

Business Case Scenario

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Tangible costs:

- (1) Leasing cost per vehicle.
- (2) Cost of maintenance of old buses.

Intangible costs:

- (1) Market share increase in case of new bus.
- (2) Cost of selling old buses.

Tangible benefits:

- (1) Less Breakdowns with new Bus.
- (2) Avoiding failure with new legislation.

Intangible benefits:

- (1) Customer satisfaction.
- (2) Increases in demand.

Risks:

- (1) Can not afford the monthly fees.
- (2) ~~III~~ Total Breakdown with old buses.
- (3)

In my opinion, the company should do the replacement program in phases. First, Buy 2 new buses by leasing. So the company will have 7 buses and 7 coaches. Then, each year the company should sell one old bus and buy new one from the money of selling the old bus and revenue of the year.