Sample Interview Questions: Consulting

Question: Our client, ABC Airlines, is losing money. Why?
Answer: Remember to consider the firm's actions as well as external market forces such as the competitive environment. Questions include asking whether other airlines are losing money, or suffering drops in profits. If so, why? Causes might range from a rise in the cost of fuel, to the need to replace most of ABC’s fleet due to stringent new government regulations, to a general slump in the economy that reduces the number of tourists and causes business customers to tighten their belts.

Question: Your client is trying to decide whether or not to invest in a helicopter company. You have been asked to assess the long-term attractiveness of the helicopter market.
Answer: Since this case is primarily asking for an industry analysis (is this an attractive industry?), Porter’s Five Forces is one framework useful in formulating your recommendation.

Question: You are head of a large American corporation. Your company must build a new paper plant. You must decide which country to build the plant in. What factors would you consider?
Answer: Analyze your supply chain. Where do you incur your costs? If your paper plant is highly automated, it might make more sense to build it in America or another developed country where you have access to skilled labor. If, on the other hand, your paper plant requires thousands of employees, you may want to consider a country or region of America where the cost of labor is lower.

Question: Your client is a major airline that wants to reduce the amount of money it spends per passenger on food service, ticketing, and baggage handling. What would you advise?
Answer: Benchmarking is one good starting point for this type of case. You would certainly want to know (or at least be able to estimate) how much other airlines spend on each passenger for food service, ticketing, and baggage handling. Are your client’s costs in each of these areas high or low for the industry?

You would also want to examine “best practices”: which airlines have the lowest costs in each of the three areas of food service, ticketing, and baggage handling? What are they doing right, and how can we emulate it?

For a more in-depth approach, check out the Vault Guide to Case Interviews.