

MODULE: PROBLEM SOLVING AND DECISION MAKING
MODULE CODE: LCLM4004

**ASSIGNMENT TITLE: COMPONENT 1: INDIVIDUAL PRESENTATION BASIL'S
BAKERY**

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Introduction

- Basil's Bakery is an independent artisan bakery serving shoppers and office workers.
- Its main business challenge is related to decline in sales, reduced customers, and rise in operational expenses.
- The presentation uses the frameworks of 5W2H Model, PESTEL Analysis, and Fishbone Diagram to identify the root causes of the problem.

Company Background

- Basil's Bakery is an independent artisan bakery in Coventry.
- Founded in 2015.
- Owner: Basil
- Sells: Stagnated at an average of 25% and below.
- Ingredients used: premium organic ingredients.
- Located in a retail park serving shoppers and office workers.

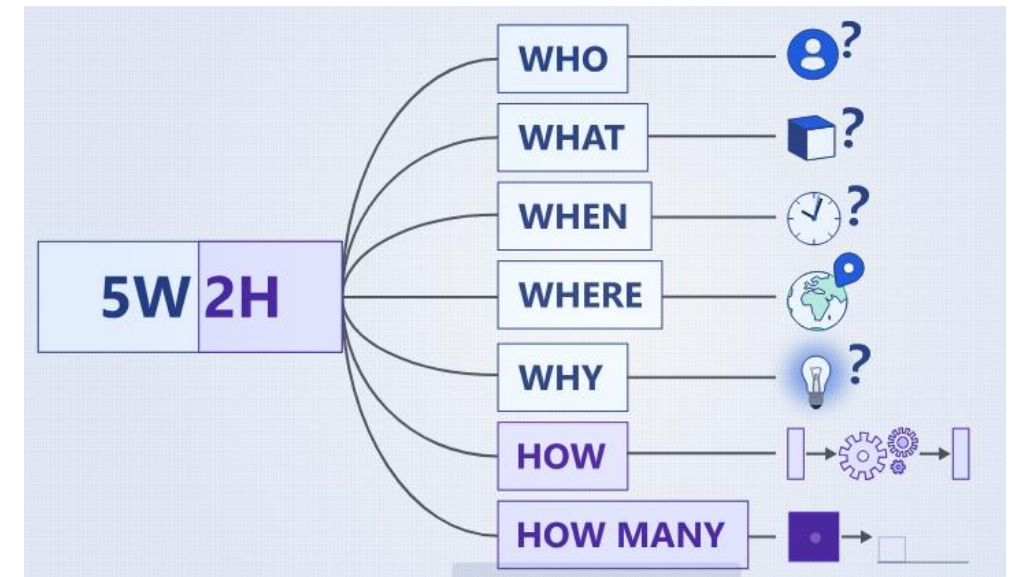


Nature and Scope of the Problem

Internal Issues	External Issues	Impact
No delivery service	Reduced retail park footfall	Lower revenue
Limited online presence	Store closures nearby	Reduced profitability
Unable to answer phone consistently	Employee redundancies	Lower customer convenience
No reliable pre-order system	Hybrid working (Iqbal, Khalid and Barykin, 2021)	Reduced competitiveness
Small workforce	Rising utility bills	Threat to long-term survival
Owner performs baking and customer service	Rising organic ingredient prices	

5W2H Model

Question	Application
What?	Sales have remained 25% below pre-pandemic levels.
Why?	Lower footfall, remote working, increasing costs and limited services.
Where?	Retail park in Coventry.
When?	Since COVID-19, especially 2023–2025.
Who?	Basil, customers, suppliers and employees.
How?	Reduced customers combined with higher operating costs reduce profitability.
How Much?	Around 25% reduction in sales plus increasing overhead costs.

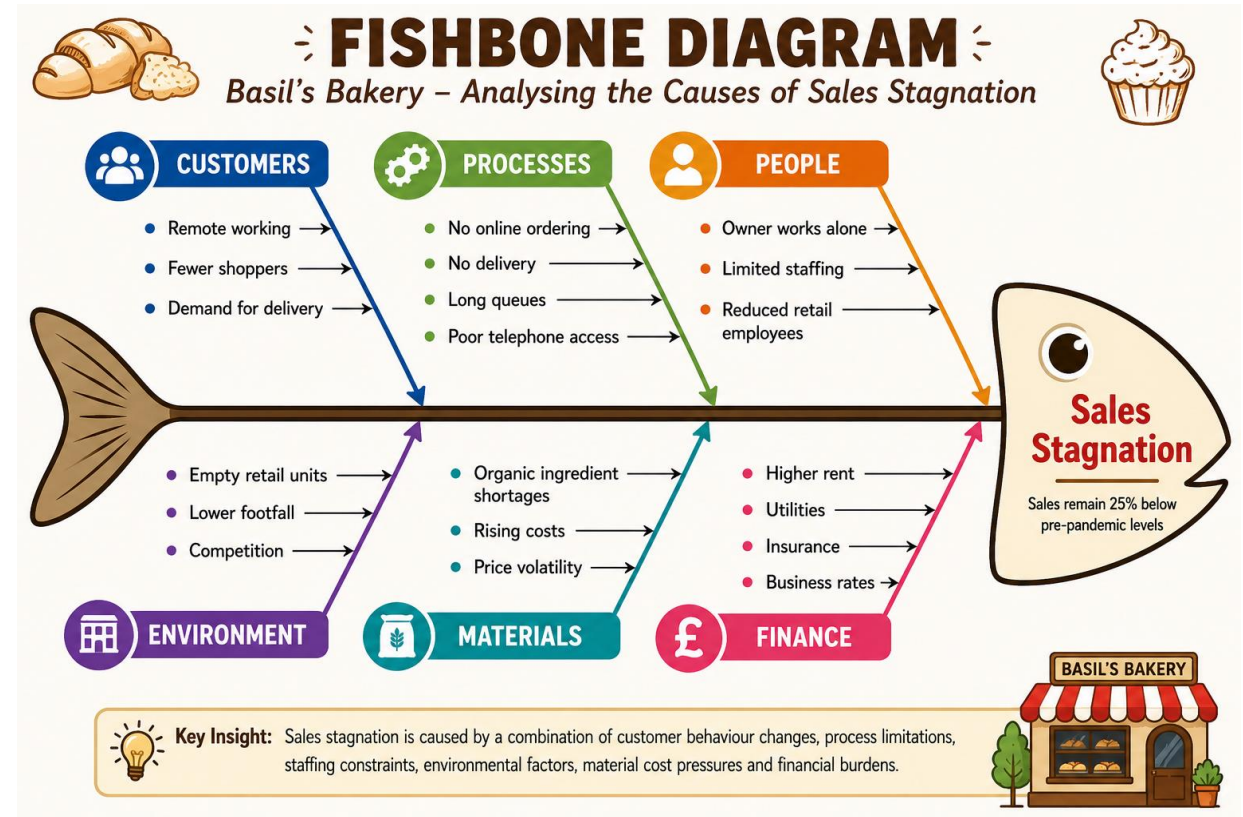


Factor	Description	Impact on Basil's Bakery Operations
Political	Rising business rates Food safety regulations (Nollet, 2024) Employment legislation	High operating costs.
Economic	Inflation Rising energy costs Higher ingredient prices Cost-of-living crisis (Keith Neal, 2022)	Customers spend less on premium bakery products.
Social	Hybrid working (Iqbal, Khalid and Barykin, 2021) Changing shopping habits Greater demand for convenience Preference for delivery services	Reduced daily customer visits.
Technological	Online ordering Delivery apps Digital payments Social media marketing (Serazio and Duffy, 2018)	Basil is missing opportunities.
Environmental	Organic sourcing Crop failures Climate change Sustainability expectations	Higher supply uncertainty and costs.
Legal	Food hygiene Health and safety Employment law (Collins, 2010)	Compliance increases operating costs.

PESTEL
ANALYSIS

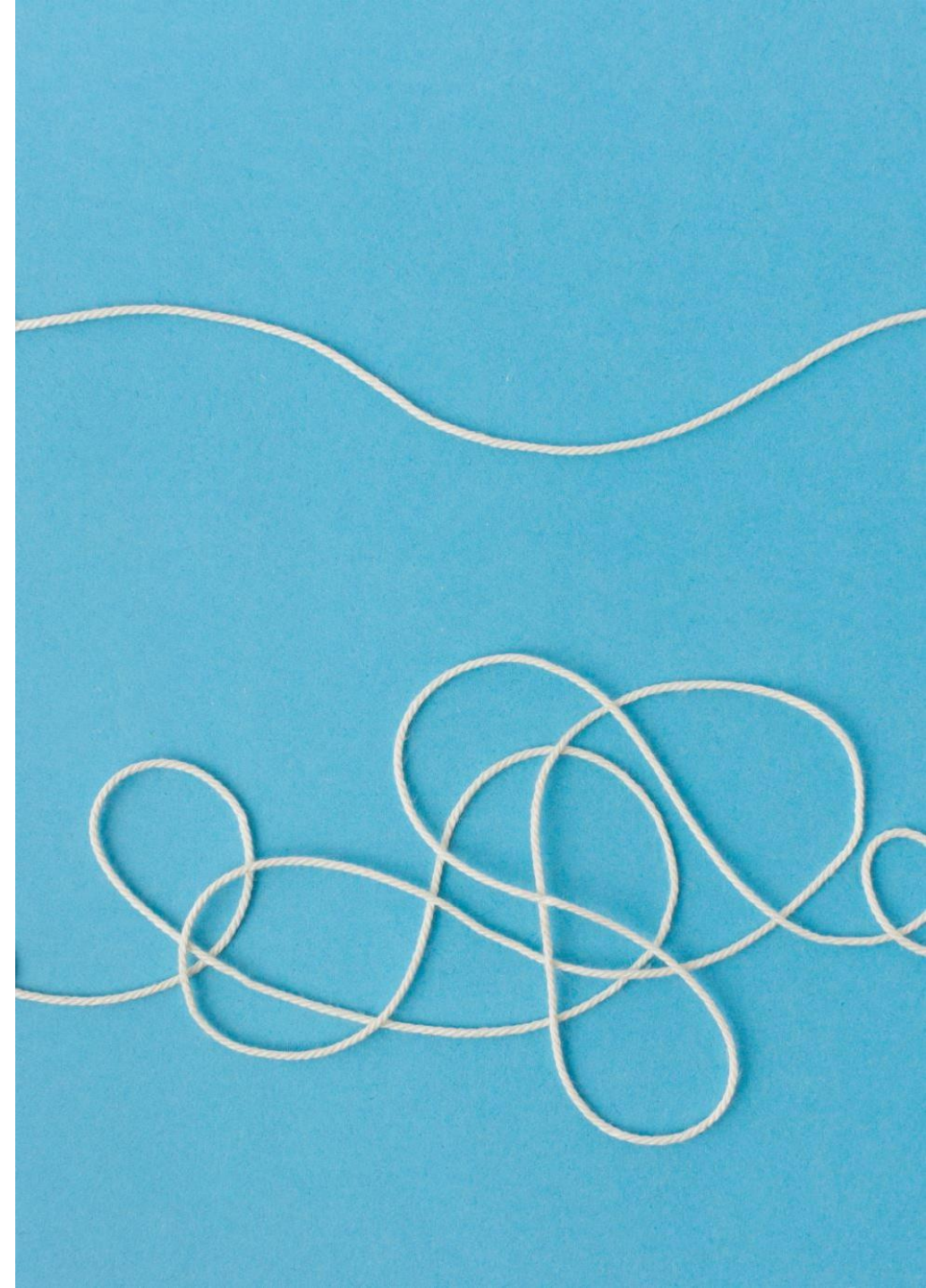
Fishbone Diagram

- The Fishbone Diagram identifies the root cause affecting the performance of Basil's Bakery (Loredana, 2017).
- The problem of sales stagnation is caused by several root factors like customer need, process, people involved, working environment, raw material used and finances.
- The use of this framework helps Basil's Bakery to undertake a structured understanding of the problem and take better decisions.



Key Findings

- Sales remain significantly below pre-pandemic levels.
- Internal and external factors contribute simultaneously.
- 5W2H successfully identifies the problem.
- PESTEL highlights major external pressures.
- Fishbone Diagram identifies root causes.
- Customer convenience is now a major competitive factor.
- Digital transformation represents the greatest opportunity.
- Understanding root causes supports better business decisions.



Conclusion

The presentation has:

- Explained the case of Basil's Bakery.
- Used frameworks like PESTLE Analysis, 5W2H and Fishbone diagram.
- Identified root problem and ways to take effective decision to overcome the existing challenge.



References

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Thank
you

