## **Unit 4 Assignment:**

## Case analysis: Innovation Corrupted: The Rise and Fall of Enron (A)

Knowing how to analyze a case will help you attack virtually any business problem. A case study helps you learn by immersing you in a real-world business issues—and makes you a decision-maker. A case presents facts about a particular organization and you must focus on the most important facts and use the information to determine the best (of multiple alternatives) course(s) of action to deal with the problems you identify.

A case study analysis must not just summarize the case. It should identify key issues and problems, and outline and assess alternative courses of action.

This week, you will have an opportunity to look more closely at Enron along with analyzing why a big company that was so successful collapsed so quickly. You will look at internal policies as well as the role of the external auditors. In addition to the requirements for the analysis of a case study covered below, please specifically answer the following questions:

- 1. In 1998, MBAs from leading schools including Harvard turned down offers from outstanding firms such as McKinsey, Parthenon, and Goldman Sachs to join Enron. What made Enron so appealing?
- 2. How sound was the business model developed by Skilling and Lay for gas and for other products?
- 3. What explains the many strategic misadventures by Enron domestically and internationally?
- 4. How did the internal systems and processes support or inhibit Enron's strategy?

## Required for the Analysis of a Case Study:

Provide a 4–6 page case study analysis using the following format:

#### Format: Must include these headers

- 1. Title page
- 2. **Company and Situation**: Describe the Company and Situation
  - To begin your case study analysis, discuss the critical incidents that have contributed to the current position of the company. Here you must identify the most important facts surrounding the case.
  - Does the problem or challenge facing the company come from a changing environment, new opportunity, a declining market share, or inefficient internal or external business processes?
- Strengths, Weaknesses and Alternatives: Identify Strengths and Weaknesses as well
  as Alternatives

- Examine the value creation functions of the company and specify alternative courses of action.
- List the courses of action the company can take to solve its problem or meet the challenge it faces. What changes to organizational processes would be required by each alternative? What management policy would be required to implement each alternative?

Remember, there is a difference between what an organization "should do" and what that organization actually "can do." Some solutions are too expensive or operationally difficult to implement, and you should avoid solutions that are beyond the organization's resources.

**Important:** Identify the constraints that will limit the solutions available. Is each alternative executable given these constraints?

4. Implementations: Analyze Implementations

This portion of the case study analysis requires that you identify and analyze the structure and control systems that the company is using to implement its business strategies. Evaluate organizational change, levels of hierarchy, employee rewards, conflicts, and other issues that are important to the company you are analyzing.

5. **Recommendations:** Make Recommendations

The final part of your case study analysis should include your recommendations for the company. Every recommendation you make should be based on and supported by the context of your case study analysis, i.e., what you have already written.

- 6. **Additional Questions**: Answer the additional questions as shown below. Each question should be placed in **bold** as a header:
  - a. In 1998, MBAs from leading schools including Harvard turned down offers from outstanding firms such as McKinsey, Parthenon, and Goldman Sachs to join Enron. What made Enron so appealing?
  - b. How sound was the business model developed by Skilling and Lay for gas and for other products?
  - c. What explains the many strategic misadventures by Enron domestically and internationally?
  - d. How did the internal systems and processes support or inhibit Enron's strategy?

7. **References:** Reference page

Access the case study template formatted in APA.

The case analysis should be a minimum of four pages, double-spaced. Check for correct spelling, grammar, punctuation, mechanics, and usage. Citations should use APA style.

Your analysis of this case and your written submission should reflect an understanding of the critical issues of the case; integrate the material covered in the text and present concise and well-reasoned justifications for the stance that you take.

### Make sure your document includes:

- Your name
- Date
- Course name and section number
- Unit number
- Case name
- Page numbers

### **Directions for Submitting your Assignment**

Compose your Assignment in a Microsoft Word document and save it as Username-AC557 Assignment - Unit#.doc (Example: TAllen-AC557 Assignment Unit 4.doc). Submit your file by selecting the Unit 4: Assignment Dropbox by the end of Unit 4.

Grade	Content, Focus, Use of Text/Research, and Organization	Analysis and Critical Thinking	Writing Style, Grammar, and APA Format
%	50%	30%	20%
90-100%	Response successfully answers the Assignment question(s); thoroughly uses the text and other literature. Includes a strong thesis statement, introduction, and conclusion. The main points of the paper are developed clearly. All arguments are supported well (no errors in logic) using outside sources as assigned.	Response exhibits strong higher-order critical thinking and analysis (e.g., evaluation). Paper shows original thought.  Analysis includes proper classifications, explanations, comparisons, and	Grammatical skills are strong with typically less than one error per page. Correct use of APA when assigned.  Appropriate to the Assignment, fresh (interesting to read), accurate, (no far-fetched, unsupported comments), precise (say what you mean), and concise (not wordy).
	Sources are primarily academic journals, with thoughtful use of web sources. References are applied substantively to the paper topic. Skillfully addresses counter-arguments and does not ignore data contradicting its claim.	inferences.  Critical thinking includes appropriate judgments, conclusions, and assessment based on	Assignment is in 12-point font. Narrative sections are double- spaced. Assignment is free of serious errors; grammar, punctuation, and spelling help to

	Refers to sources both in-text and in the reference page.	evaluation and synthesis of information.	clarify the meaning by following accepted conventions.
80-89%	Response answers the Assignment question(s) with only minor digressions; sufficiently uses the text and other literature. Provides a good thesis statement, introduction, and conclusion that require some revision but that form a good basis.  Develops the main points clearly.  Supports most arguments concretely (no logical errors) using outside sources as assigned.  Some sources are non-academic with over reliance on web sources.  References not always clearly tied to development of ideas. Does not ignore data contradicting its claim, though the refutation may need additional support. Refers to outside sources in the text and reference page.	Response generally exhibits higher-order critical thinking and analysis (e.g., evaluation). Paper shows some original thought.  Analysis includes adequate classifications, explanations, comparisons, and inferences.  Critical thinking includes adequate judgments, conclusions and assessment based on evaluation and synthesis of information.	Internally, each section has good organization. Transitions found between and within sections are mostly clear and effective. Generally appropriate to the Assignment, accurate (no far-fetched, unsupported claims), precise, and concise. Includes a title page and reference page.  Assignment is in 12-point font. Assignment contains some generally minor grammatical and punctuation errors. Few misspellings. Citations generally follow APA guidelines (perhaps one or two minor errors).
70-79%	Response answers the Assignment(s) with some digression; sufficiently uses the text and other literature. Provides a thesis statement that needs revision. The introduction and conclusion do not set up or close the paper very effectively. Shows too little original thought (strings of citations that are not developed to support the thesis).  Main points are adequately defined in only some areas of the paper; points may be over-emphasized or repeated. Some arguments are supported with outside research, but others may not be. Relies too heavily on personal experience or one source. The paper does not meet the source requirements. Some obvious counter-arguments are ignored or not well refuted.	Response exhibits limited higher-order critical thinking and analysis (e.g., application of information).  Analysis includes limited classifications, explanations, comparisons, and inferences.  Critical thinking includes limited judgments, conclusions, and assessment based on evaluation and synthesis of information.	Sentences are occasionally wordy or ambiguous; tone is too informal. Grammatical skills are adequate with no more than 2–3 errors per page. The paper is not well organized. Sections lack transitions, and several sentences may be monotonous or confusing. The overall structure of the Assignment is not effective. Appropriate in places, but elsewhere vague writing interferes with the development and clarity of the main points. Numerous grammatical and punctuation errors. Misspellings are more frequent, but they are the sort spell checkers do not catch, such as "effect/affect." An attempt at APA citation was made, but there are multiple errors larger than a misplaced period. Narrative sections are not double-spaced.
60-69%	Response answers the Assignment question(s) but digresses significantly; insufficiently uses the text and other	Response exhibits simplistic or reductive thinking and analysis but	Sentences are generally wordy and/or ambiguous; tone is too informal. Grammatical skills are

	literature.	does demonstrate comprehension.	inadequate, clarity and meaning are impaired, typically 3–5 errors per page. Inadequate use of APA format
0-59%	Response insufficiently answers the Assignment question(s); insufficiently uses the text and other literature.	Response exhibits simplistic or reductive thinking and analysis and demonstrates limited knowledge on the subject matter.	Sentences unclear enough to impair meaning; tone is inappropriate and/or inconsistent. Grammatical skills are incompetent for college level; typically 6 or more errors per page. Unacceptable use of APA format.