

Module Title: Problem Solving and Decision Making

Module Code: LCLM 4004

Assessment: Component 2 Report

Student Name: Luciana de Lara Franco

Student Number: 2431984

Lecturer's Name: Annamarie Dufficy

Table of Contents

Contents

Task 1: Overview of Case Study	3
Task 2: Two Alternative Solutions.....	3
Task 3b: Evaluation Results and Justifications.....	4
Task 4b: Risk Analysis Results and Justifications.....	4
Task 5b: Justifications for the Implementation Plan	5
Task 6b: Justifications for KPI and SMART Objectives	5
Task 7: Key Findings.....	6
Reference List	7
Appendices	
<i>Appendix 1 - Task 3a: PMI Analysis Table</i>	<i>9</i>
<i>Appendix 2 - Task 4a: Risk Analysis Table</i>	<i>10</i>
<i>Appendix 3 - Task 5a: Implementation Plan.....</i>	<i>11</i>
<i>Appendix 4 - Task 6a: KPI and SMART Table</i>	<i>12</i>

Task 1: Overview of Case Study

Green Haven Florists, an independent eco-conscious florist based in Norwich, has recently faced a 30% decline in in-store sales. Contributing factors include rising flower costs, reduced high-street footfall, and strong competition from online florists offering lower prices and faster delivery. Customer feedback also highlights an outdated website and limited online functionality. These challenges have undermined Green Haven's competitiveness and visibility in today's increasingly digital retail market. The specific business problem this report addresses is the outdated digital presence and lack of an effective online sales platform, which limits customer reach and revenue growth opportunities. This indicates a strategic misalignment between Green Haven's traditional business model and evolving digital consumer behaviour. This trend reflects wider UK retail digitalisation patterns, where consumers increasingly favour online purchasing convenience (Statista, 2023).

Task 2: Two Alternative Solutions

Solution A Proposal

The first proposed solution is a Digital Transformation and E-Commerce Expansion strategy. This involves redesigning the company's website to include online ordering, flexible delivery, and subscription options, supported by digital marketing. This solution addresses the identified problem by expanding Green Haven's customer base beyond the local area and improving accessibility for online consumers. Over time, this approach would create sustainable growth, balancing both eco-friendly values and modern consumer preferences. This approach aligns with contemporary retail trends, where digital integration enables small businesses to compete more effectively with larger online competitors (Chaffey and Ellis-Chadwick, 2019).

Solution B Proposal

The second proposed solution focuses on Community Engagement and In-Store Experience Enhancement. This approach would revitalise local sales by introducing flower-arranging workshops, collaborations with nearby businesses, and a loyalty rewards programme. It would also strengthen community relationships and encourage repeat visits. This strategy resolves the business problem by differentiating Green Haven from online competitors through personal, experience-based value.

Customers would perceive the shop as a unique local brand rather than a standard florist, rebuilding loyalty and foot traffic. Although this approach strengthens Green Haven's local reputation, its overall impact would be more gradual and geographically limited than a full digital transformation.

Task 3b: Evaluation Results and Justifications

Based on the PMI Analysis (Appendix 1), Solution A: Digital Transformation is the preferred option. Criteria used included market reach, long-term sustainability, implementation cost, and scalability. Each criterion was weighted by its importance to future revenue growth and competitive advantage. Although the initial investment and digital training requirements are significant, Solution A achieved the highest overall PMI score due to its stronger long-term profitability and broader customer reach. This solution aligns directly with modern consumer behaviour and offers measurable results through data analytics, ensuring Green Haven can adapt, compete nationally, and remain financially sustainable. This demonstrates that strategic decision making should prioritise long-term sustainability over short-term cost considerations. Strategic decision-making theory suggests organisations should prioritise sustainable competitive advantage rather than short term financial savings (Kotler and Keller, 2016).

Furthermore, the weighting applied to each evaluation criterion reflects Green Haven's strategic priorities within a competitive retail environment. Market reach and scalability were prioritised as higher-weighted factors because long-term business survival increasingly depends on digital accessibility and customer convenience. Cost considerations were weighted slightly lower, as short-term expenditure may generate substantial long-term returns through increased online sales performance and improved customer engagement. This balanced evaluation approach strengthens the reliability of the final decision outcome.

Task 4b: Risk Analysis Results and Justifications

The key risks identified (Appendix 2) include high implementation costs, lack of digital expertise, and potential delivery delays. The criteria used to assess risk were likelihood and impact, each rated on a 1–5 scale to calculate a total risk factor. Financial and operational risks scored higher due to their direct effect on performance. To mitigate these risks, Green Haven could apply for small business digital grants,

outsource website development, and train staff in online operations. Despite initial challenges, this solution is reliable as it builds long-term capability and resilience, outweighing short-term financial pressures. Effective risk assessment support informed managerial decision making and improves organisational resilience (MindTools, 2023).

Task 5b: Justifications for the Implementation Plan

The implementation plan follows a logical sequence to ensure an efficient and controlled rollout of the digital transformation strategy. Planning is prioritised first to establish clear objectives, budget control, and vendor selection. Website development and testing follow to build the online infrastructure before marketing activities begin, ensuring all digital functions operate smoothly. Marketing is launched only once the platform is fully functional to maximise impact and credibility. Staff training is scheduled after development to equip employees with the necessary digital and customer-service skills. Finally, performance monitoring and review ensure continuous improvement and alignment with business goals.

Responsibilities were allocated according to individual expertise to ensure operational efficiency. External developers manage technical implementation, while internal staff oversee daily operational integration, reducing disruption to existing business activities.

The staged implementation timeline also enables effective resource management and risk reduction throughout the transition process. Introducing development and testing phases before full operational launch minimises potential service failures and protects customer experience. Allocating responsibilities between internal staff and external specialists ensures that technical expertise is utilised efficiently while maintaining organisational control. This structured sequencing supports smoother organisational change and increases the likelihood of successful implementation outcomes.

Task 6b: Justifications for KPI and SMART Objectives

Effectiveness will be measured through Key Performance Indicators (KPIs) such as online sales volume, website traffic growth, and customer satisfaction scores. SMART objectives have been established:

- Specific: Launch a new e-commerce website.

- Measurable: Increase online sales by 25% within six months.
- Attainable: Achievable through improved marketing and delivery service.
- Relevant: Supports Green Haven's need for revenue recovery.
- Time-bound: Achieve results within six months of implementation. These indicators will deliver quantifiable insights into performance and customer engagement, enabling transparent evaluation and continuous improvement.
- Continuous performance monitoring enables data driven decision making, supporting continuous organisational improvement and evidence based strategic decision making.

KPIs provide measurable performance control mechanisms that enable continuous strategic monitoring (Kotler and Keller, 2016). Regular monitoring of these performance indicators allows management to identify performance gaps and implement corrective actions where necessary. Monthly evaluation meetings can be used to review progress against SMART targets and adjust marketing or operational strategies accordingly. Continuous measurement ensures that decision making remains evidence-based, enabling Green Haven to respond proactively to market changes while maintaining alignment with long-term strategic objectives.

Task 7: Key Findings

- The decline in sales is primarily linked to Green Haven's limited digital presence.
- Digital Transformation provides the most sustainable and scalable solution.
- PMI evaluation confirms Solution A delivers greater long-term benefits than local engagement strategies.
- Identified risks are manageable through outsourcing, training and financial planning.
- KPI monitoring enables continuous performance evaluation and strategic improvement.
- Overall, the proposed digital transformation provides a strategically viable pathway for Green Haven Florists to achieve sustainable long-term growth within an increasingly digital retail environment.

Reference List

- Chaffey, D. and Ellis-Chadwick, F. (2019) *Digital Marketing*. 7th edn. Harlow: Pearson Education.
- GOV.UK (2024) *Support for Small Businesses: digital transformation grants*. Available at: <https://www.gov.uk/business-finance-support/support-for-small-businesses-digital-transformation-grants> (Accessed: 2 November 2025).
- Kotler, P. and Keller, K.L. (2016) *Marketing Management*. 15th edn. Harlow: Pearson Education.
- MindTools (2023) *PMI Analysis Technique*. Available at: <https://www.mindtools.com/a7j77mo/pmi-analysis> (Accessed: 2 November 2025).
- Statista (2023) *Online shopping in the United Kingdom (UK)*. Available at: <https://www.statista.com/topics/871/online-shopping-in-the-united-kingdom-uk/> (Accessed 2 November 2025).

Appendices

Appendix 1 – Task 3a: PMI Analysis Table

PMI Analysis Table

<u>Solution A</u> Expands customer reach beyond local area through online ordering.		
Plus	Minus	Interesting
Expands customer reach beyond local area through online ordering. (+4)	High initial costs for website development and marketing. (-3)	Opportunity to launch subscription services and eco-delivery. (+4)
Improves convenience and accessibility for modern consumers. (+3)	Requires digital training and ongoing maintenance. (-4)	Enables partnerships with eco-friendly brands. (+3)
Provides measurable data and customer insights via analytics. (+4)	Relies on technology and logistics reliability. (-2)	Opens possibility for national recognition. (+2)
Supports scalability and long-term profitability. (+3)	Implementation may take several months. (-3)	Integrates with social media for brand growth. (+2)
Total: 14	Total: 12	Total: 11

Therefore: Final Answer for Solution A =

Strong long-term potential and adaptability despite moderate upfront costs.

A – Digital Transformation: 6–9 months - Technical and Strategic - Requires website development, digital marketing, and staff training.

<u>Solution B</u> Community Engagement and Local Experience.		
Plus	Minus	Interesting
Builds loyalty and strengthens community reputation.	Limited to local market reach.	Potential for collaborations with local cafés and venues.
Encourages repeat visits through workshops and loyalty programmes.	Slower revenue growth compared to digital expansion	Creates a unique brand experience.
Enhances customer experience and personal relationships.	Dependent on physical attendance.	May generate PR opportunities locally.
Low-cost marketing through word-of-mouth.	Limited scalability.	Supports sustainable brand identity.
Total: 4	Total: 4	Total: 3

Therefore: Final Answer for Solution B =

Effective locally but lacks the scalability and reach of Solution A.

B – Community Engagement: 3–5 months - Operational and Social - Involves local actions and events with faster implementation.

Source: MindTools (2023) PMI Analysis Technique.

Appendix 2 – Task 4a: Risk Analysis Table

Risk Analysis Table

	What could cause a risk?	What is the likelihood of the risk occurring? (1 – 5)	What is the impact of this risk? (1 – 5)	Risk Factor = Likelihood X Impact	What can you do to reduce this risk from happening?	If it happens – what can you do to minimise the impact?
1	High implementation costs	3	5	15	Apply for digital business grants or low-interest loans.	Adjust budget and phase development.
2	Lack of digital expertise	4	4	16	Outsource website design and train staff.	Hire a temporary consultant for support.
3	Delivery or logistics delays	3	3	9	Partner with reliable local couriers.	Offer same-day pickup option.
4	Website downtime or errors	2	4	8	Regular testing and technical maintenance.	Communicate quickly with customers and issue vouchers.

Total Risk Factor Range: Moderate (8–16)

Overall Reliability: Solution is viable; risks are manageable with proactive planning and clear mitigation measures.

Source: Risk Analysis framework adapted from project management methodologies (MindTools, 2023).

Appendix 3 – Task 5a: Implementation Plan

Implementation Plan

Name the problem you are solving: Decline in sales due to outdated online presence and limited customer reach.

Name the solution you are implementing: Digital Transformation and E-Commerce Expansion.

	Task	WHAT	WHEN	WHO	Done
	1	Planning and budgeting – outline goals, define website scope, select developer.	Month 1	Liam and Priya	
	2	Website development – build site, integrate online ordering and subscription options.	Months 2-3	Web Developer	
	3	Testing and feedback – ensure functionality, user-friendliness, and mobile optimisation.	Month 4	Manager and staff	
		Staff training and review – train on			

	4	online order management and monitor first results.	Month 5	Liam	
--	---	--	---------	------	--

Source: Action Planning Framework adapted from business project management models.

Appendix 4 - Task 6a: KPI and SMART Table

KPI and SMART Objectives

The Key Performance Indicator is: **Increase online sales revenue and customer engagement within six months of digital platform launch.**

Specific	Measurable	Attainable	Relevant	Time-Bound
Launch new e-commerce platform with delivery and subscription features.	Track monthly website visits, online orders, and conversion rate.	Achievable with marketing investment and training.	Directly addresses the sales decline and customer accessibility issues.	Achieve 25% online sales increase within six months.
Improve social media presence and engagement.	Monitor growth in followers, likes, and customer interactions.	Feasible with consistent posting and paid ads.	Aligns with goal to attract younger audiences.	Reach 1,000 new followers within six months.

These KPIs and SMART objectives provide measurable, time-bound indicators to monitor progress, ensuring accountability and strategic alignment.

Source: Doran, G.T. (1981) SMART Objectives Framework.