



SHELTER AFRIQUE

Solver Helps Shelter Afrique Improve its Annual Planning Processes



SHELTER AFRIQUE
Financing Affordable Housing for Africa

www.shelterafrique.org

Company Profile

Shelter Afrique is the only pan-African finance institution that exclusively supports the development of the housing and real estate sector in Africa. By meeting the needs of the continent's rapidly growing urban population, Shelter Afrique's work has a direct and positive impact on the lives of many.

A partnership of 44 African Governments, the African Development Bank and the Africa Reinsurance Company, Shelter Afrique builds strategic partnerships and offers a host of products and related services to support the efficient delivery of affordable housing and commercial real estate. These include project finance, institutional lending, equity investments & joint ventures, trade finance, and social housing, also offering practical advice and technical assistance to a wide range of industry stakeholders.

Industry

Development Banking

Country

Kenya

ERP System

Oracle

Implementation Partner

Dynaworx

Solver Helps Shelter Afrique Improve its Annual Planning Processes.

With 1 legal entity, five currencies, operations in 44 countries and a growing business, Shelter Afrique faced a particularly challenging task in performing its annual planning cycle. With a hard-close implementation deadline in time for its annual budgeting Board meeting, the team leveraged Solver's Planning and Data Warehouse solutions to deliver a high quality, reliable annual performance plan. Additionally, complying with the constantly changing International Financial Reporting Standards (IFRS) required Shelter Afrique to have a robust yet flexible system to meet their accounting requirements given the growing loan book and complexity of their operations.

With the budgeting cycle slowly approaching, the Shelter Afrique finance team in conjunction with the Dynaworx implementation team developed a functional specification for implementation of the budgeting aspect. Progress was slow due to the complexities of the requirements, internet connection challenges and the occasional misunderstanding between the finance and development teams. Once data was imported from the Oracle ERP system and in the interest of time a strategic decision was made to allocate resources 100% to the project to ensure a better understanding and achieve the deadlines. The teams had to travel frequently between South Africa and Kenya to ensure that the objectives were all met. All the objectives were met by September 2019 and the budget was done in a record one week from the previous 3 month's cycle.

Challenges

Shelter Afrique had several planning challenges. Consolidating many excel sheets manually was time consuming and error prone. Data was not centralized and there was also the risk of losing business critical data. Constant reconciling of different excel sheets was very challenging and time consuming. There were various formats with different budget versions that didn't translate accurately.

Changes made on spreadsheets did not always find their way to the finance team. This caused a level of mistrust with the finance department which in turn undermined the role that they were playing in monitoring and reporting on performances throughout the year. "When there is little trust in the annual planning process you need to be able to demonstrate that the numbers are accurate and verifiable."

Result

With Solver's reporting, planning and data warehouse tools Shelter Afrique was able to achieve a reliable and trusted plan that had the support of the business and the flexibility to cater for various scenarios with the most up to date information," says Hilary Kilonzo, Manager of Finance at Shelter Afrique.

With the decentralization of the budgeting process to concerned staff who fill out the input sheet, improved turnaround time and 100% accuracy of data was achieved.

Specific data such as opening balances from Oracle ERP and other data sources were loaded into the data warehouse. Reporting and budgeting spreadsheets with the necessary

control totals were developed using the Solver Reporting tool.

These were tested and proven to be correctly processing the data. This ensured a very accurate budget process too.

Due to the complexity of calculations and thin initial functional specification, this development process was critical. The implementation team sat with Shelter Afrique Finance staff to rapidly develop the solution. Within a five-week period, the entire solution had been developed and implemented.

Shelter Afrique is now able to process budget estimates within 5 days per annum as opposed to 3 months per annum.

The Solver planning module enabled Shelter Afrique to have control over the budget process. Prior to the implementation, budgets could be opened and closed and copied from one version to the next. With the solution, Shelter Afrique was able to control the process and enforce deadlines. Actual data and existing budgets were loaded for each company in local currency at line item detail level to ensure full visibility of costs. This transparency immensely improved the level of trust in the process within the organization.

Input variables were created in the data warehouse where the company was able to change interest rate movements, renewal and churn assumptions to name a few. This provided an accurate revenue number that was reliable. Exchange rates were loaded and were flexed as required to assess different scenarios. With the reporting solution, Shelter Afrique was then able to quickly assess performance against budget and forecast for the company, business unit and cost centers in local currency and reporting currency.

The client and implementation team working closely together, enabled Shelter Afrique to implement the Solver solution in parallel with its annual planning cycle. Both processes took around 8 weeks with 4 weeks of overlap. The implementation and output deadlines were both met with no material changes to the budget as a result of a flexible, comprehensive, accurate and controlled budget process. Shelter Afrique believes Solver reporting, planning and the data warehouse will have a part in long-term sustainable savings in accounting and audit time and are already planning future phase developments.

Unique Successes

- Budget process completed in 4 weeks across all countries and business units instead of 3 months;
- Allocation of various currencies and flexing
- Improved control over the budget templates and versions
- Improved transparency and trust in the budget process
- Short user buy-in and take-up rate due to excel base look and feel
- Shelter Afrique can now with a click button produce summarized and detailed financial statements comparing actual to budget at any given time. The need for manual intervention is no longer required. Which is important for a financial institution like Shelter Afrique to make timeous and accurate decisions.

Resources

[Solver Reporting and Analysis – User Overview of Software](#)

[Solver Reporting and Analysis – Power User Demonstration](#)

[Solver Planning – Budget Administrator Overview of Software](#)

[Solver Planning – Budget and Forecast Input and Adjustments](#)