



MODULE NAME: Problem Solving and Decision Making

MODULE CODE: LCLM4004_LON

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Assignment 1: Presentation

OVERVIEW

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Introduction

What the presentation is about?

This presentation explores the business issues faced by Basil's Bakery, a small independent artisan bakery in Coventry, United Kingdom. It examines the factors contributing to the company's stagnant sales and evaluates how both internal and external influences have affected its overall business performance. The aim is to identify the underlying causes of these challenges and consider appropriate strategic responses.

Definitions of the concepts you are going to use

5W2H - A structured management tool used to define and analyse a problem by answering seven essential questions: What, Why, Where, When, Who, How, and How much.

PESTEL Analysis – A strategic framework that evaluates the external business environment by examining Political, Economic, Social, Technological, Environmental, and Legal factors that may influence an organisation.

Fishbone Diagram – A problem-solving technique that helps identify, categorise, and analyse the root causes of a business issue, making it easier to develop effective solutions.

Company background

Basil's Bakery

- Founded in 2015, independent business located in a shopping retail park in Coventry, United Kingdom.
- Owner: Basil
- Sells: Contemporary styled cakes, pastries and breads
- Products made with premium organic ingredients, high-quality ingredients

More information from the case study

- Customer Base
 - Local residents
 - Retail employees
 - Office workers
 - Warehouse employees from the nearby industrial estate
- Business Context
 - The bakery experienced continuous sales growth from 2015 to 2019.
 - Sales and customer visits fell considerably during the COVID –19 pandemic.
 - Although trading improved after restrictions were lifted, sales have remained approximately 25% lower than in 2019 between 2023 and 2025.
 - The business is currently facing challenges such as lower customer footfall, increasing operating expenses, changes in working patterns, and growing customer demand for delivery and pre-order services.

Problem: nature and scope

5W2H

What: The bakery is experiencing a prolonged period of stagnant sales, with revenue remaining below pre-pandemic performance.

Why: A combination of reduced visitor numbers, changes in consumer working habits, retail business closures, and increased operating expenses has negatively affected sales.

Where: The issue is occurring at Basil's Bakery, located within a retail park in Coventry, United Kingdom.

When: The decline began during the Covid-19 pandemic and has continued from 2023 to 2025 despite the easing of restrictions.

Who: The situation affects Basil, existing and potential customers, nearby businesses, and employees working in the retail park and surrounding industrial area.

How: Lower customer footfall, limited service options (such as delivery and online pre-ordering) , and higher business costs have reduced the bakery's overall performance.

How Much: Sales have remained approximately 25% lower than the levels achieved in 2019.

PESTLE ANALYSIS: Basil's Bakery

POLITICAL

Pandemic measures reduced customer numbers.

Government regulations can affect business expenses.

ECONOMIC

Rising costs have increased daily operating expenses.

Reduced household budgets have affected customer demand.

SOCIAL

Remote working has lowered the number of regular visitors.

Consumers prefer faster and more convenient purchasing options.



PESTLE ANALYSIS: Basil's Bakery

■ TECHNOLOGICAL

- The bakery has limited digital ordering facilities.
- Expanding online services could improve sales and customer reach.

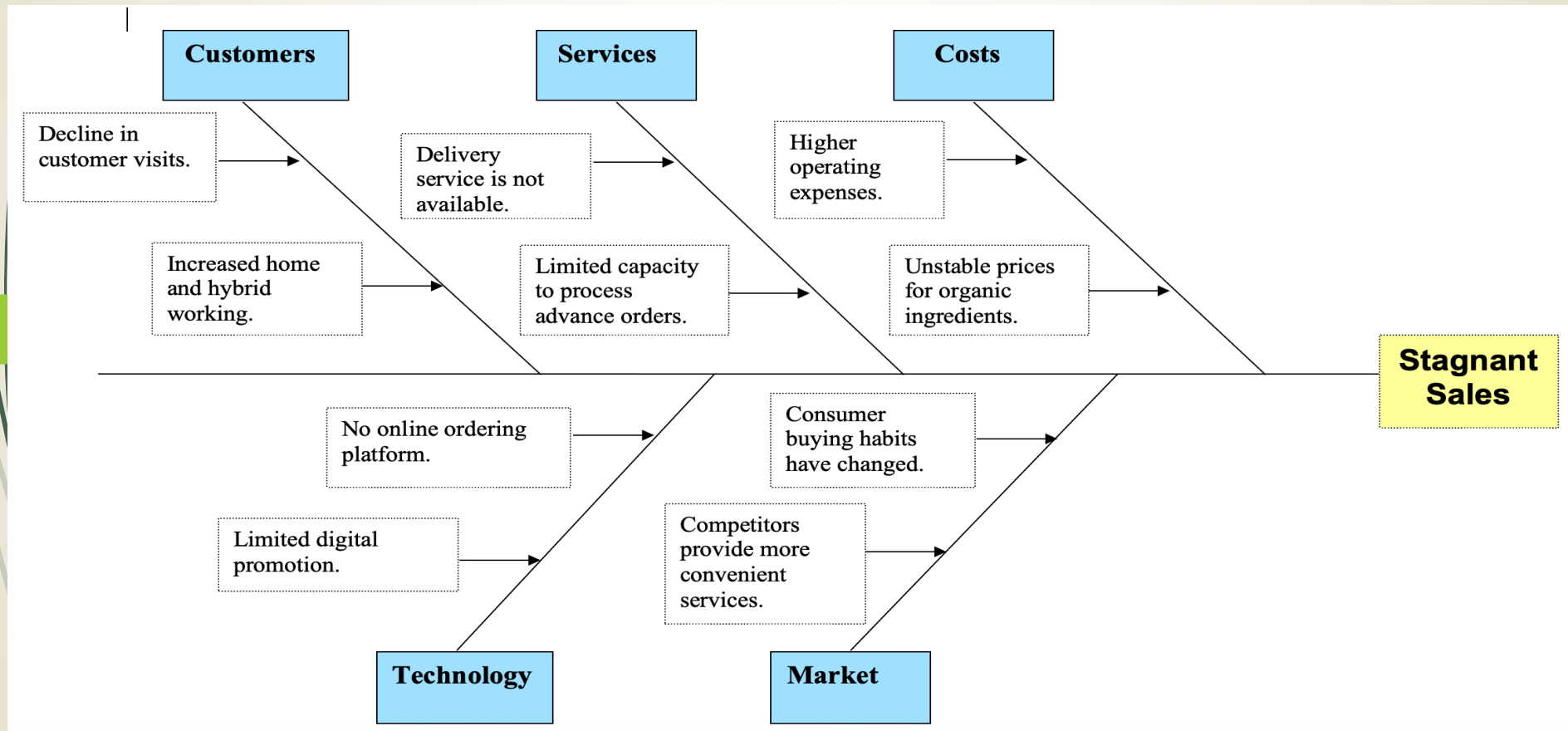
■ LEGAL

- Compliance with food hygiene standards is essential.
- Employment and business regulations add to operating costs.

■ ENVIRONMENTAL

- Organic ingredients strengthen the bakery's sustainable image.
- Supply chain issues may increase ingredient prices.

Cause and effect analysis (Fishbone diagram)



Conclusion



To conclude, this analysis demonstrates that Basil's Bakery is still facing difficulties in recovering its sales to the levels achieved before the pandemic. A range of external pressures, together with internal business challenges, continue to affect its performance. The 5W2H, PESTEL, and Fishbone frameworks provided a structured approach to identifying the main causes of stagnant sales, such as lower customer numbers, changing consumer expectations, and rising operating costs. By responding to these challenges through service improvements and greater use of digital technologies, the bakery will be better positioned to strengthen its competitiveness and support long-term business success.

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Thank
You

Questions