

Module Title: Problem Solving and Decision-Making

Module Code: LCLM 4004

Assessment Component 2: Basil's Bakery

Student Name: Aismena Arlauskaite

Student ID: 2528358

Lectures Name: Yetunde Everard-Igweh

Overview of case study

Basil's bakery is a small independent bakery located in a retail park which is based in Coventry. Since opening in 2015, the business was doing incredibly well until COVID-19 pandemic, but even after the restrictions ended it has never fully recovered and failed to return like it was before the pandemic. Basil's Bakery's main business problem is that the sales have been approximately 25% below their 2019 levels. However, the root cause of this affecting the business is the reliance for the walk in customers in a retail park that has experienced reduced footfall due to increased home working and shop closures. Furthermore, the lack of delivery and reliable pre order services limits customer convenience making it harder for the business to succeed and improve.

Solution A: Subscription bakery club

Basil could introduce a weekly or monthly bakery subscription where customers pay in advance for a box of fresh bread, pastries, and other baked goods. Customers could either collect their order or have it delivered locally, making it easier for people who work from home or no longer visit the retail park regularly. This would help Basil Bakery bring in more reliable income each month instead of depending on walk-in customers. It could also encourage repeat orders, build stronger customer loyalty and make it easier to plan stock levels, helping to reduce waste and improve Bakery's overall performance.

Solution B: Partnering with businesses

Basil could start working with local businesses, schools and offices by supplying breakfast platters, pastries and other baked goods for meetings, staff events, and lunch breaks. Instead of depending mostly on people walking into the bakery, he would receive regular larger orders from local organisations. This would give the bakery a more reliable income and help bring in money even when fewer people visit the retail park. It would also help Basil reach new customers, have long-term relationships with local businesses, and name the bakery better known within the community. Over time, this could increase sales and make the business more financially stable.

Task 3a

A: subscription bakery club

Plus	Minus	Interesting
Regular money coming in every month +4	People might not want to sign up -2	Customers could choose what goes in their box +1
Gets customers coming back +4	Takes more time to organise -2	People might get bored if the boxes stay the same -1
Easier to follow how much stock is needed +3	Delivery could cost extra money -3	Could bring out special boxes for holidays like Christmas or Easter +2
Makes the business different from other bakeries +3	Staff could have more work to do -2	Could grow into a bigger service if it works well +3
Total: 14	Total: -9	Total: 5

Overall: 14+-9+5=10

B: partnering with businesses

Plus	Minus	Interesting
Regular large orders coming in +4	Some business may already have another supplier -3	Could work with schools, officers, or gyms +1
Helps the bakery become more well known +3	Orders could change from week to week -3	Could offer different breakfast or lunch packages +1
Brings in customers through word of mouth +2	Bigger orders could be harder to keep up with -3	If one business leaves, sales could drop again -3
Could increase sales during quiet times +3	May need more staff if it gets too high -2	If it works well more local business could join +2
Total: 12	Total: -11	Total: 1

Overall: 12+-11+1=2

Task 3b

I chose the Subscription Bakery club because it received the highest overall PMI score of 10, compared to 2 for partnering with businesses, I used the PMI (plus, minus, interesting) technique because it helped me consider the advantages, disadvantages and other possible outcomes of each solution before making a decision (**Proctor, 2014, p. 262**) I gave higher scores to points that I believed would have the biggest impact on Basil's Bakery, such as creating a regular monthly income and encouraging repeat customers. Lower scores were given to disadvantages that could still be managed, including delivery costs or the need for extra staff. Although partnering with local businesses could increase sales, it also relies on outside businesses and orders may always be consistent. Overall, the subscription bakery club is the stronger option because it offers more reliable income, improves customer loyalty, and helps the bakery manage stock more effectively over time.

Task 4a

The problem I am solving: Sales have remained about 25% below the 2019 figures because fewer customers are visiting the retail park

The solution I am implementing: Subscription Bakery Club

Task	WHAT	WHEN	WHO	DONE
1 – plan the subscription	Decide what products will be included, set the price, and choose whether the subscription will be weekly or monthly	8 th Sept. 2026 – 12 th Sept. 2026 (5 days)	Basil	Subscription plan, prices and box options completed
2 – Advertise the bakery club	Promote the subscription through social media, posters in the bakery and by telling regular customers	14 th Sept. 2026 – 20 th Sept. 2026 (7 days)	Basil	Promotion completed and customers informed about the new service
3 – Launch the subscription	Accept customer sign ups and prepare the first subscription boxes ready for collection	21 st Sept. 2026 – 27 th Oct. 2026 (7 days)	Basil	First customers signed up and first subscription boxes prepared
4 – review and improve	Collect customer feedback, check subscription numbers, and make changes where needed	28 th Sept. 2026 – 4 th Oct. 2026 (7 days)	Basil	Feedback reviewed and improvements made to the service

Task 4b

The implementation plan has been organised in a logical order to make the subscription Bakery Club easier to introduce. Basil first needs to plan the subscription by deciding what products to include, setting prices and choosing how often customers will receive their boxes. Once this has been completed, the next step is promoting the service through social media, posters, and regular customers so people know it is available. After advertising Basil can launch the subscription and begin preparing the first customer orders. The final stage is reviewing customer feedback and subscription numbers so any problems can be found and improvements made. As Basil runs the bakery on his own, he handles completing each stage of the implementation plan. This step by step approach reduces confusion, keeps the process organised and increases the chance of introducing the new service successfully (**Institute of Leadership and Management, 2013, p. 102**). Following a clear implementation plan also helps Basil manage his time more effectively while continuing to run the bakery. Completing one stage before moving on to the next helps decrease the risks being made and easier to watch the progress of the new subscription service.

Task 5a

The key performance indicator is: increase the number of subscription members

Specific	Measurable	Attainable	Relevant	Time bound
Gain 30 new subscription members	Count how many customers sign up each month	30 members is realistic for a small bakery	It will help increase sales and bring customers back	Achieve this within 3 months of starting the bakery club

Task 5b

The key Performance Indicator I have chosen is to increase the number of subscription members because it will show if the bakery club is successful. If more people sign up, Basil will have monthly income instead of only relying on customers who walk into the bakery. It should also encourage customers to keep coming back, which can help increase sales over time

The SMART objectives were used because they make the goal clear, realistic and easier to measure (**Doran, 1981**). The objective is specific because it aims to gain 30 new people. It is measurable because Basil can record how many customers sign up each month and compare the results. It is attainable because 30 members is a realistic target for a small independent bakery. It is relevant because getting more subscription members should increase repeat customers, improve customer loyalty and provide a more reliable source of income. It is time bound because the target is to achieve

this within three months of introducing the bakery club. Using SMART objectives will help Basil stay organised and track progress and see whether the subscription bakery club meetings its goal (**Doran,1981**).

Task 7 – key findings

- The main issue affecting Basils Bakery is the drop in customer footfall since COVID – 19, meaning the bakery can no longer rely on walk in customers alone.
- Using the PMI technique has helped me compare both solutions, and the subscription bakery club was the strongest option because it achieved the highest overall score
- Introducing a bakery club would create a steadier income, encourage repeat buyers and make it easier for Basil to plan stock levels
- The implantation plan breaks the process into clear stages, making it easier to organise each task before moving on to the next
- The KPI and SMART objective give Basil a clear target to work on towards and make it easier to check whether the bakery is achieving the expected results

Reference list

- Doran, G.T.(1981). ‘There’s a S.M.A.R.T. way to write managements goals and objectives’. *Management Review*, 70(11), pp. 35-36.
- Institute of Leadership and Management (2013). *Solving Problems and Making Decisions*. 5th Ed. London: Routledge.
- Proctor, T. (2014) *Creative Problem Solving for Managers: Developing Skills for Decision Making and Innovation*. 4th Ed. London: Routledge