

MODULE CODE: LCLM4004
MODULE TITLE: PROBLEM
SOLVING AND DECISION MAKING

ASSIGNMENT TITLE:
COMPONENT I- INDIVIDUAL
PRESENTATION BASIL'S BAKERY
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INTRODUCTION

- Examines Basil Bakery sales stagnation using structured business analysis techniques effectively.
- Identifies business problems supporting informed and effective managerial decision-making processes successfully.
- PESTEL analysis evaluates external political, economic, social, technological, legal, environmental influences.
- Fishbone diagram identifies root causes contributing to Basil's Bakery sales stagnation effectively.
- 5W2H framework defines problem through what, why, who, where, when, how, how-much.



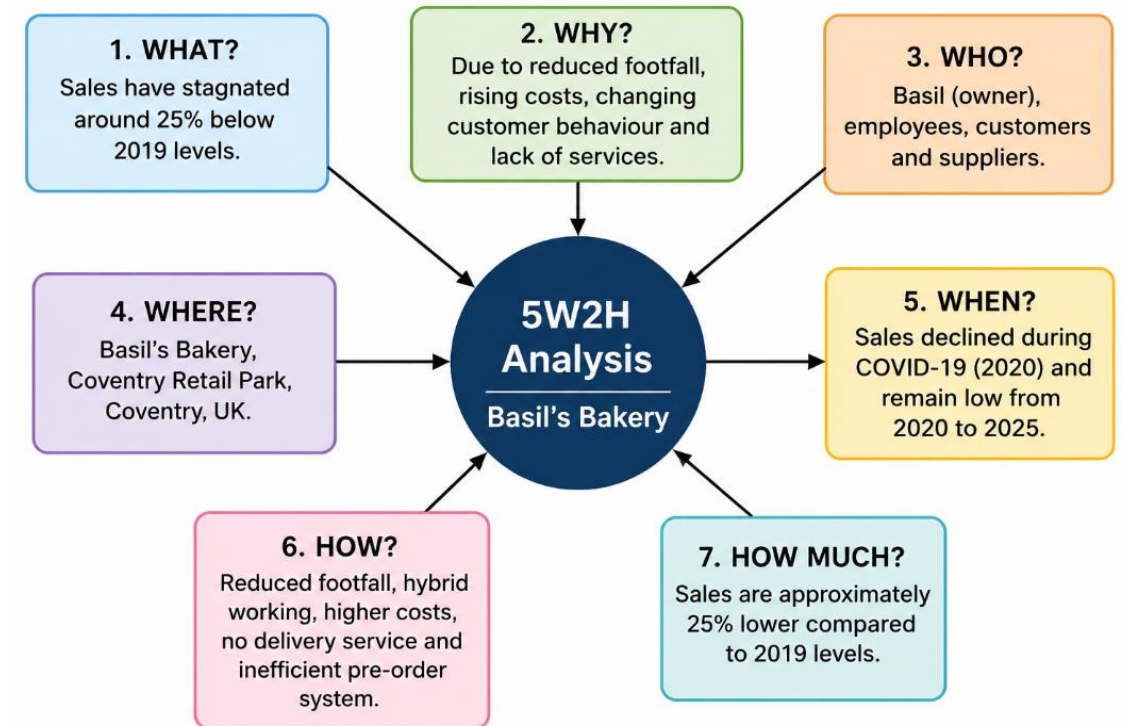


COMPANY BACKGROUND

- Established in 2015 as an independent artisan bakery in Coventry retail park.
- Produces organic cakes, pastries and breads using carefully sourced premium quality ingredients.
- Serves retail shoppers, employees, office workers and nearby warehouse staff daily.
- Achieved consistent sales growth and strong business performance before the 2019 pandemic.
- Sales remain approximately 25% below 2019 levels despite gradual post-pandemic recovery.

PROBLEM- NATURE AND SCOPE (5W2H MODEL)

- Declining customer footfall reduced daily lunchtime sales significantly overall performance (Bloom, Han, and Liang, 2024).
- Rising operating costs reduced profitability considerably across business activities daily (Indrawan and Sawitri, 2023).
- Hybrid working decreased office customer visits consistently thereafter significantly overall.
- Missing delivery services limited customer convenience and sales opportunities daily.
- Inefficient preorder system increased waiting times reducing customer satisfaction overall.



PESTEL ANALYSIS (POLITICAL, ECONOMIC, SOCIAL)

Increased taxation and regulations raised operating costs for SMEs (Liu et al., 2022).

Inflation increased ingredient costs, reducing profitability and customer purchasing power (Nwachukwu and Tumba, 2023).

Hybrid working reduced lunchtime demand, lowering daily customer visits (Bartmann et al., 2023).

Customers increasingly preferred online ordering, delivery and convenient purchasing options daily.

Absence of digital ordering services weakened Basil Bakery's competitive market position significantly.

PESTEL ANALYSIS (TECHNOLOGICAL, LEGAL, ENVIRONMENTAL)



Lack of online ordering reduced convenience and limited customer sales opportunities significantly.



Absence of delivery platform weakened competitiveness against digitally enabled bakery competitors substantially.



Legal compliance increased operational responsibilities and administrative costs (Chiriac, Munteanu, and Aivaz, 2022).

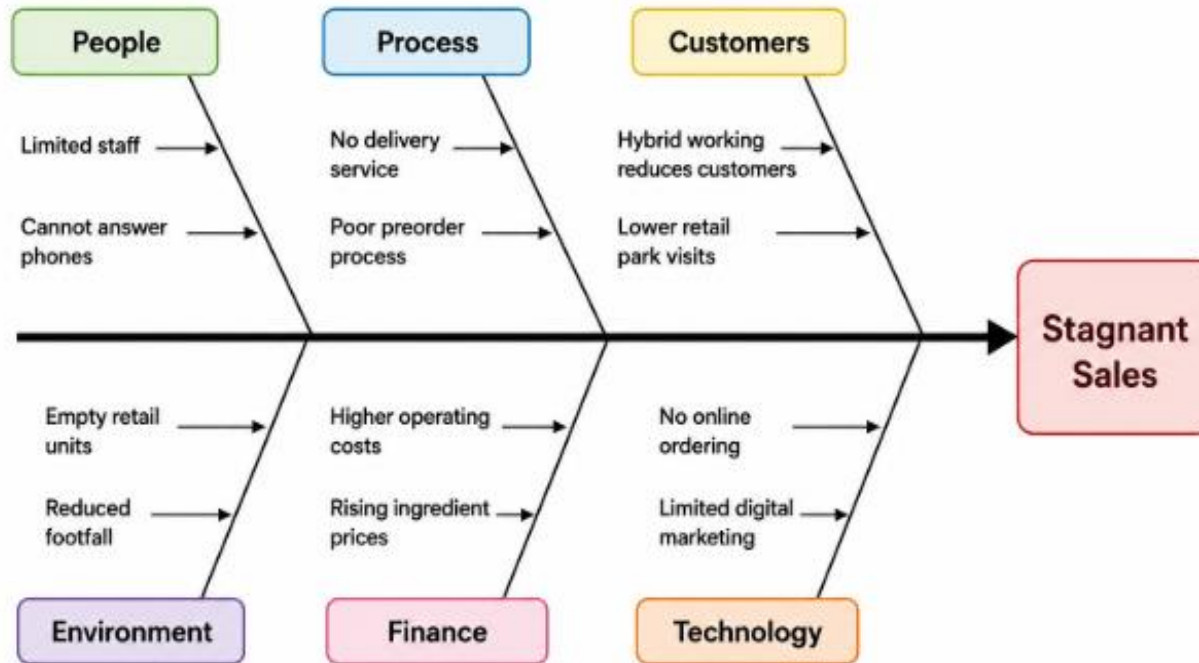


Climate change disrupted organic ingredient availability, increasing supply uncertainty (Green et al., 2022).



Sustainability expectations required consistent environmentally responsible sourcing despite rising operational challenges.

CAUSE AND EFFECT ANALYSIS (FISHBONE DIAGRAM)



- Limited staff reduced responsiveness, delaying customer service during busy business periods significantly.
- Inefficient delivery and preorder processes restricted convenience and reduced repeat customer purchases.
- Hybrid working and lower retail visits decreased overall customer footfall consistently daily.
- Rising operating and ingredient costs reduced profitability (Michalke et al., 2023).
- Limited digital marketing and online ordering weakened overall competitive market performance significantly.

CONCLUSION

- Sales decline resulted from combined internal weaknesses and external environmental pressures significantly.
- PESTEL analysis identified macro-environmental factors affecting overall business performance and sustainability.
- Fishbone Diagram revealed operational weaknesses causing persistent sales stagnation across business activities.
- 5W2H framework clearly defined business problems supporting effective strategic decision-making processes.
- Delivery services and online ordering would improve competitiveness and long-term business sustainability.



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THANK YOU