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**DESIGN,
IMPLEMENTATION,
SIMULATION AND
EVALUATION OF
THE BUDGET PLAN
AND THE IMPACT OF
THE CORONAVIRUS
PANDEMIC: A CASE
STUDY IN CAR
DEALERSHIPS**

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Abstract: Vehicle dealerships, in their fullness of business model formatting, have three management areas as the genesis of revenue that are aligned with a strategic interdependence, but with commercial and financial policies strongly imposed by the automaker. The question raised was: how does the budget logic fit into the business structure of a car dealership? To undertake a reflection, it was used the work space itself, outlining a case study of the unique type. In the course of 23 months (2018-2020), a budget plan was designed for reflexive purposes in the core business segment of the empirical study. The methodological approach was based on predominantly qualitative research. The techniques of semi-structured interviews, non-participatory observation and document analysis were used. The data record plan included field diaries, text messaging applications, *tablets* and sometimes loose papers. The analytical treatment resulted from the confrontation of empirical material with the theoretical elements raised and content analysis, with the proper identification of categories and subcategories. The validation plan was based on the return to the sources whenever doubts and inaccuracies of understanding arose. The advent of the health crisis served as promising proof of just how robust the outlined budget configuration is. Inconsistent and misinterpreted data were not evident, however, data of a dubious nature persisted.

Keywords: Car dealership; Budget plan; Pandemic; Controllership.

INTRODUCTION

The car dealership is a segment that seeks to leverage, in scale, the control, planning and execution in the areas of supplies, sales and credit management, promoting significant growth in profitability with a focus on operational excellence. However,

its basic structural configuration consists of 5 administrative units: new vehicles, used vehicles, workshop, parts and administration. The latter does not catalyze recipes. The sum of the operating profit of the other units minus the administration expenses is what forms the total profit of the concessionaire, in a way that all the structural arrangements have to obtain efficiency in their operating activities in order to generate an operating profit.

But reality lays bare the ease of achieving such operating profit. Cars and versions of “low profitability” in general attract low customers, but automakers demand their acquisitions anyway and here triggers a whole process of unbalanced decision-making in the daily lives of such companies that do not always share with good administrative practices..

It is common for the sale of new vehicles to originate from transactions with used vehicles, which are available by the customer and, together with the availability of service offers and the sales of parts and accessories, compose the sources of flow of monetary receipts and a good part of this destined to the losses arising from vehicles whose turnover is often low, commonly requiring promotions for their departure. Under this aspect, the question was induced: how does the budgetary logic fit into the business structure of a car dealership?

For purposes of delimitation, the investigation was limited to the scope of planning and control activities regarding the definition established by Carvalho (2018), that is, this area includes the budget issue, projections and simulations, costs and accounting by responsibilities within the scope of the new and used vehicle dealership business model.

The study contributes to exalting the role of controllership in the context of such business units, particularly the corporate budget activity permeating their nuances

and outlining a model that captures their peculiarity. In addition, based on Mascarenhas (2006), Papa and Riquena (2011) and Hainz (2015) are companies with national capital, essentially family-owned and still in the process of change in the face of the demands of the automakers to reposition themselves for lower margins in the commercialization of products. new vehicles, added value in services and the entry of the Internet as a new distribution channel for products and services, mainly in the form of social platforms. The growing digital marketing puts pressure on companies' cash given the visibility of Google, Facebook, Instagram and LinkedIn according to analytical lines dashed by Ardant (2020). It is also worth mentioning the thinking of Martins (2020) when pointing out the need for entrepreneurs to capture solutions for their operational realities, which the academy is short of providing in a satisfactory way.

The text is structured in order to achieve the proposed objective and highlight the investigation in seven sections. Thus, from this introduction, the available theoretical framework is presented in the next section, which supports the question raised regarding controllership and the logic of the corporate budget. In section 3, it focuses on studies related to budget theory in the context of Concessionaires, and in the subsequent section describes the methodological guidelines implemented in the course of the investigation. It was up to section 4 to trace the phenomenon of the pandemic. In the subsequent section the methodological outlines adopted and section 6 address the results resulting from the simulation of the outlined budget plan and discussing the environment of the empirical field of study and the analysis of the budget experiment carried out. Finally, the last section discusses final considerations, study limitations and recommendations for future studies.

THE BUDGET PLAN IN THE THEORETICAL VIEW

Lenz (2016) emphasizes the budget study as a reflection of how business management works. It is the full understanding of the adopted management model. In these terms, companies seek to use the budget for decision making, developing internal controls according to needs and realities. For this, it includes a collaborative process so that managers and executives can use it in the sense of having a structured dialogue about the future direction of the organization.

And he insists on mentioning the use of the budget as related to the corporate context, that is, larger companies tend to make use of more formal administration, to the detriment of interpersonal controls. Under this reasoning, the budget plan must provide accuracy, make the organization more agile and flexible and improve the knowledge of all those involved in the process.

Carvalho (2018) argues that the budget plan is the basis of operational controllership, being a control tool par excellence of the entire operational process of the company, since it involves all sectors of the organization. It consists of a set of budget pieces distributed in three segments: operational budget, financial budget and investment and financing budget. The existence of such budget pieces implies an integration between them within the budget plan.

For Contabinet (2017) budget planning deals with forecasts of expenses, income, investments and other movements for a future period of time, which can be considered a semester or a year. The objective is to anticipate the numbers according to historical data so that the projections are as realistic as possible. The ideal is to evaluate the business in depth, in detail, and check the most relevant elements for it. For example, if the company has more significant costs with products of

a certain group, here is a relevant data and focus of action. This could be the chance to achieve a cost reduction. Planning makes up budget management. And the latter serves to help business management by promoting ways to monitor and plan financial results in a systematic way. This way, it supports the manager's decision-making, records his spending, investment and revenue intentions and allows him to verify what the company's reality will be like and whether the goals will be achieved.

Understanding how to materialize the future within the time window of five years is to face the budgetary logic in the long term and in the short term. Consonant Moreira (2008) corroborated by Oliveira *et al.* (2016), short and long-term budgets are characterized by the time budgeted in relation to the necessary operations and in accordance with strategic planning. Short-term ones are established for up to one year, and long-term ones for periods longer than one year, which will depend on the nature of the company's operations.

Literature and specialists are unanimous in pointing out, in the corporate environment, planning as fundamental to achieving financial balance in the face of different future scenarios in the market. Mastering good budget management implies growth opportunities for the company.

The steps to achieve these goals are to know the fundamentals of budget planning, to know what types it is, to understand how it impacts cash flow and which tools can help in the planning process. There are different budget plans, which emerged as companies evolved and changed their organizational models. For this reason, the most suitable type for organizations depends on the peculiarities and their management model. Each budget modality results from improvements in its implementation. The most radical intellectual thinking is the type labeled *Beyond Budgeting*,

which is not a model itself, but a directive line of projection responding to the concerns of Teasy (nd) and All Strategy (2020).

Teasy (nd) based on IBM (2012), discusses how executives prioritized the management areas in order to know: 1) Operations, 2) Customers, 3) Sales, 4) Market and competition, 5) Human Resources, 6) Supply Chain, 7) Risk Management and 8) Finance. Finance in last place, and Human Resources in fifth position. Consequently, there is less investment in planning technologies and management software for these sectors. However, they are the ones that can cause great impacts to the company, mainly because they represent control over costs and because they take care of one of the biggest sources of expenses of the company: human capital. For Teasy (nd) executives are overlooking a huge opportunity to integrate the company through the combined use of information generated by the finance and human resources department. Traditionally, the finance sector is the one that most has access to data from other departments. The HR department maintains information only about hiring and payroll. For an integrated company, adept at continuous planning and ready to make the most of the data it has, it will be necessary to break this paradigm and release data from one department to another. Because by working together, important barriers can be broken with the discovery of new *insights*, when analyzing: a) profitability per customer, tracking the profile of the salespeople responsible for the most profitable, it is possible for HR to carry out new hires and training based on the traits and competencies of these salespeople; b) demographic data to determine strategies for entering new markets, or even distributing products and services and c) the impact of health promotion programs in increasing productivity and well-being in the company, reducing company expenses with health plans.

The previous positions differ from All Strategy (2020a) in presenting the main difficulties that make medium and large companies seek to automate the budget process, such as: a) manual consolidation of the budget. In medium and large companies, budget planning is usually decentralized, that is, each manager thinks about the budget of his sector or cost center. In the end, you have dozens (or hundreds) of spreadsheets to consolidate into a single DRE and the work ends up taking weeks; b) search for collaborative budgeting – most companies want to decentralize budget management, bringing in the participation of more managers, but this means increasing the number of spreadsheets, meetings on the topic and time to unify the data. So they end up leaving everything centralized in top management, and in a single spreadsheet; c) information security - another problem that plagues the controllership sector. In budget planning, there is a lot of information that is confidential, such as the payroll projection. Spreadsheets can fall into the wrong hands, do not allow auditing of what is being posted and do not guarantee the exact number: have you ever tried inserting a row in the wrong place? It's a formula error for sure; d) lack of analytical vision of the budget - The great objective of the planning is to have clear numbers to analyze what is being accomplished and to make correct decisions about the future. Spreadsheets usually show more raw and operational data, without flexibility for specific analyses; e) HR budget planning – an administrative segment that is also the object of the main difficulties of companies. Planning a payroll for hundreds of employees is complex, detailed, and most of the time the spreadsheet doesn't handle it, or isn't functional enough for it. If you consider companies with hourly staff, the scenario only gets worse.

Faced with these problems, using

software for budget management becomes a fundamental objective of companies that want to save time, and also take better advantage of the analytical skills of those involved in the process. It is much better for the company (and managers) to type less, and analyze more ensures All Strategy (2020a).

THE BUDGET INSTRUMENT IN THE CONCESSIONAIRE'S BUSINESS CONTEXT

Carvalho (2018) argues that the budget plan is the basis of operational controllership, being a control tool par excellence of the entire operational process of the company, as it involves all sectors of the organization.

What are the benefits of a connection between administrative units within the scope of car dealerships, asks Marsall (nd)? Morgado (2006), although he does not explicitly focus on the controllership issue within a particular type of organization, car dealerships in Brazil, discussing the operational difficulties caused by the lack of alignment of information systems with business processes, carried out with managers and other sources of evidence.

Lima, Vailatti and Lunkes (2017) point out, based on other authors, that among the companies that use management practices, car dealerships stand out, which are organizations identified with the automakers, performing a type of exclusive distribution, which the manufacturer elects to work only with its product *mix*. In addition, professional management is important in the vehicle distribution business, since the operation requires deep technical knowledge, application of references and parameters that safely point out trends, results, deviations, failures and potentials. They reinforce that professional management must be able to foresee the next steps, seek solutions to problems quickly and efficiently, and innovate in order to compete in an increasingly competitive market.

In this context, thinking about the planning of car dealerships and the functionality of the managerial practice, the need arose to know the use and relevance of the budget in this type of companies, in the state of Santa Catarina. The results were that the analyzed concessionaires generally use reference points as criteria for evaluating significant differences between the predicted through the use of percentage. The budget is still the main performance indicator in most concessionaires, and the budgeted amounts and also results from previous years are the main measures used by concessionaires and which are analyzed in most concessionaires by the top management and by the managers of the companies on a monthly basis.. The analyzes carried out have the main purpose of controlling costs and expenses, as well as evaluating the performance of managers, through a comparative analysis.

These authors do not cite, but Dias Filho and Sales (2014) studied the usefulness and contribution of the corporate budget to achieving management efficiency in light vehicle dealerships located in the city of Belo Horizonte. They found that efficient budget management that adds value to administrative processes requires planning, control, participation of all sectors and support from motivated employees.

Silva *et al.* (2016), sought to measure, through descriptive research aimed at all new car dealerships, the use of capital budgeting tools in the analysis of the economic viability of new projects. The results showed that 9% used the *payback period* as a technique to guide their decisions, and 91% did not use techniques for this purpose. They concluded that 91% of the financial management of the automobile sector in Mossoró, in the state of Rio Grande do Norte still have their decisions about choosing new projects based on empirical data.

What are the benefits of connecting a budget outline between the administrative units of a business space within the scope of car dealerships, asks Marshall (nd)?

From the dealer's point of view, it all depends on the ability to meet sales targets. With the possibility of many showrooms and brands in larger groups of dealerships, this becomes a challenging process. Sales information is stored in spreadsheets and gathered for analysis and planning by sales managers and finance teams: a) in monitoring new and used vehicle sales in relation to targets, impact of promotions, discounts and commissions on results; b) the budget process is standardized within a vision that all data permeates the workflows in order to ensure on-time completion; c) performance can be optimized by allowing comparison of repair services, customer satisfaction and resource data to identify where improvements can be made both in terms of operational efficiency and service delivery; d) Get new car order view from used car stock and pre-registered vehicles, sales commission amounts.

THE OUTBREAK OF THE NEW CORONA VIRUS PANDEMIC

During the course of the investigation, in March and April 2020 the Covid-19 virus spread rapidly both within national borders and beyond them, reaching countries globally and in sync (Baqae & Farhi, 2020). Studies have pointed out the crisis erupted by the Covid-19 pandemic as completely different from previous crises in terms of its cause, scope and severity (Didier, Huneeus, Larrain, & Schmukler, 2020; Horn, Reinhart, & Trebesch, 2020). Although experts see them as a rare and unprecedented event in recent history (Ashraf, 2020), Cheng, Lau, Woo and Yuen (2007) and Ujvari (2011) already predicted something of such magnitude.

Government measures of social isolation

were adopted in order to avoid a collapse of the countries' health systems. As a result, economies experienced a supply and demand shock that triggered a global financial crisis (Eichenbaum, Rebelo, & Trabandt, 2020; Heyden, & Heyden, 2020). Such events afflicted virtually all world capital markets, which priced in the potential effect of the pandemic, in which the main stock market indices fell sharply in March 2020, losing almost a third of their value in a few weeks (Baker, Bloom, Davis, & Terry, 2020).

METHODOLOGICAL PROCEDURES

As the study involved a specific empirical field located in a peculiar place, it is a case study. The choice was made simply because of the ease and familiarity with the chosen reality. The researcher has contact and "free" transit in the context in which it is intended to reflect the configuration of the managerial budget model. Despite this, a field insertion protocol was followed.

First, preliminary contacts were made with the administrative units of Accounting and Management Control. A summary of what was intended to be investigated was given to the agents of each unit. With the respective consent, the research subjects of each unit were mapped. Those involved with accounting and controlling activities were previously approached for the purpose of capturing their speeches.

As a data collection instrument, it adopted the semi-structured interview, allowing data to be collected based on the employee's point of view, leaving him "at ease" to discuss: 1) How to carry out the cost control process at the concessionaire? 2) Is there a target set? 3) How is the projection of each variable of the expenditure structure carried out? 4) What types of controls are designed and implemented within the concessionaire? 5)

How are expenses and income programmed? 6) What are the main sources of revenue? 7) What are the main expenses? 8) Which expense is more costly and/or causes the greatest impact due to its volume, nature or origin/purpose? 9) How is the need for inventory measured? 10) What is the necessary turnover so that the stock does not cause financial cost?

Such interaction was scheduled in advance and preferably the displacement and interruption of the employee trying to simultaneously observe their own actions was avoided. In this sense, the instrument of observation was another means that was appropriated. And such observation was of the participant type without, however, interfering with the employee's way of working.

The records were made either through field notes, in the use of applications through the mobile unit and photographic capture, which was duly allowed.

He tried to avoid any types of records while the interviewee-interviewer interaction took place in order to avoid deviations in reasoning.

It also resorted to documentary artifacts, proceeding to content analysis, after analytical verification of the object. Understandings were required because the contents of many of them reflected mixed understandings. Even personal notes of the research subject were considered, including the ones themselves delineating better clarity.

All subjects involved were identified by alphabetical letters in order to preserve anonymity and trigger greater reliability. In the course, it was necessary to return to the field and to the referred individuals in order to resolve doubts and/or questions.

A whole research protocol was followed along the lines recommended by Yin (2005). As most of the data generation was primary which was recorded through the field block, text messaging and video applications, the adoption of content analysis was inevitable.

The analysis categories and subcategories related to sales, commercial expenses, administrative expenses, people budget, projection of financial statements were described. Such categories and subcategories were allocated in Excel spreadsheets and statistical measurements were performed.

The investigation period covered a time span between November 2018 and mid-September 2020. The simulations started in January 2019.

The identification of research subjects is included in Chart 1 with the respective recording instruments and the time required.

ANALYSIS OF RESULTS

The empirical field of study is a company that belongs to a group whose characteristic is essentially familiar. It emerged at the end of the first half of the 60's driven by a survival instinct and added to a certain dose of luck.

The group is made up of 7 companies. The dome is made up of the parents themselves with significantly paternalistic characteristics. Together with them are 71 people in the Group. There are also outsourced companies providing legal advice, private security, a mobile network service provider and an organization providing telephony and security camera services.

Some weaknesses captured by the observation are: a) selection process, sometimes based on referrals or friendship; b) the position and salary policy is still in the process of consolidation, with some occasional distortions. c) decisions are usually impacted by procrastination; d) fiscal, tax and labor planning lacks greater control and execution; e) poor internal communication; f) lag in vehicle models offered by automakers and g) the company's pricing policy appears to be incompatible with the market: high prices compared to similar products.

However, it is worth noting the strengths;

a) good location; b) public recognition of the products; c) consumer loyalty; d) payment on days of wages, vacations and 13th and e) exact payment of all labor charges f) fairness in negotiations g) origin and origin of the products h) superior guarantee from the majority of competitors i) because it is an economic group they are able to buy in larger quantities and thus reduce some and bargain for better price and payment conditions.

FINANCIAL FLOWS IN THE STUDY ENVIRONMENT

To understand the operation of the concessionaire, he repeatedly resorted to individuals from the financial accounting segment, as explanations were not always sufficient within an organizational logic. Figure 1 rescues the path of the origins of the flow of money according to the existing routines and its design was inspired by the findings of Morgado (2006).

The content of Figure 1 is key to materializing the logic of a budget plan. Identify the centers that generate expenses and income and from there proceed an outline of projection action.

Exactly as advocated by Morgado (2006), treasury flows were restricted to displaying bank balances, accounts payable and accounts receivable. There was a lack of data on negotiations in progress (vehicle proposals, open work orders, with parts and labor applied, parts orders) and requests for suppliers (Factory, consumption, among others), which mirrored values significantly significant in the flow.

It was also observed, qualification of the volumes of receivables (negotiated, in amicable collection, legal). In the control of current accounts, in many cases, only balances and transactions are treated, lacking important details such as the type of application, rates practiced, maturities, limits to name the main ones.

SUBJECTS OF RESEARCH	RECORD TYPE	TIMING
Commercial director	field block	40/30/20
Administrative Director	field block	50/33/37
Commercial Director of New Vehicles	field block	50/45/30/20
Commercial Director of Used Vehicles	field block	40/50/30/25
New Vehicle Sales Manager	Field block/AMT	50/40/34
Sales Manager for Used Vehicles	Field Block/Single Paper	20/30/25/40/30
New Vehicle Salesman 1	AMT	30/30/40
New Vehicle Salesman 2	AMT	25/30/45
Used Car Salesman 1	field block	35/40/30
Used Car Salesman 2	single paper	30/25/25
Administrative Head of New Vehicles	field block	40/20/25/30
Administrative Head of Used Vehicles	field block	20/25/35/42
Operations Manager of Parts and Services	Email	20/15/25/30
Head of Offices and Services	AMT	40/65
Financial manager	field block	30/30/20/15/20/35/15
Counter	field block	40/50/30/35/45/20
Treasurer	/AMT field block	30/40/50/45/25/30/30
Chief of Staff	field block	50/55/40
head of HR	field block	40/30/20/25/36
Chief of Information Technology	field block	40/40/35/50

Table 1. IDENTIFICATION OF RESEARCH SUBJECTS, TYPE OF RECORD AND MINUTE

Source: Field Research

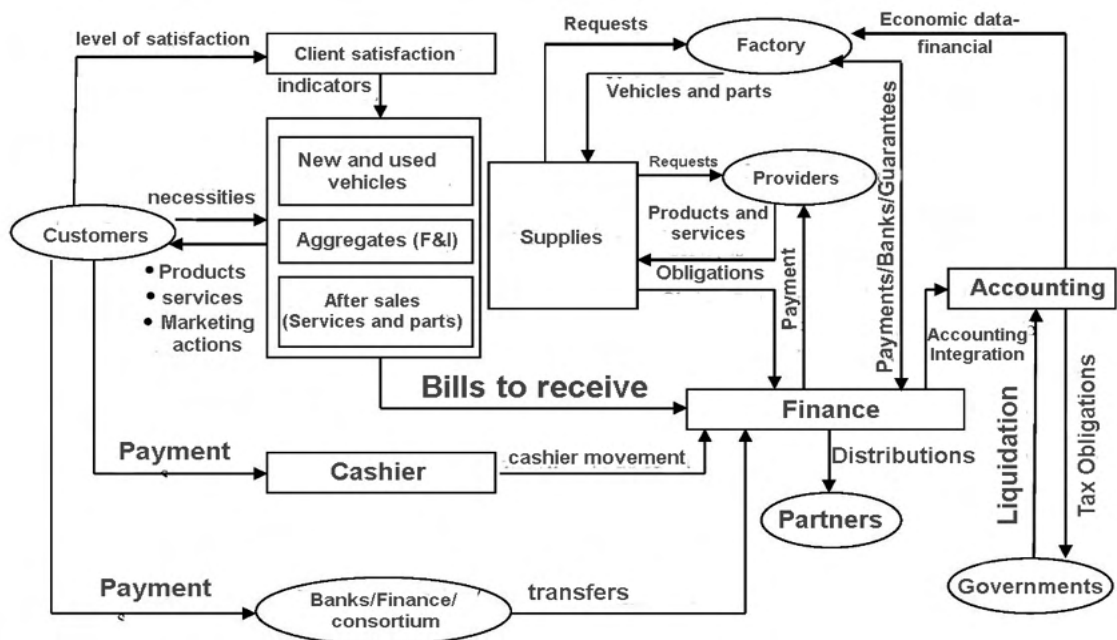


Figure 1 - PROCESSES IN THE CONTEXT OF THE VEHICLE CONCESSIONAIRE UNDER STUDY

Source: Field research and based on Morgado (2006)

IDENTIFICATION OF BUDGET PARTS OF THE PLAN DRAWING

The automaker is the initial impetus. It is the initial link in the sales volume budget bases. The data provided is decisive in setting up the sales sub-budget. Usually the projection must incorporate car models without the due commercial appeal in the local market. Which apparently could go against budgetary logic.

However, from a management point of view, it is an opportunity to test the commercial acumen of the Dealer's own commercial team. In the strategic scope, the Dealership, when carrying out the sales of such low commercial appeal car models, acquire a better positioned *status* in future negotiations.

At the height of the pandemic, the Workshop and Parts sector reached the percentage level of 98% of revenue.

With regard to the main clients of the public sector, the federal and state governments stand out. At the federal level, the Federal Police stand out in the acquisition of cars and at the state level, the bodies of the Motorized Tactical Command (COTAM), in the purchase of motorcycles for Raio and the Rural Tactical Command (COTAR) in the acquisition of cars. The volume of revenues is accompanied by the goals established for the respective sectors and are measured considering two bases: a) the amount of sales and services rendered in the previous month and always seeking to increase these numbers; and b) the weighted average accumulated in the previous 12 months.

The controls of the mass of resources originated from the physical sales of automobiles and the provision of services are formatted according to the schema object of Figure 1. The entire budget design was based on the content of that Figure. Although there is no budget plan as part of the Concessionaire's managerial arsenal, the administrative segment whose function deals with the core

of the aforementioned Figure, concentrates necessary data for current managers to glimpse an idea of the near future of their actions in the area of their responsibilities. As there are no remnants of budgetary logic in the environment under study, the managerial demand at the unit is punctual, fragmented, dispersed and diffuse despite being a catalytic area of data capable of providing robustness to the outlined budget scheme.

The list of expenses is registered in the accounts payable system as far in advance as possible, whether of a variable or fixed nature. Included in this set are the provision for vacations, the thirteenth, labor claims and customer lawsuits. The expenses identified in the environment include the following approximate percentages in order of prominence: a) Payroll and charges: 35% to 45% b) Taxes on sales, circulation of goods and provision of services: 20% to 30%; c) Energy, water, rents, IPTU, licenses, permits, depreciation and maintenance: 4% to 8%; d) Financial charges and inventory: 0.99% to 3%; and e) Advertising fee on orders placed with invoice printing, net of taxes: 1%.

There are also some impositions on the part of the automaker to maintain the banner, whose implication results in expenses, namely: a) Maintain and update the layout of the dealership's *showroom*; b) Standard of service with severe fines from a defined percentage of customer complaints; c) Training program for the automaker aimed at a team of mechanics in order to specialize in the launch of new brands. Expenses with travel, accommodation and food are the sole responsibility of the Concessionaire itself; and d) All products and inputs are acquired by companies defined and approved by the automaker.

With regard to the formation of inventories, the automaker monthly reviews the range of new cars to be acquired under a minimum quantity.

After an analysis by the Commercial Department, a counter-proposal is sent to the number of desired vehicles. As some of the goods have a low turnover, the automaker offers greater profitability so that it does not remain in the factory yard.

The payment term for vehicles received after delivery of the stork truck is 45 working days. The average interest rate for late payment is around 0.79% per month to 1.89% per month. In imported vehicles there is an increase on the exchange variation.

From the recent discussions, Figure 2 explains the budget pieces designed and simulated in the investigation environment.

The budget for the staff involves 70 people and it is not represented in Figure 2. However, it is worth mentioning that the Personnel Management sector must be responsible for the condensation of this specific budget since it is implicitly in the hand budget direct work (MOD) and in sales and administrative budgets. Here the executives and employees of the commercial and administrative area are distributed.

Assessment of the drafted budget plan

In the evaluation of the outlined budget plan, seven variables were defined to be detected in the simulation process according to Table 2. The **error variable** refers to any failure within the scope of the spreadsheet itself, such as the formulas, the insertion of data as in the context of where the data originate and these are profiled as inaccurate, miscalculation, inaccuracies.

Inconsistent data variable is related to inconsistency, discrepancy and lack of incongruity. The **repeated data** variable, on the other hand, encompasses the meaning of returning to come. These are variables detected in duplicates.

Misinterpreted data variable refers to misunderstanding of meaning, which contrasts with the **dubious data variable**,

whose meaning is understandable, but in different ways. It has different interpretations making it ambiguous.

The variable **unavailable data** implies data not presented, whose capture requires a shorter as well as longer time, forming an amplitude which the longer the longer the explicit delay. This is the definition of the **capture** time variable.

In the course of the 21 months of simulation of the plan, the data collection time prevailed in 61.9% of the months. A variable whose control will depend on the degree of rapport between the departmental units.

With regard to errors, comprising a percentage of 42.9%, it is highly intense in the initial months due to the gradual familiarity of the existing routines, which, at times, the interpretations of low understanding, inconsistencies and unavailability induced errors. So much so that the percentages in the simulation time window were equal to 28.6%.

In the period of the pandemic, according to the content of Table 2, the advent of the health crisis served as promising proof of how robust the budget configuration is. Inconsistent and misinterpreted data were not evident, however, data of a dubious nature, unavailability of data and those that are repeated persisted. Indicating here, a lack of adherence between the organizational segments.

FINAL CONSIDERATIONS

The investigation object of this document questioned how the budgetary logic fits into the business structure of a car dealership?

A priori, it was hypothesized that 3 units constituted the profit center, namely: the commercial sector, the workshop sector and the parts sales sector. The financial accounting information system must play an important part in the context, providing important subsidies to format income-generating activities.

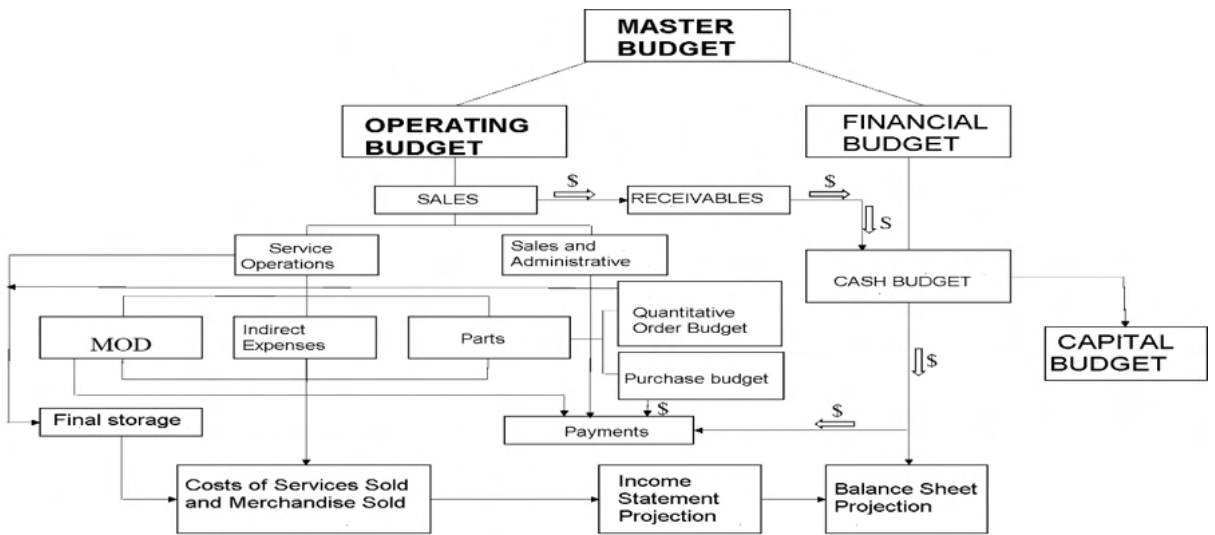


Figure 2 - Budget pieces constituting the drafted budget plan

Source: Field Research

		Implementation and Simulation of the budget design																																						
		2019												2020						2021						2022														
		Course "normal"												Pre Pandemic		Pandemic																								
SETTINGS	MONTHS	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	
	errors		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■			
inconsistent data			■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■			
repeated data			■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■			
data unavailable			■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■			
misinterpreted data		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		
dubious data			■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■	
Time Late of capture		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		■		

Table 2 - Performance variables of the designed budget plan

Source: Field Research

But when it comes to the business model of a dealership that combines the sale of new and used cars, the automaker seems to dominate strategic driving. The utility's budget plan must be an extension of the factory's budget guidelines. Which doesn't work in practice.

Everything indicates a conception of managerial challenges to be outlined by the Concessionaire's own management team. The available literature presents the implementation difficulties and failures in budget management without detailing how to build a budget plan in that business context.

As part of the research landscape staff, he always observed how amateurish the vision of the future was among executives. Everything seemed to make decisions through "sensations" captured on social networks, on the internet, in electronic media and established a certain comfort zone.

When outlining the budget design, it was explained which units would solidify a logic of projection of operational and financial activities. In the course of design and simulation it can be inferred that:

1 – People in the decision line profile a certain aversion to managerial artifacts given the immediacy required by the top management;

2 – The budget plan designed would subsidize the negotiations around the acquisition of new vehicles sent by the automakers, including models of low commercial appeal;

3 – The expenditure structure requires greater attention from the point of view of dissemination among the Concessionaire's teams. Although the profit centers: commercial, workshop and parts catalyze concentration on the part of the top management as they are the drivers of revenue, they give rise to significant expenses. Even labeling them as profit centers is a mistake. For such units are progenitors of the volume of revenue streams;

4 – Despite the efforts of key executives: Commercial Management of New Vehicles; Commercial Management of Used Vehicles and Operational Management of Parts and Services, the budget design requires better integration for the purpose of agglutination and data consensus;

5 – The fear of contradicting the top management is a challenge to be faced by executives. The drafted budget plan allows for a quick synthesis when it is assembled: profit projection, treasury situation, future equity and especially the expenses that cause a reduction in net income. They are determining variables and instant *feedbacks* in the formation of the mental representation of the Presidency and its executives.

6 – Contrary to Silva *et al.* (2016), the conceptual idea of Capital Budget is diffused by managers. As the acquisition of assets in the category of the aforementioned budget modality is usually acquired intuitively, based on conversations from other references, consultations on electronic pages and sparse discussions between peers and the top, the budget instrument is completely discarded. As one of them expresses it:

"[...] here you know very well that we have to be agile. No time to waste on academic frills. The need arose and depending on the approach to the board, immediately a contact of friendships is provided and good is acquired".

Even in the face of testimony whose chance of reaffirming modern team and supplier management practices are minimal or almost nil, the sketched budget design is a pragmatic contribution for the Dealer to react.

7 – Despite the risks of errors and rework, the use of Excel spreadsheets fits properly into the outlined budget configuration.

STUDY LIMITATION

As a researcher who is part of the research

landscape, possibly emotional biases constituted obstacles in capturing the data, no matter how conscious and careful it has been: concern with preserving the company's image, maintaining the integrity of the research subjects approached and safeguarding the ethical commitment not only in the field of Science as in the professional.

Another restriction inherent to this study

is related to the case study itself. Given its peculiarities, it is not possible to extrapolate to a wider range of reality, serving only as a basic reference.

FUTURE STUDIES

It would be interesting to replicate the budget plan conceived in another environment for comparison and robustness purposes.

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