is meant to exercise financial forecasting skills and will spend two or more hours preparing a detailed forecast, instead of preparing a simpler forecast in one hour and conducting a sensitivity analysis based on key assumptions in the next hour. An executive rarely thinks of a situation

3. Case analysis is often iterative: an understanding of the big issues invites an analysis of details—then the details may restructure the big issues and invite the analysis of other details. In some cases, getting to the “heart of the matter” will mean just such iteration.

as having to do with a forecasting method or discounting or any other technique, but rather thinks of it as a problem of judgment, deciding on which people or concepts or environmental conditions to bet. The best case analyses get down to the *key bets* on which the executive is wagering the prosperity of the firm, and his or her career. Get to the business issues quickly, and avoid lengthy churning through relatively unimportant calculations.

5. **Prepare to participate: take a stand.** To develop analytical insights without making recommendations is useless to executives, and drains the case study experience of some of its learning power. A stand means having a point of view about the problem, a recommendation, and an analysis to back up both of them. The lessons most worth learning all come from taking a stand. From that truth flows the educative force of the case method. In the typical case, the student is projected into the position of an executive who must do something in response to a problem. It is this choice of what to do that constitutes the executive's "stand". Over the course of a career, an executive who takes stands gains wisdom. If the stand provides an effective resolution of the problem, so much the better for all concerned. If it does not, however, the wise executive analyzes the reasons for the failure and may learn even more than from a success. As Theodore Roosevelt wrote:

The credit belongs to the man⁴ who is actually in the arena—whose face is marred by dust and sweat and blood...who knows the great enthusiasms, the great devotions—and spends himself in a worthy cause—who at best if he wins knows the thrills of high achievement—and if he fails, at least fails while daring greatly so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

6. **In class: participate actively in support of your conclusions, but be open to new insights.** Of course, one can have a stand without the world being any wiser. To take a stand in case discussions means to participate actively in the discussion and to advocate your stand until new facts or analyses emerge to warrant a change.⁵ Learning by the case method is not a spectator sport. A classic error many students make is to bring into the case method classroom the habits of the lecture hall (i.e., passively absorbing what other people say). These habits fail miserably in the case method classroom because they only guarantee that one absorbs the truths and fallacies uttered by others.

4. Today, a statement such as this would surely recognize women as well.

5. There is a difference between taking a stand and pigheadedness. Nothing is served by clinging to your stand to the bitter end in the face of better analysis or common sense. Good managers recognize new facts and arguments as they come to light, and adapt.

The purpose of case study is to develop and exercise *one's own* skills and judgment. This takes practice and participation, just as in a sport. Here are two good general suggestions: (1) defer significant note-taking until after class and (2) strive to contribute to every case discussion.

7. **Immediately after class: jot down notes, corrections and questions.** Don't overinvest in taking notes during class—that just cannibalizes “air time” in which you could be learning through discussing the case. But immediately after, collect your learnings and questions in notes that will capture your thinking. Of course, ask a fellow student or your teacher questions that will help clarify issues that still puzzle you.
8. **Once a week, flip through notes. Make a list of your questions, and pursue answers.** Take an hour each weekend to review your notes from class discussions during the past week. This will help build your grasp of the flow of the course. Studying a subject by the case method is like building a large picture with small mosaic tiles. It helps to step back to see the big picture. But the main objective should be to make an inventory of anything you are unclear about: terms, concepts, and calculations. Work your way through this inventory with classmates, learning teams, and ultimately the instructor. This kind of review and follow-up builds your self-confidence and prepares you to participate more effectively in future case discussions.

4. Conclusion: Focus on Process, and Results Will Follow

This note has summarized an introductory approach by which the novice student can approach the process of preparing to discuss—and discussing—teaching case studies. The tips for preparation are centered around: (1) setting the right attitude; (2) framing good infrastructure; and (3) simply executing well.

View the case method experience as a series of opportunities to test your mastery of techniques and your business judgment. If you seek a list of axioms to be etched in stone, you are bound to disappoint yourself. As in real life, there are virtually no “right” answers to these cases in the sense that a scientific or engineering problem has an exact solution. Jeff Milman has said, “The answers worth getting are never found in the back of the book.” What matters is that you obtain a way of thinking about business situations that you can carry from one job (or career) to the next. In the case method it is largely true that *how you learn is what you learn*.⁶

6. In describing the work of case teachers, John H. McArthur has said, “How we teach is what we teach.”