

🔑 The Step-By-Step "Case Study Survival Kit" for Students

👉 A repeatable method that works for almost any strategic case scenario!

USING THE “PERFECT 4-PILLAR FRAMEWORK”

If you freeze in the exam, use this **default to these four areas**. Works everytime.

1. What's the 4-Pillar Framework?

The 4-Pillar Strategic Framework is like your trusty toolbox for evaluating any business opportunity. It's a four-in-one power punch that covers all the angles:

1. **Strategy Fit** – Does the opportunity make sense for the company? 🧩
2. **Financial Feasibility** – Can we afford it, and will it make money? 💰
3. **Operational Capability** – Can we make it happen smoothly? ⚙️
4. **Ethical, Social & Environmental Impact** – Is it a win for people, the planet, and profits? 🌍

This framework helps you stay balanced and not get distracted by shiny objects—because strategic decisions are a lot like choosing the right ingredient for a recipe! 🔍

2. The 4 Pillars Explained

Pillar 1: Strategic Fit

- Does the project align with the company's goals and future?
- Will this new project help us grow or add value to our existing operations?
- Is it something we can do well, or will we get lost on the way?

The strategic fit determines whether the project is the right choice in the big picture of your business's goals.

Example: If you're a gaming company, adding a theme park might be a huge leap! 📈

Pillar 2: Financial Feasibility

- Can we afford the upfront costs?
- How will this affect our cash flow, profits, and overall financial health?
- Will we make enough money in the long run to justify the investment?

If you can't answer these questions with confidence, you might be heading for a financial hiccup! 📉

Example: Buying land for a theme park could eat into your reserves, so be careful with your budget! 💰

Pillar 3: Operational Capability

- Can we actually make it happen? This pillar covers the nuts and bolts of execution.
- Do we have the people, processes, and technology to deliver this project?
- Are there potential roadblocks (like lack of skills or capacity) that could slow us down?
- Do we have the operational infrastructure to maintain this over time?

If you're considering building a theme park, can your company handle the construction, staffing, and maintenance? ⏳

Pillar 4: Ethical, Social & Environmental Impact

- Will it help the local community and provide jobs?
- Is it good for the environment, or are we creating problems for future generations?
- Does it align with ethical standards and societal expectations?

This pillar is all about making sure your business is a positive force in the world. 🌱

Example: A theme park could bring tourism and jobs, but it could also affect local resources like water supply or land use. Is it sustainable? 🌍


✓ 1. STRATEGIC ANALYSIS

- **Fit:** Is this aligned with their **core strategy**?
- **Market Opportunity:** Is there **growing demand**?
- **Competition:** Are competitors **already winning here**?
- **Capabilities:** Do they have **the skills** and **leadership**?

 *2-3 points always score here.*


✓ 2. FINANCIAL ANALYSIS

- **Affordability:** Do they have **cash** or will they **drown in debt**?
- **Return on Investment (ROI):** Is it **better than other options**?
- **Impact on Shareholders:** Will dividends suffer?
- **Risk of Losses:** Can they **recover if it fails**?

 *If you throw in 3 good numbers (e.g., interest rate, loan details, dividend yields), they get solid marks!*

✓ 3. OPERATIONAL & MANAGEMENT FACTORS

- **People:** Do they need **new skills**?
- **Complexity:** Will it **slow decisions down**?
- **Governance:** Are there **leadership issues** (like CEO resigning)?

 *1-2 good points shows you are thinking practically.*

✓ 4. ETHICAL, SOCIAL & ENVIRONMENTAL IMPACT

- **Sustainability:** Will this **hurt or help** their green goals?
- **Community Impact:** Is it good for **job creation** or bad for **local communities**?

 *Most students miss this = Easy marks!*

STEP 4: CONCLUDE LIKE A BOARD MEMBER

- Make a **recommendation**.
*“Based on the above, I recommend ASL **pause** this project until the feasibility study is complete, and focus on leveraging its **core strengths** in hospitality.”*
- **Be decisive**, not wishy-washy!

Quick “Plug-and-Play” Sentence Starters

These help students **sound structured** and **clear**:

- *“A key consideration is...”*
- *“This is significant because...”*
- *“The primary risk lies in...”*
- *“An alternative option could be...”*
- *“In conclusion, it is recommended that...”*
- *“Accepting the ‘said project’ will lead to...”*

The Mindset Shift for Success

Golden rule:

 **“Markers reward structure + insight, not fancy words.”**

If you **cover all 4 areas**, **give a clear recommendation**, and **back it with facts from the case**, you’ll always score **high marks**, no matter the case study.

Case Study Answer Template (PESTEL + Porter's x 4-Pillar Framework)

1. Context Summary

- Briefly understand the company and the project under consideration.
- Example: "African Sun Limited (ASL), a JSE-listed company in the Travel & Leisure sector, is considering developing a theme park on vacant land next to its Hartbeespoort boutique hotel."

Key focus:

- What's the proposed project?
- Why is it being considered? (opportunity, growth, etc.)
- Any initial red flags or opportunities?

2. External Environment Analysis (PESTEL Framework)

Purpose: Identify macro-environment factors that impact the decision.

PESTEL Factor	Key Points	Impact on the Project
Political	Local government permits, tourism support policies	Delays or smoother approvals
Economic	Interest rates, consumer spending, inflation	Affordability for customers, borrowing cost
Social	Demand for family entertainment, community employment	Visitor volumes, staff hiring ease
Technological	Ride innovations, online booking tech	Competitive edge, customer experience
Environmental	Sustainability, energy-efficient operations	Regulatory compliance, reputation
Legal	Safety regulations for rides, land use laws	Legal risk, costs for compliance

Tip: Highlight both **opportunities** and **threats** that could affect ASL's strategy.

 **3. Industry / Competitive Analysis (Porter’s Five Forces)**

Purpose: Assess competitiveness and feasibility within the industry.

Porter’s Force	Key Points	Impact on ASL Theme Park
Threat of New Entrants	Barriers to entry, capital investment	High/low risk of new competitors
Bargaining Power of Buyers (Customers)	Customer sensitivity to price, loyalty	Pricing pressure, value offerings needed
Threat of Substitutes	Other entertainment (movies, beaches, dam activities)	Need to differentiate the park
Bargaining Power of Suppliers	Ride manufacturers, maintenance providers	Cost and quality control
Industry Rivalry	Existing parks, attractions nearby	Intensity of competition

Tip: Use Porter’s to **decide if ASL has the competitive strength** to enter this space.

 **4. Strategic Analysis (Pillar 1)**

Purpose: Analyze if this fits ASL’s long-term strategy.

Opportunities:

- Diversification from hotels & gaming
- Leverages existing tourist footfall
- Potential for cross-selling (hotel + park packages)

Threats / Risks:

- Is this aligned with ASL’s core competencies?
- Complexity in managing a new, unrelated operation
- CEO resignation = leadership instability

Recommendation: Is the strategy sound, considering PESTEL + Porter’s insights?

5. Financial Analysis (Pillar 2)

Purpose: Assess financial viability and risks.

Key Considerations:

- Land purchase will deplete cash reserves
- Heavy capital outlay for construction
- Existing long-term debt (R750m loan, bullet payment due)
- Dividend expectations (79c/share + 9.05% growth)
- Cost of capital vs expected return on investment (ROI)
- Preference shares conversion/redemption in 3 years (financial planning)

Conclusion: Is ASL financially stable enough? Will the returns justify the investment?

6. Operational / Management Factors (Pillar 3)

Purpose: Analyze if ASL can operationally deliver and manage the project.

Considerations:

- ASL lacks theme park experience (different operational skill set)
- Recruitment challenges for specialized roles (ride operators, safety experts)
- Construction expertise needed for rides and facilities
- Quality control and safety standards (reputation at stake)

Risk mitigation: Should they partner with an experienced theme park operator?

7. Ethical, Social & Environmental Factors (Pillar 4)

Purpose: Evaluate the social impact, ethical considerations, and sustainability.

Social:

- Job creation for the local community

- Boosts tourism and economic development in Hartbeespoort

Environmental:

- Proximity to Hartbeespoort Dam = environmental sensitivity
- Potential for sustainable design (solar energy, eco-friendly construction)
- Compliance with environmental laws and regulations

Conclusion: Does the project enhance ASL’s social license to operate?

 **8. Final Recommendation / Conclusion**

- Weigh up the strategic fit, financial feasibility, operational capability, and ethical considerations.
- Provide a clear decision: **Proceed / Proceed with Caution / Reject**
- Justify the decision, tying back to PESTEL and Porter’s findings.

Example: "ASL should postpone the theme park project until financial stability improves and a skilled leadership team is in place to drive diversification."

 **Namira’s Quick-Reference Memory Aid**

STEP	FRAMEWORK	WHAT TO ANALYZE
1	PESTEL	Macro environment factors
2	Porter’s Five Forces	Industry competitiveness
3	Pillar 1 - Strategy	Strategic fit and alignment
4	Pillar 2 - Finance	Cost, funding, ROI, risk
5	Pillar 3 - Operations	Management capability, HR, delivery risk
6	Pillar 4 – Ethics, Social, Environmental	Social impact, sustainability, ethics
7	Conclusion	Recommend + Justify

Pro-Tips for Scoring Maximum Marks

- **Always** mention **PESTEL** and **Porter's** factors—show critical thinking!
- Structure answers **clearly**, **headings** help markers see your flow!
- Show **balance**—pros *and* cons, then make a reasoned decision.
- Apply **facts from the case**—don't generalize!
- Leave space for **risk management suggestions** (always scores points).