



Programme: Certificate of Higher Education in Business

Skills for the Workplace

Module: Problem Solving and Decision Making

Module code: LCLM4004

Assignment Title: Component 1: Individual Presentation

Basil's Bakery

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Table of Contents

Slide 1: Title	3
Slide 2: Table of Contents	3
Slide 3: Introduction	4
Slide 4: Nature and scope of the issues	5
Slide 5: 5W2H model	6
Slide 6: PESTEL Analysis	7
Slide 7: PESTEL Analysis	8
Slide 8: Fishbone Diagram	9
Slide 9: Fishbone Diagram	10
Slide 10: Summary of key findings	11
Slide 11: References	12
Slide 13: Thank you	13

Slide 1: Title



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Slide 2: Table of Contents

Table of Contents

Table of Contents	
Slide 1: Title	2
Slide 2: Table of Contents	2
Slide 3: Introduction	2
Slide 4: Nature and scope of the issues	2
Slide 5: 5W2H model	3
Slide 6: PESTEL Analysis	4
Slide 7: PESTEL Analysis	4
Slide 8: Fishbone Diagram	6
Slide 9: Fishbone Diagram	7
Slide 10: Summary of key findings	7
Slide 11: References	7
Slide 12: Q&A	8
Slide 13: Thank you	8

Slide 3: Introduction

Introduction

- ▶ The paper is an analysis of the major factors contributing to the plateau level of sales at Basil Bakery, which is an independent artisan bakery in Coventry.
- ▶ It starts by describing the business context and the issues challenging performance.
- ▶ It then uses business analysis tools, such as PESTEL, the 5W2H model and the Fishbone Diagram.



**COVID-19
LOCKDOWN**

The paper is an analysis of the major factors contributing to the plateau level of sales at Basil Bakery, which is an independent artisan bakery in Coventry. It starts by describing the business context and the issues challenging performance. It then uses business analysis tools, such as PESTEL, the 5W2H model and the Fishbone Diagram, to determine the underlying cause of decreasing sales. Lastly, the paper concludes by assessing the findings and offering practical recommendations on how Basil should address the situation in order to enhance the level of customer satisfaction, boost sales, and ensure the sustainability of the business in the long run.

Slide 4: Nature and scope of the issues

Nature and scope of the issues

- ▶ Basil Bakery is recording stagnant sales due to the shift in customer behaviour and rising costs of operation.
- ▶ Brown (2025) states that 13% of working adults in Great Britain worked from home, which decreased footfall in the business premises.
- ▶ Combined, these internal and external issues have resulted in sales being approximately 25% lower than in 2019.



(Source: Brown, 2025)

Basil Bakery is recording stagnant sales due to the shift in customer behaviour and rising costs of operation. Retail parks have experienced a decline in visitors as more consumers are shopping online and many people who work in offices are telecommuting, thereby decreasing demand for walk-in purchases of bakeries since the COVID-19 pandemic. Brown (2025) states that 13% of working adults in Great Britain worked from home solely and 28% hybrid in the period of January to March, 2025, which decreased footfall in the business premises. This, in this case, has a direct impact on Basil's business during lunchtime. Increased prices of organic products, rental costs, utilities, and insurance have also decreased profitability. Moreover, the bakery does not offer online ordering, delivery and trustworthy pre-order services, so it is hard to keep up with shifting expectations of customers. Combined, these internal and

external issues have resulted in sales being approximately 25% lower than in 2019, and the long-term viability of the business is under threat.

Slide 5: 5W2H model

5W2H model

- ▶ The 5W2H framework is a simple and effective problem-solving and planning framework (Bora, 2023).
- ▶ In the **What** context, it focuses on sales being 25% less than the 2019 level.
- ▶ In the **Why** context: decreased retail park pedestrianisation, hybridisation of employment.
- ▶ In the **Who** context, it outlines that Basil workers.
- ▶ For **Where**, it is located in the Coventry retail park.
- ▶ Regarding **When**, sales have not been increasing since 2023.
- ▶ In **How**, decreased customer demand and decreased cost result in decreased revenue and profit
- ▶ In **How much**, ongoing low sales risk the survival of the business and its future developments.



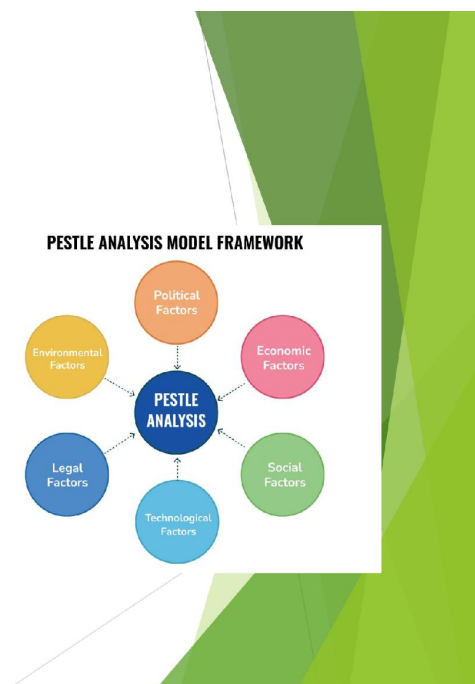
The 5W2H framework is a simple and effective problem-solving and planning framework and it organises complex situations or problems by posing seven core questions (Bora, 2023). The model will assist in pinpointing the major problems impacting Basil Baking and assist in the systematic analysis of business problems. In the **What** context, it focuses on sales being 25% less than the 2019 level. In the context of **Why**: decreased retail park pedestrianisation, hybridisation of employment, increased operational costs and scanty digital facilities. As stated by Brown (2025), 28% of workers in Great Britain were working hybrid between January and March 2025, and it minimised visits to retail businesses. In the scenario of **Who**, it outlines that Basil workers, as well

as the audience, are impacted, and for Where, it is located in the Coventry retail park and regarding **When**, sales have not been increasing since 2023. In **How**, decreased customer demand and decreased cost result in decreased revenue and profit and in **How much**, ongoing low sales risk the survival of the business and its future developments.

Slide 6: PESTEL Analysis

PESTEL Analysis

- **Political:** The increase in usual business rates from 1.6% to 55.5p and food safety regulations bring up the cost of operations for a small company (Canterbury City Council, 2026).
- **Economic:** Inman (2025) indicates that as of May 2025, UK food inflation has risen to 4.4%, putting strain on the profit margins.
- **Social:** Retail parks have seen more customers visit due to hybrid working and changing shopping habits.



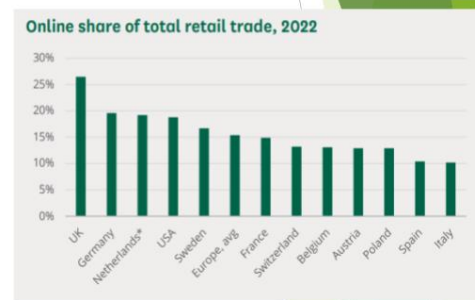
Political: The increase in usual business rates from 1.6% to 55.5p and food safety regulations bring up the cost of operations for a small company (Canterbury City Council, 2026). **Economic:** Inflation has led to an escalation in the price of ingredients, rent and utilities. Inman (2025) indicates that as of May 2025, UK food inflation has risen to 4.4%, putting strain on the profit margins of bakery businesses. **Social:** Retail parks have seen more customers visit due to hybrid working and changing shopping habits. Online ordering and home

delivery are also demanded by more consumers. These political, economic and social forces have led to the reduction of Basil footfall and stagnant sales, making it hard to grow the business.

Slide 7: PESTEL Analysis

PESTEL Analysis

- **Technological:** According to Ward (2025), in 2022, 27% of all UK retail sales occurred online.
- **Environmental:** According to Soil Association (2025), organic market sales in the UK were as high as £3.7 billion and increased by 7.3%.
- **Legal:** UK food hygiene, labelling and health and safety legislation will have to be met.



(Source: Ward, 2025)

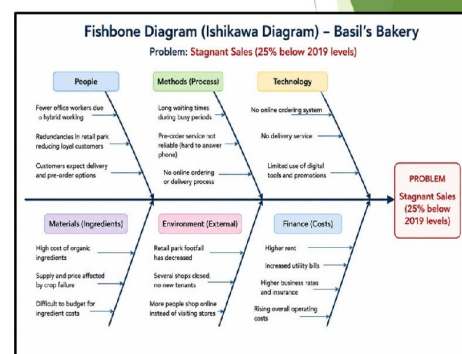
Technological: According to Ward (2025), in 2022, 27% of all UK retail sales occurred online, which indicated the increased significance of online sales channels. Basil lacks an online ordering and delivery service and this makes it less convenient for customers. **Environmental:** Organic inputs become more susceptible to bad weather, resulting in supply shortages and fluctuations in prices. According to Soil Association (2025), organic market sales in the UK were as high as £3.7 billion and increased by 7.3 percent, which indicated a high demand and pressure on supply. **Legal:** UK food hygiene, labelling and health and safety legislation will have to be met by Basil and this adds to compliance

costs. In parallel, proactive integration in digital services as well as consistent adherence to guidelines can strengthen audience acceptance as well as drive progress.

Slide 8: Fishbone Diagram

Fishbone Diagram

- A Fishbone Diagram is useful in determining the root causes of a business problem by categorising them (Kumah *et al.*, 2024).
- Brown (2025) indicates that 28% of the employees in Great Britain worked hybrid in the first quarter of January 2025 and March 2025, decreasing their travel to local businesses.
- The diagram assists Basil in defining root causes and putting improvement actions on priority.



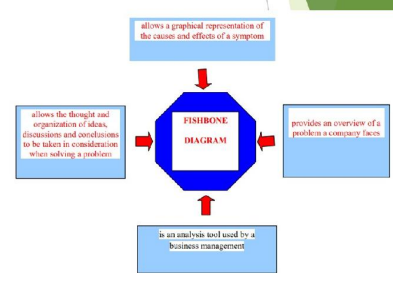
A Fishbone Diagram is useful in determining the root causes of a business problem by categorising them (Kumah *et al.*, 2024). In the case of Basil Bakery, the basic issue is stagnant sales and the key contributors are People, that highlight fewer office workers due to hybrid working, and for Methods, it underscores long wait and an untrusted pre-order process. In the case of Technology, it lacks any online ordering and delivery service and in the case of Materials, it is focused on a higher price of organic ingredients. Also, as far as Environment is concerned, it emphasises the decreased retail park footfall and in the scenario of Finance, is concerned and underscore the increasing rent,

utilities and insurance expenses. Brown (2025) indicates that 28 percent of the employees in Great Britain worked hybrid in the first quarter of January 2025 and March 2025, decreasing their travel to local businesses. The diagram assists Basil in defining root causes and putting improvement actions on priority.

Slide 9: Fishbone Diagram

Fishbone Diagram

- ▶ This diagram is effective as it gives a systematic method of finding numerous reasons for business issues (Loredana, 2017).
- ▶ It assists Basil in comprehending the internal and external factors that contribute to the stagnant sales.
- ▶ The model, however, does not measure the significance of each cause, quantify their impact, or even the optimal solution.



(Source: Loredana, 2017)

This diagram is effective as it gives a systematic method of finding numerous reasons for business issues, which stimulates methodical analysis and wisdom of decision-making (Loredana, 2017). It assists Basil in comprehending the internal and external factors that contribute to the stagnant sales. It also allows Basil to review concerns like decreased footfall, absence of online ordering, escalating expenses and long queues to enhance decision-making. The model, however, does not measure the significance of each cause, quantify their impact, or even the optimal solution.

Slide 10: Summary of key findings

Summary of key findings

The analysis established that the declining growth of Basil Bakery's sales can be attributed primarily to declining footfall at retail parks.

It uses PESTEL analysis, 5W2H analysis, and Fishbone analysis.

The essential role of digital transformation and better customer convenience in sustainable business development.

The analysis established that the declining growth of Basil Bakery's sales can be attributed primarily to declining footfall at retail parks, working hybridly, increasing operating expenses, and inadequate digital service provision. PESTEL analysis, 5W2H analysis, and Fishbone analysis revealed both internal and external threats, and the essential role of digital transformation and better customer convenience in sustainable business development.

Slide 11: References

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Slide 12: Q&A

Q&A

Slide 13: Thank you

*Thank
you!*