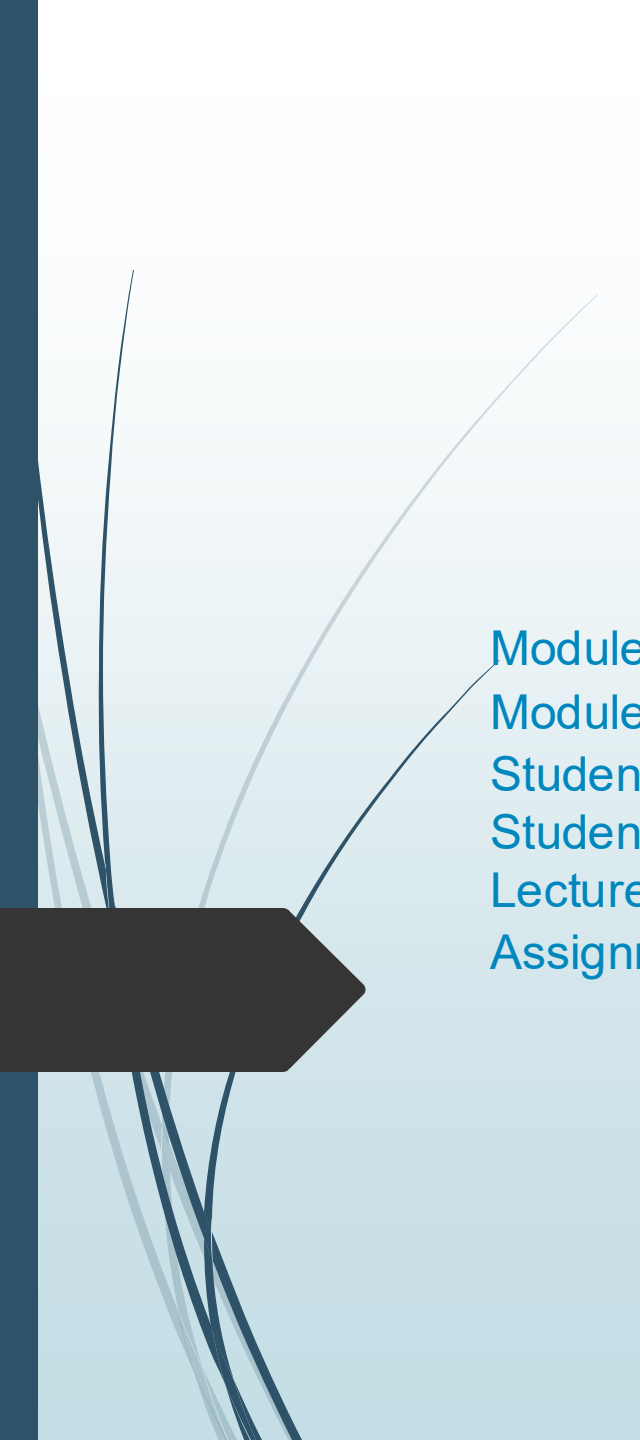




Module name: problem solving

Module code: LCLM4004

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Lecturer: Anita

Assignment 1: Presentation

OVERVIEW

Introduction

Company background

Problem: nature and scope

PESTLE ANALYSIS: Basil's Bakery

Cause and effect analysis: Fishbone diagram

Conclusion

References

Introduction

What the presentation is about

- This presentation analyses the decline in sales at Basil's Bakery and identifies the key factors contributing to it. It examines both external pressures and internal operational challenges impacting the business.

Concepts used

- The 5W2H method clearly defines a problem's nature and scope.
- The PESTLE analysis examines six key factors: political, economic, social, technological, legal and environmental.
- A fishbone diagram illustrates the cause-and-effect relationships behind the decline in sales.

Company background

Basil's Bakery

- Basil's Bakery caters to local workers residents and loyal customers in the area.
- Owner: Basil, supported by bakery staff
- This bakery sells bread cakes pastries and hot drinks.
- The bakery has thrived on loyal customers from nearby shops and offices.
- The shop is currently facing challenges such as reduced local customer footfall, fluctuating stock costs, lengthy waiting times and missed phone orders.

Problem: nature and scope

5W2H

What: Sales have dropped and customer service is struggling.

Who: Basil, the staff, loyal customers, local shop workers, office workers and suppliers.

Where: It's Basil's Bakery and its local trading area.

When: Since lockdown and the ongoing effects after restrictions ended.

Why: Reduced footfall, redundancies, working from home, stock cost pressures and service delays are some of the challenges.

How: Fewer visits and missed orders lower income and erode customer loyalty.

How much: While an exact figure isn't provided, the decline is significant enough to jeopardise performance.

PESTLE ANALYSIS: Basil's Bakery

POLITICAL

- Lockdown restrictions limited customer movement and consequently impacted trading patterns.

Government support, tax policies and local high street initiatives can all impact small businesses.

ECONOMIC

- Unpredictable stock costs make budgeting and pricing difficult.
- Local redundancies lead to reduced disposable income and decreased regular customer spending.

SOCIAL

- Working from home reduces the number of customers visiting the office during breaks and lunchtime.
- Customers now expect quicker service, greater convenience and easy ordering options.



PESTLE ANALYSIS: Basil's Bakery

TECHNOLOGICAL

- Digital tools like automated demand forecasting and online pre-orders improve efficiency and customer

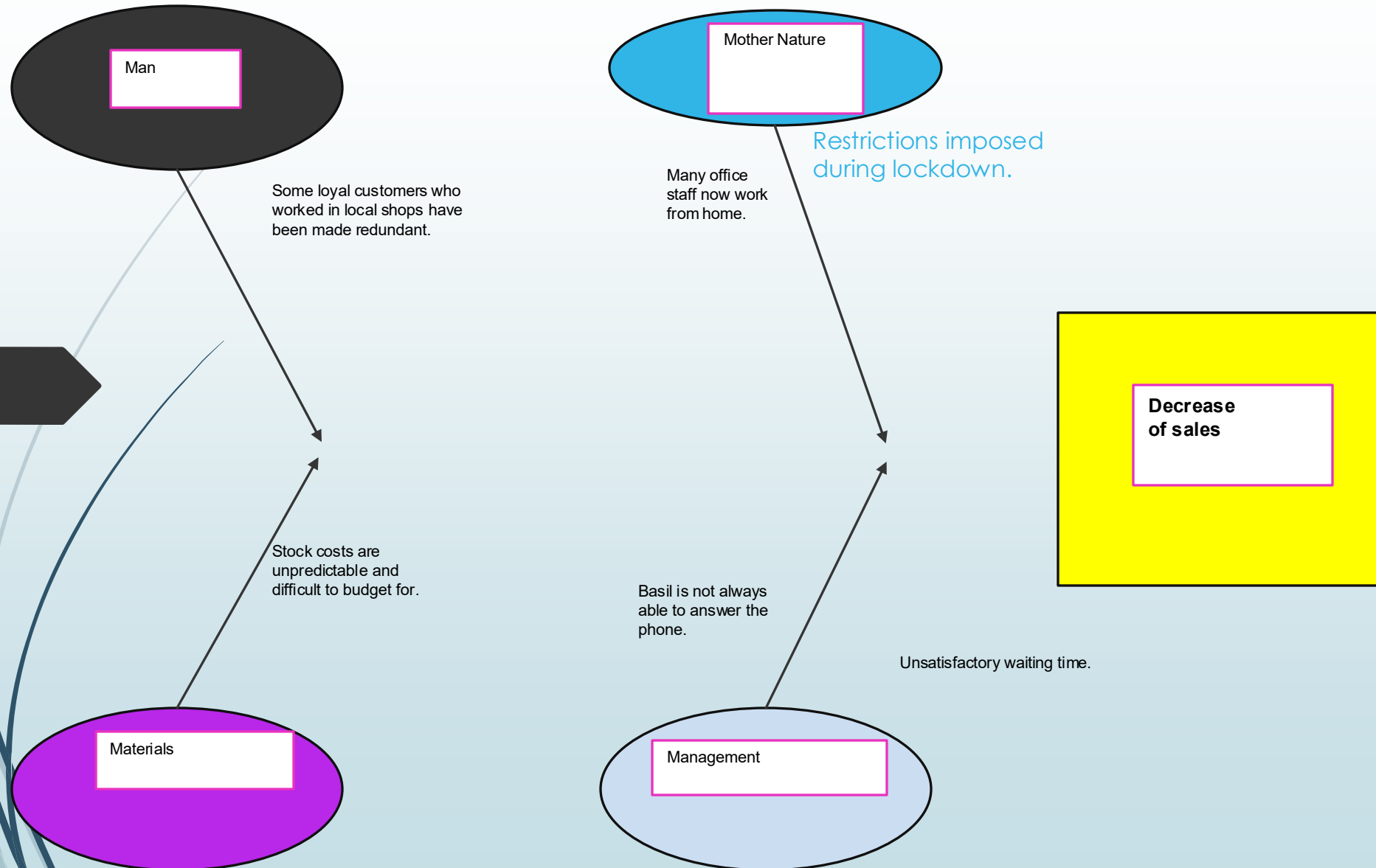
LEGAL

Basil's Bakery must comply with strict laws on product naming, composition, and allergen labelling to avoid risks.

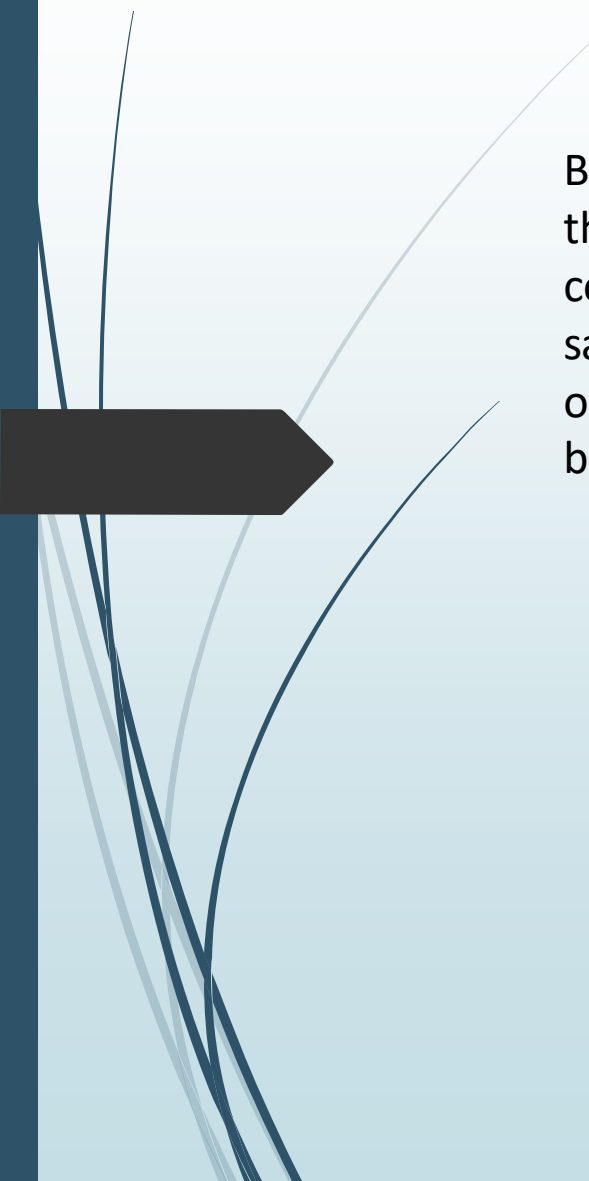
ENVIRONMENTAL

- Sustainability initiatives prioritise waste prevention, circular packaging and organic ingredient sourcing.

Cause and effect analysis (Fishbone diagram)



Conclusion



Basil's Bakery's sales decline stems from a mix of external and internal factors. These include the impact of lockdown, local redundancies, working from home and increased stock costs. Internally, long waiting times and missed phone orders are eroding customer satisfaction. To address these issues, Basil should prioritise faster service, simplify the ordering process, manage stock costs effectively and expand its customer base to include both local residents and workers.

References

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Questions