

BMSW4004 PROBLEM SOLVING AND DECISION MAKING

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INTRODUCTION

- This presentation is developed for the Problem Solving and Decision Making module which has handed out a case study about TM Lewin, UK
- Based on the case study the problem that has driven the company to declining profitability will be discussed in depth to see what extent the problem affected.
- Based on the findings from the case study, a PESTLE & SWOT analysis are going to be applied for increased validity.



ABOUT THE GIVEN COMPANY

T·M·LEWIN

EST. 1898

- TM Lewin has established in 1898 and for multiple reasons in time, the sales of their shirts have started to decrease this leading to a major decline in the profitability of the company.
- However, in the case study it is outlined multiple times that the CORONAVIRUS pandemic has had the most impact.
- The company mentions that they want a stable exit plan for the problem as the wrong interpretation of the problem could lead to further decline in the number of sales and automatically of the income of the company too.

NATURE AND IMPACT OF THE PROBLEM

- The lockdown restrictions and supply chain issues have affected the whole retail industry.
- As mentioned in the case study, 1400 companies from the industry went bust.
- L M Lewin during the pandemic has faced its most difficult times even if before the pandemic, the company was operating best in its 150 shops worldwide.
- The major change that driven the company to failure in pandemic was the fact that people were working from home so the demand for suits was lower and lower (Rigby, 2022).



PESTLE ANALYSIS

Political factors: The Regulations and Procedures input by the government for safety measures

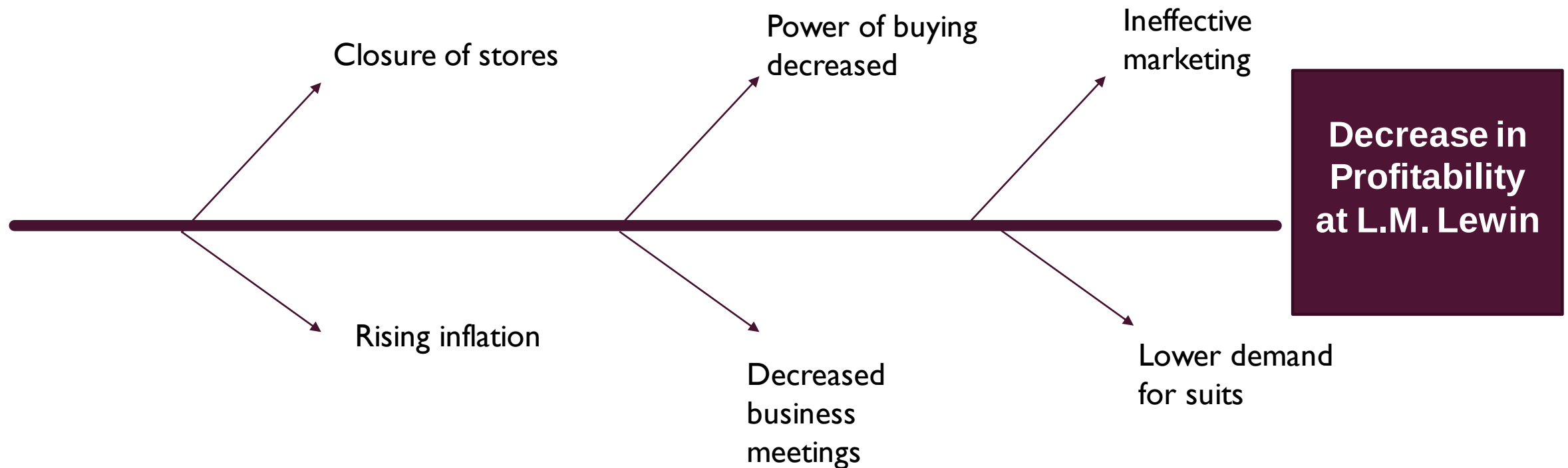
Economic factors: Lower power of buying of the customers (lower amounts available), increase of taxes, etc.

Social Factors: People don't longer spend their money onto expensive clothes due to the fear that was implemented into their heads by the mass media.

Legal factors: Due to the "National Minimum Wages Rate" the company will be just paying 9 pounds per hour and may refuse to pay more than that (Brewer et al., 2019). This also affects the purchasing power of people in the UK.

Environment factor: The company follows the "Environment act 2022" and makes optimum use of natural resources (Remazeilles et al., 2022). TM Lewin uses recycled plastic to make t-shirts.

CAUSE-AND-EFFECT ANALYSIS OF THE PROBLEM



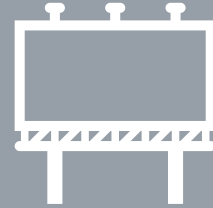
SOLUTIONS PROPOSED



WORK TOWARDS MORE DIGITAL MARKETING WHICH TO ENHANCE THE INCREASE OF THE ONLINE SALES, ESPECIALLY NOW WHEN BUSINESSES ARE STARTING TO GROW AGAIN MORE AND MORE.



LOWER THE PRICES OF THE PRODUCTS FOR A PERIOD OF TIME TO ATTRACT MORE CUSTOMERS AND AFTER REGAINING THE TARGET MARKET THAT LOVES THE QUALITY OF PRODUCTS INCREASE THE PRICES AGAIN.



INTRODUCE INNOVATION TO THE PRODUCTS PROMOTED.

EVALUATION OF SOLUTIONS: GRID ANALYSIS

Factors	Low Profit	Employees	Total
The sales online	14	2	16
The closure of stores	2	3	5
Introduce new products	11	2	13
Reduce the price	7	1	8

CONCLUSION

- Overall, the T M Lewin has highly been affected by the COVID-19 pandemic, which has influenced the sales negatively and therefore, it is the time for the company to think about new strategies which to support rehabilitation and growth.



LIST OF REFERENCES

- Rigby, C. (2022) *COVID-19 restrictions drive T.M. Lewin into administration for the second time in two years*. [online] available on: <https://internetretailing.net/sustainability/covid-19-restrictions-drive-tm-lewin-into-administration-for-the-second-time-in-two-years-24557/> last accessed on: 25th October 2022