USEFUL FORMULAS & FRAMEWORKS FOR CASES

**Break-even Calculation** = Fixed Cost / Contribution Margin; Fixed Cost / (Price – Variable Cost)

**Debt Ratio** = Total Debt / Total Assets

**Debt-to-Equity Ratio** = Total Debt / Total Equity

**Four Cs** (marketing from a customer’s point of view): Convenience, Cost to the user, Communication, Customer needs and wants

**Four Ps** (starting or expanding a business): Product, Price, Place, Promotion

**Gross Profit** = Sales – Cost of Goods Sold

**Gross Profit Margin** = Gross Profit / Total Revenue

**McKinsey’s 7 Ss** (elements that make the organization successful; useful in re-organization cases):
- Strategy
- Systems (such as IT, compensation, performance evaluation)
- Structure (organizational structure such as reporting structure)
- Style (leadership and management style)
- Skills (competitive advantage of the firm)
- Shared Values (philosophy and values)
- Staff (training and motivating)

**Porter's 5 Forces** (understand both the strength of your current competitive position and the strength of a position you're considering moving into):
1. Competition in the industry
2. Potential of new entrants into industry
3. Power of suppliers
4. Power of customers
5. Threat of substitute products

**Profit** = Total Revenue – Total Costs

**Return on Assets** = Net Income / Total Assets

**Return on Equity** = Net Income / Shareholder’s Equity

**Return on Investment** = Net Income / Initial Investment

**SWOT Analysis**: Strengths, Weaknesses, Opportunities, Threats

**Totals Costs** = Fixed Costs + Variable Costs

**Total Revenue** = Price x Volume

*Schedule an appointment with a Career Coach discuss interview strategies and conduct a mock interview.*