Unit 2 bus

Business

Analyzing a Case Study A case study is a written documentation of the events that happened at a given company or within a particular industry over a certain period. The information integrated in a case study may include, but are not limited to; information about a company, industry, or project; objectives, strategies, and results, and recommendations, challenges established and encountered, responses, (Hill & Jones, 2013). When analyzing a case study, one has the chance to study about the kinds of problems that many companies and industries come across. One also has an opportunity to scrutinize the courses of action other managers have taken to rectify specific problems and concerns. This is useful in enhancing a student's problem solving skills and allows them to engage in relevant and related discussions with classmates and professors (Ronstadt, 2004). For the purpose of paper I will write on the additional insight gained in relation to Hill and Jones book, specifically analyzing a case study.

According to Hill & Jones, a case study offers a suitable way to examine how a companys past policy and configuration influence it in the present and to chart the critical incidents in its history that is, the events that were the most unusual or the most vital for its development into the company it is at present (2013). Some of the events have to do with its naissance, how it makes new product market decisions, and its initial products. It could also revolve around how it developed and chose functional strong points to pursue. Its shifts in its main lines of business and entrance into new businesses are also important milestones to consider.

Identifying the companys internal strengths and weaknesses is also important because once the historical outline is completed; one can commence to the SWOT analysis. It is necessary to use all the incidents that have been charted to come up with an report of the companys strengths and weaknesses as they have unfolded historically (Ronstadt, 2004). An important aspect of case analysis is to examine each of the value creation functions of the company, and identify the functions in which the company is currently strong and currently weak. Some companies might be weak in promotion; some might be strong in research and development. A case analysis makes lists of these strengths and weaknesses (Hill & Jones, 2013). A case analysis also makes use of financial ratios for the purpose of financial analysis. According to Hill and Jones, a quality case analysis is that which offers a well thought analysis of the company's financial condition (2013). Financial data characterize the actual results of the companys policy and formation. While analyzing financial statements can be quite intricate, a broad-spectrum idea of a companys financial situation can be determined using ratio analysis. Financial performance ratios are calculated from the balance sheet and income statement. These ratios can be categorized into five distinct subgroups: profit ratios, activity ratios , leverage ratios liquidity ratios, , and shareholder-return ratios (Ronstadt, 2004). These ratios should be compared with the industry average or the companys prior years of performance. However, that variation from the average is not necessarily bad; it simply justify further examination. In addition, a companys cash flow situation is of vital significance and should be assessed. Cash flow shows how much actual cash a company possesses (Hill & Jones, 2013).

References

Hill, Charles W. L., and Gareth R. Jones. Strategic management: an integrated approach. 10th ed. Mason, OH: South-Western, Cengage Learning, 2013. Print.

Ronstadt, Robert. The art of case analysis: a guide to the diagnosis of business situations. 2d ed. Dover, Mass.: Lord Pub., 2004. Print.