

Module Title: Problem Solving and Decision Making

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Assessment: Component 2 Report

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Task 1: Overview of Case-study

As your business consultant, I want to show you the problem in your company has caused sales to drop over the last 12 months. Your company is struggling with a few issues, Fewer people are visiting the shop, the price of fresh flowers has gone up, and there are technical and marketing problems. The biggest problem is that your website is outdated. Most people today use their phones to find deals online. Since your website is outdated, you are missing out on potential customers. Upgrading to a faster, modern site will help you reach more people and grow your business.

Task 2: Two Proposed Solutions

Solution A Proposal

Create a modern, fast website that works perfectly on smartphones, it allows customers to browse flowers and order delivery directly from their phones, Foot traffic on the street has dropped by 30%. This solution reaches customers online, so they don't have to walk past the physical shop to buy.

Solution B Proposal

A recurring delivery service for local homes and businesses customers pays a monthly fee to receive fresh flowers delivered to their door every week. It solves the problem of higher prices by allowing the shop to buy flowers in bulk. It also guarantees a steady income even when fewer people visit the store.

Task 3b) Evaluation Results and Justifications

I chose solution A over Solution B because it fixes the most important problem, the out-date website. While Solution B brings steady money. Solution A reaches more people on their phones. Since sales dropped by 30% because fewer people walk past the shop, we need a modern website to find them online. Solution A is the most effective way to get Green Haven back on track.

Task 4b) Risk Analysis Results and Justifications

Every project has risks. For Green Haven, the biggest risk are technical bugs and high cost. To fix this, we will test the website and start with a small delivery area to keep cost low.

Task 5b) Justifications for the Implementation Plan

To fix the business, we will build the new site in four steps. First, we design. Second add fresh photos. Third build the payment system and four, we launch it with a special discount to get customers back.

Task 6b) Justifications for the KPI and SMART Objectives

The primary KPI for this project is Online Sales Growth. This is the most important because Green Haven's root problem is a 30% drop in in store sale due to lower traffic. This SMART objective is realistic because it focuses on a 20% growth over 6 months giving the marketing campaign time to work.

Task 7) Key Findings

- **The Main Problem:** Green Haven is losing 30% of its sales.
- **The Best Solution:** Building a new, mobile-friendly website.

- **Risk Management:** The biggest risks are technical bugs and low website traffic.
- **Expected Result:** By launching the new site and traffic online sales, the business aims to grow its revenue by 20% within the first 6 months.

In short, Green Haven must go digital. By fixing the website, we can find new customers online and recover the 30% loss in sale. It is the fastest and most relevant way to save the business.

Reference List

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Appendices

Appendix 1 – Task 3a

According to Edvard De Bono (1985), the PMI tool is used to Positive, Negative and Interesting aspects of a choice to ensure a more objective evaluation.

According to Michael Poter (2008), business must adapt to changes in their local environment and buyer behaviour to maintain a competitive advantage.

PMI Analysis Table

<u>Solution A: New Website</u>		
Plus	Minus	Interesting
It fixes Outdated website the problem directly. +4	It costs money to build a professional website. -5	The shop could offer click and collect. +5
Phones to stop the 30% drop in sales. +5	Staff need time to learn how to manage online orders. -3	We can see which flowers are the most popular. +2
Customers can order flowers online 24/7 +3	If the website crashes at night, there is no one in the shop to fix it or help customers. -2	Someone living in a different time zone. -3
TOTAL: 12	TOTAL: 0	TOTAL: +4

Therefore: Overall Total for Solution A = 16

I have chosen Solution A? because:

1. Higher PMI score.
2. Solves the root problem.
3. Availability.

<u>Solution B: Flower Subscription</u>		
Plus	Minus	Interesting
Monthly income for the shop. +4	It is more difficult to manage deliveries every week. -3	The shop could partner with local offices for weekly desk flowers. +4
It solves the problem of higher prices by allowing bulk buying. +5	It does not fix the outdated website problem. -5	We could offer a seasonal surprise bouquet to keep customers excited. +3
It delivers flowers directly to customers. +3	The shop needs to pay for a delivery. -4	Traffic and Timing. -3
TOTAL: 12	TOTAL: -2	TOTAL: 4

Therefore: Overall Total for Solution B =14

Why not Solution B?

1. High Initial Costs.
2. Lower Reach.
3. Perishability Risk.

Appendix 2 – Task 4a

According to ISO 31000 (2018), risk management is an iterative process that helps organizations in setting strategy, achieving objectives and making informed decision.

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	Technical bugs on the new website.	3	5	15	Professional Engineer for Website Testing.	Switch back to the old site.
2	People don't visit the new site.	4	5	16	Use social media marketing.	Offer a special first order discount code.
3	Flowers arrive damaged.	2	4	8	Use protective packaging for deliveries.	Offer the customers a full refund.

Appendix 3 – Task 5a

Implementation Plan

According to Harold Kerzner (2017), a successful implementation plan must clearly define task, timelines and responsibilities to ensure that project objectives are met on time and within budget.

Name the problem you are solving: Outdated website and 30% drop in sale.

Name the solution you are implementing: New, modern and mobile friendly website.

	Task	WHAT	WHEN	WHO	Done
1	Design	Create a layup that works perfectly on mobile phones.	Week 1-2	Web Designer.	✓
2	Content	Take high quality photos of flowers.	Week 2-3	Shop owners.	✓
3	Build	Build the Website with an easy online ordering and payment system.	Week 3-5	Web Developer.	✓

4	Launch	Start the new site with promotion code.	Week 6	Marketing Lead.	✓
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Appendix 4 – Task 6a

According to George T. Doran (1981), objective should be SMART (Specific, Measurables, Assignable, Realistic and Time-related) to provide a clear framework for measuring success.

The Key Performance Indicator is: Online Sales Growth.

Specific	Measurable	Attainable	Relevant	Time-Bound
Increase total sales by launching a new website.	Target is a 20% increase in monthly revenue from online orders.	This is possible by reaching the customers who stopped visiting the shop.	This directly solves the problem of the 30% drop in food traffic.	Achieve this target within 6 months of launching the new site.